



Developing Human Capital: Is a Comprehensive Approach Possible? A U.S. Perspective

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Topics Covered

- What is a comprehensive approach
- What the current US system looks like for workforce development
- Why the US system is so complex and not comprehensive
- Reasons why a fragmented system is not as bad as it may appear
- Suggested improvements



What Is a Comprehensive Approach?

- Requires that all planning and implementation of education (primary, secondary, post-secondary) and training be aligned at federal, state/provincial, and local levels
- There can be multiple programs, but they should be implemented seamlessly so that policies are coordinated and enrollment is seamless
- The education and workforce development sides should work closely together
- For this presentation I focus on the workforce development side, but there are similar issues on the education side



Does the United States Have a Comprehensive Human Capital Approach on the Workforce Development Side?

- According to a 2011 GAO report, at the federal level there were:
 - 47 employment and training programs
 - Operated by 9 separate federal agencies
 - Dept. of Labor (21)
 - Dept. of Education (11)
 - Dept. of Health and Human Services (7)
 - Dept. of the Interior (3)
 - Dept. of Agriculture (1)
 - Dept. of Defense (1)
 - Environmental Protection Agency (1)
 - Dept. of Justice (1)
 - Dept. of Veterans Affairs (1)



Programs Vary in Eligibility: Examples among DOL Programs

- Age (Workforce Investment Act [WIA] youth, Job Corps, Senior Community Service Employment Program [SCSEP or Older Worker Program])
- Receipt of transfer payments (Temporary Assistance for Needy Families [TANF], Supplemental Nutrition Assistance Program [SNAP and formerly food stamps])
- Low income (WIA Adult)
- Reason for unemployment (TAA, WIA dislocated worker)
- Vulnerable groups (Migrant workers, Native Americans, people with disabilities)
- No restrictions (Employment Service, Career and Technical Education)
- When you look across agencies, there is often variation in eligibility in terms of age, low income, and other characteristics

Funding and Oversight Flow in U.S. WIA Program Is Multi-level and Complicated

U.S. Department of Labor

Oversees the public workforce system

State Agency/State Workforce Investment Board

Develops a strategic vision for the state, provides leadership to the local workforce investment boards and informs local strategies

Local Workforce Investment Boards

Provides strategic direction to their areas and sets training priorities

Local One-Stop Career Centers

Serves job seekers and employers directly

Service Providers

Some services are provided by entities other than the One-Stop Career Centers



Employment
and Training
Administration



Problems Noted by Government Accountability Office in US Employment and Training System

- Programs have different outcome measures
- Most of the programs have not been rigorously evaluated
- Programs overlap with each other in terms of services, customers, etc.
- Most of the programs have separate administrative structures, leading to duplication of efforts
- Consolidation and colocation could reduce cost and increase customers served
- GAO suggests collocating services, but notes that implementation “can be challenging”



Why the US System Is so Complex

- At federal level, programs split among agencies based on history and population served, not function
 - Many programs for Native Americans run by Interior
 - Training for welfare recipients run by HHS
 - E&T for food stamps recipients run by USDA
- Legislative authority split among committees, so legislation originates in different places
- Programs often delegate authority to states, giving them flexibility
- Lack of parliamentary system works against comprehensive policies
- Office of Management and Budget can sometimes bring consistency to programs (e.g., common performance measures and single occupational classification system)



Are Matters as Bleak as GAO Suggests?

- In many cases, the programs have different goals so separate program may be warranted (older workers program)
- In some cases, it is impractical or undesirable to combine programs (programs on reservations, sheltered workshops for disabled)
- Estimates by Pindus and Nightingale (1994) indicate that savings from consolidation may not be large
- Having more programs allows for diversity in approaches and programs can learn from each other
- Considering the programs as a portfolio, having a single strategy and program risks having everything being done incorrectly
- When programs work together through co-enrollment, co-location, common data collection, and joint funding, duplication may not be a big problem



Ways to Increase Comprehensiveness

- If programs must be separate, try to
 - Use common definitions
 - Co-locate programs when possible
 - Make it easy to co-enroll and jointly serve customers
 - Make service areas coterminous across programs
 - Make service delivery seamless to customers
 - Try to avoid needless duplication in areas such as job development
 - In evaluations, take account of differences in customer characteristics, program missions, and costs when interpreting findings