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One-Stop Career Centers Must be Re-invented to Meet Today's Labor Market Realities

A Working Concept

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Corporation for a Skilled Workforce is a national nonprofit organization that partners with government, business, and community leaders to develop good jobs and the skilled workers to fill them.



When One-Stop Career Centers were first implemented as a primary service delivery approach by the U.S. Department of Labor during the mid-1990s, they were the right response to the labor market of the time. The United States was experiencing major upheaval in employment, with many traditionally stable workers being displaced and needing to find new jobs. Because this was a period in which expanding industries faced labor shortages, most workers needed support in finding new employment in which they could use existing skills.

Today's world is very different. Workers are facing a much tighter labor market in combination with a skills mismatch between unemployed workers and available openings. The skills today's workers most need to connect to family sustaining wages are obtained through advanced education and training, resulting in labor market relevant credentials that are valued by employers. Workers require a workforce system that connects them to quality training services, career counseling to navigate confusing labor market terrain, and opportunities to gain on-the-job experience and skills while helping employers meet their goals. One-Stops of the 1990s cannot meet the needs of today's workers. It is time for a new public workforce investment paradigm that includes rethinking the purpose and role for One-Stops.

This paper proposes redefining, reinventing and redeploying the current One-Stops to transform them into places where work and learning intersect to help transitioning workers obtain needed skills, knowledge, and market-relevant credentials.

Changing the core purpose of One-Stops to focus on educational attainment as a primary pathway to family-supporting careers represents a dramatic change from the original purpose of efficiently matching workers with jobs. This reinvention requires policy and structural changes at multiple levels: federal and state policy, regional Workforce Investment Board priorities and practices, and within the design, services and staffing of individual One-Stops.

The changes won't be easy, but they're both required and urgent:

- **Millions of at-risk workers need to obtain a market-relevant post-secondary credential.** A growing body of evidence suggests that for most workers, completion of learning beyond a high school diploma is central to being able to find employment with family-supporting pay.
- **One-Stops struggle to meet today's needs with a model designed for a different economy.** Based on customer demand, many One-Stops today attempt to do both job matching and provide educational attainment help, and lack the resources and focus to do both well.
- **A continued primary focus on job matching provides questionable value for public investment.** A rapidly emerging set of tools and online resources means this function can occur far more efficiently, and much more often without staff assistance.

The current system is far too financially constrained to meet often conflicting demands. One-Stops attempt to serve all people with every possible service, without the resources to do job matching or credential preparation well, let alone do both as is currently expected. Resources will remain limited for the near future – that is a given. We must make tough choices about how this public investment can be responsive to our most pressing labor market issues. We believe that focusing One-Stops as places where work and learning intersect to lead toward market-relevant credentials is the path to achieving a more sustainable and effective workforce development system.



This thesis is a radical departure from what has previously been expected of One-Stops, but not an entirely new idea. Many workforce researchers and policy advocates have articulated a need for increased training and education through the One-Stops. For example, in 2007 John Wallace of MDRC posited a vision for One-Stops of the future that would “assist low-wage workers and their employers in raising job retention and advancement rates, along with the rate of receipt of work supports”¹. The Center for American Progress (CAP) has recently advocated that One-Stops should be places where workers can have better access to education. Their paper, “Working Learners”², holds that current policy recommendations are but a first step “to address the nation’s need for a well-trained workforce and the needs of those who have entered the workforce but who require further education to get ahead. These “working learners” are now served by a system that is overly focused on crisis intervention at the point of unemployment and getting people back into jobs, and not sufficiently on the need for training and education”. In “Moving from Short-Term Jobs to Long-Term Skills”³, Louis Soares furthers this point, stating that “Workforce development in the 21st century should be about postsecondary credential attainment for working learners – individuals ages 18 to 64 who are already in the workforce but lack a postsecondary credential.” CAP’s recommendations to the Senate HELP Committee on WIA reauthorization⁴ enumerated a set of recommendations to focus WIA on human capital development, leading to at least a one-year credential.

This approach cannot be embraced and effectively implemented without thorough study, examination and dialogue about the political and program implications. The recommendations in this paper further consideration of these ideas and encourage a total reorientation of the workforce system, placing the integration of work and learning at the center of One-Stop operations.

