

The Workforce Innovation and Opportunity Act Implementation Study May 2019, Revised November 2020

Early insights from state implementation of WIOA in 2017

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The Workforce Innovation and Opportunity Act (WIOA) Implementation Study examines variation in the experiences of states and local areas as they implement key provisions of WIOA. This brief presents findings from pilot site visits to four states in fall 2017, summarizing key changes and highlighting possibly promising practices to operationalize WIOA's vision for the public workforce system in each state. Signed into law on July 22, 2014, WIOA builds on reforms under its predecessor, the Workforce Investment Act of 1998 (WIA), and focuses on transforming and modernizing the public workforce system. WIOA's overarching goals include improving the quality and outcomes of workforce services; ensuring that workforce services are evidence-based and guided by the needs of workers, job seekers, and employers; and increasing access to the public workforce system, especially among individuals with significant barriers to employment.

This brief describes early WIOA implementation efforts, based on data collected during pilot site visits to four states and eight local areas in fall 2017. The purpose of the site visits was to help inform the design of the WIOA implementation study and to identify key stakeholders' initial perspectives on WIOA requirements across five domains (Exhibit 1).¹ The timing of these visits allowed the study team to document early experiences with the state, regional, and local planning processes and to understand why stakeholders chose different approaches for implementing key WIOA provisions. A number of WIOA implementation milestones occurred between April 2016 and September 2017—the 18-month period before the four states were visited for this study (California, Massachusetts, Mississippi, and Ohio; see Exhibits A.1 and A.2 in the appendix for more details on the visits and a timeline of implementation of the Act). State plans were approved, the final joint rule was issued, and many states competitively selected AJC operators for the first time. The visits conducted for this study drew on observations from the Institutional Analysis of American Job Centers (AJCs) study, which included site visits to 40 AJCs in the second half of 2016 (see Box 1). Those visits revealed that states and local areas were grappling with several challenging aspects of the transition from WIA to WIOA, including issues in the five domains that are the focus of the WIOA Implementation Study.

Exhibit 1: Study domains



¹ The five domains of this study align with the key provisions of WIOA and study priorities identified by stakeholders at the federal and regional levels of DOL who were contacted as part of the study.

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Due to the timing of the site visits, the study team could explore in more depth both recently completed implementation activities and ongoing implementation efforts at the state and local levels. Site visits occurred following completion of the state and local planning process, but while states and local areas were finalizing their one-stop operator competitions and negotiating infrastructure funding agreements (IFAs). The visits also enabled a look at the progress states had made in providing guidance and technical assistance to local areas so that they could meet upcoming deadlines for completing the IFAs and the associated memoranda of understanding (MOUs) between key partners in regard to services and responsibilities, as well as aligning data systems and reporting. Box 2 summarizes the key findings from these visits.

The four states were selected in coordination with DOL and federal program officers from each of DOL's six regions, based on their perceptions of states making considerable progress in carrying out plans for WIOA implementation across the five domains. The study team then worked with the selected states' workforce administrators to identify two local areas to include for pilot site visits. (The study team later collected site visit data from 14 additional states and 28 local areas to provide a more comprehensive understanding of implementation and identify possible areas for guidance and technical assistance.)

Box 1: Key findings from the Institutional Analysis of AJCs study

The earlier study of 40 AJCs across the country highlighted some of the major issues and challenges that states and local areas experienced in responding to the changes that WIOA outlined for the workforce system (Sattar and Holcomb 2017; Betesh 2018; Brown and Holcomb 2018; Dunham and Kogan 2018; English and Osborn 2018). That study provides useful background for the discussion of findings in this brief, and its findings are organized below according to the same domains:

- **More strategic governance and planning.** The study suggested that delays in guidance resulted in delays in planning and much uncertainty at the local and regional levels around AJC operation, co-location, and performance reporting, among other issues. Only 10 of the 40 AJCs visited had a regional plan in place. The study also suggested that many of the changes happening during that time may have been motivated by compliance rather than goal setting or strategic planning.
- **Improved AJC operations.** Two of the most common concerns reported were the competitive procurement of AJC operators and coming to agreement across partners about sharing costs and physical spaces. Twenty-nine of the 40 local areas visited were planning to competitively procure AJC operators for the first time, and many were anxious about introducing new entities to the workforce system where the local workforce board or state workforce agency traditionally played the role of operator. The requirement for a competitive process represented a major shift for the public workforce system, but only nine operators had already been selected through a competitive process. Several AJCs noted that partners were also reluctant to co-locate because of the cost of relocation and the burden of sharing infrastructure costs, even though WIOA requires cost sharing regardless of co-location.
- **Improved services for businesses and employers.** Although the study indicated that AJCs had increased their focus on employer engagement in response to WIOA, employer services in 27 of the 40 AJCs were not integrated across programs, and the collection of data on employer services was limited.
- **Improved services for youth and adults.** AJC staff reported that WIOA encouraged greater access to training and work-based learning for customers, but that this shift required a change in mindset for case managers to focus more on career planning and barriers to employment. WIOA also required a significant increase in the share of funds that were required to be spent on out-of-school youth, but AJCs noted that out-of-school youth were more difficult to recruit than in-school youth and more expensive to serve.
- **Stronger performance accountability and reporting.** Local areas reported concerns about the integration of performance requirements across partners and their potential effect on service delivery and resource allocation. The majority of areas visited had yet to implement any changes, and existing data sharing across the core programs varied widely across sites. The study noted that there was reluctance among sites to develop an integrated data system because of the burden of changing existing systems and infrastructure

