



Highlights of [GAO-07-167](#), a report to congressional requesters

Why GAO Did This Study

The Workforce Investment Act of 1998 (WIA) required that many federal workforce employment and training programs for low-income individuals, the unemployed, and other job seekers provide their services through a streamlined delivery system. WIA also promoted greater employer engagement in this delivery system by, among other things, calling for it to help meet employers' workforce needs with services provided through one-stop centers. In 2005, we found that about half of employers were aware of their local one-stop centers. However, questions remained about how employers use them. In this report, GAO addressed (1) the extent to which employers, both large and small, hire their employees through one-stops; (2) the extent to which these employers view one-stop services as useful; and (3) factors that may affect one-stop service to employers. To answer these questions we surveyed employers who had used the one-stop system, visited eight one-stops, and talked to one-stop and Labor officials.

What GAO Recommends

GAO recommends that the Secretary of Labor follow through with plans to collect information on employers' use of one-stop services and develop a way to measure employer engagement in the workforce investment system as part of the department's performance reporting system. Labor noted its intent to collect such information.

www.gao.gov/cgi-bin/getrpt?GAO-07-167.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Sigurd Nilsen at (202) 512-7215 or nilsens@gao.gov.

WORKFORCE INVESTMENT ACT

Employers Found One-Stop Centers Useful in Hiring Low-Skilled Workers; Performance Information Could Help Gauge Employer Involvement

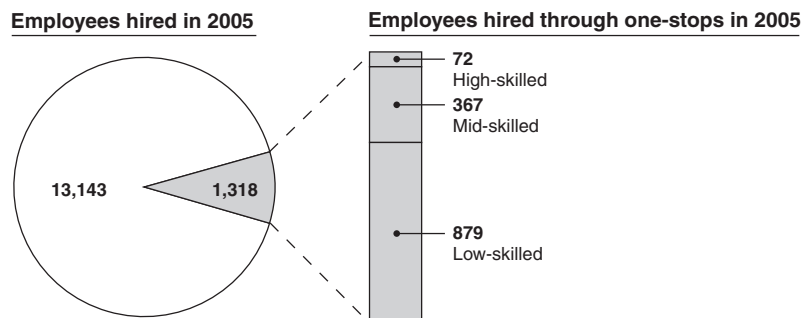
What GAO Found

Regardless of size, employers completing our survey hired a small percentage of their employees through one-stops, and two-thirds of those they hired were low-skilled. About 80 employers who could provide estimates reported hiring about 9 percent of their new employees through the one-stops, roughly 1,300 of their 14,500 hires in 2005. They also reported that about two-thirds of those hired were low-skilled workers, in part because they thought the labor available from the one-stop centers was mostly low-skilled. Employers told us they would hire more job seekers from the one-stop labor pools if they had the skills for which they were looking.

Employers primarily used only one of the seven services generally available through the one-stop, but they generally viewed whatever services they did use as helpful. Most employers used the centers' job-posting service. Fewer made use of the one-stops' physical space or job applicant screening services. Still, when employers did take advantage of a service, they generally reported that it was useful because it produced positive results, such as reaching more job applicants than would have applied otherwise. When employers reported that they did not use a particular one-stop service, in most cases they either were not aware that the one-stop provided the service, obtained it elsewhere, or carried through on their own.

At least three factors may affect one-stops' service to employers. The first of these is the skill set of the labor pool. One-stop officials said that their job candidates generally had either low skills or lacked the specialized skills needed by employers. The second factor cited by one-stop officials is the limited number of staff available to serve employers. Staff at one-stops must serve both employers and job seekers with the staff and funding available to them. The fact that the Department of Labor collects limited information on employer engagement in the one-stop system is a third factor that may affect the level of service to employers. While Labor collects information on employer satisfaction, this measure does not provide information on how employers use the system. Labor has said its new data collection system will include such information, but this remains to be seen.

Employees Hired through One-Stops



Source: GAO 2006 survey of business establishments.