



# Improving Services and Outcomes for Diverse Populations in America's Workforce Development System

Recommendations from the Workforce Transformation Policy Council

# Acknowledgments

This work was led by Brooke Valle and JFF members David Bradley, Veronica Buckwalter, Mary Clagett, and Josh Copus. Valle, the primary author of this brief, served as the chief strategy and innovation officer for the San Diego Workforce Partnership, the workforce board for the county, where she championed job quality, innovative financing models and systemic transformation to better serve all people. Drawing on her workforce development experience and an earlier career in strategy and management consulting at Deloitte, she now provides support and strategic expertise to workforce and economic development agencies, nonprofits, and national policy organizations across the United States as an independent consultant. Thank you to the Conrad N. Hilton Foundation and the Bill & Melinda Gates Foundation for supporting the work of the Workforce Transformation Policy Council.

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## About the Workforce Transformation Policy Council

The Workforce Transformation Policy Council (WTPC) is a select group of over 20 workforce development leaders convened by Jobs for the Future (JFF) and the National Association of Workforce Boards (NAWB). The aim of this council is to identify policy changes that are needed to transform the U.S. workforce development system, so it is better able to meet the complex needs of today and tomorrow's work and labor market. As part of this effort, WTPC members organized themselves into deep dives, or "task forces," on topics ranging from improving services for diverse populations to improving training and the Eligible Training Provider List (ETPL) and improving data and performance in the workforce development system. In the first deep dive, WTPC members met to develop actionable recommendations for how federal and state policies can better serve diverse populations. This is the first in a series of papers that will be published by the WTPC making recommendations for transforming the workforce system. Together, WTPC participants draw on their expertise and experiences to provide practical insights on what good policy looks like; what challenges U.S. workers and employers face; and what changes are needed to have a more effective, resilient, and equitable workforce development system.

# Contents

- Acknowledgments ..... 2
- Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System..... 4
- Better Serving Diverse Populations ..... 8
- Design Principles for Serving Diverse Populations..... 9
  - Meet People Where They Are ..... 10
  - Increase Investment in Pathways and Sector Strategies ..... 16
  - Broaden Support to Include Underemployed Individuals ..... 21
  - Remove Barriers to Serving Youth ..... 25
  - Use the Power of Qualitative and Quantitative Data ..... 29
- Conclusion..... 33
- Endnotes..... 34

# 01.

## Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System

In 2023, JFF and NAWB formed the Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System, an offshoot of the WTPC, facilitated by former workforce executive Brooke Valle.

The task force comprised executives from different workforce development boards from across the country with special interest and expertise in this topic. Together, through a series of three meetings and subsequent interviews, the task force explored how federal policies can better use existing workforce systems to deliver people-first, equity-centered results for all through the workforce system's adult and youth programs. The resulting principles and recommendations outlined in this report lean into the power of the nation's workforce development system as a whole while remaining locally responsive and data-driven.



## **Members of Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System**

**Alex Johnson**, Capital Workforce Partners (North Central Connecticut)

**Clyde McQueen** and **Andrea Robins**, Full Employment Council (Greater Kansas City)

**Erick Serrato**, Merced County Department of Workforce Investment (California)

**Jaime Cruz** and **Ricardo Villalobos**, Workforce Connections (Southern Nevada)

**Kirkland Murray**, Anne Arundel Economic Development Corporation (Maryland)

**Marie Kurose**, Workforce Development Council of Seattle-King County (Washington)

**Marlena Sessions**, NOVAworks (California)

**Mitzi Woods**, South Delta Planning and Development District (Mississippi)

**H. Patrick Clancey**, Philadelphia Works (Pennsylvania)

**Priscilla Lopez** and **Camilo Garcia**, Imperial County Workforce Development Board (California)

**Sasha Easton**, Arapahoe/Douglas Works! (Colorado)



## Terminology

In this report, the Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System uses the following definitions:

- **Diverse populations:** Individuals who have been failed, overlooked, or underserved by existing systems, irrespective of whether they are unemployed, ALICE, or receiving SNAP benefits, TANF, or other support. They often include but are not limited to people of color, ethnic and religious minorities, people with disabilities, justice-involved individuals, immigrants or refugees, opportunity youth, members of the LGBTQIA+ community, or individuals in rural communities.
- **People-first:** Policies, procedures, and programs are designed for members of the community and by members of the community, providing meaningful voice, choice, and opportunity for advancement.
- **Equity-centered results:** Policies and practices acknowledge historical inequities and lift up diverse populations who have been failed, overlooked, or underserved by existing systems, irrespective of whether they are unemployed; Asset Limited, Income Constrained, Employed (ALICE); or receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF), or other support. Employers, workforce boards, and community partners must collectively equip all workers with the skills and resources needed to achieve economic mobility advancement.
- **Locally responsive:** Policies balance the desire for large-scale systems transformation with local flexibility that de-risks innovation and encourages workforce boards, and other workforce partners, to experiment with approaches that respond to the evolving needs of their communities. Public funding streams should reward the greatest impact for programs that drive the greatest outcomes, particularly in areas where there have traditionally been gaps in service delivery and racial or gender inequities in results.
- **Data driven:** Policies and practices drive the creation and measurement of a system that addresses racial, gender, and income disparities. While such a change will require a thoughtful transition, the public workforce systems can and should be a critical asset in dismantling past inequities through pathways to future work as well as helping to predict, interpret, and prepare local markets for shifts in the future of work.

Task force members identified strategies that they are currently undertaking to ensure that their systems are effectively serving populations we identify as diverse.

This sustained effort to examine workforce policies and identify specific changes to federal legislation—particularly related to the Workforce Innovation and Opportunity Act (WIOA)—resulted in the following recommendations for systemic change.

The recommendations in this brief are those of the WTPC Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System and not necessarily those of JFF or NAWB. We thank these leaders for their time and expertise in providing the following insights.



