# BROOKINGS

QUALITY. INDEPENDENCE. IMPACT.

**To:** Steven Rietzke, Chief, Division of National Programs, Tools, and Technical Assistance, Employment and Training Administration, U.S. Department of Labor

From: Annelies Goger, Ph.D., Rubenstein Fellow, Brookings Metropolitan Policy Program

**Date:** August 31, 2021

RE: Public statement on draft Workforce Information Advisory Council (WIAC) recommendations

Thank you for inviting public statements in response to the draft WIAC recommendations to the Secretary of Labor posted at <a href="https://www.dol.gov/agencies/eta/wioa/wiac/meetings">https://www.dol.gov/agencies/eta/wioa/wiac/meetings</a>. As a subject matter expert on WIOA and author of the recent report, <a href="Digital transformation in labor and education systems: Improving the government response to the next unemployment crisis">https://www.dol.gov/agencies/eta/wioa/wiac/meetings</a>. As a subject matter expert on WIOA and author of the recent report, <a href="Digital transformation in labor and education systems: Improving the government response to the next unemployment crisis">https://www.dol.gov/agencies/eta/wioa/wiac/meetings</a>. As a subject matter expert on WIOA and author of the recent report, <a href="Digital transformation in labor and education systems: Improving the government response to the next unemployment crisis">https://www.dol.gov/agencies/eta/wioa/wiac/meetings</a>. I was grateful to provide an oral statement to WIAC on August 24, 2021. Below are more detailed comments on the draft recommendations for the Advisory Committee's consideration.

## Overarching comments:

- The focus of the recommendations tends to be on *what* data is gathered, rather than *how* it is gathered, managed, and *how* the systems for doing so are updated and governed (e.g., clarifying roles, capacity gaps, risks, policy barriers to systems innovation, etc.)
- Equity, as it translates to workforce information systems, is both about being able to track equity and being able to address information asymmetries through accessible systems, digital literacy, and prioritizing *user-centered design* as well as reducing administrative burdens.
- Workforce information systems, data collection, and data sharing methods are still largely built
  on a model of static administrative records and surveys (with one-off data sharing agreements), as
  opposed to workforce information being housed in a platform environment with distributed
  datasets and software service models that can more efficiently and more frequently capture and
  link (share) data without requiring one-off data sharing agreements.
  - O As states start to make shifts to modern data systems and platform services (which are already available and in use in some states), what staff capacity, policies, authority structures, procurement practices, and resources will be necessary to make that transition?
  - What are the dangers or other considerations for the Secretary to prepare states for in order to protect privacy, security, and ethical data use?
- Strong federal leadership is essential for making productive, meaningful improvements to workforce data and labor market information systems. Please call on the Secretary of Labor to articulate a vision for data transformation in labor data systems and a blueprint for achieving it with clear guiding principles, priorities, and input from federal, state, and local stakeholders with a wide range of expertise (e.g., technological, policy, procurement, legal, and user experience expertise), as well as input from the Secretaries of Education, Commerce, Defense, and Health and Human Services. This vision would not be about new requirements, but instead will focus on offering high-level guidance.
- If the information is not already gathered, WIAC should consider recommending that the Department commission a study of data dictionaries and program entry/exit protocols across federal agencies and programs that are listed as workforce system partners in the WIOA state plants. This would be a necessary first step to enabling states to execute on coordinated intake and data sharing, which is a priority goal of WIOA.

## Introduction/Cover Letter for WIAC Expedited Recommendations

- Add to the reasons why WLMI is critical:
  - o "Advancing equity for all and addressing information asymmetries, particularly..."
  - Add bullet: "Reducing the administrative burdens on employers, job seekers, frontline staff, and other users of WLMI to comply with data entry and reporting requirements"
  - "Using evidence-based policymaking to ensure the effective use of workforce training, business services, career services, rapid response, state software procurement, and education funds." WLMI is used and can be used for way more than just workforce training and education.
- In the Summary of Recommendations section, in addition to updating a strategic plan and evidence-building plan, it would be helpful for the Department to create common business protocols to implement changes and an overarching blueprint for systems improvement with guidance on procurement, staff training and capacity, and technical assistance / continued education options for state staff.