Box 2: Key findings from the WIOA Implementation Study early site visits

Early visits conducted for the WIOA Implementation Study provided an opportunity to explore in depth how four states in different parts of the country approached the challenges of the transition to WIOA. Data from these visits suggest that factors such as strong support from high-ranking state officials, including governors and secretaries of relevant agencies; a preexisting commitment to innovative service delivery strategies; early engagement of partner agencies; strong and regular communication at the state and local levels; and state technical assistance to local boards facilitated success in early WIOA activities. These factors also appeared to lay the groundwork for continued efforts to transform service delivery and realize WIOA's broader vision for the public workforce system. An overview of findings in each domain discussed in the brief is presented here:

- **More strategic governance and planning.** The states reported that codifying a process for partner engagement, whether through work groups, partnership agreements, or MOUs, was instrumental in facilitating the process of planning at the state and local level. At the same time, while states recognized that regional planning was an important strategic goal, the timing of WIOA deadlines, limited resources, and resistance at the local level did not allow some of the states to utilize the process in a meaningful way.
- **Improved AJC operations.** The states were split as to the level of guidance and technical assistance they provided to standardize the operator competition process across local areas, with two providing more support. Still, only one state saw significant changes in operators across their local areas. The states were similarly split on the approach to negotiations of MOUs and IFAs, with two states trying to establish agreements at the state level that would form the basis of local-level agreements. Neither approach seemed more successful in establishing agreements, but agreements at the state level may have helped increase co-location among core partners.
- **Improved services for businesses and employers.** Three of the four states introduced changes to their employer engagement approach in response to WIOA, and in two cases these efforts were led by state administrators in order to centralize business services. A state-led approach was perceived as providing advantages for employers who might operate across local areas, allowing better integration across programs and within sectors and providing an opportunity to collect more systematic data on services provided to employers across the state.
- **Improved services for youth and adults.** Visited states reported introducing initiatives to expand work-based learning opportunities for job seekers, integrate service delivery, and increase co-enrollment across partner programs. Three of the states were actively working to expand Registered Apprenticeship offerings through educating local staff, promoting sponsorship of programs by local boards, and using state funding to encourage the adoption of apprenticeship. States also created referral systems intended to facilitate and improve the connection of customers to services based on their unique barriers to employment. Although some local areas in these states struggled to find adequate providers for out-of-school youth, the integration of services for youth with Temporary Assistance to Needy Families (TANF) and Vocational Rehabilitation (VR) services, as well as within the AJC, offered a promising approach to identifying more of these youth and connecting them to appropriate services.
- **Stronger performance accountability and reporting.** The four states were hesitant to move toward shared data management systems across core programs. Instead, they have explored workarounds that would improve collaboration and data sharing without a common system. These include central intake systems and dashboards that allow program staff to view limited data for customers across multiple programs, as well as data warehouses to pool data for analysis and reporting from multiple systems.

In the remainder of the brief, we discuss in more detail what was learned from the early site visits across each of the five domains, including similarities and differences in how the states and local areas implemented key WIOA provisions and what factors contributed to their perceived successes and challenges. The brief concludes with a summary of the main topics for which further technical assistance or guidance were identified as being needed across the four states at the time of the visits.

1. More streamlined, coordinated, and strategic governance and planning

One of WIOA's key goals is for the workforce system to play an active role in broad-based workforce, community, and economic development, at the state, local, and regional levels.² To achieve that goal, WIOA called for unified and integrated planning at all those levels, particularly across the six core programs: the Adult and Dislocated Worker program, the Youth program; Wagner-Peyser Employment Service (ES) program; the Adult Education and Family Literacy Act (AEFLA) program; and VR programs (see Exhibit A.3 in the appendix for a complete list of WIOA partner programs). Below we discuss how states and localities across the four states approached different aspects of the changes to governance and planning under WIOA at the time of the early site visits.

State and local planning

Respondents in all four states reported engaging in more streamlined, coordinated, and strategic state planning than they did under WIA. Across all four, strong political and state-level leadership, support for and involvement of partners at the state level and in local workforce areas, and supportive state policies were intended to facilitate a more streamlined approach to planning compared to the process under WIA. In all four states, governors viewed strengthening the workforce and economic development systems as priorities and served as early champions for WIOA. This support from governors helped to facilitate buy-in and engagement from required partner agencies and in one instance helped to resurrect a dormant state workforce board. In all four states, individuals responsible for leading implementation, including the state workforce agencies and state workforce development boards ("state boards"), focused on engaging partners early in the state planning process and establishing cross-agency work groups charged with executing key changes to the system. Two states, California and Massachusetts, created policies related to partnership development that facilitated the planning process. These states developed individual partnership agreements or state-level MOUs with VR, ES, AEFLA, and TANF agencies to facilitate partner engagement and to help guide local implementation. Massachusetts also created a multiagency agreement focused on serving youth with barriers.

In addition to engaging state-level stakeholders, Massachusetts, Mississippi, and California engaged local areas in the state planning process to solicit their feedback and input on the state plan. California engaged all its local boards through regional convenings coordinated with the California Workforce Association. In Mississippi, the state board included leaders from each of its four local workforce areas; this was intended to further strengthen local engagement in the state planning process. According to respondents, engaging local stakeholders in the state planning process provided Mississippi's state board with a ground-level perspective of implementation and provided local stakeholders with a deeper understanding of the states' vision for WIOA.

Local planning experiences varied across the four states. To facilitate local planning, local areas in Massachusetts and Mississippi replicated the process used for state-level planning. This included convening regular meetings of partners for each local area and providing significant in-person technical assistance to support the planning process. Because partners were first engaged in the state planning process, their staff seemed more prepared to come together to support their regional and local representatives in the local planning process. During partner meetings in Mississippi, state staff stressed that the meetings were confidential so that partner staff could comfortably express their concerns about implementation. The state workforce agency sought feedback on the process from all partners so that they each felt invested and so that traditional workforce partners did not dominate the conversation or process. In California and Ohio,

² See <https://www.doleta.gov/wioa/> for more information on WIOA's Hallmarks of Excellence.

state agencies also worked to facilitate local workforce board planning processes by providing guidance and technical assistance.

