
Workforce Investment Act Reauthorization Proposed Recommendations

**National Workforce
Association**

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Streamlined decision making – the importance of the local Workforce Investment System

Background

For over 30 years, workforce development programs in the United States have steadily evolved and devolved with increasing responsibility directed to local governments and local workforce investment boards. This decentralization has led to improved local program designs that are responsive to the demands of local labor markets and that effectively meet the needs of both employers and job-seekers.

Local Solutions for Local Economies

The Workforce Investment Act (WIA) built on the successes of earlier legislation by reinforcing and encouraging locally driven strategic planning to solve local labor market problems. NWA's local workforce professionals recognize that the current system requires adjustments to respond to the workforce challenges spurred by both rising unemployment and the increasingly competitive global economy. NWA believes the local workforce delivery system should remain the primary mechanism for delivering services to jobseekers and businesses in need of skilled workers.

Business Driven System

The Workforce Investment Act also preserved the role of business leadership for local workforce boards. Local elected officials and the local workforce boards, working with the business community, service providers and community-based organization leaders shape the vision and customize the system to better respond to specific local labor market needs. Business leadership was also extended to state boards to achieve more responsiveness and greater accountability on the demand side of the labor market and has achieved a more effective collaboration and partnership-building between the state and local levels. We support strong business leadership in WIA reauthorization with enhanced participation of labor representatives to respond to the workforce needs in local and regional economies.

Nationwide Network

WIA also called for bold systems changes and innovations in service delivery. A nationwide network of One-Stop Career Centers emerged, integrating the services of multiple partners and funding streams, improves access and efficiency for both job seekers and employers. One-Stop Career Centers are high quality, accessible service environments offering information, guidance and resources for a spectrum of job seekers including dislocated workers, low wage and disadvantaged workers as well as employed workers seeking to upgrade their employment situation and must be important part of any future workforce system.

Preserving Our Economic Future

The development of regional economies is important to our overall competitiveness in a global economy. We support requiring state held funds to provide incentives for and assist in the creation of regional strategies and the convening of key stakeholders

(including workforce development, economic development, secondary, postsecondary, and adult education) to develop initiatives that are geared toward the building of regional economies, so long as such regional planning be conducted only with the consent of local boards and local elected officials. Local boards (or some combination of local boards) should perform the convening functions involved in such regional planning efforts.

THE ROLE OF THE LOCAL WORKFORCE SYSTEM IN INNOVATIVE WORKFORCE STRATEGY DEVELOPMENT

For almost 60 years, the publicly funded workforce system has evolved to meet the changing needs of America's labor markets. From MDTA to CETA to JTPA to WIA, publicly funded workforce organizations have demonstrated their capacity as the appropriate "vehicles" to deliver services most efficiently at the local level. Our government has already invested billions in establishing an infrastructure which is the basis of our local service delivery efforts. It is now time to re-tool and build a stronger and more robust system if we are to remain relevant and competitive in the future.

The demands of employers and job seekers are continuously growing and changing in the "knowledge economy," subsequently, the role of the workforce system continues to change. To keep up with the increasing pace and needs of the business community and the general economy, the workforce system serves as the focal point of community efforts to *coordinate* and *align* multiple workforce efforts to maximize labor market efficiencies.

The workforce system has evolved into a venue that proactively connects, catalyzes, convenes, and aligns the efforts of educational institutions, economic development agencies, businesses and training providers to ensure that a region's employment needs are met on a timely basis. The publicly funded workforce system serves as:

Connectors: The workforce system serves to connect disparate aspects of education, training and the labor force in an effort to continuously promote development and work opportunities in the communities. They link available resources within regions and effectively funnel them to diverse entities to make things happen.

Catalysts: The workforce system forms strong alliances to address present needs, and to proactively and strategically plan for projected needs of the business community and job seekers.

Conveners: The workforce system brings to bear the influence of the private sector to forge together the necessary players and resources and ensure that local labor market interventions are productive and collaborative in nature.

The essence of the new 21st Century workforce development system requires that certain principles be implemented or enhanced. The principles have been identified as follows:

Stronger partnerships with Federal, State and Local authorities are necessary to increase collaboration and to more effectively ascertain the needs of a community; hence, facilitating the development and implementation of effective needs analysis methodologies of local and regional labor markets.

Continuous ***strategic planning*** to expand services as needed and reach broader groups of people; this would facilitate the return of many unemployed individuals back into the

labor market, while the system would employ methods to increase job retention and earnings.

