

FROM WIA TO WIOA: THE EVOLUTION OF WORKFORCE DEVELOPMENT

Passed in July 2014, the Workforce Innovation and Opportunity Act (WIOA) represents the first legislative reform to the public workforce system in more than 15 years. The law it replaces, the Workforce Investment Act (WIA) of 1998, provided the foundation for an unprecedented workforce training and employment system.

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Although WIA contributed to many success stories, its focus on short-term training and rapid reemployment by 2013 was aligning less effectively with current economic conditions, which called for longer term education initiatives with an emphasis on high-growth industries. WIA was useful for filling jobs but did not focus on career growth and pathways. Many state and local Workforce Investment Boards (WIBs) adopted innovative strategies in an attempt to address this shifting demand, but with funding challenges, rising administrative barriers, and research projecting a dramatic shortage of talent with some amount of postsecondary education, it became clear that a more permanent solution was needed.

WIOA, which passed with bipartisan support, calls for a number of key changes in the way WIBs provide services, including:

- Applying a single set of outcome metrics to every federal workforce program
- Creating more nimble state and local workforce development boards
- Enabling businesses to identify in-demand skills, and providing workers the ability to build those skills
- Asking states to develop a single unified strategic plan for preparing a skilled workforce and providing employers with talented employees
- Developing a greater focus on serving disconnected youth by requiring at least 75 percent of funds to be devoted to out-of-school youth

A MEETING OF THE MINDS

As with any large-scale program transformation, the shift from WIA to WIOA requires integration and collaboration across a range of stakeholders. On March 30, 2015, Monster Government Solutions convened an open roundtable discussion at the National Association of Workforce Boards (NAWB) “Advancing Innovation Forum” in Washington, D.C. This collaborative event brought together WIB leaders and staff, as well as economic development experts, and state officials from across the country to discuss current WIOA implementation best practices and to share ideas on how to optimize training, education, and overall workforce development. This paper serves to highlight some of the key ideas, programs, and practices that emerged from these conversations.

ALIGNING WORKFORCE DEVELOPMENT PROGRAMS

Because WIOA requires a unified state workforce strategy, local WIBs, which previously operated with relative independence, must now align to support larger state plans. Meeting core program goals will require greater levels of integration and collaboration across a variety of stakeholders, from state operators to local business leaders. Patrick Baker, who has an extensive background in human resources, workforce development, program management, and project planning in federal, state, corporate, and non-profit organizations, noted, “For some, this politically-mandated collaboration has proven challenging: even within a single state, regional demographics, and economies can vary tremendously. For those states that have been proactive about rolling out their new workforce plans quickly, the tangible benefits of alignment are already being felt.”

In California, for example, multiple groups from local WIBs are working together to create better program alignment and strategies throughout the region. As a result, WIBs that rarely interacted under WIA are now sharing best practices, expertise, and resources, which is improving the state’s workforce development system as part of a unified, collaborative effort.

Colorado is also taking a proactive approach, creating a “WIOA Change Manager” position to centralize the coordination of statewide stakeholders. Regular regional meetings are held to align strategies and collect insight from critical organizations including the Colorado Workforce Development Council, the Department of Labor and Employment, the Department of Education, and the Department of Human Services.

This collaboration and information sharing is not limited to a particular region. Instead, the labor market research required by WIOA prompts the need for Labor Shed analysis, a practice many WIBs have in place and which allows them to look beyond their regions to expand the reach of their focus, programs, and services.

The emergence of collaborative technologies is facilitating WIOA alignment across the country. Online communities are connecting geographically disparate groups of job seekers, educators, trainers, economic developers, and employers in ways that didn’t exist back when WIA was signed into law in 1998. These online portals, which users can access from devices ranging from smartphones to desktop PCs, provide real-time updates on job openings, training opportunities, career exploration, and education availability for job seekers. Furthermore, they enable employers to make rapid hiring decisions based on their current talent requirements.

IMPROVING CITIZEN AND BUSINESS ENGAGEMENT

In today’s era of digital convenience, U.S. consumers are accustomed to getting airline tickets, dinner reservations, or paying for goods and services with just a few clicks from their smartphones. They have come to expect the same level of service from government agencies. However, WIBs and government in general have not adopted or adapted applications for what they do, and still use traditional websites as their digital platform. This has caused a disconnect between WIBs and potential employees.

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For WIBs, this has involved a heavy focus on proactive engagement with job seekers and employers. WIOA’s emphasis on career pathways will cause WIBs to emphasize on individual’s careers, not just job placements. This focus on career pathways will also require business engagement and data analysis to identify which industry sectors will be emphasized by WIBs.

For job seekers, the goal of the WIB has evolved from “how quickly can we get someone a job” to “how can we place someone in a job they’ll remain in for a substantial period of time?” and with an appropriate wage. For employers, WIBs create strategic partnerships that ensure a steady pipeline of well-trained and eager employees. While this high-touch approach must continue under WIOA, three new solutions are helping workforce boards deliver better, more targeted services.

