



Transforming Training and the Eligible Training Provider List to Serve the U.S. Workforce

Recommendations From the Workforce Transformation Policy Council

Acknowledgments

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About the Workforce Transformation Policy Council

The Workforce Transformation Policy Council (WTPC) is a select group of over 20 workforce development leaders convened by Jobs for the Future (JFF) and the National Association of Workforce Boards (NAWB). The aim of this council is to identify policy changes that are needed to transform the U.S. workforce development system so that it is better able to meet the complex needs of today's and tomorrow's labor market. As part of this effort, WTPC members organized themselves into task forces to dive deep on topics ranging from improving services for diverse populations to improving training and the Eligible Training Provider List (ETPL) and transforming data and performance in the workforce development system. The first deep dive paper described how WTPC members met to develop actionable recommendations for how federal and state policies can better serve [diverse populations](#). In this paper, the second in the series, the group explores opportunities to transform training. Together, WTPC participants draw on their expertise and experiences to provide practical insights on what good policy looks like, what challenges U.S. workers and employers face, and what changes are needed to have a more effective, resilient, and equitable workforce development system.

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01.

Task Force on Transforming Training and the Eligible Training Provider List

In 2023, JFF and NAWB formed the Task Force on Transforming Training and the Eligible Training Provider List (ETPL), an offshoot of the WTPC, facilitated by former workforce executive Brooke Valle. The task force comprised executives from workforce development boards across the country with special interest and expertise in this topic. Together, through a series of three meetings and subsequent interviews, the task force explored how federal policies can better support existing workforce systems to deliver people-first, equity-centered results for all through training. The resulting principles and recommendations outlined in this report lean into the power of the nation's workforce development system as a whole while remaining locally responsive and data-driven.¹

The recommendations in this brief are those of the WTPC Task Force on Transforming Training and the ETPL and not necessarily those of JFF or NAWB. We thank the participating leaders for their time and expertise in providing the following insights.



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02.

Transforming Training and the ETPL

While WTPC members employ a full suite of training approaches, including on-the-job training (OJT), individual training accounts (ITAs), customized training, incumbent worker training, apprenticeship, and pre-apprenticeship, members confirmed that most of their organizations' training dollars are deployed through ITAs to providers on the ETPL.

Local workforce areas' reliance on ITAs for the provision of training and on the ETPL for identifying eligible training providers has resulted in challenges that must be solved to improve the ability to meet participants' skill needs and to work in more collaborative, streamlined ways with training partners. However, even before solving for these challenges, it is critical to recognize that current funding levels are not sufficient to provide jobseekers or underemployed workers with the training pathways or meaningful supportive services they need to progress into careers that offer family-sustaining wages. In fiscal year 2023, the three formula grants in WIOA, which is the main source of support to help jobseekers obtain skills needed for in-demand occupations, were funded at about \$3.3 billion. That, in inflation-adjusted terms, is down about 50% from fiscal year 2000. In fact, investment in workforce development reached its peak in the late 1970s, and to match that level now, policymakers would need to increase annual WIOA state formula allotments to about \$35 billion, a significant portion of which would be deployed to provide training and other direct services.



03.

Design Principles for Transforming Training

These principles outline the core strategies for increasing access and achieving positive results for diverse populations. Specific recommendations follow for each principle.



Broaden the definition of training to include career readiness such as digital and financial literacy, business communications, problem solving, and other skills essential for success in today's job market.



Increase investment in pathway programs that provide stackable, competency-based, portable credentials, and transferable skills that accelerate advancement toward family-sustaining wages.



Provide participants with transparency and informed choice through increased data sharing and relevant, up-to-date information on training program results that are contextualized and easy to understand.



Reduce the administrative burden to encourage participation of high-quality providers in the workforce training ecosystem and increase staff time that can be dedicated to the delivery of other crucial services.





Broaden the Definition of Training

The need for skills training remains central to workforce development, but how and where skills are attained is becoming less important in a skills-based labor market. Workers require agile, human-centered learning approaches that give credit for prior learning, assess skills gaps, and offer low-friction ways to quickly obtain needed knowledge and experiences. Meanwhile, employers want individuals who have both the technical know-how and the personal communication, decision-making, and analytical skills needed to be ready to work.

