

# Major Projects at a Glance

October/November 2004

## Research and Evaluation

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## Business Access Online Learning Community

Business Access (BA) is an in-home, online education and training community developed for Local Workforce Development Boards. BA offers coursework, information, activities and support designed to assist clients in obtaining and advancing their careers.

Coursework includes computer- and career-related topics, as well as GED preparation and ESL development. BA introduces disadvantaged clients to the world of computers and the Internet to develop marketable skills.

In July 2003, R&E conducted an analysis of 1,515 BA users that were enrolled as of May 2003. The current analysis examines 2,329 participants that enrolled in BA between April 1, 2000, and March 31, 2004.

Demographics, services and an evaluation of BA outcomes will be discussed.

### Demographics

The typical BA participant is female (91.9%), minority (83.7%), has a high school education (50.1%), and participates in BA in the Dallas WDA. The Lower Rio Grande (7.4%) and Upper Rio Grande (7.0%) WDAs have the second and third largest populations of BA clients, respectively.

### Services

Table 2 provides a profile of coursework undertaken by BA students. On average, students enroll in 11 courses, with each course taking 19 days to complete. Students correctly answer 81 percent of the final examination questions. The students, on average, spent 44 hours in occupational skills training, and 90 in life skills. According to Business Access LLC, most boards choose not to categorize activities as "job skills" due to the focus of funding sources. Table 3 shows the top 20 courses taken by BA students. A course for new computer users is the most popular among students, with several other introductory computer courses making the list.

**Table 1. Business Access clients: Characteristics and WDAs**

Number of participants	2329	
	N	%
Gender		
Male	189	8.1%
Female	2140	91.9%
Race/ethnicity		
White	335	14.4%
Black	1286	55.2%
Hispanic	659	28.3%
Asian	5	0.2%
Unknown	44	1.9%
Last grade completed		
No grade	3	0.1%
Less than high school	639	27.4%
High school or GED	1167	50.1%
College	486	20.9%
Vocational	19	0.8%
Unknown	15	0.6%
Language preference		
English	2163	92.4%
Spanish	165	7.2%
Unknown	1	0.4%
WDA		
North Central	58	2.5%
Dallas County	1563	67.1%
North East Texas	50	2.1%
East Texas	11	0.5%
Upper Rio Grande	162	7.0%
Permian Basin	15	0.6%
Concho Valley	31	1.3%
Heart of Texas	1	0.0%
Deep East Texas	24	1.0%
Golden Crescent	28	1.2%
Coastal Bend	3	0.1%
Lower Rio Grande	172	7.4%
Cameron County	152	6.5%
Texoma	26	1.1%
Central Texas	30	1.3%
Gulf Coast	3	0.1%

Source: Business Access and TWIST Program Detail Tables.

**Table 2. Business Access participation**

Activities	N	Mean
Average Number of days to complete course	--	19.22
Average Final Exam Score	--	80.91
Average Number of courses	--	10.55
Average hours in Occupational Skills	--	44.22
Average hours in Basic Education	--	6.66
Average hours in Job Readiness	--	0.09
Average hours in ESL*	--	0.00
Average hours in GED	--	0.28
Average hours in Job Skills (I would add a footnote explain the definition for this and Life Skills and include examples.)	--	0.49
Average hours in Life Skills	--	90.08
Number using Resources	909	--
Number using Bulletin board	1842	--

Source: Business Access.

\*The majority of clients measured in the sample for this study were not limited English proficient.

**Table 3. Top twenty most frequently used Business Access training courses**

Course name	Number of students completing course
Getting Started--Getting Started With PCs	1187
Works--2000	833
Windows XP--Internet	756
Windows XP--Introduction	739
Internet Explorer-- 5.0	369
Windows 98--Introduction	349
Breakthrough Customer Service	346
Customer Service Success	330
Excel 2000--Introduction	330
Word 2002 -- Introduction	291
Outlook 2002 -- Scheduling	285
Coaching and Counseling Practice Ver. 2	283
Listening and Organizing	278
Communication Skills	276
Training, Coaching, and Delegating	260
Access 2000--Introduction	248
Excel 2002 -- Introduction	248
Planning and Scheduling Work	245
Calming Upset Customers	226
PowerPoint 2002 -- Introduction	194

Source: Business Access.

## **Business Access Evaluation - Preliminary Outcome Analysis**

This section investigates the impact of the BA program from an entered employment and wage gain perspective. Data from BA participants and the comparison group are explored.

## Study Population

The study is restricted to 1,215 randomly selected BA students from Dallas who are enrolled in Choices, since most clients participate in this program and are located in this Board area. The comparison group is 1,215 randomly selected Choices clients from the Dallas area that exited from Choices between April 2001 and March 2004. Clients with an open Choices case or open training service were removed from the analysis, which leaves 1,180 in the comparison group and 1,091 in the BA groups. The BA clients consist of two groups - 550 students that completed their BA program and exited (BA graduates), and 541 students that exited BA but didn't complete their assigned curriculum (BA non-graduates).

## Demographics

Table 4 shows demographic information for each group. What few noteworthy differences there are exist between the BA groups and the comparison group. The BA groups have higher percentages of African Americans and men, while the comparison group is less educated. Members of the comparison group are also less likely to be employed in the third quarter prior to program entry. BA non-graduates have had the highest number of Choices spells out of all three groups (3.45 spells per client on average.)

Table 4. Characteristics of evaluation groups

	Comparison Group	BA graduates	BA non-graduates
<b>Total Number</b>	N=1180	N=550	N=541
<b>No education or none reported</b>	134	4	5
<b>Less than high school education</b>	389	125	180
<b>High school education</b>	512	304	279
<b>More than high school education</b>	144	111	70
<b>Vocational education</b>	1	5	6
<b>Deficient basic lit</b>	34	13	19
<b>Disability</b>	3	2	1
<b>Black</b>	366	324	321
<b>Hispanic</b>	82	45	41
<b>White</b>	92	35	37
<b>14-18 years old</b>	53	0	3
<b>19-21 years old</b>	185	46	59
<b>22 - 29 years old</b>	467	269	295
<b>30-39 years old</b>	339	174	145
<b>40-49 years old</b>	118	51	33
<b>50+ years old</b>	18	9	5
<b>Male</b>	89	25	15
<b>Female</b>	791	492	488
<b>Employment 3<sup>rd</sup> quarter prior to program entry</b>	575	311	304
<b>Lack work history over prior 12 months</b>	82	38	39
<b>Lack work history over prior 24 months</b>	54	25	19
<b>Limited English</b>	5	1	0
<b>Offender</b>	31	9	15
<b>Pregnant youth</b>	7	1	3
<b>Substance abuse</b>	3	4	2
<b>Average Number of unique Choices program detail IDs (Spells)</b>	2.26	3.09	3.45

Source: TWIST program detail table and Business Access.

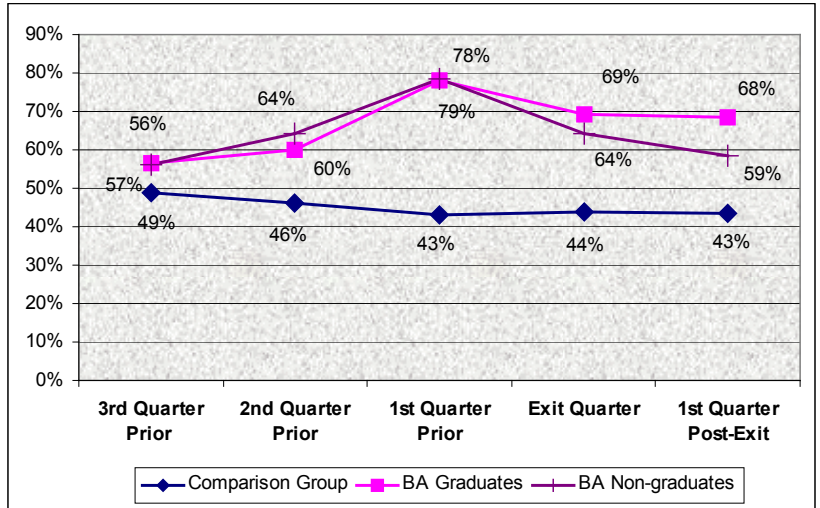
**Methods**

This section examines the impact of the BA program on entered employment and wage gains. The entered employment rate is calculated using Unemployment Insurance (UI) wage data. The presence of wages indicates employment. UI wage data is also used to calculate average quarterly wages.

**Outcomes**

Figure 1 shows entered employment rates for the third quarter prior to program entry (or to Choices for the comparison group) to the first quarter after exiting BA (or Choices) for the comparison and BA groups. The comparison group, which never surpasses the 50 percent employed mark, is much less likely to be employed for all four quarters than either BA group. The BA groups start out with entered employment rates in the third quarter prior to program entry that are at least eight percent higher than the comparison group. The rates for the BA groups are similar until the quarter of exit from BA, when the non-graduate group rate starts to decline. The rate for BA graduates at this point appears to stabilize at 68 to 69 percent.

