

Michigan Industry Cluster Approach



WORKFORCE DEVELOPMENT

An industry cluster is a geographic concentration of related employers, industry suppliers and support institutions in a product or service field. Michigan's Industry Cluster Approach (MICA) creates a framework in which many employers within a single industry jointly engage with the workforce system to identify their talent demand and challenges. In this approach, talent issues may be handled more efficiently through multi-company, industry-focused employment and training programs. The Department of Labor and Economic Opportunity-Workforce Development (LEO-WD) focuses on key industry clusters: Agriculture, Construction, Energy, Healthcare, Hospitality, Information Technology and Media, Manufacturing and Mobility.

What are MICA's primary areas of focus?

In addition to recruitment, placement, training and retention activities and services, activities of MICA include:

- Identification of occupational demand and vacancies.
- Assessment of underlying recruitment and training issues related to broader skills mismatches and gaps.
- Determination of hiring projections and training needs of employers.
- Re-design of educational programs to directly respond to the industry-identified demand and curriculum to address occupational skill requirements.
- Locating or developing curriculum when relevant training programs are not available.
- Identification of emerging occupations and technology and accompanying skill needs.
- Industry and career promotion activities directed to K-12 and higher education, providing teachers, career counselors, parents and students information and incentive to pursue a career in the industry cluster.

What are the benefits of the Industry Cluster Approach?

This unique approach offers many benefits to workers, employers, industries and Michigan's economy:

- Training funds are effectively targeted toward in-demand occupations within a local region.
- Job candidates trained to the employer's specifications lead to reduced turnover.
- Career ladders are built to upskill entry-level workers.
- Reduced training costs are realized by using economies of scale when multiple employers partner.
- By meeting employer's needs, improved outcomes for federal training resources are achieved.
- Industry-recognized training credentials are developed.
- Education providers develop or re-design curricula for new college, high school and/or technical programs in response to industry's needs.

How is this effort funded?

The MWAs, business associations and non-profits can use competitive grants procured by LEO-WD or the local MWA, as well as leverage existing federal workforce programs and relationships with community- and faith-based organizations to support the activities of an industry cluster and encourage long-term sustainability of the program across the state.

How do Industry Clusters work?

At the state level, MICA provides a broad framework which guides LEO-WD's sector strategies, policy and resource investments. Regionally, partners including, but not limited to, Michigan Works! Agencies (MWAs), business associations and non-profits convene employers along with education providers, economic development organizations and other groups associated with workforce development to solve talent challenges. Local clusters, formed based on local needs, are led by industry.

The hub of the cluster is a service provider which researches information about jobs in demand, skill gaps, training needs, jobseeker screening factors and other related issues – and then rallies employers to collaborate and develop industry solutions.

Is more information available?

More information about MICA can be found at Michigan.gov/Workforce.

You may also contact your local MWA regarding local and regional activities.

To find a local MWA office, visit the Michigan Works! website at MichiganWorks.org, or call toll-free 800-285-9675.

Department of Labor and Economic Opportunity-Workforce Development

201 North Washington Square, Lansing, MI 48913

Phone: 517-335-5858 | Fax: 517-241-9810 | Website: Michigan.gov/Workforce