



Oregon Workforce Investment Board

August 8, 2014

1:00 – 4:00 pm

**Chemeketa Eola Viticulture Center
215 Doaks Ferry Road NW, Salem 97304**

**Oregon at Work
Quality Jobs – Skilled Workers
Contributing to a strong state economy and local prosperity**

OREGON WORKFORCE INVESTMENT BOARD
OREGON AT WORK
QUALITY JOBS – SKILLED WORKERS
CONTRIBUTING TO A STRONG STATE ECONOMY AND LOCAL PROSPERITY

Friday, August 8, 2014
1:00 – 4:00 pm
Chemeketa Eola Viticulture Center
215 Doaks Ferry Road NW, Salem 97304

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| 1. Welcome and Introductions – 1:00 | | Chair Ken Madden |
| 2. Open Public Comment – 1:05 | | Chair Ken Madden |
| | <i>The Oregon Workforce Investment Board is a public body. The public is welcomed to submit written or verbal comments during this portion of the meeting.</i> | |
| 3. Consent Agenda – 1:15 | Pg. 5 | Chair Ken Madden |
| a. June 13 Board Meeting Minutes | Pg. 7-11 | |
| b. July 2 Executive Committee Meeting Notes | Pg. 13-16 | |
| c. July 25 Retreat and Business Meeting Minutes | Pg. 17 | |
| 4. Local Workforce Investment Areas (LWIAs) – 1:20 | | Chair Ken Madden |
| a. Public Comment on Redesignation of LWIAs | | |
| b. Action Item: Recommendation on Redesignation of LWIAs | Pg. 18-21 | Melissa Leoni |
| c. New Area and LWIB Support and Guidance | | Katelyn Roberts |
| 5. Board Development – 1:50 | | Chair Ken Madden |
| a. Retreat Follow-up and Board Discussion | Pg. 23 | Melissa Leoni |
| 6. Workforce Performance Measures – 2:10 | | Karen Humelbaugh |
| a. Action Item: Adopt System Performance Measures | Pg. 25-36 | |
| 7. WorkSource Forum Report & Service Delivery Discussion – 2:30 | Pg. 37-42 | Karen Humelbaugh
Paul Hill
Kim Parker |
| 8. Pay for Performance Overview – 3:15 | Pg. 43 | Agnes Balassa |
| 9. Announcements – 3:55 | | All |
| 10. Adjourn – 4:00 | | |

Oregon Workforce Investment Board meetings are held in accordance with open meeting laws and with accessibility requirements. If there is a person with a disability who may need assistance in order to attend or participate in a meeting or if a person wishes to offer comments on any item on the agenda, please notify Mei Yong at 503-947-1733. TTY is also available: 1-800-735-2900. A sign-up sheet for those who wish to offer comments or testimony on any item will be available at the meeting.

Action Item
Consent Agenda

Minutes from June Board Meeting

The minutes from the June 13th board meeting are included on pages 7 through 11 of this packet.

Notes from July 2nd Executive Committee Meeting

The notes from the July 2nd Executive Committee meeting are included on pages 13 through 16 of this packet.

Minutes from the July Retreat Business Meeting

The minutes from the action item of the July 25th retreat agenda are included on pages 17.

Oregon Workforce Investment Board Minutes

Chemeketa Center for Business and Industry, 626 High St NE, Salem

June 13, 2014

Member Attendees: Dave Baker, Agnes Balassa, Susan Brown, Sen. Michael Dembrow, Maureen Fallt, Joni George, Karen Goddin, Jessica Gomez, Megan Helzerman, Dacia Johnson, Lori Luchak (via Collaborate), Andrew McGough, Laura McKinney, Matt Millard, Lisa Nisenfeld, Kathy Oliver, Barbara Rodriguez, Alan Unger, Stephaine Taylor, Frank Wall, Joe Weber, Jeffrey Krolick, Rep. Paul Holvey, Jessica Howard, Charles Hopewell, Robert Halligan, Carrie Chaffee, Trygve Bolken

Absent Members: Jesse Gamez, Gerald Hamilton, Sen. Larry George, Rep. John Huffman, Claire Spanbock, Erinn Kelley-Siel, Barbara Byrd, Ken Madden, Marvin Revoal

Staff: Melissa Leoni, Katelyn Roberts

Guests: Cheryl Martin, Cathy Wilkins, Virginia Hamilton, Jordana Barclay, Karen Humelbaugh, Krissa Caldwell, Kim Parker, Amy Evans, Clay Martin, Tim McGann, Kristina Payne, Tony Frazier, Wayne Fanno

Meeting called to order at 1:06 p.m.

Board Vice Chair Gomez called the meeting to order.

Comments from Virginia Hamilton, Regional Administrator for U.S. Department of Labor, Employment and Training Administration

Virginia Hamilton and her team were introduced to the Board; they have been hosted by Oregon for past few days. Hamilton stated she has been impressed with the caliber of the workforce system in Oregon. She noted that the arrival of DOL Secretary Perez nine months ago has made a huge impact on the programs Employment and Training administers. Secretary Perez is interested in workforce programs working better for both employers and job seekers and they are focusing on job-driven workforce solutions. President Obama and Secretary Perez are emphasizing that everything funded must result in a job.

The West Coast Region that Hamilton administers has four priorities:

- Strategic Alignment: They want to make strategic investments rather than series of grants and are discussing ways system can work together better for customers.
- Aligned Performance Management Measurements: They are looking at ways of determining success that align across funding sources.
- Customer-centric service (Re) Design: Putting job seeker and employer customers at center of design to meet their needs rather than rules and regulations.
- Building field of workforce development – Investing in skills of our own workers and making it a recognized profession.

Hamilton noted that the bipartisan, bicameral WIA re-authorization bill– the Workforce Innovation and Opportunity Act – is looking likely to pass. If the bill passes, it will take about two years to implement. It codifies many of the good practices that are already happening in Oregon such as regional strategy, industry sectors, career pathways, and leveraging resources. This bill also returns 15% of funding allocation to the Governor that was reduced several years ago, the loss of which has limited implementation of new projects. The bill also allows for smaller LWIBs, and refocuses youth money towards out-of-school youth.

Overall, Hamilton was impressed with the work being done in Oregon and is making some commitments to help the State address some systemic barriers. In response to question regarding employing people with disabilities, Hamilton noted that there is a commitment on this issue from Secretary Perez. DOL has been funding a Disability Navigator program and a new solicitation is out. She noted it takes partnerships and creativity to address this challenge. A question was asked about DOL guidance around wages in sheltered workshop. Hamilton stated that this was covered under Wage and Hour division of DOL, a different department than hers, but she will provide that information.

A question was asked about the potential new law and the changes of allocation towards youth. Hamilton said 30% of allocation will remain for youth, but the focus will change to prioritize out-of-school youth, as opposed to drop out prevention. Schools and other partners often have money for drop-out prevention, but not for out-of-school youth, so that is the thinking behind this re-prioritization. She is anticipating providing technical assistance for local areas that need to refocus their service design to out-of-school youth.

When asked to elaborate on systemic barriers to collaboration, Hamilton provided the example that, in order to receive a Pell grant, a student must take 24 college credits; however, employers say the skills they need do not require that whole year of school. She noted that it is challenging to collaborate if people do not know each other and the programs they administer, but that is not a funded activity. She wants to fund this separately from service delivery because people need the resources to do this.

Leoni noted a summary of the WIOA legislation is included in board packet.

