


Highlights

Highlights of [GAO-03-353](#), a report to the Ranking Minority Member, Senate Committee on Health, Education, Labor and Pensions, and Chairman, Subcommittee on 21st Century Competitiveness, House Committee on Education and the Workforce

Why GAO Did This Study

Although training for employed workers is largely the responsibility of employers and individuals, the Workforce Investment Act (WIA) allowed state and local entities to use federal funds for training employed workers. Similarly, welfare reform legislation created Temporary Assistance for Needy Families (TANF) block grants and gave states greater flexibility to design training services for TANF clients to help them obtain and retain jobs.

To better understand how the training needs of employed workers, including low-wage workers, is publicly supported, GAO was asked to determine (1) the extent to which local areas and states provide assistance to train employed workers, including funding training; (2) the focus of such training efforts and the kind of training provided; and (3) when targeting training to low-wage workers, the approaches state and local officials identified to address challenges in training this population.

What GAO Recommends

To improve the use of WIA funds for employed worker training, GAO recommends that the Secretary of Labor review a current WIA performance measure for change in adult average earnings. Labor agreed with our recommendation and will evaluate performance measures to identify and address unintended disincentives for serving employed workers.

www.gao.gov/cgi-bin/GAO-03-353.

To view the full report, 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 TRAINING

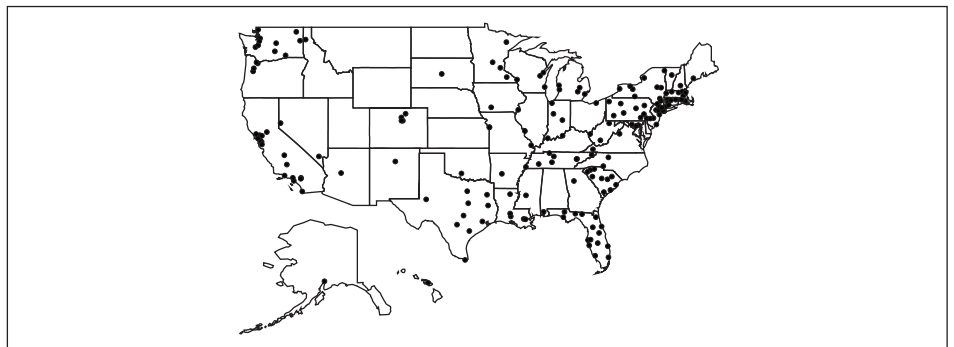
Employed Worker Programs Focus on Business Needs, but Revised Performance Measures Could Improve Access for Some Workers

What GAO Found

Nationwide, two-thirds of the 470 local workforce boards responding to our survey provided assistance to train employed workers, such as partnering with employers to develop training proposals or funding training. Nearly 40 percent specifically budgeted or spent funds on training these workers. The number of boards that reported funding training for employed workers varied by state, but most states had at least one workforce board that targeted funds on such training. At the state level, all 16 states that GAO contacted also funded training for employed workers. These states and local workforce boards reported funding training that addressed specific business and economic needs. Although many types of training for employed workers were funded, most often occupational training to upgrade skills, such as learning new computer applications, and basic skills training, such as in English and math, were emphasized and community or technical colleges were most frequently used to provide these services.

In targeting training specifically for low-wage workers, state and local officials identified approaches to challenges that hindered individuals' and employers' participation in training. Officials developed approaches to address some of the personal issues that low-wage workers face that made participating in training difficult. They also developed ways to gain support from employers who were reluctant to participate in low-wage worker training, such as by partnering with employers to develop career paths that help retain employees within companies. However, officials reported that challenges to implementing successful training still exist. For example, they explained that the WIA performance measure that tracks the change in adult earnings after 6 months could limit training opportunities for employed workers, including low-wage workers. The wage gain for employed workers would not likely be as great as that for unemployed job seekers, and this might provide a disincentive to enrolling employed workers into training because their wage gain may negatively affect program performance.

Most states had at least one workforce board that reported funding training specifically for employed workers in either program year 2000 or 2001.



Source: Analysis of GAO survey of local workforce boards.