



House Subcommittee on Higher Education,
Lifelong Learning, and Competitiveness

*New Innovations and Practices
Under the Workforce Investment Act*

Testimony Provided by:
Gail B. Breen, Executive Director
Fulton, Montgomery, and Schoharie Counties
Workforce Development Board, Inc.
Amsterdam, New York

**“New Innovations and Best Practices under the Workforce Investment Act”
Before the
HOUSE COMMITTEE ON EDUCATION AND LABOR
SUBCOMMITTEE ON HIGHER EDUCATION, LIFELONG LEARNING
AND COMPETITIVENESS**

**By
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Fulton, Montgomery and Schoharie Counties
Workforce Development Board, Inc.
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OPENING REMARKS

Good Morning Congressman Hinojosa and Congressman Tonko. My name is Gail Breen, and I am Executive Director of the Fulton, Montgomery, and Schoharie Counties Workforce Development Board, Inc. in upstate New York. I also currently serve as President of the Board of the New York Association of Training and Employment Professionals (NYATEP), New York State’s workforce association, and am the grant recipient for a four-Workforce Investment Board regional coalition initiative addressing sector strategies. I am delighted to be here with you today to share information on best practices and innovations, as well as ideas on how we might continue to build on our successes while identifying and acting on opportunities for further growth and success. Although I am here representing the FMS Workforce Investment Area, I will also be speaking to regional activities and issues and the thoughts of other local WIB directors as they relate to my positions in our Greater Capital Region Workforce Coalition and NYATEP.

I appreciate very much the invitation to testify at this field hearing today, and I would like to particularly acknowledge Congressman Paul Tonko, in whose district I both reside and work. I’ve known Paul for many years, and I believe he will be a great asset to the Committee.

THE WORKFORCE INVESTMENT ACT OF 1998

When Congress established the Workforce Investment Act of 1998 (WIA), it envisioned a locally driven, private sector led program that would bring together the resources of up to 19 mandatory partners to provide quality workforce services to jobseekers and businesses. This sounds very straightforward, but the “workforce services” is defined very differently by different people. Some interpret WIA as a straight forward jobs training for the unemployed who are primarily disadvantaged. Others see it as a system of One-Stop Career Centers with services for a universal population of jobseekers, while still others see it as a set of workforce programs that would meet the needs of unemployed adults, dislocated workers, and disadvantaged youth with

few if any connections to school or work. Finally, still others see WIA as a way to provide business with a quality workforce so that businesses and the local economy can flourish.

Although different WIBs concentrate their efforts based on their own local needs, the fact remains that locally and nationally this is a very successful program. According to PY 07 WIA annual reporting data, nearly 3.5 million people received assistance from WIA funding. And 75% of WIA program participants and over 70% of employers indicated they were satisfied with the assistance they received. Seven out of ten WIA Adult and Dislocated Worker program participants gained employment by utilizing WIA programs, with these numbers exceeding 80% when participants received training. These workers also have a retention rate of 85%, and DOL's own data indicates that dislocated workers who are enrolled in WIA programming have an earnings gain over their previous employment. I believe that these successes can be attributed to a locally-driven system where local WIBs use their expertise to develop policies and implement programs targeted to their areas and those adjacent to them. One size simply does not fit all.

FULTON, MONTGOMERY, AND SCHOHARIE COUNTIES LWIA – The Demographics

The Fulton, Montgomery, and Schoharie Counties Workforce Investment Area lies 30 miles to the west of Albany, NY and is bisected by the Mohawk River and the NYS Thruway, creating a major east/west transportation system through the region. Fulton and Montgomery Counties have a long tradition of manufacturing particularly in textiles and leather. Over the last 50 years, however, manufacturing has declined dramatically as leather mills have closed their doors and textile mills have moved first to the southern states and then off shore. Schoharie County, which is primary agricultural, lost its only textile manufacturer in 2001, dislocating over 500 workers.

