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Moving Forward: Workforce Development in California

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California made great strides this year in strengthening and reinventing its workforce development system. New initiatives created the potential for more effective, integrated programming. But now the real work begins. Policy directives are being written and resources are being invested to develop regional and sector-focused partnerships that align education and training providers to leverage resources, develop career pathways, and respond to regional labor market needs. These partnerships promise to improve educational and employment outcomes for students, underprepared individuals, entry-level jobseekers, and incumbent workers and meet the needs of regional employers and labor markets. Whether the new initiatives achieve their goals will depend on how they are implemented. This short paper identifies some of the key workforce achievements of this past year and points to a number of implementation challenges the state faces to ensure that we succeed in transforming a fragmented delivery system into one that works effectively for students, job-seekers, and employers alike.

Bolstering Career Pathways

In 2013, the Legislature took another step toward the development of a robust career pathway system when it allocated \$250 M to build on California's strong foundation of Partnership Academies, Linked Learning programs, and Regional Occupational Programs. The 2013-14 budget established the California Career Pathways Trust that will provide competitive grants to school districts, county superintendents of schools, charter schools, and community colleges to further develop career pathways and to strengthen connections with postsecondary institutions and business/industry.

The Career Pathways Trust

Provides funding for:

- \$250 M to support career pathway development, and
- One-time competitive grants to school districts, county superintendents of schools, charter schools, and community colleges.

Grants can be used to:

- Fund specialists in work-based learning that broker and connect educational providers with business entities;
- Fund development of regional collaborative relationships and partnerships with business entities, community organizations, and post-secondary education institutions;
- Develop and integrate standards-based academics with a career-relevant, sequenced curriculum that is aligned to high-need, high-growth, or emerging regional economic sectors; and
- Provide articulated pathways from K-12 to postsecondary education that is aligned with regional economies.

Reinventing Adult Education

In the past fifteen years numerous studies and task forces have recommended changes to California's Adult Education system. Adult Education provides adults with the skills and education to enable them to earn a high school diploma or GED, learn to speak English as a second language, and obtain the basic English and math needed to succeed in college level work. California's Adult Education program also offers short-term job training and enrichment courses for older adults and parenting education. Adult schools, operated by school districts, and the California Community Colleges are the primary providers of adult education, but there has been a significant disconnect between the two systems. Student outcomes are disappointing. Few Adult Education students successfully transition to post-secondary education or the workforce.

The Governor and Legislature took significant action this year to restructure California's Adult Education program by providing \$25 M for two-year planning and implementation grants to form regional consortia of community college and school districts. The consortia are required to conduct a needs assessment within their region and develop regional plans that integrate existing programs to create seamless transitions for students into postsecondary education or the workforce and accelerate students' progress towards academic or career goals. The budget language also brought some stability to Adult Education funding by protecting against further cuts. Adult Education spending has seen a reduction of over 50 percent since 2007-08 when school districts began "flexing" these funds. The Governor and the Legislature have said that it is their intent to provide additional funding to regional consortia in the 2015-16 fiscal year to further expand and improve adult education program delivery. Future funding is likely to be dependent on successful program implementation.

Adult Education Planning Grants

Provides funding for:

- \$25 million in two-year planning and implementation grants for regional consortia comprised of at least one community college district and one school district.

Grants shall be used to provide:

- Elementary and basic skills education;
- Citizenship, English as a second language, and workforce preparation classes for immigrants;
- Programs for adults with disabilities;
- Short-term career technical education programs with high employment potential; and
- Apprenticeship programs.

Targeting Investments to Key Industry

Senate Bill 118 (Lieu, Chapter 562, Statutes 2013) establishes a set of principles to focus the investments and programs of California's workforce development system on industry sector strategies, regional economies, leveraged resources, and data-driven decision making. The bill requires the California Workforce Investment Board (CWIB) to work with state and local partners to eliminate systemwide barriers and better align and leverage federal, state and local Workforce Investment Act funding streams; to identify key and emerging industry sectors that are of economic importance to the state and its regional economies; and to provide a skill-gap analysis that would identify high-priority, in-demand occupations to inform state and regional investment decisions. This legislation institutionalizes the concepts incorporated in California's Strategic Workforce Development Plan, which is required by both the federal Workforce Investment Act and California state law (Ducheny, SB 293, Statutes of 2005). (See more on the State Plan below.)

Implementing the California Clean Energy Jobs

One of the industry sectors identified by both the community colleges and local workforce investment boards as having future job prospects is the clean energy sector. Proposition 39, the California Clean Energy Jobs Act – an initiative approved by voters – will provide \$550 million in General Fund resources annually to the newly created Clean Energy Job Creation Fund for five fiscal years beginning in 2013-14. The fund will support energy efficiency projects in K-12 schools and community colleges and provide training to disadvantaged youth and veterans to obtain jobs in the clean energy field. This infusion of resources is expected to result in increased job prospects in clean energy and provide entry into this field for disadvantaged youth and veterans. The bill allocates the vast majority of funds to support energy efficiency projects in K-12 schools and community colleges but also appropriates \$3M to the CWIB to develop and implement a competitive grant program for community-based and other training providers to prepare disadvantaged youth or veterans for employment through work experience and job training on energy efficiency and clean energy.

