



Virginia's Workforce Development Programs

January 27, 2015

Study Mandate

JLARC to evaluate workforce development programs

- transparency of spending and performance
- success in ensuring that Virginians possess skills and credentials desired by employers
- adequacy of governance and accountability structures

For full text see HJR 688 (2013) and Item #31 of 2014 Appropriation Act

In This Presentation

Background

Transparency of programs' spending and performance

Effectiveness at meeting employers' needs

Challenges with state oversight

Virginia's Workforce Programs Fall into Two Broad Categories

Employment Assistance Programs

WIA Title I
Employment service
Trade adjustment assistance
Vocational rehabilitation
SNAP
TANF
VIEW



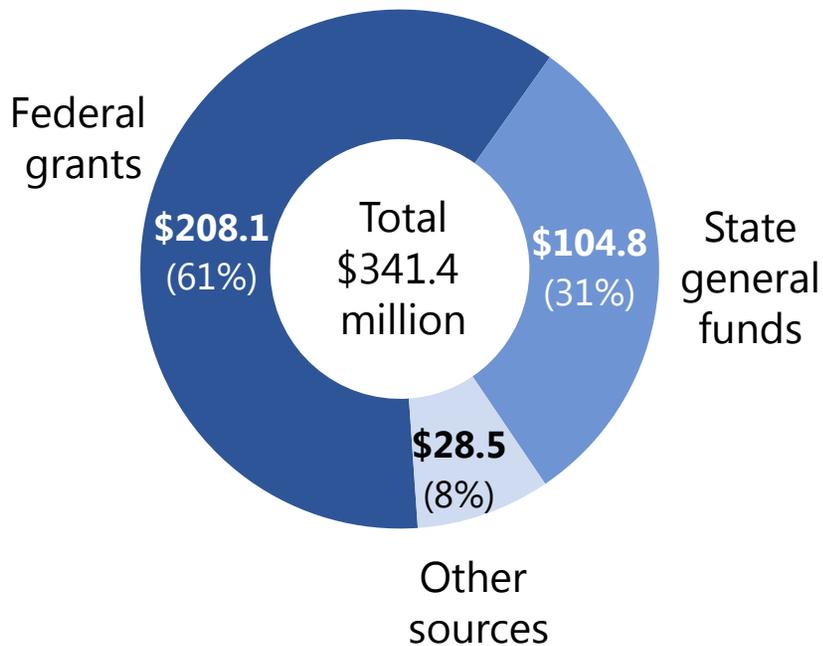
Training & Education Programs

Career & technical education
Non-credit training
Apprenticeships
Institutes of Excellence
PluggedIn VA
VJIP

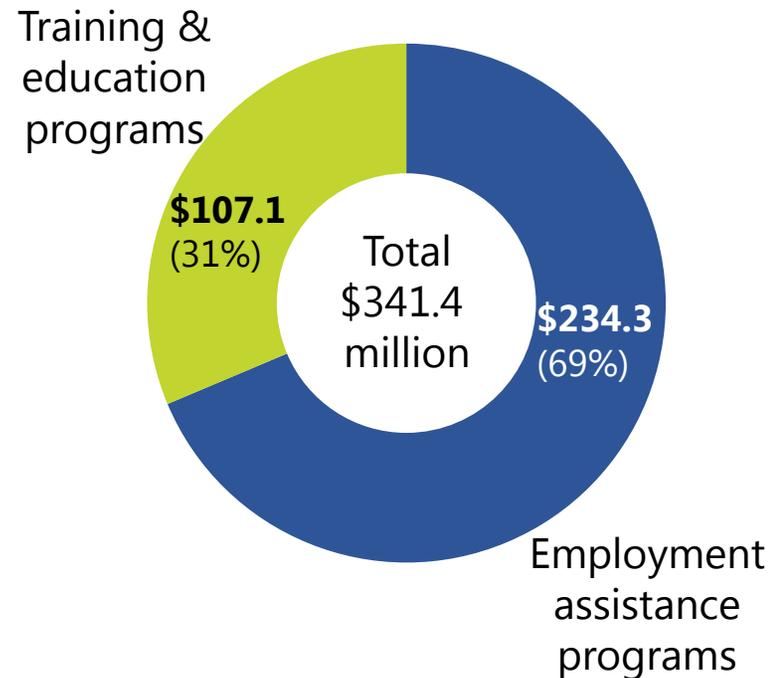


Programs Are Primarily Funded By Federal Grants, Focus on Employment Assistance

By funding source



By program category



Funding Has Grown for Employment Assistance, Declined for Training

- Historical data for all programs back to 2007
- For employment assistance programs, funding increased by \$5.7 million (2%)
- For training and education programs, funding decreased by \$23.8 million (-18%)

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Finding

Information on program spending cannot be used for decision making due to variability in spending definitions and reporting of administrative expenditures, and a lack of detailed data on general fund spending.

