VT Workforce System Model Development for SOCWED

- State System Governance

Thursday, September 7, 2023

PUBLIC CONSULTING GROUP

Solutions that Matter

Project Overview

Timeline as Discussed on June 5

July

- Customer Journey Mapping
- Data sharing reviewed
- Continued background research
- Phase 2 draft recommendations shared and further developed

August

- Draft 1 of Phase 2 report with model recommendations shared with SOCWED
- Additional follow-up with key stakeholders

September

- **In person SOCWED meeting**
- **Revisions made to Phase 2 report of model recs**

October +

- Final report delivered

November

- Workforce governance recommendations are considered by VT legislative committees in context of other reports from FY23 + FY24
- Recommendations prepared for January 2024

AGENDA

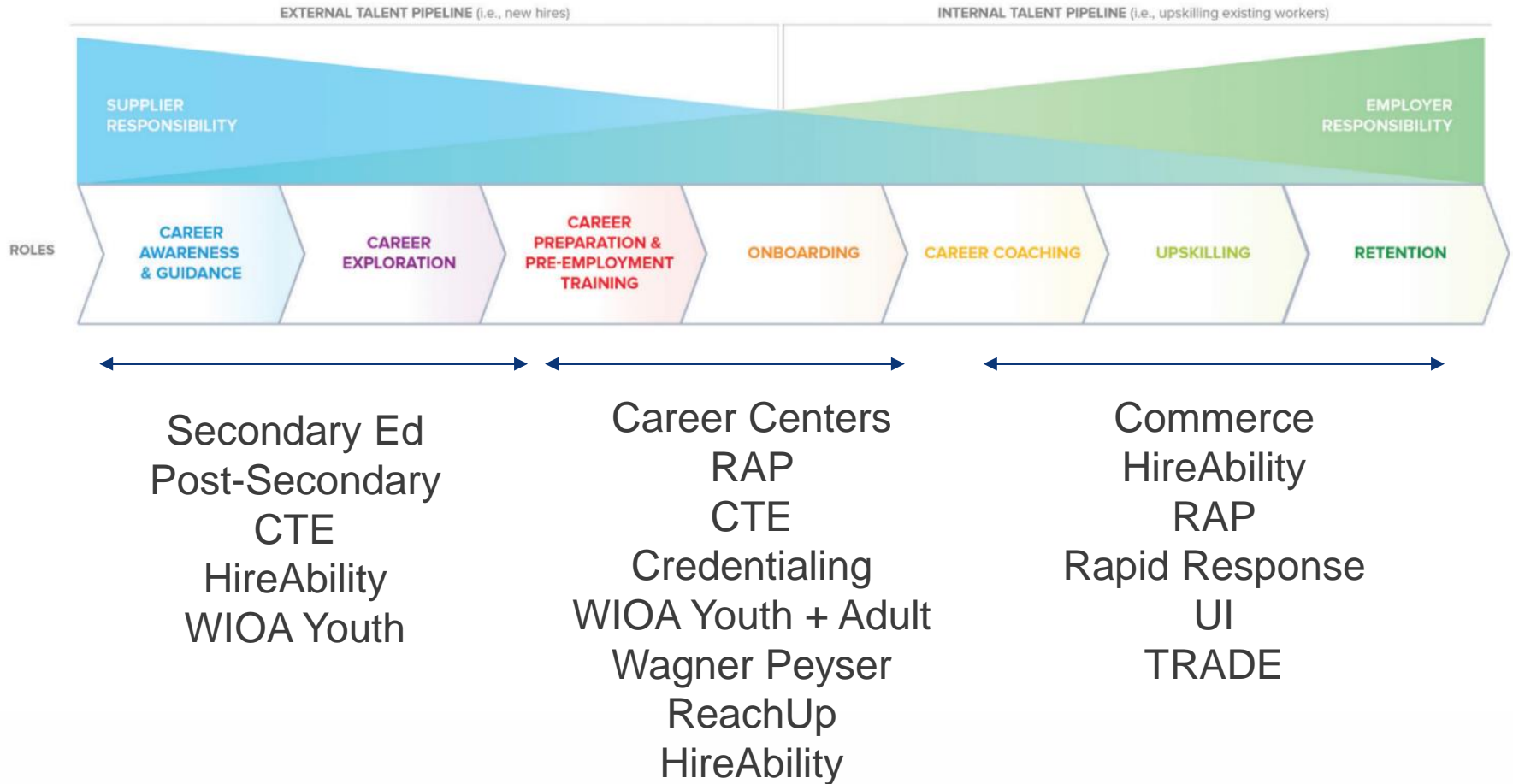| Topic	Output / Outcome
Discussion of 4 proposed governance models	• Discussion of models • Points of clarification • Additional topics to explore
Data Warehouse Regional Implementation Structures	• SOCWED feedback
Final Report Discussion	• Confirmation of outline contents and timeline