Strengthening the Role of the State Workforce

This year saw the reinvention of the CWIB with the appointment of new board members and Governor Brown's Senior Advisor for Jobs and Business Development leading the work of the new board. The CWIB developed a State Workforce Plan that builds on the good work already evident in parts of the state to create regional/sectoral partnerships and career pathways. The plan serves as a workforce development blueprint focusing on aligning programs and resources around regional and sectoral pathways to address a region's education and training priorities, establishing common success metrics, identifying and removing state administrative barriers, and increasing the number of Californians, including those from underrepresented demographic groups, who can access and succeed in postsecondary education and training. The CWIB also convened a State Team of partners including the California Community Colleges Chancellor's Office (CCCCO), the Labor and Workforce Development Agency, the California Department of Education (CDE), the Employment Training Panel, the Division of Apprenticeship Standards, and the Department of Health and Human Services to align workforce-related policies, initiatives, and funding sources around shared workforce goals and strategies.

In much the same spirit, the CCCC implemented a Doing What Matters for Jobs and the Economy initiative, a framework focused on closing California's skills gap by braiding together discretionary career technical education (CTE) funding to help focus community college CTE courses on sectors that demonstrate the need for an immediate or future supply of skilled workers. The following ten sectors were identified as priorities for the community colleges: Advanced Manufacturing; Advanced Transportation & Renewables; Agriculture, Water & Environmental Technologies; Energy & Utilities; Global Trade & Logistics; Health; Information & Communication Technologies/Digital Media; Life Sciences/Biotech/; Retail/Hospitality/Tourism; and Small Business.

Implementation Challenges

These important initiatives face several implementation challenges. How well each challenge is met may well determine whether the initiative succeeds or fails to meet its intended goal and whether it receives future funding. Key challenges include:

- **Linking Initiatives**

Challenge. Workforce development has long been plagued by multiple funding sources and initiatives that have similar and overlapping purposes. This often results in a far less effective delivery of services at the local level because of duplication of efforts, customer confusion about points of entry for services, lack of articulation among programs, employer burnout from multiple contacts by programs for similar purposes, and ineffective use of limited workforce development dollars. One very real danger is that the important initiatives just described are implemented independently, without reference to one another and without coordination. Doing so would result in yet another layer of programs rather than changing systems by weaving their programs together into successful regional strategies.

Recommendation. CDE and the CCCC, which are tasked with collectively overseeing the implementation of both the Career Pathways Trust and the Adult Education Planning Grants, should ensure that the two efforts build on and support one another, for example, by awarding extra points in the RFA process to regions that effectively bring the two initiatives together and align strategies on regional collaboration, pathway development, and employer interface. Similarly, as the CWIB and its partner agencies (including the CCCC and CDE) work to implement SB 118, they should coordinate the process for designating regional high priority industries and occupations. As the CWIB develops an RFA for the training funds in the Clean Energy Jobs Act, it should privilege applicants that are linking the proposed training to a wider career pathway effort and those where training is being guided by a thoughtful regional strategy.

- **Building on the strengths of existing programs and institutions**

Challenge. Reinventing the workforce system so that it is less duplicative and focuses more effectively on student success does not mean eliminating the building blocks that already exist in each region. On

the contrary, the challenge is how to identify and build on the strengths of each program and institution so that the end result is a well-articulated but diverse delivery system.

Recommendation. To minimize turf battles and achieve the goals of both the Legislature and the Governor, CDE and the CCCCCO should establish an implementation process for both the Career Pathways Trust and the Adult Education Planning Grants that is genuinely collaborative and that demonstrates to the local providers a deep commitment to a diverse delivery system.

- **Creating a stable, regional infrastructure across programs and institutions**

Challenge. Both the Career Pathways Trust and the Adult Education Planning Grants require consortia or collaboratives of providers and a weaving of program services across systems and programs. SB 118 calls for regional investment decisions. The new CWIB strategic plan emphasizes regional/sectoral partnerships.

Recommendation. The opportunity to use funding from the Career Pathway Trust for the development of regional collaborative partnerships could begin to provide the “glue” to build connections among workforce providers, business, labor and community organizations and bring many disparate programs into a cohesive package of services in a region. Funds for “brokers” between educators and business/industry could also simplify and solidify connections with the private sector. Some regional partnerships have already begun to emerge. CDE and the CCCCCO should encourage all regions to develop stable regional partnerships that can serve as the infrastructure for multiple workforce efforts. This could be done both through the RFA process and through technical assistance (see below). The CWIB and its State Team also should work to identify and direct additional discretionary funds toward the development of such a network of regional partnerships.