Digital skills are also central to most careers, from manufacturing to marketing, as virtual communications, data analytics, and automation increasingly shape the way work is performed. To equip individuals for the workforce and meet the needs of employers, funding must be more portable and flexible, allowing learners to draw down what they need, when they need it. The current training structure must also shift to a more immersive support model that fully leverages technology to deliver just-in-time, stackable, competency-based learning, portable credentials, and transferable skills.

- While a wide variety of training mechanisms can be used to equip individuals with critical skills, training is defined narrowly in the WIOA statute and in guidance from the U.S. Department of Labor (DOL) on ITAs and the ETPL, restricting learning that is not directly tied to an industry-recognized postsecondary credential, even if it contributes to an individual's success.

Recommended actions: Task force members agreed that the definition of training in workforce development programs (allowable training expenditures) should more closely resemble what qualifies as education expenses outlined in Pell Grants 20 U.S. Code § 1087II – Cost of Attendance, which includes tuition and fee payments, books, supplies, prior learning assessments, related equipment required for coursework, room and board, transportation, and other necessary expenses.² Alignment of the Pell and WIOA definitions could also facilitate braiding funding to cover the full costs of course completion.

Training accounts should be associated with the individual, similar to Pell Grants, and be awarded for training and training-related activities as the individual progresses through a pathway to an in-demand job. Pauses between training courses for employment or other life circumstances (e.g., working as a phlebotomist before taking a course to become a lab technician) should not impede the individual's access to the funding. Activities identified through an Individual Employment Plan (IEP), including the acquisition of workforce readiness skills, the building of specific competencies, or the earning of a credential, should be an eligible use of training funds. This should include expenses incurred in test preparation, examination fees, prior learning assessments, and related preparatory tasks.

- Training programs tend to focus on occupational skills over workplace readiness, digital literacy, language skills, coaching, and supportive services such as mental health, transportation, and child care, all of which are critical for success. They often lack the necessary customization to accommodate an individual's lived experience or flexibility to heed the order in which these resources are needed by the person.

Recommended actions: Task force members agreed that permissible training in workforce programs should include workplace readiness, digital literacy, and other essential skills that are identified by employers as necessary for in-demand employment and included in the individual's employment plan. Further, if the skills are necessary for a living-wage job, these training services should not be required to be provided in combination with occupational skills training or tied to an industry-recognized credential. WTPC members also stressed that local boards should be able to use mechanisms other than ITAs, OJTs, or Customized Trainings (such as through classes offered in one-stop career centers) for work readiness, basic English skills, or digital literacy that are required by employers. The acquisition of such skills should count as measurable skills gains in performance, and staff time for the provision of these training and training-related services should count toward training costs. This would provide needed flexibility and better enable local boards to provide critical skills to broader populations.

- A significant portion of each local workforce board's WIOA allocation is used to provide direct services to the community. An increasing number of states have thresholds or required percentages of the funding that must be allocated to training, but there is currently no statutory requirement for the amount that must go toward training. Such a requirement could have far-reaching implications for the system if implemented without considerations for how training is defined and without the career navigation and supportive services that are required for participant success.

Recommended actions: In addition to an expansion of the definition of training, as described above, task force members stressed the importance of providing credit to workforce boards for training that is funded through non-WIOA dollars if a percentage requirement should be added. Task force members stressed that leveraged resources should remain flexible, however, and not be subjected to performance or other WIOA statutory requirements.

- Current ITAs and OJT programs are not structured with non-W2 employment in mind. The entrepreneurial skills that are necessary for success in independent work and the gig economy are increasingly in demand, particularly for younger workers and new Americans, and as the share of American workers in non-W2 jobs has grown. According to a 2023 Bankrate survey, 39% of American adults have a side hustle and 28% believe they'll always need one to make ends meet.³ In addition, a survey by McKinsey found that 36% of respondents identified themselves as independent workers in 2022, which equals about 58 million American adults.⁴ The growing percentage of workers in non-W2 employment makes it crucial to use training dollars to support all on-ramps to success, including entrepreneurship.

Recommended actions: Task force members agreed that entrepreneurial training is an important form of training that should be exempted from credential attainment metrics in workforce development and other performance measures, if a business can demonstrate that the training is necessary to help it survive, hire staff, or expand its operations. Metrics that could be used instead of credential attainment to demonstrate this include pre- and post-intervention income or profit statements, job-creation statistics, sales reports, increases in client counts post-intervention, or client net promoter scores.