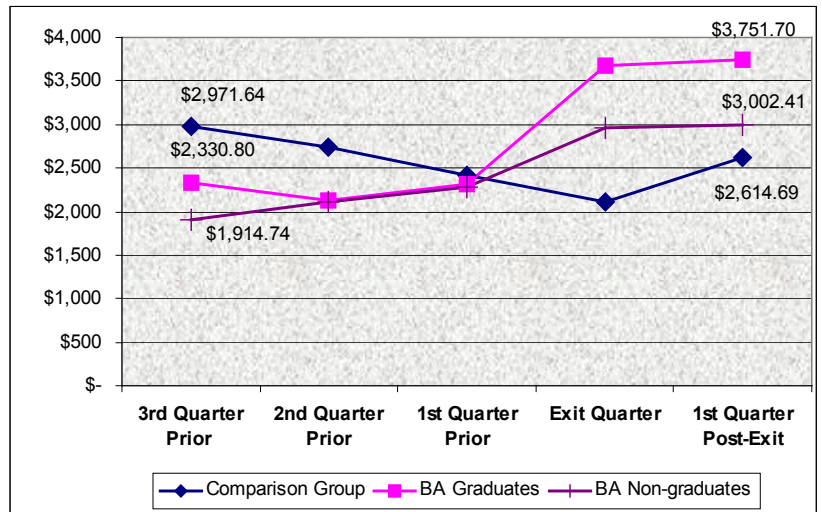
**Figure 1. Entered employment rates from 3<sup>rd</sup> quarter prior to program entry to first quarter post exit**



Source: UI wage data and Business Access.

As indicated by Figure 2, comparison group members made more money on average than either BA group during the third quarter prior to program entry, but lost nearly \$357 by the first quarter after exit. In contrast, both BA groups realized wage gains of over \$1000 after exiting from BA. BA graduates experienced the largest increase in wages during the period (\$1421).

**Figure 2. Wages first quarter post exit from 3<sup>rd</sup> quarter prior to program entry to first quarter post exit**



Source: UI wage data, TWIST, and Business Access.

**Further Analysis**

An advanced statistical method, Regression Analysis, was applied to verify the findings. The intent was to remove any potential impact by other factors, such as educational attainment and work experience, rather than BA training, which could

account for the outcomes presented in Figures 1 and 2. Regression analysis tests for the influence of other plausible explanations and the effects of BA training simultaneously to gauge the effect of BA on employment and wage outcomes. If the effect of graduating from BA on employment and wages disappears when other explanations are tested at the same time, the outcomes are attributed to, or explained by, the other factors.

The regression analysis (Table 5) finds that individuals in the BA graduate group still out-perform comparison group Choices clients and BA non-graduates after controlling for education attainment, race/ethnicity, gender, work experience, age, and Choices history. BA graduates are nearly three times more likely to be employed during the first quarter after exit and earn \$1,118 more per quarter than the comparison group. The regression analysis also showed that BA non-graduates do not fare as poorly as one might expect. A possible explanation is that BA students who exit without graduating may be leaving the program for employment-related reasons. Such students are not required to complete their course of study if they find employment. Consequently, entered employment rates and wage gains more closely resemble those of graduates than of comparison group members.

**Table 5. Regressing Predicting Outcome**

Predictor variable	Coefficient	Sig.	Exp(B)
BA graduates	1.015*	0.000	2.759
Employment first quarter prior to program entry	0.684*	0.000	1.981
African American	-0.578*	0.000	0.561
Number of Choices program details	-0.147*	0.000	0.863
BA non-graduates	0.605*	0.000	1.832
Employment third quarter prior to program entry	0.386*	0.000	1.471
Hispanic	-0.456*	0.015	0.634
Lack work experience during prior 12 months	-0.411*	0.027	0.663
*p ≤ .05			

## Summary

This analysis shows that the majority of current BA students are African American, female, and have a high school education. On average, students complete 11 courses and spend 19 days to complete each course, on which they receive an average score of 81%. BA students spend an average of over 40 hours in occupational skills and over 90 hours in life skill activities. Introductory computer classes make up 35 percent of the top 20 courses taken by BA students. Staff conducted an evaluation of the BA program to gauge the effect of graduating from BA on entered employment and wages.

The outcomes of BA graduates from the Dallas WDA were compared to a randomly-selected group of Choices participants from the same WDA that exited from that program during the same time frame that BA students completed their curriculum. The analysis found that after adjusting for several client characteristics, BA graduates were nearly 3 times more likely to be employed after exit and earned over \$1000 more during the first post-exit quarter than the comparison group earned.

# WIA Waiver: Transfer of Funds

## First Quarter 2004

The Texas Workforce Commission (TWC) received a waiver from the U.S. Department of Labor (DOL) regarding certain Workforce Investment Act (WIA) requirements. The waiver provides local Workforce Development Boards (Boards) greater flexibility in the design and delivery of services that meet the needs of both employers and job seekers, by allowing unlimited transfer of funds between the WIA Adult and Dislocated Worker programs. This End of the Year report provides details of the progress made by the Boards that have chosen to use this waiver to enhance workforce service delivery.

### INTRODUCTION

#### **Waiver--Transfer of Funds**

WIA provides for local Boards to transfer up to 20% of a program year allocation between Adult and Dislocated Worker programs for employment and training activities that address the local needs of WIA customers. While the transfer limit was increased to 30% for PY 2003 funds, the WIA Waiver allows for the unlimited transfer of funds and provides Boards greater freedom in adjusting local allocations.

#### **Use of Transfer of Funds under Waiver**

As of September 2004, two local Workforce Development Boards (WDBs) have elected to operate under this waiver: Capital Area and Upper Rio Grande Valley WDBs. Capital Area WDB requested two transfers to address increased demand from low-income populations in need of training and support services. Upper Rio Grande Valley WDB submitted a request to transfer funds to address two issues: the needs of more than 3,200 workers who had been dislocated since January 2003, and the escalation of the unemployment rate to 10.4%.

Capital Area WDB submitted two waiver requests to address increased demand from low-income populations in need of training and support services.

- Second transfer of PY 2002 funds (\$250,000) from Dislocated Worker program to Adult program occurred on May 1, 2003 (combined first--July 1, 2002--and second transfer total 34%)

Upper Rio Grande Valley WDB submitted a waiver request to address the following issues.

- More than 3,200 workers have been dislocated since January 2003
- The unemployment rate has escalated to 10.4%
- Funds allocated to the Dislocated Worker program are obligated for existing clients and cannot be used to enhance services for new dislocations
- Transferred \$1 million from Adult program to Dislocated Worker program in June 2003

## PROGRESS UPDATE

Capital Area WDB. In PY04, as of September 2004, Capital Area WDB served 471 participants in the WIA Adult program--an increase of 34% from PY01 baseline data.

Capital Area WDB				
Adult Program	Baseline <sup>1</sup>	PY02 <sup>1</sup>	PY03 <sup>2</sup>	PY04 <sup>3</sup>
	July 01 – June 02	July 02 – June 03	July 03 – June 04	July 04 – Sept 04
Participants Served	351	425	530	471
Exiters	126	79	126	66
Expenditures <sup>4</sup>	\$568,564	\$1,460,682	\$1,797,226	\$285,140
Cost per participant	\$1,620	\$3,437	\$3,391	\$605
Entered Employment Rate	81.75%	75.76%	78.75%	78.85%
Retention Rate	84.03%	78.49%	79.69%	79.69%

Source: <sup>1</sup> Client and performance information was obtained from WIA Annual Reports.  
<sup>2</sup> TWIST Management Summary Report: PY03 and PAR Monthly Program Reports.  
<sup>3</sup> TWIST Management Summary Report: PY04 as of September 2004 and PAR Monthly Program Reports.  
<sup>4</sup> TWC Finance Department.

The composition of participants served by Capital Area WDB in PY03 is similar to those of the first quarter of PY04. Participants in PY04 tended to have the following characteristics: female (71%), minority (70%), and high school diploma or GED (82%).

Various services are provided to participants in the Adult program. A snapshot is provided below. Examples are Occupational/Vocational Training and Job Search, which were among the top services provided to participants.

Services	Individuals Served		
	PY02	PY03	PY04
Occupational/ Vocational Training	133	202	196
Job Search	83	100	86

Source: TWIST Management Summary Report: PY04 as of September 2004.

