Workforce Development is the Last Mile of Job Creation

Presented by Ron Painter, CEO
National Association of Workforce Boards
About NAWB

• NAWB is the national advocate for Workforce Development Boards and American Job Centers
• Represents 550 Workforce Development Boards (WDBs) and their 12,000+ business members

NAWB’s mission is to support its members through a comprehensive program of:

• advocacy,
• training and technical assistance,
• communication, and
• the promotion of strategic partnerships for the advancement of our nation’s workforce.
NAWB at Work

Advocacy

• NAWB urges policymakers to make decisions that support millions of Americans who rely on our training to find work
• NAWB advocates for economic job development funding to go to local workforce boards, rather than state governments

Best Practices

• Continued dialogue between WDBs about what works

• AWAKE: A new partnership between NAWB and JFF
  • to organize and report on collective activities of national network of workforce orgs
  • Better understand the efforts, inputs and impact of workforce boards and American Job Centers
WHY WIOA
A Long Federal History

- Land Grant Act of 1862
- Smith-Hughes Act of 1917
- New Deal Legislation of the 1930s
- GI Bill of Rights 1944
- Higher Education Act (Pell) 1965
- The Comprehensive Employment & Training Act of 1973
- Job Training Partnership Act of 1982
- Workforce Investment Act of 1998
- Workforce Innovation & Opportunity Act (July 2014)
Isn’t There a Better Way?
What are WDB responsibilities?

- Local Unified Plan
- Career Pathway Development
- Negotiation of Local Performance
- Accessibility for Individuals with Disabilities
- Workforce Research / LMI Analysis
- Proven & Promising Practices
- Coordination with Education Providers
- Staff Hiring & Qualifications
- Convening / Brokering / Leveraging
- Technology
- Selection of Operators
- Training
- Employer Engagement
- Program Oversight
- Budget & Administration
- Career Services
Workforce Development Boards & Performance

• Since 1998 Federal job training funds have included performance outcomes

• WIOA continues that;
  • Entered employment
  • Wages at placement
  • Retention in the labor force
  • Credentials obtained
  • Employer measure of satisfaction
## Performance Requirements

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>WIA</th>
<th>WIOA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adult and Dislocated Worker Measures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entry into unsubsidized employment (Entered Employment)</td>
<td>Measured in Q1 after exit.</td>
<td>Measured in Q2 after exit. (Additional 1 quarter lag in reporting)</td>
</tr>
<tr>
<td>Retention in unsubsidized employment (Employment Retention)</td>
<td>Measured in Q2 and Q3 after exit.</td>
<td>Measured in Q4 after exit. (Additional 1 quarter lag in reporting)</td>
</tr>
<tr>
<td>Earnings change after entry into unsubsidized employment (Average Earnings)</td>
<td>Measured as average, in Q2 and Q3 after exit.</td>
<td>Measured as median earnings in Q2 after exit only. Median is defined as the numerical value that separates the higher half from the lower half of earnings.</td>
</tr>
<tr>
<td>Credential rate</td>
<td>None</td>
<td><strong>New measure</strong>: Percentage of participants who obtain a recognized post-secondary credential or diploma during participation or within 1 year after program exit.</td>
</tr>
<tr>
<td>In Program Skills Gain</td>
<td>None</td>
<td><strong>New measure</strong>: Percentage of participants in education leading to credential or employment during program year, achieving measurable gains. Measured in real time.</td>
</tr>
<tr>
<td><strong>Employer Measure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicators of effectiveness in serving employers</td>
<td>None</td>
<td><strong>New measure</strong>: One or more employer measures to be implemented before commencement of Year 2.</td>
</tr>
</tbody>
</table>
### Performance Requirements

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>WIA</th>
<th>WIOA</th>
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<tbody>
<tr>
<td><strong>Youth Measures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Placement in Employment, Education, or Training</td>
<td>Measured in Q1 after exit.</td>
<td>Measured in Q2 after exit. (Additional 1 quarter lag in reporting)</td>
</tr>
<tr>
<td>Retention in Employment, Education, or Training</td>
<td>None</td>
<td><strong>New measure</strong>: Percentage of participants in education, training, or unsubsidized employment; measured in Q4 after exit.</td>
</tr>
<tr>
<td>Earnings after entry into unsubsidized employment</td>
<td>None</td>
<td><strong>New measure</strong>: Median earnings of participants in unsubsidized employment during Q2 after exit.</td>
</tr>
<tr>
<td>Credential rate</td>
<td>Attainment of a Degree or Certificate – Rate of youth participants who obtain a diploma, GED, or certificate by the end of the Q3 after exit/</td>
<td>Percentage of participants who obtain a recognized credential or secondary diploma during participation or within 1 year after program exit.</td>
</tr>
<tr>
<td><strong>Credential rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Literacy and Numeracy Gains</strong></td>
<td>Literacy and Numeracy Gain – Rate of youth participants who increase one or more educational functioning levels during first year in program.</td>
<td>Eliminates measure</td>
</tr>
<tr>
<td><strong>In Program Skills Gain</strong></td>
<td>None</td>
<td><strong>New measure</strong>: Percentage of participants in education leading to credential or employment during program year, achieving measurable gains. Measured in real time.</td>
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Why Business-led?
Guiding Principles

*Guiding Principles...* describe the organization’s beliefs and philosophy pertaining to quality assurance and performance improvement

- Principles should guide what the organization does, why it does it, and how

- **Who is our customer?**
- **How are we doing with them?** *e.g. Exceeding expectations? Do we know?*
- **What is changing/ what are the pressures in their world?**
- **What does that mean for our business?**
How?
The Tools of “How”

• Workforce Development Boards
  • Business-led
  • Memorandums & Understandings with Local Elected Officials
  • Labor – Education – Economic Development - Community seats

• American Job Centers

• Strategic Tools
  • Work based learning (OJT, Incumbent Worker, Apprenticeship)
  • Career Pathways
- **Educate**: We are seeking these fundamental skills.