- Current credential requirements are largely representative of traditional education pathways based on course credits or semester completion and do not capture stackable competencies that can be rapidly gained through the use of technology or other innovative training-delivery mechanisms. The current standards ignore micro-credentials, which provide a stackable mechanism to deliver just-in-time training on a specific competency, such as data analytics, automation, visualization, negotiation, or crisis management, needed by a wide variety of employers or specific to a single industry. This bite-sized learning also enables the workforce system to partner with employers in capturing emerging skills, such as query development for AI tools, at a pace aligned to industry's needs.

Recommended actions: Task force members stressed that local boards should be able to use ITA funds to provide opportunities for the attainment of all types of skills required by employers. Specifically, micro-credentials should be included in the definition of industry-recognized postsecondary credentials, and the DOL should provide guidance on how micro-credentials can become industry-recognized, recommendations for ensuring the quality of such credentials, as well as suggestions for how micro-credentials can stack toward higher-level credentials.

The DOL should also provide guidance on how local boards can document and receive credit for a modularized training approach, since individuals may complete multiple micro credentials, certificates, or licenses over varying periods of time based on employer need and training availability. This is particularly true for emerging fields such as climate and artificial intelligence that are evolving at a rapid pace and creating demand for new competencies. The DOL should encourage states and local boards to pursue the use of technology to advance upskilling interventions, that are employer-led, tech-enabled, and digitally delivered to facilitate lifelong learning and worker advancement.

- The measurable skills gain (MSG) metric tracks advancement toward a participant's employment goals as outlined in their IEP, but the current definition of MSG does not incorporate many of the preparatory steps or barrier removal actions that are critical to success. This situation can disincentivize local workforce boards from serving individuals who require extensive pre-training support, since these efforts are not tracked or incentivized. For example, a person who has been incarcerated and is returning to the community may need to obtain a driver's license or complete a sober-living program as a prerequisite for entering a program for acquiring a commercial driver's license. Similarly, an internationally trained nurse who immigrates to the United States and plans to return to a career in nursing may need to complete English-language coursework prior to filling any course gaps required to re-credential in the United States.

Recommended actions: Task force members concluded that the DOL should adjust the regulations to not only allow the prerequisites that are directly connected to an individual's credential pathway to be counted as an MSG, but also to capture data on barrier removal and thus incentivize the boards to support all workers, regardless of their needs. This would provide better insight into the advancement of individuals and expand the reporting on the depth of support that is required for participants to successfully complete training and enter a career pathway leading to a quality job.

WTPC members provided examples of how the design principle of “broaden the definition of training” is already being put into practice in their communities:

- **Integrated enrollment in Michigan:** West Michigan Works! currently has 84 funding streams to support career development, training, and apprenticeships. Individuals are co-enrolled in multiple programs to provide all of their training needs and supportive services. To manage this complex integration, West Michigan Works! is designing a case management system that will automatically determine which programs each individual is eligible for based on the information entered upon enrollment. This will streamline the training experience, maximize the braiding of funds, and, because the ETPL is used as the training standard for all funding sources, enable integrated reporting on the results of the training provided, regardless of funding source.
- **Providing holistic support in Wisconsin:** The Workforce Development Board of South Central Wisconsin, partners closely with community-based organizations (CBO) that understand the needs of their clients. These CBOs create pathways that take into consideration how difficult it can be to move from completion of a training program into a job while lacking financial security, a safety net, or prior experience and being fearful about change and the unknown. The board’s partners are building in stipends and incentives from non-WIOA sources at various points of the process, from credential attainment to related employment, to help individuals taking the final steps into the market.
- **Entrepreneurial training partnership in Michigan:** West Michigan Works! partners with Centro, a nonprofit based in Oakland, California, to offer entrepreneurial training as a basic service funded through WIOA. This course sits alongside other workshops on public-sector employment readiness that are available to all participants without requiring enrollment. Throughout the course, the team tracked a more expansive set of metrics to understand the impact the training had on new entrepreneurs and small business owners. These metrics included:
 - » percentage of graduates who started selling their products or services;
 - » percentage of graduates who started selling the products or services;
 - » percentage of graduates who
 1. started paying themselves and
 2. reported that it was a living wage;
 - » percentage of graduates who hired someone else to help them with their business; and
 - » percentage of graduates who received their first loan within the previous 12 months.

