

# WIOA PERFORMANCE & REPORTING ISSUES-For discussion

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Prepared by FutureWork Systems –September, 2014

## Background & Purpose

This document attempts to identify and discuss some of the key issues and policies to be developed by federal agencies (in consultation with stakeholders) related to performance under the **Workforce Innovation and Opportunity Act (WIOA) of 2014**. Performance for all of the core programs is touted as one of the major features of WIOA but many issues remain as to how these measures will be implemented.

### 1. ISSUE: INTEGRATED VS. TRADITIONAL SERVICE STRATEGIES.

This issue has a number of interrelated parts which are described below. Over the last six years of WIA, two very distinct service strategies have evolved. While there is some variation by state, these services strategies are summarized below:

Traditional	Integrated (about 9 states)
<ul style="list-style-type: none"> <li>· Careful selection of participants receiving staff assisted services and subject to performance measures.</li> <li>· Almost all participants get intensive or training services.</li> <li>· Actual &amp; Plan Adult EER ranges between 75% and 90%.</li> </ul>	<ul style="list-style-type: none"> <li>· Staff assisted services to all AJC customers, co-enrolling Wagner-Peyser customers</li> <li>· Over 90% of participants only receive core services</li> <li>· Actual &amp; Plan Adult EER ranges between 50% and 65%</li> <li>· Serve almost 90% of all WIA Adults</li> </ul>

## DISCUSSION:

Under WIOA, will states have the same flexibility in designing service strategies? The current landscape makes it difficult to benchmark and compare performance among states. The following three related issues could dictate if these options will continue to be open to states: self-service under WIOA, the Performance Adjustment Model, and co-enrollment of WIOA and Wagner-Peyser.

#### A. THE ISSUE: SELF-SERVICE UNDER WIOA.

Under WIA, Core A or self-service only requires a separate count of customers receiving other than staff-assisted services. These self-service customers were not subject to WIA performance measures. Under WIOA, the Career Services category now replaces core and intensive services with no mention of self-service/informational services only. Under WIA, these self-service customers now count in the Wagner-Peyser measures.

##### **DISCUSSION:**

Will WIOA create and define a category of self-service only; not subject to performance measures? Will this category be those determined not eligible for WIOA and therefore count only as Wagner-Peyser? Career Services under WIOA requires initial assessment and labor exchange services which could mean all eligible customers would count for performance. What about customers accessing services via the internet; how will they be reported?

#### B. THE ISSUE: PERFORMANCE ADJUSTMENT MODEL.

WIOA mandates that an objective statistical model be developed to adjust state and local performance measures based on actual local conditions and characteristics of participants. The adjustment model recently applied in WIA was heavily weighted to the departure point being the most recent actual performance of that state or local area. In over 90% of cases, the resulting adjustment was only within a plus or minus 2% range of prior actual performance. In effect, locations underperforming were given low targets, high performing areas were given often extremely high targets. Some “integrated” states have targets as low as 55% while some traditional states have targets as high as 90% for adult entered employment rates.

##### **DISCUSSION:**

It is widely acknowledged that the large differences in actual performance among state and local areas are due to the following three factors: careful selection of participants, careful control of actual exit dates, and different service strategies such as co-enrolling Wagner-Peyser participants and providing mostly core services (integrated service strategy). In order to begin WIOA on a level playing field, these issues must be addressed or the entire performance accountability system could be compromised. Options to explore include a

national departure point for each measure similar to the JTPA model, perhaps adjusted for percent exiting career services vs training.

### C. THE ISSUE: CO-ENROLLMENT OF WAGNER-PEYSER CUSTOMERS.

States adopting the Integrated Service Strategy co-enroll almost all Wagner-Peyser universal customers as staff assisted WIA adults and primarily provide labor exchange services. One major benefit of this strategy is that it eliminates the silos between Wagner-Peyser state staff and local WIA staff and the performance targets for both agencies are often the same.

#### **DISCUSSION:**

Since WIOA now requires Wagner-Peyser to be co-located in AJCs and career services must include labor exchange and related services, (and perhaps no self-service only), WIOA could require co-enrollment of all eligible customers. The performance targets for those only receiving career services would be the same for WIA and Wagner-Peyser. WIOA participants receiving training would have a different performance target adjusted for characteristics and local economic conditions. Consideration should be given to also providing single counts of those co-enrolled to provide a more accurate picture of service levels in AJCs.

## 2. ISSUE: DEFINING SUCCESS...THE NEW ENTERED EMPLOYMENT RATE.

While retention and earnings continue to be performance measures, the primary measure remains the Entered Employment Rate (EER). WIOA now defines the EER as employed during the 2<sup>nd</sup> quarter after exit which means a participant would be counted as a success if unemployed for as many as 36 weeks after receiving services from WIOA.

(E.g. Last date of WIOA service April 3, employed part-time in seasonal job starting on December 16<sup>th</sup> equals a positive EER outcome.... thus being long term unemployed after WIOA and before employment.)

### **DISCUSSION:**

A major theme of WIOA is extensive Performance Reporting on WIOA outcomes at the state, local and training provider level to inform consumers and stakeholders. Does this new definition of success (Entered Employment in Q-2 after exit) provide a meaningful measure of success to inform customer choice? Will states or local areas create additional performance metrics to provide more informed decision-making by a consumer? E.g. employment status as of last date of service.

## 3. ISSUE: TRANSFERRING FUNDS BETWEEN ADULT AND DISLOCATED.

Under WIA, a limited amount of a local allocation can be transferred between funds codes. Under WIOA, up to 100% of the local adult or dislocated worker allocation can be transferred with local board and state approval.

DISCUSSION: Priority of service to low income and those on public assistance only applies to adult WIOA participants. Local areas that opt to transfer most or all of the adult WIOA allocation to dislocated workers could significantly underserve those with significant barriers to employment, including low income and those on public assistance.

## 4. ISSUE: CO-ENROLLMENTS WITHIN WIOA.

Under WIA, there is no clear policy on co-enrollments within WIA funds codes. I.e. dislocated workers also enrolled as adults, youth also enrolled as adults. The practice varies by state resulting in inaccurate single counts of participants served. In fact, more than 40% of over 800,000 dislocated workers served were also counted as adults and almost all of these were in just three states.

## **DISCUSSION:**

In order to ensure accurate and consistent counts of the numbers served and performance within Title 1 of WIOA, clear policies should be developed related to concurrent co-enrollments of the adult, dislocated and youth funding streams.

### **5. ISSUE: CALCULATING THE NEW CREDENTIAL RATE.**

What will be the denominator of the new Credential Rate? Will it be the total number of exits in the period? The total number exiting training in the period? Or the total exiting training from a course of study designed to result in a credential?

## **DISCUSSION:**

If applied to all exiting training, those in OJT (a clear job-driven strategy) would need to be excluded from the denominator as well as some customized training not designed to result in a credential. If the total exiting training from a course of study designed to result in a credential, then this measure becomes a completion measure very similar the Youth Attain Degree/Credential measure.

### **6. ISSUE: REPORTING THE NEW IN PROGRAM SKILL GAINS**

While this measure has yet to be defined, there is concern that the required reporting could become a huge and expensive burden on local boards and providers.

## **DISCUSSION:**

If this measure is limited to those in training, how will skill attainment be measured, reported and validated? How often will skill gains need to be reported? Almost all training providers have existing methods of measuring progress, will new measures be required? Will this be required only for those in a program of study design to result in a credential or also for those in OJT and customized training which would add a significant burden to job-driven initiatives?