		PY02		PY03		PY04	
Demographics		N	%	N	%	N	%
Gender	Male	132	31	154	29	137	29
	Female	292	69	375	71	333	71
Age	Less than 22	53	12	62	12	60	13
	22-29	165	39	212	40	182	39
	30-54	187	44	234	44	208	44
	55+	11	3	12	2	11	2
Race	White	111	26	151	29	140	30
	Black	151	36	183	35	163	35
	Hispanic	156	37	191	36	166	35
Disabled		17	4	18	3	15	3
Offender		86	20	93	17	102	22
Basic Skills Deficient		64	15	74	14	60	16
School Dropout		51	12	39	7	34	7
HS Graduate or GED		312	73	425	80	386	82
Post HS Attendee		74	17	125	24	104	22
Welfare Recipient		97	23	94	18	69	15
Veteran		22	5	32	6	24	5

Source: TWIST Management Summary Report: PY04 as of September 2004.

Upper Rio Grande Valley WDB. As of the first quarter of PY04, Upper Rio Grande Valley WDB has served 1,602 participants in the WIA Dislocated Worker program. This number is almost 52% of the total number served during the baseline year--PY02.

<b>Upper Rio Grande Valley WDB</b>			
<b>Dislocated Worker Program</b>	<b>Baseline <sup>1</sup></b>	<b>PY03 <sup>2</sup></b>	<b>PY04 <sup>3</sup></b>
	July 02 - June 03	July 03 - June 04	July 04 - Sept 04
Participants Served	3,109	2,486	1,602
Exiters	1,036	1,067	365
Expenditures <sup>4</sup>	\$2,832,048	\$2,877,897	\$280,482
Cost per participant	\$911	\$1,158	\$175
Entered Employment Rate	77.03%	91.58%	91.58%
Retention Rate	89.76%	86.91%	86.91%

Source: <sup>1</sup> Client and Performance information was obtained from the WIA Annual Reports.  
<sup>2</sup> TWIST Management Summary Report: PY03 and PAR Monthly Program Reports.  
<sup>3</sup> TWIST Management Summary Report: PY04 as of September 2004 and PAR Monthly Program Reports.  
<sup>4</sup> TWC Finance Department.

Participants served in PY04 tended to have the following characteristics: Hispanic (98%), female (66%), deficient in basic literacy (51%), limited English (68%), and between the ages of 30 and 54 years (81%).

Various services were provided to participants in the WIA Dislocated Worker program. An overwhelming majority received Case Management and Assessment.

<b>Services</b>	<b>Individuals Served</b>	
	<b>PY03</b>	<b>PY04</b>
Occupational/ Vocational Training	85	101
Job Search	218	62
Support Services	788	204
Assessment	1,109	194
Case Management	1,900	1,279

Source: TWIST Management Summary Report: PY04 as of September 2004.

<b>Demographics</b>		<b>PY03</b>		<b>PY04</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Gender	Male	899	36	541	34
	Female	1,585	64	1,061	66
Age	19-21	20	1	9	1
	22-29	230	9	118	7
	30-54	2,000	80	1,302	81
	55+	236	9	172	11
Race	White	26	1	18	1
	Black	16	1	6	< 1
	Hispanic	2,424	97	1,572	98
Disabled		17	1	16	1
Offender		84	3	55	3
Basic Skills Deficient		588	24	417	26
Limited English		1,710	69	1,096	68
Deficient Basic Literacy		1,455	59	817	51
School Dropout		1,248	50	752	47
HS Graduate or GED		854	34	592	37
Post HS Attendee		111	4	81	5
Welfare Recipient		16	1	12	1
Veteran		36	1	26	2

Source: TWIST Management Summary Report: PY04 as of September 2004.

## **OUTCOME AND PROCESS INDICATORS**

TWC continues to monitor progress and services provided under this waiver. Additionally, the following measures will be reviewed regularly to enhance programmatic improvements.

### **Capital Area WDB (as of September 2004):**

- Completion of Services: As of September 30, 2004, 448 training participants completed 80 training services. Note: some participants completed more than one training service.
- Employment Rate: As of September 30, 2004, 56 out of 66 exiters (85%) entered unsubsidized employment.
- Cost: As of September 30, 2004, the average expenditure per participant was \$605.
- Wage at Placement: As of September 30, 2004, the average wage at placement was \$10.14 per hour, with a range of \$2.86 to \$24.04.

### **Upper Rio Grande Valley WDB (as of September 2004):**

- Completion of Services: As of September 30, 2004, 1,446 training participants completed 322 training services. Note: some participants completed more than one training service.
- Employment Rate: As of September 30, 2004, 324 out of 365 exiters (89%) entered unsubsidized employment.
- Cost: As of September 30, 2004, the average expenditure per participant was \$175.
- Wage at Placement: As of September 30, 2004, the average wage at placement was \$7.35 per hour, with a range of \$5.15 to \$26.00.

## **WIA Waiver: Local Activity Funds First Quarter 2004**

The Texas Workforce Commission (TWC) received a waiver from the U.S. Department of Labor (DOL) regarding certain Workforce Investment Act (WIA) requirements. The waiver provides local workforce development boards (Boards) greater flexibility in the design and delivery of services that meet the needs of both employers and job seekers, by allowing Boards to designate 10% of Adult, Dislocated Worker, and Youth Formula Funds as Local Activity Funds.

### **INTRODUCTION**

On August 19, 2003, DOL approved a waiver that allows Local Areas to designate up to 10% of Adult, Dislocated Worker, and Youth formula funds as Local Activity Funds. This report follows-up on the Year-End Report in the July 2004 issue with an examination of several outcome measures, including training completion, placement, and exit information. Data for this analysis come from the TWIST Management Summary Report for First Quarter of Program Year (PY) 2004 (July 1, 2004, through September 30, 2004), and TWIST Placement, Program Detail, and Fund Service tables.

As of September 30, 2004, eight Boards are approved to operate under this waiver. Six of these Boards are providing services to adult participants in North Central, Dallas, Alamo, Coastal Bend, Texoma, and Gulf Coast WDBs; while two Boards, East Texas and Upper Rio Grande Valley WDBs, are providing services to youth participants. North Central Texas WDB was an early implementer and has enrolled a number of participants in waiver activities. Alamo WDB's application was approved on May 28, 2004. Since that time, Alamo WDB has enrolled 236 participants in its waiver activities. The remaining Boards have enrolled smaller numbers of participants under their waivers. Thus, this report focuses on North Central Texas and Alamo WDBs' progress as of September 30, 2004.

### **North Central Texas Workforce Development Board (WDB)**

North Central Texas WDB has two contracts that reflect their waiver activities. The goal of the Board's project is to upgrade and/or enhance employed workers' skills within the business industry and/or to train persons seeking employment through the North Central Texas WDB to fill open positions within the partnered business entity.

#### **Contract for July 1, 2003 through June 30, 2005**

- Planned Activity -- Incumbent Worker Training
- Category -- Participant Services
- Amount of Funds -- \$531,155
- Planned Participants Served -- 147 Participants

#### **Contract for July 1, 2004 through June 30, 2006**

- Planned Activity -- Incumbent Worker Training
- Category -- Participant Services
- Amount of Funds -- \$839,936
- Planned Participants Served -- 232 Participants

## **Progress Update**

The North Central WDB was approved to implement this waiver in November 2003. Data for this report were collected as of September 30, 2004; however, during the subsequent analysis inconsistencies were noted. Subsequently, it was discovered that one of the Board's contractors had mistakenly enrolled a large number of participants in the Local Activity Fund code. Thus the data collected were significantly inflated. TWC's Workforce Division staff are currently taking steps to correct this situation. No outcome or process indicators will be included for North Central Texas WDB at this time due to problems with data entered into TWIST. However, an amended report will be issued as soon as these problems have been corrected.

## **Alamo Workforce Development Board (WDB)**

The goal of the Board's project is to provide services to workers affected by the closure of the Levi-Strauss manufacturing plants in San Antonio. The Board, in partnership with Alamo Community College District, created VESL (Vocational English as a Second Language) models to help retrain these workers. These VESL models are designed to allow the workers an opportunity to gain basic educational/GED skills while receiving training in specific skills or trades in targeted occupations. The training programs are 12 to 18 months in duration and directly linked to TAA funded benefits (not to exceed 104 weeks), thus allowing the workers to complete the training and be ready for job search and placement in a targeted occupation at a similar salary.

- Planned Activity -- Dislocated Worker Training
- Category -- Participant Services
- Amount of Funds --\$370,000
- Planned Participants Served -- 135 Participants

## **Progress Update**

The Alamo WDB was approved to implement this waiver on May 29, 2004. As of September 30, 2004, the board has enrolled 236 individuals under this waiver.

Demographics: The typical participant was Hispanic (96%), female (76%), between 30 and 54 years of age (81%), and a school dropout (60%). The vast majority of these participants did not have a record of felony offenses, substance abuse, or disability. See Demographics table for additional details.

Services Used by Participants: A total of 236 adult participants enrolled in Alamo WDB's Local Activity Funds program. All of these individuals participated in occupational /vocational training.

Exit Reasons: Of the 236 participants in the Local Activity Funds program, only 1 has exited (< 1.0%) since the program began in May 2004. This individual exited with a final completion reason of "Entered Employment" (< 1.0%).

