

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Job-Driven Workforce System
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 3-14

TO: STATE GOVERNORS
STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE UNEMPLOYMENT INSURANCE DIRECTORS
STATE LABOR COMMISSIONERS
STATE LABOR MARKET INFORMATION DIRECTORS
STATE RAPID RESPONSE COORDINATORS
STATE APPRENTICESHIP AGENCY DIRECTORS
OFFICE OF APPRENTICESHIP STATE AND REGIONAL DIRECTORS
TRADE ADJUSTMENT ASSISTANCE LEADS
AMERICAN JOB CENTER DIRECTORS
ALL EMPLOYMENT AND TRAINING ADMINISTRATION GRANTEEES

FROM: PORTIA WU /s/
Assistant Secretary

SUBJECT: Implementing a Job-Driven Workforce System

1. **Purpose.** This Training and Employment Guidance Letter (TEGL) communicates the vision for an integrated, effective, job-driven workforce system. Further, it: shares the Vice President Joe Biden’s job-driven training report, the results of the Vice President’s review of Federal job training and education programs; describes the seven key elements of job-driven employment and training programs; provides informational resources; and encourages states and local workforce investment areas, DOL grantees, and strategic partners to integrate these elements in their strategic planning and program operations.

2. **References.**

- Presidential Memo – Job-Driven Training for Workers, January 30, 2014 (<http://www.whitehouse.gov/the-press-office/2014/01/30/presidential-memorandum-job-driven-training-workers>).
- Vice President’s Job-Driven Training Report http://www.whitehouse.gov/sites/default/files/docs/skills_report.pdf
- Workforce Investment Act of 1998
- Workforce Innovation and Opportunity Act (WIOA)

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- 3. Background.** In January 2014, in his State of the Union speech, President Barack Obama called upon Vice President Joe Biden to, “lead an across- the-board reform of America’s training programs.” President Barack Obama prioritized the need to ensure that job seekers and workers are equipped with the skills needed by employers and are matched to employers with good jobs. The President cited American Job Centers (AJC) as a proven resource for job seekers to obtain services and training to prepare for a new or better job. On January 30, 2014, the President issued a memorandum commencing job-driven reform of Federal employment and training programs.

The AJC system and key employment and training programs formerly authorized under the Workforce Investment Act of 1998 (WIA), comprise a significant component of the review and plan of action in the report.

On July 22, 2014 President Barack Obama signed into law WIOA. WIOA was passed in Congress with significant bi-partisan support. It reauthorized the public workforce system and certain employment and training programs previously authorized under WIA. It also made statutory changes that support and advance job-driven training. The Departments of Labor (DOL), Education, and Health and Human Services (HHS), as well as other Federal departments will issue specific implementation guidance for WIOA separate from this guidance.

Coinciding with the enactment of WIOA, the Vice President issued his job-driven training report on July 22, 2014. This plan of action and summary of steps already taken establishes a platform to create a more integrated, effective, job-driven workforce investment system. It looks across programs administered by the Departments of Labor, Commerce, Education, Agriculture, Defense, Energy, Health and Human Services, Housing and Urban Development, Interior, Justice, Transportation, and Veterans Affairs. Further, it leverages expertise from the Department of Treasury, National Science Foundation and Office of Personnel Management. The report identified several key components of an integrated, effective, job-driven workforce system.

The Vice President’s job-driven training report recommendations and job-driven vision are intended to encompass the full array of federally-funded employment and training programs (including but not limited to those authorized under WIOA).

- 4. Vision for a Job-Driven Workforce System.** A job-driven public workforce system contributes to a strong, growing economy by responding to the workforce needs of regional and local businesses and other employers to ensure positive employment outcomes for job seekers. The backbone of this system is the national network of more than 2,500 AJCs, and their governing bodies, the state and local workforce investment boards (WIBs), authorized by WIOA. Through this system, states and local workforce areas have the flexibility to integrate a variety of Federal, state, local, and private workforce development and job training funding streams to provide seamless, coordinated services to job seekers and employers. Strategic partners, such as community-based organizations, workforce intermediaries, and educational institutions, provide complementary employment and training

services and/or supportive services to vulnerable populations such as older workers, disadvantaged youth, the long-term unemployed, ex-offenders, individuals with disabilities, individuals who have limited English proficiency, migrant and seasonal farmworkers, and Indian and Native Americans. Employers, industry associations, labor unions and economic development organizations are critical partners that provide insight regarding workforce and labor market needs of the local and regional economy.

State workforce agencies and state and local WIBs are well-positioned to lead and contribute to a job-driven public workforce system by facilitating the alignment of workforce development, education, and economic development systems and services at the state, regional, and local levels. Community-based organizations, workforce intermediaries, training providers, employers and industry associations, economic development organizations, and other entities are important members and partners of a job-driven public workforce system. They contribute their subject matter expertise, partnerships, and resources to ensure that job seekers, including vulnerable populations, have the skills, credentials, and supportive services required to gain and retain employment in good jobs that are in-demand in the local and regional economy. The Employment and Training Administration (ETA) recognizes the leadership and innovation taking place across the country to align the workforce, education, and economic development systems, and to form public-private partnerships to ensure that job seekers are acquiring skills needed to enter career pathways that ensures employers' workforce needs are being met. By continuing and expanding this work, we support an integrated and effective public workforce system at the Federal, state, regional, and local levels that achieves the following goals:

- ✓ The public workforce system convenes and leads industry-driven partnerships tailored to meet the needs of local and regional economies.
- ✓ Employers and economic development partners guide and participate in the development of workforce strategies to meet the needs of supply chains, including small and medium enterprises.
- ✓ Job seekers and workers have the skills and industry-recognized credentials needed to obtain jobs with family-sustaining wages and benefits in in-demand industries.
- ✓ Workforce system investments are strategically and operationally aligned to maximize the impact of workforce system and program investments.

