

Workforce Development Systems
Comparative Case Study: Austin and Seattle

by
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Chapter 1. Introduction

In the late 1990s, a high-tech boom was driving the nation's economy. Many communities were experiencing a prolonged period of employment growth, creating a demand for skilled workers. During this expansion, the U.S. Congress passed the first workforce system reform legislation in fifteen years, the *Workforce Investment Act* of 1998. These reforms were targeted at making the workforce system more responsive to the needs of both employers and job-seekers.

Since the start of the twenty-first century, the national economy has experienced a dramatic downturn. Communities that were unable to find enough skilled workers just a few years ago are now experiencing rising unemployment. The workforce system reforms that were started under conditions of economic growth have now been forced to adapt to meet the needs of dislocated workers and down-sizing companies alike. This report will examine the way that two communities recognized for their knowledge-based economies, Austin and Seattle, implemented *Workforce Investment Act* (WIA) reforms, and how these changes have impacted the overall workforce development network in each city.

The Workforce Investment Act

With the implementation of the *Workforce Investment Act* in 1998, the federal government required states to take a more integrative, comprehensive approach to workforce development. The legislation granted states considerable flexibility in reorganizing their workforce systems, while requiring a more coordinated effort between federally

funded workforce programs. Through the local Workforce Investment Board, each region has a body dedicated to examining the local economic conditions, and planning the community's response to changing situations.

Job-seekers access WIA and other federal employment and training programs at one-stop centers in their community. One-stop centers are intended to meet the needs of job-seekers and employers through a seamless coordination of services. Under the WIA reforms, employers are now served as the primary clients of the workforce development system, while job-seekers at all skill levels are offered universal access to workforce development resources. Though the legislation included a new emphasis on system-wide accountability, the performance standards established under the *Workforce Investment Act* focus only on services provided to individual job-seekers meeting specific eligibility requirements.

The Workforce Investment Act is slated for reauthorization in 2003. There is a broad consensus on some needed reforms, including more streamlined and relevant performance criteria, block-grant funding, and better coordination between federal agencies. However, the current economic climate and wide-spread budget deficits across all levels of government make the continued funding of workforce programs a more pressing concern to many organizations involved in the workforce development system.

Austin, Texas and Seattle, Washington

Over the course of the last decade, Austin has celebrated the growth of the Silicon Hills – a new economy driven by high-tech industry, research institutions, and entrepreneurship. According to a 2001 report by the Progressive Policy Institute, Austin placed second on *The Metropolitan New Economy Index* with a score of 77.9%. The study ranked communities on sixteen indicators demonstrating a transition to a knowledge-based economy. Seattle, which came in third place on the *New Economy Index* with a score of 68.0%, shared many of the same economic conditions as Austin. Seattle's growth, spurred by software development, bio-technology and the aerospace industry, was also supported by regional research institutions and venture capital. Each of these communities was a thriving base for online entrepreneurship in the late 1990s.

The economic downturn in the last few years has been attributed to the burst of the “dot-com bubble,” a phenomenon that hit Austin and Seattle particularly hard. Many of the layoffs announced since 2000 in these cities were related to business closures and downsizing in internet start-up companies. The economic recession has spread to other industries, and resulted in rising unemployment and a general weakening of the local economy. The influx of highly-skilled, formerly well-paid job-seekers poses challenges for the one-stop centers to fulfill the universal access mandate of the *Workforce Investment Act*, and for the community's workforce development network to connect these dislocated workers with target occupations the region must fill for continued economic development.

Table 1.1 Community Profiles: Austin and Seattle

Characteristic – 2000 (unless otherwise noted)	Austin	Seattle
City population ⁱ	656,562	563,374
National Population Rank	16 th	23 rd
Metropolitan population	1,249,763	3,554,760
National Metropolitan Population Rank	38 th	13 th
Population growth (1990-2000)	32.83%	9.11%
Median age (years)	29.6	35.4
Population with a high school diploma ⁱⁱ	82%	93%
Population with a bachelor's degree or higher	46%	36%
Enrollment at public university (Fall 2001)	50,616	39,458
Enrollment at metropolitan public community colleges	25,856	92,561
Total Metropolitan Employment ⁱⁱⁱ	672,700	1,804,503
Services employment	201,900	524,790
Government employment	136,800	262,300
Creative sector employment	242,070	602,700
Per Capita Income	\$24,163	\$30,306
Unemployment Rate (Dec. 2002)	4.8%	6.2%
Total Announced Lay-offs (2001)	18,050	13,724
City Land Area ^{iv} (sq. miles)	264.8	83.9
Metropolitan Land Area (sq. miles)	4,281.5	4,424.9
Average January Temperature	50° F	39° F
Average July Temperature	80° F	58° F
Average Annual Precipitation (inches)	32.49	34.46

Given the similarities in each city's economic situation since the implementation of the *Workforce Investment Act*, a comparison of the local workforce development networks should provide a better understanding of each city's response to changing employment demands.

Methodology

Much of the existing research done on the implementation of WIA reforms has focused on identifying "best practice" models for Workforce Investment Boards and one-stop centers. Key studies in this area include a report by the Social Policy Research Associates for the Department of Labor, *Evaluation of the Implementation of the Workforce Investment Act of 1998*; multiple reports by the General Accounting Office related to implementation, funding, and performance accountability issues associated with WIA; and a study by the National Governors Association's Center for Best Practices, *Workforce Investment Act Implementation*.ⁱ The focus of the current report is different in that it seeks to examine the role of the local Workforce Investment Board and one-stop centers in the broader workforce network. I am particularly interested in communities with a knowledge-based economy. By examining workforce development systems in Austin and Seattle, I hope to add to the existing knowledge-base a better understanding of the potential for coordinated workforce development networks to meet the challenges of the new economy.

ⁱ Information on these studies may be found in the bibliography.

Research Questions

This study seeks to answer several questions: (a) what are the implications of the knowledge-based economy for workforce development systems? (b) how have *Workforce Investment Act* reforms been implemented in each city? (c) how does the workforce development network function? and, to synthesize these issues, (d) how does the workforce development system in Austin and Seattle respond to the challenges of the knowledge economy?

Research Design

This report will use a case-study approach based on interviews, literature review, and document analysis. The decision to use a case-study research design was driven by my interest in examining how specific communities have reformed their workforce systems. The case study is a form of qualitative research that allows for focused, detailed examination of specific issues. The comparative design chosen for this research project will focus on the aspects of WIA implementation that have the biggest impact on the local workforce networks. The structure of the comparative study requires that similar data are collected from similar institutions in each city. Therefore, interviews and document analyses for this report were based on the same research questions.

In the original conception of this project, I envisioned a comparison of the top five or ten high-tech communities. However, as the research process continued, it became evident that the more cities that were added to the study, the less illustrative the comparisons became.

Time and other considerations prohibited an in-depth analysis of multiple cities, and a shallow examination would not have added significantly to the existing knowledge-base. The decision to limit the analysis to Austin and Seattle was due to several factors, including similarities in the high-tech workforce; the transition each city has made towards the knowledge economy; and the diversity of each community's WIA implementation decisions.

Research and Analytical Methods

The primary data collection methods for this report were interviews, document analysis, and literature review. Documents were collected through internet resources and directly from the agencies. The literature review provided the basis for a comparative analysis based on existing evaluations of different aspects of each city's economy and workforce system performance.

Interviews were conducted with components of the local workforce network in both Austin and Seattle. I contacted officials in each community representing:

- Chambers of Commerce,
- City agencies responsible for workforce development,
- Community colleges,
- Local one-stop centers,
- Local Workforce Investment Boards,
- Organized labor,
- Regional economic development councils,
- State one-stop contacts,
- State Workforce Investment Boards, and
- Workforce training initiatives.

The interview questions were scripted to elicit data on the organizational relationships between system components; organizational evaluations of WIA implementation; the role of the organization in collaborating with the local WIB/one-stop system; community/organizational efforts to meet the workforce needs of high-tech industries; effective local workforce development partnerships; local performance evaluations; and projections on future changes in the community's workforce system.ⁱⁱ Interviews were primarily conducted by telephone, though a few in the Austin-area were conducted at the interviewee's office at his or her request.

I have chosen to employ a qualitative analysis since the data required to answer the research questions is not easily quantified. The report addresses each of the questions through descriptive and comparative analysis of WIA implementation, the local workforce network, and knowledge economy characteristics. The interviews, combined with document analyses and other research, form the foundation of the conclusions drawn in this study. The evaluation considers each community's current WIA implementation, the progress each has made in achieving collaborative local networks, and the ability of each city to meet the challenges of the new economy.

ⁱⁱ A list of the interview questions used in this study is included in Appendix A.

Limitations of the Current Study and Future Research Suggestions

This study is not intended to be a comprehensive examination of the full workforce development network in each city. Rather, it provides a better understanding of the functions of certain organizations within the workforce system. This information may serve as the foundation for a larger project including components such as the K-12 education system, specific local employers, universities, and county governments. Since performance reports for programs under the *Workforce Investment Act* are only available for two or three program years, there is insufficient data to conduct a statistical analysis related to the workforce development network in each city. Future researchers in this area could consider a time-series and cross-sectional analyses of community workforce center performance, controlling for unemployment rate and other community characteristics. Finally, there are currently no assessments related to the overall performance of the one-stop centers. This lack of data poses problems in understanding the effects of the one-stop center on the community, and prevents comparisons between centers in other regions. As performance criteria evolve under WIA, it may be possible for future researchers to undertake this type of evaluation.

Purpose and Chapter Scheme

This study is intended to capture and evaluate the current state of the local workforce development system in Austin and Seattle. I anticipate that a broad examination of the system will help many of the organizations considered in this study gain a better perspective of their role within their local workforce network. I believe the report will be

useful to workforce development professionals in Austin and Seattle, as well as those in other cities transitioning to a knowledge-based economy, as they continue their efforts to meet the workforce development needs of their communities.

In the following chapters, I will address each of the study's research questions. Chapter 2 describes the characteristics of the New Economy and illustrates its relation to both Austin and Seattle. The discussion focuses on the workforce development implications of a community's shift to a knowledge-based economy, which will form the basis for the analysis in the last chapter. In Chapter 3, I examine the mandates of the *Workforce Investment Act* and illustrate the implementation of WIA reforms in Seattle and Austin. The workforce development network is defined in Chapter 4, and I examine some of the partnerships and collaborative projects happening in Austin and Seattle. Chapter 5 examines the ability of the local workforce development system to meet the demands of the knowledge economy. I conclude with recommendations for strengthening local workforce network collaborations to help communities succeed in the twenty-first century.

ⁱ Sources this section: City of Austin. <http://www.ci.austin.tx.us/census/faqs.htm>; City of Seattle. <http://www.cityofseattle.net/oir/datasheet/demographics.htm>; Earth Resource System. Ersys. <http://www.ersys.com>

ⁱⁱ Sources this section: Austin Chamber of Commerce. http://www.austinchamber.org/Live_Work/Austin_Lifestyle/Quick_Facts; City of Seattle. <http://www.cityofseattle.net/oir/datasheet/education.htm>; University of Texas. http://www.utexas.edu/admin/opa/news/02newsreleases/nr_200209/nr_enrollment020916.html.; University of Washington. http://magma.opb.washington.edu:7778/pls/portal30/PARTY.RPT_ST_HCOUNTS_BY_CAMPUS_TERM.show

ⁱⁱⁱ Sources this section: Texas Perspectives Inc. Austin's Economic Future; City of Seattle. <http://www.cityofseattle.net/oir/datasheet/economy.htm>; Earth Resource System. Ersys. <http://www.ersys.com>; Greater Austin Area Workforce Board. Austin Layoff Statistics; Seattle King County Community Response Team. Dislocation Activities: January 1-December 31, 2001.

^{iv} Source this section: Austin Chamber of Commerce. http://www.austinchamber.org/Live_Work/Austin_Lifestyle/Quick_Facts; Seattle Chamber of Commerce <http://www.seattlechamber.com/>; Earth Resource System. Ersys. <http://www.ersys.com>

Chapter 2. The Knowledge Economy

Prior to the reorganization of the nation's employment services under the *Workforce Investment Act of 1998*, many communities experienced a fundamental shift in their local economy. In the late twentieth-century, much of the nation had begun the transition from an industrial/agricultural economy towards a service economy. This shift intensified in many areas around knowledge-based services. The "new economy" came to represent the next stage in economic evolution. As American companies moved more and more of their manufacturing responsibilities to foreign countries, where labor was cheaper and regulations more relaxed, domestic employment growth became tied to information and technologically-enabled processes.

The new economy is also known as the "knowledge economy" or the "information economy." Metropolitan areas with a concentration of high-tech industries, including computer hardware and software firms, biomedical technology firms, and telecommunication companies, are on the leading edge of this economy. These new economy communities are characterized by a highly educated workforce, the capacity to adapt quickly to changing economic climates, and significant entrepreneurial and venture capital activity. Universities play a significant role in the economy of these cities, fostering innovations and research that stimulate knowledge industry growth.

This chapter will describe the characteristics of the New Economy and illustrate its relation to both Austin and Seattle. I have chosen to

highlight the findings of several studies of the knowledge economy, as each relates a different perspective on economic and workforce development issues in these cities. The discussion that follows will focus on the workforce implications of a community's shift to a knowledge-based economy, and examines recommendations for sustaining growth through workforce development system reforms.

The Knowledge Economy in Austin and Seattle

During the 1990s, Austin and Seattle both established themselves as knowledge economy cities. The evolution of the economy in each city was based upon their common backgrounds in information and technology. The Austin high-tech economy grew from semiconductor and computer manufacturing, while Seattle specialized primarily in software development and aerospace technologies. Both cities are also home to major research universities.

High-Technology Cities

In a 2001 report published by the Brookings Institute, Joseph Cortright and Heike Mayer compare fourteen high-tech cities. Both Austin and Seattle are included in the comparison³:

- In 1997, Seattle's high-tech workforce numbered 55,897 while Austin's totaled 49,521. The Silicon Valley leads the comparison with 212,249 people employed in high-tech positions. The high tech workforce is defined by employment in information services, computer and electronics industries, software publishing, and systems design.

³ Source for this section: Cortright, Joseph and Heike Meyer. *High Tech Specialization: A Comparison of High Technology Centers*. Pages 3-7; city profiles.

- Between 1990 and 1998, the number of patents issued in Austin grew by 17.5% leading all other cities in the study. Seattle's patent activity grew by 10%. The national average for the same time period was 6.7% growth. The number of patent applications submitted from a municipality is an indicator of the strength of the local economy.
- Another economic indicator of a city's growth is its number of venture capital investments. Venture capital investments in these communities from 1995 to 1999 represented a significant portion of this type of investment in the country. Seattle accounted for 2.8% of all US venture capital investments with 283; Austin's 168 accounted for 1.7%. The Silicon Valley dominated this indicator as well, with a 15.2% share of all venture capital investments.

New Economies

Other studies have compared communities based on examined characteristics of the knowledge-based economy. The *Metropolitan New Economy Index*⁴ (2001) ranks the fifty largest metropolitan areas on sixteen economic indicators in five broad categories: knowledge jobs, globalization, economic dynamism and competition, transformation to a digital economy, and technological innovation capacity. San Francisco receives the highest rating, 95.6%, on these measures, demonstrating the influence the Silicon Valley has on the regional economy and its leadership in the production of information-age technologies. The two communities that follow San Francisco on the *Index*, Austin and Seattle, are more closely ranked with each other at 77.9% and 68% respectively.⁵

⁴ Atkinson, Robert D. and Paul D. Gottlieb. *The Metropolitan New Economy Index*. Page 7.

⁵ Atkinson, Robert D. and Paul D. Gottlieb. *The Metropolitan New Economy Index*. Page 5.

An examination of the rankings for Austin and Seattle, listed in Table 2.1, highlights some key similarities and differences in each city’s capacity for knowledge economy growth.

