

Subcommittee on Higher Education and Workforce Training
Committee on Education and Workforce
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*"Modernizing the Workforce Investment Act: Developing an Effective Job
Training System for Workers and Employers"*

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Testimony presented by
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Introduction

Thank you Chairwoman Foxx, Ranking Member Hinojosa and distinguished members of the subcommittee for allowing me to present testimony today. I am Laurie Bouillion Larrea, President of Workforce Solutions Greater Dallas, the workforce investment board serving the City of Dallas and Dallas County. Chair Foxx, let me also extend greetings on behalf of Mayor Rawlings. He enjoyed his recent opportunity to meet with you and Chairman Kline and sends his regards. Dallas - Fort Worth – Arlington, the North Central Texas region is one of the fastest growing areas in the US. Within Dallas County, a population of 2.3 million people, and an unemployment rate of 8.4%, workforce is a critical issue. The Dallas workforce system has a proud history of innovation and use of technology in reinventing services. Our Mission - “achieving competitive solutions...for employers through quality people and for people through quality jobs.” The primary customer in the Dallas workforce system is and always has been the employer customer.

I have worked for the Dallas Board since 1989, and in that time, I've witnessed dramatic change and flexibility in state and local systems leading to improvements and efficiencies gained from the Texas delivery model. We are blessed in Texas with bipartisan legislation allowing that “most” of the federal employment and job training funds are implemented under the authority of the twenty-eight local workforce investment boards. Texas' 5 big programs – *Temporary Assistance for Needy Families*, *Wagner-Peyser Employment Services*, *Supplemental Nutrition Assistance Program*, *Workforce Investment Act*, and *Child Care and Development Funds* – are awarded to

the Texas Workforce Commission - a single state authority. The state buffers multiple federal funding authorities, each requiring separate state plans, annual reports, monitoring, auditing and performance reporting. However, the Texas local workforce boards experience a single fund authority, one monthly financial report, one set of 15 significant performance measures, and uniform monitoring. The usual duplication and overlap of paperwork used to cost taxpayers millions of dollars every year. These are dollars that are better spent providing services directly to employers and job seekers.

Efforts to modernize and innovate the national workforce development system will be successful if we study best practices and learn from past experiences. The system has been expanding and growing at the state and local levels driven by limited resources and increased demand for services. Workforce professionals have embraced change out of necessity. Greater need and fewer resources created a laboratory for workforce innovation. Over the past years in Dallas we have experimented with in-home learning systems for welfare families. After ten years and 3200 welfare households, we realize that this computer assisted in-home project yields the highest post program earnings for former welfare recipients (15% or greater), and the lowest recidivism of any welfare to work strategy we've measured (85% are removed from welfare). In the most recent three years, we have provided a unique assistance center to non-traditional customers – highly prepared and educated professionals who lacked the skill to replace themselves during the recession. The results were gratifying, (956 placed in employment – average wage \$109,000 annually – less than \$1000 cost per placement) and proved that the workforce system exists for every job seeker. In the past eight

months, we kicked-off a virtual workforce center for job seekers. Our online workforce community is a vibrant package of self-help, self-assessment and whole community access for workforce information, access to Work in Texas (the Texas job bank), and daily updates for registered job seekers. We are currently seeing activity from nearly 4000 job seekers weekly. Our next step includes the development of a similar site for area employers.

What else have we learned? Workforce development works best when performance is judged by outcomes, not process. The most important function of the workforce system is the successful marriage of employees and employers. There may be a variety of means to that end, but the end is the critical product of the system. We must prepare a workforce to meet the needs of area employers - in an effort to drive economic development and prosperity.

Workforce development works best when the “programs” are planned, funded and implemented as a unified system - when the many federal and state programs, intended to develop the workforce, are all part of the general resources administered by the area workforce boards – multiple fund sources provide the opportunity to share costs for administration, oversight, and to provide workforce centers that are equipped with necessary technology. The system must also retain adequate dollars to meet employer driven objectives for job placement. Coalescing resources has resulted in economies in auditing, monitoring, and procurement.

Workforce programs must be better aligned and streamlined to ease access and service delivery for both workers and employers. It is not the case, however, that there is duplication in the actual provision of services for the populations served by these individual programs. While the GAO finds that a number of programs offer similar services, it also notes that “Even when programs overlap, the services they provide and the populations they serve may differ in meaningful ways.” Alignment of multiple programs must occur without diluting the funds intended for the specified population. In Texas, we preserve the original purpose of the money and incorporate the targeted customer into our jobs strategy. The existing funds are not adequate for the volume of job seekers and employers seeking assistance. The resources have to be similar to those available to the variety of programs currently in existence to maximize the effectiveness. The alignment alone produces cost benefits in increasing direct services and better quality.

Workforce development works best when the workforce board acts to convene community partners to lead a system of employer and job seeker services. Most importantly, boards must govern. A strong policy and oversight board is necessary for this very complex combination of services. In addition, board members cannot become mired in staff work. Boards in Texas are composed of diverse employer leadership; a majority of private sector employers, reflective of the key industries that comprise the areas workforce; and are subject to strong conflict of interest and open meeting requirements. The Dallas board allows no contracts to board members with the exception of public education.

Workforce development works best in close coordination with economic development. The three workforce boards in the Dallas Fort Worth and North Central area joined forces with the three major Chambers of Commerce – Dallas Regional, Arlington and Fort Worth to form the Regional Workforce Leadership Council. Not just another organization, but a handshake and a commitment of the six entities to support industry sectors – Aerospace, Healthcare, Infrastructure, Logistics Manufacturing, and Advanced Technology. The partnership has been in existence for over nine years and is responsible for the conduct of current worker training, skills identification and curriculum development, K-12 programs to encourage the interest of the future workforce, and fulfill our shared mission – jobs for North Texas.

Workforce development works best when we recognize the infrastructure necessary to sustain the American worker. In Texas, the legislature had the foresight to include Childcare funds as part of workforce. Childcare assistance is intended for working parents who lack adequate resources, and these resources become an essential part of the workers capacity to be present. For those of us who have been working parents and relied on the childcare system to enable us to work, we know the value of reliable, quality childcare for our children. Other than housing, there is no greater expense and responsibility for the working parent than to find a consistent, healthy and trustworthy environment for our children. The Texas model recognized and empowered local workforce boards to provide oversight of this significant “workforce” expenditure.

In summary, I'd like to share the reflections of a primary customer – an employer.

When asked how does workforce development work best, he had this to share.

“We often think of training as specific skills needed for the job, and that’s true, however, as an employer, I’m seeing the need for broader training to create work ready employees who are willing to work and grow through an openness to learning “new knowledge.” Anything we can do to break down barriers for our potential employees, and enhance the connections ...will have a high rate of return on investment in the training and workforce readiness that the Workforce Investment Act provides”. The employer is Mark King from Garland, TX. He is Chairman, CEO and President of Micropac Industries. He was our customer, and so believed in the work of the system, he became a Board member. It’s a strong signal that the workforce system matters.

Micropac Industries, Inc. provides microelectronic and optoelectronic components and modules along with contract electronic manufacturing services. The Company offers a wide range of products to the industrial, medical, military, aerospace and space markets. Micropac offers both custom and standard products from its ISO 9001 & 2000 and AS9100:2004. Rev B qualified facilities. There products include custom hybrids, high temperature hybrids, power hybrids and multi-chip modules, optocouplers, LEDs, Hall Effect sensors and custom optoelectronic assemblies.

Thank you again for this opportunity to speak with you today.