# 02.

## Better Serving Diverse Populations

A well-funded workforce development system can empower people to increase their economic mobility, help businesses grow, and prepare youth for the world of work. Unfortunately, the U.S. workforce development system has been underfunded for years. Funding for the three primary formula grant programs for youth and adults under WIOA has sustained a 50 percent cut (when adjusted for inflation) since 1990. If we are going to employ America's workforce development system to effectively serve workers—especially those who have historically faced systemic barriers to economic advancement—policymakers must prioritize the needs of jobseekers and workers and significantly increase funding for this ecosystem. **This includes an increase in WIOA funding to a level of at least \$35 billion (about \$110 per person) for the adult, dislocated worker, and youth formula grants; and funding for the broader workforce development ecosystem at a level of \$80 billion (about \$250 per person), consistent with the investments of other member countries of the Organization for Economic Co-operation and Development.**

At its core, workforce development sits at the intersection of learning, employment, and the supportive services that individuals need to succeed. The ecosystem encompasses a broad network of workforce agencies, employers, education institutions, social services providers, and community-based partners. It is intended to function as the connective tissue needed to ensure that Black, Latinx, Indigenous, and other individuals are not left behind, but this is realistic only when funding is commensurate with the need, and when partnerships are rigorous. And what works is no longer a simple matter of whether an individual is able to get a job. Success today requires more expansive career navigation, skill-development pathways, supportive services, and strong partnerships with employers to create pathways to quality jobs—especially for individuals who experience barriers to advancement.

The following design principles and corresponding recommendations identified by the Task Force on Better Serving Diverse Populations in the U.S. Workforce Development System are intended to lift up actionable ways to transform the workforce system. The task force stressed the need to ensure that policies put people first and are equity centered, data-driven, and locally responsive in order to serve diverse populations well.



# 03.

## Design Principles for Serving Diverse Populations

These principles outline the core strategies for increasing access and achieving positive results for diverse populations. **Specific recommendations follow for each principle.**



**Meet people where they are** by taking services into the community and providing accessible, responsive, holistic needs-based support to eliminate barriers and improve outcomes.



**Increase investments in learning pathways and sector partnerships** and provide greater flexibility to accommodate the varied on-ramps and off-ramps that communities require.



**Broaden support to include underemployed incumbent workers**, part-time workers, and gig workers who are trying to secure full-time, family-sustaining employment amid growing economic pressures.



**Remove barriers to serving young people** who are disconnected from work or school and center youth voices in the development of programming intended to serve them.



**Use the power of qualitative and quantitative data** to understand unique programmatic impacts on people of color and other communities and incentivize more equitable outcomes for all.





## Meet People Where They Are

Personal connection is a key facet of workforce development, especially for individuals with significant impediments to advancement; however, the American Job Center system is not accessible to all communities. While technology has lessened some barriers, accessing a physical center and its resources can be challenging for some due to transportation issues, a lack of personal resources, and work schedules. The need for supportive services has also grown, and the lack of such services can inhibit individuals' training or job transition progress. Worker insights and employer partnerships are crucial to addressing these challenges and identifying the shifts needed to close gaps. The following policy changes are recommended to help workforce systems better meet people where they are:

- Federal policy should allow for flexible, community-based service delivery models that meet the unique needs of individuals and communities. This includes the ability to establish mobile offices (e.g., purchase vehicles) and to acquire the latest technologies (computers, internet connections, and multimedia equipment) necessary for high-quality virtual interactions. Similarly, youth providers should have the flexibility to deliver services to in-school and out-of-school youth through locations, communication methods, and engagement approaches that are centered on meeting the needs of young people where they are. The advancement of data-sharing agreements should also be encouraged by policymakers to enable partner agencies to better share information and reduce administrative burdens by limiting the need for participants to retell their stories before receiving additional services.

**Recommended actions:** Policymakers should provide local areas with the flexibility to pursue innovative, community-centric service delivery mechanisms, in tandem with or in lieu of traditional comprehensive America's Job Center locations, such as co-located job center sites, physical access points at affiliate or partner locations, and mobile service delivery. Such approaches would enable providers to offer comprehensive services and make job center staff members, partners, resources, and services more accessible in the communities where they are needed.

- Wraparound supports are important for all people as they navigate transitional periods in their lives, such as recovering from a layoff, acquiring a new set of skills, or finding a new job, but they are even more critical for communities that have not received equitable investments from the government or private-sector institutions. The types of support that will be most effective will vary widely based on people's specific life situations.

**Recommended actions:** Federal and state policymakers should appropriate dedicated funding, such as a new federal allocation or state set-aside funding, to ensure that participants can successfully complete training programs and find and progress in employment. This funding should support the provision of supportive services to individuals learning new skills as part of an Individual Employment Plan (IEP), with the goal of moving into a role that provides family-sustaining wages or other job-quality benefits.<sup>1</sup> Existing funding is not only inadequate but often restrictive and time-consuming to access; it can also unexpectedly be revoked, such as when small increases in wages trigger the loss of benefits, leaving participants vulnerable to falling further behind. "Funding of last resort" eligibility requirements and enrollment processes can be onerous for workers when not well administered; policymakers should encourage braiding funding and the provision of services but be clear that the requirement should not result in delays in service delivery or additional administrative burdens for participants.

- When individual workers participate in surveys, focus groups, interviews, and other data-collection processes, they provide valuable qualitative data that can highlight both the responsiveness and success of programs. Because input from past and prospective participants is critical to improving workforce programs over time, individuals who contribute valuable insights to support continuous improvement should be compensated for their insights and for the time spent providing them.