- **Adjusting training to meet employer needs in Wisconsin:** The Workforce Development Board of South Central Wisconsin, along with Employ Milwaukee, used their industry partnerships to inform the expansion and enhancement of the state Department of Transportation's (DOT) training program, enabling the to more quickly ensure that its training approach remained relevant to the market. Additionally, the board worked with heavy manufacturing employers to assess a welding credential, identify the skills that were universally relevant, and then craft industry-specific specialization. This enabled the same courses to be used for both new entrants in the field and incumbent workers seeking to upskill. Training was mapped to specific types of welding, and a standard color-coding system was implemented for all job postings, job fairs, and training. This allowed jobseekers to quickly match the skill they needed to the training and understand whether or not the training was eligible for workforce funding.
- **Delivering value to businesses in Colorado:** Arapahoe/Douglas Works! has embedded entrepreneurial training and support in its suite of business service offerings. This allows businesses not only to meet staffing needs, but also to establish necessary processes or infrastructure to grow and develop their employees. Additionally, the board uses a calculation from the Society for Human Resource Management (SHRM) to demonstrate how much its services are saving businesses. These metrics resonate more with the business population and demonstrate the return on investment when partnering with workforce. These metrics are also representative of the impact their services are having in the community.
- **Using data-informed training in Michigan:** West Michigan Works! uses its industry council as a sounding board to evaluate the content of the training for providers and the board's courses. The board analyzes labor-market data and then presents information to the council to validate whether the course of study and related certification will meet employer needs. If employers feel that the content is not aligned, the board partners with the training provider to make necessary adjustments. Employers often need specific competencies that can be gained quickly through badging and do not require a full credential or multiple academic courses. For a badge to be eligible for funding, the badge must be requested by members of the council, provided by an organization on the ETPL and linked to an in-demand career. This process has given employers more confidence in the quality of learning that participants will receive and helped providers stay aligned with the pace of industry.



Increase Investment in Career Pathways

While skills-focused training is critical to the advancement of U.S. workers, our current education, workforce, and employment systems remain siloed and inflexible. Training is largely centered either on short-term training or on traditional two-year degrees pursued in classroom settings, with a lack of true support for career pathways. Current funding for workforce development and occupational skills training is largely insufficient to allow for participants to engage in pathways to family-supporting careers. The workforce system can serve only a subset of those who need longer-term training or supports. Many positions that serve as the entry point of a career pathway, such as home health caregiver or certified nursing assistant (CNA), don't pay a high enough wage to either cover the cost of additional training or support an individual in pursuit of career advancement and a family-supporting career.

- WTPC members said training can stretch out over years if participants must work full time while completing training. This may require them to pause and restart their training, causing them to fall further and further behind, in both skill attainment and potential earnings growth. Adequate and flexible funding for skills development and supports can make the difference between a participant successfully completing training and transitioning into the workplace or getting stuck along the way due to life circumstances.

Recommended actions: To encourage longer-term training strategies, such as career pathways approaches to skills development, task force members underscored the need for significant increases in funding for career navigation, skills training, and support services for individuals in training. As earlier noted, if funding for these services had kept up with inflation since the 1970s, workforce development funding would equal at least \$35 billion today. In addition to training, workforce systems should be allowed to provide stipends to adults enrolled in eligible training programs, including participants who are low-wage incumbent workers. Currently, needs-based payments are limited to individuals who are unemployed and have exhausted unemployment insurance.

- Robust pathway programs can require multiple training courses, work experiences, and extensive supportive services to assist individuals in moving from entry-level positions

to jobs that provide living wages. While lack of funding and supportive services is part of the challenge, the current performance measures in WIOA also disincentivize workforce boards from retaining individuals on their caseloads for the entire duration of pathways to family-supporting careers. Boards do not receive credit for entered employment and wages until the individual is exited from the program, despite the fact that work experience might be a vital part of the individual's success and essential to progression to the next wage level. For example, an individual pursuing a tech pathway may need to gain experience on the support desk to successfully complete a cloud certification and move into a living-wage technology job.

Recommended actions: To encourage pathway approaches in education and workforce development programs, the task force agreed that performance metrics should be adjusted in ways that encourage local boards to keep individuals enrolled in WIOA-funded training beyond attainment of a first job if they are pursuing a career pathway to a family-supporting career. To accomplish this, WIOA's performance measures should allow workforce systems to receive performance credit for participants' initial employment, wages, credential attainment, skills gains, and subsequent employment along approved career pathways—without the current requirement that participants must first be exited from the program before entered employment and wages are counted.