Spending Definitions Vary Across Programs, and Within the Same Programs

- Different programs categorize the same activities differently
- Different regions categorize activities for the same program differently
- Different definitions cause inconsistency in how administrative expenditures are calculated

Detailed Spending Data Not Readily Available for Majority of General Funds

- Three programs cannot provide detailed data on local general fund expenditures
 - Secondary CTE (\$56.7M GF)
 - Non-credit Training and Instruction (\$4.8M GF)
 - Institutes of Excellence (\$0.7M GF)
- Data is maintained locally but not collected by state agencies

Recommendations

The General Assembly may wish to consider

- directing state agencies and the Board of Workforce Development to develop standard categories for tracking expenditures,
- requiring state agencies to adopt these categories, and
- directing agencies that receive general funds for workforce development to collect more detailed spending data.

Finding

Current performance measures do not adequately capture whether programs meet employers' needs and do not allow for a system-wide assessment.

Performance Measures Do Not Reflect State Priorities, Are Not Standardized

- Do not measure employers' satisfaction with the state's workforce or its programs
- Provide limited sense for how well programs serve job seekers
- Not comparable across programs; some programs have no measures

Recommendation

Board of Workforce Development should, in collaboration with Chief Workforce Development Advisor, establish goals and objectives and related performance measures that apply across all programs.

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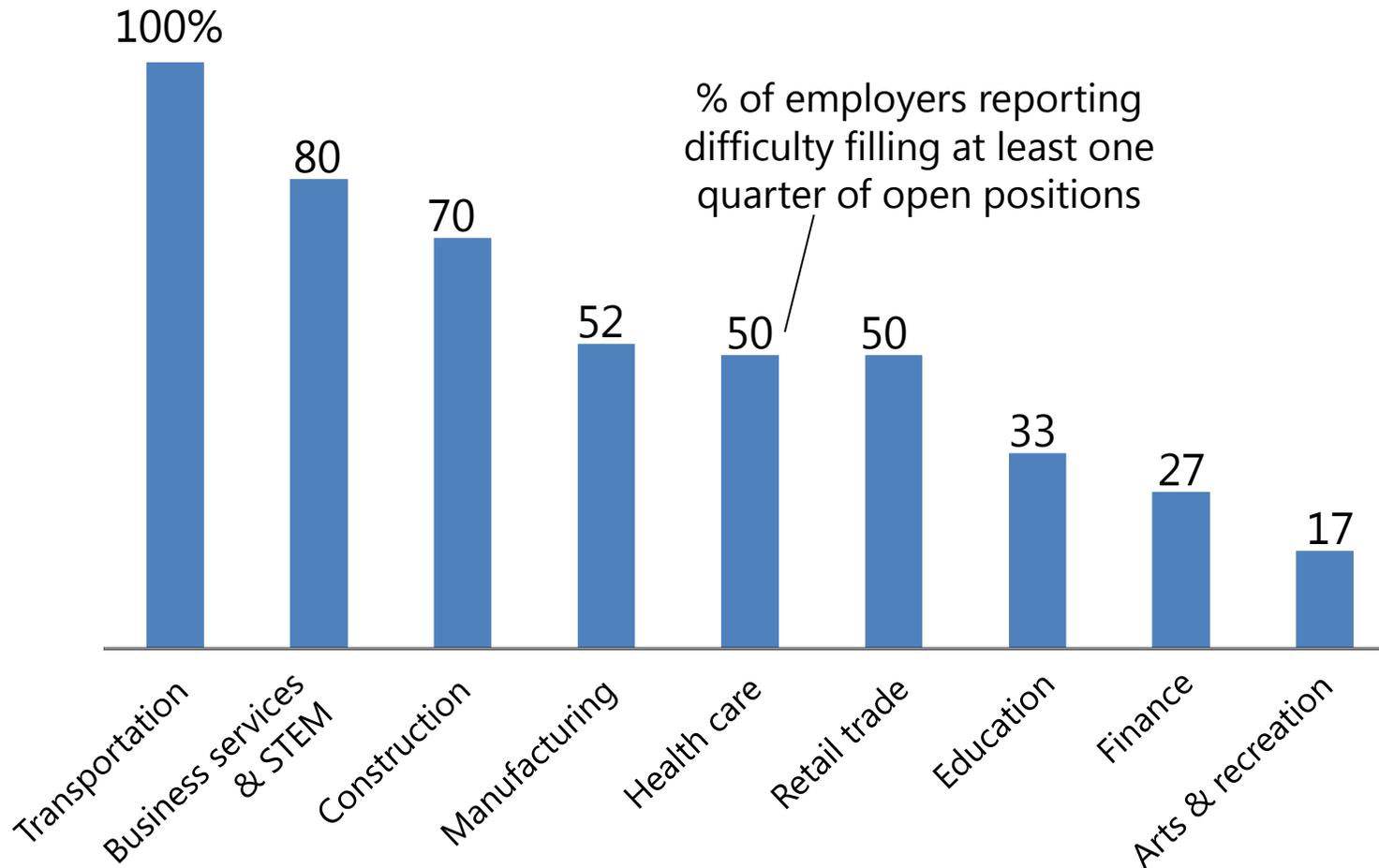
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Employers in All Major Industries Had Difficulty Filling Positions in Past Year