**Recommended actions:** To make the collection of such insights possible, federal policymakers should add language to WIOA that enables boards to compensate individuals for their insights both before and after services are delivered to them, much as boards can pay researchers to collect and analyze labor market information. Financially compensating such "worker researchers" would not only provide meaningful ways to center workers in the design and evaluation of programs but also help to dismantle the systemic undervaluing of work performed by certain segments of the population.

- Selective Service registration is not required for a number of benefits programs, such as TANF and SNAP, and the Selective Service registration requirement in WIOA creates a barrier to the enrollment of individuals in need of workforce services. Delays or restrictions in the provision of services can further harm members of diverse populations whose life situations may have impeded them from registering, as well as people who are unfamiliar with the system, including immigrants. Requirements for registration can also hinder seamless co-enrollment, creating unnecessary burdens on both the individual and the system.

**Recommended actions:** Federal policymakers should amend the statute to remove the requirement for Selective Service registration from WIOA, allowing for easier access by participants and collaboration across social service programs.

- Local boards routinely review their membership as they seek to meet their diversity, equity, and inclusion goals. While local boards should continue to be business-led, and they need to maintain a size that enables them to remain agile and reasonably governable, it is important that there is a degree of flexibility in the allocation of seats to reflect local needs.

**Recommended actions:** Federal policymakers should give local boards flexibility to assign additional seats to workers or worker representatives from priority populations.<sup>2</sup> Such a provision would support the work that boards do through their regional and local planning processes in designing responsive pathways for priority populations and enable these communities to provide meaningful insights into programmatic design and evaluation.

- Employers are key to workforce system success. They can provide opportunities for jobseekers and workers, and at the same time benefit themselves, by transitioning to skills-based hiring practices, implementing earn-and-learn models, creating pathways for workers, and adopting inclusive hiring and promotion approaches in their workforce practices.

**Recommended actions:** Federal and state policymakers should provide boards with the flexibility to use Rapid Response and Layoff Aversion WIOA funding to help employers adopt inclusive recruiting, hiring (including skills-based hiring), and retention practices, and to incentivize employers to make investments in their frontline workers' learning and development.

- While most job center and service provider staff members have the best of intentions, all people have unconscious biases. When service providers are not trained to recognize their own biases, it can result in occupational segregation, gender bias, and other types of judgments that can ultimately impede the economic mobility of individuals seeking assistance.

**Recommended actions:** Policymakers should invest in regular professional development for the members of state and local boards and for adult and youth service provider staff members on trauma-informed counseling; diversity, equity, inclusion, and access; anti-racism; active listening; and customer services skills.





WTPC members provided examples of how the design principle of “Meet People Where They Are” is already being put into practice in their communities:

- **Multifaceted delivery model in Nevada:** In the state of Nevada, job center and youth services are delivered at trusted locations embedded throughout the community, including 25 libraries, numerous community centers, a homeless center for youth, an immigrant-focused school, and five juvenile assessment facilities. Locations are selected based on partnership opportunities and community needs, with a specific focus on placing services in all areas of high unemployment. This approach to job center operations reduces infrastructure costs borne by WIOA, with estimated savings of \$1 million annually, while placing facilities in areas that the community members already know, trust, and use for other services. This model employs a combination of dedicated spaces in partner facilities and the deployment of staff and technology on published schedules to meet neighborhood-specific needs. The flexibility of this model supports two-generation approaches, given that families are often accessing the community spaces together, and allows for workforce personnel and services to be scaled up or down at locations throughout the state based on evolving client demands.
- **Mobile career center models in Southern California:** The Imperial County Workforce Board will be using a mobile unit to take workforce staff members and resources to people who need them throughout the county. Although the board has several physical locations, the county is vast and encompasses many rural areas with limited access to public transportation, making the traditional access model a challenge for workers without their own vehicles. The board adapted a mobile unit to include computers, printers, internet access, and other resources to bring the job center directly to the community, enabling community members to receive personalized support without leaving their neighborhoods. This program is scheduled to launch in the fall of 2023.
- **Braiding funding to meet diverse needs in Northern California:** NOVAworks, the workforce board for the Silicon Valley area, has braided unrestricted funds with WIOA dollars to meet the needs of the whole person at their own pace. Saturating individuals with work supports, conducting deep assessments, and providing services for as long as people need them has busted many myths and led to unprecedented outcomes among some of the most historically excluded jobseekers.



- **Customer-led outreach in Colorado:** Arapahoe/Douglas Works! customers participate in work-based learning opportunities as ambassadors at its workforce center locations. This enables them to gain work experience within the workforce development ecosystem and share their experiences as customers navigating the system. The board has placed individuals who are on public assistance, opportunity youth, and LGBTQIA+ people in these opportunities.
- **Taking board meetings to the community in California:** In Merced County, the location of workforce development board meetings changes regularly, spanning communities and spaces as varied as juvenile justice facilities, community college classrooms, and shop floors. This approach provides board members with a better understanding of the system and creates important touch points between those who set the policies for the local system and those who receive its services. Board staff members have found that this model not only sparks meaningful conversations with members of the community but helps board members to shift unconscious biases they might have had about people with particular life experiences or backgrounds
- **Population-specific service delivery in Maryland and Colorado:** Maryland's Anne Arundel Workforce Development Corporation uses reentry navigators in jurisdictions with state prisons to help address the special needs of justice-involved individuals, from transitional employment to expungement. Many navigators have firsthand experience with the criminal justice system and, as a result, have a unique understanding of the pre- and post-release services this population needs. The board encourages navigators to meet individuals at locations that are convenient for them, including outside of the job center, and it is looking into changing the hours of availability to support more individuals who are already working but are seeking better employment. In Colorado, Arapahoe/Douglas Works! places staff members in justice facilities to serve inmates pre-release and continues to deliver services for at least one year post-release. The board is partnering with the Department of Corrections to track recidivism rates, with a goal of seeing a 10 percent decrease. These initiatives are funded through the Pathway Home Grant Program and the Wagner-Peyser Act.