- Many occupations that contribute to public health, safety, or basic quality of life, such as child care, mental health care, or refugee resettlement support, lack talent that is both diverse and highly skilled, often because of competition and wage pressures. Cultural competency, language fluency, and communications skills are needed to provide high-quality care, but organizations that are small, have nonprofit status, or maintain slim profit margins can find it difficult to invest in talent development, attraction, and retention.

Recommended actions: Task force members agreed that jobs that contribute to the public good are important to society and that dedicated funding should be provided to support this sector, whether through a new federal allocation, a collaborative fund supported by the departments of Labor, Education and Commerce, or through the encouraged use of state set-aside funds to leverage support for public-good pathway programs. Under such approaches, each state's workforce system, in collaboration with economic development and other key agencies, would designate these pathways as part of the state's sector strategy to ensure that participants and employers can benefit from successful career pathways in public-good occupations. This work should be coupled with policies for raising the wages of these occupations such as through tax incentives, student loan forgiveness, or other mechanisms.

WTPC members provided examples of how the design principle of “increase investment in career pathways” is already being put into practice in their communities:

- **Multiple ITAs along a pathway in Michigan and Mississippi:** Mississippi’s South Delta Planning & Development District provides multiple ITAs for health care professions after successful completion of the first ITA and six months of work, for all individuals on a health care pathway that has been outlined in their IEP. Case managers work with individuals to document their desired course of study as well as the support needed and the estimated work experience required between steps to achieve success. When an individual reaches the first step along the pathway and has had 90 days of service, they are exited and then re-enroll when they are ready to receive the next ITA.

West Michigan Works!, on the other hand, keeps participants enrolled through multiple ITAs. It creates a career map to show participants the credentials needed to achieve their goal, the anticipated time that will be needed, the required supports, and available sources of payment. Each step along the pathway is treated as a separate ITA, but participants remain enrolled until they reach their final goal. Pathways can take up to two years to complete if participants need work experience as they advance from one credential to the next (for example, an individual whose pathway outlines a goal of becoming an RN might work as a CNA along the way). By keeping people enrolled the whole time, West Michigan Works! does not consider income generated as part of the experience required for the next step in the pathway to be disqualifying for future support. The board does not receive credit for the individual’s employment until the entire pathway has been completed, but it does retain the ability to cut funding or delay approval if an individual becomes nonresponsive or repeatedly has unresolved academic issues.

- **Flexible support in Texas:** Post-COVID, most colleges are providing free training to individuals who have completed high school or wish to upskill. As a result, Texas asked its workforce boards to set up more extensive supportive services to facilitate successful completion. Workforce Solutions Greater Dallas itemizes the type of support required, from car repairs to wage subsidies, and delivers it as a part of each individual’s training plan.

- **Diversifying sector funding in southern Nevada:** Workforce Connections has established diversified funding for supporting regional industry or sector partnerships. Funding for sector work in southern Nevada braids \$800,000 of community project funding from the DOL, a \$1.5 million investment from Nevada's Department of Employment Training & Rehabilitation, a \$1 million investment from the city of Las Vegas, and supplemental funding from WIOA and philanthropy to advance the development of upskilling pathways for diverse workers in southern Nevada's targeted industry sectors. This initiative serves as a validation process that identifies gaps and directly informs the board which providers and courses are available on the ETPL as well as the OJT and pre-apprenticeship areas of focus, based on local market need.
- **Partnering with the chamber of commerce to create in-demand learning in Mississippi:** The South Delta Planning & Development District works closely with the local chamber of commerce and SHRM groups to bring together employers from across the country to collectively identify their needs, discuss wage trends, and identify training gaps. As needs are identified, the board works with a community college to set up a course, such as training to be an electric power-line technician, that is responsive to employer needs and provides pathways for individual success.





Provide Clients with Transparency and Informed Choice

WIOA outcome measures are important for understanding how workforce systems support education completion and employment. They do not, however, provide user-friendly information to help consumers make informed choices about the occupations or training choices they should pursue. Current reporting was designed for program oversight and compliance rather than to help clients, employers, or even workforce development boards make informed choices.⁵

Data on training outcomes suffers significant lag time, is often incomplete, and the resulting metrics lack context, making it difficult for consumers to understand. Data sharing across federal and state systems is inconsistent, and the lack of system integration between states' departments of education, labor, and commerce can cause delays, require duplicative reporting, and limit visibility into participant outcomes.