**Table 2.1 Comparison of Austin and Seattle
Among the 50 Largest Metropolitan Areas⁶**

Indicator	Austin Rank	Seattle Rank
Academic Research and Development Funding	4	22
Broadband Telecommunications Capacity	8	9
Commercial Internet Domains	4	10
Computer Use in Schools	8	42
Degrees Granted in Science and Engineering	2	31
Export Focus of Manufacturing	12	1
Gazelles (jobs in sustained high-growth companies)	22	49
High-Tech Jobs	1	23
Internet Backbone	14	8
Job Churning (business start-ups and failures)	13	39
Managerial/Professional Jobs	3	7
New Publicly Traded Companies	5	2
Online Population	2	3
Patents	3	22
Venture Capital	3	2
Workforce Education	5	9
Overall	2	3

⁶ Adapted from: Atkinson, Robert D. and Paul D. Gottlieb. *The Metropolitan New Economy Index*. Pages 8-9.

In a 2002 report prepared for the City of Austin, Texas Perspectives Inc. examines Austin’s economy in the context of the current national economic climate. The report focuses specifically on Richard Florida’s idea of a “creative economy where knowledge and information are the tools and materials of creativity.”⁷ The creative economy essentially builds on what other researchers have termed as factors of the knowledge economy. Creative occupations are those related to arts, computers, engineering, entertainment, finance, healthcare, information, manufacturing, professional services, research, science, sports, and technology.⁸ Table 2.2 compares Austin and Seattle to US averages for creative sector employment.

Table 2.2 Creative Employment⁹

Indicator		Austin	Seattle	United States
Average Annual Wage Paid – 2000	Metropolitan Area	\$34,672	\$40,593	\$32,916
	Creative Sector	\$52,285	\$59,968	\$52,059
	All Other Sectors	\$24,725	\$30,863	\$25,450
Creative Sector as Percentage of Total	Employment Share	36.1%	33.4%	28.1%
	Share of Wages	54.4%	49.4%	44.4%

⁷ Texas Perspectives Inc. *Austin’s Economic Future*. Page 7.

⁸ Texas Perspectives Inc. *Austin’s Economic Future*. Footnote 6.

⁹ Adapted from: Texas Perspectives Inc. *Austin’s Economic Future*. Pages 9.

The New Economy in Texas and Washington

The Progressive Policy Institute's *2002 State New Economy Index*¹⁰ ranks Washington second. This ranking is due in part to Microsoft, but also to the entrepreneurial activity that characterizes development in the Seattle area. Texas ranked fourteenth on the *Index*, which compares state economies based on twenty-one economic indicators. Washington was rated first in two categories, the number of gazelle jobs it sustains and the number of companies making initial public offerings of stock. Gazelle jobs refer to the number of jobs in companies that have sustained high-growth for a period of at least four years. Washington ranks in the top ten states in eleven other categories, including: the number of IT workers and high-tech jobs; the education level of its manufacturing workforce; the percent of the state population online; patent and venture capital activity within the state; and its move towards a digital government. Texas ranked in the top ten states in four categories: export focus of state manufacturing; the number of gazelle jobs in the state; job churning; and its transition to a digital government.

Current Economic Climate

Despite the remarkable economic growth Austin and Seattle experienced in the late 1990s, evidenced in the studies above, the transition to a knowledge-based economy did not insulate these communities from the recent economic downturn. The beginning of the

¹⁰ Atkinson, Robert D. and Rick Coduri. *2002 State New Economy Index*. Pages 11-12.

recession has been attributed to the burst of the “dot-com bubble,” a phenomenon that hit Austin and Seattle particularly hard. Many of the layoffs announced since 2000 in these cities were related to business closures and downsizing in internet start-up companies. The economic recession spread to other industries, and has resulted in rising unemployment and a general weakening of the local economy.

The shift from a boom economy to a bust economy has had a significant impact on the demands facing the workforce development systems in Austin and Seattle.

Traditional public employment and training programs, which are rooted in anti-poverty and social welfare policy rather than economic policy, have been focused on the unemployed and economically disadvantaged rather than the broad range of individuals who need education and training.¹¹

The influx of highly-skilled, formerly well-paid job-seekers poses challenges for one-stop centers to fulfill the universal access mandate of the *Workforce Investment Act*, and for the community’s workforce development network to work in conjunction with regional economic development priorities.

Workforce Development Systems in the New Economy

“The New Economy creates both the opportunity and the obligation to design a new workforce development system.”¹² In order to

¹¹ Ganzglass, Evelyn, et al. *Building a Next Generation Workforce Development System*. Page 4.

¹² Atkinson, Robert D. *Building Skills for the New Economy*. Page 1.

sustain knowledge economy growth, high-tech communities must supply a workforce capable of meeting evolving human resource demands. The role of the workforce development system is to build that human capital capacity.

The *Workforce Investment Act* (1998) provided each city the opportunity to revamp their existing workforce structures to better meet the needs of the industries in their regions. Indeed, a report published by the Rockefeller Institute describes the connection between the *Workforce Investment Act* and the shifting economic demands:

WIA can be perceived as an outcome of events and processes operating in several arenas. Rapidly changing technologies and an increasingly global economy have heightened concern in the United States and other nations for building a world-class workforce development system. The contribution that a skilled workforce makes to national productivity growth and its potential for enhancing international competitiveness are now widely recognized...Workforce development also supports the local efforts of civic leaders to attract and maintain sustainable, living-wage employment to strengthen families and the communities in which they live.¹³

In chapter three, I will examine the mandates of the *Workforce Investment Act* and the implementation of the WIA reforms in both Austin and Seattle. Local economic conditions in these communities played an important role in the re-design of employment services for both employers and job-seekers.

¹³ O'Shea, Daniel and Christopher T. King. *The Workforce Investment Act of 1998*. Page 5.

Demand for Skilled Workers

“Most forecasts for skill needs show a massive reduction in the need for semi- and unskilled work and a consequent increase in the future demand for ‘knowledge workers’, management, professional, and administrative staff.”¹⁴ In a 2002 report by the National Association of State Workforce Board Chairs, the forecasted demand for skilled workers is highlighted.¹⁵

- Between 1998 and 2008, our economy will generate 14.1 million new jobs that require advanced skills – acquired through at least some post-secondary education – and only 6.2 million new jobs that require a basic and minimal skill level – a skill level found among many school dropouts and high school graduates.
- By 2020, our nation will lack at least 12 million people with some post-secondary education who are needed to fill the jobs of the knowledge-based economy.

These demands will require the community to formulate a new economic development scheme, “a broader approach that includes making a state more attractive to skilled workers by improving quality of life, workforce development systems, and government operations.”¹⁶ The most important factor of production in the new economy is the workers themselves. Therefore, a city’s most valuable economic asset becomes its workforce. Firms looking to relocate to a community are more interested

¹⁴ Longworth, Norman. *Making Lifelong Learning Work*. Pages 74-75.

¹⁵ National Association of State Workforce Board Chairs. *The Competitive Challenge: Building a World-Class Workforce*. Page 6.

¹⁶ Atkinson, Robert D. and Rick Coduri. *2002 State New Economy Index*. Page 4.

in the availability of a knowledgeable workforce than the traditional economic incentives of subsidies and tax abatements.

Recommendations for Sustaining Knowledge Economy Growth

Austin and Seattle are two communities leading the transition towards the knowledge-based economy. The 2000 report *Ten Steps to a High Tech Future: The New Economy in Metropolitan Seattle* identifies several factors in Seattle's success related to workforce issues that other cities could emulate. Seattle's commitment to understanding the high tech firms in their region and building capacity in those sectors; its investment in human capital through targeted workforce development projects; and the investments Seattle has made in the community's quality of life all impacted the transition to a knowledge-based economy.¹⁷ These are the same factors that fostered Austin's growth in the late 1990s. The experiences these communities have in responding to the needs of their local industries can serve as a guide for other communities.

A number of studies have been published since 2000 addressing how states and localities can support the transition to the knowledge-based economy. Evelyn Ganzglass and her colleagues wrote *Building a Next Generation Workforce Development System* (2000) to identify the factors of change that were driving local economies. The report evaluates the current public labor exchange system and makes recommendations for a

¹⁷ Sommers, Paul et al. *Ten Steps to a High Tech Future*. Pages 26-29, 31-32.

new system more responsive to the demands of local industry. The next-generation system envisioned in the report is based on five components.

1. Workforce development initiatives are market-driven;
2. Projects support lifelong learning;
3. Training incorporates new learning methods;
4. The system adopts new performance measures and accountability standards; and,
5. It is flexible and responsive to changing workforce demands.

Also in 2000, the National Governor's Association released its report, *State Strategies for the New Economy*. These strategies call for workforce development systems to become more closely aligned with business practices. It suggests building public-private partnerships in order to "create a continuum of pre-employment and post-employment incentives and supports. [This will] help employers meet their workforce needs and promote job placement, job retention, career advancement, and stable employment at good wages for workers."¹⁸

In 2002, reports from Goodwill Industries, the National Governor's Association, and the National Association of State Workforce Board Chairs all focused on the demands of creating a workforce for the twenty-first century. These reports offer similar advice on which factors of the local economic and workforce system will have the greatest impact on knowledge economy growth. These include:

- Providing necessary supports to local workers;

¹⁸ National Governor's Association. *State Strategies for the New Economy*. Page 42.

- Fostering collaborations and partnerships among a variety of groups and organizations;
- Targeting efforts to meeting the needs of locally-based industries and industrial clusters;
- Encouraging workers to become their own career managers;
- Improving data collection on local economic conditions and local workforce program performance; and
- Tying economic development to workforce development.

In seeking to determine if the workforce systems in Austin and Seattle meet these requirements for knowledge economy growth, this study focused on two aspects. First, the *Workforce Investment Act* was intended to support more flexible, market-driven employment services through Workforce Investment Boards and one-stop centers. These structures are explored in chapter three. Second, the broader workforce development network depends on the active participation of key organizational partners, illustrated in chapter four. In the last chapter, I will re-examine the characteristics for sustaining knowledge economy growth in comparison with the WIA reforms and network partnerships in Austin and Seattle, and make recommendations for future workforce system reforms.

The *2002 State New Economy Index* includes specific proposals related to the *Workforce Investment Act*:

States should take advantage of the opportunities afforded by the federal WIA to ensure that the state's Workforce Investment Boards are more than just bureaucratic programs operating on the margin of the labor market. States should encourage the local WIBs to be active partners with the private sector in creating a

trained workforce... States should avoid setting policy for WIA in isolation from the rest of its education and training programs.¹⁹

The workforce development system created by WIA is intended to provide the flexibility needed for a community to target the employment demands of the knowledge-based economy. This system must be based on a market-driven design that actively engages business leaders, the training and education community, community-based organizations, and government agencies. The *State New Economy Index* also suggests that:

Best practices include doing in-depth labor market 'audits' that identify broad business trends and specific skill needs; developing expertise in the needs of specific industry sectors and building long-term relationships and company and union training alliances within it; consolidating employer outreach into a single 'employer services' unit; creating partnerships with private employment and training organizations; and developing tailored training programs.²⁰

This new system must be results-oriented, with a bottom line goal of raising the earning power and quality of life of all members of the workforce by meeting the skill demands of employers.

Summary

Austin and Seattle are two communities that are leading the nation in the transition to a new economy, one based on information and technology rather than manufacturing. This change is evident in the types of employment opportunities that are available in these cities, the types of businesses that are locating in these communities, and the

¹⁹ Atkinson, Robert D. and Rick Coduri. 2002 *State New Economy Index*. Page 43.

²⁰ Atkinson, Robert D. and Rick Coduri. 2002 *State New Economy Index*.. Page 43.

education and skill level of local citizens. Despite the recent economic downturn, Austin and Seattle will continue to grow as knowledge economy communities in the twenty-first century. Therefore, the workforce development system in each city must be responsive to the changing needs of both employers and job-seekers.

Many recent studies have articulated the characteristics of a regional workforce system designed to meet the needs of the knowledge economy. As a recent report published by Washington's Workforce Training and Education Coordinating Board noted,

Our new economy is knowledge-based, and many of the fastest growing, best paying jobs are technical. The majority of family-wage jobs created in Washington will require postsecondary education...The state's workforce training and education system must prepare more workers with the kinds of skills employers are looking for. The training system must also assist in the continual retraining and upgrading of incumbent workers so that their skills stay up to date.²¹

This situation is facing states across the nation. In order for American companies to retain their competitive advantage in an increasingly global economy, the skills, education, and talents of the workforce must become a greater concern to industry, government, and communities. Only by developing the domestic workforce, improving the technological and basic skills of all workers, will American standards for economic growth and quality of life be upheld. The skills required of workers in the

²¹ Workforce Training and Education Coordinating Board. *Washington's Economy*. January 2002. Page 13.

twenty-first century must be identified in coordination with employers and training providers for any lasting, effective change to occur.

Chapter 3. The Workforce Investment Act

The *Workforce Investment Act* of 1998 represents a new focus for federal workforce development programs. The legislation granted states considerable flexibility in reorganizing their workforce systems, while requiring a more coordinated effort between federally funded programs. Prior reforms, including the *Jobs Training Partnership Act* (1982), focused on providing services for targeted populations of disadvantaged or dislocated workers through a variety of funding streams. These programs were particularly noted for their “supply-side” practice of improving worker skills as the primary tool for workforce development.

The WIA legislation was intended to change the focus of the workforce system to better serve all stakeholders, including employers and job-seekers. The new philosophy is more “demand-side” in that it tailors workforce programs to meet employer needs; recognizing that workforce development encompasses more than just job training. The legislation is based on seven principles, defined in Table 3.1 below.

This chapter seeks to determine the impact of the WIA reforms on the workforce development systems in Austin and Seattle. First, I examine the state’s WIA implementation to gain a better perspective on the requirements each local system operates under. Next, I explore the local Workforce Investment Board and one-stop centers, highlighting their role in the community. These structures offer numerous workforce development programs. However, the fragmented reporting requirements and the number of oversight agencies involved with these

programs made comprehensive performance data difficult to obtain. Therefore, I have chosen to focus on the performance of the local workforce system in the three programs funded under WIA Title I-B. The chapter concludes with a discussion of issues that are likely to be debated in the WIA reauthorization, scheduled for 2003.

Table 3.1 Principles Guiding the Workforce Investment Act²²

-
- 1. Empowering job-seekers** through Individual Training Accounts, and other supports available through one-stop centers.
 - 2. Improved youth programs** through better linkages with the local economy and community-based programs, with more emphasis on academics and vocational education.
 - 3. Increased accountability** for the workforce system, including training providers, measured by increased employment, retention, and earnings.
 - 4. State and local flexibility** “to implement innovative and comprehensive workforce investment systems tailored to meet the needs of local and regional labor markets.”²³
 - 5. Streamlining services** through co-location and coordination of categorical employment services at the one-stop centers.
 - 6. Strong roles for Workforce Investment Boards and the private sector**, allowing the local workforce system to target the needs of the local economy.
 - 7. Universal access to core services** offered through the one-stop system including skill assessment, career counseling, and job placement assistance.
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²² Source for this section: U.S. Department of Labor. *The Seven Key Principles of WIA*. <http://www.doleta.gov/usworkforce/resources/sevenkey.asp>.

State-Level Workforce System Reforms

“Workforce Investment Boards (WIBs) are councils of business and community leaders charged with governance and oversight of employment-oriented education and training programs”²⁴ in addition to other labor exchange and employment services. The *Workforce Investment Act* required states to designate a state-level WIB to integrate planning and serve as a distribution point for federal funds. This Board is also responsible for coordinating employment services and funding local workforce development efforts.

The planning requirements for state boards under WIA are considerable. Prior to implementation, states were required to negotiate performance target levels with the Department of Labor, and submit a list of certified training providers. In addition, states developed five-year strategic plans for improving coordination across programs and funding streams, including strategic and operational plans for the local Boards. Texas was an early implementation state for WIA in Program Year 1999; Washington’s first WIA Program Year was 2000.

Texas

Texas was well positioned to take up WIA when it passed, since the state had begun the transition to an integrated workforce system with

²³ *Minnesota’s Workforce Investment Act Title 1B Annual Report, Program Year 2000*. Page iii.