## Increase Investment in Pathways and Sector Strategies

Amid a rapidly changing labor market, ever-changing skill demands, shifts in how we work (including a rise in gig economy work), and uncertain economic outcomes, workers need more from the workforce system than simply a job, especially as we look toward the future of work. They need more pathways out of poverty, access to quality jobs, retention and reengagement strategies, program models that accommodate the needs of all learners, and tailored supports to address individual needs. Sector strategies that unite key business partners around a common set of integrated goals; pathways that lead to progressively higher credentials and careers; and work-based learning experiences all provide opportunities for knowledge acquisition that is directly tied to employer skill demands, and they are all critical for serving diverse populations well. The following policy changes are recommended to increase investments in pathways and sector strategies:

- Pathways programs provide accelerated and accessible routes to credentials and careers. Offering diverse populations with varying skill levels multiple on- and off-ramps to career pathways, along with a range of strategies that are designed to address barriers, helps workers not only enter their first job in an industry but also provides them with the training and support to move to the next position or level in the field, growing their earning power along the way. Work-based learning, including Registered Apprenticeships, youth apprenticeships, pre-apprenticeships, and transitional jobs, are also highly effective strategies for providing diverse populations with opportunities for rapid skill acquisition, credentialing, and employer engagement. Well-run pre-apprenticeship programs can be incredibly effective at providing the skills and competencies individuals need to qualify for and succeed in Registered Apprenticeships. However, current performance metrics in WIOA-funded workforce programs, combined with limited funding for training, encourage boards to exit these workers—who too often find themselves in low-paying jobs—from a program once they obtain any job. A change in when performance can be counted, coupled with additional funding, would incentivize workforce boards to serve individuals holistically, for as long as needed, to close gaps on self-sufficiency and address life circumstances—such as emergency child care, car repairs, or late rent payments—that frequently hold individuals back.

**Recommended actions:** Federal policymakers should signal that investments in pathways are encouraged under WIOA by more robustly funding training and by adjusting current performance metrics in ways that encourage boards to keep individuals enrolled in WIOA-funded training beyond attainment of a first job if they are pursuing a career pathway to a family-supporting career. To accomplish this, WIOA's performance measures should be changed to allow workforce systems to receive performance credit for participants' initial employment, wages, credential attainment, skills gains, and subsequent employment along approved career pathways—without the current requirement that participants must first be exited from the program before entered employment and wages are counted. Policymakers should also adjust the WIOA statute to allow workforce boards to provide supportive services, including needs-based payments to participants in pathway programs, thus eliminating barriers to completion; this is especially important for individuals with low incomes. Finally, policymakers should increase the percentage of WIOA adult and dislocated worker funding (currently 10 percent of the combined total) that can be used to help adults obtain transitional jobs to 20 percent when local areas use these jobs as an on-ramp to a career pathway.<sup>3</sup>

- Many states have explored a variety of approaches to implementing sector partnerships as a mechanism to fill jobs that require a few years of experience or a certain amount of specialized training, including California's High Road Training efforts, Colorado's sector partnerships, and Massachusetts's Workforce Competitiveness Sector Trust Fund. However, a lack of dedicated funding for such partnerships has limited their ability to meaningfully tackle racial and socioeconomic equity within sectors and occupations and has stunted the rollout of such partnership programs in other areas of the country.

**Recommended actions:** Federal policymakers should provide designated funding for sector partnerships and strategies, with a special focus on providing access to and effectively serving diverse populations through such initiatives. In addition, state policymakers should be required to provide designated funding for sector partnerships, either as a portion of the governor's set-aside under WIOA or as a new stream of workforce funding. This includes developing necessary scaffolding for collaboration; providing responsive supports and stipends; and investing in employer incentives, training, and capacity-building to further the development and expansion of quality jobs that are accessible to all. Sector partnerships are a key mechanism for helping businesses address talent pipeline gaps and capacity issues—and for helping diverse populations access quality jobs and careers as part of this talent pipeline solution.

- Expansive learning and development activities that deliver practical skills to diverse populations are crucial in our rapidly evolving economy. The pace of technological growth, the rise of artificial intelligence, and the changes set in motion by the global pandemic have shifted the future of work. Employers are seeking candidates who have a mix of hard and soft skills and the readiness to work.

**Recommended actions:** To achieve more equitable outcomes for diverse populations, federal and state policymakers should expand the definition of training to include workplace readiness and digital literacy education without requiring that they be provided in combination with occupational skills training or through an Individual Training Account (ITA). Further, WIOA should be amended to enable boards to use training dollars through mechanisms other than ITAs, separate from occupational training, to fund the acquisition of such skills and count completion as measurable skills gain.



WTPC members provided examples of how the design principle of “Increase Investment in Pathways and Sector Strategies” is already being put into practice in their communities:

- **Aviation sector partnerships and work-based learning in Mississippi:** Mississippi has created an innovative network of aviation experts from sectors such as the federal government and the community college system to identify potential workers, equip them with in-demand skills through a 16-week program, and then provide paid on-the-job training (at a rate of \$25 an hour). Stipends, paid through state workforce funding, are provided throughout the program to help learners persist until they are able to enter on-the-job training. After participants complete the program, they are placed in local, family-sustaining jobs in the aviation sector. This program is targeting individuals from a variety of backgrounds, including out-of-school young adults, and will provide them with transformational work opportunities. At the same time, investments that are being made in the aviation sector, including renovations of a hangar and airstrip, are rejuvenating the local area, and providing additional employment options for other sectors, such as food services, cleaning, and telecommunications.
- **Blended pathways for rapid skill acquisition in Maryland:** The Anne Arundel Workforce Development Corporation, which serves as the local workforce board, is blending Title I and Title II funding streams to deliver education for contextualized basic skills and technical skills in an accelerated format to equip people to successfully enter a learning program. Using non-WIOA funding, the board was able to blend adult basic education services with technical training, like Washington’s Integrated Basic Education and Skills Training program. The board’s integrated model removes barriers for participants and enables them to take advantage of industry-recognized learning at a pace that meets their needs.
- **Stipends to support dislocated worker success in Philadelphia:** The city’s workforce development board, Philadelphia Works, has received a grant from the U.S. Department of Labor to tackle barriers affecting individuals who have been laid off and out of the job market for an extensive period. This initiative has demonstrated that the provision of additional supportive services to help with issues such as a late rent payment or utility bills enable participants to persist through program completion. It also serves as an example of how, if similar flexibility were permitted in WIOA adult and dislocated funding streams, stipends could be used to enable participants to successfully complete training and move into the workforce.