The Current Challenges

The public workforce system has moved from one originally designed to serve the disadvantaged by providing short-term training and skill development to one that has multiple roles and multiple target groups to serve. Unfortunately, there are too many roles and too many target groups to serve for the system to be effective. We’re left trying to get a wide range of unemployed workers back to work quickly, while also attempting to help diverse workers obtain the labor market relevant credentials they need to access new careers. These challenges are further defined below.

Wide-Ranging Customer Demands and Service Priorities

Today, the system is legislatively mandated to be universal, offering a basic level of services for anyone who needs them. Those basic services include job search assistance, labor market information, limited assessments of needs and skills, community asset information, career information, and in some cases, more in-depth assessments, resume preparation, job clubs, and workshops.

¹ MDRC Concept Paper “A Vision for the Future of the Workforce Investment System, John Wallace, January 2007

² Center for American Progress “Working Learners, Educating our Entire Workforce for Success in the 21st Century” Louis Soares, June 2009.

³ Center for American Progress “Moving from Short-Term Jobs to Long-Term Skills – Priorities for Workforce Investment Act Reauthorization”, Louis Soares, May 2010 .

⁴ Center for American Progress, “CAP’s Guide to the Senate HELP Committee’s Draft Bill to Reauthorize the Workforce Investment Act”, Stephen Steigleder, June 2011.



For adults meeting a locally determined test of eligibility, or dislocated workers who cannot find jobs on their own and are determined to be appropriate for additional investment, the system is supposed to provide intensive assessment and supportive services. The current construct envisions a smaller cohort being enrolled in training, when the combination of core and intensive services do not produce a job.⁵

Unemployment recipients are prioritized in many states due to the tremendous pressure on the public workforce system (primarily the One-Stops) to get potentially long-term Unemployment Insurance claimants back to work as quickly as possible and reduce the burden on states' Unemployment Insurance Trust funds. Veterans receive priority by federal law. Each workforce board sets a local priority of service that, for example, may emphasize services to individuals with disabilities, TANF recipients, long-term unemployed, ex-offenders, youth age 18-24, or other target groups.

Even in a good economy, these multiple demands and multiple target audiences stretched the capacity of the system beyond what it could bear with the typical result that short-term, universal interventions serving larger numbers were favored over long-term, more intensive interventions.

Placement vs. Training

The current One-Stops typically emphasize immediate job placement rather than high skill training services. Yet, there is significant evidence that earning meaningful postsecondary credentials can improve workers' long-term connection to the labor market.⁶ Research in the State of Washington found that low-skilled adults who complete at least one year of college with a technical certificate (also referred to as "the tipping point") can expect a measurable boost in earnings. Anecdotally we know employers need a different kind of workforce than in the very recent past – a workforce that can function in a highly technological world meeting specific employer needs. Employers are often looking for workers to arrive with highly technical skills and industry-driven credentials. Often, the reality is a shortage of workers trained with the specific skills those employers seek. Employers can help facilitate the development of a workforce that meets their needs by changing some of their practices and job seekers can become relevant to employers if they embrace lifelong learning and the concept of learning while working. The One-Stops have the opportunity to become a key place where these needs converge.

As short-term, universal interventions have been favored as a means by which to achieve rapid re-employment, and as WIA dollars have shrunk, the result has been fewer and fewer people trained under the Workforce Investment Act – 12% of enrollees in the past three years.⁷ Further, what training has been provided has typically been short term to assist with rapid reattachment to the labor market – just 24% of WIA training participants are in programs longer than one year.⁸ In some cases this has been consistent with the wishes of customers who urgently need to return to work as quickly as possible. In other cases, this focus has deprived motivated clients the opportunity to earn meaningful credentials that can support their long-term viability in a changing labor market. This short-term focus has exacerbated a widening skills mismatch while depriving employers of an adequate supply of skilled workers to meet their needs. Despite record unemployment, many employers continue to be unable to fill key positions.

⁵ Workforce Investment Act of 1998, Section 134 (d).

