

Analysis of the White House National Job-Driven Action Plan

August 2014

On July 22, the White House released its job-driven training action plan following Vice President Biden's review of federal job-training programs. The release of [*Ready to Work: Job-Driven Training and American Opportunity*](#) coincided with the [President's signing of the Workforce Innovation and Opportunity Act \(WIOA\)](#), legislation reauthorizing the Workforce Investment Act (WIA). The action plan is a result of a [Presidential Memorandum](#) instructing the Vice President to lead an across-the-board review of federal job training programs in order to identify and implement steps the Administration can take to make these programs more "job-driven" — that is, employer-led, connected to real jobs in local or regional labor markets, and resulting in skills and credentials that help individuals succeed in the labor market.

The plan—developed by the National Economic Council and the Vice President's office in partnership with the Departments of Labor, Education, and Commerce and with input from several other agencies—includes concrete steps to implement these strategies across agencies, states, localities, and programs. Working together, the White House and the agencies developed a new "Job-Driven Checklist" that will guide administrative action on workforce development, including federal grant making. Checklist elements include:

- *Engaging employers.* Work with employers to better understand their skill needs for current and future job openings, and design programs that lead to credentials valued by local employers.
- *Promoting "earn and learn" strategies.* Allow workers to combine work and training through on-the-job training (OJT), paid internships, pre-apprenticeships and Registered Apprenticeships as training paths to employment.
- *Using data to strengthen training programs.* Use data to help job seekers better understand pathways into local labor markets and what skills or credentials they will need to succeed, and to help training programs continuously improve.
- *Measuring what matters.* Measure and evaluate employment and earnings outcomes.
- *Developing career pathways.* Promote seamless transitions across programs and institutions to help individuals increase both their skills and earnings.
- *Building regional partnerships.* Maximize the use of limited resources by creating new or expanding existing partnerships between key workforce stakeholders, including the



workforce development system, local employers (especially at the industry level), education and training providers, community-based organizations, and economic development agencies, among others.

- *Ensuring all individuals can succeed in the labor market.* Increase access to job-driven training for all workers and job seekers, and provide critical supportive services, counseling, and career navigation to promote program completion and success in the labor market.

The Administration has already begun implementing the job-driven action plan, including nearly [\\$1 billion in grants](#) that have already been announced or awarded. As of October 1, 2014, competitive grants for workforce development programs across all federal agencies will require or preference elements of the job-driven training checklist, touching 25 grants totaling \$1.4 billion. The action plan outlines more than 50 additional activities agencies across the federal government—including the Departments of Commerce, Labor, Education, Veterans Affairs, Homeland Security, Agriculture, Health and Human Services, Transportation, energy, and Housing and Urban Development—have already implemented or will implement in the near future.

The action plan focuses on bringing proven practices to scale and seeding experimental workforce interventions to make federal job training programs more responsive to the needs of employers and workers. As part of the release of the action plan, the Administration [highlighted successful job-driven training programs](#)—including a number of organizations that partner with National Skills Coalition—that can serve as models to scale up and support at the federal level.

Importantly, the action plan emphasizes strategies National Skills Coalition has long advocated for, including industry engagement through sector partnerships, development of career pathways, using data to align training with labor market demands, and providing funding to seed and scale proven or promising strategies.

Industry engagement through sector partnerships

The over-arching goal of the Administration’s action plan is to make training programs more job-driven. One strategy the Administration turns to throughout the report to meet that goal is engaging employers through sector partnerships. The new job-driven checklist includes elements on employer engagement and establishment or coordination with regional partnerships, among other elements, which means that each time the checklist is used by an agency, state, or program, they will have to consider how partnerships with employers and other stakeholders factor into their work. The Administration has already embedded the checklist into new discretionary grants, including the Ready-to-Work Partnership grants, and the final round of the Trade Adjustment Assistance for Community College and Career Training (TAACCCT) grants. The checklist will also be incorporated into existing federal job-



training programs – for instance, the Department of Labor (DOL) will require states to include elements from the checklist in the new state plans they will develop under the Workforce Innovation and Opportunity Act (WIOA).

