ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 07-22

TO: STATE WORKFORCE AGENCIES
    STATE WORKFORCE ADMINISTRATORS
    STATE WORKFORCE LIAISONS
    STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
    STATE LABOR COMMISSIONERS
    AMERICAN JOB CENTERS
    STATE APPRENTICESHIP AGENCIES
    STATE DIRECTORS OF THE OFFICE OF APPRENTICESHIP

FROM: BRENT PARTON
    Acting Assistant Secretary

SUBJECT: Increasing Employer and Workforce System Customer Access to Good Jobs

1. Purpose. This training and employment guidance letter defines the characteristics of a good job; explains why job quality is important; and outlines how the workforce system should integrate good job strategies into its employer partnerships and workforce training.

2. Action Requested. We strongly encourage State and Local Workforce Development Boards (WDBs) and State Workforce Agencies (SWAs) to use the information in this guidance to develop a strategy for identifying and creating long-term partnerships with employers offering good jobs, and to create strategic, flexible career pathways to good jobs that respond to local labor market needs. WDBs and SWAs should also ensure individuals from underserved and underrepresented communities have equitable access to the services of the workforce system and the jobs created in the economic growth spurred by the Bipartisan Infrastructure Law, the Inflation Reduction Act, the CHIPS and Science Act, and other federal investments. WDBs and SWAs should incorporate the Good Jobs Principles described below into their Workforce Innovation and Opportunity Act (WIOA) strategies, which are documented in state and local plans, annual reports, and quarterly narrative reports.

3. Summary and Background.
   a. Summary — Good jobs are paramount to an equitable labor market and lead to community prosperity that aids economic growth. Employers that create and provide good jobs have a competitive advantage in hiring and retaining qualified jobseekers that
meet their staffing needs. This guidance clarifies the workforce system’s role in identifying and promoting good jobs to make the workforce system more equitable and responsive to worker and business needs.

b. Background — The Department of Labor (Department) is prioritizing good jobs in the workforce system, through guidance, performance measurement, strategic use of funding opportunities, and provision of technical assistance to support good jobs workforce strategies.

Good jobs are the foundation of an equitable economy that lifts workers and families and makes businesses more competitive. Equitable economies place attention on the needs of workers who have faced and continue to face exclusion, marginalization, and discrimination. As many employers recognize, providing good jobs creates a clear competitive advantage when it comes to employee recruitment, retention, and execution of a company’s mission.

Job quality expectations are directly related to WIOA; the purpose of WIOA is to help people attain economic self-sufficiency, while giving employers opportunities to train, hire, and retain workers. WIOA Section 2(3) declares one purpose of the statute is: “To improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation.” Improving the quality of the workforce and increasing economic self-sufficiency calls for jobseekers to secure good jobs with family sustaining wages and advancement opportunities. Evidence-based workforce strategies such as career pathways and sector strategies, when appropriately designed and implemented, can increase the quality of jobs that program participants enter and close equity gaps among program participants. The workforce system can design services and develop sector partnerships with employers, educators, labor organizations, and community partners to create good jobs and well-defined career pathways starting from entry-level positions.

As the economy continues to recover from the COVID-19 pandemic and grow, jobseekers are focusing on job quality and career pathways for in-demand occupations. Similarly, policymakers at all levels of government are concerned about inequities that exist across different occupations and industries. Low-quality work destabilizes workers, as well as contributes to underemployment and low labor force participation, all of which drags down economic growth and business opportunities. According to a recent Gallup report, How COVID-19 Affected the Quality of Work, individuals who reported low job quality satisfaction in 2019 were more likely to be laid off, lose wages, or report a further decline in job quality in 2020, as compared to those who indicated they had a good job.

