Key TPM Terms and Definitions

To distinguish TPM® from previous workforce efforts that have not resulted in the intended outcome of connecting learners with promising career pathways, the Chamber Foundation team has developed language to reorient its partners to a workforce system that is both employer led and demand driven.

Some terms are new; others are commonplace, but with little consensus on how they are used in a workforce development context. To eliminate potential misinterpretation, this glossary contains definitions of even the most basic terms. These terms and definitions appear throughout the curriculum as part of the introductions to the respective strategies in which they are first used.

Applicant Tracking System
A software application that manages employee recruitment data, including job postings, applicant tracking, screening and scoring, interview management, and hiring.

Backfilling
To fill a position or job that has recently or will become open due to an existing worker having changed roles in the company/industry or advanced in their career.

Back Mapping
A TPM process that helps employer collaboratives identify the major sources of qualified talent on which employers currently rely.

Baseline Cost
The total cost incurred by employers measured in dollars relative to their starting position prior to undergoing the TPM process. An example of a baseline cost is the cost of a hire prior to engaging in a talent supply chain solution.

Benefits Achieved
The value derived by employers over and above the cost of implementing a solution, which can be measured, for example, in dollars, such as reduced cost in filling a position, or in time, such as a shorter onboarding process.

Bottom-Line Measure
The talent-related performance measures that have the most direct and highest impact on the overall profitability and performance of the business.

Business Function
The type of business or economic activity that is critical in making products or providing services at one or more establishments (see Establishment definition). It may or may not be defined as a primary activity for purposes of North American Industry Classification System (NAICS) coding of business establishments, and it may be carried out by one or more occupations. Examples include logistics planning, warehousing, machining, engineering, and nursing.

Capture Rate
The percentage of talent coming from the internal and external talent pipeline (identified providers) that is hired, and/or upskilled, and retained by employers from the employer collaborative or employers within the same industry or geographic area over a designated time period.

Competency

What someone should know or be able to do in a particular job as demonstrated through tasks performed; tools and technologies used; and knowledge, skills, and abilities applied. In Strategy 5, we discuss learning outcomes, which are like competencies but are more commonly associated with curricula used in education and training programs.

Competency Mapping

A process used to determine which learning outcomes relate to which competency hiring requirements, and which ones will be addressed by employers and/or one or more providers.

Continuous Improvement

A structured method to improve a process over time. Continuous improvement processes in the business world include Lean Six Sigma and the five-step DMAIC (define, measure, analyze, improve, and control) process, which is used to optimize performance and eliminate waste.

Continuous Improvement Team

A team established by the employer collaborative or an individual employer to carry out an improvement project and report results for a specific period of time based on the agreed scope and goals.

Cost of Engaging in a Collaborative

The total cost in terms of time spent and resources committed when working as a member of an employer collaborative. This calculation is useful to compare total cost versus total benefit to calculate an employer ROI.

Credentials

Documents attesting to qualifications and the attainment of competencies, usually in the form of education degrees and certificates, industry and professional certifications, badges, and licenses.

Critical Job

A job that has been selected by the employer or employer collaborative to focus its attention on, whether an entry-level job or an advanced job for internal talent sourcing.

Competency Mapping

A process used to determine which learning outcomes relate to which competency hiring requirements, and which providers are responsible for them.

Curriculum Mapping

A process used to provide detailed information about how a learning outcome and/or competency ought to be delivered and assessed and could include examples of it done well.

Demand Driven

A focus on skilled jobs that are in demand, based on labor market information.

Demand Planning

The process of developing annual or short-term projections of job openings based on a set of assumptions and a time period chosen by an employer collaborative.

DMAIC

A widely accepted data-driven continuous improvement process that includes five major steps: (1) define, (2) measure, (3) analyze, (4) improve, and (5) control.

Employability Skills
Essential workplace skills needed to be successful in any job, including what are commonly referred
to as "soft skills," such as problem solving, critical thinking, communication, and teamwork.

