



# Understanding Local Workforce Systems

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**The US economy has improved since the Great Recession, yet adults and young people still struggle to succeed and employers continue to have difficulty finding qualified job candidates. Although federal policy and national initiatives have sought to address these challenges, much of the action taken to support a strong workforce and improve economic growth is happening locally. In cities and counties around the country, people seek education and skills to improve their job prospects and secure a successful career. Local employers seek workers with the skills necessary to help them operate and grow their businesses. And local leaders seek opportunities to strengthen their economies and communities by building up their workforces and expanding employment opportunities.**

To support these efforts, leaders can benefit from learning to navigate their **local workforce systems**, which often involve complex networks of organizations, industry, government policies, and resources. Understanding local workforce systems can also help local leaders assess how well the needs of their workforces are being met.

This brief provides a framework for understanding local workforce systems, including the populations served, key organizations involved, and broad functions performed. It outlines potential strategies local workforce systems can use to prepare individuals for successful careers and connect skilled workers with employers, highlighting specific innovation examples. The brief concludes with recommended next steps for local leaders and others who want to better understand their own workforce systems.

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## BOX 1

### The Urban Institute's Collaboration with JPMorgan Chase

The Urban Institute is collaborating with JPMorgan Chase over five years to inform and assess JPMorgan Chase's philanthropic investments in key initiatives. One of these is New Skills at Work, a \$250 million multiyear workforce development initiative that aims to expand and replicate effective approaches for linking education and training efforts with the skills and competencies employers need. The goals of the collaboration include using data and evidence to inform JPMorgan Chase's philanthropic investments, assessing whether its programs are achieving desired outcomes, and informing the larger fields of policy, philanthropy, and practice. As one of several resources Urban is developing for the field, this brief provides a framework for understanding local workforce systems, offers potential strategies for training and connecting skilled employees with employers, and recommends next steps for local leaders so they can best support their workforces and economies.

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## Introduction

Local leaders encounter many challenges in building and developing their workforces. Some local industries may be experiencing rapid growth while others are declining. More workers with specific skills and credentials to support a particular industry may be needed, but local training providers may not offer relevant programs. Large numbers of adults may lack basic skills or have other personal challenges to work, such as a lack of affordable child care or adequate transportation. Young people may not be getting the college and career guidance or professional experience they need to prepare them for success in the workplace. A local area could be a single county or city or a larger region involving multiple municipalities, each with its own distinct and complex workforce issues and economic challenges to address. Such characteristics inform the unique nature of local workforce systems.

There is no single source of information for local leaders and other stakeholders to learn what a local workforce system is and how it can support local workforce priorities. Nor is there only one model for how a local workforce system should operate. Keeping these variances in mind, this brief is intended as a primer on local workforce systems for those who are new to workforce development.

## What Is a Local Workforce System?

A local workforce system can be generally defined as the organizations and activities that prepare people for employment, help workers advance in their careers, and ensure a skilled workforce exists to support local industry and the local economy over time. Local workforce systems include various organizations that often perform multiple functions to serve the adults and youth who may need help preparing for and succeeding in the workforce. Strong collaboration among government, local employers and industry, training providers and educational institutions, service and advocacy organizations, philanthropy, and other local organizations is often needed to support and deliver effective workforce services (Cordero-Guzman 2014, 7).

How local workforce systems support their workforces varies greatly according to context and priorities. Although both this brief and the workforce development field use “system” to refer to local workforce development activities and organizations, workforce organizations and stakeholders do not necessarily operate in a coordinated and efficient manner, nor do local workforce systems operate under central decisionmaking administrative structures. Additionally, the quantity, quality, and effectiveness of workforce programs and services vary widely from place to place.

## The Current Policy and Funding Context

The policy and funding landscape affects how local leaders plan for and organize their local workforce systems. The Workforce Innovation and Opportunity Act of 2014 is shaping the future of workforce development and creating opportunities for more effective and inclusive workforce systems by encouraging such approaches as career pathways and sector strategies. In addition, scarce government and employer resources may lead local leaders to seek new or leverage other funding.

### **Workforce Innovation and Opportunity Act**

To understand local workforce systems, it is useful to understand the government-funded programs and services that are part of any local workforce system. Local workforce programs and activities are often coordinated through the state and local structures created by the Workforce Innovation and Opportunity Act (WIOA).<sup>1</sup> Under WIOA, local workforce development boards (WDBs) administer the core workforce programs offered, with guidance and oversight from state workforce agencies (see box 2 for examples of state workforce systems). Workforce development boards also coordinate with a range of other publicly funded programs (e.g., child care subsidies, housing, and career and technical education) to ensure workforce customers can access the assistance they need (see box 3 for more information on WDBs and on government programs that may be connected to WIOA programs). In addition, WDBs address such issues as skills shortages by engaging employers and industry in preparing workers for available jobs.<sup>2</sup> This structure forms a “patchwork quilt” of programs that is the public workforce system, with the level of services provided, coordination across programs and organizations, and state and local policies differing across the country (Good and Strong 2015, 17).

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## BOX 2

### Two State Definitions of the Public Workforce System

Across the country, state-level public workforce systems consist of state agencies and local organizations working in tandem to provide services to the labor force and employers.