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before COVID-19. In fact, per the Gallup report, individuals who reported having a low-quality job in 2019 experienced a decline in satisfaction across the board in 2020, citing concerns about pay, control over hours, job security, worker security, and benefits.\(^3\)

Employers benefit from investing in good jobs. Workers with low wages and overall dissatisfaction in job quality may be motivated to leave their employers for higher paying or more flexible job opportunities.\(^4\) Total quits, defined as workers who voluntarily leave their place of employment, remain high as the economy continues to rebound. In August 2022, the preliminary number of total quits was 4.2 million, an increase from pre-pandemic levels; in comparison, the number of total quits in August 2019 was 2.9 million.\(^5\) The unemployed persons per job opening ratio is at a historic low — as of August 2022, the preliminary number of unemployed persons per job opening was 0.6, compared to from 3.3 unemployed persons per job in August 2021.\(^6\) Workers can seek and are seeking good jobs. In a tight labor market, employers often seek additional ways to attract and retain employees, in part because the monetary and time cost of hiring and training new individuals is particularly high. According to the Society for Human Resource Management, the average cost to an employer of making a new hire was $4,683 in 2021.\(^7\) One way an employer can increase employee retention and labor force participation is to intentionally create good jobs.

One hallmark of a good job is competitive wages. The Pew Research Center found that 60 percent of workers who moved to a new employer between April 2021 and March 2022 earned a real wage increase at their new employer.\(^8\) However, wages for some demographic groups remain far lower than the third quarter 2022 median rate of $1,070 weekly. Men earned on average $1,164 weekly, while all women earned on average $971 weekly. Further, in the third quarter of 2022, the median weekly earnings for Black workers were $881, just 83 percent of the median weekly earnings for all workers; Black women earned, on average even less, just $830 weekly. Median weekly earnings for Hispanic or Latino workers were $861 or 80 percent of the median weekly earnings for

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all workers, with Hispanic or Latino women earning less—just $782 per week. Individuals with disabilities, compared to individuals without disabilities, are less likely to work in the management and professional occupations associated with higher wages.

To address these disparities, it is important for the workforce system not only to prioritize good jobs with living wages but to prioritize such outcomes for every segment of its population, particularly historically underserved communities. This should include reviewing outcomes by race, ethnicity, gender, disability status, and veteran status, as well as intersectional analysis such as examining outcomes for women veterans or people of color with disabilities, and then targeting job quality strategies towards workers who have not obtained the same employment outcomes as their peers.

Workers also consider factors in addition to wages when assessing job quality. According to Gallup, polled individuals indicated pay, job security, a sense of purpose and dignity at work, and day-to-day work enjoyment were key components of a good job. Other important factors included employee benefits, stable and predictable hours, worker empowerment, career advancement, and control over hours and location.

4. Key Attributes of Good Jobs

Defining a Good Job — A good job helps workers achieve economic stability and mobility, while prioritizing diversity and worker voice. To this end, the Departments of Commerce and Labor have jointly identified eight key principles of a good job. The Department strongly advises state and local workforce boards to integrate these principles into their policies, as appropriate. A foundational resource for workforce system partners, policymakers, and practitioners is the Department’s Good Jobs Initiative site (https://www.dol.gov/general/good-jobs).

i. Recruitment and Hiring. Employers that prioritize good jobs are intentional in their recruitment and hiring activities. They actively recruit applicants from underserved communities, in recruitment drives designed to ensure equal opportunity as set forth under applicable nondiscrimination requirements. Further, applicants are evaluated using skills-based requirements, which may include nontraditional pathways and an emphasis on prior experience. Applicants and employees with disabilities are provided reasonable accommodations, as

11 Such reviews may be required per the regulations implementing Section 188 of WIOA. See 29 CFR 38.51(b)(1); see also 29 CFR 38.41(b)(2).
appropriate. When offering good jobs, employers do not require excessive—as defined by industry and occupational standards—educational, credentialing, and experience requirements.

ii. **Benefits.** Employers that prioritize good jobs provide both full- and part-time workers with family-sustaining benefits. These include, but are not limited to, health insurance, retirement plans, workers’ compensation benefits, equal access to remote and telework work opportunities, and family benefits (such as paid leave and caregiving supports). Further, workers are empowered and encouraged to use those benefits.

iii. **Diversity, Equity, Inclusion, and Accessibility (DEIA).** All workers in a good job are respected, empowered, and treated fairly. DEIA is a core value in the workplace, and individuals from underserved populations (i.e., those adversely affected by persistent poverty, discrimination, or inequality) must not face systemic barriers to advancement. Workers in a good job also receive any necessary disability accommodation without difficulties or additional barriers.