- **Pathway development through employer engagement in Kansas and Maryland:**  
In Kansas, the board engages health care employers directly in the curriculum development process to ensure that the skills participants are learning are directly aligned with employer needs. Some health care employers interview and hire individuals while they are still in training and provide opportunities for shadowing and mentoring before they complete the pathway program. This builds social capital for diverse participant populations and helps accelerate their progress into the health care space. Additionally, the board works closely with service providers to minimize participant travel and streamline program requirements in an effort to remove barriers to completion. Similarly, Anne Arundel Workforce Development Corporation ran a program that trained people for a certified nursing assistant (CNA) role and then, after six months, reengaged with participants to initiate training for the next role in the career pathway, patient care technician. The board's job center staff retained the individuals on their caseloads while they progressed through the program. The board used non-WIOA funding to provide stipends so that participants were able to more rapidly complete the training. Without stipends, participants often needed to reduce their course loads and increase their earnings to meet their family's needs.
- **Creating pathways into the public sector in Colorado:** Colorado's Workforce Development Professional Apprenticeship program provides full county benefits, except pensions, to individuals who wish to enter public service. The program—one of the first of its kind in the United States—is registered with U.S. Department of Labor and housed at Arapahoe/Douglas Works!. This Registered Apprenticeship program helps participants learn to provide services through a customer-centric lens and enables them to gain experience in workforce development, with the goal of becoming full-time workforce specialists at Arapahoe/Douglas Works!. Because recruitment for the program is broad, many participants are representative of the populations that the workforce development agency serves and are well positioned to provide unique insights into the community and its members' needs. The pathway has created a powerful way to not only expose members of the community to the public sector but to recruit a more diverse, representative population into critical positions.





## Broaden Support to Include Underemployed Individuals

The typical worker's compensation has not kept pace with increases in productivity, which has grown 3.7 times as much as wages since 1979, according to data from the Bureau of Labor Statistics. This trend has exacerbated existing racial and gender wage gaps. 2021 Census Bureau data shows that women who work year-round were earning only 84 percent of what their male counterparts were paid, on average.

At the same time, the number of people working part time or in the gig economy continues to grow. Because these workers lack the basic security and enforcement mechanisms afforded by W-2 employment, many are underemployed. This has created a clear and present need for the workforce system to help not just those who are out of work but those who lack the necessary economic mobility to cover basic needs for their families, invest in learning new skills, or save for emergencies. The following changes are recommended to broaden support for underemployed individuals:

- Needs-related payments applied to transitional or emergency circumstances can mean the difference between successful completion of a career pathways program or falling further behind. Currently, WIOA regulations restrict needs-based payments to only those unemployed individuals who have exhausted other benefits and are currently enrolled in training. Expanding the definition of needs-related payments to include underemployed individuals who are enrolled in a workforce program but whose earnings are below the self-sufficiency level for their local area would enable these participants to more successfully persist.<sup>4</sup>

**Recommended actions:** Policymakers should amend the federal statute to provide additional flexibility regarding the provision of needs-based payments to underemployed workers participating in workforce programs.

- The lines between unemployment and underemployment, full- and part-time status, and seasonal and regular employment continue to blur, requiring more flexibility for boards to deploy their funding to meet the evolving needs of diverse populations.

**Recommended actions:** Federal policymakers should adjust the statute to increase the percentage of WIOA adult funding that workforce boards can use to support incumbent workers from its current level of 20 percent to as much as 40 percent if the individuals being served are below the level of self-sufficiency for the local area.

Additionally, policymakers should amend WIOA, or the U.S. Department of Labor should issue guidance, clarifying a workforce board's ability to serve underemployed individuals—including those making below self-sufficiency for the local area—as adults rather than incumbent workers through pathway programs. That would enable individuals to continue to receive the support outlined in their IEP once they enter employment in the first step of their pathway (e.g., a CNA job while on a pathway to becoming a registered nurse), without it counting against the local board's incumbent-worker percentage or triggering the requirement to participate in customized employer-specific cohort training. Use of additional adult funding to support underemployed individuals should be documented in the local plan and supported by an explanation of how the board will measure success to ensure that diverse individuals are successful and long-term unemployed individuals are not left behind.