Additionally, to help coordinate and promote the development and creation of industry partnerships, DOL will create a new Center for Workforce & Industry Partnerships. The new center will also serve as a contact point for other agencies to help break down silos across agencies and programs that can be a barrier to the development of effective industry partnerships on the ground.

Development of career pathways

Career pathways, like industry partnerships, are embedded throughout the action plan. Through the job-driven checklist, states and local areas will have to consider how their programs promote seamless progression along a career pathway, and how they are working to break down barriers to employment, including by providing supportive services. On the agency level, DOL, the Department of Education (DoEd), and the Department of Health and Human Services (HHS) are working to increase coordination between their departments by soliciting recommendations from stakeholders on how to better facilitate career pathways. The agencies will release a detailed analysis from the solicitation this fall, and along with the Departments of Transportation and Energy, will convene a national dialogue on career pathways in September.

The action plan also addresses the need for adult education to be geared toward employability. This shift is incredibly important for adults who lack basic skills but are enrolled in adult education with the hopes of improving their employment opportunities or moving on to postsecondary education.

The action plan announces a number of other initiatives, including the upcoming launch of a DOL-run National Career Pathways Peer Network, to provide states and funding grantees technical assistance and resources to increase the number and quality of career pathways systems, and an online skills academy to provide students with access to free online courses along a career pathway that lead to industry recognized credentials. In addition, DoEd plans to launch a Career Pathways Exchange, an online resource for states and other stakeholders interested in developing or strengthening their career pathways systems.

Using data to align training with labor market demands

The action plan also includes commitments to more effectively measure participants' employment outcomes and use data to align training with local labor market demands. These principles are central to the Workforce Data Quality Campaign (a project of NSC) reform



agenda. For example, the action plan requires the following programs, totaling nearly \$3 billion in annual funding, to either begin tracking or substantially improve their measurement of employment outcomes: Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T); Veterans Vocational Rehabilitation and Employment; Homeless Veterans' Reintegration; Youth ChalleNge; and the Department of Justice re-entry and training program. In addition, DOL will no longer issue waivers that allow a state to extend the period of initial eligibility for training providers under WIOA. Without this waiver, training providers must report employment outcomes for all the students they serve to remain eligible for WIOA funding. The U.S. Departments of Labor, Education and Health and Human Services will also advise states on ways to legally link data to measure employment outcomes. Finally, federal grant competitions may require applicants, when appropriate, to demonstrate that they are using labor market information to determine which occupations and industries need workers, and use this data to design programs and inform students about their career prospects. The White House also is working with the private sector to promote development of tools that use real-time labor market data to help guide jobseekers' training and career decisions.

Funding to seed and scale proven or promising strategies

The Administration plans to implement job-driven strategies outlined in the report in part by allocating \$2.4 billion in discretionary funding to a range of job-training programs. So far, the Administration has awarded \$950 million in job-driven grants, and plans to award another \$1.4 billion in 2015. Grants that have already gone out include the Ready-to-Work grants, which will fund partnerships serving the long-term unemployed; the TAACCCT grants, which support partnerships between community colleges and employers, along with other stakeholders, that train workers who have lost their jobs as a result of foreign trade; and the Youth CareerConnect Grants, supporting partnerships between high schools, employers, and the public workforce system. The remaining \$1.4 billion will support a number of other initiatives, including a \$30 million initiative to improve within-state alignment of workforce policy and programs; new pilots testing strategies for SNAP recipients, disconnected youth, and other populations; and expanding apprenticeship programs.

NSC is pleased to see the Administration and Congress working to make our workforce training programs more job-driven, integrated, transparent, and effective, and looks forward to working with the White House and the agencies as they begin to implement the action plan.