Make WIOA Value-Added for Business

Strategies to Improve & Sustain Business Engagement

Presented by the U.S. Department of Labor, Employment and Training Administration
Today’s Objectives

Explore best practices in state and local business engagement strategies

➢ Understand why business engagement matters
➢ Understand Work-Based Learning types and how & when to use them
➢ Understand business engagement dos and don’ts
➢ Share best practices & lessons learned from the field
Today’s Agenda

- Business engagement
- Review types of work-based learning
- Statutory & regulatory authority
- Implementation strategies
- Business engagement dos and don’ts
- Recap key takeaways
WHAT'S THE UNIFYING COMMON GOAL?

ECONOMIC PROSPERITY

Improved competitive position via access to skilled workers

Improved lives via access to good paying, career pathway jobs
Q: What does “business engagement” mean to you?
Q: What does engaging with the workforce system mean to business?

BRACE YOURSELVES

BUREAUCRATS, EDUCATORS & POLITICIANS ARE COMING
BUSINESS ENGAGEMENT
FROM THIS CHAOS…

“Hello.
I’m from the GOVERNMENT and…”
WIOA – A Value Add for Business...

- IF we do it right
- IF we work together
- IF we listen and respond timely to their needs
Common vision ... Common goals

Educational Systems
Economic Development
Workforce System
Targeted Demand Sectors

The Talent Pipeline
workforce as an asset for regional prosperity
How do we get there?

- Partner Workforce & Economic Development
- Partner across programs, develop **ONE** business team from all partners
- Know your partners’ programs
- Develop a **COORDINATED** business engagement strategy
- Use industry-driven Sector Strategies to develop...
A STREAMLINED APPROACH

Sector Partnership

1 Voice, Many Employers, Informed Common Communicator
What is the WIOA Value-Add?

- Training workers for the *right* skills
- Work-Based Learning
- Labor Market Information
- Labor Exchange & Job Referrals
- Rapid Response
What’s the point?

- Make workers more marketable
- Make businesses more competitive
Work-Based Learning: Value-Added for Business

INCREASE

Productivity  Efficiency

PROFIT

RISK

RETAIL

MOTIVATE

TRAIN

HIRE

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What is Work-Based Learning?

Key Elements
- On-site
- Hands-on
- Earn & learn
- Employer run or approved
How Does Work-Based Learning Fit?

SUPPORT SERVICES
WORK EXPERIENCES
TRAINING
EDUCATION
Work-Based Learning Types Under WIOA

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<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>IWT</td>
<td>Incumbent Worker Training</td>
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<td>OJT</td>
<td>On-the-Job Training</td>
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<td>RA</td>
<td>Registered Apprenticeship</td>
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<td>PA</td>
<td>Pre-Apprenticeship</td>
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<td>CT</td>
<td>Customized Training</td>
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<td>WE</td>
<td>Work Experience</td>
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Work-Based Learning: Flexible Models

**Work Experience (Internship)**
- **Try Before Buy**
  - Paid by Program or Employer
  - May include academic credit
  - May be combined with classroom (Technically not training)

**On-the-Job**
- **Reduce hiring risk**
  - Employer hires first
  - 50% wage reimbursement limit while worker is in OJT
  - 75% wage reimbursement limit (State & LWIB special circumstances)

**Customized**
- **Reduce hiring risk with employer-specific training**
  - On site or classroom
  - Employer pays “significant” % of training costs
  - Employer agrees to hire successful completers

**Pre- & Registered Apprenticeship**
- **Vetted Training**
  - May be combined with ITA and/or OJT (also IWT)
  - Pre-App may include WIOA Youth, Adult & D/W
  - Pre-App linked to Registered Apprenticeship

**Incumbent Worker ***
- **Retain valued workers**
  - No participant eligibility required
  - Min. 6 months employment
  - 10-50% employer “match”
  - Wages paid count as match
  - Must make worker & employer more competitive
  - Layoff aversion required if $RR
BRACE YOURSELVES