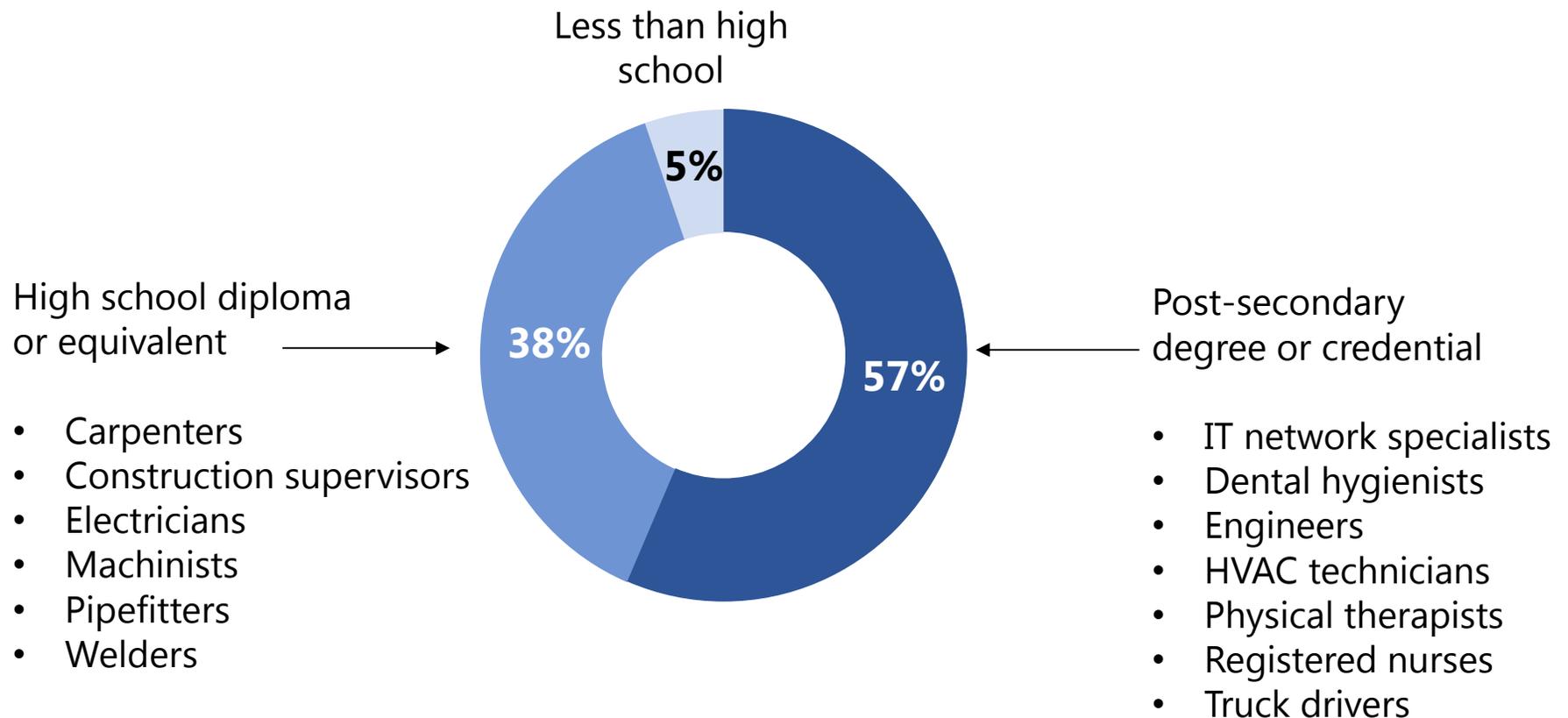


Source: JLARC analysis of survey responses from 232 Virginia employers, 2014.