## Demographics

	N	%
<b>Total Population</b>	236	100.00
<b>CHARACTERISTICS</b>		
<b>Ethnicity</b>		
White	1	< 1.0
Black	5	2.12
Hispanic	227	96.19
American Indian or Alaskan Native	7	2.97
Asian	1	< 1.0
<b>Gender</b>		
Male	57	24.15
Female	179	75.85
<b>Age at Registration (years)</b>		
22 -- 29	8	3.39
30 -- 54	191	80.93
55 +	37	15.68
<b>Education</b>		
School Dropout	141	59.75
High School Graduate or Equivalent	91	38.56
Post High School Attendee	8	3.39
<b>Veteran</b>		
Deficient Basic Literacy Skills	4	1.69
Limited English	142	60.17
Offender	72	30.51
Head of Household	8	3.39
	78	33.05

Data Source: TWIST Management Summary Report from July 2003 through September 2004.

## OUTCOME AND PROCESS INDICATORS

TWC continues to monitor progress and services provided under this waiver. The following measures are reviewed regularly to enhance programmatic improvements.

### **Alamo Workforce Development Board (WDB)**

- **Adult Entered Employment Rate** -- Goal: 84.00% (a five percent increase over their target of 79.00%) by the end of the grant period. As of September 30, 2004, the Adult Entered Employment Rate for PY 03 was 82.07%.
- **Youth Entered Employment Rate** -- Goal: 78.00% (a five percent increase over their target of 73.00%) by the end of the grant period. As of September 30, 2004, the Youth Entered Employment Rate for PY 03 was 74.55%.
- **Dislocated Worker Entered Employment Rate** -- Goal: 82.62% (a five percent increase over their target of 77.62%) by the end of the grant period. As of September 30, 2004, the Dislocated Worker Entered Employment Rate for PY 03 was 80.94%.

## OBSERVATIONS

To date, eight Boards have taken advantage of this waiver. The potential exists for local Boards to develop innovative projects to meet locally determined needs. While the Alamo WDB has met with some success, the other Boards' Local Activity Fund waiver projects have had a brief history of operation. Thus, it is difficult to determine their overall impact. After these additional WDB projects have been operational for six months, an estimate of their impact may be calculated. In addition, after the problems noted with North Central Texas WDB's data entry have been corrected, an amended report will be published.

## ETPL and Older or Out-of-School Youth

The Texas Workforce Commission (TWC) sought and received a waiver from the U.S. Department of Labor (DOL) regarding Workforce Investment Act (WIA) youth and the Eligible Training Provider List (ETPL). The intent of that waiver is to provide local workforce development boards (Boards) the greatest flexibility possible to design and deliver services that meet the needs of both employers and job seekers, by providing Older Youth and Out-of-School Youth access to the ETPL to locate training providers.

### INTRODUCTION

On January 3, 2003, DOL granted TWC's request to waive the requirement to competitively procure training providers for Older Youth (age 19-21) and Out-of-School Youth that were already included in the ETPL. On March 10, 2003, TWC issued WD Letter 09-03, detailing the waiver's implementation policies and procedures. This report, which follows-up on additional measures suggested by Research and Evaluation in the January/February 2004 issue, will examine several outcome measures for youth that used ETPL, including the training completion rate, placement at exit, and wage at placement. ETPL data come from the Active Training Provider List from July 1, 2003, through September 30, 2004. See the appendix for the data used in this report.

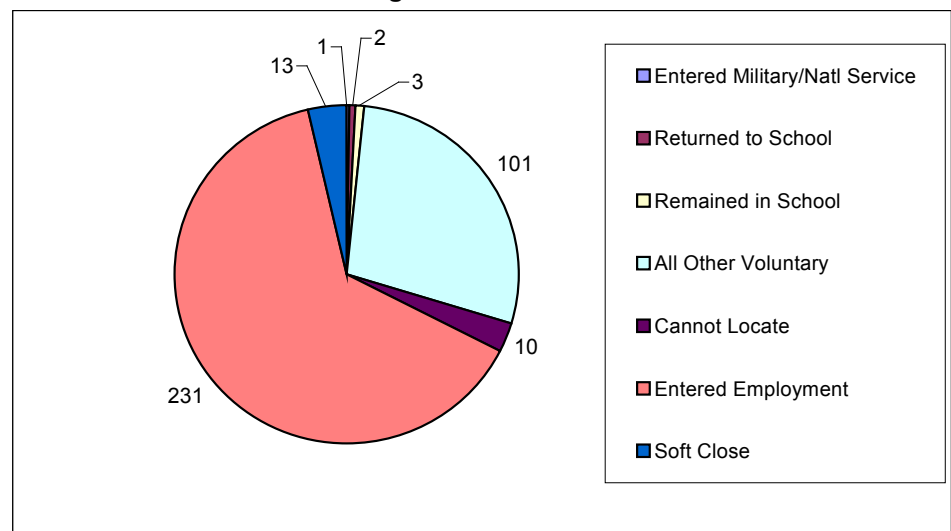
### Demographics

979 Older or Out-of-school youth used training providers from ETPL from July 1, 2003, through September 30, 2004. Three hundred sixty-eight of those youth exited from services, and 253 (68.8%) of that number were placed. Older or out-of-school youth consist primarily of females (78.0%) and minorities (81.8%).

### Exit reasons

Three hundred sixty-eight youth (37.6%) exited from WIA. Nearly two-thirds of those youth (62.8%) exited WIA because of entered employment. More than one-quarter (27.4%) left WIA voluntarily, while few had a soft close exit reason (3.5%) (see Figure 1).

Figure 1. Exit reasons



Source: TWIST Placement, Fund Service, and Program Detail tables, and the TWIST Active Training Provider List report extract for July 1, 2003 through September 30, 2004.

## Placement Industries

Two hundred and fifty-three youth using ETPLs were placed. Table 1 shows the broad industries, grouped by the first two digits of the North American Industrial Classification System (NAICS), in which the youth were placed. The majority (49%) of placements were made in the Healthcare and Social Assistance industry. Within that broad industry group, more than one quarter of youth (28%) found employment in the dental offices industry (NAICS code 62121).

Manufacturing was the next most popular industry among youth at the NAICS two-digit level (10.7%). Within Manufacturing, 27% found employment in the dental laboratories industry (NAICS code 339116).

**Table 1. Two-digit NAICS classification of youth placements**

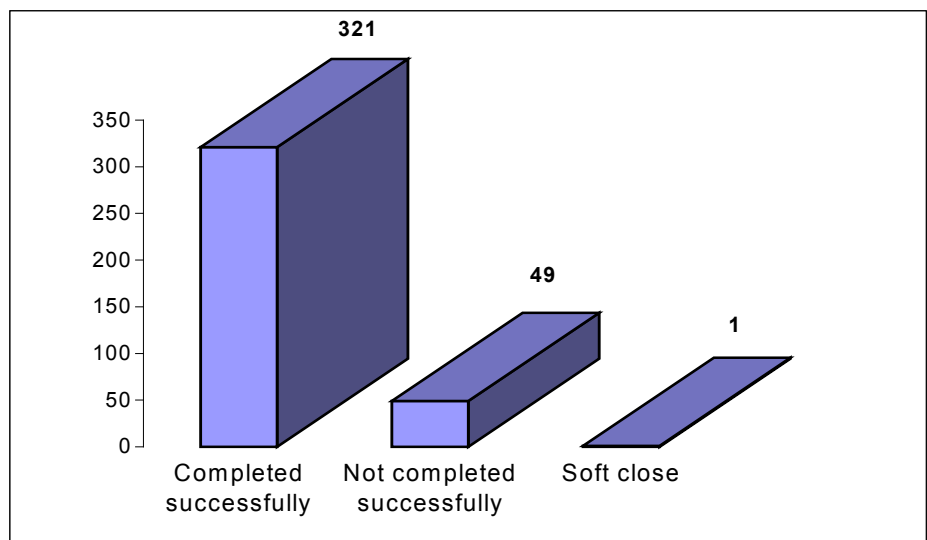
NAICS Classification	Number	Percent
Mining	1	0.4%
Construction	5	2.0%
Manufacturing	27	10.7%
Wholesale Trade	13	5.1%
Retail Trade	17	6.7%
Transportation and Warehousing	3	1.2%
Finance and Insurance	4	1.6%
Real Estate Rental and Leasing	1	0.4%
Professional Scientific and Technical	3	1.2%
Admin/Support, Waste Mgmt, and Remed. Svces	13	5.1%
Educational Services	3	1.2%
Health Care and Social Assistance	124	49.0%
Accommodation and Food Services	10	4.0%
Other Services	12	4.7%
Public Administration	2	0.8%
Unknown	15	5.9%
<b>Total</b>	<b>253</b>	<b>100%</b>

Source: TWIST Placement, Fund Service, and Program Detail tables, and the TWIST Active Training Provider List report extract for July 1, 2003 through September 30, 2004.