iv. **Empowerment and Representation.** Workers can form and join unions and can engage in protected activity without fear of retaliation. Workers contribute to decisions about their work and organizational direction. Workers are informed of their rights and ways to resolve any issues that may develop on the job.

v. **Job Security and Working Conditions.** Workers have a safe, healthy, and accessible workplace, built on input from workers and their representatives. Workers have job security without arbitrary or discriminatory discipline or dismissal. Workers also have adequate hours and predictable schedules. Workers are also free from harassment, discrimination, and retaliation at work, including at a minimum complying with EEO regulations. Finally, workers are properly classified under applicable laws; temporary or contractor labor solutions are minimized.

vi. **Organizational Culture.** All workers belong, are valued, contribute meaningfully to the organization, and are respected. This may be facilitated via strategies such as regular feedback sessions where workers can communicate with responsive, engaged leadership, through a transparent Human Resources infrastructure including processes for sharing concerns.

vii. **Pay.** All workers are paid a stable and predictable living wage, as determined by the local area cost of living, before overtime, tips, and commissions. Workers’ pay is fair, transparent, and equitable (i.e., workers with similar skills and experience are paid the same wage for the same work). Workers’ wages grow commensurate with increased skills and experience.

viii. **Skills and Career Advancement.** Workers have equitable opportunities and tools to progress to future jobs. Workers have transparent promotion or advancement opportunities. Workers have access to high-quality occupational training, such as on-the-job training (OJT), and continuing education opportunities.

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Implementation of these Good Jobs Principles should take into account local context and other circumstances, such as employer size. This means that, while a good job may not necessarily reflect all eight principles equally, an employer interested in providing good jobs should demonstrate commitment to and operationalization of these principles.\textsuperscript{15} The workforce system should continually engage with employers to increase good job opportunities and help build partnerships that raise job quality in meaningful ways. The system should engage with employers and help them work to create more good jobs no matter where they are in terms of integrating the Good Jobs Principles.

Some work is carried out in a joint employment relationship, where two or more employers maintain control over certain aspects of the employee’s day-to-day work. To be considered as offering good jobs, any joint employers would maintain workers’ rights, set a living wage, and ensure job quality for all employees. For example, when local boards are determining wage reimbursement for paid work experience such as Disaster Relief Employment, On-the-Job Training, Transitional Jobs, or work experience for youth, they would consider whether it is a joint employer relationship and whether those employers are following the Good Jobs Principles. Any wage reimbursement, including for work carried out in a joint employment relationship, must follow all WIOA requirements, including section 181(a)(1)(A), which requires that no WIOA Title I funds are used to employ participants at a lower compensation rate than the employer’s other similarly situated employees, among other requirements. The Department is available to provide technical assistance regarding how to consider joint employer relationships when developing good jobs strategies.

Some of the features of a good job may change based on worker needs. Youth, for instance, may need different types of jobs than do adults. For example, a good job may be one that gives the youth the work experience needed to enter the full-time labor market at a higher wage, as well as promotes career exploration opportunities, critical work-readiness, foundational learning, and occupational skill attainment, while continuing to prioritize educational credentials. Further, many youth workers have dependents, need to pay their complete cost of living, or have other responsibilities, making them more likely to need a job that pays a living wage and provides benefits, in addition to these other elements. All work experiences for youth should include opportunities for advancement along a career pathway, are based on the youth’s individual plan or service strategy and adjust to meet their individual circumstances and needs. Similarly, some adults may seek part time work, due to health needs or other circumstances. While they may not be full-time workers, employers should not compromise job quality for these individuals. The Guideposts for Success: Framework for the Future\textsuperscript{16} provides policymakers and administrators a helpful construct that ensures

\textsuperscript{15} It is important to note that aspects of the principles, such as those requiring nondiscrimination, equal opportunity and accessibility for individuals with disabilities, are mandated by law. While demonstration of these requirements may be improved, a minimum standard of compliance is expected.

the comprehensive delivery of programs and services that contribute to post-school employment and career success for youth and young adults, including those with disabilities. Multiple federal agencies and numerous service organizations use the Guideposts to help young people prepare for a career.