THE REGULATIONS ARE AT HAND
Work Experiences - Youth

- Work Experiences (Youth) – 20 CFR 681.590-620 & TEGL 21-16 p. 15-17
  - What is the work experience priority and how will local youth programs track the work experience priority?
  - What are work experiences?
  - Does WIOA require Local WDBs to offer summer employment opportunities?
  - How are summer employment opportunities administered?
Work Experience Takeaways

• For Youth
  • At least 20 percent of Youth funds must be used to provide Work Experiences to ISY or OSY (excluding admin)
    • Summer Employment is not a required activity, but may count towards the 20 percent requirement
  • Work experiences must include academic and occupational education
  • Note: OJT is a type of work experience for Youth, for Adult/DW it is a training service
Work Experiences – Adult and DW

- Work Experiences (Adult) - 20 CFR 680.180
  - What is an internship or work experience for adults or dislocated workers?

  p. 4
  - What is a transitional job?
  - What funds may be used for transitional jobs?
Work Experiences – Takeaways

- Adult/DW
  - Work Experiences are considered a type of “individualized career services”
    - Excluded from Credential and MSG performance measures
  - Transitional Jobs are a type of work experience
    - Must be wage-paid & include supportive services
    - Provides work history
    - Should be targeted at hardest to serve
    - Up to 10% of local Adult/DW funds may be used
Work Experience & Internships

Employers – Try Before Buy

• Assess soft skills & trainability
• Value-added work
• Reduce uncertainty & hiring risk
• ROI – impacts profit
• Benefits of working with staffing agency w/out the fees

Jobseekers – Learn & Earn

• Boosts ability to stay in training
• Gain value-added experience
• Opportunity to assess & improve soft skills
• Can coordinate with UI staff to preserve benefits
On-the-Job Training (OJT)

  - What are the requirements for OJT?
  - What are the requirements for OJT contracts for employed workers?
  - What conditions govern OJT payments to employers?
  - Under what conditions may a Governor or Local WDB raise the OJT reimbursement rate up to 75 percent of the wage rate?
  - How can OJT funds be used to support placing participants into a Registered Apprenticeship program?
  - Can ITAs and OJT funds be combined to support placing participants into a Registered Apprenticeship program?
On-the-Job Training (OJT) Takeaways

- Know the wage rate – 50%
  - Up to 75% if State and Local Policies are met
- Do you have wage rate policies?
- Do you have strategies for utilizing ITAs in conjunction with OJT as appropriate?
- Are you utilizing OJT funds in conjunction with Registered Apprenticeship?
On-the-Job Training

Employer ID key competencies
- Skills required for full productivity

Personalized skill gap analysis for the position they are entering
- Individualized assessment: each participant for each position

Employer & Local Area Devise Training Plan
- Job description
- Description of the method of training and how it will be delivered
- Estimated number of hours for each skill for each worker
- Start and completion dates
- Method of supervision provided and who is responsible

Employers hire then train
- Receive wage reimbursements 50-75% while in OJT
Customized Training

• Customized Training – 20 CFR 680.760-770 & TEGL 19-16 p. 15
  • What is customized training?
  • What are the requirements for customized training for employed workers?
Customized Training - Takeaways

- Customized Training
  - Eligibility Requirements
  - Matching Requirements – “significant cost of training”
  - Commitment to Hire
Incumbent Worker Training

  - Who is an incumbent worker for purposes of statewide and local employment and training activities?
  - What is incumbent worker training?
  - What funds may be used for incumbent worker training?
  - What criteria must be taken into account for an employer to be eligible to receive local incumbent worker training funds?
  - Are there cost sharing requirements for local area incumbent worker training?
Incumbent Worker Training – Takeaways

• Employers meet eligibility criteria instead of individuals, based on:
  • Characteristics of individuals trained
  • Value of training for employer and workers
  • Other Local Factors, (e.g. wage gains, number trained, etc.)
• Locals can use up to 20 percent of combined Adult/DW funds
  • Requirements for non-federal share
• Can be used for two purposes:
  • Increase competitiveness of workers and employer, or
  • Layoff aversion (Rapid Responses funds allowable too)
# Incumbent Worker Training