Employers Report Applicants Lack Job Skills and Work Readiness

- Insufficient technical skills and work experience
- Lack of general skills, such as good work habits, strong critical thinking, and communication skills

Skills for Majority of Hard-to-Fill Positions Can Be Attained Through Workforce Programs

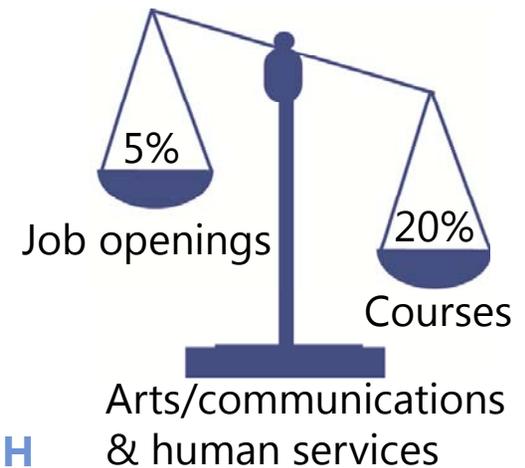
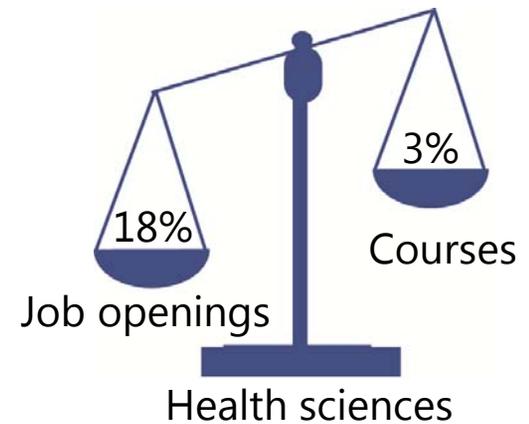
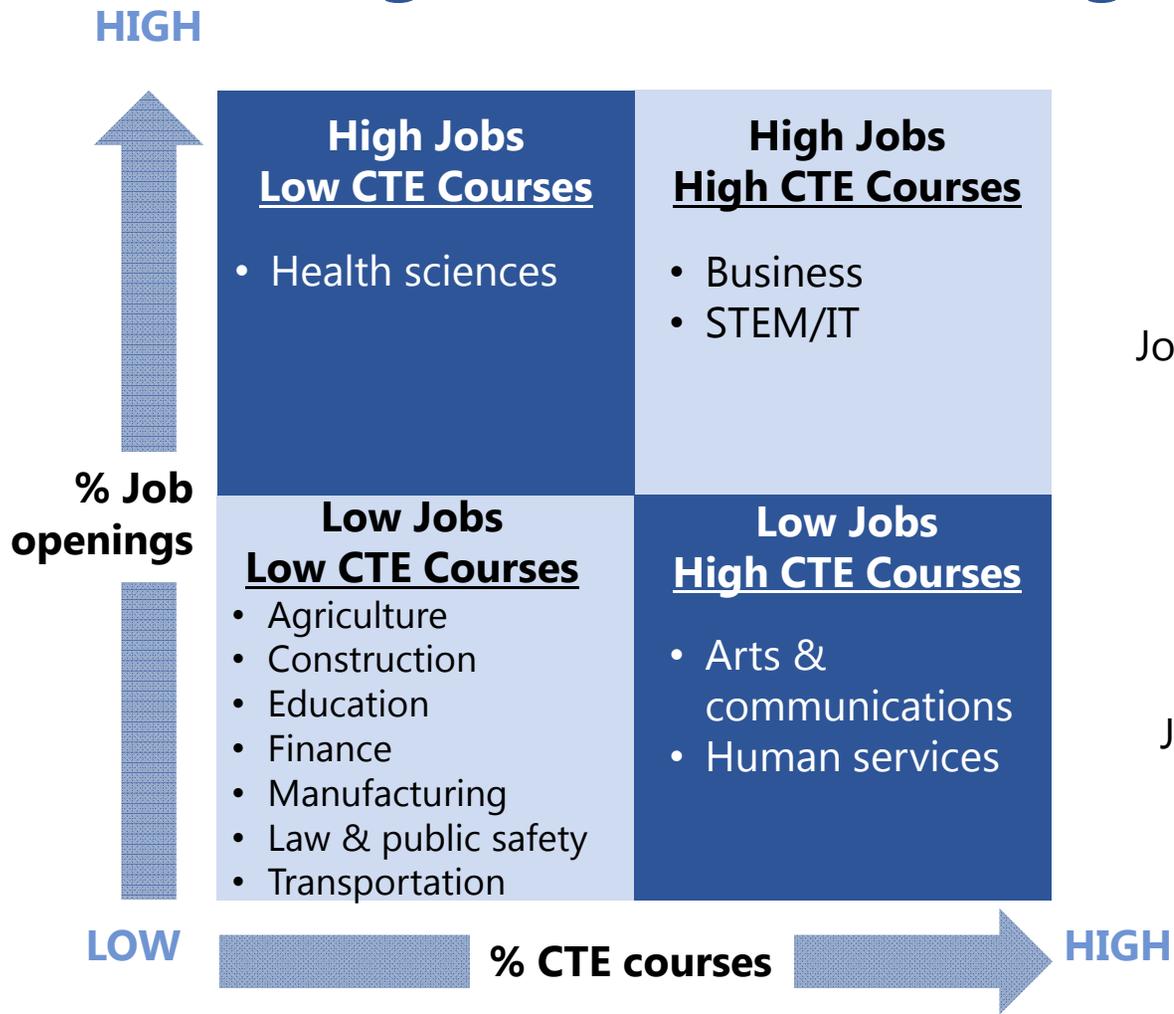