## Training completion reasons

Three hundred and twenty-one youth completed a training activity, more than 86 percent of which were completed successfully (see Figure 2).

**Figure 2. Training completion type for placements<sup>1</sup>**



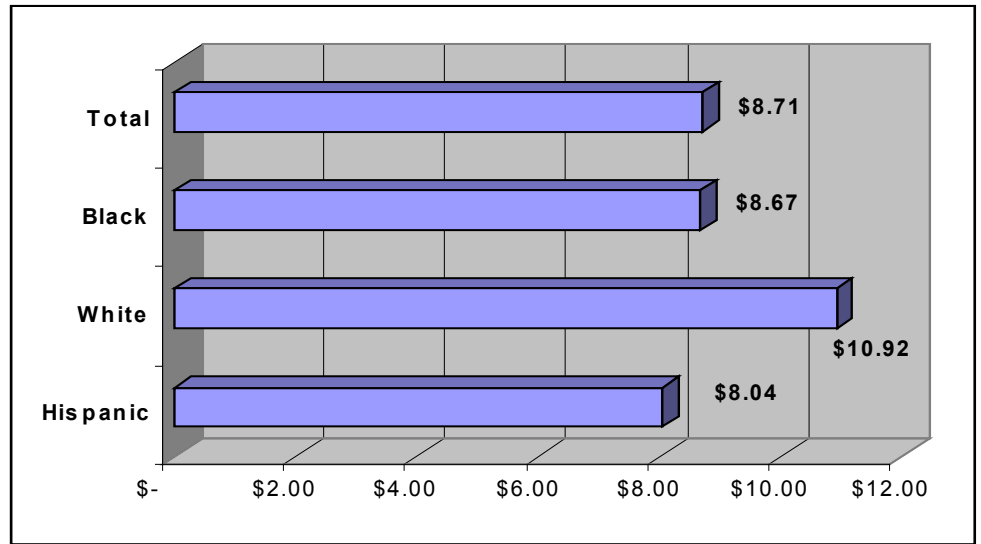
Source: TWIST Placement, Fund Service, and Program Detail tables, and the TWIST Active Training Provider List report extract for July 1, 2003 through September 30, 2004.

## Placement wages

Overall, youth were placed in positions with an average wage of \$8.71 per hour. An Analysis of Variance Test (ANOVA) was conducted to determine if significant differences in average placement wages exist between racial/ethnic groups. The analysis found that white youth earn more per hour (\$10.62) on average, than black (\$8.67) or Hispanic youth (\$8.04). There is no statistical difference in average wages

between males and females. The majority (68.7%) of youth work 40 hours per week. There were no statistically significant differences in average work hours among racial/ethnic groups or males and females.

Figure 3. Placement wage by race/ethnicity



Source: TWIST Placement, Fund Service, and Program Detail tables, and the TWIST Active Training Provider List report extract for July 1, 2003 through September 30, 2004.

## Summary

The purpose of this report was to provide outcome information for Older or Out-of-school Youth that have used training providers from ETPL. Most of that group successfully completed training and exited WIA because they obtained employment. Many are employed full-time. Nearly half of these youth are placed in the Healthcare and Social Assistance industry, and earn an average of \$8.71 per hour. There are no gender differences in placement wage, but white youth do earn more per hour than black or Hispanic youth do.

### At a Glance – As of September 2004

- 979 youth used ETPL
- 368 exited
- 253 placed
- 174 worked full-time
  - 68% Female
  - 68% Hispanic
- \$8.71 average wage
- 49% placed in Healthcare and Social Assistance industry

## APPENDIX

### Data for Older or Out-of-School Youth under WIA Waiver

July 1, 2003 – September 30, 2004

<b>Number of youth using ETPL</b>	<b>979</b>	<b>NA</b>
Exit - <i>Number exiting</i>	<b>368</b>	<b>37.6%</b>
Placement - <i>Number of exiters placed</i>	253	68.8%
<b>Exit reason</b>		
<i>Active</i>	611	62.4%
<i>Entered Armed Forces/National Service</i>	1	0.1%
<i>Returned to School (Younger Youth only)</i>	2	0.2%
<i>Remained in School (Youth)</i>	3	0.3%
<i>All Other Voluntary</i>	101	10.3%
<i>Health/Medical</i>	6	0.6%
<i>Cannot Locate</i>	10	1.0%
<i>Ineligible for JTPA/WIA</i>	1	0.1%
<i>Entered Employment</i>	231	23.6%
<i>Soft Close</i>	13	1.3%
Service end reason <sup>1</sup>		
Successful completion of training	321	86.5%
Unsuccessful completion of training	49	13.2%
Soft close	1	0.3%
<b>Placement wage by race/ethnicity</b>		
<i>Hispanic</i>	127	\$ 8.04
<i>White</i>	46	\$10.92
<i>Black</i>	70	\$ 8.67
<i>Overall wage</i>	253	\$ 8.71
<b>Placement hours</b>		
<i>0 &lt; 31 hours</i>	42	16.6%
<i>31 &lt; 40 hours</i>	25	9.9%
<i>40 hours</i>	174	68.7%
<i>&gt; 40 hours</i>	12	4.7%
Race/ethnicity		
Hispanic	448	50.1%
Black	174	28.5%
White	337	18.2%
Other	20	2.0%
Gender		
Female	765	78.1%
Male	214	21.9%

Source: TWIST Placement, Fund Service, and Program Detail tables, and the TWIST Active Training Provider List report extract for July 1, 2003 through September 30, 2004.

1. Total reflects both open and closed WIA program details.

## Update: First Generation College Student Initiative

Update on the First Generation Initiative developed and implemented by the Texas Workforce Commission (TWC), the Texas Education Agency (TEA), and the Texas Higher Education Coordinating Board (THECB) to recruit, counsel, and help prepare first generation youth in grades 9–12 for postsecondary education and to retain first generation students already enrolled in college.

### Background

Governor Rick Perry announced the “First Generation” college student initiative on May 6, 2002. The plan included activities to facilitate the recruitment, preparation, enrollment, and retention of first generation college students—youth who would be the first in their families to pursue and achieve higher education through two- and four-year post-secondary institutions. The initiative specifically targets two groups: 1) youth in grades 9-12 who attend high schools with high concentrations of disadvantaged first generation youth; and 2) youth in their first or second year of post-secondary education who need enrollment and retention assistance.

TWC, TEA, and THECB collaborated in the development and implementation of a series of First Generation Initiative project activities. The First Generation program is a key component of the governor’s plan to make higher education more accessible and affordable to a new generation of Texans. Begun in the fall of 2003, the First Generation College Student Pilot Project is intended to extend into the summer of 2007. For each year of the initiative, TWC, in coordination with TEA and THECB, plans to submit an application to the U.S. Department of Labor for \$3 million in a Workforce Investment Act (WIA) Incentive Grant to fund this project. To supplement that funding, TWC Commissioners approved an additional \$2 million each year.

### Pilot Sites

Pilot sites were identified to develop and refine programs to address the First Generation Initiative. In Year One of the initiative, six local workforce development areas (WDAs) were selected as pilot sites for First Generation College Student programs. These WDAs represent urban, rural, and border regions throughout the state, and contain more than two-thirds of the high schools with low rates of college enrollment and attendance.

#### Year One Pilot Sites:

- Cameron County WDA
- Deep East Texas WDA
- Gulf Coast WDA
- South East Texas WDA
- South Plains WDA
- Upper Rio Grande WDA

In Year Two of the First Generation Initiative, a second WIA Incentive Grant allowed the project to continue and expand upon the original project activities and to pilot the project in six additional WDAs.

**Year Two Pilot Sites:**

- Alamo WDA
- Dallas County WDA
- North Central Texas WDA
- North East Texas WDA
- Panhandle WDA
- Tarrant County WDA

**Workforce Development Board (WDB) Participation**

As of November 2004, 1,547 participants have been enrolled in First Generation Initiative activities. These individuals are spread across the 12 pilot WDAs. The largest numbers of participants are enrolled in the Cameron County (428), Upper Rio Grande Valley (233), Gulf Coast (189), and Alamo (185) WDBs. See Table 1 for additional details.

**Table 1. Participants by WDB**

<b>WDB</b>	<b>N</b>	<b>%</b>
24 - Cameron County	428	27.67
10 - Upper Rio Grande Valley	233	15.06
28 - Gulf Coast	189	12.22
20 - Alamo	185	11.96
4 - North Central Texas	110	7.11
18 - South East Texas	95	6.14
6 - Dallas	92	5.95
2 - South Plains	65	4.20
7 - North East Texas	51	3.30
17 - Deep East Texas	42	2.71
5 - Tarrant County	33	2.13
1 - Panhandle	24	1.55
<b>Total</b>	<b>1,547</b>	<b>100.00</b>

Data Source: TWIST Management Summary Report from September 2003 through November 2004.