## Employer Benefits

- Upgrade the skills of current workers
- Proprietary training OK
- Cross-Training
- Improve productivity
- Expand into new lines of business *(Ex. Construction into BPI)*
- Provide upward mobility
- Retain key employees
- Reduce uncertainty & hiring risk
- Increased Profit
- Easiest tangible engagement with workforce system
Incumbent Worker Training Program Benefits

- Keep businesses competitive
- UPSKILL & BACKFILL
- Easier to keep existing businesses than attracting or growing new
- NO WIOA Eligibility for individuals or Performance Impact
- Great way to link WD & ED
  Establish relationships between businesses and Local Areas.
- Layoff Aversion
  Prevent or mitigate layoffs
  (Rapid Response funds may be used)
## Incumbent Worker Layoff Aversion Examples (Rapid Response)

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<thead>
<tr>
<th>Reason</th>
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<tbody>
<tr>
<td>Declining sales</td>
</tr>
<tr>
<td>Supply chain issues</td>
</tr>
<tr>
<td>Industry / Market trends</td>
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<tr>
<td>Changes in Management – Philosophy or Ownership</td>
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<tr>
<td>Worker lacks necessary skills</td>
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<tr>
<td>Strong possibility of a new job if worker attains new skills</td>
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<tr>
<td>Other</td>
</tr>
</tbody>
</table>
Registered Apprenticeship under WIOA

  - How can ITAs, supportive services, and needs-related payments be used to support placing participating adults and dislocated workers into a registered apprenticeship program and support participants once they are in a registered apprenticeship program?
  - How can OJT funds be used to support placing participants into a Registered Apprenticeship program?
  - Can ITAs and OJT funds be combined to support placing participants into a Registered Apprenticeship program?
Pre-Apprenticeship under WIOA

- Pre-Apprenticeship Programs—20 CFR 681.480
  - What is a pre-apprenticeship program?
WIOA and RA Takeaways

• Can utilize ITAs and/or OJT to support placing participants in RA
• IW funds may be used to support upskilling apprentices
• Pre-Apprenticeship programs must be closely aligned with RA programs
• Ensure RA programs are on ETP lists
Registered Apprenticeship as Business Solution

- Offers a flexible training strategy that can be customized to meet the needs of any business
- Apprentices can be new hires or current employees
- **RA helps businesses thrive** by:
  - Developing highly-skilled, highly productive employees;
  - Reducing turnover rates;
  - Increasing productivity;
  - Lowering the cost of recruitment;
  - Increasing workplace safety;
  - Increasing diversity and new pools of workers;
  - Creating career pathways.

This is documented through several ROI studies that have been conducted, e.g.,

http://www.esa.gov/reports/benefits-and-costs-apprenticeships-business-perspective
Case Study 1

- Large national employer relies heavily on outside provider to train its staff in high-skill, high-wage jobs in the aerospace industry.

- Employer has upcoming need for skilled workers in a new aerospace occupation (with 2 staff fully trained and qualified but 20 are needed to be at full strength).

- What form of work-based training would be most appropriate for this business?
Case Study 2

- An employer uses a staffing agency for initial onboarding. Over an 8-month assignment, 2 temp workers have demonstrated a good work ethic and aptitude for the work.

- The business has 2 vacancies and would like to hire the temp workers.

- What form of work-based training would be most appropriate for this business?
Leveraging Work-Based Learning for the Business

- Speak their language
- Listen and act on their needs
- Be a Solution
WHAT WORKS WELL (AND NOT SO WELL)

Clusters of companies
Employers as partners
Industry-driven
Regionally-based
Existing industry strength or emerging specialty
Industry competitiveness/growth
Opportunity-focused
Employer priorities first
Champion-driven
Coalitions of the willing
People and relationships
A disciplined, replicable process

Individual firms
Employers as customers
System- or institution-driven
Statewide top-down or too local
Wishful thinking
Workforce only
Problem-driven
Target populations first
Representation-oriented
The futile search for consensus
Organizations and jurisdictions
A mysterious, unique occurrence
The Do’s and Don’ts of Business Engagement

