Information Item: IPI Project Update(Integrated Performance Information)

Committee: Accountability

Date: March 3, 2004

During the Accountability Committee meeting on December 12, 2003, Dr. Arlene Parisot gave a summary of the IPI Project. The committee moved to coordinate their goal of developing system measurements with the IPI Project which is scheduled to be completed early January 2005. The final product will be a "blueprint" for states to use in measuring the workforce system as a whole.

The IPI Project kicked off in New Orleans January 8-9. The Montana team consisted of: Dr. Parisot, Director of Workforce Development and Two-Year Education; Rachel Helvik from the Commissioner of Higher Ed's office; Pam Watson, SWIB staff; Wendy Keating, Commissioner of the Department of Labor & Industry (DLI); Ingrid Childress, Administrator of the Workforce Services Division, DLI; Gary Warren, Chief of the Workforce Programs Bureau, DLI; Hank Hudson, Administrator of the Human & Community Services Division, Department of Public Health and Human Services (representing TANF). Attached you will find two documents summarizing the discussions and issues at the first Policy Meeting in January. Also provided as part of the meeting materials, for your review, are Powerpoint presentations made in New Orleans by the Washington and Florida teams.

The second meeting of the IPI Project is scheduled for April 1-2, and will consist of a Technical Team. Their goals are to determine what technical barriers may exist in developing system measurements, and how those barriers may be overcome.

The last meeting will be held in June and will bring the Policy Team back together to develop the final strategies and recommendations for workforce system performance. The US Department of Labor will then produce the blueprint to be distributed to states by early 2005.

No action is required of the committee at this time.

Large Group Discussion Notes – Integrated Performance Project
January 8 and 9, New Orleans

Discussion Session 1: What Policy Information is Needed by Policy and Program Leaders on Results of Workforce Development Programs?

From the Governor's/Legislature Level:

- how will this (program) help our economic development efforts?
- what is my return on investment? how do I know that my money is spent effectively?
- what is the labor pool that is available? what is the labor pool we need? how do we get from what we have to what we need?
- do people get jobs?
- what are they paid?
- what will this program/service cost?
- are we adding jobs in new or different sectors?
- how do we compare with other states?
- are there unintended consequences of these programs/services?
- is there any duplication of services – if so, where?
- where can we cut costs?
- what mechanisms are in place to help people move up in their jobs?
- how does program success impact our economy?
- what is my role as governor in supporting these programs?
- do we have a skilled workforce for the current and future employer base
- are we meeting the needs of businesses? how?
- are all customer groups satisfied with our services?
- are/how are we serving those most in need – ESL/literacy?
- what are we doing to keep youth on track for jobs in the future?
- what is the capacity of the higher education system to support our workforce needs?
- is out migration a problem? are we training people who leave?
- are we seeing an increase in income and education levels?
- are we making taxpayers out of tax users?
- are K-12 standards making kids better prepared for the world of work?
- why is this data so old?
- in states like Montana – what is the best way to spend workforce dollars in places (Indian reservations) where there are no jobs?

Challenges/Issues:

- we don't communicate the responses to these questions well
- politicians have a short term interest and there is a long term policy need
- they ask for data I don't have

Questions at a Program Administrator Level:

- how do we improve transitions – back to school, basic skills to a move advanced level?
- how well are we doing in serving the needs of business?
- how will this information help me/hurt me? can I share responsibility with another program?

- how are we meeting the needs of our employers/students/customer base?
- how do we know this program aligns to the governor's goals and that the measures/outcomes support those goals?
- does training matter (as a strategy for improving outcome)?
- what are we doing for each population we serve?
- are we seeing changes in poverty rates?
- is there a mismatch between labor demand and skill supply?
- is the emphasis on training welfare recipients for higher wage jobs? what are the outcomes of this strategy?
- who is falling through the cracks of this program and how do we improve the success of that group? why are enrollments so low?
- credential achievement – are those people getting jobs?
- are our goals focused on economic development?
- are we meeting our "silo" requirements?
- how does our investment in our clients compare across programs?
- what is happening with my participants? need more current information?
- what is our return on investment? what is the most effective allocation for each program? based on demographics? geographic aspects?

For Program Managers:

- are our resources adequate to be responsive to the needs of our populations?
- what are the quality family outcomes based on the demographics of our population? are there unintended consequences?
- is it worth while to target the hard to serve? what are the incentives for working with this population?
- did we achieve reasonable results given what we had to work with?

Special Areas of Focus/Interest of Governors/Legislators by state:

Texas: Economic Development
Customer Focus
Customized Training for specific sectors

Florida: Economic Development
Economic Diversity
Community based/faith based
Privatization

Michigan: Manufacturing sectors
Targeted employment and training to identified sectors
Building an entrepreneurial culture
Freedom to work (Medicaid for people with disabilities who work)
Health care security

Washington: Are we closing the gap between the need for workers and the production of such workers?

