



NOV **2019**

Principles of Policy Design for Connecting Education to Work

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In today's evolving economy, state policymakers, education leaders, workforce system leaders and employers are all looking for opportunities to meet rapidly changing workforce needs. Economists project that shortages of workers with postsecondary education — some college, an associate degree, bachelor's degree or higher — could lead to nearly \$1.2 trillion in lost revenue over the next decade. To mitigate the shortage and avoid economic losses, both existing and future workers will need more education and training. The World Economic Forum, in its 2018 Future of Jobs Report, projects that at least 54% of workers will need significant work-relevant education in the next five years — with over half of these individuals requiring six months or more of education and training.

State policymakers recognize the economic imperative to ensure that education and training are connected to jobs. In response, they are forging stronger connections between education, workforce and employers at state, regional and local levels. Policymakers are also acting to expand secondary and postsecondary career and technical education, promote access to postsecondary programs and engage employers through work-based learning and apprenticeships. Yet systems and initiatives are not always fully connected; and access to postsecondary education continues to be out of reach for many people, especially individuals from a lower socioeconomic status.

For More On This Issue

Education Commission of the States has additional information on connecting education to work, including the following resources:

- A <u>50-State Comparison</u> on the policy models that states are using to connect education to work.
- A <u>Policy Snapshot</u> on 2019 legislation and policy trends regarding workforce development.
- An <u>overview</u> of state workforce development systems.





To explore opportunities for state policy action on this issue, Education Commission of the States, with the support of Strada Education Network, convened a group of education and workforce leaders to identify promising practices and propose policy design principles to engage or re-engage individuals in education and training linked to meaningful jobs and careers. The meeting participants identified three principles to guide policy considerations, as state leaders work to develop intentional, outcomesfocused connections between postsecondary education and work:

- DESIGN policy to support the diverse needs of people engaging, or re-engaging, with work-relevant education.
- COLLABORATE to develop state and regional systems that go beyond Workforce Innovation and Opportunity Act (WIOA) requirements.
- LEVERAGE existing data and financial investments to align efforts with policy goals.

The sections that follow are presented not as an exhaustive policy framework, but as a set of guideposts to assist in crafting and considering policy proposals.

PRINCIPI F 1

Design policy to support the diverse needs of people engaging, or re-engaging, with work-relevant education.

To gain or increase relevancy in the workplace, people depend on education and training that is connected and applicable to their future employment. States, postsecondary institutions and employers have created myriad interventions — such as pathways, communication campaigns and financial incentives — to address this need. To succeed, however, these interventions must be accessible to the people who need them. Therefore, stakeholders can consider the diverse entry points for individuals as they enter or re-enter education to ensure that these policies and strategies are flexible enough to accommodate diverse needs throughout education and career development.

Because today's postsecondary students have diverse responsibilities and roles, their transitions between education and work can no longer be assumed to be the consecutive process outlined in traditional postsecondary education programs. For example, 64% of today's postsecondary students are working while in college. Around 40% are going to school part time. In addition, one-quarter of postsecondary students are parents, and about one-third live at or below the federal poverty line. This <u>incredibly diverse</u> student body requires a range of policy supports to connect their education to work.

Data from opinion polls confirm that people believe education and work experiences



are, and should be, connected. The <u>Education</u> <u>Consumer Survey</u>, fielded through partnership with Strada Education Network and Gallup, shows:

- Nearly half the workforce feels the need for additional education to advance in their careers; this proportion is even greater for those newest to the workforce.
- Adults without postsecondary degrees are most likely to seek additional education from their employer.
- Guaranteed employment outcomes would increase the likelihood that adults ages 18-65 with less than an associate degree would enroll or re-enroll in postsecondary education.

State policymakers can conceptualize and foster education and workforce connections based on their constituents' needs. Many states are adept at serving students coming directly to postsecondary education or work from high school. For example, several states assist recent high school graduates with mapping out and financing credential options. However, policy crafted with an exclusive focus on traditional postsecondary students will not address the needs of incumbent workers, nontraditional students or other people moving in and out of education and work. To ensure that individuals, regardless of their previous educational experiences or current employment, can access the education and training they need, policies should remove barriers for people who may not have engaged in formal education or work in some time. For example, in **Connecticut**, people eligible for public nutrition assistance benefits are also eligible to participate, free of charge, in training opportunities in the state's community colleges.