- What has worked for you?
- What hasn’t worked?
- Have you seen obstacles in the minds of businesses?
- How does your approach differ when you work with industry sectors?
<table>
<thead>
<tr>
<th><strong>DO:</strong> Your Homework</th>
<th>What do they do?</th>
<th>How do they do it?</th>
<th>US/Global trends for their sector &amp; industry?</th>
<th>Where are they in the supply chain?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Become a Familiar Face</strong></td>
<td>Go to Them</td>
<td>Speak &amp; network at THEIR meetings</td>
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<tr>
<td><strong>Get past the Gatekeeper</strong></td>
<td>Leverage mutual relationships, networks &amp; sector partnerships</td>
<td>Get to highest ranking person</td>
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<tr>
<td><strong>Ask relevant ??s then LISTEN</strong></td>
<td>Validate homework</td>
<td>Get the “Paul Harvey”</td>
<td>Identify the root cause(s) of any issues</td>
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<tr>
<td><strong>Get known as valuable partner</strong></td>
<td><strong>Find a way to improve their profitability</strong></td>
<td>Get written endorsements from businesses you’ve helped</td>
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<tr>
<td><strong>Make it Easy</strong></td>
<td>Reduce Red Tape to the Nth Degree</td>
<td>Use Lean Principles</td>
<td>Talk in PLAIN ENGLISH</td>
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<tr>
<td><strong>Regular Care &amp; Feeding</strong></td>
<td>Follow Up w/o Pestering</td>
<td>Be prepared to invest adequate resources</td>
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</table>
| **DON’T:** Waste Their Time | Only purposeful meetings as needed  
Don’t ignore input |
|-----------------------------|---------------------------------------------------------------------|
| **Rely on 1 strategy**      | No 1-size-fits-all  
Every business and situation is unique |
| **Stay in your silo**       | Be mindful of all resources that can help  
Cross-program collaboration  
Avoid data wars, government jargon & acronyms |
| **Pressure to sign up with WIOA** | Provide options  
Be ready when THEY are ready |
| **Over Promise**            | Manage expectations  
Make sure you’re speaking the same dialect |
| **Take the relationship for granted** | Don’t go through the motions  
Cultivate multiple long-term contacts |
1. Are you satisfied with the quality & quantity of job applicants?
2. Do you know the $ cost of filling positions?
3. Do your current workers have all the skills they need?
4. What key competencies do you need in your workers?
5. What industry recognized credentials do you know & value?
6. What is the source of your “good applicants”? 
7. What is the quality of graduates and overall responsiveness from regional education partners and training providers?
8. Are your hiring requirements for each position in line with what you really need?
9. How do you predict personnel needs?
Any Questions?
Resources: WBL Regulations & Guidance

Work-Based Learning Implementation Quick Reference Guide
Work-Based Learning in the WIOA Regulations

- Work Experiences (Youth) – 20 CFR 681.590-620
- Work Experiences (Adult) - 20 CFR 680.180
  - Transitional Jobs (Adults) – 20 CFR 680.190-195
- On-the-job Training – 20 CFR 680.700-750
- Incumbent Worker Training – 20 CFR 680.780-820
- Customized Training – 20 CFR 680.760-770
  - Pre-Apprenticeship Programs (Youth & Adults) – 20 CFR 681.480
Resources

• Guidance

• Technical Assistance Tools
  • ION Workforce GPS - https://ion.workforcegps.org/
  • ION Work-Based Learning - https://ion.workforcegps.org/FocusAreas
Quick-Start Toolkit — Five-step format to take you from “exploring” to “launching” a Registered Apprenticeship program

Federal Resources Playbook for Registered Apprenticeship — Guide to resources from DOL, ED, VA, USDA, DOT, and HUD to support RA

DOL Registration Site — An electronic apprenticeship standards builder that allows potential new sponsors to build and register their program online http://www.doleta.gov/oa/registration/

Registered Apprenticeship College Consortium (RACC) — Find information on becoming a RACC member and a database of college members and sponsors https://www.doleta.gov/oa/racc.cfm

Pre-Apprenticeship Information —
Contact Information

For questions regarding the information in presentation, send an email to*:

DOL.WIOA@dol.gov

*Please use Business Engagement as the subject line.
Thank you!