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U.S. House Committee on Education and the Workforce Subcommittee on Higher Education and Workforce Development

"Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers"

September 20, 2023

Chairman Owens, Ranking Member Wilson, and Members of the Subcommittee:

My name is Rya Conrad-Bradshaw and I serve as the Vice President of Corporate Markets for Cengage Group. During the last one hundred years, Cengage Group has evolved into one of the largest education technology companies in the world. Today, we provide quality digital products and services to millions of students, equipping them with skills and competencies needed to advance their careers and improve their lives. In my role, I lead our work directly with employers to build skill-to-hire and internal upskilling programs that meet industry's high demand roles and workforce needs. I have spent the last dozen years at the intersection of education and employment working with higher education, nonprofits, and employers to create innovative talent pipeline solutions, including more than six years at the industry-leading workforce skills provider Year Up.

Thank you for the opportunity to be here today to share Cengage Group's perspective on ways to strengthen and modernize the Workforce Innovation and Opportunity Act (WIOA) by unlocking innovation, expanding accountability, and ensuring learners have access to best-in-class providers offering the skills education demanded by employers and job seekers alike.

The Evolving Education and Workforce Landscape

A major transformation is happening across our economy spurred by rapid advancements in technology and automation, particularly related to artificial intelligence, which are changing both the workforce and the workplace. In fact, some estimate that up to 40% of the workforce will need to reskill due to these disruptions over the next three years.¹ At the same time, there are significant talent shortages in jobs critical to America's economy. There is an annual shortage of 300,000 certified allied health professionals in the U.S.,² more than 663,000 open cybersecurity jobs,³ an estimated 2.1 million manufacturing jobs

¹ IBM, "Augmented Work for an Automated, AI-Driven World," 2023: https://www.ibm.com/blog/new-ibm-study-reveals-howai-is-changing-work-and-what-hr-leaders-should-do-about-it/.

² Cengage Group, "10 Tips for Healthcare Providers to Address Critical Entry-Level Talent Shortages in 2023," 2023:

https://www.cengagework.com/docs/10%20Tips%20for%20Healthcare%20Providers.pdf

³ Cyber Seek, "Cybersecurity Supply/Demand Heat Map," 2023: https://www.cyberseek.org/heatmap.html

going unfilled by 2030,⁴ and more than half a million construction workers are needed to meet 2023 demand alone.⁵

Given these on-going labor shortages, our nation must rethink the way in which our workforce obtains and maintains the skills most in-demand by employers, and which provide the most opportunities for workers in today's economy. This means making lifelong learning a necessity by providing multiple high-quality pathways between work and education.

At Cengage Group, we work with employers to build these strategic talent pipelines and map these learning pathways so they can access and upskill qualified talent. This ensures those participating in our programs are receiving skills development that is in high-demand and leads to real job opportunities. To date, we have collaborated with over 2,000 corporate, academic, and workforce agency partners and have helped more than 3.5 million people develop new skills. In fact, this year alone over 250,000 learners will access Cengage Group's offerings to gain occupational skills, complete certification and licensing education requirements, or pursue a new skillset in a high demand field, such as allied health, information technology, cybersecurity, or in the skilled trades.

We believe models such as these, those valued by employers and delivering results for participants, can provide important insights and lessons as Congress begins to modernize WIOA. Cengage Group is not alone in helping to meet the needs of job seekers and employers. Many other providers from community colleges to community-based organizations to libraries all play a part in this effort. The federal government, along with state and local governments, also play a key role in helping to organize, incentivize, and support the cost of workforce development. With respect to the federal government, today, WIOA is the primary source of funding to help unemployed and underemployed adults obtain employer-driven, workforce skills development. This is why we believe that within our nation's workforce system, WIOA plays a unique role in helping to address these challenges. It has the potential to measure a program's effectiveness, take good models to scale, offer reskilling opportunities in the nation's most high-demand occupations, and serve as a consistent funding source for state and local communities.

Modernizing WIOA: Aligning Workforce Development with Economic Development

The last reauthorization of WIOA made several important updates to the prior Workforce Investment Act – and I will note that it was you, Chairwoman Foxx and Ranking Member Scott who came together with others in a bipartisan fashion to spearhead those important changes – such as developing common measures and easing direct access to skills development. But much of the workforce transformation I noted above has occurred since that time, and today changes are needed to this law to ensure it is meeting the needs brought about by this transformation.

Most importantly, we believe Congress must better align workforce development with economic development. To illustrate this point, according to the latest data available, in

⁴ EY and The Manufacturing Institute, "How Adaptive Skills Can Play a Pivotal Role in Building the Manufacturing Sector of the

Future," 2022: https://www.ey.com/en_us/advanced-manufacturing/the-manufacturing-institute-adaptive-skills-study

⁵ Associated Builders and Contractors. Website accessed on September 16, 2023: https://www.abc.org/Workforce/Workforce

program year 2021, only 223,000 people received "training services" through WIOA's adult, dislocated worker, and youth formula grant programs. This amounted to just 35% of those participating. If we want WIOA to serve more learners, the program must refocus its mission to delivering the skills and competencies needed to fill the country's most indemand jobs. Congress should consider setting a minimum amount of funds that must be spent on skills development and should prioritize those programs where employers are central in the design and implementation of the program. By leveraging employer-sponsored programs, including "on-the-job" and "customized training" programs, WIOA funds will better serve more participants and support local labor market needs.

Challenges with the Current Eligible Training Provider List (ETPL)

In addition to the reforms highlighted above, one of the most significant reforms needed is to the "eligible training provider list" developed and overseen by states. These lists are a critical tool for participants and employers to determine high-quality, best-in-class, and accountable providers.