⁶ *The Economist* noted recently that unemployment for adults with postsecondary credentials is 4%, as compared to 9% for those with only a high-school diploma - to say nothing of the rates for non-high-school-graduates. We also know a postsecondary credential will only become more important to long-term career success, given research by Anthony Carnevale suggesting that 63% of jobs by 2018 will require some postsecondary education.

⁷ CSW analysis of data from the U.S. Department of Labor's WIASRD Annual Reports, covering 2008-2010.

⁸ Ibid.



We've seen postsecondary policies and practices changing to align with this increasing demand for workers with labor-market relevant skills and credentials. And yet, we see signs of how far the current workforce system is from the national emphasis on the importance of attainment of post-secondary degrees and credentials.

Currently, we see a different trend in the public workforce training system -- less focus on training rather than more, with a resulting marginalization of the system's importance in the movement to produce more adults with labor market relevant credentials.

So we have two very big issues to contend with – putting the unemployed back to work as rapidly as possible, but also investing the time and resources to increase the number of workers with the skills to support the current economy. There are too many workers unprepared to enter current job opportunities, needing more market-relevant credentials. At first blush these can seem to be competing priorities. But if we are open to re-thinking the One-Stop model entirely, we can craft a design that allows One-Stops to tackle these issues integratively.



What Should Be Different?

Current	➔	Future
Skills Enhancement or a Job		Credential + a Job
Transactional Employer Engagement		Relational Employer Engagement, using sector strategies
Client Case Management		Resource/Information Brokering for Clients
Services Under One Big Roof		Distributed Community-Based Services
Short Term Program Outcome Measurement		Long Term System Outcome Measurement

Key Components of a New One-Stop Delivery System

- Strong employer commitment to work and learning models, including methods to allow workers to work and learn simultaneously, on-the-job training opportunities and other experiential learning opportunities leading to credentials;
- Strategic employer engagement, moving away from passive labor exchange relationships;
- Attainment of longer-term employment as a result of labor market-relevant credentials as the mission, not just short-term job placement;
- Reinvented delivery capacity, including retrained and reoriented service delivery staff and a new distributed model of delivery;
- New measures of success that align with the new goals;
- Information and resource brokering are the key services to be delivered; and
- Community support for a new system that is tied to community economic success, with key community stakeholders seeing a strong value proposition for the One-Stops.



Eliminating the False Dichotomy Between School and Work

In this model, One-Stops would help clients meet their needs for employment and educational attainment integratively, helping workers quickly find jobs that can be combined with education. Workers should no longer have to focus solely on work or school. Rather, they should have opportunities to focus on employment offering educational opportunities. This is a radical departure from today's model, but it is a shift that could make the One-Stops truly relevant in the skill advancement world – becoming more critical to employers facing skills shortages and to workers needing immediate re-employment.

Repurposed One-Stops could work with employers to develop combinations of work and learning opportunities that enable workers to become learners. Promising employer practices illustrate flexible models that encourage workers to learn, devote resources to funding educational opportunities for workers, and connect workers to experiential education opportunities, including on-the-job training, apprenticeship models, and internships.

Shifting to Strategic Employer Engagement

The biggest role One-Stops currently play is job matching. At the end of the day, success is defined by how many people exit from the system with jobs that produce increased wages and retention. For the majority of job seekers, traditional job matching functions can be performed just as effectively through the private market place – requiring little or no One-Stop support. The ongoing development of tools and online resources allows for the traditional matching function to be carried out far more effectively than is done by the current approach of getting employers to list job orders with a public system.

One-Stops currently are focusing their interactions with employers and workers on passive, but administratively weighty, activities to connect workers with available employment opportunities and track these outcomes whether facilitated by the system or not. In many cases, individuals find employment on their own but are counted as “successes” because they are in the tracking system and are connected to services even if the service is simply checking to see if they got a job. There are certainly variations of this, and in some cases more intensive services *are* provided, but job matching remains at the core of current One-Stop operations.