²⁴ National Leadership Institute for Workforce Excellence. *Second National WIB Survey Report*. Page 1.

the Texas Workforce and Economic Competitiveness Act of 1993, amended by House Bill 1863 in 1995. Texas did not submit a unified plan to the Department of Labor for WIA, choosing instead to build on the state's reforms. HB 1863 created local workforce boards whose purpose was to meet the needs of the local economy by identifying and addressing workforce barriers to economic growth. These boards are responsible for operating Workforce Career Centers in their communities. Many of the workforce system changes Texas initiated were later incorporated into the federal WIA legislation. As noted by an official at the Texas Workforce Commission:

We were ready to fully implement before most states had started thinking about it. We ended up getting performance bonuses - \$3 million for each of the first two years. We think we are in line for another one this year, if the program is not affected by budget cuts. The bonus money has been rolled back into the workforce programs.²⁵

The Texas Workforce Commission (TWC) was created by HB 1863 with the merger of a number of state agencies. The TWC is the state Workforce Investment Board, and serves many functions in the state's workforce development network.

- The Commission is a policy development agency. "We create the policy framework and provide oversight to ensure the integrity of services."²⁶ TWC incorporates a strategic planning process, and the Commissioners review and approve the operational plans of the local boards each year.

²⁵ Jones, Larry. Texas Workforce Commission. Telephone interview: March 6, 2003.

²⁶ Carlson Reed, Cassie and Luis Macias. Texas Workforce Commission. Telephone interview: February 20, 2003.

- The primary TWC role is in accountability and oversight since it is responsible for distributing federal and state funds to the local boards and other service providers. “Our role is to ensure that the boards succeed in meeting those performance standards. We monitor performance extensively, the boards submit monthly reports that our Commissioners review. If we find that the performance of a local board continues to need improvement, we give technical assistance to help them get back on track.”²⁷ The TWC ultimately has the authority to take control of a board that is consistently low-performing.
- In addition there are approximately thirty workforce programs operated at the state level, through the Texas Workforce Commission.²⁸ One of its goals is “to make economic development and workforce development more explicitly linked. We have to make that clearer.”²⁹ The Skills Development Fund is one that is used by the state to target economic development initiatives by supporting company-specific training.

Texas has implemented twenty-eight local Workforce Investment Boards which operate 270 one-stop Texas Workforce Centers and affiliates. In Program Year 2001, “local workforce boards were block granted over \$722.8 million in state...funds, including \$211.3 million in WIA funds to plan and implement a workforce development system

²⁷ Carlson Reed, Cassie and Luis Macias. Texas Workforce Commission. Telephone interview: February 20, 2003.

²⁸ A list of Texas Workforce Commission programs can be found in Appendix B.

²⁹ Jones, Larry. Texas Workforce Commission. Interviewed at the TWC offices, Austin. March 6, 2003.

responsive to area business needs.”³⁰ WIA programs in Texas were operated at “an average cost per participant of \$2,335”³¹ in 2001.

Washington

Washington’s goal is to create a workforce system that coordinates all programs and funding streams, including those beyond the scope of WIA. The state had implemented a one-stop system in the mid-1990s using funds from a Department of Labor grant. This allowed Washington to submit a unified plan for the *Workforce Investment Act*, since many of the partners included in the federal legislation were already working in coordination with the state’s one-stop system.

The Workforce Training and Education Coordinating Board (WTECB) was designated by the governor to act as the state’s Workforce Investment Board. The Washington State Employment Security Department (ESD) handles contract management for workforce programs, including one-stop centers. Each of these agencies plays essential roles in the state’s workforce system³².

- WTECB acts as an advisory board to the governor and state legislature. The Board has a broad mission and is independent of other agencies. “The power we have is linked to money, and we tie some policy to it. Our real authority has been built

³⁰ Texas Workforce Commission. *Annual Report Workforce Investment Act: Program Year 2001*. Page 3.

³¹ Texas Workforce Commission. *Annual Report Workforce Investment Act: Program Year 2001*. Page 28.

³² A complete list of the responsibilities of the Workforce Training and Education Coordination Board & the Employment Security Department is available in Appendix C.

through working together with other agencies. We have developed a common agenda, and have taken a strong hand in accountability measurements.”³³

- WIA shifted the relationships of the local councils from the federal government to the state level. “The local boards now have to see the state as something other than a banker. They were not used to having the state make policy.”³⁴ WTECB manages the local strategic planning process, reviewing and approving the plans once they have been submitted. Some local plans have been rejected by the Board. In those cases, the Board has worked with the local bodies to develop more challenging and integrated plans in line with the state’s high-wage/high-skill initiative.
- “Unlike most states, we use a regression model to adjust local targets based on population served, the economy, and other variables. Accountability is our strength as a state.”³⁵ The WTECB handles all the performance measurement for workforce development programs, using rubrics based on outcomes, net impact, cost-benefit, and customer satisfaction. It makes decisions regarding eligible training providers, WIA targets, and sets performance targets for other federally-funded programs.
- The ESD is primarily involved in the administrative functions of workforce development. Since money passes through the state to local boards and other service providers, the department is responsible for monitoring contract compliance. The department is also responsible for ensuring that one-stop centers in the state meet federal guidelines.

³³ O’Brien Saunders, Ellen. Workforce Training and Education Coordinating Board. Telephone Interview. February 18, 2003.

³⁴ O’Brien Saunders, Ellen. Workforce Training and Education Coordinating Board. Telephone Interview. February 18, 2003.

³⁵ O’Brien Saunders, Ellen. Workforce Training and Education Coordinating Board. Telephone Interview. February 18, 2003.

Under the *Workforce Investment Act*, Washington has created twelve local Workforce Development Councils, which operate twenty-five one-stop WorkSource Centers and thirty-eight WorkSource affiliates. Washington's Annual Report to the Department of Labor reports an "average cost of \$2,724"³⁶ per WIA participant and an allocation of \$70 million for Program Year 2001.

WIA Title I-B Programs

Three programs are funded under Title I-B of the *Workforce Investment Act*: Adult, Dislocated Worker, and Youth.³⁷ These funding streams are allocated to the local areas, with states allowed to "reserve up to fifteen percent from each funding stream for statewide activities and up to twenty-five percent from Dislocated Worker funds for Rapid Response activities."³⁸ Each WIA program addresses a different target population through a variety of services offered at the one-stop centers. Table 3.2 demonstrates the cost of WIA Title I-B activities for Texas and Washington. States are given up to three years to spend the funds they are allocated for WIA Title I-B programs.

³⁶ Workforce Training and Education Coordinating Board and Washington State Employment Security Department. *Washington State: Annual Report on the Workforce Investment Act Title 1B*. Page 28.

³⁷ More information on WIA Title I-B programs is available in Appendix D.

³⁸ General Accounting Office. *Interim Report on the Status of State Spending*. Page 8.

Table 3.2 Cost of WIA Title 1B Activities – 2001³⁹

Program Activity	Texas	Washington
Local Adults	\$ 54,822,744	\$ 16,125,473
Local Dislocated Workers	\$ 32,521,257	\$ 17,024,650
Local Youth	\$ 66,180,893	\$ 17,862,119
Rapid Response	\$ 7,741,408	\$ 4,989,884
Statewide Required Activities	\$ 535,443	\$ 8,632,778
Total of All Federal Spending	\$ 161,801,745	\$ 64,634,904

Workforce Coordination

There are seventeen federal workforce programs, each representing a separate funding stream and multiple performance measures, that are required to locate and/or coordinate service delivery through one-stop centers under the *Workforce Investment Act*.⁴⁰ One-stops must also coordinate functions with programs authorized under state unemployment compensation laws. Additionally, states have the option to integrate with other federally funded programs associated with workforce development issues in their one-stop center operations, including Temporary Assistance for Needy Families (TANF) and USDA Food Stamp Employment and Training programs. Communities that

³⁹ Texas Workforce Commission. *Annual Report Workforce Investment Act: Program Year 2001*. Page 34; Workforce Training and Education Coordinating Board and Washington State Employment Security Department. *Washington State: Annual Report on the Workforce Investment Act Title 1B*. Page 45.

⁴⁰ A list of the programs included in the WIA legislation is provided in Appendix E.

provide access to childcare and transportation programs through the one-stop centers are addressing two of the biggest employment barriers for low-income workers.⁴¹ Effective one-stop centers also coordinate services with the local school and community college districts, community-based organizations offering specific services, and major area employers.

“Under the ‘grandfather’ provisions [of WIA] Texas has been allowed to continue the current system of state required workforce center partners in lieu of the one-stop partner selection process outlined in the federal law.”⁴² The Texas plan identifies sixteen required partners and seven optional ones. The Washington strategic plan identifies ten required partners. These partners are listed in Table 3.3.

⁴¹ U.S. Department of Labor. *Workforce Investment Act One-Stop Partners*. <http://www.doleta.gov/usworkforce/ap/partners.asp>.

⁴² Texas Workforce Commission. “Operational Plan – Introduction.” *Integrated Planning Guidelines*. Page 38.

Table 3.3 One-Stop Center Partners⁴³

	Texas	Washington
Required Partners	<ul style="list-style-type: none"> • Adult, Dislocated Worker, and Youth services authorized under WIA Title I • Food Stamp Employment and Training Services • Temporary Assistance for Needy Families • Subsidized child care programs • Welfare-to-Work block grant services • Wagner-Peyser employment services • Trade Adjustment Assistance and NAFTA programs • Veterans’ employment services • National Literacy Act programs • Post-secondary and career and technology training (non-certificate) • Senior Texans Employment Program • Apprenticeship Training • National and Community Services Act programs • Project RIO (for ex-offenders) • Unemployment Insurance 	<ul style="list-style-type: none"> • Washington’s Employment Security Department • State Board for Community and Technical Colleges • Washington’s Division of Vocational Rehabilitation and Department of Services for the Blind • Area Agency on Aging • Representatives from: <ul style="list-style-type: none"> ○ Job Corps ○ Native American programs ○ Migrant and seasonal farm worker programs ○ Community Services Block Grant employment and training activities • Department of Housing and Urban Development employment and training activities
Optional Partners	<ul style="list-style-type: none"> • Vocational rehabilitation services • Migrant and seasonal farm worker programs • Secondary and Post-secondary vocational and training services • Community services block grant activities • Department of Housing and Urban Development employment and training programs • Job Corps • Native American services 	<ul style="list-style-type: none"> • None specifically identified

⁴³ Texas Workforce Commission. “Attachment VI: One-Stop Service Delivery Network Rules.” *State Plan*. Page 5; Washington State Workforce Training and Education Coordinating Board. *State Strategic Plan for Workforce Development*. Page 38.

Local Workforce System Reforms

Under the *Workforce Investment Act*, each state Board is responsible for establishing local Workforce Investment Boards (WIBs) to address regional workforce system demands. The local WIB should ideally have representation from all stakeholder groups: key employers and business coalitions, worker advocates, educational institutions, and government agencies. WIA expressly targets a business representation of at least fifty-one percent on the local Boards. This Board structure is meant to be market-driven, each local WIB targeting workforce policies to meet both current and identified future employment demands. The Board is responsible for the implementation of the local one-stop system, as well as the certification of training providers.

Austin's Workforce Investment Board

The Greater Austin Workforce Board is comprised of twenty-six members, ten representing small business and five representing the private sector. The Board oversees an annual budget of approximately \$20 million, and is responsible for the implementation of the local one-stop system, as well as the certification of training providers.

- “We have a leadership role, as it relates to identifying and rallying the available resources to address the workforce needs of [Austin]. It’s a strategic role.”⁴⁴

⁴⁴ Clowers-Knox, Shirley. Greater Austin Workforce Board. Telephone Interview. March 6, 2003.

- The area with the greatest strength is the Rapid Response Team. This team has the freedom and resources to spring into action whenever a company in the community announces layoffs. This is a positive change from the way services were provided to dislocated workers before WIA was implemented.⁴⁵
- Local control has been the biggest change in the system. The workforce system is now run by local boards with members of the community responsible for making the decisions. It is really a whole different service delivery process from what Texas had previously.
- The bureaucracy surrounding WIA compliance has limited the effectiveness of the Board in some cases. Though the Austin Board has been able to focus some of its energy on building relationships and working with the community, it still must serve many administrative and compliance-oversight roles.

The involvement of business leaders in both policy development and strategic planning for the Austin network has definitely been a positive outcome of WIA. The network also depends on local businesses to supply the system with job opportunities. These employer-related issues will be addressed further in chapter four.

Seattle's Workforce Investment Board

The Seattle-King County Workforce Development Council (WDC) has thirty-nine members, including seventeen business representatives. The operations of the WDC depend on financing from nineteen separate sources. The budget for Program Year 2001 was \$23.3 million, with WIA

⁴⁵ Fitzpatrick, John. Greater Austin Chamber of Commerce and Capital Area Training Foundation. Telephone Interview. March 7, 2003.

funding accounting for approximately forty-five percent of the Council's revenues. 83.5% of the WDC budget is allocated to partner organizations.⁴⁶

- The biggest change under WIA is the governance issue. When the law passed, the structure of the Workforce Development Council became much more regulated. "We have benefited tremendously from having a private sector majority."⁴⁷
- Seattle is one of the few local Boards in the country with a committee for research and development. The group focuses on identifying trends in workforce needs in order to better direct the efforts of the Council.
- The WDC has instituted a program called Access Services. WIA adult money has been set aside for Community-Based Organizations (CBOs) who work with special populations, especially for immigrants and non-English speakers. "Instead of putting a lot of effort into trying to set up new services, we have decided to involve the CBOs who are already successfully working with those populations."⁴⁸

The primary impact of the *Workforce Investment Act* is that the role of the local Workforce Development Council has shifted substantially under the WIA mandates. Several agencies in Seattle highlighted the new responsibilities for the WDC as an important change in the local network. Under WIA there is a transition to a more privatized system, and the new Council was established as a non-profit organization rather than a quasi-

⁴⁶ Workforce Development Council of Seattle-King County. *Report to the Community 2001*. Page 11.

⁴⁷ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview. February 27, 2003.

⁴⁸ Phippen, Ed. Workforce Development Council of Seattle-King County. Telephone Interview. February 24, 2003.

governmental agency.⁴⁹ This change in organizational form has encouraged the active participation of Seattle's business and community leaders.

By giving the business sector a voice in guiding the workforce development policy, the workforce system better serves the labor force. The Council is guided by WIA through the outcome measures and the legislation's emphasis on strategic planning. "The economic development aspect of the *Workforce Investment Act* is really implied, but ...it is essential."⁵⁰ Another new role for the Workforce Development Council is to better coordinate the workforce and economic development systems. Under WIA, the Board is expected to draw employers into the system by placing them in charge of policy and planning decisions.

One-Stop Centers

One-stop centers are expected to offer a comprehensive, "seamless" range of employment services to both businesses and job seekers. The new system is expected to be market-driven, customer focused, skills-based, and results oriented.⁵¹ Centers should demonstrate their value to both job-seekers, the traditional customer of the public labor exchange, and employers. Indeed, employers are now viewed as a

⁴⁹ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview, February 27, 2003.

⁵⁰ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview, February 27, 2003.

⁵¹ Business Coalition for Workforce Development. *New Roles for One-Stop Centers*. Pages 2-3.

primary customer of the workforce development system. Table 3.4 lists the services employers receive at the one-stop centers.

Table 3.4 One-Stop Services for Employers⁵²

<ul style="list-style-type: none"> • recruitment assistance • on-site interviewing • employer incentives • access to labor market information 	<ul style="list-style-type: none"> • applicant testing • seminars on workforce and human resource issues • customized training • financing options
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Working in coordination with the local WIB, one-stops can be an effective tool for involving employers in the workforce development network.

Workforce systems should target small businesses with these services, since they represent the primary source of employment opportunities in most communities, especially in information and technology industries. While these businesses stand to benefit the most from the services of the one-stop centers, many are unaware of the available opportunities.

Workforce development leaders in Austin and Seattle both remarked on the challenge of serving the business customer under the WIA legislation.

- It is difficult to provide Employer Services. The eligibility restrictions and paperwork requirements are a barrier to getting more employers involved. Companies would really like the one-stop centers to provide training for their incumbent

⁵² Business Coalition for Workforce Development. *New Roles for One-Stop Centers: Serving the Business Customer*. Page 6.

workers, to upgrade their skills, but they do not realize that they are required to register for funding.