The Washington State Workforce Training and Education Coordinating Board describes its public workforce system as a series of programs that help residents find jobs or advance in their careers. The state offers 16 programs beginning in high school and extending through apprenticeships, certificate programs, and community and technical colleges, stopping short of including four-year degree programs. Seven state-level agencies and 12 regional WDBs called workforce development councils coordinate with employers and local workforce service providers to implement these programs.<sup>a</sup>

Similarly, the Texas Workforce Investment Council identifies the programs and services administered by 28 local workforce development boards, community and technical colleges, local adult education providers, independent school districts, and eight overarching state agencies as the public workforce system (Texas Workforce Investment Council 2015).

<sup>a</sup> “Who We Are,” Washington State Workforce Training and Education Coordinating Board, accessed February 16, 2016, <http://www.wtb.wa.gov/WorkforceBoard.asp>.

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## Career Pathways and Sector Strategies

Building on the public workforce system, some local leaders have begun organizing their workforce development efforts around innovative frameworks, such as career pathways and sector strategies. Career pathways prepare workers for employment and support their advancement within high-demand occupations by aligning the efforts of major education, training, and workforce development programs. Career pathways, which can help local leaders improve education and training options, require strong engagement from key state and local partners and stakeholders (Claggett and Uhalde 2012, vi–vii). Sector strategies focus on the local or regional workforce needs of a particular industry and are led by intermediary organizations that bring multiple stakeholders together (Oldmixon 2006, 1). Sector strategies aim to increase the competitiveness of the industry and advance the employment of low- and middle-income workers.

The Workforce Innovation and Opportunity Act encourages the implementation of career pathways and sector strategies, and the two approaches overlap. Both frameworks include partnerships (especially with employers) as a vital component, engage both state and local partners to achieve their goals, and address the skill needs of local populations. However, career pathways align education and training for multiple occupations and industries, while sector strategies generally address workforce needs—both identifying and training workers—within one industry. When considering one framework or aspects of both, local leaders need to understand their particular workforce issues, especially the skill levels of their populations, the skill needs of employers within and across industries, and the workforce development programs and services in their area.

## Funding for Local Workforce Systems

Local workforce systems leverage federal resources with other government and community resources to serve needs that go beyond employment and training services (Giloith 2009, 8; Melendez 2006, 92). To provide funding and resources for their workforce systems, local leaders and other stakeholders need to understand the national funding landscape. Changes in government funding, employer dynamics, and the broader economy have affected local workforce systems. A long-term decline in federal workforce funding in real dollars (despite short-term increases following the 2008 recession), coupled with an increased demand for workforce services in the wake of the Great Recession, has strained public workforce programs (Wandner 2012, 2013).

A simultaneous decline in state education funding, especially for higher education, has also affected the ability of local areas to address needs, especially with community colleges serving as major education and training providers. During the Great Recession, states cut higher education funding. Community and technical colleges, which already had smaller allocations than four-year institutions, saw particularly large cuts in state funding (Dowd and Shieh 2013). At that same time, two-year college enrollments jumped, as many young people and adults facing difficult job prospects opted to go back to school. Some states have restored funding since the recession, and enrollment has leveled off, but community and technical colleges remain underfunded and may not have the capacity to better serve their students, employers, and local community.

Another challenge is that employer-provided training, a primary way individuals learn skills and advance in their careers, has fallen off in the past two decades. According to national data, the percentage of workers receiving employer-provided training increased steadily from the early 1980s to the mid-1990s (Lerman, McKernan, and Riegg 2004, 221–23). This increase may have stemmed from rapid technological changes related to the rise of the Internet and personal computers, or from an increase in corporate profits, or from a shift in corporate culture toward embracing continual learning (Lerman, McKernan, and Riegg 2004, 223; Lynch and Black 1995). Starting in 1996, this trend reversed. Between 1996 and 2008, the share of workers receiving employer-sponsored training declined from 19.4 to 11.2 percent, and the share of workers receiving on-the-job training decreased from 13.1 to 8.4 percent (Council of Economic Advisers 2015, 145–47). This loss of employer-provided training may lead additional job seekers or current workers to rely on other training providers in the local workforce system in order to improve their skills and gain new credentials.

With these challenges to funding local workforce systems, many local leaders and workforce stakeholders are looking for new sources of funding and resources, such as foundation grants and employer-led initiatives, to support local workforce development.

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### BOX 3

#### How Local Workforce Development Boards Partner with Programs

Workforce development boards ensure the availability of employment and training services, such as job search assistance, counseling, and referrals to and funding for occupational training and support services, offered at locations known nationally as American Job Centers.<sup>a</sup> These centers often promote ease of access to their services by colocating with or placing staff at other government-funded programs that support individuals' success in the workforce. American Job Center staff also help customers access other government programs and community resources they may need to support their career success.

**WIOA programs.** The six programs directly funded by WIOA are considered the “core” programs.

- Adult, Dislocated Worker, and Youth programs<sup>b</sup>
- Wagner-Peyser Employment Service
- Adult education and literacy programs
- Vocational rehabilitation

**Required WIOA partners.** American Job Centers must provide access to the following federally funded programs in addition to the WIOA core programs.