WTPC members provided examples of how the design principle of “Broaden Support to Include Underemployed Individuals” is already being put into practice in their communities:

- **Providing stipends to support advancement in Colorado:** Growing immigrant and refugee populations have required Arapahoe/Douglas Works! to not only raise employer awareness of the value that skilled immigrants bring to the table but also increase the speed of placement by reducing friction in the system. The board has applied American Rescue Plan funds, discretionary funds, and WIOA formula dollars to provide work-based learning opportunities in high-growth sectors like aerospace. It has also provided supportive services, such as stipends paid to individuals while they complete job-readiness training, so that people are able to successfully complete the program and begin a new career in the United States. Without this funding, many refugees would either remain on public assistance or take whatever employment was available, even if it did not provide family-sustaining wages, resulting in a loss of opportunity for the individual and unrealized talent in the community.
- **Using an integrated model to connect employers to diverse talent in Maryland:** Anne Arundel Workforce Development Corporation is taking a recruiter-centric approach to matching jobseekers with employers. Its staff members make an effort to understand what a specific business is recruiting for, the company culture, and company pain points in order to more effectively provide a referral. This enables workforce staff members to bring to bear business services such as subsidies, Work Opportunity Tax Credits, and hiring support while connecting employers to candidates they might not have otherwise considered. This model is the foundation of more comprehensive business relationships and provides opportunities to engage larger businesses around building rather than buying their workforce, through incumbent workers and on-the-job training. Deep relationship-building also tends to provide more opportunities for the board to think creatively with businesses about how to change processes or build skills rather than lay off existing staff members in the event of a downturn. Businesses know that the board will assist if an individual experiences challenges post-hire—such as loss of access to transportation, child care, or other basic needs—which helps to deepen the partnership. Finally, the board is considering tracking metrics around how these partnerships not only reduce the time to hire but also help businesses diversify their talent pools.



- **Addressing benefits cliffs in Colorado:** Through a partnership with the Federal Reserve and the Colorado Department of Early Childhood Education, Arapahoe/Douglas Works! assisted early childhood education teachers who were randomly selected for a wage-increase pilot. It used the [Cliff Effect Tool](#) to demonstrate how the increased wages would impact participants' financial situations, including their eligibility for financial assistance. Through this pilot, it also shared information about engaging with its services and connecting with other community partners.





## Remove Barriers to Serving Youth

The needs of youth and young adults, particularly out-of-school youth, are complex. This population, often referred to as opportunity youth, are frequently called on to contribute financially to their families; parent children or younger siblings; serve as translators or navigators for immigrant parents; grapple with unstable housing, food insecurity, and social pressures; and navigate government systems, largely on their own. This reality demands a system that is founded on relationships and trust and where youth feel safe expressing their needs. It requires giving young people agency in choosing their path, coupled with a system that is agile enough to provide help when and where they need it. To better serve our young people, systems must remove barriers that restrict youth from participating in programs, deeply engage with young people to provide needed supports, and proactively seek to prevent disconnection. The following changes are recommended to remove barriers to serving this population:

- Task force members shared that existing requirements for youth to prove eligibility to participate in training or employment, including a requirement for parental signatures, create barriers to entry for young people from diverse populations. For example, some female refugee youth face parental restrictions due to religious considerations, cultural norms, or a mistrust of government. As a result, they might be unable to obtain a required parental signature to participate in a youth program, even though they are eligible for direct employment in the labor market without parental approval.

**Recommended actions:** Federal policymakers should issue regulatory guidance requiring states to align parental signature requirements in WIOA youth programs with existing state requirements for employment, to eliminate barriers to youth participation.

- As workforce boards seek to serve an increasing number of out-of-school youth, they need additional flexibility so they can provide services as quickly as possible to youth in need.

**Recommended actions:** Federal policymakers should adjust the definition of out-of-school youth to include all systems-involved and homeless young people, as well as youth who have legal refugee status or reside in an opportunity zone, so that local areas can rapidly respond to individuals who have disconnected from school and work or are on the verge of doing so. This would reduce the administrative burden of applying for waivers while requiring states to provide a detailed plan for how they will serve diverse youth populations under the existing program elements. Additionally, policymakers should clarify in statute and through U.S. Department of Labor guidance that self-attestation for determining eligibility is allowed, especially in cases where providing documentation would lengthen the time for accessing services or would result in an undue burden (such as in situations involving youth experiencing homelessness or abuse).

- As local areas implement more place-based delivery solutions, especially post-pandemic, opportunities to provide proactive, preventive support is emerging as critical for youth who are not yet disconnected from the system but who reside in areas of high unemployment, designated opportunity zones, or communities with high rates of recidivism.

**Recommended actions:** Federal policymakers should amend WIOA to allow local areas to use a portion of their youth funds, up to 10 percent, to provide universal services to in-school youth residing or attending school in areas of high unemployment, designated opportunity zones or community with high rates of recidivism. Such services might include employing reengagement strategies for young people who show signs of disconnection; exposing youth to education and career pathways; assisting youth in obtaining vital documentation; or providing supportive services such as transportation, mental health care, trauma-informed counseling, and other types of assistance young people need to succeed in education and employment. Decisions to allocate a portion of funds to universal services should be outlined in local board plans and reviewed as part of the existing planning process. Local areas should set specific goals for the work performed with these funds that are tied to increasing equitable outcomes for targeted subpopulations.

To support this work, the U.S. Department of Labor should provide guidance to encourage local boards to invest in partnerships with research and youth-serving organizations to better understand the unique trends within the subpopulations of youth who are disconnected from school and work and target appropriate programmatic responses.



- Competitive grants should be awarded to partnerships of workforce systems, secondary schools, community colleges, community-based organizations, employers, and other key stakeholders, with flexibility like that of the federal government's Performance Partnership Pilots for Disconnected Youth. This would allow for creative solutions to the complex challenges experienced by young people who are facing significant barriers to advancement in the labor market and other vulnerable youth populations.

**Recommended actions:** Policymakers should establish a new competitive grant program to serve local areas with high concentrations of youth who are disconnected from school and work. This initiative should align multiple programs and partners through collective impact strategies for serving in-school and out-of-school youth who are at risk of disconnection and expand evidence-based strategies for helping these young people succeed. Solutions should focus on addressing the education and employment needs of underrepresented youth, including Black, Latinx, and Indigenous populations, who have been historically underserved, with special attention paid to racial equity.

- WIOA requires that local programs make 14 services available to youth participants, and these elements inform the design of all youth service delivery. But as local programs' focus has increasingly shifted to out-of-school or disconnected individuals, some of the elements have become irrelevant or cannot feasibly be provided to every youth at current funding levels.