- There really is not any money in WIA for business services that are unrelated to the job-seeker. As a one-stop center in Seattle noted, there are “82 employees at this center, and 81 work primarily for job-seekers. One works only on business services.”⁵³ The employer services are just for filling positions.
- “We are working to improve our employer services. We want to be valued by local employers as a resource of choice. We’d like to offer fee-based services in addition to the free services we provide as a labor exchange.”⁵⁴
- “We are expanding the base of employers we serve, not just focusing on the low-end of skills levels like workforce development efforts usually do. We want to serve a broad spectrum of employers. As we get better at serving their needs, we should be able to expand our programs.”⁵⁵

If local businesses are to be treated as the primary customer of the one stop centers and the workforce development system, communities must build on WIA’s principle of flexibility. Networks that address the needs of the business customer must be able to identify and respond to changing economic conditions.

One-stop center services for job-seekers are defined under three separate categories: core, intensive, and training. Table 3.5 describes each level of service available to job-seekers.

⁵³ Loverin, Nancy. WorkSource Renton. Telephone Interview. February 26, 2003.

⁵⁴ Atkinson, Tamara. Greater Austin Workforce Board. Interview at the Board office, Austin. March 12, 2003.

⁵⁵ Macias, Luis. Texas Workforce Commission. Telephone Interview. February 20, 2003.

Table 3.5 One-Stop Services for Job Seekers⁵⁶

Core Services	<ul style="list-style-type: none"> • Determine eligibility to receive assistance under WIA • Outreach, intake, and orientation to information and services available through the one-stop system • Initial assessment of skill levels, aptitudes, abilities, and supportive-service needs • Job search and placement assistance, and appropriate career counseling • Provision of information related to Unemployment Insurance
Intensive Services	<ul style="list-style-type: none"> • Comprehensive assessments of skill levels and service needs • Individual counseling and career planning • Development of an employment plan • Case management for individuals seeking training
Training Services	<ul style="list-style-type: none"> • Occupational skills training, including training for non-traditional employment • On-the-job training • Skill upgrading and retraining • Job readiness training

In order to meet their mandate for universal access, one-stop centers provide core services to all job-seekers. “WIA is based on the belief that the best training is on the job and that there are a sufficient number of jobs for even low-skill workers.”⁵⁷ Intensive services are most frequently available to job-seekers who qualify under specific federal programs. Under WIA’s “work-first” initiative, training services are only targeted to

⁵⁶ *Minnesota’s Workforce Investment Act 1B Annual Report, Program Year 2000.* Page 15.

⁵⁷ Eberts, Randall W. and George Erickcek. *The Role of Partnerships in Economic Development and Labor Markets in the United States.* Page 11.

those people requiring the most assistance to find and retain adequate employment.

Austin's One-Stop Centers

The Austin area is served by three full-service Career Centers, a center dedicated to serving dislocated workers, and three satellite centers serving surrounding communities. The Austin Board, in coordination with the City of Austin, has also instituted a Virtual Career Center which allows both job-seekers and employers to access many core and intensive services online.

- “Our volume went up 26% last year – we have some 18,000 visits annually. We are at capacity in terms of our centers. In this economy, we are facing a real challenge in providing services. Our virtual center lets people log on from anywhere – the technology tools have taken the burden off of the physical locations.”⁵⁸
- One challenge is that WIA does not link any performance measures to the core services. We have such a huge volume of people coming through our centers, and we don't turn anyone away, but there is no way for us to show or get credit for those services. A lot of those people are served so well by our core services, they use our job postings, our computers – they don't need other services, but we can't account for them. They don't count in our performance assessments.⁵⁹

⁵⁸ Clowers-Knox, Shirley. Greater Austin Workforce Board. Telephone Interview. March 6, 2003.

⁵⁹ Atkinson, Tamara. Greater Austin Workforce Board. Interview at Board office, Austin. March 12, 2003.

- The partners at the center make an effort to collaborate. The stakeholders are aware and involved. The biggest challenge is in dealing with the inflexibility of the federal rules, which really inhibits collaboration.

Most of the contacts I made in Austin agreed that the creation and operation of the One-Stop centers has been one of the most significant changes to the local workforce system. The universal access mandate, plus the co-location of a variety of programs has helped to strengthen the network's ability to meet the community's needs.

Seattle's One-Stop Centers

The Seattle area is served by three WorkSource Centers, and seven affiliate centers. The WDC has focused on developing the affiliate centers as a way to improve access to services through out the county. Seattle's WorkSource Centers coordinate services from twenty-eight partners.⁶⁰

- The One-Stops are not involved in policy decisions; they are more involved in creating relationships to provide direct services. The WIA partners struggle with how to define core, intensive, and training services. "It's been difficult to distinguish, over time, what's a core service and what's really just a responsibility to keep the office open. We've actually co-mingled money to fund a receptionist and a resource room assistant."⁶¹
- "The universal access is a real strength of the system - we are helping a wider variety of people, and not being stigmatized as

⁶⁰ A list of the Seattle WorkSource Center partners is available in Appendix F.

⁶¹ Dahl, Marilyn. WorkSource North Seattle. Telephone Interview. March 4, 2003.

a place where you go only when you can't get a job."⁶² The challenge has been in designing services to meet the needs of anyone who walks in the door.

- "Initially, the limited English community didn't see that the workforce system could serve them. The disability folks as well. Now that we have been able to get the money into the hands of organizations really meeting the needs of these people, our services for these groups have improved. We really have worked on providing universal access."⁶³

The WIA principle of universal access was identified by most of the contacts I made in Seattle as a key reform. The focus the community has placed on meeting this objective, while addressing the challenges of high unemployment and a slow economy, is seen as a test of the network's ability to adequately meet the needs of local job-seekers.

Performance Accountability

Under Title I-B of the *Workforce Investment Act*, states are required to submit annual reports to the Department of Labor on each of the WIA programs serving Adult, Youth, and Dislocated Workers. Local Workforce Investment Boards are evaluated on their performance in serving these populations based on four assessment measures. These measures include⁶⁴:

⁶² Phippen, Ed. Workforce Development Council of Seattle-King County. Telephone Interview. February 24, 2003.

⁶³ Loverin, Nancy. WorkSource Renton. Telephone Interview. February 26, 2003.

⁶⁴ Source for this section: CareerDepot.org. *WIA Performance*. <http://www.careerdepot.org/performance.htm>.

- Entered Employment – the percent who entered employment by the end of the first quarter after leaving WIA;
- Employment Retention Rate – of those employed in the first quarter after leaving WIA, the percent who were still employed in the third quarter after leaving WIA;
- Earnings Change Or Replacement – change measures the difference in wages between pre-WIA earnings and post-WIA earnings for a six month period. Replacement measures wage difference for dislocated workers for a six month period prior to being dislocated and after leaving WIA;
- Credential/Diploma Rate – percent of the people who entered WIA programs who have earned a diploma or other credentials by the end of the third quarter after leaving WIA.

Many of the youth program performance measures are determined by the age of the participant: Younger Youth are ages 14 to 18; Older Youth are 19 to 21 years old. Programs for Younger Youth have an additional performance measure for skill attainment rate, the incremental gains made by participants in the areas of basic, occupational, and job-readiness skills. Each state negotiates performance standards on these measures with the Department of Labor, taking into account past performance, current economic conditions, and strategic plan goals. The Centers are also evaluated on the customer satisfaction of both employers and job-seekers.

The annual reports submitted by the states to the Department of Labor for WIA include information on the performance of each local board and one-stop system. Table 3.6 compares the negotiated and achieved performance levels for Austin and Seattle WIA programs. In Program Year 2001, the Greater Austin Career Centers served a total of 1,311 WIA participants. Of that total, 351 were served under WIA Adult

programs, 618 qualified for Dislocated Worker services, and 342 were youth. The Austin Career Centers met and exceeded twelve of the seventeen performance measures. In Program Year 2001, the Seattle-King County WorkSource Centers served a total of 3,175 WIA participants, including 706 Adults; 1,413 Dislocated Workers; and 1,056 Youth. Seattle's WorkSource Centers met and exceeded eight of the seventeen WIA performance measures.

An examination of Table 3.6 highlights several of the concerns that have been raised regarding the current accountability system under the *Workforce Investment Act*.

- The Austin and Seattle systems performed well with programs for dislocated workers, a key local priority in the last two years. In Austin, 87% of clients who qualified for WIA Dislocated Worker programs found employment, and 90% of those workers retained their positions after six months. In Seattle, 83% of dislocated workers entered employment, and 92% retained their positions after six months.
- According to the "entered employment" and "credential/diploma rate" targets, the Austin Board is only expected to serve 64% of WIA Older Youth participants. While the Board did succeed in matching 82% of Older Youth with employment, only 56% retained those positions after six months, averaging \$271 less than they earned prior to WIA participation.
- Seattle's one-stop system did not meet its target goal for placing Older Youth in employment, though of the 62% of clients that did find a job, 89% were able to retain that position six months later. Though Seattle did not meet its performance target for Older Youth earnings change, the average wage for these participants did increase by \$1,598.

Table 3.6 Local WIA Performance – 2001⁶⁵

Performance Criterion	Population Served	Negotiated Target Austin	Actual Level Austin	Negotiated Target Seattle	Actual Level Seattle
Customer Satisfaction	Participants	68%	60.95%	75%	70.1%
	Employers	66%	69.33%	60%	66.9%
Entered Employment Rate	Adults	80.48%	81.75%	73.2%	68.3%
	Dislocated Worker	75.51%	86.98%	77.2%	82.8%
	Older Youth	18.76%	81.82%	71.7%	61.9%
Retention Rate	Adults	62.8%	84.03%	86.2%	81%
	Dislocated Worker	87.01%	89.8%	90.6%	91.9%
	Older Youth	79.11%	55.56%	72.7%	88.9%
	Younger Youth	51%	45.16%	61.9%	46.8%
Earnings Change/ Earnings Replacement in Six Months	Adults	\$3,154	\$4,649	\$3,794	\$3,472
	Dislocated Worker	100%	81.03%	78.9%	84.8%
	Older Youth	\$6,323	-\$271	\$2,561	\$1,598
Credential/ Diploma Rate	Adults	45%	48.31%	68.6%	66.3%
	Dislocated Worker	45%	48.78%	67.8%	78.2%
	Older Youth	45%	45.45%	55.7%	44.4%
	Younger Youth	40%	46.34%	51%	54%
Skill Attainment	Younger Youth	70%	79.29%	54%	64.7%

⁶⁵ Texas Workforce Commission. *Annual Report Workforce Investment Act: Program Year 2001*. Page 41; Workforce Training and Education Coordinating Board. *Washington State: Annual Report on the Workforce Investment Act Title 1B*. Page 50.

- One issue related to the performance measures under the current WIA accountability system is data collection. “There are no consistent data collection methods or definitions. The measure is set – it is very clear and consistent, but not how the measure is taken.”⁶⁶ The DOL must establish clear standards for the collection of performance data if these standards are to be useful for policy makers.
- Another issues identified by several of my contacts is that the current performance standards create a disincentive to serve workers who have been laid off from high-tech industries. These clients are typically not placed in new positions that pay as well as their former jobs, so the one-stops cannot meet the negotiated performance level for matching clients with equal or better employment. Therefore, many of these job-seekers are not offered intensive or training services in order to keep the one-stop’s performance numbers high. This process is also known as “creaming.”

In addition to the issues identified above, these measures fail to accurately capture the full performance of the local WIBs and one-stop centers. There are numerous operations and programs that simply are not covered under the WIA performance criteria, including the core services that comprise the majority of the one-stop center activities and any services to employers. “Most of the centers just track how many people are registered for WIA services rather than how many people they are actually serving...We have found that effectiveness of the centers is usually understated.”⁶⁷ The state and local boards I examined for this

⁶⁶ King, Christopher. Ray Marshall Center for the Study of Human Resources. Telephone interview. March 27, 2003.

⁶⁷ Sharma, Meeta. General Accounting Office – Seattle. Telephone Interview. February 28, 2003.

study have instituted other accountability measures to supplement the WIA performance reports.

Washington has instituted a state-wide emphasis on improving accountability in the workforce system. The Employment Security Department has established monthly reports on performance called *Workforce Management Indicators*. The WTECB is also involved in workforce program evaluations.

The biggest implementation challenges were with the performance measures. The local boards thought that the new standards would be based on JTPA targets. We put in higher targets than they wanted.⁶⁸

The Seattle Council has instituted a “mystery shopper” program to anonymously evaluate the one-stop centers on their customer service in person, over the phone, and by email. The centers receive a quarterly report rating their performance on these interactions.

In Texas, the local boards are expected to serve an oversight function as the contract managers for training and services in their community. The Austin Workforce Board reports on one hundred one performance measures between state and federal guidelines, and has developed and implemented a strategic plan to meet each of these goals.⁶⁹

We have considered several different assessment tools for the Board, however they seem fairly cost-prohibitive. In order to

⁶⁸ O'Brien Saunders, Ellen. Workforce Training and Education Coordinating Board. Telephone Interview. February 18, 2003.

⁶⁹ Clowers-Knox, Shirley. Greater Austin Workforce Board. Telephone Interview. March 6, 2003.

develop a really meaningful, on-going assessment system we would have to take funding out of other areas. We'd rather invest in initiatives that actively work to get people employed.⁷⁰

The Austin Career Centers track the number of clients who visit the center, the number of referrals made, the number of job orders received, and other services offered in order to gain a better perspective on the overall operations of the one-stop itself.

Local communities have found that the WIA measures do not go far enough to develop a true understanding of the system's performance. There are simply too many operations left out of the evaluation process. In order for the Workforce Investment Board and one-stop center to meet the WIA principle for increased accountability in the workforce system, the Boards in Austin and Seattle have had to develop additional measurements for performance.

WIA Reauthorization

The Workforce Investment Act is slated for reauthorization in 2003. There is a broad consensus on some needed reforms, including more streamlined and relevant performance criteria, block-grant funding, and better coordination between federal agencies. However, the current economic climate and wide-spread budget deficits across all levels of government make the continued funding of workforce programs a more pressing concern to many organizations involved in the workforce development system.

⁷⁰ Atkinson, Tamara. Greater Austin Workforce Board. Interview at the Board offices.

The Texas Workforce Commission has submitted comments to both the Department of Labor and the National Association of State Workforce Agencies concerning the reauthorization of the *Workforce Investment Act*. The state highlights the flexibility of the current design and the business-led Workforce Investment Boards as key to the success of the new market-driven workforce system. Texas does support several measures for improving the WIA legislation, including block-grant funding for workforce programs, improving coordination between workforce and economic development initiatives, and developing common, results-oriented performance measures for One-Stop operations and training providers.

Washington has also commented on WIA reauthorization. The universal access mandate is highlighted as an area where the legislation failed to fully support its intent.

This problem can be seen in such issues as the lack of support for one-stop and employer services, the lack of performance data for core services, and the lack of common performance measures across workforce development programs.⁷¹

Washington offers a proposal for each of the problems it identifies in the current WIA system. Among these are recommendations for directly funding One-Stop centers and employer services, coordinating performance measures across education and workforce training programs, and improving the consistency of the accountability system.

⁷¹ Workforce Training and Education Coordinating Board. *Workforce Investment Act Reauthorization: Washington State Comments*. Page 1.

Summary

The WIA legislation was intended to change the focus of the workforce system to better serve all stakeholders, including employers and job-seekers. The seven guiding principles of WIA outline the reforms Congress intended to make public employment services more effective.

The key provisions of the legislation are⁷²:

- Governance through state and local Workforce Investment Boards.
- Planning through wider use of strategic plans and incentives to create unified plans for workforce development.
- Resource allocation through three streams for WIA's targeted populations of Adult, Youth, and Dislocated Workers.
- Eligibility must be established for services beyond the core level, with additional age and income restrictions for Youth programs.
- Service delivery through one-stop centers in the community.
- Accountability through establish standards and multiple performance measures.