Public Comment

After Vice Chair Gomez opened public comment, Cathy Wilkins (President of the Oregon Employer Council) and Cheryl Martin (Clatsop County Employer Council) provided testimony. Martin stated that with the recent announcement that the Oregon Employment Department (OED) is withdrawing support from the Oregon Employer Council (OEC), she wants the OWIB to know the importance of the OEC to many employers, especially in rural communities. She noted that the OEC could be the only resource many employers have on labor laws and other human resource topics. She stated that the Clatsop County Employer Council began a year ago and has already had over 300 employers participate in its activities. Martin said that it is important that the OEC continue to be this resource and a voice for business, not just for OED, but also for BOLI, DHS, and other departments. Martin concluded with asking OWIB to participate, engage, and partner with the OEC.

Wilkins testified for continued support of the OEC and discussed how they were part of the National Career Readiness Credential piloting in 2009. She is concerned that the successes of the OEC are not

being recognized. She stated that the OEC is successful because they have OED employees on the ground in places they cannot be. She is concerned that there is a group of businesses engaged, but have not been invited to partner. A 40 year relationship is suddenly disappearing, and they want a conversation about how to make this work.

Vice Chair Gomez asked for Nisenfeld to respond. Nisenfeld said that the Oregon Employment Department spends about \$450,000 year on the Oregon Employer Council. When the OED came under oversight of the OWIB, of which the majority is business representatives, having a separate employer board through the OEC no longer made sense. She explained that the OEC can continue to exist in other ways, and OED has committed to make sure the training around labor laws and human resources will continue. For the active OEC chapters, the OED is seeking to get them connected with LWIBs. Nisenfeld noted the discontinuation of funding is not due to lack of interest in employer input, nor for any disrespect for the good work they have done over the years. It is a matter of different structures within the system and needing to have unified governance structure. They will work to figure out how the functions will continue. Balassa recommended this discussion be continued at the OWIB Executive Committee.

Consent Agenda

Gomez put motion on floor to approve the consent agenda. *Millard moved, George seconded, motion passed unanimously.*

Local Workforce Investment Areas

It was noted the criteria for this discussion is on pages 27-34 in the packet. Also included is a letter from the Oregon Workforce Alliance (OWA) with a proposal for new boundaries. OWA proposes four new boards – North Coast, South Coast, Central, and Eastern (map on page 31) – with the South Coast board submitting paperwork for approval at today’s meeting. Staff provided handouts to the Board of the South Coast’s application for redesignation, as well as the area re-designation approval form, which includes staff analysis on how the proposed area meets the required criteria. It was noted there are ongoing state level discussions on how to supplement administrative costs for LWIBs.

Brown, a Curry County Commissioner, expressed the strong support Coos, Curry, and Douglas counties have for forming a new LWIA because they have similar populations, labor market, etc. She noted that there are many issues to address, but they are progressing forward and waiting on the OWIB’s approval. At this time, the CCBI building was briefly evacuated. The OWIB finished the discussion in the building parking lot. Millard asked for clarification about the recommended action. Humelbaugh responded that this action mainly confirms the area’s boundary. The next step is board formation and then OWIB approval of chartering criteria. Unger noted that there will be additional conversations between the county commissioners.

Vice Chair Gomez put motion on floor to approve new LWIA boundaries for Coos, Curry, and Douglas counties. Wall moved and Halligan seconded. Brown abstained from voting. The motion passed unanimously.

Board Development

The Board reconvened in the meeting room. Leoni proposed two actions regarding OWIB's committee structure – to sunset committees on Sectors Strategies, Work Ready Communities, System Innovations, and Green Jobs Council; and establish two standing committees – Performance & Accountability and System Budget & Finance. She noted that there is not a proposal to sunset the Youth Committee. The roles, responsibilities, meeting frequency, and membership of the proposed standing committees are outlined in the packet. Leoni reminded the Board that the Chair appoints committee members and to inform her or Chair Madden if interested in participating on one of these committees.

Unger stated that he supports the committee proposal but requests regular updates of each committee so Board can track progress. Discussion occurred around the Budget and Finance Committee looking beyond Title IB funds. It was agreed that this committee would look at all workforce programs in the 2015-2017 biennium.

Vice Chair Gomez put motion on floor to sunset committees on Sectors Strategies, Work Ready Communities, System Innovations, and Green Jobs Council. Fallt moved, Taylor seconded, motion passed unanimously.

Vice Chair Gomez put motion on floor to establish Performance & Accountability and System Budget & Finance Committees. Hopewell moved, Rodriguez seconded, motion passed unanimously.

Youth Opportunities

Leoni introduced the agenda item as a way for OWIB to begin a conversation around youth employment issues and identifying priorities. Graham Slater and Nick Beleiciks, OED Research Division, then presented an overview of the recently released report, *Endangered: Youth in the Labor Force*. Their presentation highlighted the following:

- Even as jobs increased after the recession, young workers are not benefitting. Unemployment rates for Oregon teens have not returned to pre-recession levels.
- Youth are much less likely to use public employment agencies or personal networks to get a job. Youth primarily rely on sending out resumes and applications for their job search.
- The time young people spend unemployed has lengthened significantly and during this time, they are not receiving on-the-job experience.
- The recession did not increase the share of "idle" youth but it did increase the number, mainly due to overall population growth.
- Money earned by working teens benefits family income and stimulates local economy.
- Agricultural work for youth is still allowed, but extra paperwork is required by the employer.

Sen. Dembrow asked if supporting youth to be more successful in the workforce would mean taking jobs away from older workers. The need is for more employers to create more jobs and focusing more on middle skilled jobs will incorporate youth and older workers. George shared her company's experience in working to attract youth to their workplace. They determined that many of the challenges the youth faced could be identified in elementary school. Because of this, they decided to target parents and the

community, and not solely focus on 16-19 year olds. Further discussion occurred around the importance of integrating education and workforce for this population.

Jordana Barclay, Oregon Workforce Partnership, Kristina Payne, Lane Workforce Partnership, and Tony Frazier, Job Growers, Inc. discussed what LWIBs are doing at the local level to address youth workforce issues. Payne and Frazier provided examples of the ways their LWIBs implement youth workforce strategies and programs, identifying the importance of collaboration, flexibility, and partnership with business at the local level. Barclay discussed Oregon Workforce Partnership's recommended next steps of actionable items to undertake to address youth unemployment. Steps recommended include: Fund Senate Bill 175 to invest in a youth summer jobs program, support career readiness and exploration throughout education and workforce system, and provide flexibility within postsecondary school to accommodate those acquiring work skills while still pursuing education.

Small discussion groups were formed to answer the following questions:

- In reviewing the conclusions and potential next steps identified in the Youth Report, are there other ideas for addressing youth unemployment or improving the job market for young people?
- Of the conclusions and potential next steps identified, which are most important to you?

After the small group discussions, each group reported out their additional ideas. Then each board member selected their top two choices. The ideas with the most support included employer engagement, investing in youth jobs programs, supporting youth career readiness and career exploration, and bringing public employment resources to youth. Leoni reported that staff will compile the results for further Board discussion and action.

WIA Compliance

As a follow-up to last month's meeting request, Karen Humelbaugh presented the proposed Wagner-Peyser/WIA Title IB performance numbers, alongside those numbers negotiated in 2013 and proposed for 2014.

Humelbaugh presented the Title IB budget, which is nearly \$34 million over three funding streams. Approximately \$27.5 million goes directly to local level. She noted there are no funds allocated in the National Career Readiness Certificate line item because this is being funded by state funds. Balassa pointed out that the budget illustrates this is a system that has a relatively small number of resources in comparison to the number of people served.

Announcements

Leoni reminded the Board about the likely July 11th meeting, as well as Board retreat on July 25th.

Meeting adjourned at 4:12 pm.