**Embedding Good Jobs Principles into Workforce Development** — As states and local areas work towards embedding job quality principles into ongoing workforce development activities, tailored to the economy and community they serve, it will be important for workforce system program staff to be knowledgeable about these Good Jobs Principles, so they can empower workers and employer customers to prioritize job quality.

Below are some techniques the workforce system should implement to ensure job quality discussions are occurring with jobseekers, exiters, and potential employers. This is not an exhaustive list of ways the workforce system can integrate the Good Jobs Principles into its services.

*Services to Jobseekers, Workers, and Employers*

- **Train jobseekers about good jobs.** WIOA program staff, grantees, and workforce development partners can help individuals identify quality employment opportunities, understand and navigate benefit options, negotiate pay, and understand their workers’ rights and where and how to seek recourse when those rights are violated. AJC workforce programs may also help jobseekers and workers find information about the quality of jobs within an industry, within specific occupations, or with respect to jobs of an individual employer.

- **Embed good job discussions in all career services.** To improve employment outcomes for program participants, AJC staff should include discussions about job quality as a component of career services. For instance, quality career counseling includes discussions of good job characteristics such as pay, benefits, and career advancement into any career pathways discussion, individualized employment plan, or individualized service strategy. Such discussion is useful at any point in a jobseeker’s career.

For example, workforce development practitioners and other youth workforce development practitioners should work with youth to ensure they are connected to the appropriate work experience or employment opportunity for them, e.g., work experiences that prepare them for a high-wage job, a pre-apprenticeship, or living wage work. Additionally, workforce development practitioners should ensure that women are presented with all employment and training opportunities, including in non-traditional sectors for women. If a participant is already employed but could benefit from better pay and working conditions, AJC and grantee staff can help that individual identify and pursue alternate good job opportunities such as through a Registered Apprenticeship or find training...
programs convenient for working adults and offer supportive services during training to aid their progress into higher-paying or otherwise good jobs.

- **Ensure jobseekers access needed supportive services to attend necessary training that will lead to a good job.** AJC program staff should help connect participants to the supportive services they need to complete training or a Registered Apprenticeship—such as transportation, childcare, and housing support—whether via WIOA or a partner program. This is particularly important to help vulnerable individuals stay in a training program or Registered Apprenticeship, rather than taking a lower-quality job or multiple jobs simply to make ends meet.

- **Collect data about job quality for program exiters.** Workforce grantees can also collect quality information through follow-up conversations and feedback processes for participants post-employment, to share their experiences once on the job such as the employer’s benefits, pay, and workers’ perceptions of worker empowerment, potential career growth with the employer, and compliance with equal opportunity and anti-discrimination laws and guidelines. Grantees or the local WDB may choose to collect this feedback as a component of their participant follow-up services or customer satisfaction surveys.

**Services to Employers**

- **Highlight job quality as a recruitment and retention strategy.** WIOA program staff and workforce grantees can also incorporate job quality into services for businesses, particularly for smaller or medium sized employers that look to AJCs for recruitment and retention strategies. When examining new ways of increasing labor force participation, hiring, and retaining employees, an easy first step is a comparison of the cost of turnover versus the cost of increased wages or benefits. The Aspen Institute has created a helpful cost of turnover tool, which provides a framework for employers to calculate the total cost of replacing workers, including both direct and indirect costs of employee separation.17 This cost analysis makes the case for investing in workers, whether directly through pay or via training programs and professional development.

- **Assist employers in implementing Good Jobs Principles.** Business services representatives can help employers attract and retain talent through becoming a Registered Apprenticeship sponsor, exploring pay scale adjustments and benefit options, and providing training on responsibilities for worker safety and health, preventing and addressing harassment in the workplace, and promoting equal opportunity for all. The local WDB and its employers may also choose to create a subcommittee that focuses on fostering the Good Jobs Principles.

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• **Work closely with local industry associations and employer groups.** Local WDBs working to embed job quality can also partner with industry associations to test good job metrics and expand evidence-based strategies to support job quality. Interested employers or industry associations can use tools such as the Good Jobs Scorecard\(^\text{18}\) and U.S. Department of Commerce Job Quality Toolkit\(^\text{19}\) to self-assess and find opportunities to enhance the quality of their jobs.