## Demographics

The majority of the 1,547 participants enrolled in the First Generation Initiative have the following characteristics: Hispanic (60%), female (61%), between 16 and 18 years of age (55%), and students in secondary education programs (81%). See Table 2 for additional details.

**Table 2. Demographics**

	<b>N</b>	<b>%</b>
<b>Total Population</b>	<b>1,547</b>	<b>100.00</b>
<b>CHARACTERISTICS</b>		
<b>Ethnicity</b>		
White	205	13.25
Black	376	24.31
Hispanic	932	60.25
American Indian or Alaskan Native	4	< 1.00
Asian	2	< 1.00
Missing	28	1.81
<b>Gender</b>		
Male	596	38.53
Female	951	61.47
<b>Age at Registration (years)</b>		
14 -- 15	518	33.48
16 -- 18	848	54.82
19 -- 21	178	11.51
Missing	3	< 1.00
<b>Education</b>		
School Dropout	38	2.46
Student	1,255	81.12
High School Graduate or Equivalent	222	14.35
Post High School Attendee	39	2.52
Deficient Basic Literacy Skills	380	24.58
Basic Skills Deficient	632	40.88
Limited English	20	1.29
Disability	43	2.78
Offender	40	2.59
Head of Household	36	2.33
Lacks Significant Work History (WIA)	683	44.15
Lacks Significant Work History (WtW)	609	39.37
Employed at Application	140	9.05
Local WDA Youth Barrier	1,217	78.67
Currently Receiving TANF	85	5.49
Not Self Sufficient	649	41.95

Data Source: TWIST Management Summary Report from September 2003 through November 2004.

## Services

These 1,547 First Generation participants have enrolled in a variety of services through the project. The largest proportions of participants received Case Management (52%), EDP/IEP/ISS Development (46%), Tutoring/Study Skills/Instruction, and Comprehensive Objective Assessment (44%) services. See Table 3 for additional details.

From these services, the following results have occurred:

### Academic Credit/Credentials

As of November 30, 2004, 197 (12.73%) participants in the First Generation Initiative have achieved Academic Credit/Credentials.

### Completed Services

As of November 30, 2004, 921 (59.53%) participants in the First Generation Initiative have completed one or more of the services in which they had enrolled.

### Exiters

As of November 30, 2004, 197 participants have exited from the First Generation project. Of these individuals, 133 (67.51%) have completed services; and 42 (21.32%) have achieved Academic Credit/Achievement.

### Entered Employment

As of November 30, 2004, 26 (1.68%) participants in the First Generation Initiative have entered employment.

## Summary

The First Generation Initiative has enrolled a total of 1,547 participants since the Fall of 2003. The initiative has focused the initial project activities on 12 workforce development areas. The analysis of the long-term impact of the project activities, particularly in terms of enrollment and retention of first generation college students in post-secondary educational activities, awaits the availability of sufficient data. TWC's Development Department staff will provide R&E with background documents and to develop research questions that will be addressed through an evaluation of the First Generation Initiative. R&E staff plan to propose a research design to address these questions and collaborate with Development Department staff in the resulting evaluation effort.

**Table 3. Services**

Services	N	%
Case Management	812	52.49
EDP/IEP/ISS Development	717	46.35
Tutoring/Study Skills/Instruction	698	45.12
Comprehensive Objective Assessment	678	43.83
Counseling	471	30.45
Leadership Development	367	23.72
Mentoring	333	21.53
Entry Employment Experience	188	12.15
Occupational/Vocational Training	151	9.76
Job Readiness Pre-Employment Skills	111	7.18
Support Services	61	3.94
Work Experience Skills Training	42	2.71
Job Search	32	2.07
Basic Education Skills (ABE)	13	< 1.00
Follow-up Services	13	< 1.00

Data Source: TWIST Management Summary Report from September 2003 through November 2004.

## EMILE Performance Reporting System

This item summarizes a recent article in the *Employment & Training Reporter* on the proposed EMILE system. EMILE would consolidate 21 different performance reports into one reporting system. Plans for implementation are a long way off, and haven't been set yet. DOL expects to begin talking with stakeholders in 2005 about how to plan the switch to EMILE.

The Department of Labor, Employment and Training Administration (DOL/ETA), is reviewing the more than five pounds of written comments it has received on its proposal to consolidate 21 different performance reports into a single reporting system. Once ETA has reconciled its proposal for ETA Management Information & Longitudinal Evaluation (EMILE) with the public comments, it will submit the revised proposal to the U.S. Office of Management and Budget (OMB) for review and approval. At that time, the EMILE proposal will be posted again in the *Federal Register* for another 30-day public comment period.

Plans to implement EMILE are still a long way off. There is no set timeline for implementation, but ETA anticipates that it will begin talks with stakeholders in 2005 about how to plan the switch to the new system.

ETA official Emily Stover DeRocco had this to say about EMILE:

“Will the system require changes to management information systems? Of course. Is it a move to more of a data warehouse where you can get just what you need to report across all programs on employment, retention, and earnings? Yes. Will there be costs associated with those changes? Absolutely.”

### How Reporting Would Work under EMILE

EMILE would consolidate into one record-keeping system the data needed to generate core performance indicators across programs. This would mean that when workforce staff record the clients they serve, the data would go into one report, regardless of which ETA program funded the services. ETA anticipates that EMILE will provide more accurate and timely information on performance, and enhance program integration.

Under EMILE, states would submit two electronic data files and a report to ETA quarterly: one of the data files would be on individual job seekers, and the other would be on individual employers. The report would be an aggregate summary of state performance.

### Concerns about EMILE

Commenters' concerns about EMILE include:

- ❖ *Feasibility of implementing the system*
  - *Timing:* Minnesota's Department of Employment & Economic Development prefers that EMILE be implemented after WIA reauthorization.

- *Costs:* The New York Department of Labor estimates that it would cost \$2.5 million to upgrade its computer system for EMILE.
- *Phase-in:* New York City Department of Small Business Services projects that it would take at least one year to make the system operational.
- ❖ *Numerous data elements:* The proposed data record for individual job seekers has more than 300 fields of information, while the data record for employers has 33 fields. But data for many fields would need to be filled in only if certain conditions are met. For example, the VETS information would only apply to people who qualify for that program. Also, the reporting system breaks out the levels of service provided to job seekers by three tiers (self-facilitated services, staff-assisted core services, and training and intensive services), so staff would only need to enter information for the corresponding tier.

## Plaudits for EMILE

Commenters were pleased about the following features in EMILE:

- ❖ *Provides more information about businesses:* Minnesota's state workforce agency said EMILE would generate more information about the workforce system's business customers.
- ❖ *Quarterly reporting enhances timeliness:* Phoenix's workforce agency said EMILE's quarterly reporting requirement would enhance timely assessment of trends.
- ❖ *Offers a broad look at participation across ETA programs:* The Center for Law & Social Policy (CLASP) wrote that it generally supports EMILE reporting since EMILE could provide richer data on participation across ETA programs. This will promote a broader understanding of workforce development outcomes as a whole.

ETA has published on-line a handbook and other resources on EMILE. Archived Web tutorials on the system are available, as well.

## References

Hess, R. (2004, October 25). Performance assessment: ETA seeks "EMILE" as gateway to standard program reports. *Employment & Training Reporter*. 36, 131-133.

US Department of Labor (DOL), Employment & Training Administration (ETA). EMILE Webinar Tutorials. <http://www.workforceperformance.org/>

\_\_\_\_\_. (2004 July). ETA Management Information and Longitudinal Evaluation System (EMILE): Data Preparation and Reporting Handbook. [http://www.doleta.gov/Performance/emile/EMILE\\_Handbook\\_072004.pdf](http://www.doleta.gov/Performance/emile/EMILE_Handbook_072004.pdf)

\_\_\_\_\_. EMILE Webpage. Accessed November 2, 2004. <http://www.doleta.gov/Performance/emile/emile.cfm>

## ARAMARK Sets up Temp Service at One-stop

ARAMARK, a major provider of hospitality services, operates a Regional Staffing Center at a Philadelphia One-stop to hire temporary workers for the many business units it operates in the area.

ARAMARK specializes in food service and housekeeping at colleges, hospitals, and other institutions. Since 2002, it has hired more than 1,400 employees for permanent positions who had applied at a Regional Staffing Center (RSC).

The staffing service arrangement has benefited workers, ARAMARK, and the workforce system. Having ARAMARK staffing professionals on-site at RSC to screen and recruit applicants has enhanced the selection process. Job seekers have a convenient way to find entry-level work and the temporary positions meet their immediate economic need for employment. Additionally, the temporary work allows employees and ARAMARK a trial period to see how well the worker fits the job. Lastly, from the workforce agency perspective, the arrangement helps customers who do not have solid work histories or job qualifications by giving them entry-level work at which they can learn skills and demonstrate employability. The One-stop sees about 2,000 people per month, and RSC staff work with 300 to 400 of those individuals.

