Chapter Four
MISSOURI CASE STUDY

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Section I. Background Information and Issues

Missouri has 14 local workforce investment areas under the federal Workforce Investment Act (WIA).¹ A local Workforce Investment Board (WIB) in each area is responsible for developing the five-year local workforce investment plan, selecting One-Stop Career Center operators, maintaining employment related services, and appointing a youth council. The state Workforce Investment Board, the Missouri Employment and Training Council (MTEC), oversees the local WIBs and sets state policy for the provision of workforce development services.

The Division of Workforce Development (DWD), in the Department of Economic Development, administers WIA at the state level. DWD provides staff support to MTEC, develops state-level policy under WIA, interprets the act, and gives technical assistance to local WIBs regarding planning and implementation. DWD has primary responsibility for allocating discretionary funds to local WIBs and for enforcing state and federal policies related to the activities supported by WIA. DWD negotiates performance standards with the U.S. Department of Labor (U.S. DOL), and, in turn, negotiates standards for each of the local areas. DWD also has direct control over several workforce related programs supported under WIA. Wagner-Peyser Act labor exchange services has the largest funding stream, and DWD maintains state employees across all workforce investment areas under this program.² DWD also has employees providing direct client services under other programs, including the displaced worker program and two veterans’ programs. In one local area, DWD provides services under contract with the local WIB.

Several programs that WIA identifies as central to the workforce development system are not administered by DWD. Among the most important are vocational rehabilitation, adult education and literacy, and vocational education programs (supported by federal Perkins funds), all of which are housed in the Department of Secondary and Elementary Education. Public colleges in the state, which provide training programs accessed under WIA legislation, are in the Department of Higher Education. The state’s Temporary Assistance program (funded by the federal Temporary Assistance for Needy
Local Area: Kansas City and Vicinity

The Kansas City and Vicinity WIB oversees services in Kansas City, Missouri as well as four suburban counties. Service industries are top employers in the area. Although income and poverty rates are below the state average, the area is very diverse, including substantial areas of poverty in Kansas City, combined with wealthy suburbs, and some relatively low-density commuting fields. A separate workforce investment area (Eastern Jackson County) comprises the medium sized cities and suburbs that are immediately to the east of Kansas City.

The Full Employment Council (FEC), a nonprofit organization, is the dominant provider of WIA core and intensive services in the area, under contract with both of the Kansas City area WIBs. As the primary service provider under JTPA, the FEC has maintained strong ties with local business leaders, the Kansas City political establishment, and suburban political units for more than a decade. The FEC also is the primary contractor for Welfare-to-Work funding. It maintains contracts with the local TANF agency to provide job-matching services, and it obtains competitive funding from various sources to support local training programs.

In practice, the FEC performs many of the executive functions undertaken by WIB staff in other local areas, and it has a central role in developing as well as implementing policy in both of the WIA areas where it is the primary contractor. Although establishment of the local WIB, which replaced the Private Industry Council, reinforced the role of the business community, the impact on practices was relatively small since the FEC’s working relationships were not changed significantly by WIA implementation.

Despite the relative stability of organizational structures in Kansas City, the push toward co-location of services has increasingly required coordination between the FEC and state employees providing Wagner-Peyser Act services. In early 2002, the primary local Kansas City office that had historically provided Wagner-Peyser Act services as part of the Employment Security system was closed and the staff moved to the FEC’s primary service site. Nonetheless, there is little doubt that the FEC will continue to be the primary force in the provision of job training services in the Kansas City area for the foreseeable future.
Centers (MCCs), have been established in each WIA area. Particular services in a given MCC vary. Satellite sites, offering more limited services, supplement the MCCs. Many partner agencies maintain separate facilities where they provide most of their services.

Missouri’s workforce development system has evolved into its current form over the past decade. The most important organizational changes specified in WIA were already in place in Missouri by the end of the 1990s, well in advance of the WIA’s implementation in July 2000. MTEC was established in the 1980s to coordinate workforce development policy. Like other states, Missouri received grant support in the 1990s from U.S. DOL to begin implementation of the One-Stop delivery system.3

An initial significant step in setting up the current system occurred when the governor required directors of five state departments to implement a statewide workforce development plan in coordination with MTEC. The governor’s office played an active role in setting the agenda, and the governor attended MTEC meetings. MTEC established a set of numerical goals for workforce programs that bore a strong resemblance to the performance standards that would later be required under WIA.