We fully recognize that moving away from job matching runs counter to the focus of the Wagner-Peyser Act, a major One-Stop partner which provides rapid job matching services. We also recognize there is a real need for such services by a limited number of customers. However, we believe much of that can be accomplished through well staffed Resource Rooms with the current online tools available to participants.⁹

Moving away from staff intensive job matching would make it possible to focus resources more fully on strategic engagements with employers. For example, a number of workforce boards and One-Stops have begun undertaking sector strategies. These efforts bring together employers within an industry and facilitate a partnership between them and key educators to identify industry issues and solutions. Such

⁹ The Employment and Training Administration released a study of One-Stop self-services based on activity in 2005 through 2007 that concluded “Overall, the results demonstrated the considerable potential of the self-service delivery system to reach a large number of customers and to facilitate their access to an array of resources and tools that can assist them in conducting a job search and exploring career options. Resource rooms offer comfortable and inviting environments and staff are professional and do their best to be helpful. The service offerings are rich, and customers generally rate the services they use favorably.”



issues include training needed, curricula content, effective hiring and retention strategies, as well as identifying career pathways for employees and job seekers. It is a fundamentally different way of doing business – one that is focused on meeting the needs of both employers and workers.

Integrating work and learning requires changing long held perceptions that work and learning must occur sequentially rather than simultaneously. Moreover, employers must embrace a new reality of finding qualified workers. Strategic employer engagement is a key element to facilitating linkages between work and learning. One-Stops already have staff engaging employers. What's required in many cases is moving that engagement from the task level of taking job orders to working with companies and industries at a strategic level. This is a wholly different type of engagement and could result in dramatically better results, but would require professional development for staff. Taking a sector-based approach calls for working with employers providing jobs with family sustaining wages, and/or pathways to these jobs, and who are willing to engage in processes and practices that support acquisition of relevant credentials through shared time for work and learning, reimbursement for education, and other means that help workers increase their skills while working.

Shifting to Supporting Workers with Resource/Information Brokering

In this new vision of One-Stops, deep interaction with jobseekers would be quite different as well. One-Stop staff would broker resources, ensure all clients are able to access resources, and facilitate and encourage deep employer involvement. In most cases today, One-Stop staff provide a blend of employment readiness services and support to workers in their job search. As is often now the case, these services can be effectively provided through resource rooms connecting clients to online tools. In this model, we envision bolstering the quality and consistency of resource rooms -- allowing most clients to access technology-aided self-help tools for job matching and some skill development, such as computer competency enhancement or resume writing. Staff also could provide intensive help to individuals who are not successful on their own, including deeper assessments of occupational interests, aptitudes, and abilities. Key service components for this shift include:

Brokering Services through Deep Employer Engagement. In a model focused on intersecting work and learning, the One-Stop customer service representative would be charged with assessing clients and connecting them with employers and quality educational opportunities. After good employer-job seeker matches are found, the employers would support the worker to earn a labor market credential of value to the employer, through flexible scheduling, tuition reimbursement, and work-based supports. One-Stop customer service representatives would connect clients to training resources from a variety of sources, including employer resources.

Those with very low skill levels may need different and more intensive support that should include bridge programs, work supports and transitional employment in conjunction with learning opportunities through work. But the basic concept is the same for all customers – adults and youth – who are interested in improving their labor market worth.

Ensuring Access. In the best of One-Stops there is good interaction among partner agencies that can fill gaps identified in the assessment process – for example, referral to adult basic education for those with basic skills deficits. Currently, many One-Stops simply make the referral and do not work with a customer on their occupational needs until the basic skill deficiencies are addressed through another agency. As a result, many people are “lost” by this mode of operating and are never recovered. A new One-Stop approach would ensure that all clients are connected to relevant supportive services, working to ensure that online tools are accessible to all participants.



Shifting to a Distributed Services Model

Given the functions in this new model, and the range of services and tools that now can be accessed over the internet, we must consider whether there are more efficient ways to deliver the same services than by operating relatively large brick-and-mortar sites carrying high real estate costs that eat up a significant share of One-Stop budgets. We need to think about cost-effective opportunities to distribute services throughout our communities beyond the one WIA-mandated physical One-Stop in each Local Workforce Investment Area. A significant number of WIBs have experimented with the creative use of satellite locations, and that offers a body of knowledge that can be used to inform redesigning the delivery model to take advantage of logical community resources and centers at marginal cost, such as libraries, community centers, or schools. With a combination of well-trained staff and good web-based tools, a distributed model can make services available close at hand to diverse customers while being affordable.

