

PA Workforce Development System Includes:

- A. **One Stop System** (in PA, they are called PA CareerLink®s) is created by the local workforce investment board with agreement by the chief elected officials. The PA CareerLink® system is made up of one stop service centers where various government and community agencies are co-located and work together to help local employers and job seekers access the many workforce development resources available in a local area to facilitate employment, job retention and earning gains.
- B. **Industry Clusters** (in PA, they are called industry partnerships) provide the local Board direct access to understanding local business needs and offer industry- specific training for incumbent workers. They are multi-employer collaborations that bring together business executives, workforce development professionals, economic developers, labor leaders, and educators around the common purpose of improving the competitiveness of a specific industry sector by helping to identify critical human resource training and education needs, recruitment and retention challenges and work together to help address them. Job Ready funds provide monies to help support these collaborative efforts and help fund incumbent (workers employed) training to enhance their skills to meet specific employer needs. Industry sectors that have partnerships include:

• Healthcare	• Building Trades
• Metals & Metal Fabrication	• Transportation, Education & Economic Development
• Electronic Manufacturing Services	• Labor and Wood
• Manufactured Housing	• Oil & Gas
• Technology	• Agriculture
• Food Processing	• Hospitality & Tourism

- C. **Workforce Development Network** has been developed to facilitate the functioning of community partnerships which advance the WIB's goals. The network is made up of various consortiums that are comprised of both employers as well as agencies dedicated to serving employer needs in NWPA. Members of the various consortiums partner together to work collaboratively to effectively coordinate and execute specific initiatives at the local, county, regional and state level. Examples of some of the networks include:
PA CareerLink® Business Service Unit Staff
Regional Career Education Partnerships
Youth in Transition Task Force
Northwest Regional Commercialization and Innovation Collaborative

Orig Date: February 13, 2009

Rev Date: October 15, 2010

Overview of The Workforce Investment Act

In August of 1998, Congress and the President enacted the Workforce Investment Act (WIA), the first major piece of federal employment and job training legislation in more than 15 years. The law recognizes the dramatic workforce and workplace changes that have taken place in the U.S. economy and responds to these with a *vision of a workforce development system that is comprehensive, demand driven and customer-focused*. WIA also ushered in a new paradigm that brought the workforce system much closer to addressing business needs by recognizing that public programs need to be conducted in a business-like manner, with a greater emphasis on results, efficiency and accountability.

This new system is intended to help connect U.S. companies to find the skilled workers they need and to provide *all* members of the workforce access to training they need to manage their careers, enhance overall job retention and be able to make a sustainable, living wage. The drafters of WIA made customer service a key ingredient of the system, requiring that agencies become more flexible and adaptable, and to have individual government services collaborate together to better service employers and job seekers.

WIA's law and regulations also attempt to separate policy development, administration, and service delivery in order to ensure that the LWIB is focused on addressing the strategic needs of local employers and the workforce.

WIA empowered state and local areas in decision-making about service design to allow them greater latitude to customize services. This helped create an innovative local climate. The LWIB, has broad responsibility for developing an employer-driven, local workforce investment system which is comprised of four primary components:

- a. **Employers:** (Demand)
- b. **Job Seekers: Adult and Displaced Workers** (Supply)
- c. **Incumbent Workers** (employed workers who require training and skills enhancement to meet local employer's needs)
- d. **Youth** (future supply) – overseen by a Youth Council

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Core Principles:

- **Employer Driven and Active Private Sector Involvement** JPTA, the precursor to WIA, gave businesses a role in developing training programs and required a business majority on the local workforce development-making boards, the Private Industry Councils. However, the involvement of businesses with these programs was largely an afterthought designed to support the goal of helping job seekers find good jobs. WIA significantly enhanced the focus on meeting the needs of business by including several provisions explicitly requiring states and local areas to provide services to businesses
- **State and Local Flexibility**
- **Universal Access**
- **Streamlining Services Through Integration**
- **Empowering Individuals** by providing information, guidance and Individual Training Accounts so they can choose the training provider that can best serve their needs
- **Increased Accountability**
- **Improved Youth Programs**

Governance:

Local Policy: Set by the LWIB

Operations: Operated by independent organizations which can be for-profit, nonprofit, or a consortium of organizations. (In NW PA, RCWE and the PA CareerLink® Operator Consortium)

Funding: Ten percent of WIA funds are allocated to cover administration costs which include WIB staff support, fiscal agent, MIS system costs, etc. (In NWPA, the administrative functions of the workforce system are largely coordinated through one entity. RCWE acts as staff support to the WIB, coordinator of the industry partnerships and as the fiscal agent.)

