



State Recovery Now

a project of America Achieves

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State Recovery Now

Policy Playbook

Employing Residents in High-Demand Careers: An Evidence-Based, Good Jobs-Driven Approach

A guide to helping communities advance 21st century
workforce development

Executive Summary

The COVID-19 pandemic has exacerbated workforce development challenges facing both workers and employers. Millions of workers who have lost jobs are seeking new opportunities. Many already have the skills and credentials needed for well-paying jobs in high-demand sectors, but face barriers to attaining employment. Others need training and support to obtain new skills and credentials. Meanwhile, employers in high-demand sectors face an unmet need for diverse pipelines of skilled workers. This need is only expected to grow with the passage of the Infrastructure Investment and Jobs Act.

As state and local governments consider their options for spending [American Rescue Plan \(ARP\) funds](#), they should consider investing in a model designed to help both youth and adults land well-paying jobs through evidence-based job training and career coaching. Policymakers can implement this program in two steps:

1. Establish a funding mechanism to cover (1) program tuition in evidence-based job training connected to real, good jobs, (2) career coaching, and (3) necessary wraparound supports, such as guidance counseling, transportation, and child care.
2. Set up an evaluation system to determine those programs that recipients may attend, based on their impact on good job attainment and wage gains, as well as to assess the quality of job training, support services, and career coaching.

Governments can work with employers to tailor their program to meet local needs, targeting certain populations or sectors to improve employment rates in well-paying careers. This approach would serve to meet workforce development needs critical to COVID-19 economic recovery, making it well-suited for the use of ARP funds.

Policymakers can expect to see a substantial return on investment. This model will lead to more residents — especially those who have historically been underserved — employed in high-demand, well-paying jobs, with sustained wage growth over time. In turn, this could lower demand for other social safety net programs.

Background

This nation was built on the ideal that people from any background should be able to get ahead through hard work. But throughout our history, this ideal has remained an unmet aspiration. In our modern economy, massive shifts from globalization to automation – many accelerated by the COVID-19 pandemic – are changing what is needed to make this ideal a reality. States and localities must adapt their workforce development approaches to respond to these changes.

While a high school degree once served as a ticket to the middle class, [most good jobs](#) now require further education. Only one third of the adult population in the U.S. has a traditional four-year college degree, and many growing sectors and occupations do not require one. Millions of workers already have the skills for higher-paying jobs and need support matching with opportunities. For millions more, alternative post-secondary credentials linked to the skills employers actually require can provide critical pathways to a career – and if they provide credit, to valued college degrees. But too often communities lack a comprehensive strategy to help workers gain the skills and support needed for a well-paying career tied to real, high-quality jobs. As a result, employers face an unmet need for diverse pipelines of skilled workers, especially in high-demand sectors.

The evidence is clear for the types of programs that are most effective. But current policy and public funding do not always incentivize the expansion and sustainability of these programs. Though every state has career initiatives of various types, the current workforce system (both at the federal level and within most states) does not do enough to evaluate programs and communicate to residents which are high-quality and produce the desired employment results. At the same time, the workforce landscape is confusing and expensive; many are unable to take unpaid time off to train, nor do they have sufficient guidance on which program is right for them, or support to make sure they complete their programs. More is needed to connect the dots across the workforce system.

Current spending on workforce development would be more effective if (1) career education dollars were directed to evidence-based, high-quality programs connected to real, good jobs, and (2) public dollars for job training and support were made accessible to those who need it.

Several states are pioneering new, evidence-based approaches. The Back to Work Rhode Island program, for example, upskills and matches thousands of workers to good local jobs in a jobs-driven program. Back to Work partnered with the Office of the

Postsecondary Commissioner (RIOPC) and its RI Reconnect Navigators to assess participants' potential barriers and provide them with flexible wraparound support as needed, such as laptop computers and rental assistance, to help them succeed. Indiana's Next Level Jobs program provides free training for eligible residents exclusively in high-paying, high-growth fields like advanced manufacturing, transportation and logistics, and health and life sciences. West Virginia's Learn-and-Earn program places participants in jobs aligned to growing fields and economic development priorities, all paying an average of more than \$15 per hour. Finally, Forward Delaware, a training initiative designed to help Delawareans who lost their jobs as a result of the COVID-19 pandemic, worked with the State's Workforce Development Board and Department of Labor to identify key, in-demand industries for training programs.