**Recommended actions:** Policymakers should broaden the definition of training for youth under WIOA youth programs to include prerequisites that may be necessary to support a young person's employment or training completion, such as first aid certifications or driver's license education.<sup>5</sup> State and local policymakers should find ways to expand work-based learning through recent federal job-creation initiatives, including infrastructure, CHIPS and Science Act, green energy, and health workforce initiatives.<sup>6</sup> This approach could include encouraging partnerships that dedicate a portion of funding specifically to youth or providing incentives to states and local communities to service this population. Finally, the U.S. Department of Labor should issue guidance to clarify that exposure to the labor market and adult mentoring can take many different forms and that the time frame should therefore be based on individual needs.<sup>7</sup>

WTPC members provided examples of how the design principle of “Remove Barriers to Serving Youth” is already being put into practice in their communities:

- **Understanding opportunity youth in Nevada:** Las Vegas’s workforce board partnered with the Gwen Center, through United Way funding, to better understand the needs of young people. The research center conducted focus groups targeting disconnected youth in the workforce system. Participation was incentivized through stipends tied to the leadership development component of the 14 youth elements of WIOA. The results provided insights into what youth want and need from programs, the barriers they encounter, and the gaps that exist in current programming. The lessons learned are being infused into existing youth work, both to improve services to out-of-school individuals and be more proactive in preventing disconnection.
- **Leveraging other funding sources to prepare youth for WIOA eligibility in Philadelphia:** Philadelphia’s workforce board dedicates 90 percent to 100 percent of its youth funding to serving opportunity youth across the city via a neighborhood-level approach that has been carefully designed with input from youth and youth-serving organizations. Because WIOA requires young people to be enrolled before any services can be provided, and because out-of-school youth are often facing exceedingly difficult circumstances, many of these individuals are not able to provide the paperwork required for WIOA eligibility. Rather than denying services, the board leverages funds from the city to enroll eligible individuals and provide support for applying for necessary identity and related documentation. Once documentation has been secured, the youth can then be co-enrolled into WIOA to benefit from the available programming.



## Use the Power of Qualitative and Quantitative Data

Data can provide transformative insights, but while states publish a wide range of performance and demographic information, much of which is disaggregated, the current process lacks meaningful dialogues between state and local areas around how to target responsive programmatic interventions, address persistent inequities, and close service gaps. Additionally, current reporting does not consistently include insights from workers because survey data is not a required component. The U.S. Department of Labor has made important commitments to increasing the quality of jobs through its funding, programs, and partnerships, but additional guidance, data infrastructure, and support are also needed to bring this to life in the field. The following changes are recommended to enable programs to use the power of qualitative and quantitative data more effectively:

- While median-wage data provides some insights into the realities that workers, including youth, face, it stops short of placing those insights in the context of what workers need to not only survive but thrive. A standardized self-sufficiency calculation approach would provide a foundation for not only comparing existing data but also exploring ways to accelerate improvements in wage gains for particular populations, or to drive reductions in wage gaps within priority occupations.

**Recommended actions:** To better understand worker advancements toward economic mobility, the U.S. Department of Labor should provide guidance to states and local areas on a standardized self-sufficiency calculation. It should also require boards to include a self-sufficiency standard in state and local plan submissions so a consistent understanding of self-sufficiency can be used to inform the provision of services. Policymakers should also consider providing incentives to local boards for improving equitable outcomes for diverse populations, including their successful completion of pathways and attainment of wage increases. States should use the planning process to partner with local boards in identifying priority populations, setting targets, and measuring results, based on trends in programmatic and administrative data.

- There is much additional data that would be useful to inform workforce development efforts, such as expanded unemployment insurance records and worker voice surveys. However, states and local areas should move from just reporting on participant outcomes to analyzing the root causes of inequities in those outcomes, and to identifying meaningful programmatic responses to variances in outcomes for different populations. This process should reveal innovative ways that boards can maximize the use of existing funding; identify innovative strategies for effectively serving targeted populations, including youth; and expand needed partnerships and the braiding of funding.

**Recommended actions:** To achieve a shift from simply reporting on outcomes to understanding the impacts of programs and services on individuals' education and career advancement, the U.S. Department of Labor should require robust analysis by state agencies, accompanied by dialogue with local areas, that includes the following as part of the state planning process for adult, dislocated, and youth populations. Collecting and analyzing data elements, such as the following, through the planning process would create a more human-centered strategy and programmatic design:

**Attrition** (at each point in the process), to inform equitable outcomes.

**Wage change** (pre- versus post-program), to inform program impact.

**Wages earned versus self-sufficiency for a local area**, to inform continued service delivery.

**Population served versus community demographics**, to inform equitable representation and participation.

**Time to market** (e.g., from enrollment, to placement, to first paycheck), to inform program impact.

**Occupational breakdowns** by race, gender, and wage.

**Worker voice input**, such as surveys and net promoter scores.

- To further advance data-informed programmatic design and delivery, programs need additional guidance on establishing sustainable funding structures.

**Recommended actions:** The U.S. Department of Labor should issue guidance that encourages states and local areas to use a combination of cost reimbursement and performance-based funding structures to increase competition for contracts, particularly by community-based organizations and other underrepresented organizations. It should also incentivize the achievement of equitable outcomes for specific populations by subrecipients. These efforts should be paired with expanded investment in technical assistance to equip diverse organizations to compete in the procurement process. The use of such funding structures, coupled with robust technical assistance, can allow boards to not only expand the organizations they partner with in serving their populations but also encourage more creative, results-oriented thinking that is centered on addressing real needs in responsive, people-centered ways.