**OWIB Executive Committee Meeting Notes
July 2, 2014**

Members participating by phone: Jessica Gomez, Marvin Revoal, Matt Millard, Lori Luchak, Barbara Byrd, Jordana Barclay, Megan Helzerman, Lisa Nisenfeld, Agnes Balassa (joined later)

Staff: Melissa Leoni, Katelyn Roberts, Mei Yong

Call to Order

Vice Chair Gomez called the meeting to order. There was a round of introductions.

Oregon Employer Council

Nisenfeld gave an update on the Oregon Employer Council (OEC). The OEC has been around since 1950s. Several years ago, following the Workforce Investment Act, the Department of Labor dropped the requirement to have these councils. The Oregon Employment Department (OED) has continued to support the statewide council and its 24 local chapters. The OED has 24 staff who work part-time on the local councils and one full-time staff on the statewide council. The principal activity is providing training for human resources (HR) professionals on matters of state law and HR best practices. Most of the members are HR professionals. Many of the chapters do fund raising activities. The money goes into the account of the OEC, but the local chapter has discretionary use of the money. The OED's financial contribution is about \$450,000 per year, which goes to staffing costs and funding an annual retreat and an annual conference.

Nisenfeld expressed that she didn't think that these chapters are providing value for the OED funding. They also do not provide an employer voice in terms of advice on how OED runs its organization. The local chapters have previously lobbied the legislature to maintain OED funding. Since the OED is now under the direction of the OWIB, the local chapters of the OEC can be affiliated with the local workforce boards.

Nisenfeld mentioned that there was an article in the Statesman Journal that stated that the OED is taking away money from the OEC and converting it into training. Nisenfeld reported that the OED is actually redirecting staff efforts towards a higher level of employer services in high priority sectors and economic development projects within their regions. The OEC chapters do not recognize WorkSource as an entity; they only recognize OED. Nisenfeld said that the OEC need to understand that this is a joint venture, not one or the other. Leoni said that, to follow up on the request that the OEC had made at the June meeting, staff are trying to pull together a meeting and will invite the OWIB Executive Committee members and the OEC members to discuss what they are asking for. The OED will also be scheduling meetings with OEC to talk about the transition of the employer training and business services. Leoni is also working on a background document. Gomez said that the OWIB needs to be really clear at these meetings to the OEC about the expectations of their new roles.

Nisenfeld said that the OEC believes that they have the right to determine where the funding goes because it comes out of unemployment taxes and employers pay those taxes. OED receives .09% of the unemployment insurance taxes, which amounts to \$70 million per biennium (based on next year's projections).

Millard asked if the Executive Committee would provide a recommendation to the OWIB or take a vote now? Gomez said that the committee would update and share the concerns with the full board for now.

HECC/OWIB Taskforce

Leoni reported that the HECC/OWIB taskforce met on Monday and discussed the topics of Common Outcomes and What Counts for meeting the Middle 40 goal. The taskforce also began discussions on the mechanisms for how the boards will work together, what each board would do independently, and what the boards need from each other. Joint staff will develop a series of options for the taskforce at the next meeting on August 27. There will be a brief update during the August OWIB meeting with more discussion in September or October. Recommendations will probably be finalized in September and moved to the OWIB for adoption in October or November.

Nisenfeld said one of the hot issues that should be discussed is whether the systems should be measuring consumer oriented results from community college career technical training programs as a whole and not just the workforce system parts. Byrd reported that she was encouraged that the taskforce is coming to consensus around what should be included in the Middle 40 category. The other important issues include the quality of the training and the need to make sure that the focus is not only on the immediate job placement impact.

Update on Workforce Innovation and Opportunity Act (WIOA)

Leoni said that it passed the Senate last week. The House will resume on July 8 and the bill is expected to pass.

July OWIB Meeting

Re-designation of Local Workforce Investment Areas

Roberts provided an update on the re-designation. The Central area has submitted paperwork for four of the 10 counties. No counties in the Eastern region have submitted their paperwork or signatures. Balassa is in Harney County right now working to address their concerns.

Roberts explained that staff will be sending out an email by the end of the day tomorrow on whether there will be an OWIB meeting on July 11 or not. If the meeting does occur, it will be a short meeting via Collaborate. Also, there will be a short exercise on how to use Collaborate to vote and make comments. There will be a central meeting location in Salem at CCBI for members who want to join in person. Leoni said that there is a draft agenda in today's meeting packet.

July OWIB Retreat/Orientation

Leoni reported that the retreat will be held at the Grand Hotel in Tigard, right off the Bridgeport/Lake Oswego exit. It has indoor/outdoor areas that staff think will be conducive to informal conversations, networking, and structured small group discussions. The purpose is for strategic planning, for new and current members to get to know each other, and to get to know the background of the workforce system. Leoni said that staff is putting together some background materials on workforce systems and programs for board members. At the retreat, staff will provide an overview of the system and the role of the board. Since the legislation passed in February, there have been a number of changes in the roles and responsibilities of the OWIB. Leoni said staff would also take time to review the OWIB's strategic plan to make sure that the decisions that the Board makes fit into that framework.

Leoni asked the committee for feedback on how the OWIB should engage in discussions around Sector Strategies and System Innovation at the retreat. She also reported that the other topic for the retreat is

the system performance measures and the OWIB's new role outcome in terms of accountability and oversight.

Nisenfeld said that she would want to know where funding in the WorkSource System is invested. Millard would like to better understand how the LWIBs work and how the OWIB decisions and actions feed into the LWIB decisions on what they choose to fund. Gomez said that, at the last OWIB meeting, the Board had made a decision to put together a panel made up of LWIB members and/or directors to talk about what they are working on. Revoal stated that it is important for the OWIB to understand what its role is in managing the LWIBs. Nisenfeld said that the Governor's direction is to move as much decision-making to the local level as possible.

Byrd recommended that board members spend some time on relationship building and learning why they decided to serve on the board and what they hope to get out of the experience. She suggested some of kind of ice breaker. Leoni said that there will be some networking built into the morning and a "working lunch" that will allow board members to get to know each other.

Nisenfeld said that if something needs to come off the agenda, the discussion on Work Ready Communities should be postponed since there hasn't been much activity to report at this point. Leoni and Gomez agreed.

Leoni asked the committee about whether it felt the board should discuss some key issues related to Systems Innovation, including WorkSource service delivery, the equity lens and how it would be applied and collaboration with other boards and commissions, at the retreat or at a regular meeting. Gomez suggested doing a broad overview and brief discussion on each one at the retreat. Leoni and Roberts are working on a "graphic" to tell the story on Systems Innovation. This is a big project with a lot of moving pieces. The graphic would show the timeline of the project of where the system is now, what is being worked on, and where system partners are within the timeline of the project. Millard asked if there is a piece of work within the Systems Innovation project that supports people with disabilities? Leoni responded that the Dept. of Human Services is taking a lead on a special populations review. Gomez said that it would be helpful to show on the graphic where streamlining is taking place, depicting the differences between where the system was then and where it is now.

August OWIB Meeting

Leoni reviewed the draft agenda. The proposed agenda is too full; staff will be looking at pushing some items back to future meetings. She also reported that the agenda will change based on what is covered at the retreat.

New Board Support and Guidance

Roberts reviewed the timeline in the meeting packet. A workgroup of OED and CCWD staff is developing local planning guidance. Roberts reported that staff will be sending out information to the local areas about what the state will need from them as the new and existing areas develop a local plan. This information will include the charter criteria, timeline, and an outline of all the chapters of the local plan, with final guidance sent out in October. The goal is to have the plans due at the beginning of March 2015 and have the Governor certify and charter the local boards by the end of June 2015.