Many feel that the Workforce Investment Boards are one of the best reforms associated with WIA since they strive to integrate multiple workforce development initiatives targeted specifically to regional needs. The services offered through the one-stop centers also represent a significant change from prior systems. The universal access mandate is intended to shift the perception of the system from a second-chance operation targeting the chronically unemployed, to a dynamic

⁷² King, Christopher T. "Federalism and Workforce Policy Reform." *Publius: The Journal of Federalism*. 1999. (draft version) Page 13-14.

employment service serving workers and employers across the occupational spectrum.

While both Austin and Seattle have seen positive results associated with WIA implementation, officials have identified multiple issues that need to be addressed in reauthorization in order for the workforce development system to better serve their communities. These issues include the need for: better program performance measures, block-grant funding, funding provisions for the operations of one-stop centers, and performance measures directly related to employer services.

Chapter 4. Workforce Development Networks

Coordinated programs and partnerships have become an integral component of community workforce development initiatives.

Because workforce development extends beyond employment training and job placement into areas of retention, supervisory training and advancement, it is increasingly important to integrate the supply side of labor market participation – training, education, and job search strategies – with the demand side – employer needs and expectations.⁷³

The goal is to create a market-driven system that proactively targets the community's economic development efforts by matching workforce training and other employment supports to meet the demands of local businesses.

Networks between the local workforce development boards, community-based organizations, industry alliances, and other groups make possible a thorough examination of the community's needs. This allows the community to engage in the strategic planning required for coordinating service delivery and joining the resources necessary to meet workforce development challenges. Coordinated efforts involve more than just service delivery. Partnerships should define objectives, identify barriers and supports for the implementation of programs, designate avenues of cooperation, and develop measures for a “common

⁷³ Sutton, Stacey A. *Corporate – Community Workforce Development Collaborations*. Page 3.

assessment of the impact.”⁷⁴ In order to better address the needs of the business community, local industry clusters have formed alliances that focus on common training and workforce issues and advocate for targeted development initiatives.

In a 1999 book supported by the Department of Education, *Toward Order From Chaos: State Efforts to Reform Workforce Development Systems*, W. Norton Grubb and his colleagues describe a “hierarchy of coordination.” The hierarchy is divided into three separate sections, indicating the typical operational functions that programs attempt to coordinate: information sharing, referrals, and service delivery. Table 4.1 lists the three levels of coordination and provides examples of a range of interactions for each. The lower an interaction is on the list, the higher the level of coordination required.

A successful local workforce development network must coordinate services by building on the *Workforce Investment Act* reforms. There has to be more to the system than simply job training. Workforce Development should “include services such as collaborating with other organizations, recruiting job-seekers, job matching, mentoring, addressing issues of retention, and follow-up services.”⁷⁵ These functions are necessary for the system to meet the demands of the knowledge economy.

⁷⁴ Organization for Economic Co-Operation and Development. *Local Management for More Effective Employment Policies*. Page 61.

⁷⁵ Sutton, Stacey A. *Corporate – Community Development Collaborations*. Page 3.

Table 4.1 A Hierarchy of Coordination⁷⁶

Operational Function	Types of Interactions
Information Sharing	<ul style="list-style-type: none"> • Sign-off provisions for examining compliance to the law or other program requirements • Cross-membership on Boards and Councils to stimulate communication between decision-makers • Other information-sharing mechanisms ranging from occasional breakfast meetings to more formal and regular staff interactions • Information-sharing about specific clients to support better integration of services for individuals with multiple employment barriers
Referrals Among Agencies	<ul style="list-style-type: none"> • General referrals to other programs without specific regard to individual or program characteristics • Subcontracts with other agencies for the provision of specific services to clients • Creating feeder systems and articulation agreements to ensure education and training programs are aligned with each other to better serve the needs of students and employers
Joint Service Delivery	<ul style="list-style-type: none"> • Division of services to build on the strengths of individual programs or agencies • Co-delivery or integrated service delivery as found in one-stop centers • Consolidated service delivery that merges programs and services through strong local connections

In order to gain a better understanding of the workforce development network in Austin and Seattle, I conducted interviews with key organizations in each community. I gathered information from

⁷⁶Adapted from: Grubb, W. Norton, et al. *Toward Order from Chaos*. Page 90.

twenty-four respondents representing seven organizations in Washington and eight in Texas.⁷⁷ This chapter is not intended to be a comprehensive examination of the full workforce development network in each city. Rather, it is intended to provide a better understanding of certain organizations within the local system.

In examining the workforce development network in Austin and Seattle, I detail several community organizations actively involved in local partnerships. This chapter identifies and defines the functions and relationships of partners in the local network in both cities. While I attempted to gain a completely balanced examination of workforce development partners, there are a few network roles I had to describe solely from the perspective of one community due to a lack of information from the other community. Since the state and local Workforce Investment Boards and one-stop centers were described in-depth in chapter three, they will not be discussed here other than to highlight their relationships with other network partners.

Workforce Development Network

The community's workforce development network includes the local Workforce Investment Boards and one-stop centers in addition to other key components. Local organizations typically involved in workforce development projects include⁷⁸:

- Chambers of commerce and other industry groups;

⁷⁷ A complete list of the interviews is available in Appendix G.

⁷⁸ Adapted from: U.S. Chamber of Commerce. *The Workforce Academy*. Page 3.

- Child care agencies and providers;
- City and county governments;
- Community and technical colleges;
- Community-based organizations;
- Local school districts;
- Organized labor;
- Regional economic development agencies;
- Resources for transportation; and
- Services for individual rehabilitation.

An organization can perform several functions in the local network, ranging from working with other organizations as a peer; to serving as an intermediary between other workforce network components; to operating as the network's central hub. Each of the network types shares a common approach "that emphasizes forging stronger, more effective, and long-lasting linkages to the world 'outside' ...in the interest of further developing the social and economic capabilities"⁷⁹ of all the network members. The centrality of an organization to the workforce network is a measure of its power.⁸⁰

Austin's Workforce Development Network⁸¹

Eight state and local organizations involved with workforce development in Austin agreed to participate in my research. These organizations are:

⁷⁹ Harrison, Bennet and Marcus Weiss. *Workforce Development Networks*. Pages 48-49.

⁸⁰ Harrison, Bennet and Marcus Weiss. *Workforce Development Networks*. Page 46.

⁸¹ A diagram of the Austin workforce network is available in Appendix H.

- Austin Community College,
- Capital Area Training Foundation,
- City of Austin’s Health and Human Services Department,
- Greater Austin Workforce Board,
- Texas AFL-CIO,
- Texas Economic Development Council,
- Texas Workforce Commission, and
- Work Source Austin.

In addition to the organizations above, I contacted representatives from several local unions and economic development groups. These organizations chose not to respond to repeated requests for interviews.

Seattle’s Workforce Development Network⁸²

Washington State describes the workforce development system as “programs that use private and/or public (local, state, and federal) funds to prepare workers for employment, upgrade worker skills, retrain workers, or provide employment or retention services for workers or employers.”⁸³ Seven state and local organizations involved with workforce development in Seattle participated in my research:

- City of Seattle’s Office of Economic Development,
- Seattle Community College District,
- Washington Alliance of Technology Workers

⁸² A diagram of Seattle’s workforce network is available in Appendix I.

⁸³ Workforce Training and Education Coordinating Board. *Local Workforce Development Council Formation and Certification*. Page 3.

- Washington State Employment Security Department,
- Work Source Seattle,
- Workforce Development Council of Seattle-King County, and
- Workforce Training and Education Coordinating Board.

I also contacted representatives from area chambers of commerce and economic development councils. These organizations reported that their workforce development efforts were minimal and could not contribute to the study. The Seattle Jobs Initiative could not participate in the research, however several of the respondents from other organizations felt they would be an important addition to the report. I have decided to include a brief overview of the program based primarily on information from the Seattle Jobs Initiative website.⁸⁴ In the next section I examine the role each of these organizations play in the workforce development networks of Austin and Seattle. My research focused particularly on the relationships the organization had formed with other network partners.

Partners in Workforce Development

In order for a community to meet the workforce demands of job-seekers and employers, it is necessary for multiple organizations to become actively involved in the workforce development network. An official with the Capital Area Training Foundation summarized the importance of these relationships to the community's workforce development efforts. "The only way to make it happen is through public-

⁸⁴ <http://www.seattlejobsinitiative.com/>

private partnerships. No one entity reaches the entire playing field, so you have to work together.”⁸⁵ In this section, the function of each organization in the network will be described, as well as the relationships that have been formed between organizations.

Community Colleges

Through coordination of standards between secondary schools and post-secondary institutions, in particular community and technical colleges, the local education system can support the demands of the knowledge-based economy. “The difference between creating jobs and creating real wealth for the community comes from knowledge, and knowledge comes from education.”⁸⁶ In the new economy, workers must take a more pro-active role in career development. Community colleges have traditionally been the driving force behind workforce development. I also found this to be true in Austin and Seattle. Despite the common criticism that community colleges are excluded from the workforce development system under WIA, these cities have been able to keep the community and technical colleges as active partners.

Austin Community College

Austin Community College (ACC) has made a commitment to supporting workforce development. Each of the college’s workforce preparation programs has an advisory committee composed of business

⁸⁵ Fitzpatrick, John. Capital Area Training Foundation. Telephone Interview, March 7, 2003.

⁸⁶ Porter, W. Arthur. *The Knowledge Seekers*. Page 67.

leaders, workers, community representatives, and others. The purpose of the committee is to advise the college on current issues in the field, approve curriculum development proposals, and assist in the acquisition of new resources. ACC has also formed strong connections with other community partners as a peer in the workforce network.

We do have a good relationship with the one-stop centers. One of the centers is located at one of our campuses. We try to keep very strong ties with them. We have staff assigned to an array of services coordinated with the one-stop centers. Our administration really sees the relationship as one we want to continue to develop.⁸⁷

ACC has also formed collaborative efforts with the Capital Area Training Foundation's Industry Councils in order to develop training programs targeted specifically to meet the needs of local businesses. ACC has provided office space in its administration building for both the Capital Area Training Foundation and the Greater Austin Workforce Board. This co-location arrangement allows staff members from the different organizations to easily collaborate on new initiatives.

Seattle Community Colleges

There are a total of thirteen community colleges in Seattle in three separate districts. The colleges are deeply involved in workforce development offering professional and vocational programs. I was able to interview an official with the Seattle Community College District (SCCD) for this report.

⁸⁷ Goodall, Donetta, Mike Midgley, and Cecille Sanders. Austin Community College. Telephone Interview. March 3, 2003.

We are a state system. Most of our funding comes from the state. The state money is directed at workforce training, mostly under [Washington's] 1993 Workforce Training Act. That represents about \$4 million we get to do training and retraining programs.⁸⁸

The district acts as a peer in the local workforce network. The leadership of the SCCD is active in the Workforce Development Council, and the college works closely with the one-stop centers. SCCD has also collaborated with organized labor to lobby the state legislature for additional training funds. The college also partners with local industries. "Every program we offer has an advisory committee of industry experts. We ask people from local business to help us develop a curriculum that will help our students gain the skills they need."⁸⁹ Businesses involved with the committees also provide classroom equipment. Some have assigned an employee to work at the college as an instructor in a specific skill or process.

The community colleges in Austin and Seattle have worked to develop the partnerships required for a coordinated network. Their commitment to meeting the demands of local industries is one of the key methods these colleges use to stay integrated within the larger workforce system. Given the appropriate supports, community colleges have the infrastructure and organizational capacity to offer the consolidated service delivery that W. Norton Grubb and colleagues identified as the greatest level of coordination in a workforce system. These include the

⁸⁸ Ku, Peter. Seattle Community College District. Telephone Interview. March 10, 2003.

⁸⁹ Ku, Peter. Seattle Community College District. Telephone Interview. March 10, 2003.

expertise of local instructors, their experience in vocational instruction, and the support services offered by the college including financial aid, tutoring, and access to child care. This level of collaboration would shift the colleges' role from a network peer to the system's hub.

Economic Development

"In order to gain competitive advantage in a changing global economy, we need to take advantage of our community's intellectual resources, its human capital."⁹⁰ This statement encompasses the purpose of workforce development in the twenty-first century. In the knowledge-based economy, companies are attracted to a region by the quality of its workforce. Therefore, economic development efforts have started to shift their focus from natural resources and tax incentive packages towards the talents of the local labor pool. The knowledge economy requires that communities actively target the skills development of their workforce to the needs of local industries. While the idea that workforce development projects should be tied to economic development efforts sounds logical, it has not always been thought of in that way.⁹¹ This level of coordination is needed to provide the supports the system needs to help the community maintain economic growth.

⁹⁰ Porter, W. Arthur. *The Knowledge Seekers*. Page 67.

⁹¹ Conversation with Carlton Schwab. Texas Economic Development Council office, Austin. February 24, 2003.

Texas Economic Development Council

In the last several years, economic development councils in Texas have realized that they need to demonstrate to prospective employers that skilled workers are available. As a result, the councils are now trying to coordinate their efforts with the local workforce investment boards. Approximately half of the local boards in Texas, including the Greater Austin Workforce Board, have representatives from regional economic development councils serving as board members. This is an initial stage of collaboration that should raise awareness of projects where the workforce and economic development systems can support each other as peers.

City of Seattle Office of Economic Development

Seattle's Office of Economic Development is the agency responsible for the city government's workforce development efforts. Its purpose is to link workforce development with the community's economic development projects. The City is working to identify ways to invest in the development of skilled labor and to engage employers so that these efforts will be successful. The department works as an intermediary in the network, bringing together human services, community colleges, businesses, and others in sectoral groups. An official with the Office of Economic Development describes their function this way:

We try to stay in the forefront of needs and trends so that they drive our programs, curriculum development and delivery services. We are also trying to articulate more with the kids –

helping them to identify trends and see what occupations they can work towards.⁹²

The City is very active in the Workforce Development Council. The Office of Economic Development assigns staff to all the meetings and committees in order to stay involved with the dialogue. The mayor and King County officials have signing powers for the Council's budget, so there is strong communication at the management-level as well.

The Mayor's Economic Opportunity Task Force brings together leaders in the community to help the city target its economic goals. The mayor, the Seattle Chamber of Commerce, the presidents of the community colleges, and labor representatives all participate in this task force. One of the issues the group is currently looking at is building the capacity of local community colleges, though the current budget climate makes this a challenge. The efforts of the City of Seattle's Office of Economic Development illustrate a joint service delivery-level of coordination, and underscore the importance of linking workforce and economic development to support a knowledge-based economy.

Since the primary purpose of workforce development initiatives is to support economic development demands through the supply-side of the labor market, advocates for workforce system reforms stress the need for better coordination with economic development priorities. Coordination in this area is usually limited to cross-membership on boards and committees. Regions that are seriously focused on the

⁹² St. Vil, Willair. City of Seattle Office of Economic Development. Telephone interview,

demands of the new economy have made more intensive efforts to coordinate their economic and workforce development strategies.

Employers and Business Groups

In the knowledge economy, there is a renewed focus on the real workforce needs of area businesses, especially the demands of local industry clusters. “Sectoral strategies are considered promising because they target regional growth industries and occupations; therefore, workforce development is customized to the needs of employers.”⁹³ The role businesses play in the system can fall along a continuum of possibilities, including⁹⁴:

- Policy making and governance through the Boards;
- Identification of training goals through industry advisory groups;
- Identification of current and future demand occupations;
- Identification of soft-skills necessary for successful employment;
- Curriculum development in conjunction with training providers;
- Standards-setting and certification program development;
- Contracting for and/or providing training; and
- Provision of employment opportunities.

⁹³ Sutton, Stacey A. *Corporate – Community Workforce Development Collaborations*. Page 5.

⁹⁴ Adapted from: Grubb, W. Norton, et al. *Toward Order from Chaos*. Pages 70-72.

Though “the rhetoric of engagement far exceeds the reality”⁹⁵, progress has been made in some communities, especially through local industry alliances. These groups are active in both Austin and Seattle.

Capital Area Training Foundation

“For a community to compete in the twenty-first century global economy, it has to have the talent. We are trying to develop the capacity of the Austin system by working with education and expanding resources.”⁹⁶ The Capital Area Training Foundation (CATF) is the education and training affiliate of the Greater Austin Chamber of Commerce. CATF serves the Austin community as an intermediary between business and education in the workforce development network.