Employer Collaborative
A partnership organized by employers, for employers, to collectively address their shared workforce needs. The collaborative is bolstered by management support provided through a new or existing employer-led organization of the collaborative members' choice. Employer collaboratives are different from most public-private partnerships in that they are organized and managed to maximize responsiveness to employers as end-customers and to deliver an employer return on investment.

Employer Return on Investment
A measure that calculates the returns that employers receive from investments, usually expressed as a ratio of total dollar benefits compared with total dollar costs.

End-Customers
Employers that are developing and implementing a talent supply chain to address a workforce need that results in a measurable return on investment.

Establishment
A single physical location (e.g., plant, office) of a company that may have multiple locations or facilities. Establishments carry out business or economic activities as typically defined under NAICS. More detailed examples of business or economic activities include industrial machinery manufacturing, computer systems design and related services, and specialty surgery and primary care.

Feeder Job
A job—usually entry level—that is being sourced internally to fill an opening for a critical job.

Feeder Schools
Education or training providers that are known to transition individuals receiving education or services to another provider before reaching employers. For example, in TPM, Tier 2 providers transition learners to Tier 1 providers.

Full Productivity
The point at which an individual has reached expected levels of productivity in a destination job. In TPM, time to full productivity can be tracked as a performance measure to ensure individuals are managing transitions and being effectively onboarded into employment with minimal time lost.

Hiring Requirements
The competencies, credentials, work experience, and other characteristics (e.g., ability to pass a drug test) used for making hiring decisions for one or more jobs related to a business function. Hiring requirements can be preferred or required.

Host Organization
The organization that houses and provides the staff and management support for one or more employer collaboratives. Host organizations are different from traditional intermediaries in that they are business member organizations (e.g., chambers of commerce, industry sector-based associations) or economic development organizations dedicated to business growth and competitiveness and are chosen or affirmed by the employer members to manage and staff employer collaboratives.

Human Resource Information System
An information technology system that captures all aspects of human resources data in a centralized place and supports employee recruitment, hiring, performance, and benefits management.

Incentives
Financial and nonfinancial rewards to recognize results and to support continuous improvement. Financial incentives include anything that has a monetary value, including equipment donations, work-based learning opportunities, and access to staff. Nonfinancial incentives include designations such as preferred provider status that can be marketed by a program or institution for recruitment purposes.

Industry
The type of primary business or economic activity carried out in a business establishment as typically defined under NAICS. Examples of major industry categories include manufacturing, healthcare, and information technology.

Job-to-Job Flow
The transition from one job to another, whether intentional or not, that results in retraining for a new role or career advancement. These flows can be as simple as one job to another or can have multiple transitions as a worker is retrained or advanced throughout their career.

Knowledge
What a person should understand in terms of facts, theories, principles, concepts, and procedures related to general or specific domains, including disciplines and professions.

Labor Market Information
Quantitative or qualitative data related to employment and workforce trends in national, state, regional, and local labor markets.

Leading and Lagging Measures
Leading measures are short-term, intermediate measures (e.g., credential attained) that address actions that are major determinants and predictors of longer-term, bottom-line measures (e.g., reduced onboarding and training costs), otherwise known as lagging measures.

Leakage Rate
The percentage of talent coming from the internal and external talent pipeline (identified providers) that is not hired or is hired but not retained by employers from the employer collaborative or employers within the same industry or geographic area over a designated time period.

Lean Six Sigma
An improvement methodology used to identify and eliminate waste and optimize performance.

Learners
Those individuals—both students and workers—who receive education and training services, as well as wrap-around support services. Learners are also inclusive of opportunity populations, who traditionally have been underrepresented in the workforce, meaning they do not reflect the working-age population in their communities.

Learning Outcomes
Measurable and observable statements about what a person knows and is able to do that are tied to a curriculum. In TPM, these learning outcomes are aligned to the competency hiring requirements an employer includes in a job description.

Occupation
The type of job or job family that is typically used to classify workers into occupational categories based on the Standard Occupational Classification system (commonly referred to as SOC code) or another classification system. Employers use a variety of job titles that can be crosswalked to one or more occupations. Examples include registered nurse, machinist, and engineer.