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Job Ready PA

In 2005, Pennsylvania enacted a set of reforms packaged as Job Ready PA. This fundamentally changed the workforce development system and realigned resources to make the CL System industry-driven so that it can support the competitiveness of the region's critical industries and involve more employers in the design and delivery of training and education.

To guide what training is delivered, **industry partnerships** were developed in order to design the training needed by each industry and to aggregate demand for it. These partnerships enable small and medium size businesses (over 98 percent of the total businesses in PA) who may have limited resources and only one or two employees in need of skill upgrades to take advantage of these economies of scale. The challenge is to ensure that training offered by the myriad of programs in the existing workforce development system is aligned with the demands defined by these businesses.

In addition to this challenge, the general focus of the PA CareerLink® system is changing. **The Commonwealth is working to change its emphasis from serving employers through standard labor exchange services and monitoring job orders to that of being demand-driven and aligned with economic development.** It is emphasizing the alignment of all workforce programs, with a key objective of focusing scarce resources through consolidation, coordination and leveraging vs. maintaining physical infrastructure. Programmatically, the Commonwealth is asking that the PA CareerLink®s focus on serving employers' talent development needs, on-site job fairs, interviewing facilities, customized recruitment efforts and prescreening for qualified candidates.

The Commonwealth's workforce system priorities include:

- Supporting industry partnerships that strengthen the economic well-being of the region and increasing opportunities for the leveraging of funds
- Aligning workforce investment services (especially training services) with high-growth, critical sectors in the region
- Increasing the efficiency in responsiveness to businesses by ensuring that employer services are integrated with other workforce or partner programs as appropriate
- Assuring that One-Stop Career Center front-line staff are trained to be knowledgeable of high-growth occupations and critical job vacancies
- Improve efficiency of PA CareerLink®s through comprehensive quality reviews, professional development and training of staff and symposiums to share best practices
- Use of formula and leveraged funds to close the "skill gap" through strategic talent development vs. work-first methodologies that try to get people to work as quickly as possible without necessarily building their base competencies
- Enhancing the effectiveness of youth programming, especially for out-of-school youth and youth categorized as "hard-to-serve"

Orig Date: February 13, 2009

Rev Date: October 15, 2010

Overview of the PA CareerLink® System and the WIB's Specific Responsibilities under WIA

The NW PA CareerLink® system is made up of five One Stop Centers (Erie, Crawford, Oil City, Clarion, Warren) that help local employers and job seekers access the many workforce development resources available in a local area to facilitate employment, job retention and earning gains.

For Employers: The PA CareerLink® system offers:

- Job posting
- Screening of job applicants
- Assistance with downsizing
- Office space for recruitment, interviewing and job fairs
- Access to labor market information
- Information on financial incentives and employee work supports such as transportation vouchers and child care
- Training services to qualified job seekers as well as on-the-job training for new hires

For Residents: The PA CareerLink® system offers:

- Job search and placement assistance
- Information and referrals including:
 - Local labor market
 - Eligible training providers
 - Support services (child care, transportation, etc.)
- Career planning services
- Career development workshops
- Determination of eligibility for skills development, and training for local high priority occupations

The PA CareerLink® system was designed to be a multi-tiered system in which only individuals who cannot get a job through job search and placement assistance (Core Services), and who are not job ready, qualify for in-depth assessment and career counseling (intensive services). Individuals who are unable to attain a sustaining wage job through intensive services are then eligible for training. They are first evaluated to determine if they need training and if they possess the ability to participate successfully in a training program. Training must be directly linked to high demand occupations. The US Department of Labor explicitly states that sequencing services does not mean “work first,” and LWIBs can quickly move customers through the first two tiers into training if that is the most appropriate service.

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There are four market-based mechanisms that shape this system:

- Distribution of state and regional labor information to determine high demand occupations and the specific employer needs of each region
- Training provider certification of local trainers that provide education and training in high demand occupations
- Individual Training Accounts (ITAs) for qualified job seekers to help pay for education and training and give them customer choice
- Performance management system to ensure customer satisfaction and achievement of desired outcomes

The WIB's Responsibilities for the PA CareerLink® System

Set the Strategic Direction and Provide Oversight: The WIA Act stipulates that the local board function as the strategic planning council for the region. The local board assists in determining local employer needs, and helps ensure that the PA CareerLink® system focuses on building a skilled workforce that can help fill high demand occupations.