The CATF supports demand-side workforce development initiatives by examining industry needs and then working with education providers to develop the right training programs. The foundation has formed industry cluster groups in a variety of areas to support the communication necessary for this market-driven approach. The cluster paradigm allows the training to focus on the broad needs of the industry sector, rather than individual companies. The Austin Board has assigned a staff member to serve on each of these industry clusters to help coordinate local initiatives.

⁹⁵ Grubb, W. Norton, et al. *Toward Order from Chaos*. Page 72.

⁹⁶ Fitzpatrick, John. Greater Austin Chamber of Commerce and Capital Area Training Foundation. Telephone Interview. March 7, 2003.

The CATF also operates Community Technology and Training Centers in several area high schools. The equipment and instructors for these centers are provided by the CATF for use by the school during the day. The centers are then available to adults in the community at night. The free, short-term training offered by the centers is available for learners at all skill levels. The many roles that CATF plays in the community allow it to be actively involved as the hub organization in many initiatives.

While many communities have improved the involvement of business leaders through their work on local Workforce Investment Boards, not all have reached the level of integration Austin has achieved. It is important for communities to continue to develop higher levels of coordination between industry and workforce programs by involving employer groups to work as peers in the local network. The active involvement of employers in the workforce system is essential for creating an effective response to changing economic demands.

Other Workforce Network Components

Other partners are essential to the efficient operation of the workforce development network. The following discussion provides an overview of several organizations in Austin and Seattle that also have an important impact on the ability of the system to meet the workforce demands of the community. By involving more partners in the workforce network and creating additional connections between organizations, a community should achieve higher levels of coordination.

Community-Based Organizations

Community-Based Organizations (CBOs) can work as peers in the local workforce networks, or take on the responsibility of serving as a community hub. CBOs “can break paths, open doors, and insist on quality services, and negotiate collectively with employers and governments.”⁹⁷ In many areas of the country, community-based organizations have taken the lead in developing partnerships and forming inter-agency alliances to strengthen the ties between components of the workforce network. In order to be an effective tool for collaboration, CBOs must have connections to a variety of workers, employers, training providers, policy makers, and funders.

Seattle Jobs Initiative

The Seattle Jobs Initiative (SJI) started in 1995 with a grant from the Anne E. Casey Foundation. Its purpose is to help low-income individuals find livable-wage jobs by offering employment supports and working with businesses and the community to improve the workforce development system. SJI targets entry-level positions with a minimum starting salary of nine dollars per hour plus benefits to help job-seekers attain self-sufficiency, and provides case management assistance for graduates for two years after employment.

The SJI is a peer organization in a collaborative system with the City of Seattle’s Office of Economic Development, the Workforce

⁹⁷ Harrison, Bennet and Marcus Weiss. *Workforce Development Networks*. Page 39.

Development Council, local community colleges, area employers, and other community-based organizations. Their objectives for reforming the workforce development system include: increasing access for individuals with employment barriers; raising the skill levels of job-seekers and providing “wrap-around” supports to improve employment retention; increasing the income and the personal assets of low-income families to support self-sufficiency; and raising the wage and earnings levels of community residents.

Organized Labor

In some areas of the country, organized labor plays a very important role in the local workforce development network. Through their emphasis on incumbent worker training and support for long-term employee retention, organized labor provides the network a needed advocate for worker interests. While unions are less powerful in other regions, they still perform an important function in the local system by providing employees a voice they might not otherwise have.

Texas AFL-CIO

While organized labor does not have a strong presence in Texas, local unions are still active in working to improve conditions for their members as intermediaries in the workforce network.

We are working to expand union representation in the high-tech sector. In the last fifteen years there has been a transition from the industrial to the information economy. The early jobs had excellent wages and benefits. They were not targets for organizing. Now, we are starting to see a shift to overseas engineering jobs and there is a downward pressure on wages and benefits; there is potential for union growth in these fields. The

workers in the workplace must decide they need collective bargaining. The need for organization is not tied to factories.⁹⁸

Many unions in Texas run strong apprenticeship programs to help new entrants to a field develop the skills they will need to succeed. Some have also formed partnerships with companies to offer continuing education and training programs that might not otherwise be available.

Washington Alliance of Technology Workers

The Washington Alliance of Technology Workers (Wash-Tech) is “the voice for the digital workforce”⁹⁹ in the Seattle area. The union’s primary workforce development focus is in offering training programs for incumbent workers. “We want to keep jobs in Seattle, so we are focused on providing low-cost, effective, hands-on, contextual training to help our member keep their jobs or get better ones.”¹⁰⁰ The union has not applied to become a certified training provider under WIA, but does work closely with the One-Stop centers and the community colleges. The AFL-CIO operates a Worker Center in Seattle that works in conjunction with the Office of Economic Development to identify and address industry-related issues. The Center also provides union members with employment and re-employment services.

⁹⁸ Seals, Ed. Texas AFL-CIO. Telephone Interview. February 11, 2003.

⁹⁹ Mann, Deborah. Wash-Tech Communications Workers of America. Telephone interview, February 14, 2003.

¹⁰⁰ Mann, Deborah. Washington Alliance of Technology Workers. Telephone Interview. February 14, 2003.

Unions are one of the few representatives workers have in many workforce development initiatives. By serving the workforce system as an intermediary between workers and employers, unions create an avenue for effective dialogue. Unions support the community's demand for knowledgeable workers by offering skills-upgrade training to incumbent workers, an area of workforce development that was often overlooked in traditional workforce systems.

Retention supports

Several types of services fall under the category of retention supports. Broadly, these are services that help low-wage and low-skill workers find and retain employment. Adult literacy and English as a Second Language classes are one type of support most communities offer. Child care services and transportation resources are also vital to the successful employment of many job-seekers. Communities that work to integrate early-childhood and after-school programs with their other employment services have seen benefits in terms of increased length of employment and less absenteeism. Transportation resources, including subsidized public transportation and long-term planning for routes and systems, are another key component of the workforce development network initiatives for low-income workers. All these social service supports form an essential foundation for increasing workforce participation in the twenty-first century.

City of Austin Health and Human Services Department

The City of Austin assigned its workforce development office to the Health and Human Service Department. This placement underscores the office's focus on building foundation skills and providing employment supports to low-income individuals. "The city of Austin typically works directly with Travis County to fund social service contracts that support workforce development."¹⁰¹ Programs supported by the city focus on adult literacy, English as a Second Language classes, and occupational training. The city has established performance measures related to these contracts, with a particular focus on clients obtaining employment at livable wages (approximately nine dollars per hour for full-time work).

The City agency is also involved with community-building projects. The local Workforce Board and City staff have developed good working relationships at a variety of levels. These relationships are a vital component of the collaborative efforts between the two organizations.

We work with the local workforce board on how to best target our services, to make sure that a continuum of services and options is available to the community. It's an interesting challenge, especially with such a complex system.¹⁰²

¹⁰¹ Gehring, Susan. City of Austin Health and Human Services Department. Telephone Interview. March 11, 2003.

¹⁰² Gehring, Susan. City of Austin Health and Human Services Department. Telephone Interview. March 11, 2003.

The City is also an active partner with the Austin Community College, providing funding for some of its non-credit programs. The role of the City of Austin in the local workforce network is to serve as both a peer organization and a funder. It is these other organizations involved in the local workforce network that really enhance the community's ability to meet the broad needs of employers and provide universal access to job-seekers.

Coordination in the Workforce Network

Workforce development networks have become increasingly important to a community's ability to respond to changing economic conditions. Austin and Seattle have established workforce networks that integrate training providers, economic development agencies, organized labor, and other organizations. These partnerships allow each community to marshal resources, engage in strategic planning, and provide services to support the community's economic growth. The Austin and Seattle workforce development networks exhibit many of the interactions described in Grubb's hierarchy of coordination.

Information Sharing

- Seattle's mayor and officials with King County have sign-off provisions on the budget of the Workforce Development Council, a requirement which keeps local government actively involved in the workforce network.
- Cross-membership on Boards and Councils is extremely important in both communities. Members of the Austin Workforce Board also sit on the Chamber of Commerce's Councils for Education and Economic Development. In Seattle, cross-memberships are even more evident. The director of the city's Office of Economic Development sits on the board of the

Workforce Development Council, as does the chancellor of the Seattle Community College District.

- The Austin Workforce Board, the Austin Community College, and the Capital Area Training Foundation all share office space. This co-location has allowed the staff of the three organizations to develop stronger working relationships and promotes information sharing, to the benefit of workforce development projects in the community.
- Both communities have worked to develop local and state-wide policies related to information sharing on individual clients. Privacy concerns are currently a barrier to further progress in this area.

Referrals Among Agencies

- Subcontracts form a primary method of funding in the current workforce development system. Under WIA, the local WIB is responsible for subcontracting services with one-stop center operators and training providers. The City of Austin's workforce development and employment retention services are primarily administered through contracts with other organizations in the community. In Seattle, the WDC has contracted with local community-based organizations to provide services for disabled workers and non-English speakers.
- To address the critical shortage of healthcare professionals in Austin, several local organizations have joined efforts to develop a coordinated information and preparation program. The local school district, community colleges, hospitals, and other organizations are committed to increasing opportunities for attracting and training workers.

Joint Service Delivery

- Seattle has made a commitment to bringing community-based organizations (CBOs) into the one-stop centers, in part because of the relationships the CBOs have with area employers and

special populations. When the WDC identified cost-sharing as a barrier to involving more CBOs with the one-stop centers, the WDC initiated a rent scholarship program. This program has proven to be successful at increasing joint service delivery by the CBOs and Seattle's workforce development system.

Despite the effort involved in operating the community's one-stop centers, joint service delivery is still an area that needs to be improved in both Austin and Seattle. My investigation revealed no examples of program merger to increase efficiency in the system, or service division to capitalize on a program's strengths. WIA reauthorization offers some possibilities for strengthening coordination between federal programs by eliminating categorical funding and synthesizing accountability systems. While these efforts will contribute to the system's overall level of coordination, cities that hope to achieve a truly integrated workforce network must coordinate public services delivery with private and non-profit workforce development initiatives.

Austin and Seattle have built integrative workforce networks that extend beyond the public employment services to cover the full range of training options, client populations, and industrial demands in their regions. Despite the success of these efforts, leaders in each community identified organizations that needed to become more integrated into the local workforce system. In Seattle, several officials with different organizations felt that the Chamber of Commerce needed to become more actively involved in the local workforce development network. In Austin, officials commonly felt that more needed to be done to involve employers in all aspects of the workforce system. The partnerships each city identified as needing more attention are those that will help the

system become more aligned with the demands of local industries, creating a market-driven workforce network. In the knowledge economy, the most important objective for workforce development is to support the economic development efforts of the region.

Summary

While it is difficult to place a value on the level of coordination a community's workforce network has achieved, Austin and Seattle both seem committed to further improving partnerships for workforce development. Organizations in each city have formed multiple connections with other agencies, in a variety of areas, to address the broad range of issues facing the community. The Austin workforce development network continues to evolve. The Capital Area Training Foundation and Austin Community College are two organizations that have made significant contributions to building a collaborative workforce network. While there has been progress in creating a market-driven system, more partners need to become better connected with the network in order to make this a reality. The demands of the knowledge economy will require workforce and economic development initiatives in Austin to focus on building a capacity of skilled workers.

The workforce development network in Seattle has established partnerships and collaborative programs on a variety of fronts. The investments that Seattle has made in coordinating education, training, economic and workforce development provide the community with the foundation necessary to support the employment demands of the knowledge-based economy. The increased use of sectoral approaches to

program development has helped to make the workforce network more responsive to the needs of local industries. Further development of these initiatives should help to create a more market-driven workforce system.

The employment demands of the knowledge economy will require workforce development partners to be flexible, delivering just-in-time options to both employers and job-seekers. The Workforce Development Council of Seattle-King County defined a vision that should drive workforce development networks in communities across the nation. “We hope that we are no longer remediating workforce problems, but actually preventing them.”¹⁰³ This type of system will require better forecasting of economic conditions and employment growth trends, better communication with regional industries, and improved performance from secondary and post-secondary education systems. Workforce development networks are key to a community’s ability to target its economic development efforts. Austin and Seattle are leading the transition to the new economy, how their workforce networks meet the challenges of this transition should serve as a guide for communities that follow.

¹⁰³ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview. February 27, 2003.

Chapter 5. Workforce Development in the Twenty-First Century

The purpose of this study was to capture and evaluate the current state of the local workforce development system in Austin and Seattle. In chapter two I described the knowledge economy as it is exemplified in these two communities, and highlighted the workforce development system requirements for the twenty-first century. In seeking to determine if the workforce systems in Austin and Seattle are capable of sustaining knowledge economy growth, I decided to focus on two aspects, the *Workforce Investment Act of 1998* and the community's workforce development network. I examined the implementation of WIA in chapter three to determine the efforts of each community to reform their public employment services. Chapter four illustrated the broader workforce development network of Austin and Seattle, focusing on the roles and connections between key organizations in each system. This chapter will summarize the findings of my research and draw conclusions related to the ability of each community to meet the workforce challenges of the new economy. Finally, I will make recommendations for additional reforms that Austin, Seattle, and other communities can enact to sustain economic growth in the twenty-first century.

Summary of Findings

Austin and Seattle are two communities leading the transition towards the knowledge-based economy. The 2000 report *Ten Steps to a High Tech Future: The New Economy in Metropolitan Seattle* identifies

several factors in Seattle's success related to workforce issues that other cities could emulate. Seattle's commitment to understanding the high tech firms in its region and building capacity in those sectors; its investment in human capital through targeted workforce development projects; and the investments Seattle has made in the community's quality of life all supported the city's transition to a knowledge-based economy.¹⁰⁴ These are the same factors that fostered Austin's growth in the late 1990s. The reports cited in chapter two identify Austin and Seattle as leaders in the country's move towards an information and technology-based economy. The experiences these communities have in creating a workforce system responsive to this type of economy can serve as a guide for other communities still working to make that shift.

Workforce Investment Act Implementation

I examined the implementation of the *Workforce Investment Act* to determine how Austin and Seattle instituted the mandated reforms to meet the needs of their local economies. The WIA legislation was intended to change the focus of the workforce system to better serve all stakeholders, including employers and job-seekers. Many feel that the Workforce Investment Boards are among the best reforms associated with WIA since they strive to integrate multiple workforce development initiatives targeted specifically at regional needs. Through the implementation of WIBs at the state and local level, the new system has multiple bodies focused on strategic planning and accountability – two

¹⁰⁴ Sommers, Paul et al. *Ten Steps to a High Tech Future*. Pages 26-29, 31-32.

functions essential for successful workforce development efforts in the twenty-first century. Under WIA, the ideal role for the Workforce Investment Board is to serve as the community's central hub, marshaling available workforce resources to support continued economic growth.

The universal access mandate is intended to shift the perception of the system from a second-chance operation targeting the chronically unemployed, to a dynamic employment service serving workers and employers across the occupational spectrum. The true test of the *Workforce Investment Act* reforms is in the community's ability to be flexible, to meet the challenges of boom economies and busts. The needs of workers and employers change over time, and the local Workforce Investment Boards and one-stop centers must be prepared to offer employment services that meet these demands. While both Austin and Seattle have seen positive results associated with WIA implementation, officials have identified multiple issues that need to be addressed in the legislations' reauthorization in 2003 in order for the workforce development system to better serve their communities.

Current Issues Related to WIA

The *Workforce Investment Act* reforms created the opportunity for a community to build a coordinated workforce development network. "The ability of local Boards to achieve 'seamlessness,' or to act as a door to all other programs depends on the responsibility and authority given

to these local entities.”¹⁰⁵ A seamless system also depends on coordinated efforts that target existing and future employment opportunities with training and education. This requires the workforce system to work in collaboration with local industries and education providers. The emphasis on collaboration is one of the ways WIA supports the workforce development demands of the new economy.