However, some local boards did experience frustration with what they perceived as reversals of states' policies on the planning process. Some also described overly prescriptive guidance or had difficulty engaging partners at the local level who were also not well engaged at the state level.

Establishing regions and developing regional plans

In a change from WIA, WIOA requires states to establish workforce regions and regional plans, in addition to local areas and plans, in order to "align workforce development activities and resources with larger economic development areas and available resources" (U.S. Department of Labor 2016). The regional planning process unfolded in several different ways, as discussed below.

California conducted an extensive regional planning process supported by state resources. Prior to WIOA, California had 48 local areas; many of the state's urban labor markets, such as Los Angeles, spanned multiple local areas, creating challenges for serving job seekers and employers at the labor market level. This challenge spurred the state to develop 14 regions (called regional planning units) that aligned with local labor markets to better help job seekers look for employment and employers to hire across the labor market. The planning units were identified based on labor market data and in collaboration with local workforce boards and state-level partners, such as community colleges and adult education entities. Using funding from state legislation as well as, eventually, the governor's set-aside funding from WIOA, the state provided funding for regional organizers and trainers for each regional planning unit and supported multiple iterations of regional planning.

According to California's state workforce agency and state board respondents, regional planning units provided a mechanism for meeting needs that local boards were not positioned to address, such as low-income workers who live in one local area but work in another and employers who operate across multiple local areas. Although regionalism began prior to WIOA, California used WIOA's regional plan requirement to garner support from local boards to actively participate in regional planning. The state provided funding to hire a regional training coordinator and a regional organizer in each region, both of whom work for the local board chosen to serve as the region's fiscal agent. The coordinator provided technical assistance to boards in the region and the organizer facilitates coordination among the local boards. In spring 2018, the state provided regions with \$7 million in state set-aside funds to implement activities they had specified in their regional plans.

California used state set-aside funds to help establish 14 regions aligned with local labor markets and to provide funding for regional organizers and trainers.

Each of California's regional plans includes a regional sector strategy and career pathway focus. In the regional plan modification process, regions were to be required to connect with local corrections and probation agencies to plan how best to serve justice-involved individuals in their regions. Regions were also to be required to assess the level of coordination among the local boards in the region and propose ways to strengthen that coordination. Finally, as part of the local plan modification process, regions were also to be asked to connect with Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) agencies to coordinate services to those participants.

In Mississippi, the four local areas also doubled as WIOA regions. Instead of a separate regional planning process, the local areas each worked on a sector strategy plan that identified key sectors to focus local and regional resources on by addressing skill gaps; engaging employers; and aligning programs and services with the needs of job seekers, workers, and businesses. Local areas reported that this process involved investing in outside data analysis support and the engagement of a large number of stakeholders across

the local areas. Mississippi also provided state funding for this process in each local area and committed additional funding to support initiatives that may emerge from the planning process.

In the other two states, state respondents cited limited time to develop regional plans, as well as difficulties aligning local workforce areas with regional labor markets. Although federal guidance provided states with the flexibility to establish their own deadlines for regional and local planning, state respondents found it challenging to structure the timeline for submitting local, regional, and state plans in a way that allowed the plans to be informed by one another. Local boards described lacking time to develop their local plans to in turn inform regional plans, and they did not have adequate time to engage partners in discussions regarding goals and strategies for regional collaboration.

One of these states attempted to re-designate its local areas to better align with local labor markets with the goal of establishing regions aligned with these labor markets. However, establishing new local areas required cooperation from chief local elected officials representing each local area. Because the state was not able establish this cooperation, the local area designations remained unchanged; as a result, the regional designations did not align well with labor markets. Therefore, the state viewed regional plans primarily as a way of meeting WIOA mandates rather than as a way of increasing coordination to support economic and workforce development.

Local-level respondents in one state also expressed hesitancy around regional planning because they feared that it would eventually replace local-level planning. Also, respondents noted that since regional planning was not supported by an existing regional infrastructure (unlike that for state and local planning), there were challenges in regard to funding, coordinating, and supporting continued regional planning. They noted that the funding provided by their state for such regional planning did not sufficiently cover the level of effort necessary to engage in a thorough planning process at the regional level.

State and local board roles and composition

In response to WIOA's focus on increasing employer engagement as well as partner agency and apprenticeship representation on state boards, the four states reported using WIOA as an opportunity to shift the composition and roles of their state boards to make them more strategic and employer-driven. For example, Mississippi reconstituted and reorganized its state board, including increasing its employer focus and adding staff, funded through a tax, to support board operations. As part of that effort, the state also added representatives from each of the local areas to the state board. California made changes to its board prior to WIOA to make the board more active and strategic, and the WIOA mandate strengthened this shift. All four states reported that shifts in the role and composition of state boards infused the boards with increased enthusiasm; as a result, state boards perceived themselves to be more strategic and invested in the public workforce system.

Local changes to the role and composition of boards mirrored state efforts to make boards more strategic and employer-focused.

- In Mississippi and Ohio, local boards added employers to their membership to maintain the 51 percent employer membership requirement while also adding required new members, such as an apprenticeship representative.
- In California, local boards became smaller and more employer-focused, which seemed to allow employers to more actively participate in discussions rather than allowing workforce representatives to guide the conversation.

- The composition of boards in Massachusetts had shifted prior to WIOA; the mission and practices of the workforce development system in Massachusetts was already more business-driven, in alignment with their demand-driven focus.

Respondents across the states viewed these changes to board composition positively because they felt the boards became more engaged with new members invested in seeing the system succeed. However, respondents from some local areas noted that by making the boards more employer-driven, the boards lost members from community-based organizations with deeper knowledge of the workforce system. This suggests the potential value of improved orientation and training for new local board members.