Policy Overview

To overcome challenges associated with workforce development, state and local governments should consider allocating a portion of American Rescue Plan Act (ARP) funds to a program designed to help both youth and adults land well-paying jobs through evidence-based job training and career coaching. Policymakers can implement this program in two steps:

1. Establish a funding mechanism to cover (1) program tuition in evidence-based job training connected to real, good jobs, (2) career coaching, and (3) necessary wraparound supports, such as guidance counseling, transportation, and child care. Applicants would be eligible to receive between \$8,000 and \$20,000 (depending on the program and context) to cover program tuition and the necessary wraparound supports. (See page 11 for more detail on associated costs.)
2. Set up a formal evaluation system for rating the quality of new and existing programs, to determine those that recipients of funding may attend. Criteria should be based on the evidence for what is most effective in helping underserved populations attain employment and family-sustaining wages in high-demand sectors, with an emphasis on equity outcomes.

State and local governments should adapt this model to their needs and priorities by choosing which sectors and populations to target, identifying the areas of greatest need, and directing resources to make the greatest impact.

After establishing evaluation criteria, jurisdictions can invite job training programs to

apply to be evaluated, and use ratings to give applicants access to impartial information about program options. By tying funding to only programs deemed high-quality and effective, a jurisdiction can incentivize local programs to improve or maintain positive outcomes targeted to high-demand industry sectors.

Program Design

Program Evaluation Criteria

To determine which job training programs should be eligible for funding, policymakers are encouraged to consider the evidence for those programs that lead to effective outcomes. According to a [Harvard study](#), sectoral programs are some of the most effective in terms of getting participants into higher wage jobs in high-earning industries and occupations — rather than just increasing employment rates — contributing to long-term economic success. They generate substantial and persistent earnings gains, between 11 and 40 percent, following training.

Sectoral programs train job seekers for “high-quality” employment in specific industries that have strong local labor demand and opportunities for longer-term career advancement. Targeted sectors largely depend on the local economy, but typically include growing fields like health care, information technology, and advanced manufacturing.

According to this study, successful programs should:

1. Partner directly with employers to align training and career support with specific in-demand jobs and skills.
2. Focus on economic sectors and occupations where jobs are in high demand and offer living wages and upward mobility.
3. Match participants to learning programs and job opportunities most likely to lead to success through effective, proactive career coaching.
4. Drive competitiveness and equity by expanding the pool to traditionally underserved people with transferable, certified skills and job referrals aligned with employer needs for good jobs in growing sectors.
5. Provide intensive wraparound support services that are integrated into the training

program, including child care, transportation support, emergency funds, legal assistance, mental and behavioral health counseling, literacy training, and ongoing intensive coaching during training, job placement, and on-the-job employment.

When drafting program evaluation criteria, policymakers should build in protections to ensure that those serving residents most in need, including tuition-free nonprofit programs, are not disadvantaged compared to programs serving populations with fewer barriers to success. Data reporting requirements should be put in place to track programs' progress, especially as it relates to equity. Policymakers are advised to convene a representative committee to inform the creation of evaluation criteria.

Program evaluation criteria should prioritize impact on good job attainment and wage gains, and could include the list below:

- 1. Enrollment:** How many participants, on average, are enrolled? What populations are best served by this program?
- 2. Completion:** What percentage of enrollees successfully complete the training program? Jurisdictions should consider setting a minimum rate – for example, this may be around 70 percent.
- 3. Credential attainment:** Are the program's credentials industry-recognized and employer-verified, preferably in a high-demand and well-paying field? Are the credentials stackable – part of a sequence of credentials that can be accumulated over time and move an individual along a career pathway or up a career ladder? Are credentials portable – across multiple employers and geographical areas, including credentials that are recognized by industry or sector partnerships in the relevant industry in states or local areas where individuals seeking such credentials are looking for jobs?
- 4. Employer partnerships:** Does the program have demonstrated partnerships with employers who document real jobs they will be hiring for and confirm that this training is aligned to their hiring needs? Employers should verify that they will hire – or strongly consider hiring – applicants from these programs for those jobs. Are the jobs paying livable wages and offering sufficient benefits and protections?
- 5. Post-training job placement:** What percentage of participants attain employment in their field of study? Jurisdictions should consider setting a minimum rate – for example, this may be around 70 percent.