Opportunity Populations
People in America who have had limited access to educational and professional opportunities and who face barriers to employment and career advancement. These include racial and ethnic groups who experience discrimination, low-income populations, and other populations such as 16- to 24-year-old youth who are out of school or out of work; members of immigrant or refugee populations; individuals impacted by the criminal justice system; people with disabilities; people who have limited English proficiency and people who are (or who have been) homeless. These populations have traditionally been underrepresented in the workforce, meaning they do not reflect the working-age population in their communities.

Performance Measures
Quantitative indicators of outcomes that are expressed in terms of rates, ratios, or percentages addressing one or more critical variables, all of which contribute to improved business performance and competitiveness:

- **Quality**, in the context of TPM, refers to whether individuals have the right mix of competencies to successfully perform work for critical business functions and jobs.

- **Time** addresses maximizing efficiency in value-adding activities, reducing time spent in non-value-adding activities (e.g., irrelevant training), and minimizing the wait time between activities or services (e.g., employee training).

- **Cost** refers to the balancing of dollars spent in producing quality outcomes, including the reduction of opportunity costs (e.g., reducing foregone earnings).

Performance Scorecard
A visualization tool used to communicate the major performance indicators that have been prioritized to tell employers and their stakeholders how effective partnerships have been in managing key transition points and achieving intended outcomes.

Preferred Providers
Providers of talent sourcing and development services—including education and training providers and staffing organizations—that are recognized by an employer collaborative based on their ability to meet employer requirements, such as ability and proven track record for supplying qualified talent for jobs.

Primary Labor Market Information
Labor market information provided directly by employers and other participants in labor markets (e.g., workers). TPM uses primary labor market information from employers in a collaborative regarding their level of workforce demand.

Process Risk Assessment and Management
The identification, assessment, and management of risks in a process that must be addressed to achieve performance goals.

Projections
In the context of TPM, projections are quantitative estimates of future employment by industry and occupation. Projections can be short or long term, which are defined differently depending on the originating source making the projections.

Provider
The role education, training, and service partners play in providing services designed to deliver talent for employer end-customers in a talent supply chain.

Provider Roles
The types of services provided by talent providers within the employer collaborative value stream, from career awareness and exploration to employee upskilling, advancement, and retention. Providers can play one or more roles in one or more tiers, although most play a predominate role in a single tier. For example, a Tier 1 provider that is a staffing agency can provide pre-employment training and onboarding services while also offering a small career preparation program for youth (see Provider Tiers definition).

Provider Tiers
The position of providers within talent pipelines in relationship to the employer end-customer. Tier 1 providers (e.g., colleges, staffing agencies, other employers) deliver talent directly to employers, and Tier 2 providers (e.g., high schools) deliver talent to Tier 1, whereas Tier 3 providers (e.g., middle schools) deliver talent to Tier 2. Tiers are relevant only for external talent pipelines.

Real-Time Labor Market Information
Aggregated job openings and skills data generated by using web technologies to capture and analyze job postings from job boards and websites. Real-time LMI also includes supply-side analysis using resumes and job board worker profiles.

Resiliency Planning
The process of identifying potential disruptions to talent pipelines and developing plans for how to respond.

Root Cause
Those conditions or factors that directly cause a performance problem.

Root Cause Analysis
A process to identify factors that directly cause a performance problem and can be addressed in a continuous improvement process.

Secondary Labor Market Information
Information and analysis about the level of workforce demand by industry generated through reviewing labor market information reports (e.g., state occupational projections) or through aggregating job posting data (e.g., real-time labor market information).

Shared Pain Point
A common area of need across employers that have come together to form an employer collaborative. Shared pain points should provide the starting point for defining the focus of an employer collaborative.

Shared Value
The value that is created for employers, education and training providers, and the learners they serve—as well as society in general—when employers play an expanded leadership role as end-customers of talent supply chains.

Skills
Capabilities to apply knowledge and perform work tasks.