Therefore, to realize fully the potential of the workforce system to meet the needs of job seekers and employers, we strongly encourage you, as workforce system leaders and partners to continue making progress to utilize the job-driven resources provided in this TEG, and to incorporate the job-driven elements into your leadership discussions and strategic planning, partnership engagements, and program operations; and collaborate with partners to help all federally-funded employment and training programs and the public workforce system across the country, adopt and implement the elements.

5. **Job-Driven Elements.** As part of the review, the Vice President; the Departments of Labor, Commerce, and Education; and other Federal Departments and Agencies identified seven elements that characterize job-driven workforce programs. These elements are best and promising practices that have been identified through research and evaluations or affirmed through peer reviews. The President directed all Federal Departments and Agencies to integrate the job-driven elements into the program administration and service delivery strategies of their employment and training programs to the extent practicable and feasible within the law and the program’s mission. Federal agencies across government are communicating a consistent and aligned message about the critical characteristics of effective job-driven workforce programs.

Below is a brief description of each job-driven training element. Attachment A “Checklist for Job-Driven Training” includes detailed descriptions and operational examples of each element.

- ✓ *Element 1 – Work up-front with employers to determine local or regional hiring needs and design training programs that are responsive to those needs.*
- ✓ *Element 2 – Offer work-based learning opportunities with employers—including on-the-job training, internships, and pre-apprenticeships and Registered Apprenticeship as training paths to employment.*
- ✓ *Element 3 – Make better use of data to drive accountability, inform what programs are offered and what is taught, and offer user-friendly information for job seekers to choose what programs and pathways work for them and are likely to result in jobs.*
- ✓ *Element 4 – Measure and evaluate employment and earnings outcomes.*
- ✓ *Element 5 – Promote a seamless progression from one educational stepping stone to another, and across work-based training and education, so individuals’ efforts result in progress.*
- ✓ *Element 6 – Break down barriers to accessing job-driven training and hiring for any American who is willing to work, including access to supportive services and relevant guidance.*
- ✓ *Element 7 – Create regional collaborations among American Job Centers, education institutions, labor, and non-profits.*

At the Federal level, DOL has assessed its formula and competitive employment and training programs against these elements and acknowledges that the public workforce system is designed to promote and implement the job-driven workforce elements. For example, the public workforce system has extensive experience engaging employers in the development of data-driven training programs, partnering with other Federal and community-based programs to leverage resources and offer supportive services, implementing career pathways and work-

based learning and training programs, and making scorecards on training providers available to the public.

Additionally, WIOA enacted several statutory changes that align with the job-driven vision. For example, it:

- improves program coordination by requiring unified strategic planning across some programs;
- increases accountability and transparency, such as by aligning outcome measures across programs;
- promotes linkages to Registered Apprenticeship and other work-based learning strategies including on-the-job training;
- underscores the importance of sector strategies and career pathways;
- strengthens services to employers, for example by requiring an outcome measure on services to employers; and
- requires third party evaluations of authorized programs.

The job-driven elements will help guide the Department's implementation of WIOA, consistent with the legislation.

6. Call to Action. State workforce agencies, state and local WIBs, locally elected officials, AJC directors, state agency apprenticeship directors, community-based organizations, educational institutions, and other DOL grantees have pivotal roles in supporting local and regional economic growth. As workforce leaders, you convene and lead partnerships with employers, the education and economic development systems, labor and labor management organizations, and other community partners such as philanthropy and community- and faith-based organizations. Through AJCs, you provide a common access point to a wide range of Federal, state, local, and privately funded workforce and training services to job seekers, including disadvantaged and vulnerable populations, and employers. ETA is committed to supporting your new and ongoing efforts at the state, regional and local levels to incorporate and strengthen the objectives of the job driven elements in the partnerships and strategies you develop, and in the services you provide, and calls upon workforce system leaders to continue to advance the workforce system.

7. Resources.

- a. **Vice President's Job-Driven Training Report.** The Vice President, in coordination with the Departments of Labor, Commerce, and Education, and other Federal agencies completed a review of Federal employment and training programs. This review was informed by consultation with key stakeholders including industry representatives, employers and industry associations, State and local leaders, economic development organizations, worker representatives, education and training providers, workforce leaders, philanthropic organizations, and relevant nonprofit organizations. The results of the Vice President's review can be accessed at http://www.whitehouse.gov/sites/default/files/docs/skills_report.pdf.

- b. **Job-Driven Checklist.** The Checklist for Job-Driven Training (Attachment A) was developed to assist Federal Departments and Agencies in assessing their employment and training programs and identifying steps to better integrate the job-driven elements into those programs. The Checklist includes a full description of and operational examples for each job-driven element. The Checklist is a tool to aid in a deeper understanding of the job-driven elements.
- c. **Job-Driven Elements in Action.** The Job-Driven Elements in Action (Attachment B) provides five examples of the job-driven elements in the workforce system at the state and local levels.
- d. **Job-Driven Training Letter to Governors and Mayors.** The joint Federal interagency letter to governors and to mayors (Attachment C), requests continued leadership in supporting a job-driven approach to training.
- e. **Technical Assistance.** Within the next several months, DOL will provide technical assistance and disseminate additional tools and resources to assist state and local workforce leaders with incorporating the job-driven elements into your strategic planning activities and program operations.

8. **Inquiries.** Please direct all inquiries to the appropriate ETA Regional Office.

9. **Attachments.** Attachment A – Checklist for Job-Driven Training
Attachment B – Job Driven Elements in Action
Attachment C – Letter to Governors and Letter to Mayors