

Multiple Employment and Training Programs: An Opportunity for Congress

Chuck Stewart, MPA, CWDP
Director of Partners in Job Training and Placement

Over the past several months three reports have been issued that call into question need for multiple Employment and Training programs in the United States. A General Accounting Office (GAO) Report titled *Multiple Employment and Training Programs Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies* (January 2011) identified 47 separate programs being funded at approximately \$18 billion dollars annually. As the title indicates the report recognizes that improved coordination between these programs will result in both cost savings and improved customer service. The GAO report was followed by one issued by Senator Tom Coburn titled *Help Wanted: How Federal Training Programs are Failing Workers* (February 2011). This report not only focused on the fragmentation of the workforce system but also on a few instances of corruption within the system as reasons for its lack of results. Last, Congressman Paul Ryan, in his proposed 2012 budget titled *The Path to Prosperity* (April 2011) states “Instead of wasting job-training money on duplicative administrative bureaucracy, this budget calls for job-training programs to be streamlined and better coordinated with each other and with the Pell program to maximize every dollar to those who need it.” Congressman Ryan, by the way, found a total of 49 separate Employment and Training programs. Recently, in part frustrated by this fragmentation, Republican members of the House recommended massive cuts in funding to Employment and Training Programs.

As a person that has been a part of Employment and Training Programs for the past 25 years, I have some strong opinions as to how these programs do and do not work. I also have ideas as to how to fix things. I am writing this piece in the hopes that Congress will use the current budget crisis as an opportunity to fix the workforce development system so it works for all job seekers and businesses.

Let me begin by saying that I agree with these reports. 47 or 49 or whatever the real number of Employment and Training programs is. It is too many. I also agree that due to the large number of programs money is wasted on administrative overhead that should be used to serve customers. I differ from the approach taken by many in Congress; however, that simply cutting budgets will fix anything. We need not only fiscal responsibility but a renewed focus on the needs of our workforce and how we provide services.

The fragmentation of our nation’s Employment and Training programs is not new problem. The Workforce Investment Act of 1998, the nation’s primary Employment and Training program, sought to combine multiple programs under the oversight of federally-mandated Workforce Investment Boards (WIBs). The result was to be a “One-Stop System” where job seekers and businesses could find a “seamless” set of services paid for by multiple agencies and programs. Unfortunately, WIBs received neither the legislative enforcement power, nor, partner funding they needed to make the system work as well as it could have. Most “One-Stops” became service centers paid for entirely with Workforce Investment Act funds with other partner programs only giving lip service to their responsibility to the system. This has resulted in an inordinate amount of Workforce Investment Act funds being used to maintain buildings instead of training workers.

Why are there so many Employment and Training programs to begin with? The answer is simple. Congress keeps creating them. A lot of time and effort was spent by Congress writing and passing the Workforce Investment Act. Rather than use it, improve it, or properly fund it members of Congress simply create something new whenever a perceived workforce development need is

identified. Take for example the way the Congress provides workforce services to our veterans. According to the GAO report there are five separate workforce development programs created to specifically serve veterans. Four of the five are Department of Labor programs. Two serve disabled veterans. These five programs are in addition to the Workforce Investment Act which not only serves veterans but also has a veteran's priority of service requirement. Wouldn't our veterans be better served by one really efficient program that could combine resources from multiple funding sources instead of multiple duplicative and narrowly focused programs?

The result of this fragmented and administratively top heavy approach to providing Workforce Development services is less actual money going to the people that need it. I am not going to review all of the programs listed in the GAO report. I do contend that if the Workforce Investment Act was utilized properly by Congress, a good many of these programs could simply vanish and people would be served more efficiently.

The following are my recommendations as to how to repair and improve America's Employment and Training system.

Reauthorize the Workforce Investment Act linking all Employment and Training Programs to local Workforce Investment boards.

Workforce Investment Boards are ideally suited to take on this role. They have a legislated makeup that includes businesses, labor organizations, economic development entities, educational institutions, and other community focused organizations. Members are appointed by Mayors and County Chairpersons so have local political support. In short, they have all relevant organizations in communities at the table by their very structure. As they work at the city and county level they naturally more efficient and effective than State controlled organizations.