In addition to changes in board composition, local board responsibilities changed under WIOA. Respondents from all four states reported that, under the new law local boards had greater involvement in planning and decision making. These local boards played major roles in local plan development, one-stop operator competitions, and establishing AJC certification policies. Local board staff viewed this increased responsibility as a positive development for their local workforce systems. By actively engaging board members in more strategic decision making, it was reported that board members became more invested in the success of the system as a whole and gained a stronger understanding of the system and available services.

2. Improved AJC system operations and partnerships to deliver more integrated and comprehensive services

WIOA emphasizes the need for an integrated AJC system that delivers services to all workforce customers seamlessly across various partners. It tries to achieve this through various enhancements around how AJCs are operated and maintained and how resources and responsibilities are shared. To that end, WIOA mandates frequent assessment and certification of AJCs, the competitive procurement of one-stop operators, and the establishment of IFAs and MOUs with required partners. States and local boards expressed a hope these changes would allow AJC systems to be better positioned to integrate service delivery by formalizing partner coordination and securing additional resources.

AJC certification

California and Ohio implemented comprehensive changes to their AJC certification processes. In both states, the state workforce agency along with core program partners developed certification processes that involve two tiers or phases of certification, with similar but distinct approaches for comprehensive centers and affiliates. Ohio recommended that the local certification team include someone from the local board, a partner, and a business representative. The state also provided web-based training on the new certification process, and the state technical assistance team and policy manager were available by phone and email if local areas have questions. California established a higher, voluntary certification tier to encourage continuous improvement in AJC services.

Massachusetts and Mississippi made more modest changes to their certification processes to comply with WIOA. In both states, local boards could tailor the criteria established by the state boards to meet the specific circumstances of their AJCs, such as their physical layouts and the extent of co-location. Local boards in these states tasked a standing committee, such as an AJC operations committee, with operationalizing certification standards and overseeing the process. Certification reviews in these states included working with the state's VR agency to ensure that AJCs comply with Americans with Disabilities Act accessibility criteria. Although these states did not institute major changes to AJC certification criteria, local board directors indicated that establishing certification policies and initiating the certification process helped them identify areas for improvement and focus on continuous improvement in AJC operations.

One-stop operator competitions

Local boards were required to competitively select one-stop operators by July 1, 2017, a few months prior to the study visits. All four states identified the requirement to competitively select one-stop operators as one of the most challenging and time-intensive aspects of implementation for the state and for local areas. Each of the four states provided guidance and technical assistance to local areas to support the one-stop operator procurement process, but the amount and form of assistance provided varied across states, based in part on the type of entities operating AJCs in the state.

Competitive procurement was a new process in Massachusetts, and the state workforce agency created a “Request for Proposals” template and provided support teams for each board’s competition.

- The requirement to competitively select one-stop operators represented a major change in operations for local boards in Massachusetts. Recognizing that the competitions would require significant planning, coordination, and time from local boards and local board staff, the state workforce agency provided extensive support and technical assistance for these competitions. This was due in part to the number of AJCs in Massachusetts operated by local boards’ administrative entities.
 - State staff developed a sample “Request for Proposals” (RFP) document for use by local boards and required that all operators also provide AJC services.
 - In addition to developing materials for use by local areas, the state established technical assistance teams that provided support to each local board in the state.
 - If the current operator planned to bid, then these teams helped to establish firewalls and participated in reviewing and scoring submitted proposals in each local area. Although this was time-intensive for both state and local board staff, the approach allowed all but two of the state’s 16 local boards to run successful competitions.
- Mississippi worked with a consultant to establish a standard RFP for use by its local areas.
- California and Ohio provided broad guidance to local areas but did not establish common RFPs or procedures for use by their local areas.
 - Ohio deliberately kept guidance broad and provided local areas with the latitude to develop their own processes.
 - California followed a similar approach given the diversity of local areas in the state.

In three states, respondents from state workforce agencies cited the late release of federal guidance on the competitive process coupled with confusion about establishing firewalls as major challenges related to the competitions.

Ultimately, one state experienced significant changes to the actual one-stop operators as a result of competitions. In California, the competitive selection process resulted in numerous changes to operators; the number of independent operators who were not administrators of an AJC program increased, including in the two local areas visited. These types of independent operators were uncommon prior to WIOA. In the other three states, operators largely remained unchanged. When changes to operators occurred in Massachusetts, the new operators typically hired the existing AJC staff in an effort to maintain continuity and to limit service delivery disruptions.

Local area respondents in several of the states expressed frustration over the time needed to run the competitions and the increased stress among staff regarding their job security, particularly where changes to operators were limited. Three states also reported that at least one local area in their state did not run a successful competition. Failed competitions typically occurred when appropriate firewalls were not established or a sufficient number of bidders did not respond to the solicitation. When competitions failed, local boards ran a second competition, and in some cases received state permission to operate for another

year. Although local board staff expressed frustrations over the process, they recognized that the process of establishing and issuing RFPs provided an opportunity to define operator performance standards and identify priorities for AJC operations. They also recognized that subsequent competitions will allow local boards to work from the policies and materials prepared for this initial competition and should reduce burden on local boards over time.

Infrastructure funding agreements and memoranda of understanding

In a major shift from WIA, WIOA explicitly mandates that local boards negotiate and enter into IFAs with all required partners, regardless of co-location in AJCs. Under WIA, local boards were expected to engage in resource sharing with partner programs; however, in practice, resource sharing varied widely and often did not result in cash contributions to support AJC operations (English and Osborn 2018). Under WIOA, these agreements needed to be in place by January 1, 2018—a few months after the site visits.

Each of the four states followed different approaches for working with local areas to establish IFAs that would provide financial support for AJCs. All states played some role in the process, but the scope of state agency involvement varied widely. Three states provided intensive guidance and support to local areas to facilitate the establishment of IFAs.