Source: JLARC analysis of survey responses from Virginia employers and data from the Bureau of Labor Statistics.

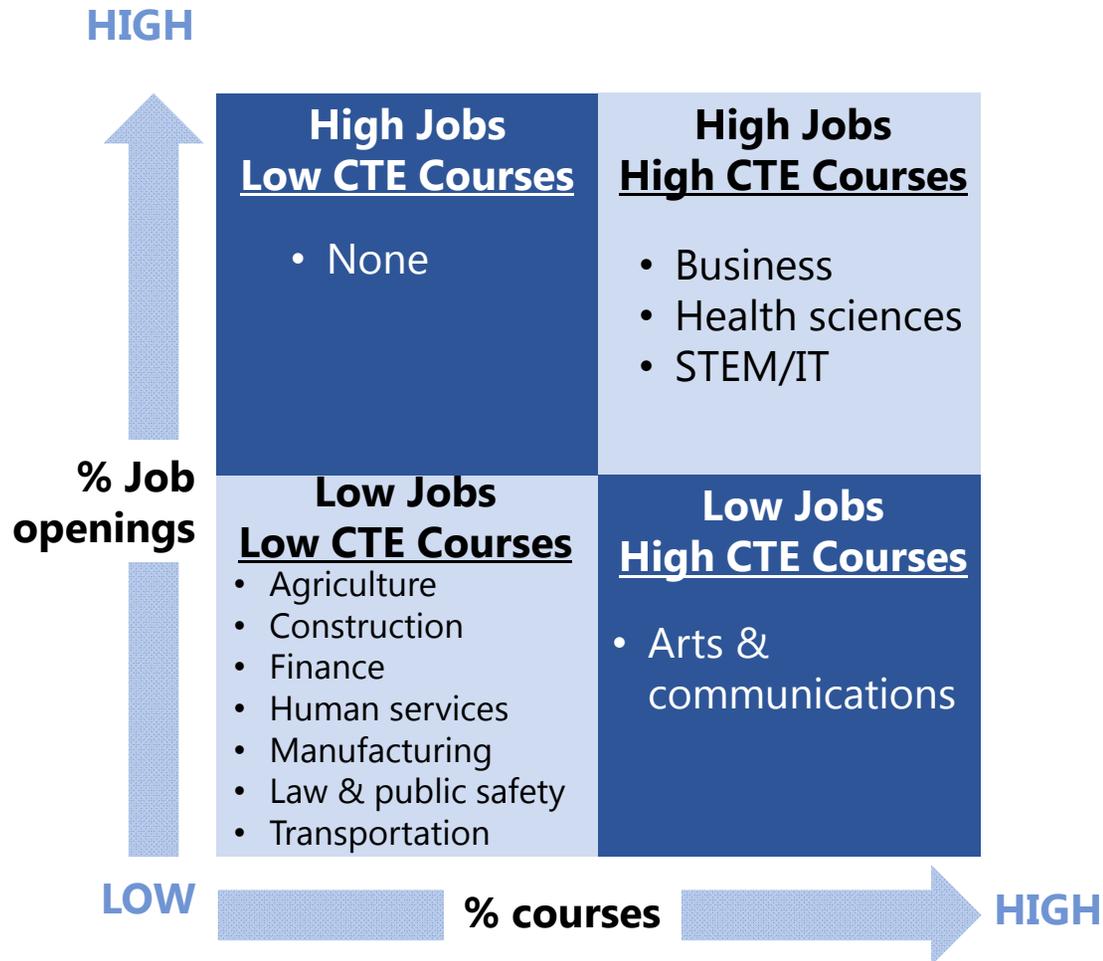
Finding

Although career and technical education courses in high schools and community colleges generally match labor demand, some courses are not aligned with occupations that have the greatest potential for employment.

Health Sciences Underemphasized in High School CTE Programs



Statewide, Community College CTE Programs Generally Align with Labor Market



In Some Regions, Community College Courses in High-Demand Subjects Are Unavailable

- Computer programmers (region 13)
- Licensed practical nurses (region 14)
- Occupational therapy assistants (regions 2 and 3)
- Physical therapy assistants (regions 8 and 15)
- Some skilled trades (region 9)
- Truck drivers (regions 7 and 17)

Finding

Career and technical education programs are based more on student interest than labor market data and employer input.

Labor Market Data and Employer Input Are Not Consistently Used to Shape Programs

- Labor market data and employer input are used by about 1/4 of high school CTE administrators
- Advisory committees are not always an effective source of employer input

VDOE's Approval of New Courses Is Insufficiently Informed by Labor Market Data

- Regulations do not require school divisions to factor market demand into CTE program design
- No standard exists to determine whether a proposed new course is in demand

No State Entity Monitors Alignment of Workforce Programs With Employers' Needs

- Data is available to compare training and education opportunities to employers' workforce needs
- Alignment must be assessed on regular basis to remain current

Recommendation

The General Assembly may wish to consider requiring the Board of Workforce Development to evaluate state programs for alignment with employers' workforce needs.

Finding

Programs to develop job-specific skills and work experience exist but are underutilized and could be better targeted.

Workforce Programs to Teach Job-Specific Skills Are Underutilized

- WIBs spend less than 1 percent of WIA funds for on-the-job training
- 12 percent of school divisions do not provide any work-based learning opportunities
- State does not utilize available federal funds to offset employers' costs for apprenticeships