Board Development

Leoni reported on the following:

- Based on the June discussion and prioritization exercise around youth, staff will identify some recommendations for moving forward.
- Apprenticeships will be part of the conversation around additional committees.
- Workforce Equity Lens. Need to have an overview about what it is and how the Board would use it to guide its work and decisions.
- Collaboration with other boards and commissions – need to develop a proposal on how the OWIB would begin working with these over the next year.
- Madden and Gomez need to appoint members to committees (Performance and Accountability and Budget and Finance).
- Performance and Accountability will be reviewing the local board plans.
- The Budget and Finance committee needs to get organized and review the agency budget proposals. Balassa reported that while many decisions will be made by early September, she would like to get the OWIB engaged in reviewing the proposals before everything is finalized.

System Performance Measures

Nisenfeld reported that the agencies have committed to have a performance measurement system work plan ready by September 1. This includes how the data will be collected, what will be done with the data, and what happens as a result of the data. Balassa said one of the steps in the process is to finalize the draft system performance measures at the August meeting. The second step is to create a full performance measure system so that the system knows how it is achieving those goals. Nisenfeld added that the OWIB will be asked to weigh in on the plan as the work moves forward.

Workforce Agency Strategic Plan

Nisenfeld referred the committee to “The Future of WorkSource, Executive Summary” in the meeting packet. The forums were designed to receive from employers, providers and job seekers about how to improve WorkSource and its services to customers. The agencies will then use this information and add in the OED and CCWD major initiatives to determine how best to deploy resources. She said that staff will be drafting the plan in August and may have a draft ready for the Executive Committee to review in September. The plan will then go to the OWIB to review, revise or adopt.

Redesignation

Balassa gave an update on the local area redesignation. Half of counties from the Central region have submitted their paperwork and resolutions. She said that all of the Central region paperwork may be ready for a July vote. Seven out of the eight counties in the eastern region are willing and ready to move forward. Harney County has some concerns, but Balassa is working with them to resolve their concerns. The Eastern region will not be ready for a July 11 OWIB vote. The North Coast counties are talking about possibly joining with another existing area.

Gomez adjourned the meeting at 2:30 pm.

Oregon Workforce Investment Board Retreat Business Meeting

The Grand Hotel, 7265 SW Hazel Fern Road, Tigard, OR 97224

July 25, 2014

Member Attendees:

Frank Wall, Joe Weber, Ken Madden, Lori Luchak, Maureen Fallt, Susan Brown, Joni George, Trygve Bolken, Carrie Chaffee, Charles Hopewell, Agnes Balassa, Alan Unger, Dacia Johnson, Lisa Nisenfeld, Megan Helzerman, Jeffrey Krolick, Andrew McGough, Kathy Oliver, Dave Baker, Barbara Byrd, Matt Millard, Sen. Michael Dembrow, Rep. John Huffman, Rep. Paul Holvey.

Absent:

Barbara Rodrigues, Claire Spanbock, Jesse Gamez, Jessica Gomez, Marvin Revoal, Robert Halligan, Stephaine Parrish-Taylor, Sen. Larry George, Karen Goddin, Laura McKinney, Erinn Kelley-Siel, Gerald Hamilton

Staff: Melissa Leoni, Katelyn Roberts, Karen Humelbaugh, Mei Yong

Guests: Nathan Rix, Krissa Caldwell

Chair Madden welcomed the Board and called the meeting to order at 9:40am

Redesignation of Local Workforce Investments Areas

Humelbaugh gave a quick background and update of the redesignation process. She referred to a map of the proposed redesignation areas in the document titled, "Action Item for the OWIB" in the meeting packet. Humelbaugh reported that Oregon currently has 7 Local Workforce Investment Areas (LWIAs). One of them is a non-contiguous area including east of the Cascades, the north coast, and the south coast. Earlier this year, Governor Kitzhaber invited Oregon's LWIAs to consider redesignation so that their geographic boundaries could better serve the labor market and be better aligned with economic development districts. Humelbaugh reminded the Board of the statutes in the Workforce Investment Act that need to be adhered to in the redesignation and the two additional criteria approved by OWIB: contiguous boundaries and alignment with regional solutions. The OWIB approved the south coast LWIA at the June OWIB meeting.

The action item for today is the proposed redesignation of LWIA for Crook, Deschutes, Gilliam, Hood River, Jefferson, Klamath, Lake, Sherman, Wasco, and Wheeler counties. Unger spoke in support of the redesignation as a Deschutes County Commissioner. He said that, because most of these are rural counties, the LWIA need to have sufficient money to fund the services of the local workforce board. This would allow the 10 counties to work with economic development, education, and workforce entities to address local businesses' workforce needs. Huffman also spoke in favor of the recommendation. He reported that the 10 county consortium brings together the rural counties and would bring in the needed funding to provide services. Humelbaugh said that there is a summary of the OWIB staff's recommendation in the packet and that the proposal meets all of the WIA statutes and OWIB criteria. Krolick asked which of the new criteria presented the most problem during this process. Unger replied that, because the area is so large, some rural communities have had to function as a service provider as well as a local workforce board. He said that the Governor has mandated that a LWIB cannot be both. He said that they will have to work through this issue.

Balassa gave an update on the eastern region and that almost all of the counties in this region are moving forward in the process. Her office is receiving and preparing the required paperwork. The other

area to be redesignated is the north coast counties. She is in active discussion with them and should have an update or a plan in August. Balassa commented that economic development is very different in rural areas than in the valley and she would like to bring the topic of aligning education workforce and economic development in the rural areas to the Board for further discussions.

Chair Madden put motion on floor to recommend the change to the central area LWIA to the Governor. Millard moved and Brown seconded. Unger abstained from voting. The motion passed unanimously.

Chair Madden then closed the business meeting and resumed the retreat agenda.

DRAFT

Action Item

Redesignation of Local Workforce Investment Areas

Background: Earlier this year, Governor Kitzhaber invited Oregon's seven Local Workforce Investment Boards (LWIBs) to consider redesignating local workforce investment areas to be better able to meet their expanded mission and to better align with economic development. The Governor identified a deadline of April 15, 2014 for LWIBs and/or Chief Local Elected Officials to let him know if they were interested in discussing possible new boundaries.

The Governor received five letters from within The Oregon Consortium/Oregon Workforce Alliance recommending the consideration of new boundaries within the workforce area. The OWIB will be required to recommend to the Governor whether he should accept the new boundaries once they are formalized.

The OWIB must use a set of predetermined criteria to decide whether to recommend the new boundaries to the Governor. Under Section 116 of the Workforce Investment Act, the OWIB must consider the following baseline criteria:

- New areas are served by one or more local educational agencies and intermediate educational agencies.
- New areas are served by one or more postsecondary educational institutions and area vocational education schools.
- The extent to which such local areas are consistent with labor market areas.
- The distance that individuals will need to travel to receive services provided in such local areas.
- Whether sufficient resources are available in the area to effectively administer the requirement of Title 1 of the Workforce Investment Act.
- Whether there is compelling evidence that a redesignation would:
 - Better meet the criteria established by the state board;
 - Be more effective or efficient; and
 - Produce better performance results for customers.

During the May OWIB meeting, the board adopted two additional criteria at the request of Governor Kitzhaber to consider proposed Local Workforce Investment Areas:

- Increase alignment with economic development districts and regional solutions areas.
- Creation of contiguous local workforce investment areas to the extent possible.

How will OWIB know whether a new local workforce investment area meets the criteria:

The Governor's Office has requested that the local elected official from the proposed areas complete a form that explains how the proposed area meets these criteria. For the OWIB's consideration, staff have completed the approval form following this cover page which includes an analysis of the information provided by the Eastern Area. This area includes the following counties: Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, and Wallowa. The completed request form followed by signature pages and/or resolutions passed by each county will be provided at the August board meeting.

Recommended Action: Recommend to the Governor that the Eastern Area be designated as a local workforce investment area.