- Career and technical education (Perkins)
- Community Services Block Grant
- Indian and Native American programs
- HUD employment and training programs
- Job Corps
- Local Veterans' Employment Representatives and Disabled Veterans' Outreach Program
- National Farmworker Jobs Program
- Senior Community Service Employment Program
- Temporary Assistance for Needy Families
- Trade Adjustment Assistance
- Unemployment compensation programs
- YouthBuild

**Other program partners.** Local WDBs have the flexibility to partner with various local programs and organizations (e.g., community colleges, registered apprenticeship programs, economic development agencies), including the agencies administering the following additional federally funded programs.

- Employment and training programs administered by the Social Security Administration, including Ticket to Work and the Self-Sufficiency Program
- Employment and training programs carried out by the Small Business Administration
- Supplemental Nutrition Assistance Program employment and training programs
- Client Assistance Programs
- Programs authorized under the National and Community Service Act of 1990

**Source:** US Department of Labor (n.d.).

<sup>a</sup> Although these workforce service providers are known nationally as American Job Centers, most locations are run by local or regional nonprofit organizations that use different names.

<sup>b</sup> These three programs are funded separately under WIOA and count as three of the six core programs.

# Who Does a Local Workforce System Serve?

Building a strong workforce requires local leaders and stakeholders to understand who lives and works in their communities. A wide range of people can benefit from the programs and services provided through local workforce systems, from youth and adults with multiple barriers to success in training and the workplace to midcareer workers needing a skills upgrade. That said, four broad categories of individuals are typically served by local workforce systems. Though local workforce systems offer programs and services to all four groups, some may prioritize addressing challenges faced by certain populations. In addition, individuals often fall into more than one of these broad categories.

## Youth

All local workforce systems serve young people—generally those ages 14–24, but sometimes younger. Over 100,000 youth, most of them low-income, received WIOA-funded services from April 2014 to March 2015.<sup>3</sup> Youth receiving services may or may not be enrolled in formal education. They may be in high school and want to learn about different occupations and what they need to pursue a particular career path. They may have fallen behind in their education or have dropped out of high school. Some are not in school or not working, even in their early 20s. Some may come from disadvantaged backgrounds and need extra supports and guidance to complete their education, gain skills, or find work.

## Individuals with Personal Challenges to Work

People's lives are complicated, and these complications may make it difficult for some individuals to work as much as they want or need to, or to find or keep a job. Some may have young children and experience difficulty accessing affordable and safe child care. Others may have mental health or substance abuse issues, or criminal histories that make it difficult to find work. Others may have little to no work experience and need help developing job readiness by learning skills to find jobs and succeed in the workplace (e.g., communication and critical thinking skills, appropriate workplace behaviors). Still others may have language barriers and need assistance navigating the job market or finding an appropriate training program. Adults and young people can face many different challenges, and they often face multiple challenges. Therefore, local workforce systems must coordinate among the various agencies and organizations offering support services and other resources to help individuals with personal challenges successfully participate in the workforce.

## Adults in Need of Basic Skills

In 2014, nearly 12 percent of US adults ages 25 and older had less than a high school education.<sup>4</sup> These adults may be working, but their jobs are often low wage with few opportunities for advancement. Others may have difficulty finding any work at all. These adults are more vulnerable to downturns in the local economy; after the Great Recession, adults with no high school credentials were hit hardest by job losses (Loprest and Nichols 2011). In addition, many high school graduates need to take remedial or developmental courses before entering programs of study at local colleges, prolonging their educational

timeline and decreasing their chances of completion. Some employers may provide opportunities in the workplace for workers to improve basic skills. Many local workforce systems employ innovative strategies to address the needs of adults with low basic skills, including programs that accelerate learning to enter particular occupations in a shorter time frame.

## Workers Seeking Career Changes or Advancement

During their working lives, adults may change careers either by choice or because of a job loss. These individuals may need assistance finding a new job in their chosen occupation or may need new skills to find different work. Workers may also need help advancing in their current job or career. Community colleges offer continuing education opportunities for the currently employed to advance their careers. Additionally, local workforce systems may work with employers to train employees in new skills either for their current positions or to help them advance within the company.

Although this framework focuses on the current and future workers served by the local workforce system, employers can also be customers, especially where sector strategies or human resource needs are concerned. For instance, employers may use the workforce system to identify or train skilled workers to fill particular positions. This function helps employers while supporting job seekers' goals. In this way, the goals of local employers can be consistent with the goals of individual workers. However, since employer goals occur at the organizational level and must take production and profit margins into consideration, they do not always align with job seekers' goals. The role of local workforce systems in meeting the human resource needs of local businesses is discussed further under "What Does a Local Workforce System Do?" (page 12).

## Which Organizations Can Be Part of a Local Workforce System?

This section discusses many of the organizations who serve job seekers, current workers, and youth as part of local workforce systems. As key actors in the workforce system, these organizations perform multiple functions and take on multiple and varying roles, depending on local context, including population demographics, workforce priorities, and resources. Organizations involved in the workforce system fall into four broad categories: (1) government and the public sector; (2) nonprofits and collaborative entities; (3) employers, industry, and workforce; and (4) education and training providers.