To better understand people's needs and barriers to access, states can convene collaborative groups of stakeholders that include representation of the people impacted by state education and workforce policies; doing so adds an important education and training consumer voice to policy options and design. In addition, education and workforce data can help inform state policymakers of people's needs and identify solutions that put people at the center of policy work.

State Examples

Pathways program, a partnership between Connecticut State Colleges and Universities and the Connecticut Department of Social Services, to provide free classes to anyone who is eligible for the federal Supplemental Nutrition Assistance Program. Classes are available at all 12 community colleges and provide access to over 60 programs with high industry demand.

The **Indiana** Commission for Higher Education adopted the <u>Reaching Higher</u>, <u>Delivering Value</u> strategic plan in 2016. The commission provides a number of <u>programs</u> that assist students in better understanding pathways to credentials, in addition to guidance for policymakers in removing barriers to student success. For instance, <u>Learn More Indiana</u> helps individuals create and finance the right education path to meet their needs.

Another program, <u>Indiana ScholarTrack</u>, provides financial aid information for all middle school, high school and college students wanting to pursue a postsecondary degree.



PRINCIPI F 2

Collaborate to develop state and regional systems that go beyond WIOA requirements.

States take significant cues for the design of workforce development systems from policy frameworks established at the federal level. For example, WIOA provides guidance to states on how to establish state and regional coordinating boards, disburse funds for training and retraining purposes, and engage workforce system stakeholders - such as regional employers, education and training providers, and labor and industry boards. However, there are opportunities for states to move beyond compliance-related behaviors in these areas and establish intentional and deep-seated state and regional approaches to align workforce and education in ways that benefit individuals, localities and the state overall.

All states have collaborative boards and entities for education and workforce connections; however, they may be limited in scope by policy or a lack of necessary support from state leaders. To be effective, such collaborations need to be supported by state policy and leadership with the flexibility to share information, ideas and practices. Further, broad engagement of education and industry leaders encompassing a wide range of interests and perspectives — including government entities, legislatures, institutions of higher education, businesses, industries and the people impacted by the policies and programs — can deepen collaboration. These stakeholders can bring forward knowledge from their communities to better represent and, more importantly, support the development of policy that meets the state's needs in connecting education to work.

Beyond the importance of state-level collaborations, regional networks can serve to continue collaboration at the local level

Federal Workforce Requirements

The federal government has been involved in workforce development for decades; the current framework was established in WIOA, which prescribes certain types of activities and organizational structures for states to direct federal investments in workforce development. Part of WIOA includes the organization of state and regional boards, which convene stakeholders to both identify opportunities for federal financial investment in the state and outline the state vision through federal grant reporting requirements. While regional boards are part of WIOA's suggested organizational structure, some states have opted to use their state board to serve both the state and regions.



while adapting to meet regional needs. Regional entities play a significant — but often disconnected - role in determining the success of education and workforce development across the state. State policymakers can support regional systems by connecting these entities and stakeholders to each other and to state actors. Some states' regional networks and stakeholders are taking advantage of this strategy. For example, **Alabama** requires regional representation in its statewide workforce council; Nevada has developed two regional networks to better represent the needs of each half of the state; and **South Carolina** supports technical colleges working with employers in their communities to develop educational curricula related to high-demand industries.

To be successful with all the stakeholders and entities involved, state and regional networks can establish a method for intentional inter-network collaboration and frequent inter-network communication. This could include access to well-curated and translated data to help inform the stakeholder process.

State Examples

The **Alabama** Workforce Council requires regional representation, ensuring a local voice in statewide decision-making. Specifically, the executive director of a regional workforce development council must be appointed as an ex officio member, with no voting rights. The ex officio position must rotate between executive directors annually to provide representation from different regions.

In 1998, the federal government established the option for a locally driven workforce development approach with regional boards represented by local businesses, education organizations and community leaders. In response, **Nevada** established two regional networks, Nevadaworks in the North (including Reno and Carson City) and Workforce Connections in the South (including Las Vegas). A regional approach allows the state to identify local barriers and make the most of state and federal investments for the development of education and workforce programs. Nevada maintained these regional networks when developing its state plan to comply with the 2016 reauthorization of WIOA.