The governor’s office moved to establish a new agency that would bring together the main employment and training programs in the state. At this time, the state's UI system and Wagner-Peyser Act services were housed together in the Division of Employment Security within the Department of Labor and Industrial Relations, similar to the arrangement in most other states. Employees providing these services, along with those overseeing the Job Training Partnership Act (JTPA) program, were moved to the newly formed Division of Workforce Development, in the Department of Economic Development, per Governor’s Executive Order 99-03, signed in February 1999.

As noted above, many of the reforms specified in WIA had already taken place by the time of its implementation. The system of One-Stop Career Centers had been established, the agencies overseeing these programs had been required to partner with MTEC to establish and oversee state policy, and the DWD had been created, joining Wagner-Peyser Act activities with JTPA and related training programs in a single agency.

At the local level, WIA required that private industry councils be replaced with WIBs, with somewhat different regulations governing their activities. Two distinct responses were noted to this requirement. Generally, the sequencing requirements of WIA established new procedures quite different from those under JTPA. There is some indication that business involvement increased, and that the greater flexibility permitted under WIA allowed local boards to alter service structures.4 Where a strong local organization had a well-established service delivery structure, however, the changes made in response to WIA were relatively minor. For example, the requirement that the local WIB be separate from the One-Stop Career Center provider was met in some cases by simply overlaying legal structures on existing relationships, so there was no change in the individuals and organizations providing services.
Overall, WIA had little immediate impact on service provision in the state. Over time, that may change as existing operating procedures give way to new ones and as WIA’s performance standards are imposed. When asked to identify changes in the workforce development system specific to WIA, both state and local workers referred to WIA performance standards. We suspect this response reflects recent communication from DWD to local boards regarding the need to meet negotiated goals at the state level. Nonetheless, standards clearly have had a substantial role in influencing procedures throughout the system, an impact likely to continue into the foreseeable future.

An attempt to separate WIA’s impact from state-level workforce reform is somewhat misguided. State restructuring activities prior to WIA resulted from the same reform philosophy driving passage of WIA, and overhaul of the state’s workforce development system was clearly reinforced both by prior U.S. DOL activities (e.g., One-Stop Career Center grants) as well as by WIA. In this broad sense, many of Missouri’s state-level reforms can be interpreted as reflecting WIA.
State officials generally agreed that the workforce system emphasizes human capital development. We were assured that the requirement under WIA that clients first seek employment through core and intensive services was useful and did not limit access to training. Officials noted that the Department of Higher Education is an influential partner in MTEC and that placing DWD in the Department of Economic Development underscored the importance of helping workers acquire skills necessary for state economic growth.

Still, local WIBs control the details of WIA service provision. At the local level we were occasionally told—consistent with the “work first” interpretation that is sometimes read into WIA—that training was reserved for those unable to get employment after receiving core and intensive services. A variety of indicators suggested to us that local implementation of WIA results in greater emphasis on “work first” than the overarching state philosophy might suggest.

Section II. Leadership and Governance

A. Leadership

1. Leadership in Workforce Development in State Government

The Carnahan administration (1993-2000) was proactive in workforce development reform efforts. The Governor's Executive Order 95-11, signed in 1995, charged “the directors of state agencies providing or supporting education and job training, including the Departments of Economic Development, Labor and Industrial Relations, Elementary and Secondary Education, Social Services, and Higher Education and a member of the Governor's Office to work together as an interagency team to implement a statewide workforce development plan based upon the recommendations of the Missouri Employment and Training Council (MTEC).” In large part, this was the structure that would be specified under WIA.

The director of the Division of Job Development and Training, the agency overseeing JTPA, was a previous employee of U.S. DOL and had strong ties to the governor’s office. As a member of this task force, this director played a central role in promoting the governor’s agenda. Consistent with ideas advanced in U.S. DOL and in the governor’s initiative, substantial emphasis was placed on developing explicit performance measures of the workforce development system, and much attention was given to obtaining and processing data. A top state agency administrator who had been a part of this history commented that there was a high level of energy present in the initial meetings of this team. Later, when the director of Job Development and Training left to take another position, we were told that the group momentum slowed.

In 1999, the governor issued Executive Order 99-03, establishing the Division of Workforce Development (DWD) within the Department of Economic Development. The order’s most significant effect was to remove labor exchange activities from the
Division of Employment Security in the Department of Labor and Industrial Relations, leaving the Division of Employment Security focused primarily on providing benefits under the state’s unemployment insurance program. A governor's office employee present at that time noted the governor had wanted for some time to streamline delivery of workforce services and make the system more customer-friendly. Passage of WIA and reduction of funds for the workforce development system reduced some of the institutional and structural barriers that had prevented taking this action earlier.6