The Role of the Employer

Employers and business groups have taken on a much more prominent role in the current federal workforce development system. “Ideally, employers should be regarded as active ‘partners’ in a seamless process, as opposed to the final destination in the workforce development delivery network.”¹⁰⁶ Their guidance is expected to drive the local Workforce Investment Boards, matching the efforts of the one-stops and other local initiatives to the needs of industries in the region. In return, employers are expected to benefit enormously from the new workforce development system. Employers gain access to training providers to help structure a curriculum matched to their workforce needs. Through the one-stop centers, businesses have access to applicant testing, screening, and interview services – lowering their human resource costs. However, in many communities “businesses often underestimate the capacity of community service providers to provide effective job training and workforce development programs, and therefore fail to tap into a system

¹⁰⁵ Grubb, W. Norton, et al. *Toward Order from Chaos*. Page 19.

¹⁰⁶ Sutton, Stacey A. *Corporate – Community Workforce Development Collaborations*. Page 1 and 6.

that could benefit their bottom line.”¹⁰⁷ One concern about the WIA reforms is that small and medium-sized businesses, despite being major drivers of the economy, will not have the resources or staff to actively participate in the new workforce boards or other collaborative initiatives.

The Role of Training Providers

The *Workforce Investment Act* greatly altered the role of training providers in the federal workforce system. Instead of being the hub of the workforce development system in the community, training providers have been regulated to a peer role under the WIA legislation. “A seamless system has in many states been thwarted by the resistance of education providers.”¹⁰⁸ There are several factors influencing the disengagement of community colleges in local networks. WIA’s accountability standards require training providers to submit personal performance data on all students, whether or not they receive personal development funds from any federal program. These requirements place an additional burden on community colleges, who must also meet performance guidelines and the associated reporting-overhead costs imposed by federal, state, and local education agencies and funders.

WIA’s emphasis on the work-first philosophy means that community colleges are seeing fewer students who finance their coursework through workforce development sources. The career

¹⁰⁷ Goodwill Industries International, Inc. *Consensus to Build the 21st Century Workforce*. Page 8.

¹⁰⁸ Grubb, W. Norton, et al. *Toward Order from Chaos*. Page 46.

certification and licensing programs that these institutions specialize in are out of favor under the current demand for short-term classes to support immediate employment opportunities. Better integration of community colleges in the workforce system will require state and local-level coordination of workforce and education policy development organizations. In the new economy, training providers must be actively involved in order to support the “just-in-time” skill development required by workers and employers.

The Role of the One-Stop Centers

Regional workforce development systems must improve access for both employers and job-seekers to meet the demands of the knowledge-based economy. The services offered through the one-stop centers under the *Workforce Investment Act* represent a significant change from prior federal legislation. The Texas Workforce Commission has recognized that the one-stop system poses a challenge to operators to achieve seamless service delivery. One-stop centers are expected “to provide customers a full array of services in such a way that the tracking of expenditures and accountability to the different funding streams is as invisible as possible to the customer.”¹⁰⁹ However, officials in Austin and Seattle expressed concerns that there still needs to be a better integration of programs, a blending of services rather than just co-location. Despite the emphasis the WIA placed on partnerships and collaboration,

¹⁰⁹ Texas Workforce Commission. “Operational Plan – Introduction.” *Integrated Planning Guidelines*. Page 38.

Congress chose to retain the categorical, fragmented funding system in existence prior to the legislation.

The One-Stop system is such a needed, but unfunded mandate. Trying to piece and patch the different programs together - it's pretty difficult to do without a steady, dependable budget. That's one of the things they forgot.¹¹⁰

Many workforce development officials would like to see reauthorization address dedicated funding for one-stop center operations. This would greatly enhance stability and efficiency in local workforce systems.

WIA Reforms in the Knowledge Economy

The 2002 *State New Economy Index* included recommendations for workforce system reforms related to the *Workforce Investment Act*. These recommendations highlight the underlying intent of the legislation to provide the flexibility needed for communities to target workforce development in the knowledge-based economy.¹¹¹

- States should take advantage of the opportunities afforded by the federal WIA to ensure that the state's Workforce Investment Boards are more than just bureaucratic programs operating on the margin of the labor market.
- States should encourage the local WIBs to be active partners with the private sector in creating a trained workforce.
- States should avoid setting policy for WIA in isolation from the rest of its education and training programs.

¹¹⁰ Sessions, Marlena. Workforce Development Council of Seattle-King County. Telephone Interview. February 27, 2003.

¹¹¹ Progressive Policy Institute. *2002 State New Economy Index*. Page 43.

The framework for reform that Texas and Washington created through state legislation and the implementation of WIA, created the supports Austin and Seattle needed to develop market-driven workforce systems.

Workforce Development Networks

I examined the workforce development networks in Austin and Seattle to understand each community's ability to support economic development efforts. The reforms implemented in local strategic planning and employment services under the *Workforce Investment Act* were intended to foster the establishment of relationships between network components. The variety of partner organizations in a highly-integrated system should include: employers, job-seekers, training providers, policy makers, and employment supports. Through their roles as peers, intermediaries, or hubs, the level of coordination between network partners can strengthen the ability of the workforce system to meet the demands of the Knowledge Economy.

Collaborative Workforce Development Projects

Workforce development projects in the twenty-first century require the input and resources of many organizations. Grubb's hierarchy of coordination demonstrated that successful initiatives require not only information sharing and referrals, but also the level of integration necessary to offer joint-service delivery. Through an examination of collaborative projects in Austin and Seattle, I highlight some of the efforts these communities have made to create twenty-first century workforce development networks.

Austin

There are several workforce development projects in Austin that represent the collaborative work of multiple network partners. These initiatives were mentioned time and again during the interviews as examples of “what Austin is doing right.” The Greater Austin at Work Alliance is one of these projects. Organized by the CATF, the alliance has the support of the City of Austin, the Greater Austin Workforce Board, the One-Stop centers, Austin Community College, and several community-based organizations. Greater Austin at Work holds an annual CEO summit to bring together leaders from across the community to discuss workforce needs. In conjunction with the summit, there is a career fair for the area’s high school students. The fair brings together over two hundred employers and post-secondary educational institutions to talk with students about job opportunities and how to obtain occupational skills.

Another community-wide collaborative project is in the health care arena. Partnerships have been formed between the local school districts, ACC, the University of Texas, Capital IDEA (a community-based organization), the regional hospitals and other major healthcare providers to target critical shortages in nursing and other medical professions.

All of the big players coordinate through the CATF’s health industry committee. The administrator in charge of this program handles all the research needs, all the communication and grant

initiatives. The CATF does a real-time needs assessment of the industry to support the efforts of the committee.¹¹²

These efforts have resulted in better coordination within the education pipeline, increased resource and equipment allocations to training providers, and cemented the commitment of hospitals and clinics to the workforce development network. Indeed, the Austin network was recently recognized for the collaboration it achieved in working towards the goal of increasing the number of people entering healthcare professions. The National Association of Workforce Boards presented the Austin Board with the 2002 Theodore E. Small Award for the achievements of the Health Industry Steering Committee.¹¹³

The Austin workforce development network is continuing to evolve. While there has been progress in creating a market-driven system, more partners need to become connected to the network in order to make this a reality. The demands of the knowledge economy will require workforce and economic development initiatives in Austin to focus on building a capacity of skilled workers.

Seattle

Many of the officials I spoke with in Seattle mentioned the H1B program as an example of a successful collaborative project. The H1B grant program administered by the Department of Labor had an

¹¹² Goodall, Donetta, Mike Midgley, and Cecille Sanders. Austin Community College. Telephone Interview. March 3, 2003.

¹¹³ Greater Austin Workforce Board. *WorkSource Fact Sheet*. (no date).

important impact on Seattle's workforce development community. The local board applied for three grants under the program to develop initiatives for incumbent high-tech and health care professionals. The initiatives work with employers to provide training for workers to advance within their current company. Though this program has been very successful, it is being phased out due to budget constraints.

The use of industry clusters is becoming wide-spread throughout the workforce development system in Seattle and Washington State. Many of the agencies I examined have instituted the use of advisory groups in order to foster discussion among stakeholders. Organizations at all levels are involved in these Industry Panels, working to define skills needs, identify gaps, and target resources. The Seattle Workforce Development Council (WDC) has been working on a sectoral approach.

We have put together industry panels, getting CEOs, decision makers, and people in the field together at a table. We take on a convener role. It's pretty basic - identifying issues and bringing in the right people to solve the problems. We are convening different perspectives around an issue to really identify what is wrong, what is needed, and to try to figure out a solution. We've seen real interesting progress in some areas.¹¹⁴

The health care panel identified multiple needs in a variety of areas including staff retention and recruitment, but chose to focus on training as an area where intervention could definitely improve the current system.

¹¹⁴ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview. February 27, 2003.

The Manufacturing Industrial Council was highlighted by the City of Seattle's Office of Economic Development as another successful collaboration.

"The Council was created to look at the needs of the sector. We have looked at assessing skills needs, access issues, industrial corridors, transportation issues...We are trying to determine how all these really affect our city. So far, it has worked quite well - it's getting the employers together."¹¹⁵

These types of targeted workforce development panels will be a primary tool for developing a market-driven system. Convening industry leaders, training providers, and other partners to discuss, plan, and oversee initiatives that support employment growth is one way to begin to achieve the level of coordination that Grubb and his colleagues emphasized.

The workforce development network in Seattle has established partnerships and collaborative programs on a variety of fronts. The investment that Seattle has made in coordinating education, training, economic and workforce development provide the community with the foundation necessary to support the employment demands of the knowledge-based economy. The increased use of sectoral approaches to program development has helped to make the transition to a market-driven system a reality.

¹¹⁵ St. Vil, Willair. City of Seattle Office of Economic Development. Telephone Interview. March 4, 2003.

Coordinated programs and partnerships will become increasingly important to regional workforce development initiatives as communities grow in the twenty-first century. While it is difficult to place a value on the level of coordination a community's workforce network has achieved, Austin and Seattle both seem committed to further improving partnerships for workforce development. Organizations in each city have formed multiple connections with other agencies, in a variety of areas, to address the broad range of issues facing the community.

Conclusions

The local Workforce Investment Boards in Austin and Seattle have met the intent of the *Workforce Investment Act*, to become leaders in the regional workforce system. While these communities are still working to address issues of universal access and employer engagement in order to truly capitalize on the workforce development reforms, there has been considerable progress. In order to continue to meet the demands of the knowledge-based economy, regional workforce development systems must improve access to both employers and job-seekers.

The effectiveness of all these workforce development approaches – those emphasizing human capital, those focusing on employer demand, and those stressing connections and networks – must be considered in the context of structural economic changes during the last decade. While the 'new economy' of the 1990s was robust and over 12 million jobs were created, for all intents and purposes, too few jobs were accessible to members of low-income communities.¹¹⁶

¹¹⁶ Goodwill Industries International, Inc. *Consensus to Build the 21st Century Workforce*. Page 6.

The recent economic downturn created a challenge for local networks to find jobs for clients with employment barriers as well as highly-skilled, formerly well-paid dislocated workers. The workforce development network must be broadly coordinated with strong and weak connections between a variety of organizations in order to meet the employment challenges of job-churning and skills-upgrading required in the new economy. In a dense workforce development network, some partners will collaborate often, and on a variety of projects, encouraging the development of strong connections between the organizations. Organizations that are only peripherally involved with the workforce development network will create weaker connections to other groups. This type of connection is important since it provides the system an avenue for growth by more strongly connecting these organizations to the workforce network in the future.

The Workforce Development Council of Seattle-King County defined a vision that should drive workforce development networks in communities across the nation. “We hope that we are no longer remediating workforce problems, but actually preventing them.”¹¹⁷ This challenge will require workforce development partners to be flexible, delivering just-in-time options to both employers and job-seekers in the knowledge economy. This type of system will require better forecasting of economic conditions and employment growth trends, better communication with regional industries, and improved performance

¹¹⁷ Sessions, Marlana. Workforce Development Council of Seattle-King County. Telephone Interview. February 27, 2003.

from secondary and post-secondary education systems. Workforce development networks are key to a community's ability to target its economic development efforts. Austin and Seattle are leading the transition to the new economy, how their workforce networks have met the challenges of this transition should serve as a guide for communities that follow.

Recommendations for Sustaining Economic Growth

In order to sustain knowledge economy growth, workforce development systems must become more closely aligned with business practices and community needs through collaborative public-private partnerships that actively engages business leaders, the training and education community, community-based organizations, and the government agencies.

Best practices include doing in-depth labor market 'audits' that identify broad business trends and specific skill needs; developing expertise in the needs of specific industry sectors and building long-term relationships and company and union training alliances within it; consolidating employer outreach into a single 'employer services' unit; creating partnerships with private employment and training organizations; and developing tailored training programs.¹¹⁸

A number of studies published since 2000 addressed how states and localities could support the transition to the knowledge-based economy. I highlighted several of these in chapter two, including Evelyn Ganzglass et. al's *Building a Next Generation Workforce Development System* (2000); the National Governor's Association report, *State Strategies for the*

¹¹⁸ Progressive Policy Institute. 2002 *State New Economy Index*. Page 43.

New Economy (2000); and several reports published in 2002 by Goodwill Industries, the National Governor’s Association, and the National Association of State Workforce Board Chairs.¹¹⁹ These reports offer similar advice on how communities can design effective workforce systems to address their economic development needs.

Recommendations for creating a workforce development system capable of meeting the demands of the knowledge economy include:

- Adopting relevant and descriptive performance measures and accountability standards;
- Creating a system with the flexibility to respond quickly to changing economic conditions
- Encouraging workers to become their own career managers by developing projects to support lifelong learning;
- Fostering collaborations and partnerships among a variety of groups and organizations;
- Improving data collection on local economic conditions and local workforce program performance;
- Providing necessary supports to local workers;
- Targeting efforts to meeting the needs of locally-based industries and industrial clusters; and
- Tying economic development to workforce development.

This workforce system will “create a continuum of pre-employment and post-employment incentives and supports. [This will] help employers meet their workforce needs and promote job placement, job retention, career advancement, and stable employment at good wages

¹¹⁹ Information on these references is available in the bibliography.

for workers.”¹²⁰ The workforce development network in the twenty-first century must be results-oriented, with a bottom line goal of raising the earning power and quality of life of all members of the workforce by meeting the skill demands of employers.

Lessons from Austin and Seattle

While neither Austin nor Seattle has fully achieved the type of workforce development network described in the literature, these communities have instituted programs and initiatives to make their workforce systems more responsive to the needs of the knowledge-based economy. Both cities have kept the local community colleges involved as major partners in the region’s workforce development system. This has helped each community by keeping the broad training and support services offered by the community colleges connected to the overall workforce network. Communities that are successful in the knowledge economy will ensure that their community colleges and other training providers remain active in the workforce system’s planning and service delivery.

Austin and Seattle have instituted sectoral strategies as a way to target their workforce development efforts to the needs of area businesses. While these local industrial councils were started during the boom economy when many of these cities’ high-tech employers were desperate for workers, they have proven to be even more important

¹²⁰ National Governor’s Association. *State Strategies for the New Economy*. Page 42.

during the bust. The industry councils allow the workforce development system to specifically target efforts to the needs of local employers. Therefore, this allows the workforce development system to support the community's economic development initiatives. The link between workforce and economic development is especially important for helping a community to sustain knowledge economy growth.

Accountability and economic forecasts are also important components in a community's ability to meet the demands of the new economy. Austin and Seattle have placed different priorities on these measures. In Seattle, there is a greater emphasis on accountability and performance measurement. The performance targets are intended to challenge the community's workforce system to deliver high-quality services. This is an important change from the traditional delivery of workforce development programs that placed a greater emphasis on efficiency than effectiveness. In Austin, there is a greater emphasis on developing better economic indicators to help the community forecast changing workforce demands. The current economic climate has highlighted a need for the local network to become more attuned to the short and long-term priorities of local employers. This emphasis further underscores the importance of market-driven workforce services to support knowledge economy growth. Communities that are seeking to expand their industrial base to include information and technology companies must develop the accountability and forecasting systems necessary to direct the efforts of the local workforce network.