According to the recently published report, "Navigating Public Job Training," by Harvard's Project on Workforce, one of the biggest challenges with the ETPL is that there are more than 7,000 providers included, encompassing approximately 75,000 eligible programs in more than 700 occupational fields nationwide.⁶ The sheer size and scope of these lists make it hard for participants and employers to navigate to find the right program that meets their needs.

Further, most eligible programs on these lists do not provide any performance outcome data, despite the requirement under current law to do so for all participants. As noted by the Harvard report, TrainingProviderResults.gov, a U.S. Department of Labor developed website designed to show performance information by program, akin to the Department of Education's College Scorecard, found that over 75% of programs lack basic program information on completions, employment rates, median earnings, and credentials earned.⁷ This leaves WIOA participants with no way to decipher quality, often having to choose blindly when enrolling in a program.

Finally, there is no consistent method to collecting data on performance outcomes. The U.S. Government Accountability Office has reported on the challenges providers have in obtaining this information and the subjectivity surrounding the collection and determination of what is reported, including using self-reported data from participants themselves.⁸ The cost and time spent on such endeavors have contributed to the reluctance of quality providers, including some community colleges, from participating in WIOA-related programs.

⁶ David Deming, Alexis Gable, Rachel Lipson, and Arkādijs Zvaigzne. Harvard Project on Workforce, "Navigating Public Job Training." March 2023: https://www.pw.hks.harvard.edu/post/publicjobtraining

⁷ Ibid.

⁸ U.S. Government Accountability Office, "Workforce Investment Act: Strategies Needed to Improve Certain Training Outcome Data," January 31, 2014: https://www.gao.gov/products/gao-14-137

Recommendations for Creating a Gold Standard Eligible Training Provider List

The following policy recommendations would better connect individuals with high-quality workforce development and educational opportunities that meet current workforce demands while scaling the most effective models for high-quality skills development for more Americans:

- **Improve Transparency of Program Outcomes.** To address the lack of information on provider lists, as noted above, Congress should work with the U.S. Department of Labor to determine what barriers exist in statute, regulation, and practice when collecting and publishing data to ensure at least a baseline of every eligible program's outcomes are made public. This baseline of outcomes should focus, at a minimum, on completion rates, expected earnings, and pass rates for industry-recognized credential attainment.
- Streamline and Improve Process for Providers to Deliver Consistent and Reliable Performance Data. Consistent and reliable reporting is essential for participants to make apples-to-apples comparisons when choosing what is the right program to enroll in and has the best return for such investments. Yet, accessing such data by program providers is costly, challenging, and often subjective. Federal, state, and local governments should facilitate access to centralized tools to assist providers in obtaining accurate outcomes data. This will reduce biases in reporting metrics, improve transparency for participants to choose high-quality providers, and improve resource allocation to target programs that generate results.
- Accelerate Access to Best-in-Class Programs. Best-in-class programs are those that consistently meet and surpass their performance targets or have strong employer partnerships that lead to full time employment. Accelerating access for participants into these types of programs ensures learners obtain a high-quality and relevant education. Such programs which operate in multiple states should be easily accessible to participants everywhere. To do this, states should be encouraged to work collectively to streamline the application process for these providers and should also prioritize those best-in-class programs that are employer-sponsored, particularly those where employers have financial skin-in-the game, provide on-the-job work experience, or commit to providing program completers an opportunity for employment.
- **Cultivate Innovation.** According to a recent Lightcast report, "an analysis of 15 million job postings found the skills requested in the average U.S. job have changed 37% since 2016."⁹ WIOA should take care to support and grow new and innovative models in an effort to better meet these changes. States should create probationary eligibility pathways that allow for innovation and experimentation of new programs and providers which are able to keep up with the pace of change. Without the opportunity for new ways of addressing these gaps, the system will become increasingly irrelevant and not aligned with the ever-changing needs of employers.

⁹ Bittle, Scott. Lightcast, "Shifting Skills, Moving Targets, and Remaking the Workforce," May 22, 2022: https://lightcast.io/resources/blog/new-report-measures-blazing-pace-of-skill-change

- Allow for Flexible Models of Delivery. A large swath of today's learners are part of a diverse group of individuals who share one thing in common: they are often excluded in traditional program design, which ties learning to time and place. There remains ambiguity under the current law around online and hybrid models of workforce development. Congress should affirm multiple modalities of skills development programs as long as they continue to meet the common set of outcomes metrics required of all programs.
- Better Coordinate the Braiding of Federal and State Resources. Congress should make it easier for One-Stop Centers to help support individuals. Center staff should have greater ability to combine and braid programs to create funding packages between Pell Grants, WIOA Individual Training Accounts, and other federal education and workforce development programs that allow for more flexibility in covering the cost of workforce development programs. This should also include increasing coordination between financial aid officers and WIOA caseworkers for eligible students.

Conclusion

Today, millions of Americans are in need of skills upgrading to keep pace with industry needs and obtain family-sustaining careers. They want to know the time they spend on learning a new skill will lead to a strong economic return. The best way to make that connection and to ensure that result is to re-envision a workforce development system that strives to strengthen the employer role and improves access to high-quality education providers and programs. As members of the Subcommittee begin to dive deep into the reauthorization of WIOA, I urge you to take a more demand-led approach. These systems must keep pace with industry and with innovation, otherwise we risk further widening the wealth gap in our society and contributing to a less competitive position in the global marketplace.