January 8, 2015

Dear Colleague,

The Workforce Innovation and Opportunity Act (WIOA), signed into law on July 22, 2014, provides new opportunities for employment and training activities to be extended to Temporary Assistance for Needy Families (TANF) recipients. In particular, TANF programs will be required One-Stop partners for a local workforce area (unless the governor notifies the Secretaries of Labor and Health and Human Services otherwise). Further, states may coordinate TANF programs and services with other workforce programs administered by the Departments of Labor and Education, and submit a combined state plan in lieu of submitting separate plans. In the coming months, the Office of Family Assistance (OFA) will be providing additional information about the requirements and opportunities presented by WIOA, and its importance for TANF agencies.

On the same day that WIOA was signed into law, the Vice President delivered a report, “Ready to Work: Job-Driven Training and Opportunity,” to the President. The report reviewed federal job training programs and identified a checklist of characteristics that any training program should have to be more “job-driven” (see Attachment). There is striking overlap between the principles in the Job-Driven Training Checklist and the principles that are reflected in WIOA.

OFA and its programs foster the long-term self-sufficiency of low-income families by promoting work and by providing training, education, and other supports that lead to employment. To increase the effectiveness of these efforts, OFA supports making employment and training programs under TANF, the Health Profession Opportunity Grants (HPOG), and Healthy Marriage and Responsible Fatherhood (HMRF) grants more job-driven. Since the enactment of WIOA and creation of the checklist, OFA has conducted several outreach activities and has gathered and shared information with the field regarding innovative approaches to address challenges for implementing job-driven training programs.

The purpose of this letter is to encourage the adoption of the elements of the Job-Driven Training Checklist. I want to bring particular attention to steps that programs can take to engage employers and use labor market information.

The Departments of Labor, Commerce, Education, and Health and Human Services recently published What Works in Job Training: A Synthesis of the Evidence, which includes information about both engaging employers and using labor market information. For example, studies show that engaging employers—particularly around sector specific training programs—can lead to employment, higher earnings, and more hours for training participants. Additionally, this engagement can lead to increased productivity, reduced employee turnover, and fewer customer complaints for employers. Similarly, there is evidence that a combination of providing labor market information and other career guidance can result in better persistence in training programs, higher rates of employment, and increased earnings for participants.

Some TANF, HPOG, and HMRF grantees are already implementing practices for engaging employers and using labor market information. For example, Ready-To-Work is a partnership between the Kentucky Community and Technical College System and Kentucky’s TANF program, K-TAP. The Ready-To-Work program engages employers
through its TANF-funded work study program, which provides students with subsidized employment opportunities preferably related to their field of study – on campus, at a local non-profit organization, or in the for-profit sector. These work study placements provide students with basic work skills while they earn an hourly wage and gain valuable experience and exposure to the workplace.

The Full Employment Council, an HPOG grantee in Kansas City, Missouri, uses labor market information and real-time workforce intelligence drawn from surveys of local employers to identify the most appropriate training courses to offer participants. A panel of employers plays an active role in the development of a training menu. The training menu covers a wide variety of health care occupations by utilizing all local community colleges, vocational schools, and four-year institutions. Programs on the menu have lengths ranging from 6 weeks to 24 months and lead to a variety of credentials.

Seedco, an HMRF grantee, is funded to serve low-income fathers in New York City. Seedco partners with its local workforce board to obtain labor market information and partners with employers to provide subsidized employment. Seedco has developed expertise in implementing large-scale programs to provide fathers with comprehensive services to strengthen their employment prospects and their families. The program coaches fathers to gain knowledge and access resources to enter and succeed in the workforce and to have a positive impact on the lives of their children.

The Office of Family Assistance strongly urges TANF, HPOG, and HMRF programs to collaborate with their partners in education, workforce development, support services, and the private sector to engage employers and use labor market information when designing and implementing programs. Doing so is beneficial to both program participants and employers. Labor market information is available through a variety of public and private sources at the federal, state, and local levels. Two of the most common sources of labor market data are the federal Bureau of Labor Statistics’ (BLS) Occupational Employment Statistics (OES) program and the Occupational Outlook Handbook (OOH). The BLS also provides a useful directory of State Labor Market Information Contacts and websites.