- In Massachusetts, the state workforce agency negotiated an umbrella MOU with their state-level partners and then used a formula to determine contributions from each of the required partners in each local area based on the number of customers they served. The MOU also identified which partners would have staff co-located in an AJC and how frequently. Massachusetts used this approach because, due to the administrative structure of many partners, local partner staff did not have the authority to negotiate an infrastructure funding level and needed to have approval from their state-level counterparts. Respondents at the state level also noted that this approach of directly negotiating at the state level helped them avoid triggering the application of the state funding mechanism in local areas. Local boards included in the visits approved of this approach because it allowed them to focus on other pressing issues—such as operator competitions, strengthening relationships with partners, and figuring out the logistics of co-location and co-enrollment across programs.
- In Mississippi, the state workforce agency remained the one-stop operator in three of the four local areas. As a result, they were able to negotiate the sharing of infrastructure costs and co-location agreements at the state level for at least three of the local areas. The state workforce agency provided a model IFA to use in the process, which the local areas applied in each AJC; most if not all costs were based on square footage. Local representatives still had to initiate negotiations with partners and develop agreements. The nonstate operator also had responsibility for negotiating IFAs in their local area. The state workforce agency helped facilitate discussions among partners and provided technical assistance as needed.
- California also remained heavily involved in the process but tasked local boards with negotiating with partners. In this state, local boards first established MOUs outlining the nature of their partnerships, such as co-location requirements and referral procedures. After completing this task, local boards then negotiated partner contributions to IFAs, based on state guidance. Again, because the state provided local boards with guidance, local boards had sufficient support to successfully negotiate at the local level, meaning the state did not have to trigger the state funding mechanism to ensure partner contributions. However, this approach still created tension among some partners at the local level regarding appropriate and equitable cost-sharing methodologies.
- Ohio was somewhat involved in the IFA and MOU process but provided less prescriptive support to local areas. Its local areas had not made much progress on IFAs at the time of the site visit but had made significant progress in developing MOUs with partners. Ohio established a state-level MOU among core programs to facilitate the process for establishing local-level MOUs and to ensure partner engagement. However, local areas and the state sought additional guidance from DOL to understand how to structure IFAs to advance the process.

Under WIOA, two states used MOUs to formalize existing co-location arrangements and worked to increase co-location among required partners such as the TANF program.

- Massachusetts established an umbrella MOU that included all required partners and identified the number of partner staff that would co-locate in the AJCs on a part-time basis following a set schedule. Local state agency partner staff, including TANF, are co-located within all of the state's comprehensive AJCs, which has reportedly led to increased co-enrollment across partner programs.
- Mississippi also strengthened its partnership with TANF by having the state Title I agency contractually provide TANF job-seeker services, and having a TANF case worker co-located in each comprehensive AJC. At the time of the visit, the state was also working on a similar partnership with the SNAP E&T program and was attempting to increase co-location with the VR agency.

Across the four states, respondents highlighted lack of financial resources, the cultures of the partner programs, and the need for dedicated spaces as barriers to formal co-location arrangements. For example, one major challenge cited by California was the length of time it takes the state to certify new locations where state staff members from VR or ES are to be housed as seismically safe. Some local area VR respondents also cited problems with physical accessibility in AJCs as a barrier to increased co-location.

3. Improved services for businesses and employers

To support a modernized and responsive public workforce system, WIOA emphasizes strengthening the services that are provided to businesses and employers through workforce programs. Therefore, WIOA encourages states and local areas to better identify and meet the workforce needs of employers by developing sector-focused strategies and by closely coordinating business services between partners.

California, Massachusetts, and Mississippi prioritized improving services to employers and businesses during the early stages of WIOA implementation. Both California and Massachusetts viewed WIOA as an opportunity to strengthen and codify preexisting efforts to integrate demand-driven and sector-focused services in their workforce systems. Mississippi initiated an increased focus on improving employer services in direct response to WIOA's mandate.

- Massachusetts implemented a state-level business services initiative administered by the state workforce agency. This initiative coordinates services to employers through a state-level team. The state team then works with local areas to identify and meet employer hiring needs. Under this approach, employers can work with a single point of contact who can help them access services across the state rather than in one local area.
- Changes to the composition of the state workforce board in Mississippi, coupled with the state planning process, reportedly allowed the state to identify needed changes in its approach to serving employers. Recognizing a need to systematically engage employers and coordinate outreach across programs, the state trained partner program staff on engaging with employers and was in the process of developing a data system for partners to track employer engagement efforts.

At the time of the site visit, Ohio had not focused on making changes to employer services in response to WIOA partly because of a need for further guidance from DOL regarding business services and sector strategies, as well as limited staff capacity at the state level to support these efforts. Local areas in Ohio recognized the need to increase business services to achieve WIOA's mandate but wanted the state to lead and support these efforts.

As with employer services, states varied in their efforts to promote sector strategies at the state and local levels. California, Massachusetts, and Mississippi used WIOA to start or strengthen sector-focused efforts.

As noted, Ohio was awaiting further federal guidance before initiating sector-focused efforts across partner programs.

- California and Massachusetts focused on increasing sector strategies prior to WIOA and continued to emphasize sector strategies under WIOA. In both states, grants at the local level helped to facilitate and fund sector-focused efforts; local boards included in the site visits highlighted that sector-focused work has always been a priority for their areas. Additionally, both states focused on sector strategies as part of the regional planning process.
- Mississippi initiated sector strategies under WIOA. The state board identified sector strategies as a priority for the state and to that end instituted a requirement for local areas to establish sector strategy plans. The state board saw these plans as a major step forward. Local staff varied in their perspectives on the plans; all found them to be a helpful tool for documenting their strategies but offered differing views on the extent to which the plans had led to a change in their service delivery focus.

4. Improved services and outcomes for youth and adult job seekers and workers

WIOA tasks states and local areas with improving services and outcomes for adult job seekers and youth through an increased focus on work-based learning and improved access to services for individuals with disabilities and other barriers to employment. At the time of the site visits, all four states were working to improve services and outcomes for adult job seekers and youth. However, they were all in the early stages of these efforts, and each state was focusing on different aspects of improving service delivery.