Current data often lacks the breakdown of completion by race, ZIP code, neighborhood, or information on prior learning experience, which would help interested individuals determine whether a program has successfully supported individuals with similar needs and life circumstances. Program information also does not consistently include information about whether programs are specifically designed for a particular population, such as contextualized English-language learning and technical skills, to enable clients to better compare course offerings.

- Detailed, disaggregated data are necessary to enable participants to understand the full range of available options and their corresponding outcomes; and to provide the system and its providers with a more transparent and holistic view of the impact that the workforce system and its services have on participants.

Recommended actions: The U.S. should create a standard report template, in the style of the Consumer Reports organization, for training that all states can use and that couples labor-market data, employer insights, and contextualized participant results, all reported on a regular cadence. Workers need to understand whether the training they are considering has enabled others to obtain a job in the field, how much time it took

for individuals to complete the training, the level of effort required by a program, how the wages earned by program completers compare to the living wage for their area, and the influence that other life circumstances may have had on the available completion data. Reports should include information on which employers are hiring graduates from specific programs, to provide insight into the value that the credential has in the local market. Finally, incorporation of participant reviews of programs would put power back in the hands of the participant and incentivize providers to pay close attention to the full student experience. Policymakers should incentivize states and local areas to report on training that is delivered to WIOA participants but that is funded through other sources in order to better understand the full suite of training available to workers.

- Workforce development agencies and educational institutions share many of the same objectives for equipping individuals for success, as well as for clients participating in their programs, yet their data sets are often siloed or have greatly restricted access, which limits the ability of workforce service providers to understand the holistic impact that training has on the life of an individual.

Recommended actions: Task force members expressed strong support for requiring states to match education and workforce data and provide the results to local workforce boards, thus ensuring that all boards have the most holistic, up-to-date information on training outcomes. Additionally, governors, with the advice of the respective agencies and state board, should require data-sharing agreements between states' departments of labor, economic development, justice, corrections, education, and veteran affairs, as well as other social service agencies, so as to facilitate the alignment of training objectives, accountability structures, and program governance models. Incentives should be provided, including investments in infrastructure and performance-based awards, for development of shared-data goals, integrated reporting, longitudinal data systems, and predictive analysis. This would be aligned with the Foundations for Evidence-Based Policymaking Act and could build off of the ongoing effort to create a national secure data service by the Advisory Committee on Data and Evidence Building, National Secure Data Service work along with DOL's Enterprise Data Strategy. For example, policymakers should require integration or linkage between the Department of Education's College Scorecard and ETPL performance reporting so that clients can simultaneously access a full picture of an institution's outcomes.

- Analytics capabilities are too often siloed rather than centralized or regionalized, although the latter model would mean that local boards could maximize human and capital investments, reduce the administrative burden on providers by standardizing data collection, and better analyze trends and identify synergies. Such a shared service model could produce meaningful reporting that would let various audiences (e.g., boards, participants, providers, researchers) make decisions based on program results.

Recommended actions: The DOL should encourage states to explore hub-and-spoke models that can deliver to local boards the necessary infrastructure and data analytics capabilities to enable more robust reporting on learning outcomes. The DOL could provide incentives for such models, such as targeted grant dollars to support initial infrastructure build-out, high-performing board awards for integrated reporting, or the option to allocate regional planning investments toward such a centralized entity when the entity carries out required reporting on labor-market information. As stated in a recent report from the Job Quality Measurement Initiative (a collaborative effort between the DOL and more than 70 experts from across the United States), called “Reimagining Job Quality Measurement,” “prioritizing the creation of an intergovernmental research and analytics consortium of policy and data experts from the public and private sector can rapidly build state and local data capacity to drive more effective, equitable policies and programs.”



WTPC members provided examples of how the design principle of “provide clients with transparency and informed choice” is already being put into practice in their communities:

- **Embedding employers in the quality process in California:** The South Bay workforce board asks private-sector industry experts to evaluate an applicant's curriculum before the program is added to the ETPL. Industry experts identify whether the contents of the curriculum are relevant to the market and whether it will equip the student to succeed in the field.
- **Expansive reporting in Texas:** Boards in Texas are looking at economic development metrics for the purposes of reporting, comparing training to what is happening in the market. This includes examining training-related employment results and connecting success to supports such as how many people can work because of the subsidies they receive. Texas boards are also seeking real-time reporting metrics that provide both the board and participants a sense of who is being served and what outcomes are being achieved, independently of the WIOA-designated timelines for reporting. Employer representatives on the boards are asking for immediate information to keep pace with the speed of innovation and change in the marketplace.
- **Predictive outcomes through regression modeling in New Jersey:** The New Jersey DOL uses a five-component model to perform quality assurance on all training programs, including those on the ETPL, who receive state or federal funding. Indicators include labor-market demand, employment and wage outcomes, education outcomes, financial impact, and equity. Each is considered on the basis of demographic information to understand the target outcome for a given class. Programs that do moderately well are encouraged, but not required, to go on a continuous improvement plan. The bottom 10% of programs are put on corrective action, and if issues are not resolved within two years, they become ineligible for funding. The New Jersey DOL also publishes a “consumer report card” that is based on feedback received through a human-centered design approach and that makes the most relevant information available to the public, including cost of program and completion rate.

- **Data sharing in Colorado:** The Colorado Department of Labor and Employment has a data-sharing agreement with the agency handling unemployment insurance to provide quarterly data updates to workforce boards through the Wage Record Interchange System (WRIS) database. Data is automatically downloaded into Connecting Colorado, the statewide database, and workforce staff receive an email notification saying it is available. Board staff can easily run reports to see where wage data is missing and use this as a prompt for additional follow-up with individuals, who may be gig workers or contractors and thus not reported in the W2 data. This long-standing integration provides verifiable data that is analyzed by Arapahoe/Douglas Works! to inform the efficacy of its programming, giving the board the opportunity to shift strategies when community needs evolve. Workforce agencies in Colorado also have access to longitudinal data that allows leadership to look across multiple years to see the reality of participant outcomes over time. Insights from the longitudinal data are used to inform and implement program design and enhancements.
- **Integrated education and workforce data in Minnesota:** The state collects person-level data from all institutions and training providers that are receiving state or federal financial aid. In turn, anyone who reports receives login credentials so they can view their data on an ongoing basis. Training is regularly provided for educational institutions on how to understand their data and compare their progress to that of other institutions. High-performing organizations that regularly meet or exceed their performance metrics receive benefits such as free promotion, additional access to funding, and other preferences. Additionally, because the state provides the training data to other regulators (such as safety regulators receiving the education data for commercial driver licensing courses), education providers have an incentive to maintain high levels of quality in their programs.





Reduce Administrative Burden

The ETPL is one of the primary mechanisms used to connect workers with high-quality training, and yet many state processes for enrollment on the ETPL are lengthy and difficult to navigate. Extensive paperwork, delays in processing, and a lack of regular reporting on performance create administrative challenges. Additionally, the lack of processes to centrally add training providers that operate across states can disincentivize the participation of high-quality training institutions and reduce the choices available to participants.

- Community colleges are required partners for workforce development boards.⁶ Task force members stressed that it is important to encourage collaboration, reduce costly administrative processes, and give colleges the time to deliver coursework and provide required reporting on outcomes. Automatically adding community colleges, with their published courses and course costs, to the ETPL would reduce the administrative burden and eliminate markup of costs while allowing local boards to categorize colleges as “inactive” for the purposes of funding if they fall below performance thresholds.

Recommended actions: To encourage robust training provider participation, task force members support the automatic addition of accredited community colleges and their programs to the ETPL. Under such circumstances, states would be required to add the community colleges to their ETPL, the community colleges would still be required to report on students who participate in relevant programs, and state labor agencies would be responsible for performing the necessary data matching (e.g., use of unemployment insurance wage records matched to privacy-protected student identifiers) to publish timely program outcomes. Local boards would maintain responsibility for determining whether programs of study meet local in-demand requirements and for holding colleges accountable for workforce outcomes. It is critical that these outcomes be made available to the public in user-friendly formats so individuals can make informed career and training choices. Task force members also stressed that states and local boards should be authorized to suspend training provider eligibility if they do not consistently perform in serving WIOA participants.

Similarly, the task force supports providing the DOL with the authority to create a federal approval process for the addition of national training providers to the ETPL list. This approval could then be cascaded to the states, removing the administrative burden for the training institution to apply in each state. States should retain the ability to categorize the provider as “inactive” for the purposes of funding if the provider consistently falls below the state’s performance metrics.

- The implementation of initial and subsequent eligibility for the ETPL varies greatly from state to state. Data-collection processes, review periods, performance requirements, frequency of reporting, and the organization that holds the authority to approve or deny applications are all unique to the individual state.