Additional resources are also available from OFA that may be helpful to programs seeking to become more job-driven. These include the Career Pathways Catalog of Toolkits, an online TANF technical assistance resource of free tools for developing career pathways; Questions and Answers (nos. 2-4), that explain how to record and verify educational activities that count toward the TANF work participation rate; Navigating Federal Programs to Build Sustainable Career Pathways in the Health Professions, a guide commissioned by HPOG for a sector-based career pathways approach; and Within Reach: Strategies for Improving Family Economic Stability, a toolkit developed especially for HMRF grantees to help families progress toward self-sufficiency.

As the nation’s economy continues to rebound, there is increased emphasis on creating and improving opportunities for economic advancement for all Americans. Establishing and maintaining strong partnerships with employers and using labor market information to inform training offerings are key elements of a job-driven strategy to improve employment outcomes for TANF recipients and other low-wage workers. We look forward to working together to find the most efficient and effective ways of serving these Americans.

Sincerely,

/s/

Nisha Patel
Director
Office of Family Assistance
CHECKLIST FOR JOB-DRIVEN TRAINING

☑ Work up-front with employers to determine local or regional hiring needs and design training programs that are responsive to those needs

Engaging employers, employer associations, and labor organizations in the design and delivery of education and training can help ensure that such programs meet current and future hiring needs and will likely result in employment for participating job seekers.

Concrete examples include:

- Providing industry with a leadership role, for example through an employer-led workforce investment board or other coordinating board, such as an industry association, to set strategic direction and to help coordinate and connect programs and program activities.
- Engaging business and industry to identify skills, define skills and competencies, design programs, and develop curriculum.
  - May take the form of consulting directly with businesses or with associations or other intermediaries (possibly organized by sector) that have the active involvement of businesses and expertise in training.
- Securing employer commitments that will add value to the program, such as:
  - Providing work-based learning opportunities—for example, through on-the-job training or Registered Apprenticeships.
  - Providing up-to-date, accessible equipment and technology as well as the instructors to help participants with various learning styles master the required new skills.
  - Making commitments to hire graduates from training programs.
- Collaborating with employers and credentialing agencies in developing industry-recognized credentials and validating their labor market value.

☑ Offer work-based learning opportunities with employers—including on-the-job training, internships, and pre-apprenticeships and Registered Apprenticeship as training paths to employment

Work-based learning enables participants to gain or enhance their skills while employed or while engaged in an experience that is similar to employment. Work-based learning can result in workers getting hired and earning a salary more quickly while receiving support for ongoing educational and career advancement.

Concrete examples include:

- Internships (paid) or other summer or year-round employment opportunities, and paid work experience.
- On-the-job training, which is training conducted by an employer and occurs while an individual is engaged in productive work.
- Registered Apprenticeships (possibly combined with pre-apprenticeships), which are “earn while you learn” training models that combine job-related technical instruction with structured on-the-job learning experiences.
- Job shadowing experiences, which may occur even prior to training to ensure that the nature of the work and the work environment are a good fit for the prospective trainee.
• Incumbent worker programs, particularly those that provide training for current low-skilled or low-wage employees that give them access to more advanced positions.
• Transitional jobs, which provide short-term work experience along with appropriate supportive services for hard-to-employ individuals.
• Career academies, a school-within-a-high school model with strong employer partnerships that integrate academics with an occupational curriculum.

Make better use of data to drive accountability, inform what programs are offered and what is taught, and offer user-friendly information for job seekers to choose what programs and pathways work for them and are likely to result in a job

Timely, reliable, and readily accessible labor market information, in conjunction with program outcomes, should be used to inform the focus of programs and to guide jobseekers in choosing the types of employment or fields of study, training, and credentials to pursue. Labor market information includes current and projected local, regional, State, and national labor markets, such as the number and types of available jobs, future demand, job characteristics, and training and skills requirements, and the composition, characteristics, and skills of the labor supply.