Governance Models

Assignment – 3 Models

- ➢ Impact the delivery of services, governance, coordination, accountability, and performance of federal and state employment, training, and expansion programs.

- ➢ These recommendations should account for and address the following:

  - ✓ Strengthening the workforce development system for jobseekers.

  - ✓ Strengthening and expanding the workforce development system for employers.

  - ✓ Reflect how the new models would change the status of Vermont's workforce system (COVID-19 recovery and revisioning), assuming no changes to federal, and limited changes to state, funding.
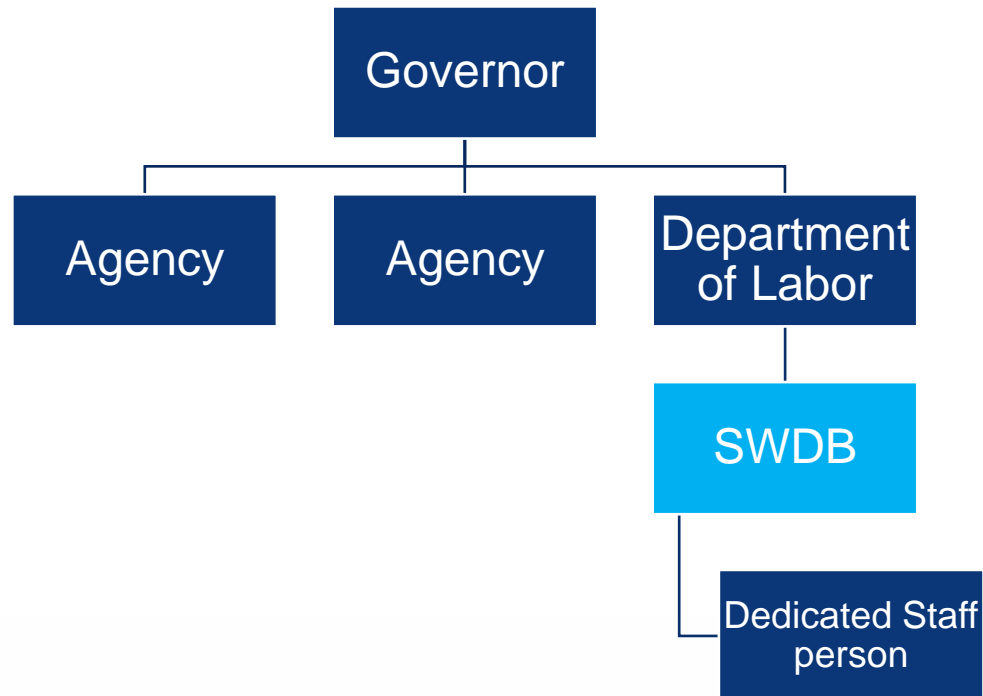
SWDB Vision Addresses "the Pipeline"

