We need employers to be true partners in the public systems that build talent

The problem

Employer input does not reliably change what public education, training, and workforce systems teach and fund

Across the United States, public investment in education and workforce development has a straightforward goal: people who complete programs should reach good jobs, and employers should be able to hire the talent they need. Neither is happening at scale, and AI is changing the skills jobs require faster than program approvals and in-demand occupation lists built from labor market data can follow.

Employers are the missing link. They know which jobs are opening, which skills those jobs require, which credentials matter in hiring, and what real on-the-job learning looks like. Public systems across the country do ask employers for input, through tens of thousands of advisory committees, surveys, and sign-off requests every year. But what employers share in thousands of separate settings rarely comes together into one picture of what a sector needs.

The vision

An industry-led talent system makes employers, organized by sector, true partners to the state

An industry-led talent system addresses this by changing how employers and public systems work together. Instead of gathering employer input one program and one institution at a time, a state partners with representative groups of employers organized by sector, giving them a real role in recommending the strategies, investments, and pathways that help people reach good jobs. Getting there takes two moves.

Move 01

Build the capacity of employer-led organizations to speak with one voice

In each priority sector, a statewide, employer-led sector intermediary – an industry association, employer coalition, or chamber – is recognized and funded as core workforce infrastructure, with four roles:

01 **Demand picture.** Publish a shared picture of the occupations the sector is hiring for, the skills and credentials that matter in hiring, and how many people it expects to hire.

02 **Strategies.** Define the sector's biggest workforce problems and propose solutions to the state and the institutions that can act on them.

03 **Mobilization.** Support the sector's employers to hire from aligned programs, train people on the job, provide work-based learning, and co-invest alongside public dollars.

04 **Navigation.** Serve as the sector's front door into the public system and connect employers to the right entry points.

Move 02

Adapt public systems to listen to that voice and act on it

A sector's voice matters only if the state is set up to act on it. Four changes to a state's education, training, and workforce systems make that possible. Together they are the public side of the partnership:

01 **Recognize and fund** employer-led intermediaries in priority sectors, giving them a formal role and treating them as core workforce infrastructure.

02 **Create a formal, coordinated channel** through which each sector brings its priorities to the state.

03 **Fund the strategies the sector identifies,** and align program approval, funding, and grantmaking with its demand picture of the jobs, skills, and credentials employers are hiring for.

04 **Report the hiring and wage outcomes of every program,** so learners and workers can make informed decisions about where to enroll and programs have a real reason to work with employers in meaningful ways.

Where states are today

Some states have built pieces of an industry-led talent system

In Ohio, a manufacturers' association built a shared competency model with its members, and the state adopted it. Washington funded ten sector leaders through a formal selection process and wrote the role into statute. In Indiana, philanthropy is funding one Industry Talent Association per industry, each selected by its employers. Other states across the country can learn from these efforts as they build industry-led talent systems.

What sets this apart

Three ways this vision differs from other efforts to strengthen employer engagement

01

Statewide recognition

Most employer-led efforts today connect to public systems one institution at a time. This work calls for statewide, employer-led intermediaries in priority sectors, formally recognized by the state as their industries' representatives and funded as core workforce infrastructure. Regional sector partnerships and employer collaboratives are essential to this work and should continue to be strengthened. Statewide intermediaries should work through them and give regional coalitions a channel to the state agencies that set policy and make investments.

02

Employer-defined demand

Today each institution and agency gathers its own employer input – a college advisory committee, a workforce board – and acts on it independently. In an industry-led system the order is reversed. Employers, organized by sector regionally or statewide, define the jobs, skills, and credentials they need and share that picture across K-12 career programs, colleges, apprenticeship programs, and workforce agencies, and public systems build backwards from it. Regions and institutions can adapt those priorities to local conditions, so programs across the state teach to current employer demand and learners build skills that employers throughout the sector recognize.

03

Public system responsiveness

Investing in employer-led efforts changes little if the state's own systems keep working as they do today. That investment pays off only when public systems have defined how they will receive and act on each sector's picture of demand, skills, and priorities. Recognizing intermediaries, creating a channel for their priorities, funding their strategies, and reporting program outcomes are the public side of the partnership.

Learn more

A roadmap for states, and tools for the people who will build industry-led talent systems

The Industry-Led Talent Initiative is a group of fourteen workforce leaders from sector intermediaries, employer coalitions, state systems, policy organizations, philanthropy, and research, who met monthly across the first half of 2026. The initiative aims to elevate the conversation about employer leadership in the public education, training, and workforce systems that prepare people for careers, to inform the agendas of state leaders and funders, and to open conversations with states that want to build on these ideas.

The initiative's website, **industryledtalent.org**, lays out the problem and the vision in full, then a roadmap for how a state gets there, including where a state can start. It also offers tools for the people who will do the work: case studies of employer leadership in action, the four policy recommendations in detail, a system navigator, a sample sector demand picture, and guides to selecting and funding sector intermediaries.

Explore industryledtalent.org