Montana:

Funding for net new jobs/job creation
Distance learning

Massachusetts:

Impact of Unemployment Insurance – UI trust fund

Discussion Session 2: What are the Non-Technical Barriers to Providing Information?

(number in parentheses pertains to item number on the flip chart record)

1. Lack of Capacity (time, money, expert staff, data)

- lack of resources: time, money, people, vision (13)
- the environment changes all the time – it's difficult to keep up with and leads to fits and starts in working on projects (17)
- some states have data that automatically rolls up – others don't allow data sharing due to mandates and system structures (24)
- not able to use WRIS for non title one programs (21)
- existing data systems are difficult to change (23)
- Lack of access to UI wage records based on state laws (25)
- FERPA prohibitions (22)
- UI is different state by state (26)
- retirement incentives are causing a big percentage of state staff to leave – there is a loss of institutional knowledge (28)
- lack of data integrity (3)

2. Divided Authority (including legislative and regulatory authority)

- lack of political will (1)
- programs have different missions and different masters – so here is no structure to support collaboration – different silos, different information systems (7)
- lack of a someone with authority to pull the system together – there is no list of players who comprise the workforce development program (8)
- there is a lack of legislative mandate above the heads of the would-be partners (9)
- lack of a leaders who has understanding of both policy needs and measurement who makes it the top priority (10)
- the environment changes all the time – it's difficult to keep up with and leads to fits and starts in working on projects (17)

3. Lack of a Culture of Accountability

- lack of political will (1)
- lack of a culture of measurement in education – history of unions and tenure speaks against measurement (2)
- lack of trust among potential partners: " what's in it for me" – people don't see the value of results measurement to them – also privacy and data sharing issues (4)

- fear – that measures might expose me – I'm afraid of comparison to others and I really don't want to know how my program is doing (5)
- losing control over what measures say and how they will be used (6)
- lack of a leaders who has understanding of both policy needs and measurement who makes it the top priority (10)
- there is a perception: hunker down and this too shall pass – a lack of broad, deep, sustained commitment to results measurement (11)
- entities wand to be measured on things they have complete control over (15)
- with shared clients, how do we share accountability for results fairly (16)
- the environment changes all the time – it's difficult to keep up with and leads to fits and starts in working on projects (17)
- the workforce culture on balance is data resistant – cultivated by years of having to work with meaningless measures (27)

4. Lack of consensus on goals and measures

- fear that measures might expose me, afraid of comparison to other programs (5)
- lack of trust of partners, lack of sense of what's in it for me (4)
- lack of consensus among people doing measures – ROI etc – there is no common way of looking at the measure – no consensus as to what "good" is, what a "good result" is (14)
- lack of relevance of performance results to "my program" – what is the incentive to participate? perception of net negative benefits (12)
- with shared clients, how do we share accountability for results fairly (16)
- the environment changes all the time – it's difficult to keep up with and leads to fits and starts in working on projects (17)
- hard to make measurement simple, powerful, and intelligible to all who use it and make decisions based on it (18)
- some clients have different goals for themselves than we have for them (19)
- we focus on sharing the wrong information with governors and legislators – what we want to tell them instead of what they want to know (20)
- we don't just have meaningless measures – we have not identified meaningful measures (30)

Discussion Session 3: What Enables these Barriers to be Overcome?

1. Lack of Capacity

Data:

- FERPA – we need consistent communication and direction from the Federal level – the DOL needs to address the DOE memo (TX)
- WRIS – the DOL needs to establish a governing authority to allow application of this data to other programs – local providers and state oversight – including covering core measures (TX)
- *State and local areas work together so that data systems easily record data used to measure performance. System needs to be efficient and easy to use (WA)*
- *Establish governing authority of WRIS to allow applications to other programs (WA)*
- *Visit states to research and evaluate systems currently using or having access to UI wage records (WA)*
- *Establish state statute that allows agencies to use UI records for specific purposes (WA)*

- *there need to be mechanisms to capture self-employment (WA)*
- Small states should be allowed/encouraged to buy or use a performance results data system another state has already developed and is known to be workable
- need to have minimal data elements across programs: they should be the essential pieces of information to use the data in a meaningful way – first identify the data that is meaningful and then come up with common definitions for the data
- create "champions" among the locals – show local areas that/how data would be useful to them, why it is in their best interest to collect the data (FL)
- make sure the system for recording data is efficient and easy to use (FL)
- *data integrity: Florida uses databases that are involved in legislative funding, these databases are validated; information system managers must have a regular data validation internally*

Florida overall "don'ts" re data use/restriction:

- *FERPA – sharing data is an interpretation issue, not a direct legislative prohibition – do not require individual release*
- *WRIS – allow WRIS data to be provided to local provider and state oversight bodies – expand to cover core measures*
- *IPI – don't limit the IPI effort to the common measures – focus on assembling a common data base – not designed as a "gotcha"*

- *Access to UI wage records (Michigan)*
  - *develop draft legislative change to increase access*
  - *contact Department of Labor and Economic Growth to locate sponsors in the legislature*
  - *be aware of unintended consequences of opening up MES*
  - *develop bipartisan support to pass the bill*

Staff:

- eliminate silo"strings" tied to money so you can hire more easily (TX)
- make investments in "smart data systems" with adequate prompts so that all of the knowledge about how to use the data system doesn't have to be carried in a person's head (TX)
- encourage staff capacity building within and across local workforce boards – encourage local board staff to help staff in other locals (TX)
- insure that staff has the opportunity to use and evaluate data on a regular basis (WA)
- develop rigorous documentation to capture expert knowledge (FL)
- cross train staff and build a "bench" of knowledgeable people (FL)

Resources:

- in Texas, state law requires that the nine agencies participate by formula
- Washington uses WIA and Perkins funding and 10% of the general fund
- *Establish ongoing interagency workgroup on performance accountability and continuous improvement (WA)*
- may want to go to other agencies to get funding; again, address what is in it for them

- Florida gets a state appropriation separate from everything else and also does fee for service contracts; they provide data services back to the agencies that supply them with data, also show them reduced costs, efficient effort, and value add
- should use federal/state seed money to get system up and running

2. Divided Authority

- In Texas, state law mandates system-wide strategic planning every 5 years and system measures across 9 agencies – agency heads know the law and comply with these mandates – that said, the Workforce Commission works hard to insure more than grudging compliance with the law. They actively seek and build consensus among agencies so that each entity sees themselves in the broader plan (TX)
  - *The drivers during periods of leadership change are 1) legal mandate and 2) consistency of approach and guidance from the State Board.*
  - *there is a critical need to be able to provide information to legislators – sometimes this conflicts with local control – the legislature doesn't understand why the state may not have the level of detailed information they request – suggest a session with legislators to provide a workforce system overview*
- *Washington: Options: consolidate programs, or establishing coordinating body while maintaining separate programs; establish federal flexibility to alleviate discrepancies*
- *Recommendation: establish an intergovernmental coordinating body at the federal level for Labor, Education, and HHS; at state level establish authority by statute (WA)*
- In Florida, the strategy is to make sure the data is useful to all levels within the system – always think about "what's in it for them" to participate; because the performance results system adds value at all levels, "accountability is a fact of life" – *use a tiered approach toward measures; build on the tiers; build an educational component*
- *also in Florida – recommend establishing a strong state board, central placement follow-up – Florida uses FETDIP for follow up, accountability for state dollars*
- several models to address this*(divided authority)* exist:
    - a single agency leading the performance results charge, based on state mandate
    - a coordinating body or steering committee
    - a MOU model that brings agencies together (currently in MA)
    - a management information system that serves as the coordinating body (FL)

In all cases, both strong legislative support and how well you work with partners/locals are the keys to success

- *In Michigan, the Governor and the revitalized Workforce Board establish the expectation and priority for an integrated data reporting system, incorporating the state data warehouse, Department of Technology, Family Independence Agency, Department of Education, community colleges, universities, etc.*
  - *technology resources will need to be re-prioritized, shifted or increased to provide this new system*
  - *establish interagency work team to develop plan*
  - *identify "champion" and structure to manage the structure and "quarterback" interagency team players*
  - *demonstrate availability and exchange of integrated data will be utilized to improve outcomes to citizens – Prove value of new system in cross-system decision-making. In Michigan this includes a regression model*

3. Lack of a Culture of Accountability

- Texas – the legislature builds in explicit expectations of accountability – the governor's office holds people accountable – it takes a while for this to gel and requires consistency and a deliberate effort over time to encourage buy in and accountability
- Washington:
  - the data has to be simple and consistent with few number of measures to address this barrier
  - show folks how information is used and ask them for input about what the data should be BEFORE it is published
  - provide incentive grants based on inter-program results
  - award funds based on performance – including funds for pilot projects and continuous improvement projects
  - now working on pushing the culture of accountability down (to lower levels) and out (to other programs) by focusing on communication, building trust, and sharing resources
  - *show how the information is going to be used; ask for input before publication*
- Florida:
  - have enough measures at the program level to accommodate all programs and narrow the measures to the critical few when you get to the governor's level
  - the systems has to serve other needs of all parties beyond the common measures
  - Florida uses stand alone architecture – imports data from other programs but the sources of the data are not integrated
  - confidentiality problems are mitigated if you don't release the sources of information; *also: show a sample of the data to the agencies so they know what to expect, work with the agency to understand the methodology, provide assistance, help them to accept the inevitability that they will be measured in tough economic times*
  - link this work to other things going on pertaining to investing in results; insinuate this into existing processes
  - show the legislature how these programs have successfully worked together
- Michigan is acting to build a consensus structure and system through a process to engage stakeholders in discussions about what data elements should be
- Montana is in the early stages but feel they have the right people in the right places "ready to play"; they are working with business leaders especially to push the need for system performance results