EXTERNAL TALENT PIPELINE (i.e., new hires)   INTERNAL TALENT PIPELINE (i.e., upskilling existing workers)

SUPPLIER RESPONSIBILITY   EMPLOYER RESPONSIBILITY

ROLES

CAREER AWARENESS & GUIDANCE — CAREER EXPLORATION — CAREER PREPARATION & PRE-EMPLOYMENT TRAINING — ONBOARDING — CAREER COACHING — UPSKILLING — RETENTION

Secondary Ed	Career Centers	Commerce
Post-Secondary	RAP	HireAbility
CTE	CTE	RAP
HireAbility	Credentialing	Rapid Response
WIOA Youth	WIOA Youth + Adult	UI
	Wagner Peyser	TRADE
	ReachUp	
	HireAbility	

Overview

	Model	Description
1)	**Reimagined SWDB**	This model maintains the SWDB as currently positioned, but reimagined with new board members, a mandate to report to legislature on education and training investments that are managed by the state, and more.
2)	**Create an Office of Workforce Development**	Newly created office at the state level that is responsible for coordination of all resources. Could be inserted into the structure in a couple of different ways.
3)	**Establish Vermont Governor's Workforce Commission**	Creation of a high-level Commission with a broader mandate through a "combined plan" with federal and state programs.
4)	**Establish VT Workforce Commission + Integrate/Align Funding at State Level**	Governor's Commission as described in Column C PLUS completely integrate the various workforce funding line items at the state level through MOAs and then manage the funds centrally through the state or highly decentralized at the local level

Model 1: Reimagined SWDB

Model 1 – Reimagined SWDB

This model maintains the SWDB as currently positioned, but reinvigorated with new and fewer board members, a mandate to report to legislature on education and training investments that are managed by the state, and more.

Impact: Reimagined SWDB

How does this meet the state WDB requirement?	Straight forward, advisory committee embedded in VDOL with either staff capacity or designated staffing partnership to collect better information on the state-supported system and disseminate Governor's and SWDB vision for the system.
Staffing Model	Embed a staff leader within VDOL or Governor's Cabinet with explicit responsibility to manage the SWDB and represent the Governor on workforce development issues
Pros	•Builds upon the momentum of the last year and the strategic planning process. •Maintains a consistent structure and avoids distraction of large system change. •With a reporting mandate, able to address legislature's concern about consistent reporting and singular lens on all workforce-related resources
Cons	•By keeping the SWDB embedded with VDOL, does not elevate the stature of the SWDB and thus might not address the ad hoc nature in which senior leaders send delegates in their place. •Does not provide a tight structure for crafting and maintaining a unified state vision, which was a request across state stakeholder groups. •Would have to overcome the image of a WIOA-compliance exercise even though still embedded in the WIOA/VDOL structure.
Coordination + Integration of non-state partners	Doesn't create a structural mechanism to drive procurement and reporting of programs run outside of WIOA.
Infrastructure Needed	At least one FTE to coordinate across partners, provide leadership to strategic plan through subcommittees, and support bilateral communication across local areas
Potential barriers to effective governance, admin, and integration	Elevating a staff position in VDOL as Governor's representative on WD while also reporting to Commissioner with programmatic WD responsibilities creates structural tension.
Impact on program level	Doesn't change this priority operationally

Model 2: Create an Office of Workforce Development

Model 2 - Create a new Office of Workforce Development

Newly created office at the state level that is responsible for coordination of all workforce resources. Deploy regional managers to b**e** the connectors of everything – public and private - at the local level. Brand the system.
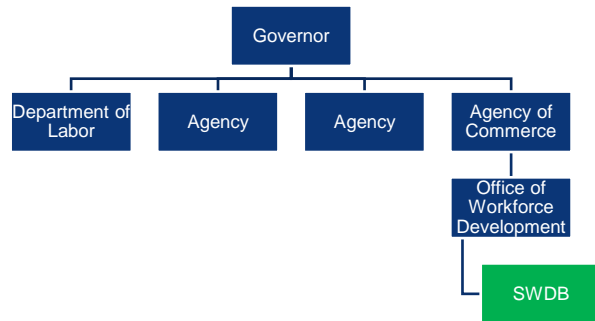
Assumes the decoupling of current VDOL responsibilities along the following lines, while allowing for integration with Commerce:

- **VDOL** – Enforcement requirements (e.g. OSHA)
- **Workforce Dev** – Programmatic (e.g. WIOA,VT Training Program, etc.)
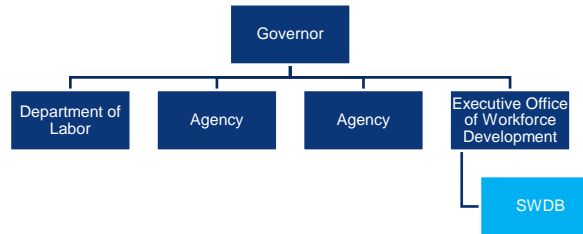- **SWDB** – Carries the vision, strategy, policy, integration

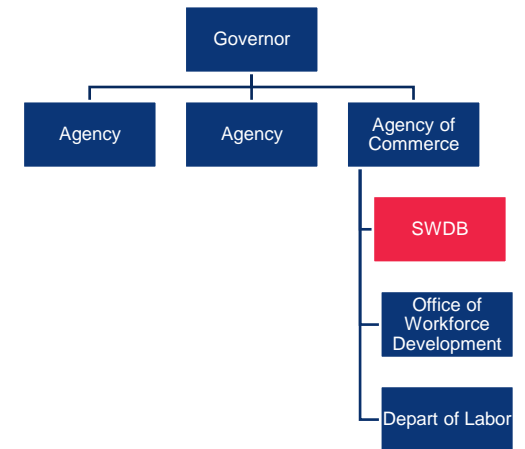# Model 2 - Create a new Office of Workforce Development

Impact: Creation of Office of Workforce Development

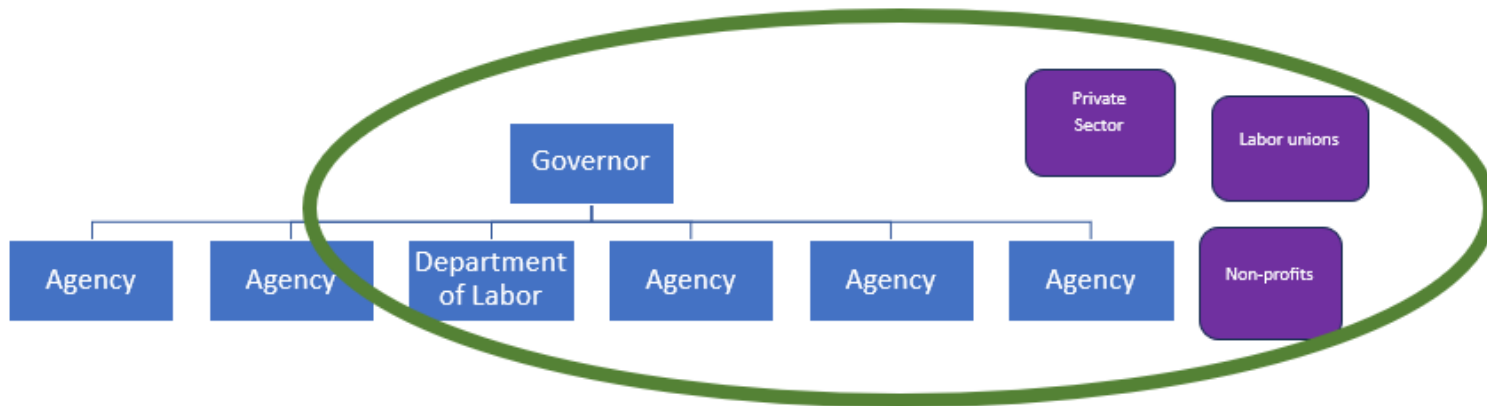|	Option A OWD + SWDB in Commerce	Option B OWD at Agency Level	Option C Consolidation of OWD, SWDB, Labor in one Agency
How does this meet the state WDB requirement?	SWDB is "thought partner" to leadership of Commerce or OWD, which has holistic view on all things happening across sectors and regions. In this context, staff or designated partnership would also be tasked with collecting and reporting better information on the state supported system.		
Staffing Model	Office leader within OWD, staffing of SWDB collective effort within Commerce.	Senior official as head of the OWD, peer to the Agency Directors.	Office leader within OWD, staffing of SWDB collective effort within Commerce.
Pros	• Segregates state enforcement responsibilities from programmatic employer supports. • Facilitates new EDA requirements that CEDS coordinate with workforce.	• Unifies workforce investments under one brand – inclusive of HHS, Commerce, Education and Labor. • Designates cross-agency collaboration as a function and accountability embodied in OWD	• Embedded within the agency focused on industry-focused work. • Facilitates new EDA requirements that CEDS coordinate with workforce.
Cons	• SWDB access to governor mediated through OWD and Commerce. Less structural access/influence over education/HHS resources.	• As a coordinating position, no programmatic responsibilities which are still embedded in other offices and agencies.	• Requires significant restructuring of offices and resources.