Efforts to increase work-based learning opportunities

Respondents from each state stressed a desire to increase work-based learning offerings. State and local respondents viewed on-the-job training as a successful strategy for meeting the needs of job seekers and employers, and they were therefore looking for more opportunities to provide it.

- In Massachusetts, local boards, in particular, focused on increasing their use of on-the-job training to align with the state's increased focus on providing demand-driven services across the workforce system.
- Mississippi established a paid internship program, akin to on-the-job training, that provides work-based learning to youth and adult job seekers. The internship program is offered at no cost to employers and does not require employers to hire participants following the internship period.

Respondents from each of the states and local areas visited also recognized WIOA's focus on Registered Apprenticeships. Expanding apprenticeship offerings remained a work in progress in Massachusetts, although the state workforce agency is reorganizing the state's apprenticeship system to make it easier to register apprenticeship programs. In California, Mississippi, and Ohio, state workforce agencies were also working on efforts to increase the use of Registered Apprenticeships.

- In Ohio, the state board actively pushed for expanding the use of Registered Apprenticeships; based on these efforts, local boards reported that local staff are now more aware of these offerings and better able to connect job seekers with these options. Additionally, local boards across the state were beginning to sponsor apprenticeship programs, signaling their commitment to increasing apprenticeship enrollment.
- California and Mississippi were both leveraging state funding to support additional Registered Apprenticeship programs, as well as the development of pre-apprenticeship programs. Members of Mississippi's state workforce board were actively engaged in Registered Apprenticeship programs, and the board had supported local areas in identifying potential apprenticeship sponsors and in learning from and highlighting established programs.

Youth services

Under WIOA, local areas must spend 75 percent of their youth funding allocations on services to out-of-school youth. Three of the four states reported that many of their local areas would need to shift their focus to meet this threshold. Local respondents from these states reported focusing more on serving out-of-school youth, but they were having difficulty meeting the target; one reason cited was the limited access to providers serving that population. Additionally, some local area respondents expressed concern about shifting resources away from in-school youth, as they still saw a need for providing services to this population.

In addition to the increased focus on out-of-school youth, all four states were working to implement WIOA's emphasis on increased integration of youth services in the AJC system and increased integration with core partner programs. Massachusetts and Ohio already had some level of integration in their AJCs and with partner programs prior to WIOA.

Ohio's integrated WIOA Youth and TANF program aims to better meet the needs of youth with significant barriers, as well as to serve out-of-school youth.

- As noted above, in an effort to better serve youth and further integrate TANF with the workforce system, Ohio took the unique step of combining its TANF program with the WIOA Youth program, now called the Comprehensive Case Management and Employment Program (CCMEP). Although staff members at all levels felt this was a beneficial step, in practice, integrating services in this way reportedly presented substantial challenges for braiding funding and coordinating across agencies, including juvenile justice, primary and secondary education, and social services. Despite these challenges, CCMEP has facilitated serving more out-of-school youth, making it easier for local boards to meet the threshold. In addition, this approach has reportedly allowed local boards to more effectively serve participants with significant barriers to employment due to the increased coordination across programs.
- Massachusetts established youth centers attached to local AJCs to better connect WIOA youth participants with broader AJC services.
- To increase integration within AJCs, local areas included in the Mississippi visit were bringing youth providers into the AJCs at least a few days each week.
- California and Mississippi were both actively increasing partnerships between WIOA youth programs and VR agencies in response to VR's increased focus on serving youth.

Improved access for individuals with disabilities and other barriers

All four states worked with their local areas to improve access to AJC services and facilities for customers with disabilities, partly codified through the AJC certification process. All four states increased their coordination with VR agencies to better understand the needs of customers with disabilities. In three states, VR staff provided training for AJC staff on best practices for serving customers with different types of disabilities. VR agencies also contributed to AJC certification guidance to increase the physical accessibility of AJCs. Other efforts to improve the physical accessibility of AJCs typically occurred at the local level through grants that funded the purchase of adaptive equipment technologies for use in AJCs.

States and local areas pursued a range of strategies to improve access for individuals with significant barriers to employment, such as recipients of public assistance, veterans, and justice-involved individuals. These efforts included adopting integrated service delivery approaches to improve coordination across partners, providing additional services aligned with the needs of customers with barriers, and increasing outreach to focus on serving individuals with multiple barriers.

- **Integrating customer-centered design.** Three states focused on better integrating customer-centered approaches to service delivery. Massachusetts developed an integrated service delivery model to ensure that customers receive appropriate services to meet their individual needs. All AJCs in the state triage customers based on an intensive skills assessment and then tailor services to meet their needs. Local areas in both Massachusetts and California also participated in DOL’s Customer-Centered Design³ initiative and focused on improving the physical layouts of their centers to promote integrated service delivery, to make the spaces more welcoming and easier to navigate. Mississippi’s new integrated intake system was developed with a similar goal in mind. Through the intake system, the state hoped to improve service delivery by better coordinating referrals across partner programs.
- **Adding services.** To improve services for customers with significant barriers to employment, three of the four states added services intended to help remediate barriers. For example, Mississippi began providing classes through the AJC system to prepare individuals for career pathways and middle-skill level employment through basic adult education, career awareness, and job readiness skills training. WIOA Adult and Dislocated Worker programs, the community college system, and VR partners collaborated in the development and implementation of these classes. Mississippi also developed an internship program, described earlier in the brief.
- **Increasing outreach and building capacity to serve individuals with significant barriers.** Massachusetts, Ohio, and California adopted state-level approaches for identifying and serving certain groups of individuals with significant barriers to employment. Through these efforts, these states sought to increase enrollment among various groups of individuals facing barriers, such as those receiving SNAP and/or TANF benefits; AEFLA students, including English-language learners; and formerly incarcerated individuals. To improve services to these groups, state workforce agencies worked to strengthen relationships with and referrals from partner agencies. California’s state workforce agency established state grants to local boards to help fund services specifically for formerly incarcerated individuals. In Ohio, integration of the Title I Youth program with TANF reportedly led to local areas co-enrolling more customers in TANF and WIOA Title I services. Similarly, Massachusetts facilitated increased co-location between TANF and WIOA Adult and Dislocated Worker programs, which was believed to have led to increased co-enrollment. TANF staff were present in all the state’s comprehensive AJCs.