4. Lack of consensus goals and measures

- Washington:
  - there is no substitute for bringing all of the parties together to agree on the goals and measures
  - *do not include in the performance statistics those clients who do not have placement as their goal*
  - invest in communication across the system, using a wide variety of means and resources – there should be a dedicated communication process to support performance results

    - *sponsor an annual performance symposium or event that brings practitioners together, representing all partners and leadership*
- Florida:
    - share the credit as well as the accountability
    - show the success stories of the local providers – at each level give credit to all those who "touch" the client
    - *make measures simple: waive some of the required measures and allow states to apply their own measures without it becoming a dis-incentive*
- Montana is seeking to build consensus on a common vision and mission for the performance results system
- Texas finds that the system wide strategic plan done every 5 years successfully aligns goals and measures
    - *long term objectives are linked to capacity building and are required for the agency strategic plans*
    - *support of the Governor's office is key – there is an expectation of active participation by each of the agencies*
- *Michigan suggests the following:*
    - *develop value consensus among users and reporters*
    - *develop a communication and engagement plan to involve stakeholders, consumers and partners*
    - *review the experience of other states to import effective best practices*
    - *draft a few and powerful measures, provide horizontal and vertical slicing to demonstrate the potential report card format*
    - *interagency workgroup formed with partners, customers, and stakeholders to review and revise draft measures and report card. Reach final consensus on the draft report*
    - *data collected and reported. Report card issues with the caveat that it is open to revision after first release to be sure it is relevant, accurate, meets measurement as well as accountability needs and that it has inherent value for the reporting source.*

Notes to the Federal Partner:

- WRIS – do not restrict use of data
- FERPA – do not come up with an interpretation that will require individual sign off;
- FERPA – do coordinate guidance with Department of Education, provide interpretation to states – do this with DOE as a partner
- IPA should be as broad and inclusive as possible
- in considering the regression model – the states feel it's importance is as a trust factor for serving customer groups with disabilities - it should not be used as a disincentive in serving those groups – keep the regression discussion open and if there are other ways to account for differences in serving different populations, explore them as well
- remove disincentives for serving hard to serve
- continuous improvement is more than bumping up the % target incrementally; using a regression approach can help target specific areas for improvement
- Before you benchmark common measures and integrated systems, look at states' real experience first
- make sure state and federal LMI folks are on board with the measurement direction DOL is taking

- states are worried that common measures will “up end our work” – take resources and focus away from performance measures that the states find meaningful
- this project should not just be focused on common measures
- please lay off the minutia and let states innovate – focus on what states are doing right

- Lesson learned: state strategic plans should not be so broad or so narrow that they don’t add value or each program doesn’t see itself in the plan

DOL Partner Comments (Brian):

- DOL is looking at making up to $250K available to states (to be matched by the state) for development of state programs/systems
- may build a consortium of small states (including those with shared workforces) to work on performance results, common measures implementation, may include capacity sharing

Integrated Performance Information (IPI) Project

What Policy Information is needed by policy and program leaders on the results of workforce development programs?

Policy and program leaders want to have performance information that answers the following questions:

Results for employers and the economy

What are the impacts of workforce development programs on the economy?
Are the programs meeting the needs of employers?
Does the supply of newly prepared workers match labor market demand?
Are program participants better prepared for work?
Do people go out-of-state after they are served?

And they want to know the relevant information by economic sector.

Labor market results for program participants

Do people get jobs?
What are they paid?

Social welfare results for program participants

What are the changes in the receipt of social welfare payments?
What are the changes in the receipt of unemployment insurance payments?
What are the changes in poverty rates?
Are we making taxpayers out of tax users?

Participant Satisfaction

To what extent are program participants satisfied?

Skill Gains

To what extent do education levels increase?
Do participants continue in further education?

Return on investment

What do programs cost?
What is the return on investment?

Subgroup and Comparative Information

For the Participant information, policy and program leaders want to know:

The results for each major participant group served, including hard to serve groups

What are the most effective service strategies (e.g., job training, job search assistance) for each program and group?

How do the results vary across programs?

For most, if not all performance information, policy and program leaders want to know:

How do we compare with other states?