In contrast to the governor's office, state legislators have had limited involvement in workforce development issues. Executive Order 99-03 drew some attention in the legislative session, but the focus of debate was on what the general rules governing reorganization should be. The general assembly had 90 days to reject the order and did not do so, giving the order implicit approval.7

For several reasons, direct involvement of the governor's office in state workforce development has decreased following passage of WIA. First, changes have occurred in the governor's office. Those involved in the early “pre-WIA” activities such as the One-Stop Career Center grant and outcome assessment have moved on to other responsibilities. More importantly, Bob Holden replaced Governor Carnahan after his death in 2000. Although Holden shares the basic political position of his predecessor, it is clear that the initial push for change in the state workforce development system was motivated in large part by Carnahan himself. Carnahan seemed to take a strong, personal interest in initiating and overseeing change in the workforce service delivery system.

Perhaps the key reason for less involvement by the governor's office in workforce development activities is that, by the end of 2000, the structural changes designed to create cooperation and collaboration had been largely accomplished. Following the creation of DWD and the implementation of WIA, it would be natural that the detailed implementation of policy would be undertaken at the level of DWD and the partner agencies. Finally, the recent state budget crisis has generally eclipsed attention to anything else.

2. Leadership in Workforce Development in the Local Workforce Investment Boards

The business background and orientation of board members under the new WIB structure has heightened awareness of the role that workforce development can play in state economic development and increased concern that the system serve both employers and job seekers. To cite an example, the Central WIA area resulted from merger of two former JTPA service delivery areas. The chair of one of the former areas, a business owner, became chair of the newly formed Central area. While operations in the new area are not without controversy, it is widely acknowledged that the chair is innovative and proactive in workforce development and his influence is evident throughout the newly constituted region.
A One-Stop Career Center operator indicated that the local WIB was able to act with greater initiative under WIA than the Private Industry Council could under JTPA because it has drawn in higher-level business representatives. Often the business representative at a Private Industry Council meeting would be an employee from the firm’s human resources department, someone who had neither direct personal interest in the outcome of discussions nor any real decision making authority. Under WIA, the local board includes business owners rather than their representatives. Meetings are “more vocal...more questions are asked.” This shift in membership has “improved the dynamic and the impact of the local WIB” as compared with the Private Industry Council.

3. Relationship Between the State and the Federal Government

State officials commented repeatedly that U.S. DOL made several missteps in the guidance it provided to states immediately after passage of WIA. We were informed that U.S. DOL initially told states that WIA was a “work first” program but then reversed its position within the first year. The frustration that this reversal induced does not appear to have had an important effect on Missouri’s program, since state implementation did not occur until July 2000.

We were told that some elements of planning—especially at the local level—were made more difficult and compliance was harder to assure because U.S. DOL did not issue final rules until August 2000, subsequent to the state’s July 2000 implementation date. For many states, negotiating performance standards was a source of serious conflict with U.S. DOL. As indicated in Section VII.C. below, Missouri officials viewed these negotiations as basically amicable, although they recognized that the local U.S. DOL office was operating under fairly stringent guidelines established by the central administration. When certain performance goals proved unrealistic, the state successfully renegotiated these goals.

B. Governance and Decentralization

Default provisions of WIA specify the authority of the local WIBs in Missouri. No exceptions have been granted for "work flex" waivers, nor can local WIBs directly provide services. The state uses the default funding formula specified in the federal legislation.

Since total federal appropriations to the state depend on local performance, the state must work closely with local boards. In practice, DWD officials often felt that while DWD is held accountable for results, it has little authority to direct the actions of local boards or service providers. On the other hand, it is clear that local WIBs depend on the state in a variety of ways. DWD employees supported by Wagner-Peyser Act and the Dislocated Worker program, as well as other smaller programs, must work in the One-Stop Career Centers with those providing services contracted by the WIB. Various kinds of technical assistance provided by DWD are critical to One-Stop Career Center operation as well. Despite the independent flow of funds to the WIB, which supports decentralized
decision making, the continual interaction with DWD assures that many activities are subject to some centralized state control.

There have been no incentive payments to local areas to date, but payments to local areas that meet negotiated performance standards will begin this program year. They will be paid out of the ten percent of WIA funding that is for special projects. According to a government official, “The local areas are excited about the possibility of getting additional funds with essentially 'no strings' attached.”

Since the state WIB (MTEC) existed prior to WIA passage, its structure was grandfathered, so it need not meet all the requirements specified for a state WIB. Of the 30 MTEC members, nine represent private sector interests, while equal numbers represent government, and labor/community organizations. Although the chair is a private sector representative, the predominance of non-business interest is in contrast to the WIA rules, and we heard business representatives express frustration regarding this fact. The local boards, in contrast, were newly constituted, and a majority of their members must represent the private sector. Private sector representatives both in the local and state WIB expressed frustration that the state WIB seemed to be bogged down in technical details and compliance issues.