# UI Wage Record Enhancement Draft Recommendations

- Under "Importance of Enhancing UI Wage Records" it notes the addition of "job title" please note that occupation and job title are not the same, and in fact in newer fields like tech, there is little consensus on job titles and functions/roles meaning the same job functions are often called something different in the job title. I recommend using "occupation" instead of "job title."
- In general, it seems like adding this short list of elements may take a long time and significant effort/staff time for states to implement. It seems inefficient to approach this as an incremental one-off change as opposed to offering a more sustainable recommendation about how states can make ongoing changes and harmonization across states into the future? Why focus on changes element-by-element instead of offering a blueprint for adding new elements overall?
- Although it is too early to recommend adopting the JEDx approach writ large, would it be possible to recommend that states consider voluntarily migrating to (or exploring the feasibility of migrating to) the data standards proposed by the T3 Innovation Network over time, since that was a multi-stakeholder effort and it is being piloted in three states? Even if a platform approach is not adopted, having shared data standards would be a major improvement and it could be integrated into any legislative effort that a state is already doing to add the new proposed elements rather than an additional process to take on later.
- Consider offering recommendations to the Secretary about how to provide an overarching governance framework and oversight process for states that are purchasing and using third party private data as part of their LMI shops or program operations (i.e., verifying eligibility, identity verification, cloud solutions, etc.), and what baseline security and privacy protocols they are expected to follow to minimize risk of fraud and abuse while being able to acquire and/or share data efficiently and more usefully for a variety of end users.
- Consider recommending that the Secretary explore strategies to collect wage record data more efficiently, more frequently, and with higher quality from employers while easing the burden of reporting on employers (especially small businesses) at the same time through automated systems and platforms. If you are concerned about the impact on small business, consider recommending that the Department gather input from small businesses to explore how onerous the current reporting systems, what aspects are most onerous and costly, and what aspects are feasible to automate or semi-automate such as through partnerships with payroll reporting providers. I caution against assuming that automating or semi-automating reporting necessarily will be more onerous on businesses than the existing data collection strategies.

#### Funding for State LMI Offices Draft Recommendations

I completely agree with the general recommendation about adequately funding state infrastructure for LMI, although I think it might be helpful to provide more of a justification that explains how the data needs have changed as technologies have changed – and what that means for staff capacity (what new types of capacity are needed and how to develop it). It also seems worthwhile to point out that the rising security threats necessitate a much more robust source of funding and talent pipeline to protect the safety

and privacy of data, as well as oversee its ethical use. This has to be a setup that can change quickly as threats emerge, not a series of one-off bursts of funding in a crisis.

In addition, it may be useful to also address the fact that a lot of funding gets wasted through duplication of effort in various stages of the execution of a change. It is time to rethink the roles in the change process to identify what makes sense to do at the federal level once and share out, versus paying for something to happen 53 times separately for the same activities. Technologies such as cloud services (digital services) allow for a different division of labor than what was possible before, which can offer savings.

## Some more specific recommendations:

- Under "Importance of Investing in State WLMI Infrastructure":
  - Add a bullet for user-centered design and business analysts (to translate between the technical and policy teams).
  - "Routine evaluation of, and improvements to data security measures <u>and data sharing</u> <u>approaches."</u>
- Bottom of page 2: "States will be better prepared... are adequately funded to provide the level of detailed, timely, and accurate data needed by an expansive range of WLMI users, as well as data that are similarly defined and structured across states and programs to facilitate cross-state and cross-program data sharing and use."
- It's great to acknowledge the Chamber of Commerce Foundation pilots, but it seems like the effort would be more wide-ranging in terms of changing how data are collected and shared. So, it seems contradictory to go through a lot of effort to add a few elements, but then have a much more sweeping effort after that that would change a lot of the same processes and laws. I recommend integrating the potential of this pilot and the changes it would bring about more into the overall recommendations so that the first round of changes sets the stage for a deeper shift.

### Changing Nature of Work draft recommendations

- Under the examples of program and policy efforts that would benefit from better data, I am
  unclear as to why you single out WIOA programs for adults, dislocated workers, and youth, as
  opposed to American Job Centers and all the partner programs that states and local areas include
  as partners in their state and local plans? I disagree with the apparent premise that we should
  focus data on program or funding stream versus the ecosystem level. Those three WIOA
  programs are a small share of the overall spending and participants that interact with this
  ecosystem.
- Page 2 trends: add bullets:
  - o Layoff activity and layoff risk (intelligence to direct employer services to at-risk firms)
  - o Levels of employer provided training and staff development investments
  - o Linkages between firms and their contractors/suppliers/vendors
- I like the sentence about how efforts to improve data to reflect the changing nature of work are not rooted in an understanding of the needs of various actors and are not well coordinated. I recommend adding a sentence about the need to prioritize reducing administrative burdens on end users as an equity concern (businesses, job seekers, etc.).
- In the last set of bullets, first bullet can you specify who are the key users you have in mind?

Thank you for the opportunity to provide input. I hope it is helpful feedback for this round or future rounds of recommendations.