6. **Wages:** What is the average wage for program alumni – both immediately following program completion and sustained over the next several years? This standard will vary by jurisdiction, but should not be lower than \$15 per hour, with preference for a family-supporting wage.
7. **Equity:** How well does the program serve a diverse set of workers – including those who have been hardest hit by the pandemic and those traditionally underserved by existing programs? (See more below.)
8. **Career pathways:** To what extent is the program placing workers into roles that allow for professional growth and career advancement? How can it build on dual enrollment programs with high schools where appropriate?

How This Model Can Help Give All Workers a Fair Shot

This new model should be intentionally designed to support the needs of a diverse pipeline of workers – especially workers who do not have a college degree; who live in urban and rural economically isolated areas; or young people, women, and people of color who have been left behind by the current economic conditions. Best practices to keep in mind when designing the program include:

- **Community acceptance and connection is critical to building better bridges.** Coalitions should seek out stakeholders and service providers that have social connections to isolated, disinvested, and minority communities. Coalitions should have a strategic focus on marketing and communications to spread the word on the program to target employers and communities.
- **Meet every worker where they need to be met.** Coalition stakeholders should share the viewpoint that the workforce system needs to be fixed and reimagined to work for people, and not the other way around.
- **Partner with a wide range of stakeholders and communities through the design and delivery of the program.** Programs are more likely to meet their goals if they are designed and delivered with meaningful input from the employers and workers being served. Key stakeholders may include employers and employer associations, training providers, worker representatives,

youth-serving organizations, and organizations that serve populations most in need of job training services (e.g., residents on public assistance or returning citizens). These stakeholders can then become messengers for the program with employers and workers in their communities during implementation.

- **Streamline the application and enrollment processes to reduce barriers that may inhibit participation.** For example, applications should require the least amount of paperwork and documentation possible to reduce barriers for job-seekers to enroll and pursue training.
- **Partnership training programs and pathways should maintain clear entry and exit points for participants** while ensuring seamless transitions between partners.
- **Provide generous supportive services** in alignment with program supports that align with the likely inequities participants will be experiencing or might experience during the program (e.g., child care, transportation, housing support, mental and behavioral health counseling).
- **Create partnerships with providers of essential wraparound services.** Individual programs should be encouraged to specialize in spaces where they have expertise, while relying on partners to provide the full range of services necessary to support program participants. Each individual program should not need to reinvent the wheel or take on new service offerings in order to be a valuable contributor.

Administration of Funds

Each jurisdiction will need to design an administration method that best matches its needs. A sample method is provided below:

Uses of Funds

Once a participant selects an eligible job training program to attend, funding for tuition, fees, wraparound supports, and other costs will be allocated according to the jurisdiction's plan and the needs of the workers and employers involved.

Of a full funding amount of \$12,000, for example, \$6,500 might be allocated to cover

program costs, and \$3,000 (matched by employer contributions) might be allocated for income support as a part of an earn and learn program. The remaining \$2,500 might be reserved for wraparound services necessary to support the participant. These services should include but are not limited to:

- General guidance counseling to navigate the program
- Transportation support
- Child care assistance
- Senior care assistance
- School supplies, such as a laptop
- Grocery/food support
- Legal services
- Rental/housing support, including utilities like internet, electricity, or heat
- Physical, mental and behavioral health support
- Literacy services, including basic math, reading, and occupational skill development

If an eligible program does not have the capacity to provide these wraparound services in-house, the coordinating government entity should retain the funding for that purpose and be responsible for coordinating access to any necessary wraparound services, either directly or through other qualified organizations. Barriers to receiving eligible services should be as low as possible so that workers and learners quickly get the critical resources they need, and their education is at the lowest risk of disruption.

Outcomes-Based Disbursement

To promote an outcomes-based approach, state and local governments can consider tiered disbursement of funds. For example, funds could be disbursed to eligible providers in three tranches:

1. The first tranche would be dispersed immediately to cover program expenses.
2. The second tranche would be for necessary wraparound supports. These funds would be held in escrow, on behalf of the trainee, for any wraparound supports they may need. Jurisdictions may consider making purchases on behalf of trainees

so that they are not expected to cover costs and be reimbursed, nor are their educational trajectories disrupted.

3. The third and final tranche would be dispersed to the program three months after a trainee has successfully completed the program, contingent on the trainee gaining and maintaining employment.