### Government and the Public Sector

Governmental and public-sector agencies and organizations play a significant role in local workforce systems. They receive funding and oversight from federal, state, and county or city governments. A local workforce system may include the following agencies and organizations:

- **American Job Centers.** Located in urban, suburban, and rural areas across the country, American Job Centers provide a comprehensive array of employment-related services. These

nearly 3,000 centers, funded by WIOA and other partner programs, are the face of the public workforce system nationwide.<sup>5</sup> Although known as American Job Centers nationally, specific locations often have different names and are run by different entities, including government agencies, local and regional nonprofit organizations, and for-profit organizations.

- **Workforce development boards.** State and local WDBs administer WIOA funding for workforce development programs, assess the needs of the state or local economy, and oversee the public workforce system.
- **Public libraries.** Public libraries offer free, convenient locations for people to access such resources as computers and high-speed Internet. They may also offer workforce-related programs and services.
- **Public social service agencies.** Local social service offices offer key supports for low-income workers, such as food assistance and subsidized child care.
- **Economic development agencies.** States, as well as many local governments, have economic development agencies focused on helping new and established businesses start up, expand, and prosper.
- **Elected officials.** Mayors, city council members, public school superintendents, and others play roles in the workforce system. These officials often lead or champion youth employment programs and other workforce initiatives.
- **Local, state, and federal governments.** Each level of government creates laws and policies and makes funding decisions that affect local workforce systems.

## Nonprofits and Collaborative Entities

Organizations from the nonprofit sector are playing an increasingly significant role in the workforce system as more public–private partnerships emerge. Many nonprofit entities spanning a wide range of activities are involved in local workforce systems. Collaborative entities that bring various workforce system organizations together also play important roles form part of this group. A local workforce system may include the following nonprofits and collaborative entities:

- **Community- and faith-based organizations.** These locally based nonprofits provide a wide variety of workforce-related services, such as job readiness courses (e.g., résumé building, communication skills), job training, and supportive services such as temporary shelter and food assistance. These organizations may be contracted service providers for local WDBs.
- **Foundations and philanthropic organizations.** Foundations and philanthropists provide financial resources mainly through grants to workforce programs and organizations; they may also create and provide leadership for local workforce development initiatives.

- **Workforce service providers.** These (usually nonprofit) organizations often operate nation-, state-, or regionwide and perform various functions, including serving as contracted American Job Centers to carry out the duties of the public workforce system. Services provided may include everything from job search assistance to short-term training programs.
- **Workforce intermediaries.** Partnerships, initiatives, and associations that bring together stakeholders representing the needs of the workforce as well as employers are often referred to as workforce intermediaries. These intermediaries take on various forms to facilitate collaboration among local industries, education and training providers, and nonprofit service providers. Objective third parties are often managers for workforce intermediaries or for specific projects and initiatives within an intermediary organization.

## Employers, Industry, and the Workforce

Employers play a critical role in local workforce systems beyond providing jobs, such as creating occupational credentials, training programs, and talent pipelines. Organizations representing the interests of employers or workers, often from particular industries, also play an important role by bringing various organizations with similar needs together. A local workforce system may include the following employer and industry or workforce representatives:

- **Business and trade associations.** These associations include a vast array of global, national, state, or local organizations made up of groups of employers. Members may be employers from different industries operating in the same local area, such as chambers of commerce, or employers from the same industry across a larger geographic region.
- **Industry organizations.** These organizations represent workers in a specific occupation or industry sector. They set occupational standards or practices and advocate on their members' behalf. Industry organizations should not be confused with labor unions, which are governed by specific rules.
- **Employers.** Local businesses often provide information, funding, resources, and training that benefit local workforce systems, but they also act as customers for workforce programs and initiatives that seek to meet local employers' human resources needs.
- **Labor unions.** Labor unions represent the interests of workers in specific professions through collective bargaining with employers. Unions often participate in local workforce collaborative partnerships and provide guidance and training for workers.
- **Staffing agencies.** Staffing agencies support the workforce and employers' human resources departments by placing skilled workers in temporary or permanent jobs. Employers often contract with the same "temp agency" to meet all their short-term position needs.

## Education and Training Providers

Education and training providers may be public, nonprofit, or for-profit; they have their own category in this framework because they play such a large role in local workforce systems. These organizations include a wide range of institutions and organizations providing a diverse array of academic and occupational programs. They may be part of the formal education system, such as high schools and degree-granting colleges and universities, or they may be for-profit companies that provide short-term technical training. Some government and public-sector organizations; nonprofits and collaborative entities; and employer, industry, and workforce groups listed earlier provide education and training programs in addition to their other roles. A local workforce system may include the following education and training providers:

- **Two-year colleges.** These institutions confer associate's or two-year degrees as their highest educational award, but they also may award certificates for programs that last from only a few days or weeks to those that take more than a year to complete. Two-year institutions are mostly public community and technical colleges, but they may also be nonprofit or for-profit schools. Two-year colleges can provide federal financial aid to students that meet eligibility requirements and may receive federal funding to support career and technical education programs. For example, Pell grants are a major source of tuition funding for training programs at community colleges.
- **Four-year colleges and universities.** These institutions primarily award four-year and often graduate degrees and certificates. As with two-year institutions, four-year colleges and universities can be public, private, nonprofit, or for-profit; they also can provide federal financial aid to students. Many two-year college students seek to transfer to four-year institutions to complete four-year degree programs.
- **K–12 public school districts.** Public and charter schools play a critical role in preparing youth for the workforce through such avenues as career and technical education programs as well as traditional academic preparation for college. They can also partner with youth programs, such as summer jobs and industry-focused career exploration.
- **Nondegree education and training providers.** Many education and training providers offer programs that do not award credits or lead to degrees but provide industry-recognized credentials for occupational training. Nondegree education and training providers range from privately owned technical colleges to industry trade schools.
- **Adult education providers.** Some education programs teach basic competencies or other essential skills people may need to enter a more advanced education or training program. The programs taught by these providers include adult basic education, high school equivalency or GED classes, and English language instruction.



## What Does a Local Workforce System Do?

The many activities of a local workforce system can be grouped into seven major functions. The overarching goal—preparing people for successful careers and connecting skilled workers with employers to improve economic growth—anchors and informs these seven major functions:

- **provide employment services**
- **provide education and training**
- **offer supportive services**
- **support employers' human resources needs**
- **develop and coordinate workforce strategies and policies**
- **provide funding and resources to support the system**
- **improve job quality and access**

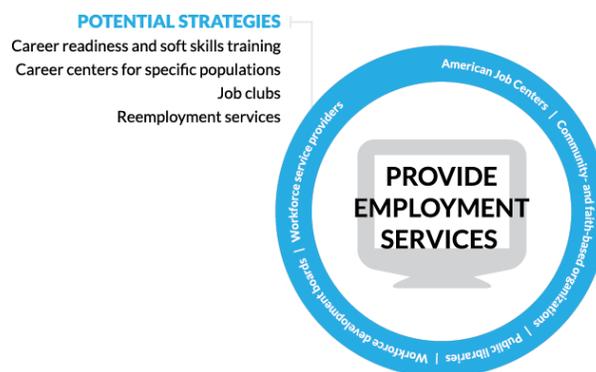
Key organizations in a particular local workforce system may prioritize certain functions, programs, and activities over others. And as local needs and resources change, the focus may shift. The first four functions can be generally described as services that the system provides to individuals and organizations; the last three functions are more strategic. Some functions overlap, and elements of the potential strategies can contribute to more than one function.

## Provide Employment Services

Unemployed and underemployed people, as well as workers seeking career changes or advancement, often need help finding and retaining good jobs or advancing in their careers. Additionally, youth often need help finding and navigating information about careers and the labor market. People with little or no work experience may need to learn “soft” skills such as teamwork, critical thinking, and communication.

Four strategies to provide employment services are listed below.

- American Job Centers provide job seekers with “one-stop” services including local labor market information, job listings, counseling, and assessment to help people find new employment, as well as job training. Customers may include people who have been laid off and need **reemployment services**, and those who are new to or less experienced in the workforce. Staff may also connect customers to other programs such as unemployment insurance, veterans’ programs, and vocational rehabilitation services.
- Public libraries host **job clubs** where small groups of job seekers meet regularly to share experiences and contacts while benefiting from peer support.
- Workforce development boards contract with community- and faith-based organizations to create and staff **career centers for particular populations**, such as older workers or immigrants, where individuals can get assistance with job applications and résumés, and find out about training and career opportunities.
- Workforce service providers facilitate **job-readiness and soft-skills programs** to prepare inexperienced workers for job interviews and workplace behaviors (box 4).



### BOX 4

#### Goodwill of Greater New York and Northern New Jersey

Employment programs and services at Goodwill NY/NJ locations include job readiness and vocational training, work experience, job placement, and workforce reentry support. These employment programs focus on helping people with disabilities and other personal challenges to employment find good job opportunities. They also support local employers by providing a reliable source of qualified and motivated employees. Goodwill NY/NJ has operated employment programs and services for over 100 years. Similar programs can be found at Goodwill locations throughout the United States.

Source: “Workforce Development,” Goodwill NY/NJ, <http://www.goodwillnynj.org/services/workforce-development>.

## Provide Education and Training

Various education and training providers contribute to the local workforce system by preparing workers for successful careers. They may collaborate with employers and industry on content, instruction, and hiring students. Programs that provide individuals with employable skills include high school and college career and technical education, adult basic education, and certificates and degrees from two- and four-year colleges. Four strategies for educating and training a skilled workforce are listed below.

### POTENTIAL STRATEGIES

Accelerated learning  
Apprenticeships, internships, and on-the-job training  
Career academies  
Industry approved training and credentials



- Colleges and universities use **accelerated learning** approaches such as modularized courses, prior learning assessments, and integrated basic skills and occupational instruction to prepare individuals for in-demand jobs in shorter periods of time and get them on a path to a new career (box 5).
- Nondegree education and training providers work with employers, industry organizations, and business and trade associations to create **credentials focused on the skills and competencies needed for employment in a particular occupation**. Employers across an industry then use those credentials for hiring new workers.
- Employers provide work-based learning experiences in specific occupations through **apprenticeships, internships, and other on-the-job training programs**. Labor unions and employers partner to provide apprenticeship opportunities.
- Public high schools create small learning communities called **career academies**, which offer students occupational training at a technical school or college in addition to their regular academic instruction.