Model 3: Establish Governor's Workforce Development Commission

Model 3 - Establish Governor's Workforce Commission

Creation of a high-level Commission with a broader mandate through a "combined plan" with federal **and** state programs across all agencies, departments, and external partners.

Commission Inclusive of Subset of Cabinet
Members and External Partners

# Impact: Creation of a Governor's Workforce Commission

How does this meet the state WDB requirement?	Commission IS the SWDB but uses flexibility to incorporate more resources. Retains private sector chair with high visibility. Other advisories inform the Commission. For example, CTE reports into to the Commission as part of a unified committee structure.
Staffing Model	Senior official (potentially Deputy to Agency of Admin staffs the Commission)
Pros	High status visibility directly with Governor, gets outside of a WIOA compliance exercise. Eliminates the delegation of authority by Agency Directors and ad hoc participation. All related, required funding advisories directly feed into and are accountable to one vision across agencies. Opportunity to integrate economic development, human services, education and labor at a high, visible level. Commission can make more decisions about resources, develop new resources together, and more readily align them to an overarching vision or initiative, rather than implement "programs." Ability to act quickly and efficiently when disaster strikes.
Cons	Resources still reside in "home agencies" with separate systems, etc. Requires the dissolution of the current SWDB.
Coordination + Integration of non-state partners	Statewide vision, goals and strategies that drive public funding and leverage regional funding and capacity Business, Labor and Economic Development organizations are engaged in designing and executing vision and strategy
Infrastructure Needed	Senior level staff leadership Coordinated staffing of joint initiatives from government agencies that are Commission members
Potential barriers to effective governance, admin, integration	Leadership changes Vague vision and goals that are not clear and measurable Insufficient engagement of state and regional entities in design and implementation
Impact on program level info sharing	Commission develops minimum reporting standards, collects and unifies/synthesizes data and develops annual report to Legislature and other constituencies
Required Access Steps	Requires Legislation.