**Redesignation of Local Workforce Investment Areas
Approval Form**

Local Workforce Investment Area to be approved: Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, and Wallowa

Counties included in the Local Workforce Investment Area:

 X The Governor’s Office has received letters requesting redesignation of the local areas.

 X The Governor’s Office has received resolutions from each participating county supporting the new area (Note: Resolutions from each county must be received to finalize approval of the new area)

Two of the eight counties have passed resolutions. It is anticipate that all counties will pass resolutions soon.

 X The Governor has reviewed the request and confirms that it:

- Is consistent with local labor markets and the service areas of local educational and other workforce partners

Comments:

 X A request has been forwarded to OWIB staff for review of the following criteria.

- Geographic areas served by local education agencies and intermediate educational agencies.
- Geographic areas served by post-secondary educational institutions and area vocational education schools.
- The extent to which local areas are consistent with labor market areas.
- The distance that individuals will need to travel to receive services provided in such local areas.
- The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Workforce Investment Act.
- Better meet the criteria established by the state board.
- Be more effective or efficient.
- Produce better performance results for customers.
- Criteria established by the state board on May 9, 2014:
 - a. Increase alignment with economic development districts and regional solutions areas
 - b. Create contiguous local workforce investment areas to the extent possible
[WIA Sec. 116(a)(1)(B), OAR 151-010-0040]

 X Staff analysis: Please see the table on the following page.

Criteria	Does the proposal meet the criteria? Yes or No	Comment/explanation
Geographic areas served by local educational agencies and intermediate educational agencies	Yes	As part of the “Eastern Promise” program, school districts in the proposed area work with the postsecondary entities and the InterMountain Education Service District towards the common goal of increasing the number of students who are prepared to attend college directly from high school.
Geographic areas served by postsecondary educational institutions and area vocational education schools	Yes	The following colleges offer a full complement of college transfer credits/degree and certificate programs: Eastern Oregon University, La Grande; Blue Mountain Community College, Pendleton; Treasure Valley Community College, Ontario.
The extent to which such local areas are consistent with labor market areas	Yes	The eight counties in the proposed area are rural and do not have a metropolitan area. Agriculture is a key industry throughout the area. Wood Product, Food, and recreational vehicle hold the bulk of the area’s manufacturing employment opportunities.
The distance that individuals will need to travel to receive services provided in such local areas	Yes	Seven of the eight counties within the proposed area have WorkSource offices which are within 75 miles of the county seats.
The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Workforce Investment Act	Yes	The estimated WIA IB allocation for these eight counties is \$1,356,529. The workforce investment board (WIB) is allowed to hold 10% of the allocation for administrative functions which would be \$135,653 in this area. Staff believe that WIBs need at least \$500,000 in administrative funds to perform the functions required by both the funding stream requirements and chartering criteria adopted by the OWIB in May. There is a commitment to assure all boards are provided additional resources to be wholly able to function in the new capacity.
Better meet the criteria established by the state board	See the next two boxes	
Increase alignment with economic development districts and regional solutions areas	Yes	The regional solutions boundaries are being changed to align with economic development districts. Once it occurs, the proposed area will be within two regional solutions areas.
Create contiguous local workforce investment areas to the extent possible	Yes	All ten counties are contiguous.
Be more effective or efficient	Yes	The intent is that by limiting the number of counties – and ensuring that they share similar economic conditions, trends, and outlooks – the effectiveness and efficiencies will be achieved due to more tightly focused local area strategies.
Produce better performance results for customers	Yes	As above, better performance for customers is one of the goals of the proposed smaller, contiguous, local area. If approved, actual performance will be monitored at the state level.

Information Item

Retreat Follow-up and Board Discussion

Background

On July 25, 2014, the Oregon Workforce Investment Board (OWIB) met at The Grand Hotel in Tigard for a day-long retreat to:

1. Build understanding of the evolving workforce system
2. Begin to determine how the board will evaluate progress toward prosperity for all Oregonians
3. Build board cohesion, establish 2014/15 priorities, and determine meeting format options for this year

After small group discussions around member perceptions of the workforce system in Oregon, the OWIB staff presented an overview of the workforce system. The overview covered state policy, the key elements of the system, federal legislation, Oregon's workforce system structure, public workforce system investments, local workforce investment boards, and system services. Staff also reviewed the OWIB's membership requirements, roles, and three main functions (guidance, performance and accountability, and collaboration).

Staff then gave an overview of the 2012-2022 OWIB Strategic Plan and the plan's three statewide strategies:

1. Work-ready communities
2. System innovation
3. Industry sector strategies

Lindsey Woolsey, The Woolsey Group, and John Melville, Collaborative Economics Inc., gave an overview on sector strategies.

Graham Slater, Oregon Employment Department Research Administrator, described the current status of the workforce system performance measures. The board then had a discussion about how could the OWIB use data to evaluate system progress toward prosperity for Oregonians. Staff will summarize the results of this brainstorm at the August 8 meeting.

Ms. Woolsey and Mr. Melville then spoke about the considerations for measuring sector strategies. The retreat concluded with a board discussion with staff around the organization of board meetings and the wants and needs of board and staff to achieve the board's goals.

Copies of the presentations and supplemental materials are posted on the OWIB website at:

http://www.oregon.gov/gov/skilled_workforce/Pages/Agendas-and-Minutes.aspx

Discussion

At the August 8 meeting, board members and staff will have a chance to talk about follow-up items from the July retreat.

Action Item

Oregon's Workforce System Performance Measures

Background: Graham Slater, the Administrator of the Employment Department's Workforce and Economic Research Division, provided background information and an progress report on Oregon's workforce system's performance measure. The Oregon Employment Department's Workforce and Economic Research Division is home to Oregon's current workforce Performance Reporting Information System (PRISM). PRISM collects data from six workforce programs administered by three state agencies: Department of Community Colleges and Workforce Development, Department of Human Services, and the Oregon Employment Department. PRISM is the reporting system for performance measures selected and defined by workforce policy makers roughly 15 years ago: entered employment, retention, wage gain.

Following conversations between the Governor's Office and the Employment Department, and in conjunction with the development of the OWIB Strategic Plan, the Employment Department convened a work group of state and local workforce leaders and partners in late 2013. The task for this work group was to identify and define performance measures that would complement the overall workforce system redesign efforts and be used to continuously improve the system.

Since the beginning of the year, staff from OED's Research Division have been leading a number of smaller work groups that include representatives from state workforce agencies and local workforce boards. These work groups were tasked with finalizing the definitions and details for eight of the nine measures:

- Entered employment
- Employment retention
- Earnings from employment
- Wage gain
- Skill gain
- Business satisfaction
- Job seeker satisfaction
- Targeted sectors

The Governor's Office and state agency staff was working together to scope and develop a cost analysis measure based on the information gathered from a model implemented in the state of Utah. Additional information on the cost analysis measure will be provided in the future.

In the next year, staff will work to develop the capability to collect and compute the data for all of the measures. It is expected that data for all or most measures will be computed and available by June 2015, while the full online data system will be released by June 2016. It is anticipated that the OWIB will be given a quarterly dashboard report that summarizes the data.

The full presentation provided during the retreat follows this cover page. Summary reports from the skill gain, targeted sectors, business and job seeker satisfaction work groups are posted at: http://www.oregon.gov/gov/skilled_workforce/Pages/Agendas-and-Minutes.aspx

Recommended Action: Staff recommend the OWIB adopt the following nine performance measures as means for assessing and improving Oregon's workforce system:

- Entered employment
- Employment retention
- Earnings from employment
- Wage gain
- Skill gain
- Business satisfaction
- Job seeker satisfaction

Staff will ask the Board to consider adopting the measure for targeted sectors and cost analysis/return on investment at a later date.