Because ARAMARK is not obligated to hire from its own RSCs, the RSCs endeavor to offer superior service by sending the right people to the right jobs. ARAMARK benefits from a lower cost-per-hire when it brings on people permanently from RSCs because the One-stop draws the applicant pool to ARAMARK, who retains relatively more of these workers than people hired by other means. Since 2002, ARAMARK has hired more than 1,400 employees in permanent positions who had applied through the RSC.

Besides the RSC arrangement, ARAMARK and the One-stop are involved in a customized training project that so far has had 100 slots per year. The cost per person for the workforce agency is \$3000, with an equal match paid by ARAMARK. After One-stop staff screen applicants, ARAMARK selects participants for the program, which is funded by WIA adult funds, and TANF and dislocated worker funds. The training consists of one week of intensive customer service instruction at the One-stop and several weeks of on-the-job training. As part of the arrangement, ARAMARK tries to match trainees with job sites that have good retention rates and opportunities for advancement. ARAMARK faces the same performance requirements that other training providers do: 90% of trainees must enter employment, and 80% must retain their jobs for 6 months.

Philadelphia workforce official Patrick Clancy said that benefits of the partnership are that ARAMARK has a better understanding of what the One-stop does, and that One-stop staff have learned how to work more effectively with employers. For example, staff have learned that turnaround time is critical, and that it is important not to oversell the workforce system's capabilities to employers.

The partnership has been successful—ARAMARK is working to bring RSC services to other One-stops in the region. The company also plans to expand the number and range of occupations covered to include middle-managers. And there are plans to more effectively connect dislocated workers to ARAMARK through the One-stop system.

### **Reference**

Hess, R. (2004, September 27). Private Sector: ARAMARK staffing service set up in Philadelphia One-stop. *Employment & Training Reporter*. 36, 70-71.

## Study of Innovative Practices in Business Services

This article summarizes a Social Policy Research Associates (SPR) report by Kate Dunham, Jeff Salzman, and Vinz Koller, titled *Business as Partner and Customer under WIA: A Study of Innovative Practices*.

Dunham et al.'s study focused on engaging businesses in strategic planning and services. Between December 2003 and February 2004, SPR staff visited nine Local Areas that have adopted innovative approaches to business services. The sites were selected through a national nomination and screening process to ensure a broad mix of urban and rural locations. Nine comparison sites were examined, as well. The Innovative Business Sites included: Dallas, Texas; Arapahoe-Douglas, Colorado; Capital Area Michigan; Eastern Kentucky; Northwest Georgia; Northwest Wisconsin; Pacific Mountain-Gray's Harbor, Washington; San Diego, California; and Southwest Connecticut.

The report addressed three main areas: business involvement with the workforce board, business partnerships, and business services. Findings in each of the areas are summarized below.

### Business Involvement with the Workforce Board

The workforce board (Board) is an important vehicle for businesses to provide policy direction to Workforce Investment Act (WIA) programs on education, key industries, businesses, and economic development. In contrast, Board business members are less involved in the design and delivery of business services.

Effective strategies in business involvement with Boards include:

- *Adopt multiple selection criteria to get the most from business members:* Strong, effective Boards use several criteria to select business members: service in high-level positions, broad geographic representation, strong interest in workforce development, and strong desire to contribute to the local economy.
- *Use business members' time wisely:* Boards adapt to business members' time constraints by: limiting time commitments, holding meetings at central locations, setting effective agendas, and using voluntary committees to conduct most of the work. But use of committees could reduce business' influence if business members do not serve on the committees. At least four Innovative Sites address this issue by ensuring business membership on committees.
- *Target tasks to business members' interests:* While nearly all Board business members in the Innovative Sites had relatively little interest in the mechanics of the WIA programs, they were more interested in performance management; procurement; and strategic planning, including skill shortages, education, and demographic issues.

## Business Partnerships

All nine Innovative Sites have worked to improve their business services through partnerships with either Chambers of Commerce (Chambers), economic development (ED) organizations, or both. Some have also developed sectoral initiatives, which often respond to specific needs, such as the nursing and high-tech worker shortages, but can also be used to avert dislocations by re-training workers in declining industries. Of the three types of partnerships, sectoral initiatives have the most substantial direct involvement of business, as high-level industry representatives sit on Boards and are active in shaping the initiative's design and operation.

In the Innovative Sites, the most common type of partnership is with the Chambers, and while most of the Innovative Sites have partnerships with ED, about half have been involved in sector strategies. Among Comparison Sites, partnerships with Chambers and ED are common, but are much less developed; sectoral partnerships are rare. For Boards, the advantages of Chamber partnerships are enhanced legitimacy of the workforce system, opportunities for networking with businesses, and reducing turf issues. Advantages of ED partnerships include assessing trends, staying abreast of emerging and high-growth industries, and helping to attract and retain businesses. With sectoral partnerships, the advantage is that Boards can play an influential role in emerging and high-growth industries.

Examples of the three types of partnerships include:

- *Chamber partnership: Flexible leadership among complementary partners:* Pacific Mountain-Gray's Harbor partnered with the local Chamber to fund an "Employer Assistance Program," which provides a narrow range of business services to all employers. The skills of both partners were maximized in this project-- the Board subcontracted the program to the Chamber to take advantage of the Chamber's positive image with local business, but housed project staff at the One-stop center.
- *ED partnership: Board members advocate for ED needs:* In Northwest Wisconsin, economic development and business expansion are major components of the Local Area's workforce development strategy. This focus has led the Board to transcend its traditional job matching and training role to help businesses improve their profitability through improved marketing, and financial and human resource management.
- *Sector partnership: leveraged resources address education issues:* Dallas' semiconductor initiative is staffed by a "cluster manager," a Board staff person who collaborates with education entities. The initiative helps address the industry's workforce needs by better preparing high school students in math and science and informing them of careers in the industry. By leveraging partner resources and industry expertise, the impact is greater than it could have been using WIA money alone.

## Business Services

The Innovative Sites have devoted much time and resources to develop successful business services programs. Keys to overcoming challenges in business services include:

- *Shifting the primary focus from jobseekers to employers:* Dunham et al. say this is the most important principle. At several sites, Boards now view employers as their key customers.
- *Focusing on building strong relationships with businesses:* To do this, most programs prefer in-person interactions with business and having a single point of contact who can provide in-depth service.
- *Providing customized services:* In this approach, businesses are in control and just get the services they want.
- *Viewing service delivery as a process that occurs in phases:* “Gateway” services, such as recruitment, allow Board staff and business to become better acquainted and can lead to other services.
- *Targeting certain groups of businesses for services:* Most Innovative Sites target services to small businesses since those firms typically lack human resources staff. But this group may be challenging to work with, since contact is often difficult because of the businesses’ small staff size. Other target groups include businesses that offer better-paying jobs and career ladders, and high-growth industries.

Nearly all Innovative and Comparison Sites offer the same core set of business services, such as: labor exchange services, rapid response/downsizing assistance, job fairs, job seeker assessment, labor market information, space for interviewing, and information on tax credits. But Innovative Sites focus on improving and customizing the basic services to an individual business’ needs. Most funding for business services (mainly for staffing) comes from WIA or Wagner-Peyser programs. Nearly all Innovative Sites said they did not have enough money to meet the demand for business services.

Examples of providing effective business services include:

- *Coordinating service delivery among One-stop partners:* Services are likely to be better integrated where staff are co-located and Employment Service funding or staffing is controlled by the Board. But there have been problems with poor referrals from the Employment Services statewide job matching system. To combat this situation, some Innovative Areas have worked with the state to improve the system, used proprietary job matching systems, or created their own system.

- *Setting up organizational structures to staff and deliver services:* Boards use different models. Several use a dual structure model, with a centralized business services unit operated by the WIA administrative entity and independent business services units at each One-stop. At a number of Innovative Sites, Board executive directors work with high-level businesses to develop services such as customized training.
- *Selecting and training staff:* Several Innovative Sites say business services staff have to adopt a “whatever it takes” attitude when responding to business’s needs. Many have hired staff with private sector experience, especially in the human resources area. In contrast, Northwest Wisconsin uses existing staff and offers technology to help them gain experience in working with businesses.
- *Determining how businesses will access services:* Most contact occurs by phone, e-mail, or in-person meetings. Few business services are offered on-line, since business services staff prefer opportunities for personal interaction with employers.
- *Using word-of-mouth marketing:* Nearly all the Boards say word-of-mouth is the most effective marketing tool.
- *Tracking & evaluating services through immediate customer feedback:* All Innovative Sites evaluate their services to businesses, mostly through immediate feedback from customers. Boards have not found the WIA business customer satisfaction survey useful since it does not provide information needed to make program improvements.