*Leveraging Good Jobs Career Pathways and Sector Strategies*

An effective good job strategy also entails engaging a group of employers through sector-based partnerships to invest in high quality career pathways that take workers from entry-level to more senior level positions characterized throughout by good job quality. Below are some methods LDBs and SWAs can leverage to ensure they are creating and supporting successful career pathways in local growth sectors.

• **Create partnerships for success.** Successful career pathways in local growth sectors involve an infrastructure of partners, including employers, industry associations, community colleges and other educators, unions and other training providers, worker centers and other worker voice advocates, community-based organizations, and supportive service providers.

• **Use data to identify growth opportunities.** The workforce system can leverage labor market information (LMI) to identify which industries have long-term growth and stability potential for workers. Within those industries, the workforce system can identify in demand and forecasted growth occupations, and the relative quality of these jobs, as well as the requisite certifications and training providers who can help a participant to secure a good job in the industry of their choice.

Additionally, state and local LMI analysts can use the Department’s [Career Trajectories and Occupational Transitions (CTOT) Dashboard](https://www.dol.gov/agencies/oasp/evaluation/resources/career-trajectories-and-occupational-transitions-dashboard) to help identify quality job pathways in their area.\(^\text{20}\) The CTOT dashboard is an interactive tool that allows users to explore data on how workers in mid-level occupations move through jobs and occupational clusters. It identifies potential “launchpad” occupations, which are associated with higher wage growth. This tool can be used in tandem with state longitudinal data to inform career guidance, including for youth.

\(^{18}\) Good Jobs Institute, “Good Jobs Scorecard,” [https://goodjobsinstitute.org/good-jobs-scorecard/](https://goodjobsinstitute.org/good-jobs-scorecard/).


• **Develop a good jobs infrastructure by creating a robust high road sector strategy.** High road sector strategies bring together employers, workers, and worker organizations such as labor unions and training entities to create partnerships that support good jobs, equity, and environmental sustainability. This partnership model promotes systems change and leverages worker voice to build an economy based on equity, skills, innovation, and shared prosperity. The resulting jobs provide family-supporting benefits, worker voice, transparency, livable and fair wages, and training opportunities for worker growth. A state or local area can identify priority industries using LMI and invite employers with good job practices as a partner in the high road sector partnership. These sector partnerships do not just provide good jobs; they also recognize employers, workers, and worker organizations as industry experts and work to harness that expertise. The workforce system can create formal sector partnerships with those employers, as well as unions and other training providers, including labor management partnerships, to address and remedy employer challenges and help employers to continually improve job quality.

A state can support a high road partnership by providing grant funding to localities to develop these partnerships, which can then be scaled across the state. California has a statewide High Road Training Partnerships initiative, funded by state appropriations and WIOA statewide funds, that can serve as a blueprint for other SWAs and localities interested in implementing a high road employer program.

Workforce boards and other grantees can also support other employers who wish to join the high road partnership by helping them to build career pathways that prioritize quality, sustainable jobs. Such boards may choose to create a business mentorship program, wherein employers in the high road partnership work with other employers who hope to create more good job opportunities. These mentors can help connect employers to employee training programs, low-cost benefits, or untapped labor markets, as well as to navigate other concerns the employer may have with developing good jobs.

**Developing a Good Jobs Framework** — Local WDBs can create a holistic framework to better define good jobs locally and ensure job quality is a top priority for both employers and jobseekers. A good jobs framework should reflect the eight principles and provide both employers and jobseekers with standards for evaluating quality. Local board members can also serve as model employers by incorporating a framework into their own businesses, demonstrating how the eight principles work in practice. Jobs For

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the Future, the San Diego Workforce Partnership, the Good Jobs Institute, and the National Fund for Workforce Solutions each has a robust framework that can serve as a baseline for state or local WDBs who choose to develop a formal tool.