The knowledge economy has had a significant impact on employment in Austin and Seattle. These communities have proactively redesigned their workforce systems to become more integrated, more responsive, and more effective. Employers have become a primary workforce system client, with multiple organizations and partnerships dedicated to identifying and addressing the needs of area businesses. Workforce development services are offered to a much wider range of job-seekers than ever before, making the overall system more valuable to the community. Training providers, particularly community colleges, have remained committed to supporting workforce development efforts in these cities, ensuring that workers can develop the skills they need to find and retain employment. The knowledge economy creates a challenge for the community to provide area employers with better workers. Through the coordinated efforts of the local Workforce Investment Boards, one-stop centers, and broader workforce network, Austin and Seattle are working to meet that challenge.

Appendix A. Interview Questions

1. Describe the current state of the local workforce system.
2. What was the most significant change in the local workforce system brought about by WIA? Were these changes desirable from the view of the organization?
3. What is the role of the organization in the community's workforce development network? (advisory, decision-making, operating, funding ...) Does it function as a hub, intermediary or peer?
4. Describe the organizational relationship between the organization and other key workforce system components. (local WIB, one-stop centers, local unions, economic development agencies, community colleges, chamber of commerce, city development agency, State WIB)
5. What programs or processes has the local WIB established that contribute to better communication and coordination between the organization and the Board?
6. What partnerships have been formed between the organization and the local WIB/one-stop Centers? What specific needs do these partnerships address in the local network?
7. How have the efforts of the local workforce system contributed to the development of a knowledgeable, high-tech workforce to meet the needs of local industry? What have the local WIB and one-stop

centers and/or the local workforce system done to respond to rising unemployment in the community?

8. How does the organization evaluate the performance of the local WIB/one-stop centers in meeting the employment needs of the community? Is the organization involved in other workforce program evaluations?
9. Describe an effective workforce collaboration project in this community. What is the driving force behind local workforce development efforts?
10. What changes in the workforce system does the organization envision in the next five years?

Appendix B. Texas Workforce Commission Programs

Workforce development programs administered or overseen by the Texas Workforce Commission include¹²¹:

Alien Labor Certification	School-to-Careers
APEX Grants	Skills Development Fund
Apprenticeship Training	Self-Sufficiency Fund
Career Development Resources	Senior Community Service Employment Program
Child Care Services	Texas Work and Family Clearinghouse
Choices (for TANF recipients)	Texas Commission on Volunteerism and Community Service
Customer Outreach and Relations	Texas-Mexico Border Issues
Disabilities Initiatives	Trade Adjustment Assistance
Employment Services	Unemployment Insurance
Faith- and Community-based Initiatives	Veterans Education and Employment Services
Food Stamp Employment and Training	Welfare-to-Work Tax Credit
Labor Market Information	Worker Profiling and Re-employment Services
Migrant and Seasonal Farm Workers Services	Work Opportunity Tax Credit
Project RIO (for ex-offenders)	Workforce Adult Literacy
Proprietary Schools (private vocational training and education)	Workforce Investment Act
Rapid Response (for business closures and downsizing)	

¹²¹ Texas Workforce Commission. *Let Us Work For You: Texas Workforce Commission 2002 Annual Report*. Austin, 2002.

Appendix C. Responsibilities of Washington’s Workforce Training and Education Coordinating Board and Employment Security Department

Workforce Training and Education Coordinating Board responsibilities¹²²:

- Develop the state's strategic plan for workforce development.
- Develop state policies on local Workforce Development Council (WDC) functions and membership.
- Manage the process for the review of applications for certification of local councils.
- Develop the state guidelines for Local Chief Elected Officials and Workforce Development Councils in the development of a local area Strategic Plan for the workforce development system.
- Review local strategic plans when submitted and make recommendations to the Governor for plan approval.
- Answer questions on how local councils write a local WIA Title I-B operations plan so that it is consistent with local and state strategic plans.
- Answer questions concerning WIA Title I-B performance accountability (measures, negotiation processes, description of performance accountability in the local plan etc.)
- Establish an incentive fund for workforce development and recommend to the Governor criteria for rewarding local workforce development councils and programs that produce exemplary results.
- Develop the state policy on criteria used by Workforce Development Councils in determining eligible providers of

¹²² Workforce Training and Education Coordinating Board. *Workforce Investment Act Frequently Asked Questions*. <http://www.wtb.wa.gov/wiafaq.html>.

training for WIA Title I-B individual training accounts during initial year and subsequent years.

- Design consumer report system.

Employment Security Department responsibilities:

- Manage JTPA fiscal and program transition.
- Develop WIA Title I-B operations policies. Examples:
 - Memorandums of Understanding Individual training accounts
 - Individual Training Accounts
 - State rapid response policies
- Develop WIA Title I-B state grant management policies.
- Manage the process for developing allocation formulas for the WIA Title I-B youth activities grant and the WIA Title I-B adult employment and training grant.
- Policy on youth services, employer services, and questions concerning WIA Title III (Wagner-Peyser, etc.)
- Lead WorkSource implementation.
- Develop and update automated systems to support WIA reporting/MIS requirements in coordination with the State Executive Policy Council, the state's Performance Management for Continuous Improvement initiative, and local initiatives.
- Answer questions concerning Parts II, III, V, VI, and VII of the WIA Title I-B/III operations plan instructions to Local Chief Elected Officials and Workforce Development Councils.
- Recommend plan for federal waivers to achieve program implementation.

**Joint Workforce Training and Education Coordinating Board
and Employment Security Department responsibilities:**

- Develop the state policy on "eligibility" and "priority" for intensive services and training services funded under the WIA Title I-B adult employment and training grant.
- Review and make recommendations to the Governor on approval on local WIA Title I-B/III operations plans.
- Jointly arrange the public review process for the state WIA Title I-B/III plan.
- Jointly agree on WIA Section 134 statewide employment and training activities.

Appendix D. WIA Title I-B Programs

Programs for Adults

Adult programs target people over the age of eighteen in need of employment services, including: skills assessment, career counseling, job-readiness and skills training.

The purpose of Adult programs under Title 1 of the *Workforce Investment Act* is to provide workforce investment activities that increase the employment retention and earnings of participants, and increase occupational skill attainment by participants. This program aims to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation's economy.¹²³

Individuals who qualify for training services are provided funding through Individual Training Accounts, which are intended "to promote customer choice and involvement in career decisions."¹²⁴

Programs for Dislocated Workers

The Dislocated Worker program offers services to people over the age of eighteen who have become unemployed or who are seeking re-employment. When workers become unemployed due to business

¹²³ U.S. Department of Labor. *Adult Training Programs*. http://www.doleta.gov/programs/adult_program.asp

¹²⁴ U.S. Department of Labor. *Adult Training Programs*. http://www.doleta.gov/programs/adult_program.asp

closures or downsizing, a local Rapid Response Team works with dislocated workers to connect them to information on “Unemployment Insurance, Employee Benefits Security Administration programs, job search assistance, job referral, local area job openings, resume assistance, and job training.”¹²⁵ These services are provided by the local workforce boards.

Programs for Youth

Through the Youth program, low-income adolescents aged fourteen to twenty-one are eligible for assistance related to earning education credentials and/or employment. According to the Department of Labor:

Local workforce investment boards must provide the following services to eligible youth: tutoring, study skills training, dropout prevention strategies, alternative secondary school services, summer employment opportunities, paid and unpaid work experiences, and occupational skills training.¹²⁶

WIA requires each local WIB to establish a Youth Council. This Council works to connect young people to the one-stop centers, and is charged with the strategic planning and implementation of youth programs.

¹²⁵ U.S. Department of Labor. *Dislocated Workers*. <http://www.doleta.gov/layoff/workers01.asp>.

¹²⁶ U.S. Department of Labor. *Programs and Services*. http://www.doleta.gov/youth_services/Programs_Services.asp.

Appendix E. Federal Workforce Programs

Seventeen federal workforce programs, each representing a separate funding stream and performance measures, are required to locate and/or coordinate service delivery through one-stop centers. These include¹²⁷:

- Programs authorized under Title I of WIA serving: adults; dislocated workers; youth; Job Corps participants; Native Americans; migrant and seasonal farm workers; and veterans;
- Employment services programs authorized under the *Wagner-Peyser Act* (1933);
- Adult education and literacy activities authorized under Title II of WIA;
- Programs authorized under Title I of the *Rehabilitation Act*;
- Welfare-to-Work programs authorized under the *Social Security Act*;
- Senior community service employment activities authorized under Title V of the *Older Americans Act* (1965);
- Post-secondary vocational education activities under the *Carl D. Perkins Vocational and Applied Technology Education Act*;
- Trade Adjustment Assistance and North American Free Trade Agreement Transitional Adjustment Assistance activities authorized under 1974's *Trade Act*;
- Local veterans' employment and disabled veterans' outreach programs;
- Employment and training activities under the Community Services Block Grant program; and
- Employment and training activities by the Department of Housing and Urban Development.

¹²⁷ U.S. Department of Labor. *One-Stop Comprehensive Financial Management Technical Assistance Guide*. Page viii.

Appendix F. Seattle-King County Work Source Partners

The Seattle-King County Work Source Centers coordinate services provided by twenty-eight partners, including:¹²⁸

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| <ul style="list-style-type: none">• American Association of Retired Persons• Bates Technical College• Bellevue Community College• Cascadia Community College• Department of Services for the Blind• Department of Social and Health Services• Division of Vocational Rehabilitation• Edmonds Community College• Employment Security Department• Green River Community College• Highline Community College• IAM Cares (International Association of Machinists and Aerospace Workers program for the disabled)• Job Corps• King County Reemployment Support Center | <ul style="list-style-type: none">• King County Work Training Program• Lake Washington Community College• National Asian Pacific Center on Aging• North Seattle Community College• PACE Consortium for low-income workers• Pierce County Community College• Renton Technical College• Seattle Central Community College• Seattle-King County Workforce Development Council• Seattle Vocational Institute• Shoreline Community College• South Seattle Community College• State Board for Community and Technical Colleges• Veterans Services |
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¹²⁸ Worksource Seattle-King County. *Partners*. <http://www.worksourceskc.org/partners.html>.

Appendix G. Interviews with Workforce Development Organizations in Austin and Seattle

Austin

- Atkinson, Tamara. Deputy Director for Grants and Procurement. Greater Austin Area Workforce Board, Austin, Texas. Interview, March 12, 2003.
- Baldwin, Carissa. Director. Capital Area Training Foundation, Austin, Texas. Telephone interview, February 21, 2003.
- Brown, Jeff. Texas Workforce Commission, Austin, Texas. Telephone interview, March 11, 2003.
- Clowers-Knox, Shirley. Executive Director. Greater Austin Area Workforce Board, Austin, Texas. Telephone interview, March 6, 2003.
- Fitzpatrick, John. Vice President for Workforce Development. Greater Austin Chamber of Commerce and Capital Area Training Foundation, Austin, Texas. Telephone interview, March 7, 2003.
- Gehring, Susan. City of Austin Health and Human Services Department, Austin, Texas. Telephone interview, March 11, 2003.
- Goodall, Donetta. Associate Vice President for Academic Programs and Workforce Development; Mike Midgley, Dean of Computer Studies; and Cecille Sanders, Dean of Workforce Education. Austin Community College, Austin, Texas. Telephone interview (conference call), March 3, 2003.
- Jones, Larry. Director of Communications; and Iris Adams, Policy Researcher. Texas Workforce Commission, Austin, Texas. interview, March 7, 2003.
- Milne, Robert. Director. WorkSource Austin, Austin, Texas. Telephone interview. March 11, 2003.

Reed, Cassie Carlson. Executive Director; and Luis Macias, Director for Workforce Development. Texas Workforce Commission, Austin, Texas. Telephone interview (conference call), February 20, 2003.

Sarria, Vanessa. Site Manager. WorkSource South Austin, Austin, Texas. interview, February 28, 2003.

Schwab, Carlton. President and CEO. Texas Economic Development Council, Austin, Texas. Conversation, February 24, 2003.

Seals, Ed. Texas AFL-CIO, Austin, Texas. Telephone interview, February 11, 2003.

Seattle

Dahl, Marilyn. Administrator. WorkSource North Seattle, Seattle, Washington. Telephone interview, March 4, 2003.

Ku, Peter. Chancellor. Seattle Community College District, Seattle, Washington. Telephone interview, March 10, 2003.

Loverin, Nancy. Manager. WorkSource Renton, Renton, Washington. Telephone interview, February 26, 2003.

Mann, Deborah. Workforce Development Director. Washington Alliance for Technology Workers, Seattle, Washington. Telephone interview, February 24, 2003.

Phippen, Ed. Planner. Workforce Development Council of Seattle-King County, Seattle, Washington. Telephone interview, February 24, 2003.

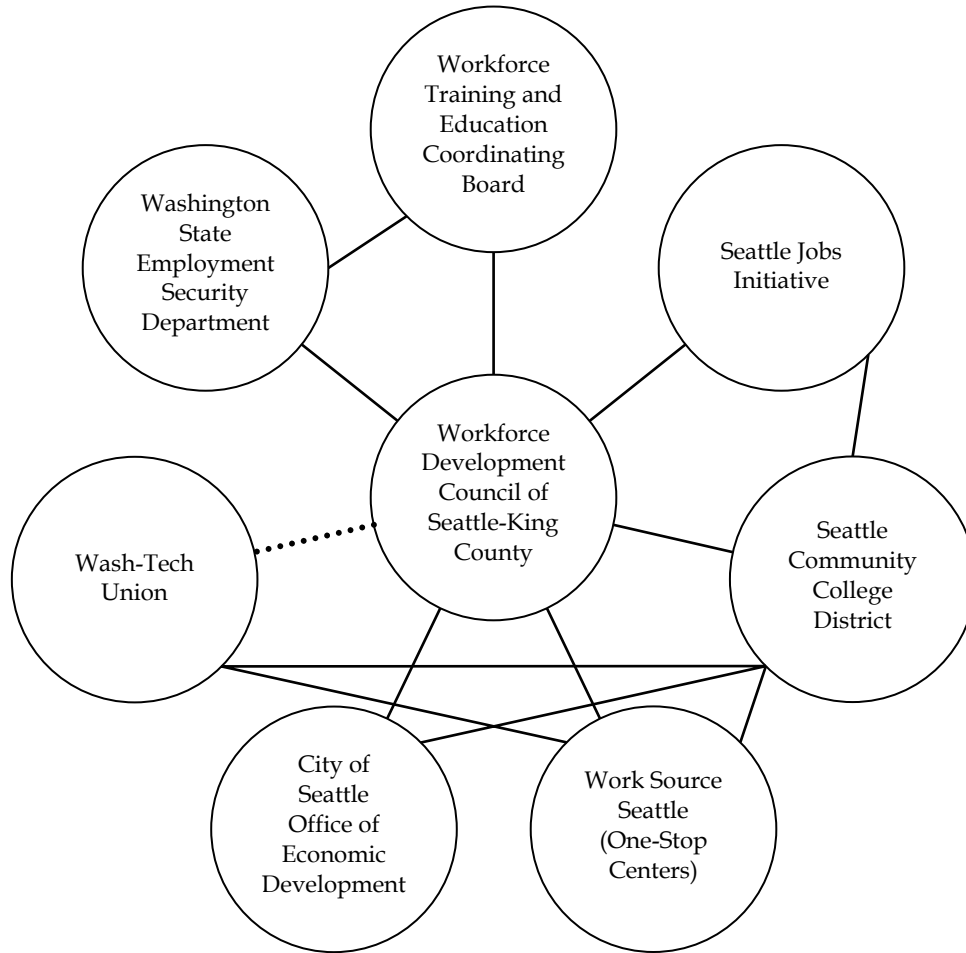
Saunders, Ellen O'Brien. Executive Director. Workforce Training and Education Coordinating Board, Olympia, Washington. Telephone interview, February 18, 2003.

Sessions, Marlana. Chief Operations Officer. Workforce Development Council of Seattle-King County, Seattle, Washington. Telephone interview, February 27, 2003.

St. Vil, Willair. Senior Community Development Specialist. City of Seattle Office of Economic Development, Seattle, Washington. Telephone interview, March 4, 2003.

Zimmerman, Peggy. Washington State Employment Security Department, Olympia, Washington. Telephone interview, February 18, 2003.

Appendix I. Seattle's Workforce Development Network



... Indirect connection

These organizations have established a system in Seattle that is committed to coordination and meeting the demands of local employers for a skilled, knowledgeable workforce.

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