State Occupational Projections
State government projections of short-term (e.g., two-year) and long-term (e.g., 10-year) job openings resulting from new jobs and replacement of existing jobs. State occupational projections are based on government-defined occupational classifications and are produced at the state and sub-state levels.

Supply-Demand Analysis
A TPM process that helps employer collaboratives compare their projected demand for critical jobs within defined time periods (Strategy 2) to the relative number of recent hires, completers, and enrollees, as well as the enrollment capacity of current and potential providers.

Survey
Employer collaboratives conduct different types of surveys including the following:

> **The Needs Assessment Survey** addresses employer projections of job openings through demand planning (as presented in Strategy 2) and competency, credential, and other hiring requirements (Strategy 3).

> **The Back Mapping Survey** identifies the sources of talent for critical occupations, including the education and training providers and prior employers associated with a business' current employees. This process supplies the basis for linkages with other data to engage in talent flow analysis, which examines the capacity of providers to supply needed talent (Strategy 4). For example, this survey might show that a company's welders consistently come from a particular community college program, or that most of its recent engineering hires graduated from a university in a neighboring state.

Talent
Individuals who have the skills and credentials that drive competitive advantage within a company and industry.

Talent Flow Analysis
A TPM process that helps employer collaboratives work with government agencies and providers to analyze how effectively they are sourcing talent from feeder jobs (i.e., job-to-job flow analysis) and/or current providers (i.e., those providers identified through back mapping) and potential providers.

Talent Inflows
The number and characteristics of people hired by an employer, an employer collaborative, employers within the same industry or industry sector of the collaborative, or employers within the major geographic area defined by the employer collaborative for recruiting talent.

Talent Outflows
The number and characteristics of people previously hired but no longer working for an employer, an employer collaborative, employers within the same industry or industry sector of the collaborative, or employers within the major geographic area defined by the employer collaborative for recruiting talent.

Talent Pipeline Management (TPM)
An end-to-end talent management approach that is implemented by employers to source and develop talent for jobs critical to their competitiveness and growth.

Talent Pool Analysis
A TPM process that helps employer collaboratives work with government agencies and other data providers to analyze the size and characteristics (e.g., demographics) of both their current workforce and learner populations served by their current providers, compared to the size and characteristics of the working-age population within a geographic area.

Talent Supply Analysis
Made up of four TPM processes that build on one another (back mapping, talent flow analysis, supply-demand analysis, and talent pool analysis), talent supply analysis evaluates the capacity for an employer collaborative's existing and potential provider network to supply the talent employers need in the context of the overall talent pool.

Talent Supply Chain
An end-to-end talent management process made up of employers as end-customers and education and workforce partners as providers, with each playing key roles in adding value to the development of talent. Talent supply chains can be developed by individual employers or by multiple employers acting together as employer collaboratives.

Tools and Technologies
Essential technologies used to perform work tasks and skills, including software and equipment.

Transition Measures
The key performance measures at each point of transition. A transition measure is a type of leading measure.

Transition Point
The moment when an individual moves from one program or service to the next, which can occur within or between providers. For example, in TPM, transition points occur when someone moves from a Tier 2 provider, such as a feeder high school, to a Tier 1 provider, such as a university.

Upskilling
Adding to the skills of current employees of collaborative members to prepare them for success in:

- **New, Emerging, and Changing Job Roles** due to changing technologies and changes in how work is organized and carried out within companies and across their industries. This may involve the retraining of workers who must transition to new jobs because their current jobs are transforming.

- **Career Pathways** providing career advancement opportunities within and outside their companies.

Value Proposition
The unique value and benefits achieved for key stakeholders based on following the TPM process.

Value Stream
The process that a product or service goes through from beginning to end, with each step adding incremental value until the product reaches the end-customer.

Value Stream Map
A visual tool used to show, in sequence, the major activities and roles that make up a value stream.

Work Tasks

Work performed in carrying out job roles, functions, and responsibilities.

Working-Age Population

The number and characteristics of people ages 18 to 64 who are residing in the chosen geographic area in the most recent time period where data are available.