Eligible Recipients

States and local governments should decide which populations to target with this program. For example, eligible funding recipients could meet the following criteria:

- 16 years or older
- Income equal to or less than 400 percent of the federal poverty line
- Lacking a bachelor's degree, or demonstrating extreme employment vulnerability (e.g., unemployed or working in a job or sector whose viability is threatened by the pandemic, automation, trade, or globalization)

Eligible participants should also be connected to other programs and services for which they are eligible — including the Supplemental Nutrition Assistance Program (SNAP), the Women, Infants, and Children program (WIC), the Temporary Assistance for Needy Families program (TANF), voter registration, unemployment insurance, and others.

Outcomes

By tying funding to evidence-based programs, policymakers can direct more job seekers to pathways that are more likely to lead to long-term success.

In the short-term, this will lead to a greater availability of high-quality programs, as new and existing job training programs strive to qualify for funding by meeting evaluation criteria. This evaluation system will also build the evidence base for what works, helping

policymakers and career advancement services to better understand ways to achieve desired outcomes and better serve residents in need of support.

In the long-term, a successful program will lead to more residents employed in high-demand, family-supporting jobs. This should result in sustained wage gains over time for job training participants, while closing labor shortage gaps in key economic sectors.

Associated Costs

In total, policymakers can expect to spend between \$13,000 to \$25,000 per program participant, including both the individual benefits and administrative costs. The exact amount will depend on the specific needs of a jurisdiction, its workers, and its employers.

State and local governments will need to develop clear policies to determine how to allocate resources equitably – and do so in an outcomes-focused manner. The numbers included here are commensurate with evidence-based high quality programs; effective programs require proper investment.

As an illustrative example, assuming an individual benefit of \$12,000, this figure could include the following:

Program Funds

- \$6,500 in funds available to eligible providers to cover direct program costs
- \$3,000 to cover income support as part of an earn and learn program (to be matched by employer contributions)
- \$2,500 available to eligible providers to cover wraparound supports, including literacy support, community connector support, legal costs, and services including transportation, child care, and mental and behavioral health services

Administrative Costs

- \$2,000 to facilitate access to any additional wraparound supports needed for participants that are not provided directly through job training programs
- \$3,000 in administrative costs, including:
 - System design, program administration, and technical assistance
 - Implementation of evaluation system for eligible providers
 - Creation of an easy-to-access portal, showing program ratings and allowing residents to apply for funding
 - Community outreach and education initiatives

Assessing the Return on Investment

Policymakers should build rigorous design and evaluation into the program, to assess impact on jobs, wages, and the return on investment – disaggregated by categories like race and gender – to inform future program design and administration, policy decisions, and funding allocations. Some funding should be allocated for hiring a third-party evaluator to design and run a rigorous impact evaluation of the program.

To translate the program’s immediate impact into an estimated return on investment, state and local governments could estimate the average wage growth for workers who have gone through the program. In the long-term, the key indicator of success should be sustained wage growth over time. Higher wages should expand the jurisdiction’s tax base, lower long-term direct and indirect safety net costs, and translate to higher revenue. This will provide governments with another opportunity to estimate long-term tax benefits, included in the return on investment.

Evidence of Action

Programs using the practices outlined in this playbook have been implemented in several cities and states.

State Programs

[Rhode Island’s Back to Work Program](#) was created as a direct response to the pandemic and job displacement. The program partners “directly with employers to ensure Rhode Islanders get the skills they need to secure well-paying jobs in growing industries.” The program makes an effort to remove obstacles to participation from the outset, including by “providing support services like child care and transportation assistance” to ensure “every Rhode Islander is able to take advantage of these opportunities.”

Providing every participant access to a Navigator and spending an average of roughly \$4,000 per participant on supportive services, the program saw drop-out rates decrease by 36 percent for recipients, compared to programs without support services. This approach has turned obstacles into solvable problems and job-seekers into job-holders.

West Virginia is also helping to lead the way with its [Learn and Earn](#) program. This program allows workers to pay their bills and gain hands-on experience in a part-time job while they study for associate degrees at the state’s community and technical colleges. The

jobs pay an average of \$15.26 per hour (and range from \$10 to \$27 per hour) – with the state and employers sharing the cost 50/50. The opportunities are aligned to growing fields and economic development priorities. West Virginia University at Parkersburg, for example, has developed programs in chemical and polymer technology, computer information technology, and computer science.