As traditional manufacturing companies have closed or moved abroad they have left behind an older population that still wants and needs to work but is lacking in education and skills to find jobs in other industries that have moved into our area or the adjacent capital region. In addition, fewer young people are staying in the area, which adds to a skewing of population percentage to the older end. Most of the young people who go away to college do not return. The young people who stay are predominantly those with a high school education or less. The 2000 census shows that 21% of the workforce in FMS does not even have a high school diploma, let alone post-secondary training.

Currently our area is experiencing some of the highest unemployment rates in the state. Schoharie County was at the top of list in January with an unemployment rate of 11.3%. Fulton and Montgomery followed closely with 10.5% and 10.7% respectively. Traffic in our Amsterdam One Stop Career Center is up by 45% in the first six months of this year as compared

with the same time period of the previous year. Center traffic is also up significantly in our One Stop Career Centers in Cobleskill and Gloversville, as are repeat visits by jobseekers.

In spite of the current economic climate, we still have our successes. We offer youth GED programs in all three counties. Our GED students have a passing rate of well over 80%. Our youth programs also have a soft skills/work readiness component that has our local Board certification. We are using Adult and Dislocated Worker WIA dollars to assess current skills and abilities and then train people in emerging and expanding fields such as health and medical, advanced manufacturing, the trades, and now green jobs. Our private sector Board membership reflects these industries and lends their expertise to our workforce initiatives. We also work hard to help businesses keep a trained workforce by providing employed worker and customized training. This training, similar to Ireland's One-Step Up Program, provides additional training to incumbent workers to enable them to stay competitive in their current jobs. In FMS, and in the majority of the local workforce areas across the state, we consistently meet and exceed state and federal expectations and measures. As I stated earlier, I believe that these successes can be attributed to a locally-driven system where each local workforce investment area has the flexibility to focus on different activities, at different times, depending on the current economic climate as well as to develop policies to meet the attendant needs.

BEST PRACTICES

In 2006, One-Stop Centers across New York State moved to an integrated service delivery approach called Functional Alignment. Center staff work in teams based on job function rather than funding organization. We also utilize functional supervision for these teams. In other words, the day-to-day supervisor of a team may or may not be employed by the same organization. In the FMS Workforce Solutions Centers we have functional teams for our front desks, resource rooms, workforce advisors, business services representatives and youth. Teams are made up of staff funded through WIA, DOL Employment Services, Experience Works, local TANF and other programs. Functional Alignment is not as easy and straightforward as it sounds, however. Functional Alignment brings together staff with different job cultures, different organization and agencies, with vastly uneven pay scales, and expects them to learn and take on additional duties, while sharing skills and duties and identities with others that they may have invested years in attaining.

FMS is very fortunate, because we have been practicing the concept without knowing the name, since WIA was enacted in New York State in 2000. We developed this concept early on because our local workforce investment board took the WIA partner collaboration seriously – as did our local partners. In many local workforce investment areas, WIA and ES carry most, if not all, of the load for infrastructure costs for the One-Stop Centers. In FMS, all partners in our three Centers contribute to the infrastructure costs. Although WIA is still the primary funder, our

Center partners include the Employment Service, VESID (Vocational Rehabilitation), local TANF programs, Experience Works, Literacy Volunteers, a community action program, and a local educational institution providing secondary and post second education. Even before 2000, the JTPA program (the predecessor of WIA) and ES were co-located.

In just a few steps, we moved from co-location to sharing costs, to sharing duties. And with reduced funding – we have lost nearly 50% of our WIA funding over the last 8 years – functional alignment of staff has become critical. We simply do not have enough staff from any one agency to provide workforce services through program silos. Staff all wear nametags with the FMS Workforce Solutions System logo – there is no reference to partner organization identities. This is an evolutionary process however, and each local workforce area moves forward at a different rate. At FMS, we still have improvements that we can make. As I talk with other WIB Directors across the state, I hear many different stories about why functional alignment is struggling; sometimes because some staff are reluctant to assume duties that are not in their job description, sometimes because other staff don't want to share control of duties, and other times because long time supervisors and managers of different programs just can't seem to change. By focusing on what we have in common, and by supervisors and managers of all organizations embracing and not just tolerating functional alignment, I believe we will be hearing more and more stories about differences being put aside and staff working together to provide quality services.

