

# Stimulus Learning Session: Developing a Durable Workforce System for the Future

This Learning Series Recap summarizes lessons from state and local government leaders on how the American Rescue Plan Act (ARPA) can be used to transform workforce systems. The insights come from the learning session, <u>'Developing a Durable Workforce System for the Future.'</u> hosted and facilitated by the Government Performance Lab (GPL) as part of its <u>Stimulus Learning Series</u>.

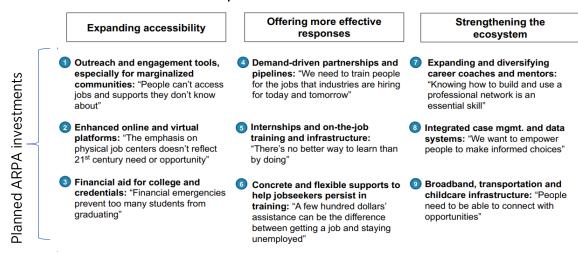
## Improving workforce development using ARPA funds

Even before the pandemic, millions of Americans were disconnected from secure, well-paying career pathways. At the same time, millions of jobs went unfilled. Combined with accelerating trends in automation, digitization and globalization, the pandemic exposed the urgent need to develop systems that can quickly connect people to sustainable new careers. To do so, governments told the GPL about three major challenges they must address in workforce systems:

- Barriers to access. Burdensome and high-cost eligibility requirements for training programs discourage participation, job descriptions require credentials that unnecessarily lock out non-traditional candidates, and a self-service approach to delivering supports penalizes individuals that have limited time and access to information.
- Ineffective supports. Current training opportunities are often not aligned to
  employer/industry needs, services fail to address jobseekers' underlying barriers to
  employment, and people are asked to commit to jobs programs without a clear
  understanding of their effectiveness.
- Inefficient systems. Employers, jobseekers, training providers, and workforce boards lack a shared, real-time understanding of labor market needs. Burdensome administrative requirements disadvantage highest-need jobseekers and distort incentives to re-train.

ARPA funds present a rare opportunity to respond to these challenges. Currently, leaders from state and local governments and non-profits across the country are testing innovations that expand accessibility, offer more effective responses, and strengthen the ecosystem supporting workforce investments.

#### You told us about planned investments in workforce that are...



#### Examples from the field

## Expanding career exploration for Maine's young adults

With a disproportionate number of aging workers expected to retire in the coming years, Maine sees an opportunity to invest ARPA funds in career exploration for the next generation of workers, particularly for the state's high school students who likely missed out on work-based learning opportunities during COVID-19 lockdowns. A new program, Maine Career Exploration, will offer paid internships to young adults between their junior year of high school and one year after completing high school. These internships will target in-demand sectors and help workers build practical on-the-job skills while expanding their professional networks. Overall, Maine Career Exploration is designed to equip young people with better information about the careers that are growing in the state, how those opportunities might intersect with students' interests, and the financial implications (both costs and anticipated wages) that are associated with pursuing them.

"We see in rural communities and in marginalized communities people that don't know where they fit and/or don't see themselves reflected in Maine's economy. ARPA allows us to create opportunities for these workers to 'learn and earn,' and develop their own vision for contributing to Maine's future.

- Heather Johnson, Commissioner Maine's Department of Economic and Community development

## Building a user-friendly "rapid re-employment response" in Marion County, Indiana

To build a durable workforce, leaders will need to account for jobseekers' wide-ranging skills and educational experiences as well as employers' constantly-changing needs. Through their Rapid Reemployment Response platform, Employlndy, Marion County's workforce development board, is able to provide jobseekers with targeted resources and vetted training programs that are based on their unique backgrounds and map to the real-time needs of employer partners. With the new and flexible funding offered by ARPA, Employlndy seeks to enhance and expand the pool of employers and training providers that jobseekers are able to access on the Rapid Re-employment Response platform, specifically targeting employers that provide good wages and promising job growth opportunities, and training programs that are outcomes-oriented and easy for jobseekers to navigate. They are also using ARPA funds to equip Career Navigators with more granular and digestible labor market data that can help jobseekers better understand where opportunities are growing in the regional economy.

"There is incredible information asymmetry that exists between jobseekers that are looking for employment, particularly good and promising jobs that are going to allow for economic mobility, and employers who are seeking talent, particularly now as they are trying to find diverse supply chains of talent."

 Angela Carr Klitzsch, President & CEO EmployIndy, Marion County's Workforce Development Board

#### Re-connecting North Carolina's hardest hit jobseekers to family-sustaining careers

North Carolina is planning a series of investments targeted at connecting displaced or disconnected workers to the growing high-tech workforce. Qualitative and quantitative data analysis helped uncover specific populations that have been disproportionately impacted by the pandemic (e.g. service industry and retail workers) as well as workers that have been historically-marginalized and/or under-represented in well-paying, growing, high-tech jobs, including formerly incarcerated individuals, veterans and military spouses, women, youth, and people of color. ARPA funds are being used to develop a package of programs tailored to support the unique needs of

these key jobseeker populations. For example, a new Rural Youth Work Experience Program, offered in collaboration with the local workforce board, will connect rural youth to job opportunities that expand their awareness of the available job market and empower them to discover what they like (and don't like), while also providing them with an income.

"The data has exposed the severity of the challenge marginalized populations are facing in a way that really can't be ignored."

- Jonathan Meyer, Senior Analyst, North Carolina Office of State Budget and Management

## Building sustainable systems

Government agencies using ARPA, a one-time infusion of federal dollars, to fund major systemic change face challenging questions around sustainability. In particular, agencies are trying to figure out how to use ARPA in a way that creates lasting impact. So far, we have seen state and local government leaders plan ARPA investments to enable sustainable systems change in three ways:

- 1) *Investing in physical and human capital:* Agencies are planning on creating new technology platforms and investing in data analytics to permanently replace outdated systems, building new infrastructure that can be maintained over time, and upskilling staff to build internal capacity that lasts beyond COVID-19 recovery efforts.
- 2) **Demonstrating the case for future funding:** Agencies are aiming to prove out new programing to build political will and make the case for sustained local or federal funding, including through rigorous evaluation designs that demonstrate program results.
- 3) Filling the temporary funding gap needed to build preventative systems. Agencies are planning to use ARPA funds to build out preventative programing with community-focused care delivery, while still being able to maintain expensive, reactive programs they currently provide (and still need). Finding dollars to fund new up-stream prevention services at the same time as keeping current programs running has historically been challenging. ARPA's cash infusion can help bridge toward the future system, where hopefully agencies can start winding down expensive down-stream services, as up-stream preventative programs begin to work.

The Government Performance Lab is grateful for support from Bloomberg Philanthropies, Casey Family Programs, the Corporation for National and Community Service Social Innovation Fund, the Dunham Fund, the Laura and John Arnold Foundation, the Pritzker Children's Initiative, and the Rockefeller Foundation. © Copyright 2021 Harvard Kennedy School Government Performance Lab.