Workforce System Performance and Accountability

Oregon Workforce Investment Board
July 25, 2014

Outline

- * Reminder: Oregon's history with workforce performance measures.
- * The Nine (or so) Measures
- * "PRISM At a Glance"
- * The Eventual Dashboard
- * Wage Record Measures
- * Skill Gain Measures
- * Customer Satisfaction Measures
- * Sector Strategies Measures
- * Cost Analysis Measures
- * Next Steps

Workforce Performance Measures Historical and Current

- * Shared Information System
- * Performance Reporting Information System
- * Employment
- * Retention
- * Wage Gain
- * www.oregon.gov/PRISM

PRISM **Employment Report**
Systemwide Performance Accountability

Report run on: May 6, 2014 7:06 AM

Workforce Area	Services Completed ** July 1, 2013		**/w/ September 30, 2013	
	Total	Employed	Total	Employment Rate
Out of State	2,542	2,061	2,542	75.97%
Region 01 - Clatsop, Columbia, Tillamook	2,067	2,110	2,110	73.60%
Region 02 - Multnomah, Washington	31,017	23,346	23,346	73.30%
Region 03 - Marion, Polk, Yamhill	14,246	10,000	10,000	74.14%
Region 04 - Benton, Lincoln, Linn	6,096	5,122	5,122	73.60%
Region 05 - Lane	6,953	6,004	6,004	72.17%
Region 06 - Douglas	3,854	2,782	2,782	71.44%
Region 07 - Clack, Clatsop	3,028	2,162	2,162	71.44%
Region 08 - Jackson, Josephine	9,114	6,658	6,658	72.80%
Region 09 - Gilliam, Hood River, Sherman, Wasco, Wheeler	1,073	1,602	1,602	81.20%
Region 10 - Crook, Deschutes, Jefferson	4,346	4,571	4,571	71.67%
Region 11 - Clatsop, Lake	2,330	1,776	1,776	69.69%
Region 12 - Marion, Lincoln	2,980	2,226	2,226	77.64%
Region 13 - Grant, Union, Wallowa	1,807	1,307	1,307	74.01%
Region 14 - Grant, Harney, Malheur	1,408	1,067	1,067	75.79%
Region 15 - Clackamas	8,539	6,115	6,115	71.61%
Unknown / Suppressed Data	705	606	606	79.22%
Total	111,549	81,795	81,795	73.30%
Total Individuals	77,028	56,552	56,552	72.17%

Participating Agencies	Total	Employed	Employment Rate
COMED Community College - Postsecondary Career Technical Education	0	0	0.00%
COMED Title 18 Youth, Adult, and Dislocated Workers	34,507	25,819	74.79%
COMED Title 3 Adult Basic Education	0	0	0.00%
DHS TANF JARIS	1,884	1,260	68.96%
DHS Vocational Rehabilitation	287	174	60.60%
CEO Employment Service	34,861	24,500	72.81%
Total	111,549	81,795	73.30%
Total Individuals	77,028	56,552	72.17%

See last page of report for footnotes, terms and explanations.

Agencies Partnering for Workforce Productivity
Oregon Employment Department, 503.947.1234

Page 1
Report Version: 1.2.1.0

State of Oregon
Employment Department

Workforce Performance Measures The Process So Far

- * Initial Agnes and Graham conversations (2012 -> 2013)
- * Work group including representatives of workforce boards, elected officials, state agencies (2013)
- * Started with OWIB Strategic Plan and Goals
- * Nine (plus) measures identified (November 2013; approved by OWIB February 2014)
- * Smaller work groups to work out details; implement data collection and analysis for all measures (wrapping up June/July 2014)
- * Federal grant assists with some of this work
- * Measures eventually available in dashboards and via online analysis tools
- * Linked to a management process that consistently uses the measures to improve the system

State of Oregon
Employment Department

OWIB Stated Goals

- * **Goal 1:** Oregonians have the skills for high wage/high demand jobs.
- * **Goal 2:** Businesses have skilled workers to innovate and grow.
- * **Goal 3:** Workforce system is aligned, integrated, efficient, and effective to support businesses and job seekers.

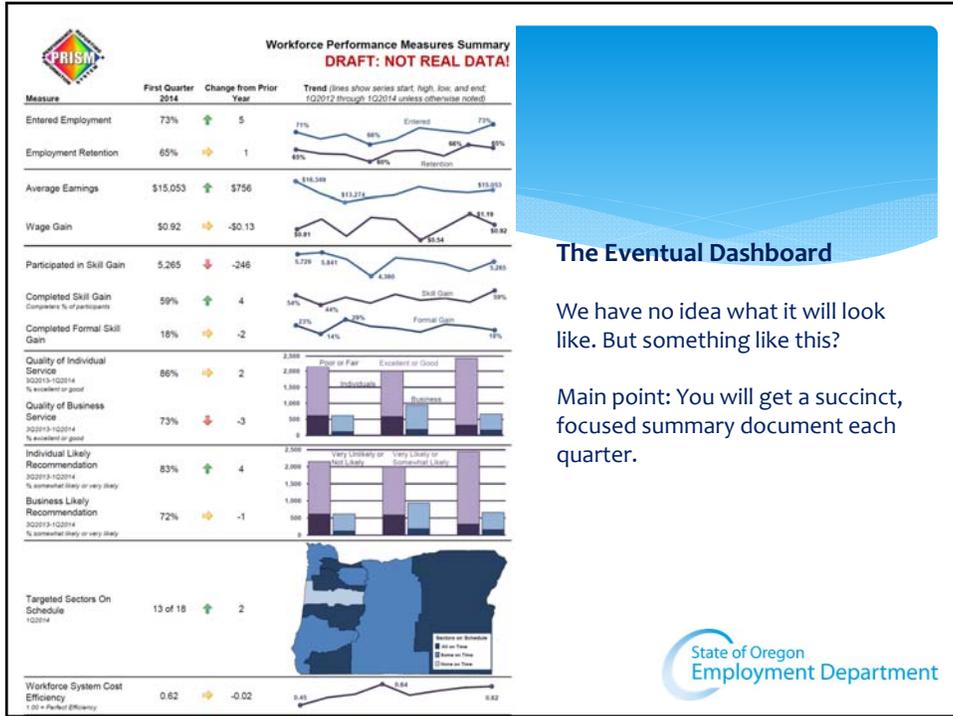


Oregon's New Workforce Performance Measures

1. Entered employment
2. Employment retention
3. Earnings from employment
4. Wage gain
5. Skill gain
6. Business satisfaction
7. Job seeker satisfaction
8. Targeted sectors
9. Return on Investment / Benefit-Cost Analysis / Relative Cost Analysis

Colors represent separate work groups ...