5. Stronger performance accountability and reporting systems

WIOA created new performance indicators across the six core programs to improve and strengthen performance accountability in the public workforce system. To accomplish this vision for strengthened accountability, WIOA encourages states to develop integrated data systems that allow for data sharing across programs.

Performance indicators and reporting

The new primary indicators of performance served as a source of concern for some Adult and Dislocated Worker, AEFLA, and VR agencies in each of the four states. The changes to performance reporting were particularly time consuming for AEFLA and VR agencies, since they typically did not collect data aligned with the workforce system’s performance and reporting requirements under WIA. AEFLA and VR respondents in two states noted that they did not receive sufficient guidance regarding how to track and analyze the data needed for the indicators of performance, particularly the documentation of learning gains.

³ Beginning in 2015, DOL launched the Customer-Centered Design initiative, which provided training and support for “teams to design new ways to be customer focused, to design services with and for its customers, and to experience program design from a new perspective. Interested teams—comprised of workforce development organizations, community partner organizations, and others—register to be a part of the challenge.” For more information, see <https://ccd.workforcegps.org/about>.

State and local-level respondents in all four states expressed concern about how reporting changes could affect their service delivery models. For example, VR respondents, as well as local Adult and Dislocated Worker program staff, raised concerns that the measurable skill gains indicator could result in customers with greater barriers being excluded from services because they may be less likely to show skills gains.

The states reported different experiences with the new indicators of effectiveness in working with employers.⁴ Although Massachusetts did not report any issues adopting the federal indicators, respondents in the state did not believe that these indicators accurately capture effectiveness in serving employers; the state workforce agency and the state board were actively working to develop new state-specific indicators. California reported major challenges in tracking performance in working with businesses across partners, in part because many local workforce boards do not capture data on business services through the state's workforce management information system (MIS) but rather through their own customer relationship management systems. State respondents also believed that reporting on employer indicators would be an ongoing challenge due to differences in what the AEFLA program collects regarding business services.

Shared data systems

One of the challenges for states in coordinating services and sharing participant data across the core programs is the use of different data systems. Although not required by WIOA, an integrated data management system has the potential to improve data sharing across programs. At the time of the visits, the four states had not developed shared MISs for use across core programs and expressed serious concerns about doing so. Across the four states, respondents highlighted the privacy, cost, and logistical barriers to creating and implementing a shared MIS. AEFLA and VR respondents stressed that the strict privacy requirements associated with their programs would make it difficult to participate in a unified data system. States also noted that a large amount of funding would be required to acquire a new MIS that would allow for increased integration across programs, which is typically difficult to raise. Therefore, states relied on workarounds, such as interfaces and data-sharing agreements, to support integrated performance reporting for Titles I and III.

In the absence of a shared MIS, two states worked to develop online systems to improve partner coordination. At the time of the site visit, Mississippi had just introduced a manual process to collect a common set of background information on customers and share it across all partners. Mississippi was also in the process of creating an on-line "Hub" system that would collect these data to facilitate reporting and data sharing and to make it easier for partners to make referrals for services across agencies. Through the new system, partner staff will input answers to six questions into the same interface, and all partners will be able to view a version of the information through their own connection to the system.

One of Mississippi's biggest efforts post-WIOA was the creation of the "Hub," a common partner intake system that will collect the same six pieces of information on every individual served by any of the core WIOA partners.

The launch of the Hub was a significant planning and logistical undertaking for the state. In order to effectively develop and roll out the Hub, the state was in the process of conducting a series of

statewide and local area specific trainings in which attendance was required by both strategic and operational staff. Local staff reported they appreciated the opportunity to engage with their partners through Hub trainings and credited these meetings with making the changes in technology and processes easier, although they were still reported to be smoothing out the kinks in the system. Staff also felt that they were more aware of how other programs operate and what services they provide because of these cross-partner trainings, which helped them to be more proactive about referrals to other programs. One of the two local areas visited had hired a performance coordinator to track how referrals would be made

⁴ DOL is conducting a study to explore possible employer service measures. As part of the study, a pilot is being conducted that allows states to pick two of three available measures.

through the Hub system. Staff also noted that the trainings helped to affirm a greater commitment to a more holistic approach to services, one that emphasized focusing on connecting clients to meaningful work rather than satisfying a set of service delivery requirements for an individual program.

Massachusetts was following a similar approach and at the time of the site visit was developing an interface to support common registration across programs, as well as dashboards to provide program staff with basic information about service provision across programs. This interface would be used on top of program-specific MISs to support common intake and registration. Staff across programs would continue to rely on their own programs' MIS to update case notes and other customer-specific information.

California and Ohio continued to use their existing systems but established data-sharing agreements with the core programs to facilitate performance reporting. California established a pilot program to pull data from all core programs, community colleges, corrections, and TANF into a data warehouse to be used to conduct analyses of program effectiveness. Mississippi developed a similar data warehouse across several state agencies and made aggregate data available online.

Implications for future guidance and technical assistance

After an initial period of intense planning and coordination, the four states implemented a number of different approaches to delivering workforce services and refining the workforce system in response to WIOA. In some domains of WIOA, the states reported that the implications for their system as a whole have been minor, partly because they lacked sufficient time to plan for more large-scale changes. But in other areas the states reported making significant changes in hopes of creating a more strategic and streamlined system. The combined changes also suggest that a number of new partnerships were being cultivated that could have lasting influence on the experience for job seekers, workers, and employers.