Many WIBs have adopted a distributed approach to employer services, in the belief that going to employer sites and communicating electronically is more effective than asking them to come to a One-Stop. In this new One-Stop concept, that approach will be even more crucial; employer engagement would become a function led by employers -- and would occur where it meets their needs. Similarly, job-seeker engagement in this new model is not exclusively One-Stop-based. Instead, people seeking help would be able to choose among going to a full service One-Stop, a convenient mini-site, and/or to obtain needed services online.

Key Implementation Components

Staffing and Staff Training. Staff members are the most critical component in ensuring that this new approach is effective at addressing client and employer needs. Extensive staff training will be needed to shift to a different employer and jobseeker interaction process. Staff will be required to be more highly skilled at employer engagement and better able to provide intense support to customers to ensure they can access resources. Service providers, including in many cases, community colleges, must look at their roles with a new perspective. It must be made clear what is required to qualify as a provider in a new approach. Without a dedicated, energized, and fully capable staff and service providers, the effort will not succeed.

Civic Engagement. The core of this new approach is about creating economically thriving communities. Civic engagement and the support, alignment and contributions of a variety of stakeholders are critical for ensuring success. In order to do this, we need to engage local elected officials and the community in discussing, modeling, and bringing local context to the model. Stakeholder alignment in support of a new One-Stop proposition will come through information sharing and dialogue. We believe getting to this deep level of civic engagement is crucial to the overall success of a work and learning model.

Shift to System Measurement. We need consistent measures for One-Stops – not for programs but for *One-Stops*. In spite of not offering a physical co-location of partners, One-Stop efforts can reflect much more tightly organized collaborations of agencies with common goals. We can and should craft metrics that align with what we ask the reimagined One-Stops to deliver, and then use those metrics at a One-Stop level, not an agency or program level. Possible candidates for a few core measures for One-Stops include, but are not limited to: number of clients who acquire labor market relevant credentials through employer support; number of clients who attain a job with family sustaining wages (may be measured in progressions to recognize this multi-step process requires staying with a customer over a much longer period of time); and total employer contributions to the process of work and learning.



Building the Movement

As is the case in bringing change to any large institution, the process is arduous and can be painful. Not only is there the ever-present resistance to change, but there are always perceived winners and losers in any restructuring. Before venturing into a major system change, we must be confident that the new model can achieve the expected outcomes. We need to research the kernels that exist now in this new arena, develop a full blueprint for a new type of One-Stop, and to test it out in selected locations. Obviously there are phases to each of these steps and there is a logical sequence for carrying them out. We propose the following steps to begin implementing this historic new approach to One-Stop delivery.

Phase 1: More Fully Test and Explore the Theoretical Model

First, we need to expand the model concepts and test them with key stakeholders. The model should outline more deeply what the appropriate role should be for the One-Stops in increasing credentials; the corresponding types of services that should be offered at the One-Stop; the roles of all the partners (including employers, postsecondary institutions, other training entities, and other stakeholders) in the One-Stop; and, starting with a hypothetical allocation, how many people, starting at what current skill and educational level, could be trained through completion of what level of credential and how long it will take. Assumptions will need to be listed, including assumptions for priority of service. For example: Will/should the One-Stop prioritize people who have already completed some course work towards a credential and just need help finishing? Should individuals be prioritized who can enter postsecondary coursework without remediation? Or should individuals with low basic skills be prioritized for services that accelerate their acquisition both of stronger basic skills and occupational skills, including readiness to enter post-secondary education? People will manage what is measured, so we need to be sure we are measuring the right outcomes.

We envision a series of discussions with thoughtful leaders in policy and practice to hone the concept and create the initial measures.

We also expect to inform the development of this model through research of nascent models of One-Stops that already are incorporating elements of it in terms of service mix, priorities, and measures. We will reflect our conclusions in a research paper on the potential. We will link this work to various other innovations under development such as web-based learning efforts now underway.

Phase 2: Policy Recommendations

Once we have a clear picture of what is possible and general consensus on the framework for a new model among those engaged in exploring and more fully developing this model, we will develop more detailed policy and practice recommendations. These recommendations will be identify and address needed policy reforms, one-stop design options, service delivery models, funding assumptions, and other areas of potential change.





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