- **Prep/Train**: We need this kind of training.

- **Match**: We need people with these skills now!

- **Retain**: Here is how our industry is changing.

**Challenges**:

- No career development
- Dropping out
- Lack of credential attainment
- Basic skills deficient/Remediation
- Skills Gap
- Lack of employability skills
- Aging workforce
- Low wages
What are we aiming for?

Four Characteristics

1) Effective
2) Efficient
3) Access
4) Equity
Thinking about the Future
(Put on your Green Hat)

<table>
<thead>
<tr>
<th>What happened: (describe a major event in your business/region)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Life</td>
</tr>
<tr>
<td>Systems</td>
</tr>
<tr>
<td>Values</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Science? New Tech</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conflict/competition?</td>
</tr>
<tr>
<td>New ideas or values?</td>
</tr>
<tr>
<td>Chance?</td>
</tr>
</tbody>
</table>
Thinking about the Future

The idea here: What are signals of change?

<table>
<thead>
<tr>
<th></th>
<th>Emerging Technology</th>
<th>Potential Policy Issues</th>
<th>New Concepts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technological</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Thinking about the Future

Mapping the Road Ahead

<table>
<thead>
<tr>
<th>Trends</th>
<th>Emerging Issues</th>
<th>Emerging Issue</th>
<th>Emerging Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local System</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broader</td>
<td></td>
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</tbody>
</table>
Metrics Beyond Performance

*What gets measured gets done*
Board Metrics: What Matters?

Biz engagement – Benton Harbor
Data – Pittsburgh/San Diego
Sector Work – Chicago’s Retail Center
Coalminers to Coding – Hazard County, KY
Platform-2-Employment – Bridgeport, CT
Homeless?
Gazelle Industries?
Economic Development support?
Board Metrics: What Matters?

What if every person who didn’t finish college had the resources to come back and earn a degree?

Philadelphia
Spokane
Albuquerque
Kansas City
St. Louis
Cleveland

Greensboro
Spring Hill, TN
San Antonio
Memphis
Jacksonville
Board Metrics: What Matters?

Federal performance, yes, but is that all?

- Outcomes
  - Increased revenue that can increase impact?
  - Living wages?
  - Collaboration success?
  - Less duplication in program services?
Board Metrics: What Matters?

Federal performance, yes, but is that all?

• Business engagement outcomes
  • More businesses using the system
  • The “right” businesses using the system
  • Higher wage sectors?
  • More people entering the labor market
Guiding Questions

What type of management report does staff produce for the Board?
- Labor market information
- One-stop activity (NOT random, but indicative of trend setting)

What is important for the Board to track in regard to the community?
- Regional indicators
What Next?
Hello Chris. I know you are human and you are nearby...
More production, fewer manufacturing jobs?

As U.S. manufacturers have used technology to become more productive and efficient in the 21st century, about 8.2 million manufacturing jobs have disappeared, according to estimates from one Ball State University study. Researchers found it now requires far fewer workers to make the same amount of products as it did in 2000.

TECH MAKES WORKERS MORE PRODUCTIVE

<table>
<thead>
<tr>
<th>Industry</th>
<th>Productivity Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and electronic products</td>
<td>82.9%</td>
</tr>
<tr>
<td>Durable goods manufacturing</td>
<td>64.1%</td>
</tr>
<tr>
<td>Transportation and motor vehicles</td>
<td>62.2%</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>57.3%</td>
</tr>
<tr>
<td>Electrical equipment, appliances, and components</td>
<td>54.1%</td>
</tr>
<tr>
<td>Printing and related activities</td>
<td>52.8%</td>
</tr>
<tr>
<td>Chemical products</td>
<td>48.5%</td>
</tr>
<tr>
<td>Nondurable goods manufacturing</td>
<td>47.0%</td>
</tr>
<tr>
<td>Apparel, leather, and allied products</td>
<td>45.9%</td>
</tr>
<tr>
<td>Petroleum and coal products</td>
<td>41.0%</td>
</tr>
<tr>
<td>Machinery</td>
<td>39.9%</td>
</tr>
<tr>
<td>Primary metals</td>
<td>39.1%</td>
</tr>
<tr>
<td>Plastics and rubber products</td>
<td>30.4%</td>
</tr>
<tr>
<td>Food and beverage and tobacco products</td>
<td>23.1%</td>
</tr>
<tr>
<td>Textile and textile product mills</td>
<td>22.4%</td>
</tr>
<tr>
<td>Paper products</td>
<td>13.0%</td>
</tr>
<tr>
<td>Fabricated metal products</td>
<td>8.9%</td>
</tr>
<tr>
<td>Nonmetallic mineral products</td>
<td>6.5%</td>
</tr>
<tr>
<td>Furniture and related products</td>
<td>5.6%</td>
</tr>
<tr>
<td>Total U.S. manufacturing</td>
<td>67.50%</td>
</tr>
</tbody>
</table>

TOTAL UNFILLED U.S. MANUFACTURING JOBS DUE TO PRODUCTIVITY

Of the total 20.3 million total potential U.S. manufacturing jobs (at 2000 productivity levels), 40.3 percent are unfilled due to productivity.

<table>
<thead>
<tr>
<th>ACTUAL 2010 EMPLOYMENT</th>
<th>JOBS UNFILLED DUE TO PRODUCTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.1 million</td>
<td>8.2 million</td>
</tr>
</tbody>
</table>

More Info in Workforce Development?

Interviews with public and private sector leaders in workforce development, education, business and economic development on key workforce issues and investment strategies to help America compete globally.

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