Model 4: Governor's Commission plus Integrated Funding

Model 4 - Establish Governor's Workforce Commission & Centralize Admin Integration

Governor's Commission as described previously PLUS completely integrate the various workforce funding line items at the state level through MOAs and then manage the funds centrally through the state.
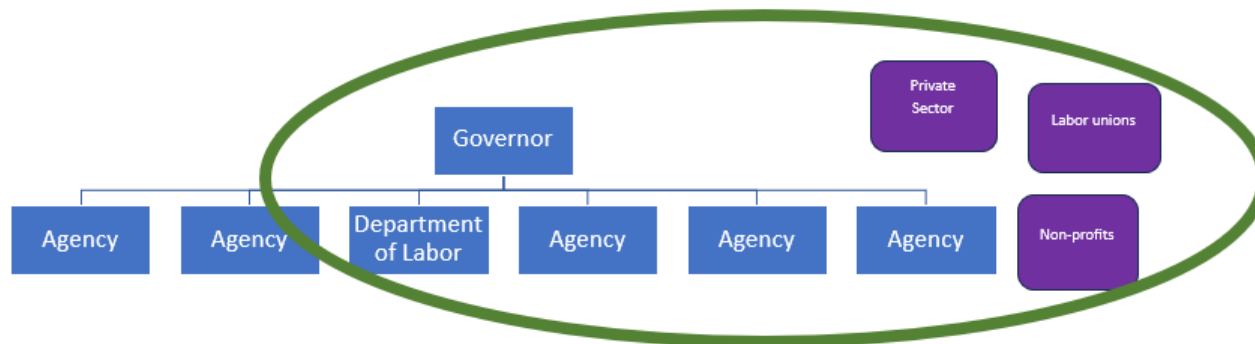
State Data Warehouse

Data Trusts: Why and What

- Eliminates the silos of data & creates one source of responsibility and governance,
- Allows for a more thorough and multiple angles of analysis,
- Creates a single trusted source of data to the Legislature & Governor on the talent situation in VT

Data Trusts can be described as a stewardship of data involving collecting, maintaining and sharing the data, and in particular, deciding who has access to it, under what conditions and to whose benefit.

Data Trust Implementation

The European Union's General Data Protection Regulation(GDPR) is strong starting point for the privacy protection and likens the trust to a fiduciary duty of prudence, transparency, undivided loyalty to the trust. The European Union Parliament has adopted principles as to the use of data that is starting point for many national data policies. They can be found at Regulation (EU) 2016/679 of the European Parliament and of the Council. Among these principles are;

1) Principles relating to processing of personal data

2) Lawfulness of Processing

3) Conditions for Consent

4) Conditions applicable to child's consent in relation to information society services

5) Processing of special categories of personal data

6) Processing of personal data relating to criminal convictions and offences

7) Processing which does not require identification

8) Transparent information, communication and modalities for the exercise of the rights of the data subject

9) Information to be provided where personal data are collected from the data subject

10) Information to be provided where personal data has not been collected from the data subject

11) Right to Erasure

12) Right to portability

Successful States

Colorado

Managed by the Colorado Workforce Development Board

The Data Trust has three main goals:

1) reducing barriers to ethical and responsible data sharing,

2) encouraging collaboration and data usage to better serve education and workforce pathways of Colorado residents, and

3) move towards more external data and resource sharing with both technical and nontechnical stakeholders.

Virginia

Created initially by Executive Order and later by legislation

Housed in the Office of Data Governance and Analytics (ODGA)

Virginia Data Advisory Commission whose responsibilities include

Advise and assist the ODGA to set, plan, prioritize, and review data and outcome performance goals and objectives to improve operational efficiency, increase delivery of customer-centered services, and promote better outcomes for constituents

Commission Members

Both CO & VA identified stakeholders that they believed critical to capturing data, storage and uses.

Both have a broad governing membership of;

- Education

- Labor

- Government Agencies

- Users

- VA adds members of the Legislature and regional representatives who bring expertise such as technology, law & private business

Potential Impact of a Vermont Data Trust

Will provide a holistic view to create strategies and advocate for new resources to target specific issues

Various institutions and personnel have gathered data, but a trust would enable collaboration within the state.

Operational Models for Regions

What are the major economic drivers in Vermont?

What are the best sub-state regions to align and respond to local priorities?