Concrete examples include:
• Using job openings and employment projections data to strategically identify employer partners.
• Using job openings, projections, and wage data to tailor job training offerings.
• Using labor market projections and characteristics of regional labor market or program participants to conduct skill gap analyses.
• Providing information about current and projected job openings and wages to participants to inform their decisions about which programs to enter.
• Informing small or medium-sized businesses about industry and occupational trends and wages.

Measure and evaluate employment and earnings outcomes

Programs should measure employment and earnings outcomes and make sure they are easily understood by prospective participants, employers, and other current or potential stakeholders.

Concrete examples include:
• Providing outcome data for Federal programs to the public. For example, Department of Labor programs use a set of common employment-related measures, which include employment rates, earnings, and retention, and make the aggregate results available on the Department’s website.
• Making Federal performance data on education and training programs by provider publicly available to individuals and employers.
• Presenting data on outcomes by training provider to individuals as they review training options with career counselors.
• Using real-time data to continuously improve program outcomes.
• Evaluating a program to determine whether it is effective.

Promote a seamless progression from one educational stepping stone to another, and across work-based training and education, so individuals’ efforts result in progress
Training programs should be part of a continuum of education and training leading to credential attainment, good jobs, increased earnings, and career advancement.

Concrete examples include:

- Implementing programs that fit on “career pathways” with a clear sequence of education and training that result in skills and credentials aligned with the needs of the industry sector, with multiple entry and exit points leading to good jobs and meaningful careers.
- Aligning the program with and leveraging other public (Federal, State, or local) or private education and training program resources.
- Integrating foundational skills education and training with occupational skills training, with an emphasis on contextualized learning.
- Creating articulation agreements among high schools, community and technical colleges, and four year colleges, so that students can continue a program of study seamlessly.
- Providing sector-specific training to high school students, either on-site or through an employer, coupled where possible with college credits from the local community college.
- Enabling Registered Apprenticeship graduates to receive college credit for prior learning during the apprenticeship program.

Break down barriers to accessing job-driven training and hiring for any American who is willing to work, including access to supportive services and relevant guidance

Programs should include career assistance and supportive services, consistent with the program’s governing statute and appropriations authority, as needed to enable an individual to participate in and complete education and training activities and secure employment.

Concrete examples include:

- Career counseling and job coaching.
- Transportation to/from training or work-based learning.
- Assistance with finding and affording quality child care or family care.
- Housing assistance.
- Providing people with disabilities with information on assistance services that are available to help them contribute in the workplace (e.g., readers for individuals who have low vision or are blind; interpreters for individuals who are deaf or hard of hearing; note-takers for individuals with mobility disabilities, etc.).
- Workplace flexibility strategies (time, place, tasks) for individuals with multiple barriers to employment, including individuals with disabilities.
- Supported employment programs for individuals with significant disabilities.
- Other supportive services, including food assistance, services that help participants have criminal records expunged, and substance abuse and mental health treatment.

Create regional collaborations among American Job Centers, education institutions, labor, and nonprofits

Effective programs often leverage a variety of resources, both financial and in-kind, from other partners to deliver the best services possible and to expand the reach of those services to address needs of both individuals and employers. This can be particularly valuable for programs that serve individuals with multiple barriers to employment. To avoid duplication of effort and identify potential sources of such
leverage, training programs should consider partnerships with or within the public workforce system (including the American Job Centers—formerly known as One-Stop Career Centers—and State and local Workforce Investment Boards), vocational rehabilitation agencies, human services agencies, higher education institutions, veterans service organizations, labor organizations, philanthropic organizations, business-related and other non-profit organizations, and community- and faith-based organizations. Any partnership and leveraging of funds must be consistent with the program’s governing statute and appropriations authority.

Concrete examples include:

- Seeking input from an advisory or governing board made up of representatives from these entities that informs and makes decisions about training and training-related programs.
- Identifying public and private funds or resources that can, where permissible, support the delivery of the program, including staff to coordinate with partnership organizations.
- Coordinating wrap-around and supportive services for participants with other resources from public and privately-funded training, training-related, or social and community services programs. Aligning the program with other public and private education and training program resources.