Section III. Workforce System Planning

A. State Strategic Planning

1. Workforce Development Planning Before the Workforce Investment Act

Prior to the passage of WIA, Missouri had undertaken extensive planning to coordinate and unify workforce development activities. In February 1994, Governor Carnahan established the Commission on Management and Productivity to conduct a major review of state government and to recommend improvements. The commission mandated strategic planning in the budget preparation and legislative appropriation process for each government agency, including those dealing with workforce development. Show-Me Results, a list of 25 specific goals related to the health and economic well-being of Missouri residents, was created in response to this mandate.

MTEC contracted with the University of Missouri to research the common “systemic” outcomes of workforce development agencies. The Governor's Outcome Measures research project identified four such measures: 1) How many people previously without jobs obtained jobs? 2) What proportion of those who obtained jobs retained them over the next two years? 3) How many people had higher earnings? 4) How many people moved from below poverty to above poverty? These measures, in large part, foreshadowed the performance indicators later adopted for the Adults and Dislocated Worker program under WIA. MTEC set goals for these measures and has continued to the present to report on changes over time in these measures. Significantly, a fifth question was initially included that required calculation of the rate of
return to the workforce investment system. Difficulties in obtaining cost data and in agreeing to a method for these calculations ultimately precluded retaining this measure.

MTEC’s Strategic Planning Committee began developing the State Workforce Plan in March 1998, while Show-Me Results and common outcome measures were being established. Strategic workforce planning was already under way, primarily to advance the concepts and integration strategies incorporated in the One-Stop Career Centers as well as in anticipation of passage of the WIA.

2. Strategic Planning Under WIA

Following passage of WIA in August 1998, MTEC’s Strategic Planning Committee was responsible for creating the overall implementation plan and action steps required under the new legislation. The planning process brought together partner agencies, employers, and others representing both state and local interests in workforce development. In some respects, the state strategic plan was developed “bottom up.” Ideas from local strategic plans were ranked and used as a basis for the state's strategic plan. The first strategic plan was submitted prior to Missouri’s implementation of WIA in July 2000.

While MTEC took formal and ultimate responsibility for the state plan, much of the detailed drafting was undertaken within DWD. Opinions regarding the usefulness of the state plan varied among the state officials with whom we spoke. Some asserted the plan was largely a “compliance plan,” written in response to questions posed by U.S. DOL. Others commented that the U.S. DOL did not issue final regulations until August 2000, a month after WIA implementation in Missouri. Therefore, much of the planning process had to occur before it was clear what U.S. DOL would require under the law. This tight timeline made meeting U.S. DOL requirements the primary focus of the plan. It was widely acknowledged that overarching strategic workforce issues were not addressed in a comprehensive way in this plan. Still, some officials indicated that the planning process had been useful. The various state agencies providing workforce development services now had a “higher level of trust” than they had prior to the planning process. As one official commented: “We understand we do not operate in a vacuum. We have learned what services partner agencies provide and can use that information to build better plans. We moved away from duplication of services.”

The state plan is not a unified plan, as specified in the legislation, but focuses rather on WIA services and Wagner-Peyser Act activities. While requiring local areas to work toward service integration, the plan does not establish detailed procedures to be followed. Ceding control over detailed implementation to the local board allows local histories and needs to drive implementation. As one top administrator in DWD put it, “The state sets the mood…how to do things is set at the local level.” While some local areas defaulted to existing practices, others utilized their freedom to make decisions that benefit their local areas.
The state plan does not identify responses to business cycle downturns, nor is modification of the plan in response to the present economic decline anticipated. A top DWD administrator said there are simply too many unknowns to adequately incorporate this information into the planning process. Consequently, the state believes it is best to provide a mix of services as a contingency to deal with economic fluctuations and to encourage the local areas to develop plans that focus on meeting client needs.

B. Local Planning

In both local areas that we surveyed, the local elected officials and members of the former Private Industry Council were primarily responsible for developing the local area five-year workforce investment plan. Input was also solicited from the business community, One-Stop Career Center partner agencies, and other relevant groups including organized labor, vocational rehabilitation, community-based organizations, and vocational and higher education. Public review of and comment on the plan was solicited for 30 days prior to submission to DWD.

DWD administrators and staff reviewed local plans to assure they were in accord with federal and state requirements. There was substantial variation in the plans and planning process across areas. Federal requirements for the local plans were clearer than they were for the state plan. Negotiations between local areas and DWD revolved around different views of the degree to which local areas should exercise autonomy. While some of these negotiations were “tense,” state officials attributed problems to it being the first time through the process and did not anticipate similar problems in the future.