Economic Drivers: Labor Market

Total Employment	Employment 2018	Employment 2022	% of Total 2020 Employment	Change 2018-2022	% Growth 2018-2022	Location Quotient 2022
Total	310,334	301,001	100.00%	-9,333	-3.0%	-
Government	53,194	51,179	17.00%	-2,015	-3.8%	1.20
Local	29,925	29,072	9.66%	-853	-2.9%	1.00
State	16,269	15,365	5.10%	-904	-5.6%	1.70
Federal	7,000	6,742	2.24%	-258	-3.7%	1.20
Private Sector	257,141	249,821	83.00%	-7,320	-2.8%	0.97

Source: Bureau of Labor Statistics Data

Based on the most recent Bureau of Labor Statistics data, here is a summary of the overall Vermont Labor Market.

Economic Driver: Sectors Suggestions

Major Economic Drivers	Employment 2018	Employment 2022	% of Total Employment 2022	Change 2018-2022	% Growth 2018-2022	Location Quotient 2022
Health Care	31,578	30,406	10.1%	-1,172	-3.7%	1.15
Leisure/Hospitality/Tourism	37,198	33,138	11.0%	-4,060	-10.9%	1.05
Manufacturing	29,827	29,106	9.7%	-721	-2.4%	1.14
Professional Services	14,651	17,081	5.7%	2,430	16.6%	0.85
Higher Education	7,118	7,254	2.4%	136	1.9%	2.00
Total Employment	120,372	116,985				

Source: Bureau of Labor Statistics

These are suggested and potential key growth sectors for the state for all workforce initiatives, not only WIOA.

These could be updated periodically depending on changing labor market trends, demographics, upcoming events or disasters, or similar state and regional priorities.

Overview –Option to Best Align Sub-State Areas

	Model	Description / Comments
1)	Comprehensive Economic Development Strategy (CEDS) Areas	Four distinct areas Aligned with economic development strategies
2)	Career & Technical Education Areas	Fifteen Distinct Areas Aligned with Technical Education priorities Critical in filling the talent pipeline
3)	Regional Development Commission Areas	Twelve Distinct Areas Varying involvement in Workforce Development History of Development and Local Assistance

4) The Bureau of Labor Statics identifies three regions: Burlington MSA, Northern Vermont and Southern Vermont. These three areas could be a 4th alternative to align sub-state areas. Regardless, the BLS statistics and data may be utilized for the information necessary for any preferred substate area.

Recognizing the state has regional economies with different workforce needs, sub-state areas can identify and prioritize from the state sector drivers to develop region specific plans.
While all regional organizations will be involved and engaged, identifying the lead convening organization is critical.

Samples from Other States Sector Strategies

www.michiganworks.org

[Workforce Development | NC Commerce](http://www.nccommerce.com)

Samples from Other States Sub State Areas

www.iowaworkforcedevelopment.gov

Workforce Development in Kentucky | Kentucky Cabinet for Economic Development

Accelerate Mississippi
Home | AccelerateMS

Moving to Finalize

Report Contents

Phase 1 Content

- Defining the components of a workforce model
- General analysis of how different states organize the components (i.e. siting of UI, OSHA, WIOA, employer services, etc.)
- Peer State Comparisons
  - Demographics
  - Structure

- Aligning the Vermont investments with the components
  - Revised investment charts
  - Customer journey
- Assessment of Vermont's strengths and weaknesses as currently organized

Phase 2 Content

- Proposed model descriptions + Impacts on:
  - the delivery of services,
  - governance, coordination, accountability, and performance
- Describe how each model will strengthen the system for:
  - jobseekers.
  - employers.
  - Change the status of Vermont's workforce system
    - Legislative/Executive changes required

Next Steps

CONSULTING TEAM

(1) Revise interim report based on today's feedback

(2) Share with SOCWED members

(3) Gather individual feedback

(4) Share Final draft back with the group and for final post

Solutions that Matter