

# OREGON'S WORKFORCE SYSTEM

THE VISION: Prosperity based on innovative people and companies

## The Goal:

Oregon's 10-year plan for growth

- ✓ Oregonians have the skills for high wage/high demand jobs.
- ✓ Businesses have skilled workers to innovate and grow.
- ✓ Workforce system is aligned, integrated, efficient and effective to support businesses and job seekers.

## The Path:

Governance

Executive order to recharter boards  
2013

Compacts clarify roles & responsibilities  
2014

Local and state boards re-chartered  
2015 & beyond

System redesign / structural alignment

System redesign recommendations developed  
2013

Legislative action  
2014

System outcomes, structure & budget aligned  
2015 & beyond

System integration

Sector Strategies & Certified Work Ready Communities implemented  
2013

Options for skill development/certification expanded  
2014

Integrated business services  
2015

Accountability

Local plans implemented  
2013

Local plans updated  
2014

Local plans revised  
2016

## The Outcomes:

- ✓ Oregonians find employment and stay employed.
- ✓ Businesses find and keep skilled workers.
- ✓ Oregonians increase earnings.
- ✓ Oregonians possess the skills and abilities to thrive in the workplace.
- ✓ Oregonians and businesses are satisfied with workforce services.
- ✓ Workforce System provides quality outcomes for all Oregonians.
- ✓ Targeted sectors thrive.
- ✓ Investments in workforce services yield strong returns.
- ✓ The Workforce System is efficient and continually improving.

# Summary of Thematic Workforce System Findings

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## Governance

- Oregon's Workforce System lacks strong clear governance, clear communication and strong collaboration among the Workforce System, economic development and education.
- The current Workforce System has no clear lines of program authority or super-structure to provide system-wide governance and accountability.
- Workforce policy, products and services are generated by multiple state agencies and delivered locally through multiple providers.
- Workforce program plans are not aligned and information systems are not interconnected.

## Workforce System Needs

- The current system lacks flexibility and agility in delivering training to better meet employer and job seeker needs based on economic conditions.
- The system does not fully reflect the needs and engagement of those it serves (both businesses and job seekers).
- The current system does not systemically engage feedback from businesses and job seekers to influence changes for the whole system.
- The current system suffers from lack of streamlined administrative processes, missed opportunities to leverage successful practices across the system and employer knowledge about how the Workforce System can be helpful to them.

## Roles

- Roles and responsibilities are not clearly defined for all levels of the system and formalized in compacts or other agreements (i.e. OWIB, LWIBs, Community Colleges, agency field staff or contracted providers of service).
- State agency programs do not have clearly defined roles and responsibilities and relationship to the system governance model.
- There is not currently a clear sustainable feedback loop with businesses in all levels of the system that provides consistent information about their needs and the system's ability to meet their needs.

## Data/Accountability

- There is not a common set of outcomes that drive the activities of the Workforce System.
- There is no mechanism to create a shared understanding of and accountability for outcomes by all partners.
- The integrated system lacks effective data collection, integration and reporting at both the state and local level, with a focus on a population and sector lens.
- The current Workforce System does not have immediate feedback loops built in to foster accountability for outcomes.

## Equity Impacts

- The Workforce System lacks a focus on those segments of Oregon's population with historically higher unemployment rates.



# Summary of PFM Workforce Redesign Recommendations

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## 1. Create a Shared Vision, System Outcomes and Measures

- 1A) Align Measures and Outcomes Across the Workforce System
- 1B) Identify Strategic Foundation for Creating Products and Services Offered by the Workforce System
- 1C) Emphasize Equity and Outcomes for Chronically Unemployed and Underemployed Populations

## 2. Define the Governance and Accountability Structure

- 2A) Redefine, Repurpose and Strengthen OWIB
- 2B) Redefine, Repurpose and Strengthen the Role of LWIBs
- 2C) Measure and Report Workforce System Results Regularly

## 3. Integrate Service Delivery (State Workforce Agency)

- 3A) Create a Single State Workforce Umbrella Agency
- 3B) Reallocate Workforce System Resources to Better Serve Unemployed and Underemployed
- 3C) Create an Office of Research, Innovation and Capacity Building

### Integrate Service Delivery (Local and WorkSource Centers)

- 3D) Strengthen Involvement of Education and Economic Development in Operation of WorkSource Centers and Establish Process to Evaluate Number and Location of Centers and Satellite Offices
- 3E) Integrate WorkSource Staff and Focus on More Value-Added Services within the WorkSource Centers
- 3F) Leverage the WorkSource Brand Across All WorkSource Partners and Centers
- 3G) Evaluate the Designation of Workforce Investment Areas and Align Workforce Programs with these Boundaries

## 4. Enhance Support for Service Delivery (Information Technology)

- 4A) Improve iMatchSkills System and/or Consider Alternative Platform for Service Delivery
- 4B) Link Information Across Workforce System to Offer "No Wrong Door" Access to All Customers

### Enhance Support for Service Delivery (Administrative Functions)

- 4C) Align State Statutes, State and Local Strategic Plans and Request Necessary Federal Waivers
- 4D) Create Performance Compacts to Administer the Workforce System
- 4E) Create a Standard Financial Report for LWIBs
- 4F) Create and Execute a Marketing and Communications Plan for NCRC
- 4G) Evaluate and Improve Purchasing and Service Contracting

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*These recommendations are solely those of PFM and have yet to be endorsed by the State of Oregon*



# Findings and Recommendations

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## Transformation Principles

The PFM team has worked with the Governor's Office and WPC to collectively establish and adopt a simple set of transformation principles related to transforming the State's workforce redesign efforts. This common set of agreed upon principles was developed in an effort to serve as criteria to steer the efforts of the system redesign and serve as the foundation for consensus on a new Workforce System design. Oregon's Workforce System redesign seeks to propose changes that:

- Result in employment and greater prosperity.
  - Advance the Governor's 40-40-20 education goal to build a more highly skilled citizenry as a driver of economic development and prosperity.
  - Put more Oregonians to work in good jobs.
  - Accelerate the reemployment of the unemployed and decrease unemployment among the disabled, veterans, those in poverty, and the underserved.
  - Assure that businesses have the skilled workers they need to innovate and grow.
  - Assure that more Oregonians are job ready.
- Achieve the best possible outcomes with current resources.
  - Align outcomes and measures across programs.
  - Enhance a culture of accountability, data-based decision making and continuous learning.
  - Increase efficiency in the use of public resources.
- Offer seamless access and support for customers – businesses and job seekers.
- Increase alignment of inextricable, systemic relationships between education, economic development and workforce development.
- Promote local innovation in the achievement of state goals.
  - Align policies and practices at the state level to support unique responses to local economies and characteristics of regions and communities.
  - Give local boards the guidance, authority, responsibility and resources to improve results.
- Provide opportunities for public and private efforts to meet the unique needs of individuals and businesses.

In an effort to address the high-level findings in the key thematic areas as defined above, the PFM team has put together the following recommendations in accordance with the transformation principles within four key areas: Shared Vision, Governance, Service Delivery and Administrative recommendations. General timelines for implementation of these recommendations will be developed by the Workforce Policy Cabinet.

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