- **Developing models for successful leveraging**

Challenge. Workforce education and training programs have multiple administrative guidelines, outcome requirements and funding restrictions that create barriers to the successful leveraging of resources. Yet, a number of regions have begun to make headway on forging innovative collaborations that build upon the strengths of each program and maximize services to their communities.

Recommendation. Changes in state policy and new funding opportunities could provide the impetus for better leveraging of resources. When issuing the RFA for both the Career Pathways Trust and the Adult Education planning grants, the CDE and CCCCCO should provide models of successful leveraging and give preference to consortia/collaboratives that demonstrate their willingness to blend resources effectively. The CWIB and the State Team also should also place greater emphasis on identifying and sharing models of effective practices.

- **Articulating pathways**

Challenge. One major challenge in developing career pathways is the articulation between educational segments. Career pathways developed in high schools are generally not linked with community college pathway programs. The rare well-articulated program is usually a stand-alone effort put together on an institution-by-institution and program-by-program basis, which is time consuming and costly. But when institutions are not articulated, a high school program can be a pathway to nowhere.

Recommendation. CDE and the CCCCCO should build on and spread successful models of linkage between CCCs and K-12 already in existence in several regions through the RFA and technical assistance efforts. In addition, legislation passed in 2010 (SB1440) created a transfer degree program that facilitates transfer into a California State University for community college students who earn an associates degree. A similar approach could be used to develop an approved high school to community college career pathway pattern for specific high demand career technical education certificate and degree programs. This could streamline the adoption of articulated career pathways, making it easier for high school students who choose this path to obtain a credential or associate degree.

- **Building exemplars while addressing the needs of California’s multiple regions**

Challenge. Future funding for both the Career Pathways Trust and the Adult Education Planning Grants may well depend on how successfully each initiative is implemented. On the one hand, this underlines the need to develop numbers of highly successful programs that can demonstrate the efficacy of the approach. On the other hand, both the Legislature and the Governor will want to ensure that there is some equity of funding across regions. The former often means working with established innovative efforts; the latter suggests a greater emphasis on new programs.

Recommendation. In deciding how to allocate the funding for the Career Pathways Trust and the Adult Education Planning Grants, CDE and the CCCCCO will have to balance the need to develop successful models that can serve as exemplars for the rest of the state with the need to spread innovation to all the regions. There are multiple approaches they could take to address this challenge. One approach would be to offer both implementation and planning grants in the first round of funding and then follow up with additional funds for those regions with a viable plan.

- **Doing what works**

Challenge. There are many reasons that the new approaches being promoted by the legislative and administrative initiatives highlighted in the paper have not already been implemented by local practitioners. One reason is that they are not familiar with the new ways of doing business and unsure about how to move in that direction. As regions begin to implement the new initiatives, there is an

urgent need for technical assistance to ensure that programs are designed and delivered based on practices and pedagogies that are most effective. There are currently many promising practices in operation throughout the state and nation. Instead of each region reinventing the wheel – or failing to – resources need to be designated to provide technical assistance to new programs, to assess what works and to share this information statewide. Data collection, data sharing and evaluation (both formative and summative) also will be essential.

Recommendation. Both the administering agencies and the Legislature must recognize the critical role of technical assistance and evaluation and ensure that sufficient resources are set aside to support this kind of work.

- **Enhancing funding of community college career technical education in high-priority occupations and careers**

Challenge. Perhaps the greatest challenge is the level of funding for certificate and degree CTE programs. By 2018, 64 percent of all jobs will require workers with education or training beyond a high school degree. Yet, in recent years California has seen cutbacks of more than \$500 million to programs that prepare individuals for employment. The relatively high costs of offering community college CTE programs - because of smaller class sizes, instructional equipment needs, and the cost of maintaining partnerships with business and industry – is a constraint on maintaining and increasing program offerings that meet the need of regional local economies.

Recommendation. State policy makers and education/workforce agency administrators should create an investment strategy that enhances funding for high-priority occupations and careers. This investment strategy should include addressing reimbursement rates for high cost CTE programs, providing incentives for resource alignment among public entities and for partnerships with the private sector, and providing financial aid incentives that are targeted to high priority occupations and careers.

Conclusion

This is a moment of tremendous opportunity for California’s workforce programs and institution, which have suffered from neglect and underfunding for numbers of years. Each of the initiatives just described builds on innovative efforts that have been incubating in the regions even in the face of fiscal and other obstacles. At the same time, the challenges to implementation are serious ones. Large institutions are resistant to change; the funding is still insufficient to the task; and California is a large, complex state. The very real balance of opportunity and danger underlines the importance of the implementation effort. It is critical that over the next two years the Administration, Legislature, and local practitioners upon whose shoulders implementation depends pull together to provide California the workforce system we need and deserve.