Funding for Customized Employer Training Could Be Awarded More Strategically

- Community colleges provide training for individual employers
- Funding could be used for customized training to groups of employers in high-need industries
 - Such approaches have been adopted in other states

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The Board of Workforce Development does not have capacity to fulfill all of its responsibilities, some of which are complex and time-consuming.

Board Responsibilities Include Complex, Time-Consuming Tasks

Fulfill Employers' Needs

Identify employers' current and emerging workforce needs

Identify training requirements

Recommend strategies to match workers with jobs

Recommend credentials

Establish career pathways system

Administer Career Readiness Certificate program

Develop a Coordinated System

Provide recommendations on agencies' policies/procedures

Develop statewide strategic plan

Review agencies' budgets and spending

Develop performance measures

Develop system of one-stop centers

Create policies and procedures applicable to WIBs and one-stops

Board Could Be More Effective With Additional Staffing Resources

- VEC and VCCS staff for ongoing tasks
- Advisory council made up of state and local agency staff for periodic tasks
 - Career Pathways Workgroup
- Board could be given authority to hire director and staff, using federal funds

Finding

The Board of Workforce Development does not have sufficient authority over state agencies to achieve a well-functioning, coordinated system.

Board Can Suggest, but Not Require, Changes to Agencies' Policies

- Required to make recommendations on agencies' workforce development policies
- Lacks authority to approve policies or take an active role in developing them
- Could be given authority to develop agencies' workforce policies in coordination with agencies' respective governing or advisory boards and governor

Recommendation

The General Assembly may wish to consider giving the Board of Workforce Development responsibility for developing new state agency policies related to certain aspects of workforce development. Policies should be developed in consultation with the Governor and the agencies' respective governing boards, and implemented through regulations adopted by agencies' own boards.

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