### BOX 5

#### Integrated Basic Education and Skills Training Program (I-BEST)

The I-BEST model was implemented by Washington State's community and technical colleges system as an alternative to traditional postsecondary education programs that require students to complete basic education or remedial courses before taking college coursework. I-BEST incorporates competencies in reading, math, English, and job readiness into career training programs. I-BEST uses a team teaching approach with one instructor providing skills training and the other teaching basic skills.

**Source:** "Integrated Basic Education and Skills Training Program (I-BEST)," Washington State Board for Community and Technical Colleges, <http://www.sbctc.edu/colleges-staff/programs-services/i-best/default.aspx>.

## Offer Supportive Services

Many people experience personal challenges to preparing for and securing employment, and adults and youth often need help meeting their education and employment goals. Supportive services help remove barriers to employment and may include assistance with child care, transportation, and housing; financial and personal counseling; academic support; and mentoring. Four strategies for offering supportive services are listed below.



### POTENTIAL STRATEGIES

- College and career navigation
- Food and cash assistance employment and training programs
- Mentoring and peer support
- Social service referrals

- Community colleges and other educational institutions provide coordinated **college and career navigation** services to help students access career guidance and financial, academic, and personal supports that help them complete their studies and find employment (box 6). They also facilitate **mentoring and peer support** programs to allow students to learn from and support one another.
- Public social service agencies coordinate access to multiple work supports, such as **cash assistance, food assistance, and subsidized child care**, because many people have more than one barrier to employment. These services can provide the additional resources and stability low-income people need to find and secure employment. Some assistance programs also support individuals while they participate in required employment and training programs.
- Community- and faith-based organizations help families and individuals access transportation vouchers, food, temporary shelter, and transitional housing programs to ensure that an emergency situation does not derail their employment or training activities.
- Public social service agencies and workforce service providers **refer customers** to additional services that may support them while they seek or sustain work. Supportive service providers may also create common intake forms so customers can apply for several services at once.

## BOX 6

### College and Career Navigation Initiative

From 2010 to 2012, the Colorado Community College System partnered with the Colorado Department of Labor and the Colorado Department of Education to implement the College and Career Navigation Initiative (CCNI). The central goal of CCNI was to align workforce, adult basic education, and career and technical education resources. To achieve this goal, CCNI implemented college and career navigators, colocated at community colleges and American Job Centers. These navigators provided intensive support services for clients at both locations while liaising between participating organizations. Services included career guidance as well as navigation through college enrollment and financial aid processes. CCNI targeted general educational development completers, adults in need of basic skills education, and English as a second language students, among others.

**Source:** “College and Career Navigation Initiative (CCNI),” Colorado Community College System, <https://www.cccs.edu/education-services/career-college-readiness/college-and-career-navigation-initiative-ccni/>.

### Support Employers’ Human Resources Needs

Although local workforce systems often focus on directly serving adults and youth, they also support the human resources needs of local industry. Local workforce systems help employers identify job candidates through prescreening, train new workers, and provide post-placement services to retain skilled employees. Four strategies that help support employers’ human resources needs are listed below.



#### POTENTIAL STRATEGIES

Customized training  
Employer collaboratives and talent pipeline management  
Hiring and job retention services  
Incumbent worker training

- Business and trade associations develop **employer-led talent pipeline management** initiatives to create secure sources of skilled workers for current and future job openings (box 7).
- American Job Centers conduct initial interviews and prescreen potential job candidates, then recommend them to employers. They may also provide **job-retention services** to workers to reduce turnover. Centers often hold job fairs or host other hiring events.
- Community colleges work directly with local employers to develop **customized training** curricula or create facilities and equipment for programs that meet human resource needs.
- Nondegree education and training providers create **incumbent worker training** programs, which help employees learn new skills that support advancement or update their skills and credentials.

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## BOX 7

### Talent Pipeline Management

Talent pipeline management is a demand-driven, employer-led strategy for closing the skills gap in a particular city or region. Using lessons learned from supply chain management, which focuses on the flow of goods and services, the talent pipeline management model puts employers in leadership roles as “end-use customers” of workforce education and training partnerships. Talent pipeline management has three foundational principals:

- Employers create value around the jobs most critical to their competitiveness.
- Employers organize and manage scalable network partnerships with education and training providers.
- Employers collaborate with partners to develop measures and incentives to reinforce and improve performance.

The US Chamber of Commerce Foundation is engaging employers and their workforce partners in different places to develop talent pipeline management approaches in their workforce systems.

**Source:** “Talent Pipeline Management,” US Chamber of Commerce Foundation, <https://www.uschamberfoundation.org/talent-pipeline-management>.

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## Develop and Coordinate Workforce Strategies and Policies

Part of what makes a local workforce system a system is its ability to coordinate across stakeholders, programs, and organizations that may perform similar functions or serve similar populations. A successful system also requires strategies and policies that reflect the needs of stakeholders with different goals and agendas. Coordination and collaboration among organizations in a local workforce system is vital to ensuring scarce resources are used to address priorities effectively and efficiently. Four strategies to develop and coordinate workforce strategies and policies are listed below.