In Indiana, the [Next Level Jobs](#) program covers tuition and fees for Hoosiers and provides reimbursements for employers to support training, exclusively in high-paying in-demand fields. These fields include advanced manufacturing, building and construction, health and life sciences, business, IT, and transportation and logistics. For employer programs to be eligible for reimbursement, they must retain workers for at least six months post-completion and ensure a wage gain for participants. Nearly 55,000 Hoosiers are currently enrolled in one of these high value certificate programs (both credit and non-credit), and nearly 30,000 have completed a certificate with an annual median wage gain of nearly \$7,000.

[Forward Delaware](#), a training initiative designed to help Delawareans who lost their jobs as a result of the COVID-19 pandemic, worked with the State's Workforce Development Board and

Department of Labor to identify key, in-demand industries for training programs. These included construction/trades, healthcare, hospitality, information technology, logistics/transportation, and workforce preparation. To date, 89 percent of program participants who completed their training received credentials in their chosen field. More than 57 percent of the participants in Forward Delaware identified as women, according to the counties that reported demographic information. 49 percent of participants were White, 40 percent were Black, and 3 percent were Asian.

Multi-State Initiatives

Year Up, Per Scholas, Generation, and Merit America are seeking to expand effective employment and training across multiple states – and showing results.

The [Year Up](#) program is a workforce training program for low-income young adults who are disconnected from school and work, with more than 90 percent of students identifying as a person of color. Its core model operates in dozens of locations across the country, and allows participants to choose from in-demand career pathways and earn college credits throughout their training. Year Up students also participate in a full-time internship at one of more than 250 corporate partner firms, allowing them to

gain critical on-the-job experience and begin building their professional networks. More than 80 percent of its alumni are employed and/or enrolled in college within four months of graduation, with support staff guiding participants through their job search. A 2020 [randomized control trial](#) of the program showed earnings gains of 30 to 40 percent (\$7,000 - \$8,000) per year, sustained over four years post-program for individuals assigned to Year Up relative to the control group. Year Up also develops new models to reach more young adults looking to access meaningful careers, including partnerships with other training providers.

[Per Scholas](#) is a national employment and training program for individuals traditionally underrepresented in technology. It originated in the Bronx, and now has 17 campuses in cities across the U.S. Participants receive 12 to 15 weeks of tuition-free rigorous skills training in a variety of courses, providing professional development, cost-free industry recognized certifications, and learner support services. Through robust employer connections, Per Scholas graduates move into high-growth careers in tech. Two [randomized control trials](#) found a sustained impact on wages over time, with an annual increase in earnings of 20 to 30 percent, or approximately \$4,000 to \$6,000, two to six years after

random assignment. One dollar invested in Per Scholas yields an \$8 net economic return.

[Generation USA](#) is a national nonprofit organization with the mission of transforming education to employment systems to prepare, place, and support people into life-changing careers that would otherwise be inaccessible. Launched in 2014, Generation USA has graduated over 4,800 adults across 15 professions and 37 cities, with a 72 percent job placement rate within three months of program completion. Graduates immediately earn an average of three or four times their previous earnings. Generation USA serves a population of individuals for whom the existing education-to-employment system has not worked and has extensive experience serving opportunity youth. 85 percent of learners are Black or Latinx; 62 percent of learners have a high school diploma or GED only; 59 percent are female; and 26 percent of learners have dependents. Hallmarks of Generation USA's approach — including a rapid launch process, bootcamp-style training and placement, and individualized education plans with resources and support — position Generation USA to serve the significant newly unemployed population as a result of the global pandemic.

[Merit America](#) is a national nonprofit

preparing low-wage, working adults for skilled careers at scale. Their program works for people who work (not just the unemployed), combining flexible online learning with best-in-class coaching. The program is designed for scale, poised to reach over 10,000 learners annually and drive over \$1 billion in wage gains in just three years. Their outcomes have been validated by leading workforce development academics, with an average wage gain for career seeking graduates of over \$23,000, (from approximately \$26,000 to \$50,000 annually).

Local Example

Between 2016 and 2017, [One Baltimore for Jobs](#) (1B4J) sought to connect young Black males, aged 16 to 29, with high-quality jobs in growing industries. The program included targeted training for in-demand careers, through 13 sector training provider grantees that delivered occupational skills training and job placement services to disconnected

young adults. Target sectors included construction, health care, manufacturing, office administration, and transportation/logistics.