The first solution has existed in theory for a while, but is now a reality thanks to powerful new analytics tools that identify the skill gaps and needs within local workforces. WIBs are able to gather data from many of their business partners in order to create skills inventories for their regions; these inventories are then interpreted to prepare effective training programs for a given economic environment. Skills gap analysis enables WIBs to be proactive by training candidates that are going to fill specific business needs in the near future.

A critical component of closing skill gaps is understanding the needs of high-growth local business sectors

Second, there is the combination of traditional and real-time labor market information that is being used to identify occupations, industries, skills, and credentials that are in demand. Under WIOA, there will be an greater emphasis placed on labor market intelligence, as states must demonstrate there is sufficient demand for training. States and local communities have an enormous opportunity to leverage this intelligence in the development of their four-year strategic plans. A number of states including Michigan are doing some extremely innovative work on this front, leveraging economists and statisticians at the state-level to deliver critical workforce data to regional WIBs.

The third solution is more nascent, creating a substantial opportunity for today’s workforce boards. Bruce England, executive director at the Susquehanna Workforce Network,

explains: “While Excel spreadsheets and email may have sufficed in the past, in today’s era of connectivity and demand for engagement, many state and local workforce boards are beginning to consider installing customer relationship management (CRM) solutions. Armed with robust CRM tools, workforce boards are able to gain real-time insight into the training needs and employment progress of job seekers within their region.”

ALIGNING PLACEMENTS WITH HIGH-GROWTH SECTORS

A critical component of closing skill gaps is understanding the needs of high-growth local industry and occupational sectors. If asked to estimate the current high-growth sectors for the U.S., the average consumer might respond with fields such as nursing, information technology support, robotics, or any number of other STEM fields that are mentioned daily in the media, which demonstrates why it’s absolutely critical for WIBs to receive accurate jobs data from employers, economists, and credible third party sources. In fact, based on the last 12 months, the fastest-growing occupations industries in the U.S. include real estate agents and brokers (#1), residential building construction (#2), automobile dealerships (#14), general freight trucking (#18) and accounting, tax preparation and payroll services (#20). WIBs must have access to reliable information on these high-growth sectors for their own local regions in order to more effectively invest their training resources.

Advances in data collection and analysis have delivered unprecedented insight into talent needs within a given community, but that work needs to be supplemented with close integration with local business leaders. WIBs should continue boots-on-the-ground engagement with employers in order to position workforce organizations as mainstays in our society. Quantitative data is certainly important, but WIBs should not overlook the importance of qualitative research. An IT business owner from Virginia summed up the challenge as, “We’ve had to go out and ask for training support. As we move forward, we’d love to be proactively engaged by workforce leaders that are interested in collecting information about our current and future talent needs.”

In other words, as Dan McDermott, executive director at the Upper Shore Workforce Investment Board, urges, “Go out and talk with local business leaders. Understand their needs, and provide incentives for them to become involved in the process. Ask about their pain points: are they in need of general training or specialized staff? Validate data with employers: is our data too low, too high, or about right for the industry sector?”

While it is key to align with state’s recommended sectors, the need to understand regional differences is critical to success. As an example, the Las Vegas WIB is focused on connecting with local businesses to identify growth needs, and then ensure the business engagement staff is engaged with those needs. This approach builds regional expertise as well as credibility with employers.

In Maryland, the Upper Shore Workforce Investment Board (USWIB) has utilized a mobile solution since 2003 to bring business services to its service area. The USWIB has deployed its Mobile One Stop, M1, to assist business with hiring and training workers and as a key front line resource to help with rapid reemployment services following layoffs. It has become the perfect solution to bring computer-based services to businesses and job seekers in the rural Upper Shore area.

WIBs need to remember that at the end of the day, for local businesses, even those who want to support their community workforce, return on investment is king. By engaging with these individuals personally, and then integrating that feedback with data collection and analysis, WIBs can provide the best value to the local economy.

INVESTING IN AMERICA’S FUTURE

During the WIOA roundtable discussion at the NAWB Forum, a few key trends bubbled to the surface.

- WIOA calls for unified, statewide workforce plans that will engender a new spirit of collaboration among WIBs. This need for alignment has presented challenges, but those states that are proactively planning ahead and taking advantage of available workforce information and online collaboration portals are already seeing efficiencies created.
- Stakeholders are becoming more data-driven in their decision-making and planning—whether it’s identifying high-growth regional industries, critical skills gaps, or effective recruiting strategies.
- Online labor exchanges are facilitating unprecedented exchanges of information regarding case management, labor markets, and performance while building critical relationships amongst workforce development leaders, job seekers, educators, and local business leaders.
- WIBs are re-examining how they measure success when it comes to engagement, with skills gap analyses and CRM solutions providing additional insight into the job seeker and employer experience.
- Underpinning these new approaches to workforce development is the need to target high-growth industries, which can vary immensely by region.

Advances in data collection and analysis has provided WIBs with unprecedented abilities to gather and test the information they receive on hiring trends from state and local sources. The result is that WIOA will help job seekers gain access to training, employment, and support services so they can thrive in the labor market, while employers gain access to the skilled talent they need to grow their businesses and ultimately, their regional economies.

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