Recommended actions: Task force members support uniform standard and conditional eligibility requirements for ETPL providers. States should streamline the application process, removing any duplicative collection or data matching, and issue eligibility determination within 30 days of application submission. States should also revise reporting requirements to include information on the credential issuing entity, the degree to which it is recognized by the employer community, and the associated skills and earnings that participants can attain upon credential achievement. Additionally, DOL should provide technical assistance and training for states looking to implement business process transformation to modernize or adapt their ETPL processes.



Task force members provided examples of how the design principle of “reduce administrative burden” is already being put into practice in their communities:

- **Statewide required reporting in Florida:** The state’s REACH Act requires Florida to help people with barriers to education and employment become self-sufficient through enhanced access to quality jobs and career pathways that offer economic opportunity. Through that act, and with close collaboration with the Department of Education, Workforce, and Economic Opportunity in addressing concerns raised by the Family Educational Rights and Privacy Act of 1974, all training providers are required to report results for all students. Outcomes are uploaded by providers directly to the state in a standard format. Florida is looking to take this one step further to address redundant reporting for providers that partner with multiple agencies. Centralized reporting allows local boards to focus on managing their scorecard for WIOA participants and on delisting providers that do not meet required metrics. The state has also passed legislation to enable boards to withhold 25% of payment until a credential is obtained, based on outcomes available through the central reporting.
- **Integrated agencies, staffing, and data in Texas:** Staff have access to WIOA, child care, TANF, Texas Health and Human Services Commission programs, and more, allowing for proactive case management and data analysis. That both facilitates robust support of individuals and has enabled the state to cut child care providers’ waste and fraud because systems are integrated, providing insight from the time of eligibility through paycheck receipt. This eliminates issues with self-reporting and delays in access and enables innovative, predictive analysis to better anticipate needs. Staff are co-funded, cross-trained, and co-located, allowing for a seamless experience internally and externally.

04.

Conclusion

The United States must invest in the skills of America's workers and make changes in how education and training are provided to meet the needs of today's students, jobseekers, workers, and employers. Skills training in combination with work-based learning, can provide a powerful mechanism to support the advancement of individuals toward good jobs. However, policy adjustments that better support pathways for workers, that take a more expansive view of training, and that incorporate non-W2 workers into the existing learning structure are necessary. Advancements in data sharing, the modernization of systems, and the adoption of innovative ways to report and share data and to determine the quality of services will also be important levers in achieving equitable outcomes for learners. With dedicated funding and support, workforce training can be a crucial pivot point in the trajectory of an individual's life, supporting future career advancement and growth.



Endnotes

1. For definitions of the terms diverse populations, people-first, equity-centered and locally responsive see the first paper in the series called “Improving Services and Outcomes for Diverse Populations in America’s Workforce Development System” found at <https://www.jff.org/idea/improving-services-and-outcomes-for-diverse-populations-in-americas-workforce-development-system/>
2. U.S. House of Representatives website, “20 USC 1087II: Cost of Attendance,” <https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title20-section1087II&num=0&edition=prelim>
3. Lane Gillespie, “Survey: 39% Have a Side Hustle, and 44% Believe They’ll Always Need One,” Bankrate, May 24, 2023, <https://www.bankrate.com/personal-finance/side-hustle-survey/>
4. André Dua et al., “Freelance, Side Hustles, and Gigs: Many More Americans Have Become Independent Workers,” McKinsey & Co., August 23, 2022, <https://www.mckinsey.com/featured-insights/sustainable-inclusive-growth/future-of-america/freelance-side-hustles-and-gigs-many-more-americans-have-become-independent-workers>
5. U.S. Department of Labor, “Training and Employment Guidance Letter No. 03-18,” August 31, 2018, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-03-18>
6. The Higher Education Act of 1965, at 20 USC 1058(f), defines the term: For the purpose of this part, the term “junior or community college” means an institution of higher education 1) that admits as regular students persons who are beyond the age of compulsory school attendance in the state in which the institution is located and who have the ability to benefit from the training offered by the institution; 2) that does not provide an educational program for which it awards a bachelor’s degree (or an equivalent degree); and 3) that a) provides an educational program of not less than two years that is acceptable for full credit toward such a degree, or b) offers a two-year program in engineering, mathematics, or the physical or biological sciences, designed to prepare a student to work as a technician or at the semi-professional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.



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