1B4J included partnerships with neighborhood-based organizations to help expand recruitment in low-income neighborhoods, as well as “community connector” programs that performed outreach, recruitment, assessment, and case management capacity to connect participants with sector-based training and jobs. 1B4J built in barrier removal pilots, designed to test innovative strategies to remove obstacles and strengthen connections between workforce development, adult education, legal services, and child support organizations. It also involved a practice advisory network, partnerships designed to cultivate relationships, explore best practices, align and coordinate services, and build capacity through peer learning and data sharing.

Key Lessons Learned in Baltimore

- **Outreach and recruitment practices:** Rely on targeted outreach through community networks, canvassing, and word of mouth referrals in underserved neighborhoods.
- **Barrier removal services:** Successful programs must address barriers to participation, including hunger, homelessness and housing instability, transportation, child and elder care, the need for income, legal services, and mental health and substance use issues.
- **Simplify documentation requirements:** Complicated documentation requirements

can be an obstacle for many.

- **Customized job readiness training:** Embedding job readiness training in sectoral programs or customizing standalone readiness programs to specific occupations leads to better completion outcomes, as do longer job readiness programs and sectoral training that build in soft skills, like life skills, literacy, and career exploration.
- **Bridging basic skills gaps:** Offering math or literacy bridge training, contextualized to employers' needs, helps training programs meet or exceed their goal completion rates.
- **Navigating workplace bias:** Incorporate legal services to train participants — often from disadvantaged backgrounds — to know their rights when facing workplace bias in future jobs.
- **Adult education is a critical component of workforce development:** Attempt to more seamlessly integrate adult education and occupational skills training for better results.

How is this a compelling use of one-time funding that can drive long term-impact and avoid unsustainable funding?

This programming model is well-suited for ARP funds because it can improve employment rates in underserved communities, helping both youth and adults attain jobs in high-demand, well-paying sectors. This directly meets workforce development goals critical to economic recovery from the COVID-19 pandemic, especially for hardest hit groups, including women, people of color, young people, returning citizens, rural communities, and workers without college degrees.

One-time ARP funding can be used to design and implement a job training program evaluation process, allowing state and local governments to gather data about the quality and effectiveness of programs in their jurisdiction. This data can be used to inform long-term initiatives, to get more residents onto sustainable, higher-paying career paths.

Authority for ARP Spending: State and local governments may implement this policy under EC2 Negative Economic Impacts (2.7 Job Training Assistance) and EC3 Services to Disproportionately Impacted Communities (3.3 Education Assistance: Academic Services).

Implementation

To ensure effective implementation, policymakers should first assess whether they have the necessary systems, data, and capacity, while also engaging relevant partners early on.

Assessing Readiness

Policymakers can use the list of questions below, which is not intended to be exhaustive, to prepare for successful implementation:

- Do we have a comprehensive database of all existing job training programs in our jurisdiction?
- Do we have access to data on earnings, enrollment, completion, job placement rates, and equity measures from these programs?
- Do we have real-time data on in-demand sectors and occupations in our jurisdiction? How often is it updated?
- Do we have the necessary systems and capacity to gather and analyze this data, to inform creation of an evaluation system?
- Do we have the necessary technology capacity to build a public-facing web portal that validates eligibility of programs and allows residents to apply for funding?
- Do we have the appropriate capacity to provide high-quality coaching and advising to potential participants?
- What oversight mechanisms will be necessary to ensure accountability and build trust in the program?
- Have we established relationships with local employers in high-demand sectors? These relationships will be necessary to inform job training program evaluation criteria.
- Have we established relationships with local job training programs, including community colleges, institutions of higher education, workforce development programs, and organizations providing critical wraparound supports? It is especially important to ensure coordination with programs serving those most in need, including tuition-free and nonprofit programs, to ensure that program design does not disadvantage them.

Essential Actors for Successful Implementation

Policymakers will need to partner with relevant agencies, organizations, community partners, and state or local government counterparts for successful program implementation. These include the following critical stakeholders:

- **State commissioner of labor, state executive office of higher education, or state economic development commissioner:** These agencies can drive design and implementation of the evaluation system used to rate and approve job training programs eligible for funding recipients to enroll in. Where applicable, state chief diversity officers and chief data or technology officers should be highly involved in the development and implementation of program design and evaluation, as well as Governor's office liaisons to hardest hit communities.
- **A representative committee of key stakeholders** to inform creation of evaluation criteria and advise on ongoing implementation. To ensure that evaluation metrics and processes are fair and equitable, the lead agency is advised to form a committee with representatives from key stakeholder groups, including employers and employer associations, gender and racial equity groups, training providers, worker representatives, youth-serving organizations, and organizations that serve populations most likely to need job training services (e.g., programs serving residents on public assistance or returning citizens).