- Elected officials work with economic development agencies to attract residents and businesses to their municipalities. These collaborations can take the form of development projects for specific city areas, such as **neighborhood revitalization** initiatives.
- Workforce intermediaries use funding from foundations and philanthropists to implement strategic **systems change initiatives** that encourage alignment and coordination across groups of workforce organizations and promote best practices in local workforce systems.



- Workforce intermediaries facilitate employer-led **sector partnerships** that bring together multiple stakeholders from particular industries to align training and services for workers to acquire needed skills (box 8).
- Workforce development boards use local labor market and **workforce system data** to assess performance and develop strategies for improvement. These assessments include identifying key characteristics of unemployed or underemployed workers, as well as skilled positions that employers are having trouble filling.

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#### BOX 8

##### UpSkill Houston

One example of a workforce intermediary is the Greater Houston Partnership, whose UpSkill Houston initiative focuses on closing the skills gap in the Houston, Texas, region for careers in petrochemicals, construction, health care, and other key sectors. UpSkill Houston is an employer-led, collaborative workforce effort with three stated objectives:

1. Attract individuals to skilled jobs and professions in critical sectors.
2. Train individuals on basic employability and technical skills.
3. Place and retain individuals in critical skills jobs and professions.

The UpSkill Houston action plan was developed by the Greater Houston Partnership's Regional Workforce Development Task Force, with members from industry, education, social services, and the public sector. Key strategies of the action plan include sector councils, an awareness campaign, adopting common approaches for basic skills and employability, coordination across stakeholders, the development of a data system, and supply-side synchronization.

**Source:** "UpSkill Houston," Greater Houston Partnership, <https://www.houston.org/upskillhouston>.

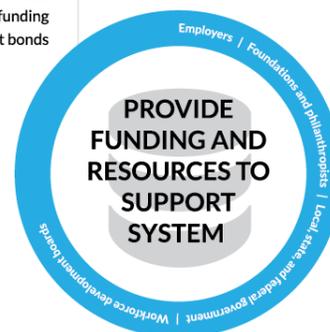
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## Provide Funding and Resources to Support the System

Although federal programs under WIOA and other legislation support the public workforce system through funding distributed by state and local WDBs, local systems also leverage other resources to sustain workforce programs and initiatives prioritized by leaders and other stakeholders. National and local foundations may support local workforce efforts. State and local government funding may also contribute to local workforce development. Four strategies to provide funding and resources are listed below.

### POTENTIAL STRATEGIES

Blended and braided funding  
Collaborative funding models  
Performance-based funding  
Social impact bonds



- Funder alliances engage local workforce stakeholders to identify challenges where combined funding and resources can address workforce issues (box 9). For example, the National Fund for Workforce Solutions uses a **collaborative funding model** to pool financial support from various national foundations and local philanthropists interested in contributing to the same goal.
- State governments award **performance-based funding** to community colleges that reach a prescribed level of success in students completing programs or earning a degree. This performance-based approach is an alternative to the more traditional method of reimbursing colleges according to number of students enrolled.
- Community colleges and other training providers “**blend**” or “**braid**” funding to take advantage of various funding streams, enabling students to access a range of supports. Blended and braided funding both involve combining two or more sources of funding to support a particular program or activity; braided funding tracks how much of each source has been spent, while blended funding does not differentiate between streams once funds have been combined.
- Local governments use **social impact bond models** such as Pay for Success, where private-sector funds are used to cover up-front costs for workforce development programs with the expectation that investors may receive a “return” based on savings achieved through program success, such as reduced dependence on public assistance. Pay for Success programs are rigorously evaluated by third parties to determine if they produce intended outcomes. Social impact bonds allow governments to try new and innovative approaches without financial risk.

## BOX 9

### SkillWorks

SkillWorks is a 10-year, \$25 million initiative that seeks to improve workforce development in Boston and the Commonwealth of Massachusetts by pooling funds from foundations and other charitable entities. These combined resources support promising workforce partnerships focused on industry sectors, such as collaborations between employers and community colleges to provide industry-approved occupational training programs. The initiative is a collaboration among philanthropy, government, community-based organizations, employers, and other stakeholders that want to help low-skill, low-income individuals move to family-sustaining jobs while also helping employers hire and retain skilled workers. The funder alliance model created by SkillWorks has been used by cities around the United States, as well as by the National Fund for Workforce Solutions (<http://nfwolutions.org/>), which supports several regional and local workforce funding collaboratives.

Source: "About SkillWorks," SkillWorks: Partners for a Productive Workforce, <http://www.skill-works.org/about.php>.

### Improve Job Quality and Access

Local workforce systems seek to not only get people into jobs, but improve working conditions and connect people with positions that provide a living wage and benefits, as well as safe and nondiscriminatory working environments. In many local areas, the workforce system plays a significant role in economic development to ensure that residents, especially the economically disadvantaged, can take advantage of the job opportunities created by new employers and industry. Four strategies to improve job quality and access are listed below.