The customers don't need to know – and don't care – where the individual staff's paycheck comes from, customers only care that they are receiving quality services.

INNOVATIONS

Although I believe that the best systems are those that are locally driven, we all need opportunities to identify and work with regional partners on projects of mutual interest and benefit. Industries and commutation patterns cannot be defined – or confined - by political boundaries. Industries and jobseekers do not stop at the county line.

In 2007, NYS Department of Labor provided funding for local workforce areas to develop projects along regional lines. Fulton, Montgomery, and Schoharie had been working with Saratoga-Warren-Washington, Columbia-Greene, and the Capital Region WIBs on joint workforce summits and state of the workforce reports since 2002 but without the support and encouragement of significant additional funding. We are a “natural” region based on common industries, emerging industries, commutation patterns, common workforce needs, and collaborations of local colleges. We are not a region defined by political boundaries.

With FMS as the grant recipient, the four LWIBs, identifying ourselves as the *Greater Capital Region Workforce Coalition*, submitted a proposal to develop a sector strategy that is regional, skill focused, systemic, and collaborative, the goal of which is to play a significant role in

helping the region develop a highly skilled, technology-capable workforce. The Coalition encompasses 4 LWIBs, 11 counties, and includes partners from K-12 education, community colleges, 4-year colleges, training providers, economic development organizations, organized labor, industry, chambers of commerce, and local government.

Working closely with partners, in Year 1 the Coalition is:

- Completing a talent pipeline to be used in addressing current and emerging needs of regional industries, particularly those in green and high technology areas;
- Promoting Advanced Manufacturing careers including energy, nanotech, biotech, green, and construction to all segments of the worker pipeline; including dislocated workers, youth, career changers, mature workers, individuals with disabilities, and formerly incarcerated individuals;
- Providing training opportunities in STEM skills (science, technology, engineering and math) dependent jobs;
- Adopting a regional consensus on the definition and measurement of work readiness skills;
- Developing a Technical Career Awareness Program directed to parents, youth, guidance counselors, teachers, and school administrators.

Year 2 proposed activities include:

- Working with local community colleges and organized labor to develop training programs around clean room technology and green technology;
- Supporting apprenticeship programs in emerging regional technologies;
- Developing innovative training methodologies including virtual training;
- Providing training opportunities to address gaps identified through the talent pipeline activity of Year 1; and
- Rolling out the marketing products of the Technical Career Awareness Program developed in year 1.

The Greater Capital Region Coalition Regional Sector Strategies Grant is just one of a number of regional workforce efforts currently funded by NYS Department of Labor. Although all are in various stages of implementation, all are reporting successes.

OPPORTUNITIES AND CHALLENGES TO THE SUCCESS OF OUR WORK

There are both opportunities and challenges to the success of our work. The American Recovery and Reinvestment Act of 2009 brings tremendous opportunities on many levels. In terms of workforce programs, this stimulus is critical in providing the funding levels of WIA programs to meet the challenge. In New York State, WIA was funded at \$304,953,605 in 2000. By 2008, New York State's allocation was \$159,224,210. This is a decrease of \$145,729,395 or -47.79%. In FMS, our 2000 allocation was \$2,072,033. In 2008 our allocation was \$1,092,730. Again, there has been a decrease of almost 50%, and it has weakened us as the country entered this deep recession.

Local workforce areas have struggled to reduce costs while maintaining quality services. This is especially difficult in rural multi-county areas that are lacking in public transportation. We have been forced to feel that we must choose between closing workforce centers (depriving many of those most in need to ready access of our services such as skills assessment and career counseling) or reducing the amount of funds we spend on training (which also deprives people of financial support in attaining new and necessary skills).