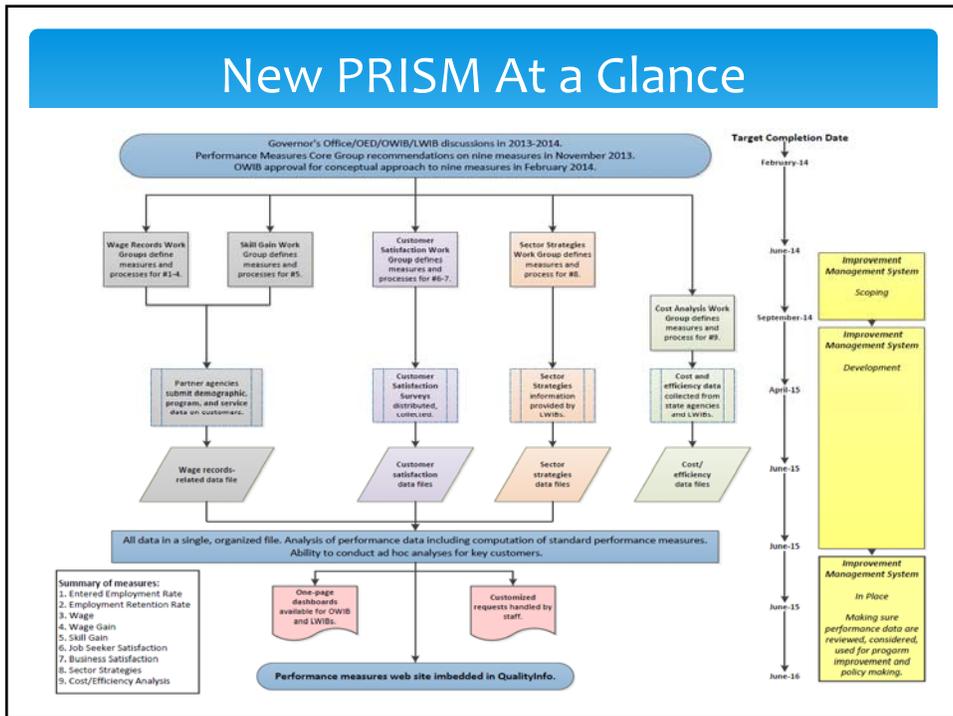




The Eventual Dashboard

We have no idea what it will look like. But something like this?

Main point: You will get a succinct, focused summary document each quarter.



Acknowledgments

- * Wonderful work from three of our Research staff, who led these work groups: John Glen, Brooke Jackson, Gail Krumenauer.
- * Wonderful work from the state agency and Local Workforce Investment Board staff who participated.



Wage Records Work Group

- * Focused on the extent to which individuals served by the workforce system find jobs, stay employed, earn income, maintain or increase wages.
- * Program Experts Work Group completed the task of identifying data elements required from the partners for the wage and skill gain measures.
- * IT Experts Work Group have scheduled meetings during August for the purpose of developing and defining the process to define the measures.



Warning

- * The just-signed federal Workforce Innovation and Opportunity Act makes some changes to the federal government's workforce performance measures.
- * We will be analyzing this ... and making appropriate adjustments to our own plans.
- * *But that's not the main focus for today.*



Skill Gain Work Group

- * Focus on the extent to which individuals served by the workforce system gain new skills.
- * Challenges:
 - * Defining what would count as a skill/skill gain.
 - * Being consistent with definitions being developed for the 40-40-20 goals.
- * Formal Training: receipt of certification, degree, license, industry-recognized credential; completion of apprenticeship; receipt of NCRC if linked with skill gain activity.
- * Skill Gain Activity: Formal Training plus participation (but not necessarily completion) of any Formal Training activity plus taking workforce center/program class or training.



Skill Gain Work Group

- * Proposed measures:

1. Of all individuals who were enrolled in the workforce system at the end of each reporting period, the percentage who are enrolled in or who have completed a skill gain activity. *(Are we currently improving the skills of some/most/all participants?)*
2. Of all the workforce system participants who exited the system during the reporting period, the percentage who completed some kind of skill gain activity. *(Did we improve the skills of some/most/all who have completed their time with us?)*
3. Of all the workforce system participants who exited the system during the reporting period and who had participated in formal training, the percentage who completed their training. *(When we start people on a path to formal training, do they successfully complete that training?)*



Customer Satisfaction Work Group

- * Focus on the extent to which individuals and businesses served by the workforce system are satisfied/delighted with those services.
- * Implement a single survey that meets state, local, legislative needs.
- * Business Customer Satisfaction:
 - * Survey businesses looking for workers or receiving assistance for employees.
 - * Send surveys monthly, to those who received a service within last 30 days.
 - * Business contact person gets only one survey in 12-month period.
 - * See handout for questions that will be asked.
 - * Responses to questions six and eight will be part of WIB dashboard.



Customer Satisfaction Work Group

- * Focus on the extent to which individuals and businesses served by the workforce system are satisfied/delighted with those services.
- * Implement a single survey that meets state, local, legislative needs.
- * Individual (Job Seeker) Customer Satisfaction:
 - * Survey all individuals who walk through the physical or electronic door of the workforce system.
 - * Send surveys monthly, to those who registered for service within the past 30 days.
 - * Individual gets only one survey in 12-month period, unless they enter a different program area.
 - * See handout for questions that will be asked.
 - * Responses to questions seven and ten will be part of WIB dashboard.



Sector Strategies Performance Measures Work Group

- * Focus on the extent to which sectors identified by Local Workforce Investment Boards as “targeted” receive services that help them succeed and grow.
- * Reminder: It’s not as simple as “Oregon’s targeted sectors experience job growth.”
 - * Manufacturing
 - * Health care
- * Implement a one-page *Targeted Sector Quarterly Progress Report* to be completed by all LWIBs, one for each targeted sector.
 - * See handout.



Cost Analysis Measures

- * Agnes. Lisa. Laura. Utah.



Wrapping Up

- * The main role of the Research Division will be to continue developing – then collect – then present these performance measures data.
- * Others will make sure the data are used in an effective manner ... and that's the focus of your next discussion.



Graham Slater, Research Administrator
Oregon Employment Department
Graham.J.Slater@state.or.us
(503) 947-1212

To find this presentation online, go to
www.QualityInfo.org
and use the search box to look up my name

Join the conversation:
OregonEmployment.blogspot.com
Twitter @OrEmployment



Information Item

WorkSource Forum Report & Service Delivery Discussion

Introduction

In an effort to hear directly from employers about their experiences and needs in attracting, training and retaining employees, OED partnered with the local workforce investment boards to hold 12 forums and focus groups across the state between March 18 and May 9. Eight of the events included discussions with partners and service providers about how to address the needs expressed by employers. Events were held in Seaside, Florence, Salem, Wilsonville, La Grande, Ontario, Medford, Klamath Falls, Redmond, Eugene, Hermiston, and The Dalles.

OED contracted with the Center for Public Service at Portland State University to develop and facilitate the meetings, analyze and present relevant labor market information and the results of a job seeker survey, and prepare a statewide and regional reports based on the information gleaned at the forums. The executive summary of the report is attached. The full report and regional reports are available online at: <http://www.oregon.gov/EMPLOY/ES/Pages/Future-of-WorkSource.aspx>

The forums were attended by over 700 individuals representing employers from a wide variety of industries and from large, medium and small companies. Representatives of economic development and education also attended the forums. A job seeker survey was conducted in conjunction with the forums and responses were received from about 900 individuals.

Discussion Question

After a brief presentation, staff from the OWIB, Community Colleges and Workforce Development, and Employment Department will lead a discussion with the board about how to use the feedback to prioritize services, invest new resources, or make changes to policy.

The Future of WorkSource

Input from employers, job seekers, and service providers on the need for and vision of an effective workforce system in Oregon

June 2014

Executive Summary

A project of
**The Oregon Employment Department and
Local Workforce Investment Boards**

Report prepared by
**The Center for Public Service, Portland State University, and
Scruggs & Associates LLC**

The Future of WorkSource

Executive Summary

The Future of WorkSource is a joint project of the Oregon Employment Department and Local Workforce Investment Boards to examine the effectiveness of WorkSource—what the system needs to do in order to provide value and meaningful impact to its customers, how customer needs vary region by region, and how state and local providers can work more collaboratively to provide integrated and seamless services to employers and job seekers.

Large regional forums with employers and service providers were held throughout the state, as well as four additional employer focus groups in rural areas. In total, more than 700 people participated in these forums. As part of the project, job seekers who recently utilized WorkSource services were surveyed and over 870 responses were received.

The following is a synthesis of what businesses, job seekers, service providers and workforce partners around the state wanted to share with the Oregon Employment Department and Local Workforce Investment Boards about their perceptions and experience with WorkSource.