Engage the *business community* and other key stakeholders; extensive and continuous research into labor market conditions would take place to accurately gauge economic growth and assist in the development of the regions' existing industry.

Evolution into a more *versatile system* that will be flexible enough to identify and implement new training programs, with strengthened local control to allocate resources as deemed necessary according to the changing needs of regional communities.

With proper enhancement, the workforce system, already in place, is the ideal vehicles to continue delivering services to Americans. The daunting nature of economic and workforce challenges requires a renewed national commitment and new national priorities. Bold new thinking and drastic shifts in current policy will be necessary to realize the vision of a 21st Century workforce development system.

A MARKET DRIVEN SYSTEM – KEY PROGRAM ELEMENTS AND DESIGN

In order to meet the quantitative, qualitative and economic alignment workforce challenges of the twenty-first century global knowledge and innovation economy, local workforce systems must be given *maximum flexibility to meet the workforce needs of their communities*. This includes the design and delivery of local/regional workforce development programs and services. Local workforce systems should represent the nexus between education, economic and community development. These local systems must also have the ability to determine the mix and scope of a variety of strategic initiatives, programs and services that best serves the workforce needs of business and the talent force of their communities. As a result, local workforce systems should include the following elements:

- **Strategic Initiatives:** Local boards must play an important coordinating role for strategic initiatives, convening regional stakeholders for development of regional workforce and economic development strategies; and in the brokering of resources and services, especially training to meet the skill needs of jobseekers and employers in their regions. A key component of this approach is local boards' leadership in building a culture of collaboration and partnership among the major stakeholders in their communities to develop strategic alliances, attract resources, and convene key leaders to address critical workforce development issues.
- **One-Stop Network:** Programs and services for regional workforce systems should be delivered through local or regional networks of one-stop centers. These one-stop centers should offer integrated, universal services from the variety of state and local workforce development programs and organizations. New workforce legislation should provide financial incentives to states that integrate programs and maximize funding to local workforce systems. Adequate funding should be provided to support the local one-stop network technology and infrastructure. System reporting should also include the expanded services to individuals and businesses that are provided through the one-stop network.
- **Training Programs:** Training programs are an essential element of the workforce development system. The purpose of training programs should be to develop the talent of workers to meet the needs of the local economy for today and tomorrow. Training programs should meet the needs of entire spectrum of the workforce. This includes: 1) entrant workers, those young people transitioning from the educational system into the workforce; 2) transitional workers, those individuals transitioning in and out of the workforce at any given time; and 3) incumbent workers, those individuals currently employed. Programs for entrant workers help them to transition into the world of work and provide them with the necessary skill sets for current and future jobs. Transitional workers will need to upgrade their skills with additional education or training to meet the needs of economic growth sectors. Incumbent workers will need targeted training and professional development programs to keep their skills aligned with new technologies and business processes. Leveraging of resources for training should be an important part of this approach and incentives and rewards should be provided for state and

local workforce investment systems that are successful in the leveraging of additional resources, beyond those provided through the WIA system, for training and other WIA services.

- **Programs for Targeted Populations:** Workforce development and training programs for targeted populations established by the federal or state government should be integrated into the local workforce development system. The local workforce system should coordinate these programs to align them to the needs of local businesses and eliminate duplication of services.
- **Sector-Based Initiatives:** The needs of businesses and the local economy should drive the program and service mix for local workforce systems. A primary goal of the system should be to produce the necessary workforce to meet projected skill shortages in critical growth sectors of the economy.

A HIGHLY ACCOUNTABLE LOCAL WORKFORCE INVESTMENT SYSTEM

NWA supports efforts to simplify performance standards under WIA, and develop cross-program performance measures that will help to build a comprehensive, outcome-oriented workforce investment system with maximum flexibility for local areas and regions. It is critical that performance metrics and success measure accurately reflects the accomplishments of the workforce system.

NWA supports the approach previously taken by the Senate in its WIA reauthorization bills, which included streamlined performance measures, but retained skills attainment and customer satisfaction as measures for the Adult and Dislocated Worker programs, and did not include the efficiency measure. We also strongly support the requirement in the previous Senate reauthorization bills that would require states and localities to use a regression model approach in determining performance.

Finally, we encourage the inclusion of stronger language pertaining to the negotiation between states and local areas on the establishment of local performance standards, to ensure that this is truly a negotiation process in which local conditions are fully taken into account.