A job quality continuum (see Attachment I and suggested references) is a type of framework that allows the workforce system and employer partners to visualize a good job. A continuum shows how an employer can progress from providing the basic job necessities to creating good jobs that promote employee well-being and retention. A continuum identifies if and how employers provide good jobs, which include basic job necessities, opportunities for career development and training, and intentional support for worker empowerment and voice. A continuum allows workers, employers, and career counselors to visualize job quality and better define where an employer may need to invest in changes for its long-term growth and market competitiveness.

The local workforce system can use a continuum to evaluate employer partners, as well as to empower workers to make choices about job quality. For example, an employer can use the continuum to identify opportunity areas to increase job quality and better attract and retain workers. This employer may provide the basic elements of a good job but struggle to provide career supports. The workforce system can work with the employer to develop incumbent worker training, apprenticeship, or OJT programs, for example, to develop a stronger, more formalized career support framework. If an employer does not provide the requisite worker supports to be considered a good employer and does not choose to improve in that area, the WDB is strongly encouraged and advised to prioritize its OJT contracts and partnerships with employers that create and offer good jobs. Likewise, a WIOA Adult, Dislocated Worker, or Youth program participant may be in a job that provides the necessities, like basic pay or benefits as highlighted in the continuum but does not have any career supports or worker empowerment methods in place. The AJC business engagement staff can provide customized tips, tools, and other resources to assist the employer with pivoting to offering good jobs and creating a quality workplace.

**Assessing Job Quality** — SWAs can work with their local areas to measure success in placing individuals in good jobs, partnering with employers that prioritize good jobs, and developing pathways to good careers in growth industries. In addition to the equal opportunity data collection requirements set forth in 29 CFR § 38.4, WIOA measures, such as earnings after exit, skill gains, and credential attainment, may be a good starting point for this measurement. As more participants attain good jobs with higher wages, WIOA Median Earnings should increase for participants. Further, as SWAs and local

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boards develop career pathways with employer partners that prioritize good jobs, and as participants increase their skill levels through training or education, SWAs could expect to see increases in the WIOA Measurable Skill Gains (MSG) and Credential Attainment outcomes for participants. A successful career pathway means participants gain skills and earn credentials, receive opportunities for advancement, and obtain wage increases along the career pathways through skill upgrades. To fully assess job quality, local boards or SWAs should measure the types of jobs, working conditions, benefits, starting salaries, salary growth for individuals across several years, salary equity, DEIA (including demographic group representation), and other quality metrics—as defined in a job quality framework or continuum—of the employers where participants are employed during and after program exit to determine whether job quality goals are being met. LDBs may also choose to include questions about job quality on post exit surveys, including questions about job satisfaction. SWAs and LDBs may add quality metrics to their Eligible Training Provider list requirements as well, via Governor approval.

Local boards or SWAs should to the greatest extent possible disaggregate job quality metrics by gender, race, ethnicity, disability status, veteran status, and other salient worker characteristics to analyze the equity of their programs. Some example metrics could include information on how historically underserved populations are engaged in a program, such as more women and minorities in apprenticeship, or how a program performs for underserved populations in employment outcome metrics.

The Department requests that grantees share good jobs strategies, efforts, and results in discretionary grant quarterly narrative reports and annual formula narrative performance reports.

5. **Inquiries.** For further information, please reach out to the appropriate Regional Office.

6. **References.** See Attachment II.

7. **Attachments.**
   - Attachment I: Sample Job Quality Continuum
   - Attachment II: References
Attachment I: Sample Job Quality Continuum

Job Quality Continuum

All three are necessary for a high-quality job.

Job Necessities

- Pay
- Job Security and Working Conditions
- DEIA
- Benefits

Career Supports

- Recruitment and Hiring
- Skills and Career Advancement

Worker Empowerment

- Empowerment and Representation
- Organizational Culture

This provides an example of a skeleton job quality continuum SWAs and LDBs can build upon for their own efforts. This represents the components of a good job, including what is necessary for a worker to have basic dignity; what career supports help a worker to grow their skills and climb a career pathway; and what worker empowerment opportunities can be embedded into businesses to ensure worker voice is heard and respected. The details of each bullet can change based on local factors, but the broad components of each should exist for a job to be considered a good job.
Attachment II: References

• “What is a ‘Good’ Job?,” Good Jobs Institute, https://goodjobsinstitute.org/what-is-a-good-job/.