Employer Highlights

Employers from around the state shared common concerns and challenges. These included:

- Many applicants lack basic skills.
- Applicants are missing other base skills like customer service, use of common software, etc. critical to many Oregon industries.
- Many applicants, especially those under 35, lack technical and vocational skills.
- Employers are seeing less early work experience and work readiness skills among those under age 25.
- Use of staffing agencies and temp-to-hire employment strategies continue to rise.
- Employers rely heavily on different forms of work-based training.
- Employers are struggling to use apprenticeship programs.
- Employers are concerned about retirement and succession planning.
- Structural cliffs in government assistance make it difficult for lower income workers to transition back into work.

Employers in rural regions face additional challenges in finding, training and retaining workers including:

- A high portion of seasonal employment is filled with workers holding multiple jobs.
- Geographically disbursed businesses often mean longer commute times and higher costs for job seekers.
- Having to go outside the region to find professional, technical and management level positions.

Drug abuse, especially the use of methamphetamines, is a serious problem that needs to be addressed as part of an overall employment strategy. Rural employers also had a more difficult time accessing WorkSource services due to the distance between company sites and WorkSource offices.

What Employers Value and Want from WorkSource Services

Employers view the WorkSource system as a set of inter-related services, where more efficiencies and impact could be gained through enhanced coordination and improved marketing of available services and where there was a broader pool of applicants with a wider range of skills and education.

Training stood out as a highly valued and underserved function within the WorkSource range of services. The top three immediate training-related needs expressed by employers across the state were:

- Increasing incumbent worker training to help businesses maintain critical occupations and replace the increasing number of skilled jobs available due to retirements.
- Enhancing basic skills training that improve the quality of the current applicant pool and for which WorkSource should verify self-reported skills and credentials prior to a job referral.
- Expanding on-the-job training and apprenticeships to get new workers in the door and up to speed as quickly as possible.

There were four high value services that employers identified as foundational services for maintaining the pipeline of qualified workers. These were:

- Expanding WorkSource’s customized recruitment process and developing industry sector specialists as the program expands.
- Advocating for and working with K-12 and community colleges to expand career and technical (“vocational”) education and skill development centers, and to establish trade schools.
- Enhancing youth programs that provide early work experience and job readiness skills.
- Focusing career planning and job preparation services on opportunities in regional industries.

Finally, employers wanted to see a more consistent branding of WorkSource and a concierge type system for more seamless services. Employers also sought assistance with intergenerational workplace dynamics and succession planning.

Provider/Partner Highlights

WorkSource service providers and partners were asked to define what a customer-based system should look like and what was required to deliver effective services. When asking what they needed to “get right,” most recommendations did not require new or additional funds, rather a shift in how resources are being used. The shared vision and key services included:

Acting as a cohesive system

- Having a more uniform branding of WorkSource with consistent and collaborative marketing.
- Establishing a system where partner services are well known to each other and those services are better coordinated among providers, appearing seamless to the customer.
- Developing a common set of customer-focused metrics that are used to set program goals and measures within individual agencies or organizations.

Focusing on high value, high impact services

- Allocating more resources toward work-based training that accommodates unemployed, under-employed and incumbent workers.
- Expanding customized recruitment, which includes verifying skills and credentials of candidates and connecting employer information to job preparation and career planning services.
- Having a multi-tiered triage assessment process for job seekers (rather than a one-size-fits-all welcome procedure).

Being more proactive and customer driven

- Developing a more systematic way to work with regional industry sectors and business groups.
- Systematically analyzing hiring trends and critically needed business skills to develop proactive training programs and in-depth profiles of local industries for career planning and job preparation services.
- Having stronger collaboration between small business development centers and chambers of commerce in order to be more strategic about HR and succession planning.

Helping youth become job and career ready

- Reinvesting in vocational and career/technical education in high schools and community colleges.
- Creating more strategic connections between WorkSource and K-12 educational partners to share information about local careers and help youth understand the importance of job readiness skills.

- Providing more opportunities for early work experience to all youth, not just those who are high risk or high performing.

Rural areas appeared to have some additional challenges, mostly due to geographically disbursed offices and customers that require more flexibility regarding service delivery.

Job Seeker Survey Summary

Job seekers were asked questions about their perception about WorkSource, services used, the satisfaction with services, the reason for not using services, and what they would like to see in future services.

- More than 80% of job seekers knew little about WorkSource prior to their use, or viewed it narrowly as a place for unemployed workers.
- Almost 90% of respondents first came to WorkSource due to their unemployment claim; few came because they were seeking services outside of unemployment.
- Once in the door, respondents used WorkSource primarily for related job placement services.
 - More than 80% thought job placement services met or exceeded expectations.
 - More than 60% of those dissatisfied had some level of postsecondary education and commented that services were too basic or jobs did not match their skill/experience level.
- Training and skill development services were far less utilized – ranging from 8-17%; often lower in rural regions.
 - Approximately 70% of those using the training-related services thought they met or exceeded expectations.
 - Those dissatisfied with the services noted schedules were inconvenient or not offered often enough, or that the program restrictions and/or content made them less than optimal.
 - A significant portion of respondents noted they did not know about certain services, or wanting to use them learned they did not qualify.
- Job seekers value and want to see more accessible training and skill development services. The gap between services that respondents valued and those that they used clearly indicates that current training services are not adequate to meet the potential demand.
- iMatchSkills (job-matching software) was not well utilized; almost 60% of those starting iMatchSkills did not complete it.
- Customer satisfaction with staff was very high. Statewide, over 90% of respondents had a favorable experience interacting with WorkSource providers.

Findings from the job seeker survey data had high correlation to input from employers and providers.

- Misperceptions about WorkSource prevent those not seeking unemployment insurance from using the system, narrowing the pool of more qualified applicants significantly.
- Services are not geared toward those with higher education levels.
- Customers view personalized coaching as very useful.
- Customers value training programs, especially work-based programs, and seek increased flexibility in being able to utilize these programs.
- There is a disconnect between the low use of basic skills training and the high percent of job seekers with low educational attainment levels.
- Regions with lower levels of partner integration and co-location had the lowest customer satisfaction rating.

Information Item

Pay for Performance under the Workforce Innovation and Opportunity Act

Introduction

The new Workforce Innovation and Opportunity Act (WIOA) provides the opportunity for states to implement pay for performance strategies. Performance based funding was not allowed in under the previous law, so this is a significant change.

Governor Kitzhaber is interested in pursuing this option. “Pay for Performance” provides the opportunity to clarify goals and incentivize local areas to develop activities that meet these goals. Under the new law, there are several opportunities to use “Pay for Performance” approaches along with other strategies to support our goals, including:

- Pay-for-performance training contracts for adults and youth (local boards may use up to 10 percent of funds).
- The 15 percent funding that can be reserved at the state level to allow states the flexibility to address specific needs and promote innovations such as “Pay for Performance.”
- A new core combined “career services” approach allows greater creativity in local areas to design services based on the need of job seekers.
- New opportunities to utilize prior learning assessments.
- Requirements for implementation of industry or sector partnerships and career pathway strategies.
- Requirements for 75 percent of youth funding to support out-of-school youth, of which 20 percent is prioritized for work-based activities such as internships.
- Incorporating more effective statistical techniques, such as regression analyses, that can help minimize disincentives for delivering services to populations with significant barriers.

Any and all of these changes create opportunities to identify and support the strategies that make the biggest difference for job seekers and businesses.

Discussion

Governor Kitzhaber asks that the OWIB provide input on the following questions regarding “Pay for Performance:”

1. Are there private sector strategies around pay for performance that could be applied to the publicly-funded workforce system?
2. Based on the experience of OWIB members, what are some of the opportunities and pitfalls of implementing a pay for performance approach?