Based on the experiences of the four states, there were several areas in which guidance and/or technical assistance might have been beneficial for further progress in implementation. These included guidance on designating regions that align with local labor markets and technical assistance on creating an infrastructure to develop regional plans. States also would likely have benefited from more guidance on how to set up IFAs, particularly with partners that may not be physically co-located in AJCs, and in generating more interest from potential bidders to operate AJCs in local areas. States expressed an interest in receiving more guidance on facilitating statewide employer engagement and sector-based strategies and in tracking data on serving employers in a more systematic way. Lastly, a number of states voiced a desire for more technical assistance on tracking performance measures across the WIOA core programs, particularly for the AEFLA and VR programs, and guidance to help ensure that changes to performance indicators do not lead to service reductions for customers with higher barriers to employment.

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Reports in this series

- Operationalizing Changes to the Title I Youth Program Under WIOA
- State and Local Efforts to Strengthen Workforce System Governance and Planning Under WIOA
- New Requirements for American Job Center Systems Regarding One-Stop Operators, Partnership Agreements, and Certification
- Change and Continuity in the Title I Adult and Dislocated Worker Programs Under WIOA
- Performance Accountability, Eligible Training Providers, Labor Market Information, and Evaluation Requirements
- Early Insights from State Implementation of WIOA in 2017
- WIOA Implementation Study: Technical Appendix

Appendix A

Exhibit A.1. Information on states and local areas visited for study





<p>California</p> 	<p><i>Visit information</i></p> <p>Visit dates: October 20, 30, November 2, 6, 2017 (state); November 1, 2017 (Contra Costa); November 13, 2017 (San Joaquin)</p> <p>Local areas visited: San Joaquin County, Contra Costa County</p> <p><i>State information</i></p> <p>State plan type: Unified</p> <p>Title I agency: Employment Development Department</p> <p>Title II agency: Department of Education</p> <p>Title III agency: Employment Development Department</p> <p>Title IV agency: Department of Rehabilitation</p> <p>Number of local areas: 45</p>
<p>Massachusetts</p> 	<p><i>Visit information</i></p> <p>Visit dates: October 16–19, 2017</p> <p>Local areas visited: North Shore and Greater Lowell</p> <p><i>State information</i></p> <p>State plan type: Combined</p> <p>Title I agency: Department of Career Services</p> <p>Title II agency: Department of Education</p> <p>Title III agency: Department of Career Services</p> <p>Title IV agency: Department of Vocational Rehabilitation and the Commission for the Blind</p> <p>Number of local areas: 16</p>
<p>Mississippi</p> 	<p><i>Visit information</i></p> <p>Visit dates: October 17–20, 2017</p> <p>Local areas visited: Twin Districts and Southcentral Mississippi Works</p> <p><i>State information</i></p> <p>State plan type: Combined</p> <p>Title I agency: Department of Employment Security</p> <p>Title II agency: Community College Board</p> <p>Title III agency: Department of Employment Security</p> <p>Title IV agency: Department of Rehabilitation Services</p> <p>Number of local areas: 4</p>
<p>Ohio</p> 	<p><i>Visit information</i></p> <p>Visit dates: October 24–27, 2017</p> <p>Local areas visited: Fairfield County and Franklin County</p> <p><i>State information</i></p> <p>State plan type: Combined</p> <p>Title I agency: Department of Jobs and Family Services</p> <p>Title II agency: Adult Basic and Literacy Education</p> <p>Title III agency: Department of Jobs and Family Services</p> <p>Title IV agency: Opportunities for Ohioans with Disabilities</p> <p>Number of local areas: 20</p>

Exhibit A.2. WIOA implementation timeline

Date	Milestones and deadlines for states
July 22, 2014	WIOA is signed into law, replacing WIA
April 16, 2015	Publication of WIOA notices of proposed rulemaking
July 1, 2015	Develop policies for designating local areas Bring state board membership into compliance Establish criteria for local boards Implement changes to the Adult, Dislocated Worker, and Youth programs
April 1, 2016	Submit unified or combined state plans
July 1, 2016	Implement changes to eligible training provider list, including eligibility State plans approved
August 15, 2016	Complete negotiations with DOL related to state performance standards
August 19, 2016	WIOA final rules issued
September 30, 2016	Complete negotiations with local areas related to performance standards
June 30, 2017	Complete AJC certification for all comprehensive AJCs
July 1, 2017	Complete competitive selection of AJC operators
October–November 2017	WIOA Implementation Study site visits conducted
January 1, 2018	Establish and execute infrastructure funding agreements State funding mechanism goes into effect if local areas cannot reach agreement
June 30, 2018	Performance standards for all indicators of performance in place State and local plans modified (as needed) and approved



Exhibit A.3. WIOA partner programs

Core Programs

- Title I: WIOA Adult, Dislocated Worker, and Youth (Department of Labor)
- Title II: Adult Education and Family Literacy Act (AEFLA) (Department of Education)
- Title III: Wagner-Peyser Employment Service (ES) (Department of Labor)
- Title IV: Vocational Rehabilitation (VR) (Department of Education)

Required Partners

- *Department of Labor*: Job Corps, YouthBuild, Indian and Native American programs*, National Farmworker Jobs Program, Senior Community Service Employment Program, Trade Adjustment Assistance, Unemployment Compensation, Jobs for Veterans State Grants, and Reentry Employment Opportunities
- *Department of Education*: Carl D. Perkins Career and Technical Education programs
- *Department of Housing and Urban Development*: Employment and training programs
- *Department of Health and Human Services*: Community Services Block Grant employment and training programs and Temporary Assistance for Needy Families (TANF; newly added required partner under WIOA)

* Native American programs are required partners but do not have to provide cash contributions.