PRINCIPLE 3

Leverage existing data and financial investments to align efforts with policy goals.

Data and financial investments can be difficult to access and use in meaningful ways. While state leaders may have access to a variety of data related to education and work, they generally have less capacity to produce analyses that are timely and relevant to policymaking cycles. In addition, policymakers need support and flexibility to leverage existing

financial resources to strengthen connections between education and workforce that meet diverse needs.

To effectively leverage data, policymakers require trustworthy, well-curated information that is translated for non-technical audiences. States would be well-served by developing and



maintaining a data strategy that both informs stakeholder conversations around policy design and measures policy effectiveness in addressing diverse needs. States can accomplish this by matching labor market data to postsecondary educational programming and outcomes; several states are currently working on this with financial support from the U.S. Department of Labor.

States can also develop and house data in one place, presenting it in an accessible format that enables policymakers to identify local and regional opportunities and needs. In **Kentucky**, the <u>Kentucky Center for Statistics</u> compiles state data on education and the workforce to provide this kind of support to policymakers.

Leveraging Federal Grants

In July 2019, through the Workforce Data Quality Initiative, the U.S. Department of Labor awarded grants to California, Colorado, Idaho, Illinois, Maine, Michigan, New Jersey, North Carolina. Texas and Wisconsin to enhance the effectiveness of their existing workforce and education data efforts. Recipients of the WDQI grants are required to meet certain objectives, including improving the quality of state data and creating ways to leverage existing data systems to provide insight about performance outcomes for education programs.

In addition to effective data use, financial investments can be aligned around common goals and specified outcomes rather than siloed into disparate programs; available funds can be used to respond to local and regional needs and be accessible to people in the workplace, education settings, public assistance offices and community centers. To meet this objective, states can design financial investments in ways that provide flexibility, including allowing funds to have fluidity in connecting across systems — such as across education and industry — under a unified goal or programmatic investment. The Business-Education Partnership Grant in Pennsylvania is a program that currently uses funds in this way. Where possible, states can also provide flexibility by combining different streams of funding to support policy interventions that are, in practice, already working toward outcomes that align with state goals.

By aligning data and financial investments, policymakers can facilitate strategic deployment of resources. Data strategies can assist in targeting investments where they will have the greatest effect in achieving education and workforce goals. **Missouri** has taken this approach, using the data it already has to ensure investments in education meet local labor market needs.

State Examples

The Kentucky Center for Statistics collects and integrates statewide education and workforce data and disseminates this information via dashboards and reports. The data are organized to provide local and regional insights into education and workforce needs and outcomes, curated for policymakers and accessible via the center's



website. The Kentucky Council for Educational Research is required to annually advise the center on data needed by colleges to understand student performance and employment outcomes.

Missouri created the Fast Track
Workforce Incentive Grant, which uses
data from the Missouri Economic Research and
Information Center each year to identify
high-demand occupations for which students
will receive financial aid.

Pennsylvania provides grants through the Pennsylvania Department of Labor and Industry to support a variety of approaches that connect education to work — including the Business-Education Partnership Grant, which provides incentives to businesses to connect with school districts or institutions of higher education to promote local job opportunities. Grants are awarded to local workforce development boards to allocate funds as deemed appropriate to meet the needs of the local industry and workforce.

Final Thoughts

By designing policy to support the diverse needs of people, developing systems beyond WIOA compliance and leveraging existing data and financial resources, states have the potential to unlock greater degrees of collaboration and cooperation between the education and workforce sectors. While these principles do not represent all the policy measures that states can take in the course of this work, they serve as guideposts for state leaders as they take their next steps to improve the connection of education to work.



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As a policy analyst, Damion provides research and analysis on a diverse set of state-level education issues. Prior to joining Education Commission of the States, Damion worked as a senior policy analyst with Legislative Council at the Colorado General Assembly. Damion is dedicated to the idea that a nonpartisan perspective can enhance the discussion and understanding of state education issues from early learning to workforce development. Contact Damion at dpechota@ecs.org or 303.299.3632.

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