Engaging Stakeholders and Beneficiaries

Transparency in decision-making is essential to achieving equity in workforce development opportunities. It is essential to have a process for seeking and incorporating input from key stakeholders, in order to ensure that they feel more invested in the eventual program by having a voice in shaping it.

Policymakers should partner and coordinate with the following list of stakeholders to ensure buy-in:

- **Prospective employers and industry associations in high-demand sectors:** Data-driven collaboration is necessary to determine the types of job openings that are available in high-demand, well-paying occupations, as well as the types of skills necessary to fill those positions. Effective initiatives will partner closely with employers, who should verify that programs will lead to high-paying jobs that they are actually hiring for. Employers could be offered the opportunity to become

co-sponsors of the program, as they will benefit from the expanded base of qualified workers.

- **Existing job training programs:** Existing programs — especially those working with underserved populations — should be engaged to inform accurate evaluation of existing programs’ effectiveness in placing participants into high-demand careers.
- **Equity-focused organizations:** Community-based organizations, organizations serving historically-underserved populations, and those focused on equity should have a seat at the table in designing the program, to ensure equitable outcomes.
- **Workforce Investment Boards:** WIB involvement will vary by jurisdiction, but policymakers are encouraged to consider the role they could play, such as potentially serving as program hosts.
- **American Job Centers and existing career coaching programs:** These programs could refer potential clients to apply for the program.

Risk Mitigation

What could go wrong? How can we mitigate the biggest risks?

- **Funding recipients do not complete degrees.** To mitigate this risk, the tiered disbursement model described above could be used to ensure some portion of funds is released dependent on outcomes. Adequate guidance and wraparound support services, tailored to participants’ needs, will also be essential in helping funding recipients complete their programs.
- **Funding recipients complete degrees, but are unable to find work in target sectors.** To overcome challenges around job placement, evaluation criteria should consider a program’s rates of successful job placement in target sectors. Additionally, a key criterion should be verification from employers that programs are aligned to their actual hiring needs for well-paying, in-demand jobs.
- **Jobs in priority sectors are no longer in-demand or well-paying:** States should keep their eligible sectors list up to date on an ongoing basis by evaluating both the hiring needs of the sectors in their state and the labor market outcomes of

workers in those jobs.

- **Resources move away from those who most need help.** Well-resourced organizations tend to get more resources. While designing a program, policymakers must ensure that evaluation criteria do not disadvantage programs serving those most in need.
 - **Similarly, nonprofit or tuition-free programs are disadvantaged as a result of program design.** Evaluation criteria should be carefully designed to avoid this problem, with substantial input from a committee representing these types of programs.
 - **Not enough people know about or sign up for the program.** State investment in marketing and outreach should target this issue from the onset.
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Data and Learning Strategy

Baseline Systems: Necessary inputs to implement the policy effectively

Successful implementation of this model will require the following data, systems, and resources:

- A comprehensive database of all existing job training programs within the jurisdiction
- An assessment of high-demand industries and occupations within the jurisdiction
- A compilation of evaluation criteria
- Capacity (i.e., staff, resources) necessary to evaluate programs against criteria
- Technology to create a ratings portal and participant application system
- Data capacity to track and measure outcomes, in particular, job placements and earnings over time

Measuring Progress: How can progress toward the desired outcomes be measured — both to assess progress and inform improvement along the way?

To measure progress of the overall program, policymakers can track performance metrics across two categories:

Output Metrics

- Percentage of program entrants that complete training
- Percentage of program participants that move into well-paying jobs

Outcome Metrics

- Sustained wage growth over time among program participants who have successfully completed training
 - Labor shortage indicators in target sectors (e.g., number of openings left unfilled)
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Additional Resources

[Why Do Sectoral Employment Programs Work? Lessons from WorkAdvance](#)

Katz, Roth, Hendra, and Schaberg, December 2020

[National RCT of “Year Up” Program Funds Major Five-Year Earnings Gains for Low-Income, Minority Young Adults](#)

Straight Talk on Evidence, December 2020

[Per Scholas Employment/Training Program for Low-Income Workers](#)

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