- Industry partnerships encourage **employers to adopt “high-road” strategies**, such as paying living wages, offering paid leave and other benefits, improving working conditions, and providing ongoing training to boost productivity and employee retention (box 10).
- Industry organizations and labor unions support policy changes to improve job quality for workers or to enforce existing regulations in particular sectors, while working to create and improve **career ladders** within those sectors.
- State and local governments adopt **minimum- or living-wage laws** to improve incomes for low-wage workers. Such laws compensate for inconsistencies between the high cost of living in some cities and the federal minimum wage. Governments may also adopt laws that regulate hiring practices to limit discrimination against certain populations.

- Economic development agencies build **local hiring agreements** into development plans that include a public investment. Successful implementation of local hiring agreements must include the buy-in of many stakeholders—community- and faith-based organizations, unions, training providers, developers and business, and workforce service providers—as well as a centralized mechanism for providing trained, prescreened job candidates to employers.

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## BOX 10

### Restaurant Opportunities Centers

The Restaurant Opportunities Centers (ROC) United is a national nonprofit organization supporting the efforts of local restaurant industry partnerships in a growing number of cities across the country. ROC United’s mission is to improve wages and working conditions for the nation’s restaurant workforce, uniting “high-road” employers with restaurant workers and engaged consumers to raise restaurant industry standards. ROC United works in three major areas:

- Organizing workplace justice campaigns to demonstrate public consequences for employers who take the “low road” to profitability by violating workers’ legal rights.
- Promoting the “high road” to profitability through partnerships with responsible restaurateurs, cooperative restaurant development, and a workforce development program that moves low-income workers into living-wage jobs.
- Lifting standards industrywide through participatory research and policy work.

ROC began in New York City after September 11, 2001, to support restaurant workers that were displaced as a result of the attack on the World Trade Center. Formed in 2008, ROC United represents 10,000–18,000 restaurant workers in several states and over 100 restaurant industry employers.

Source: Restaurant Opportunities Centers United, [www.rocunited.org](http://www.rocunited.org).

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## How Can Stakeholders Learn about Their Local Workforce System?

After reading this brief, readers should have a basic understanding of how local workforce systems can function: who they serve, what they do, and which organizations are involved. Local leaders and other workforce stakeholders may want to better understand their *own* workforce systems. They will want to learn which organizations play important roles, which functions the systems perform well and which ones need work, and which populations need more targeted assistance. Using this framework for understanding local workforce systems, leaders and other stakeholders can investigate the functions, organizations, and workforce needs of their unique workforce systems.

Understanding the local workforce system with these goals in mind involves multiple steps. First, it is important to understand the system as it functions. Given the complexity of local workforce systems, this step essentially involves conducting an inventory of the system and its key functions and

organizations, as well as the strategies, funding, and data used within the system. Below are some key questions that stakeholders can use to investigate these aspects of a local workforce system:

- Which of the seven broad workforce functions are working well within the local workforce system? Which need to be improved?
- Which organizations carry out the seven functions? Which organizations are coordinating bodies or intermediaries for the workforce system?
- What are some of the strategies and innovations being implemented within the system? How are they working?
- What funding streams and other resources is the system using?
- How is the system collecting and using local workforce data to identify needs and develop effective strategies?

At the same time, it is essential to understand the needs of the local workforce and industry. This brief identifies several groups of current and future workers with specific needs that workforce systems address, but the nature of these needs varies locally. For example, some local areas whose industry base is changing rapidly may have a great need to serve workers seeking career changes through education and training, as well as economic development efforts. High poverty local areas may have a great need to serve people with personal challenges to work through support services and efforts to improve job quality. Employers' workforce needs also change over time, and it is critical to understand local industry and occupational trends to be able to develop strategies that ensure skilled workers are prepared for employment.

But where should local leaders start when they want to learn about their local workforce system? In addition to contacting the local WDB director, they may want to contact the major education and training providers, such as the local community college's workforce development department, to learn about the programs offered in the area and how they address local workforce needs. Employer and industry representatives may also be good resources for understanding the demand side of the local workforce system and employers' skill needs. All these organizations can then refer to others that can help local leaders learn even more.

By understanding the local workforce system and the needs of the local workforce and industry, it is possible to identify areas that are addressed well within the current system and other that are not. This process involves reflection on the priorities of the local workforce system. With this knowledge, local areas may identify strategies that leverage strengths of the current system and supplement current efforts where they are lacking. This examination can lead to a more strategic development of local workforce systems. Ultimately these efforts can improve the ability of local areas to develop a workforce with the skills and competencies employers need.

## Notes

1. See also “The Public Workforce System,” US Department of Labor, Employment and Training Administration, last updated November 27, 2015, <http://www.doleta.gov/business/pws.cfm>.
2. See Spaulding and Martin-Caughey (2015) for more information on how workforce stakeholders can engage employers.
3. This number only includes youth who “exited” a WIOA program during the measurement period. See Social Policy Associates (2015) for more information.
4. This figure only includes the civilian noninstitutionalized population. See “Table 2: Educational Attainment of the Population 25 Years and Over, by Selected Characteristics: 2014,” US Census Bureau, Current Population Survey, 2014 Annual Social and Economic Supplement, accessed February 16, 2016, <http://www.census.gov/hhes/socdemo/education/data/cps/2014/tables.html>.
5. “About Us,” American Job Center, accessed February 16, 2016, <http://jobcenter.usa.gov/about-us>.

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