In the nine Innovative Sites, business services programs have had a strong impact on local businesses, job seeker programs, and WIA performance. For example, in Eastern Kentucky, one business cut the time staff spent on hiring by 35 percent after it began using the Board’s electronic job matching program. In terms of job seeker programs, some Board staff have worked harder to ensure that the job seekers they refer to businesses are a good match. As regards WIA performance, even though their success in meeting WIA performance measures cannot be directly tied to their business services programs, most Innovative Sites believe there is a direct link between business services and improved performance on WIA measures. They say this is because of the close relationships they developed with employers.

## Summary

Businesses have become an important focus of all nine Innovative Sites. Most have made business their primary customer and seek to involve businesses in all aspects of their operations—on Boards, in partnerships, and through the use of business services. The Innovative Sites draw on key practices in the following areas to ensure that business involvement is successful:

- *Effective Business Involvement with Workforce Boards:* Use multiple selection criteria for new business Workforce Board members, ensure effective use of business members' time, and choose a few priority WIA issues for business members to address
- *Effective Involvement of Businesses in Partnerships:* Have strong and visionary leadership from the Board, participate in the development of sectoral strategies where the needs of economic development and workforce development intersect, and know partners' needs and develop a niche to meet them
- *Effective Business Services:* Build credibility by providing successful “gateway” services, use dedicated account representatives for business services, make sure labor exchange services are effective, and ensure good coordination among entities providing business services
- *Effective Overall Business Involvement:* Make business the primary customer; rely on strong, charismatic staff leadership

Dunham et al. offer the following suggestions for WIA reauthorization to enhance business involvement:

- *Adjust WIA performance measures:* Create measures tied to the provision of business services, and adjust the adult earnings change measure to allow for more incumbent worker training
- *Provide more funding for business services:* Suggestions vary and include: an overall increase in WIA formula funding, a new funding stream targeted to business services, and seed money for innovative services
- *Offer assistance with marketing & developing services:* Need help from the Department of Labor in creating a national “brand” for One-stop services, and guidance and technical assistance in developing specific business services programs

## Reference

Dunham, K., Salzman, J., and Koller, V. (2004, June 30). *Business as partner and customer under WIA: A study of innovative practices*. Oakland, California: Social Policy Research Associates.

[http://www.doleta.gov/reports/searcheta/occ/papers/Business\\_as\\_Partner\\_and\\_Customer\\_under\\_WIA1.pdf](http://www.doleta.gov/reports/searcheta/occ/papers/Business_as_Partner_and_Customer_under_WIA1.pdf)

## Bulletin Board

### □ Highlights

HHS Directive on Using TANF Money for Healthy Marriage Activities.

<http://www.acf.hhs.gov/programs/ofa/im2004-2.htm>

DOL "Environmental Scan" on Labor Market & Workforce Information.

<http://www.doleta.gov/usworkforce/topics.cfm#370>

Texas Named Top State in Which to Do Business.

<http://www.governor.state.tx.us/divisions/press/presreleases/PressRelease.2004-11-01.2313>

Texas to Focus Economic Development Efforts on 6 Clusters. [http://www.doleta.gov/usworkforce/awn-news/eta\\_default.cfm?id=464](http://www.doleta.gov/usworkforce/awn-news/eta_default.cfm?id=464)

DOL Grant Award to TX for Personal Reemployment Account Demonstration.

[http://www.workforceatm.org/articles/template.cfm?results\\_art\\_filename=pra\\_states.htm](http://www.workforceatm.org/articles/template.cfm?results_art_filename=pra_states.htm)

DOL FY 04 Annual Report.

<http://www.dol.gov/sec/media/reports/annual2004/main.htm>

Tutorials on Enhancing WIA Performance Outcomes.

[http://www.doleta.gov/usworkforce/whatsnew/eta\\_default.cfm?id=1077](http://www.doleta.gov/usworkforce/whatsnew/eta_default.cfm?id=1077)

NAWDP Awards.

Deadline: January 31, 2005.

<http://www.nawdp.org/2005%20Awards%20Nomination%20Form.doc>

FYI: FASTEN's Partners in Transformation Awards Program. Deadline: April 1, 2005.

<http://www.fastennetwork.org/Display.asp?Page=contest>

### □ DOL Guidance

TEN 5-04 on ETA Occasional Paper 2004-05-Evaluation of WIA Implementation.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1606](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1606)

TEN 6-04 on ETA Occasional Paper 2004-06-Innovative Practices in Business Services.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1607](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1607)

TEN 7-04 on ETA Occasional Paper 2004-07-Quantum Opportunity Demo.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1608](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1608)

TEN 9-04 on Administrative Data Research & Evaluation Project (ADARE).

[http://www.workforceatm.org/articles/template.cfm?results\\_art\\_filename=ten904.htm](http://www.workforceatm.org/articles/template.cfm?results_art_filename=ten904.htm)

TEGL 6-04 on TAA Base Allocations & Program Reserve Funds.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1605](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1605)

TEGL 8-04 on TAA Evaluation.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1618](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1618)

TEGL 9-04 on TAA for Farmers.

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1621](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1621)

TEGL 11-02, Change 1, on Instructions for Implementing Trade Act Amendments.

<http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/pdf/04-22919.pdf>

TEGL 2-03 on Alternative Trade Adjustment Assistance (ATAA).

<http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/E4-2595.htm>

TEGL 2-03, Change 2, on ATAA Certification.

[http://www.workforceatm.org/articles/template.cfm?results\\_art\\_filename=tegl203ch2.htm](http://www.workforceatm.org/articles/template.cfm?results_art_filename=tegl203ch2.htm)

TEGL 3-03, Change 2, on Data Validation Submission Instructions.

[http://www.workforceatm.org/articles/template.cfm?results\\_art\\_filename=tegl303ch2.htm](http://www.workforceatm.org/articles/template.cfm?results_art_filename=tegl303ch2.htm)

GAL 7-94, Change 1, Change 2, & Change 3, on NAFTA-TAA Revised Applicant Processing Procedures.

<http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/pdf/04-22920.pdf>

UIPL 30-04, Change 1, on SUTA Dumping Prevention Act Guidance.

<http://a257.g.akamaitech.net/7/257/2422/15nov20040800/edocket.access.gpo.gov/2004/pdf/E4-3162.pdf>

## □ Funding Opportunities

EPA Brownfields Job Training Grants.

Deadline: January 14, 2005.

<http://www.fedgrants.gov/Applicants/EPA/OGD/GAD/EPA-GRANTS-110404-001/Grant.html>

USDA Funding for Rural Community Development.

Deadline: January 25, 2005.

<http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/pdf/04-24013.pdf>

FYI: NSF STEM Grants. Deadline: February 10, 2005.

<http://www.fedgrants.gov/Applicants/NSF/OIRM/HQ/05-519/Grant.html>

## □ Resources

Literacy Directory.

[http://www.nifl.gov/nifl/ald\\_update.html](http://www.nifl.gov/nifl/ald_update.html)

On-line “Promising Practices” Resource on Employer Services.

<http://www.uschamber.com/cwp/strategies/wia/wiasuccess.htm>

WIA Waiver Authority Homepage.

<http://waivers.doleta.gov/>

Easter Seals Project Action: Fact Sheets and Information Briefs.

[http://projectaction.easterseals.com/site/PageServer?pagename=ESPA\\_fact\\_sheets](http://projectaction.easterseals.com/site/PageServer?pagename=ESPA_fact_sheets)

## □ Publications

WIA Policy Dialog.

[http://www.rockinst.org/publications/federalism/wia/WIA\\_Colloquium.pdf](http://www.rockinst.org/publications/federalism/wia/WIA_Colloquium.pdf)

Survey on Corporate Citizenship.

<http://www.uschamber.com/press/releases/2003/july/03-124.htm>

Disability Program Navigator Initiative Process Evaluation Analysis: Quarter One.

<http://disability.law.uiowa.edu/lhpdc/projects/doltech.html>

DOL Annual Report for Wagner-Peyser Act Funded Activities, PY 2002.

[http://www.workforceatm.org/articles/template.cfm?results\\_art\\_filename=wagpeyser02.htm](http://www.workforceatm.org/articles/template.cfm?results_art_filename=wagpeyser02.htm)

LMI Employer Outreach Strategies.

<http://www.doleta.gov/usworkforce/topics.cfm#401>

No Child Left Behind Act: Improvements Needed in Education’s Process for Tracking States’ Implementation of Key Provisions.

<http://www.gao.gov/cgi-bin/getrpt?GAO-04-734>

Helping Job Seekers Who Have Limited Basic Skills.

<http://www.heldrich.rutgers.edu/Resources/Publication/132/Job%20Seekers.pdf>

Promising Practices to Assist Dislocated Workers.

<http://www.workforceusa.net/uploads/PromisingPrac-dislocated.pdf>

Welfare Reform: Rural TANF Programs Have Developed Many Strategies to Address Rural Challenges.

<http://www.gao.gov/new.items/d04921.pdf>