WTPC members provided examples of how the design principle of “Use the Power of Qualitative and Quantitative Data” is already being put into practice in their communities:

- **Understanding attrition as an indicator of equity in Maryland:** The Anne Arundel Workforce Development Corporation measures the attrition of participants at each stage—from enrollment to training start, training start to completion, and completion to placement—and analyzes who is dropping out and when, as well as the root cause. This not only allows for more responsive engagement with individuals in workforce programs but also influences future programmatic development by identifying challenges and inequities with the existing model.
- **Collecting qualitative inputs in California:** NOVAworks collects Yelp reviews and conducts customer satisfaction surveys at least twice annually to understand the needs of the people it serves. The Merced County workforce board conducts qualitative surveys with individuals before and after programmatic intervention to understand the level of stress they are feeling and more accurately assess whether the program made a difference in their lives. The board also closely tracks how long it takes individuals to not only complete the program but to receive their first paycheck, to identify opportunities to reduce the stress individuals might be experiencing.
- **Expanding the definition of success in Florida:** Florida has implemented letter grades to provide a baseline measurement to help identify areas in which local workforce development boards excel and areas that can be strengthened to improve outcomes for jobseekers, workers, and businesses. The letter grades are among several components of the state’s 2021 Reimagining Education and Career Help Act<sup>8</sup> aimed at providing greater transparency and accountability in Florida’s workforce and education systems. Metrics used in the calculation of letter grades include how well local workforce development boards are meeting federal accountability measures, how many jobseekers received work-related training, how many participants earned more in the second quarter after receiving workforce services, how many employers are return customers for business services, and the reduction in the number of participants on long-term public assistance.



# 05.

## Conclusion

Bringing these shifts to fruition will require more than adjustments to policy or practice; it will require stakeholders to think differently about the workforce system. This means starting with what people need and aligning the funding, supports, and training to help them get there. This will also require investment in the professional development and advancement of workforce staff members, to equip them to keep pace with the changing demands of this system.

Finally, this requires that community-based organizations that are serving their neighborhoods well—with deep relationships and trusted voices—are equipped to participate in the federal funding system through technical assistance, flexible contract structures, and inclusive outreach. These changes will not occur overnight; however, each step forward will ensure that our nation experiences a more equitable post-pandemic recovery in which good jobs truly are available to all.



# Endnotes

1. WIOA requires that all adult, dislocated worker, and youth participants be provided with an assessment and an IEP or Individual Service Strategy (ISS), depending on the program. The documents and processes for the IEP and ISS are similar; however, the IEP is for Adult and Dislocated Worker Program participants, whereas the ISS is designed for Youth Program participants. The IEP and ISS are a culmination of the assessment and must identify the employment goal, appropriate achievement objectives, and the appropriate mix of services.
2. Priority populations are those that receive priority of service, as defined by WIOA: “Priority of service’ means, with respect to any qualified job training program, that a covered person shall be given priority over a non-covered person for the receipt of employment, training, and placement services provided under that program, notwithstanding any other provision of the law.”
3. According to the Code of Federal Regulations § 680.190: “A transitional job is one that provides a time-limited work experience, that is wage-paid and subsidized, and is in the public, private, or non-profit sectors for those individuals with barriers to employment who are chronically unemployed or have inconsistent work history, as determined by the Local WDB [Workforce Development Board]. These jobs are designed to enable an individual to establish a work history, demonstrate work success in an employee-employer relationship, and develop the skills that lead to unsubsidized employment.”
4. Currently, WIOA gives priority for individualized career services to individuals who are recipients of public assistance, other individuals from low-income backgrounds, and individuals who are deficient in basic skills. The statute and regulations do not currently define self-sufficiency but provide the option for local areas to establish additional priority populations based on local need. [See WIOA § 134(c)(3)(E).] According to the Self-Sufficiency Standard, self-sufficiency is based on “the amount of income required for working families to meet basic needs at a minimally adequate level, taking into account family composition, ages of children, and geographic differences in costs.” Common calculators for determining living or self-sufficiency wages include the [Massachusetts Institute of Technology’s Living Wage Calculator](#) and [University of Washington’s Self-Sufficiency Standard](#).
5. Amend Element 5 of the WIOA program requirements (“education offered concurrently with workforce preparation and training”) to include “job-readiness training and foundational credentials,” such as resume preparation services or first aid certification, that do not result in a specific industry-recognized credential but can be important for the development and preparation of the young adult.
6. Remove the reference to “academic and occupational education” from Element 3 of the WIOA program requirements (“paid and unpaid work experiences”), because it can be interpreted too strictly and limit work-based learning opportunities. Also, consider adding “service learning” to Element 3, given that it is not included as a work experience type.
7. Clarify that for Element 13 of the WIOA program requirements (“services that provide labor market exposure”), career exposure is not restricted to in-demand occupations. While in-demand occupations are prioritized, it is important to give youth a broader sense of the careers that exist in the local economy. In addition, remove the 12-month time frame from Element 8, “adult mentoring,” as that time frame is not always necessary or responsive to the needs of the individual.

8. Florida's 2021 Reimagining Education and Career Help (REACH) Act is a comprehensive blueprint for enhancing access, alignment and accountability across the state's workforce development system. The law calls for the Governor's REACH Office to develop criteria for assigning a letter grade to each local workforce development board and for CareerSource Florida to assign and make the letter grades public annually. The new letter grade system provides a standard, statewide assessment that allows local workforce development boards to identify areas in which they excel and areas that can be strengthened to improve outcomes for all Floridians. Florida's 2021 Reimagining Education and Career Help (REACH) Act is a comprehensive blueprint for enhancing access, alignment and accountability across the state's workforce development system. The law calls for the Governor's REACH Office to develop criteria for assigning a letter grade to each local workforce development board and for CareerSource Florida to assign and make the letter grades public annually. The new letter grade system provides a standard, statewide assessment that allows local workforce development boards to identify areas in which they excel and areas that can be strengthened to improve outcomes for all Floridians." <https://analytics.careersourceflorida.com/LetterGrades>



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