All employment and training funds that originate with the Department of Labor should flow through and be put under the authority of local Workforce Investment Boards.

This would accomplish a number of things. First, controlling funding would provide local Workforce Investment Boards the authority they need to do the job for which they were created. Second, it would improve access for customers to diverse funding sources as all funds would become part of the One-Stop system. Third, it would hold one board, instead of many, accountable for the creation and maintenance of a system that meets local economic needs. Fourth, it would eliminate many of the administrative structures, and the cost of supporting them, that are wasting limited dollars and allow those funds to be directed to the customers that need them. Last, it would allow for a greater ability to measure system effectiveness as opposed to single program measures.

All employment and training programs funded through other Federal Departments such as the Departments of Education and Health and Human Services should be required to have their strategic and operational plans approved by local Workforce Investment Boards prior to their receiving funding.

The sad reality is that since the inception of the Workforce Investment Act many educational institutions, state-funded agencies, and other public organizations have considered themselves to be above working with local Workforce Investment Boards. They have gone their own way adding to the duplication and lack of accountability we face today. This change would eliminate this as

every organization receiving employment and training funds would have to see themselves as a participant in a single system and then act accordingly.

Local Workforce Investment Boards should be subject to strict performance and accountability systems including to be required to specifically identify how they are reducing and/or eliminating duplication and waste within the system. Regular assessment of their progress should become a legislative priority.

Senator Coburn's report overemphasized corruption as a main cause of inefficiency in the Employment and Training System. Corruption is a possibility in everything people are involved in. A few examples of malfeasance; however, should not damn an entire system.

Federal and State agencies have the responsibility to audit local programs in part to identify and stop wrongdoing. Congress needs to demand better accountability from those individuals entrusted with ensuring that Federal funds are used legally and appropriately.

Since the release of the aforementioned reports, some in Congress have complained about a lack of information related to the effectiveness of Employment and Training programs. All tax funded programs should be regularly evaluated to ensure that taxpayers are getting the most they can from the dollars they invest.

We at the local level report what we are instructed to report. One of the unintended consequences of having so many individual programs is that not all programs are required to report the same data. There are few requirements for programs to share information with each other or with local boards.

The Workforce Development System would welcome the opportunity to work with Congress to create nationally recognized, universally used, performance systems that measure our effectiveness using such metrics as Return on Investment, the number of people being served in all capacities throughout the system, and measures of total system impact as opposed to measures of single small programs.

States already receive a share of Workforce Investment Act funds. Using a share of these funds to provide technical assistance to local Boards should be mandated by Congress.

Considering all that has worked against them, local WIBs have done a remarkable job in implementing the Workforce Investment Act. They have worked regionally with other WIBs and economic development agencies to improve the overall economy of communities. They have partnered to create an effective One-Stop system. Many have found ways to leverage additional resources for their areas.

Unfortunately some have never really developed remaining little more than an oversight body for Workforce Investment Act funds. Technical assistance combined with a strict mandate to perform and strict oversight will help all boards become the leadership bodies they are intended to be.

Conclusion

America needs fewer workforce development programs. Those that remain must work as a single system and be able to provide data to taxpayers as to what they are getting for their investment. I choose the word investment for a purpose. Taxpayers are investing in the development of our future workforce through the funding of Employment and Training programs. Considering global

economic pressures, the current recession, and the increasing technological demands on our workers, there are few investments more important to our economic security.

Chuck Stewart has been involved with Workforce Development programs since 1986. He is former President of the Illinois Workforce Partnership; former President of the Great Lakes Employment and Training Association; former President of the Illinois Employment and Training Association, former Advocacy Chair of the National Association of Workforce Development Professionals; and a former Governor's Appointee to the Illinois Workforce Investment Board.

Comments regarding this piece are welcome and may be sent to the e-mail address listed below.
stew131@yahoo.com