Choice of Number, Type, and Location of PA CareerLink® Sites: Each region is required to have one comprehensive center that provides a full complement of services to both employers and job seekers. Affiliate sites are often created to service local communities or specific industries and do not have to have all services at that physical location. Services are delivered by Wagner-Peyser (Bureau of Workforce Development in PA) funded state employees and vendors contracted by the WIB for core and intensive services.

Partner Development: Workforce Investment Boards arrange for both "mandated" partners (e.g. public employment service, vocational rehabilitation services, public assistance programs, etc.) and other desirable partners (e.g. community colleges, public school systems) to offer services through the PA CareerLink® System.

Ensure Adequate Funding & Resources: Under the WIA Act, there is no prescribed method of paying for infrastructure costs of one-stop systems such as rent and utilities. Most states use a formula assigning infrastructure costs to partners based on criteria such as full-time equivalent staff or square footage. **Federal funding is primarily focused on programs.** Ten percent of WIA funds are allocated to cover administration costs which include WIB staff support, fiscal agent, MIS system costs, etc. (In NW PA, the

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administrative functions of the workforce system are largely coordinated through one entity. RCWE acts as staff support to the WIB, coordinator of the industry partnerships, MIS/IT system management and as the fiscal agent.)

It is up to the local board to diversify funding sources to ensure the infrastructure needed in a particular region is funded. Best practices of One-Stop systems across the country demonstrate the use of multiple funding streams through writing competitive federal, state and corporate foundation grants, in addition to developing employer fee-for-service offerings.

WIA authorizes LWIBs that manage one-stops to solicit funds from employers and/or have one-stops offer services for a fee to employers. It is up to each LWIA to implement a fee-for-service strategy.

Quality & Measurement: LWIBs are responsible for helping define quality measures and holding one-stop centers accountable for results by carrying out the PA CareerLink® Quality Review Process to evaluate overall effectiveness and to make continuous improvement recommendations, as well as developing specific performance measures. It is suggested that LWIBs use a quality-based framework, such as Malcolm Baldrige National Quality Award Criteria, to make very clear what they consider crucial in regard to quality and continuous improvement.

Determination of Who Directly Manages The System: The LWIB, in agreement with the CLEOs, is responsible for the selection of a PA CareerLink® Director of Operations or an Operator Consortium for the local workforce investment area. The method used to make this selection must be a competitive process, or must take place through the establishment of a consortium that includes at least three mandated PA CareerLink® partners. A PA CareerLink® Director of Operations may be a single (public or private) entity or a consortium of entities with demonstrated effectiveness in employment and training and may include:

- A post-secondary educational institution
- An employment service agency established under Wagner-Peyser
- A private non-profit, including a community-based organization
- A private for-profit entity
- A government agency
- A nontraditional public secondary school
- An area vocational education school
- Any other organization interested in workforce and economic development, which includes a local chamber of commerce or other business concern.

Determination of When to RFP Contracted Services: The WIB contracts services on a competitive basis. Once a contract has been selected, the WIB has the flexibility to determine the length and requirements of the contract in accordance with WIA for Adult/Dislocated Worker Title I contracts. For Adult and Dislocated Worker contracts,

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they do not have to go out for bid if the contractor is meeting performance standards. For Youth Title I contracts, WIA stipulates that the contract is for two years.

Decisions on Funding Allocations & Services: Local boards have flexibility in determining how services are designed and implemented at the local level. LWIBs are permitted to target resources to meet the locally-determined needs of participants in the WIA Adult and Dislocated Worker programs and may transfer up to 30 percent of funds between these two programs.

Under the WIA act, there is no prescribed method of paying for infrastructure costs of one-stop systems such as rent and utilities. Most states use a formula assigning infrastructure costs to partners based on criteria such as full-time equivalent staff or square footage. Federal funding is primarily focused on programs; *it is up to the Local boards to develop the resources to address WIAs goal of universal access to core services and increase access to training services to ensure a skilled labor force that meets local needs.*

WIA requires that public assistance recipients and other people with low incomes receive priority for intensive and training services when local resources for the program are limited.

WIBs also have the flexibility to determine how to allocate program funding across the three levels of service. Local workforce investment areas that allocate higher resource levels to core and intensive services may be duplicating services performed by other programs.

In addition, LWIBs have flexibility in developing strategies, approaches and incentives in accordance with program guidelines that allow the LWIBs to enhance customer services for specific targeted groups and meet performance measures.

Section 134(e)(1)(B) giving LWIBs the ability to provide “customized employment-related services to employers on a fee-for-service basis.”

Section 134(a)(3)(A)(iv)(I) authorizing the use of state-reserve funds for “innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading.”