There has been no good choice. Many of us have chosen to reduce staff and to maintain funds available for participation in training by reducing the amount of training funds available for each individual going. Reducing the amount of training funds per participant has allowed us to maintain participant training numbers, but more people are now being trained for lower level jobs on the career ladder. We have found ourselves in the position of training people for lower level, career ladder jobs, but not always jobs that help people immediately become self-sufficient. These jobs do, however, start at a higher wage than our area's entry level wage for a total of all occupations. Thanks to our stimulus package allocation, FMS will once again be able to train people for the jobs of the future, including health care and green initiatives, without reducing the number of people we serve in training.

Additionally, with significant increases in youth funds, we will be able to provide stronger year-round youth services and work experience. Looking towards a summer where we will find many dislocated workers competing with young people for traditionally summer youth jobs, a WIA summer youth program may be the only opportunity for a young person to have a summer job.

Other opportunities include a renewed interest in partnership between organizations providing workforce and related services. We are all in real need of designing new training programs for the jobs of the future. The stimulus funding will provide us with the opportunity to buy an entire classroom customized to meet the needs of our participants in their preparation for the jobs of the future. This will allow us to spend stimulus funds quickly and wisely and will encourage community colleges and WIBs to re-new and strengthen our relationships. I also believe we will

be building on and creating new relationships with organized labor. Together, we will focus on skills necessary for a technologically competent workforce that will attract emerging industries to our region.

We will continue to have challenges. Our potential workforce is shrinking – and growing older. There are fewer workers in the pipeline and many have out-dated skills. If we are to be successful in our region in attracting emerging industries, and retaining those we currently have, we need to have a globally competitive workforce. For that we must be ready to look beyond the traditional pool of emerging workers – young people with high school and post secondary school educations. We have untapped and underutilized segments in the greater workforce pool; older workers, individuals with disabilities, dislocated workers, the disadvantaged, disengaged youth, and the formerly incarcerated.

While I know you are the Authorizing Committee, not the Appropriations Committee, our final challenge is on-going financial support of these critical workforce programs – or the lack of it. We have all done more with less for many years now. But there comes a time when no one can do more with less, and worse – no one can continue to provide the quality services that our dislocated workers and other jobseekers so desperately need and deserve. Between 1990 and 2007, New York State lost 44% of its traditional manufacturing jobs. In 2008 and into 2009, the continued downward spiral of lost jobs – and companies – in New York State, and the nation, has been dizzying. Many of us firmly believe that we can turn this around. The economy will improve. Jobs will return. But they will not necessarily be the jobs that we have lost. And without continued and consistent funding of workforce programs, we cannot train the workforce of the future.

WIA REAUTHORIZATION – WHERE DO WE GO FROM HERE?

I cannot recommend too strongly that we continue to build upon locally driven, private sector-led local workforce boards. Local Workforce Investment Areas will only be able to provide quality services to jobseekers and businesses alike if we have the local control and the flexibility to customize our services to meet local needs, while utilizing the knowledge and expertise of our private sector members.

We need to further strengthen our youth programs. In FMS, as in many workforce areas across the state, we believe in spending more than the required 30% of our youth funds on out-of-school youth. These are young people, many times young single parents, who have been given up on by their schools and their families. We are their last best hope. We need to continue to provide GED services and soft skills training, while increasing career pathway opportunities and opportunities for work experience.

We also need increased and consistent funding at a level that will allow us to invest in our future workforce by providing quality training opportunities, while continuing to fund the One-Stop Career Centers that provide the skills assessment and career counseling critical for jobseekers to make informed decisions for future careers.

Finally, I would like to again highlight the importance of opportunities for regional partnerships – partnerships that are skill-focused, systemic, collaborative, and reflect the workforce needs of a region. These also require funding – funding specifically targeted to regional efforts where local workforce areas come together to address common workforce and economic needs.

CONCLUSION

Thank you again for the opportunity to provide testimony today. I would be pleased and honored to continue to be a resource to this committee, as an executive director of a local workforce board, a partner in a regional sector strategy initiative, and as president of a statewide workforce membership organization. Please do not hesitate to call on me again as you move forward with WIA Reauthorization.