WIA requires that local boards set up youth councils, but several local areas have had difficulty getting them established, with controversy attending the appropriate membership. In some areas youth councils have K-12 administrators included, in some areas they do not.

Recently, the state has required local areas to submit a strategic plan—beyond that required by WIA—focusing on long term issues. This requirement appears to have spurred the local areas to focus on more visionary, long term objectives and to give serious thought to the role of the workforce development system in fostering economic development at the local level.

C. Summary Analysis

The consensus among respondents seemed to be that WIA planning requirements had limited usefulness. Technical aspects of initial state and local plans helped establish guidelines for interaction between local areas and the newly established DWD, but were of little long term use. The state strategic plan mandate that forced state agencies to examine economic and workforce development from a community perspective and focus on capacity building efforts was deemed much more productive.
Section IV. System Administration: Structure and Funding

A. System Overview

Local WIBs are allocated formula-based federal funding according to size and economic conditions. The WIB is responsible for establishing local policy; it contracts for One-Stop Career Center operation and provision of Title I services. DWD provides training, technical assistance, and general guidance to the local WIBs to support Title I Adult programs. DWD employees supply Wagner-Peyser Act services in One-Stop Career Centers and satellite centers across the state. While they follow state procedures and are directly supervised by regional DWD managers, they must coordinate activities with other service providers at One-Stop Career Centers. The services they provide are defined as core services, although their clients may not be included as WIA participants for performance review purposes. DWD employees do not normally provide any intensive services for adults under WIA.18

Under the Rapid Response Program, DWD employees are assigned to activities in areas where layoffs occur, coordinating with staff under contract with the local WIBs. This program is funded by the Displaced Worker provision of Title I. DWD also provides direct services under various federal programs that operate through the state’s One-Stop Career Centers,19 and it oversees the federal Job Corps program, training programs that focus on employer needs, and an employment-related tax credit program.20 As part of the state’s In-School Placement program, DWD staff provide services in over 20 public vocational and technical high schools.21

Adult training services under WIA are provided through Individual Training Accounts (ITAs), issued to clients who have participated in core and intensive services. The state maintains a list of approved programs, and there is an established procedure that allows providers to receive payment as specified by local ITAs. WIA allows local WIB contractors to set up customized training programs or on-the-job training programs that sidestep the ITA system, although such programs are relatively uncommon in Missouri. It should be noted, however, that short training courses of fewer than 40 hours can be offered as intensive services under state guidelines, and our observation is that such programs are quite common. Youth training and related services are normally contracted out. The character and structure of these contracts varies by local area.

Other administrative partners in workforce development include the Division of Vocational Rehabilitation,22 and the Division of Vocational and Adult Education,23 both in the Department of Elementary and Secondary Education.24 The Division of Vocational and Adult Education also maintains the state’s eligible provider list of programs that can be supported by ITAs, the backbone of the adult training services provided under WIA.

The Department of Higher Education administers the State Plan for Postsecondary Technical Education, which operates primarily through the state’s community colleges.
Although representation in One-Stop Career Centers varies by region, this program underscores the early involvement of the Department of Higher Education in the development of the coordinated workforce development system. As part of the program, a set of local Regional Technical Education Councils coordinates technical education across the state. In addition to these activities, the public two-year colleges and technical schools play an important role in the workforce development system as providers of ITA training under Adult WIA Title I.

The Division of Family Services, in the Department of Social Services, administers workforce programs that are tied to recipients of programs it administers. Work component training activities (successor to FUTURES, Missouri’s version of the federal JOBS program) are focused on TANF recipients, the Missouri Employment and Training Program is available for Food Stamp recipients, and rehabilitation services are available for blind clients. The Division of Aging (in the Department of Social Services) administers the Senior Community Service Employment Program; the Division of Youth Services (also in the Department of Social Services) administers the Job Readiness/Work Experience program (a state funded program). While each of these programs is a One-Stop Career Center partner, their clients do not usually enter the system through One-Stop Career Centers, and their services are provided in their own offices and those of their contractors.

Federal Welfare-to-Work grants have been provided to local areas (18 community partnerships plus the 14 WIBs) through the state according to federal formula. DWD oversees this program, and receives a direct payment of 15 percent. Missouri provides a one-to-two match for each federal dollar, and it obtains the maximum federal allocation.

The state’s UI program, administered by the Division of Employment Security in the Department of Labor and Industrial Relations, is formally available in the One-Stop Career Centers, but all claims are processed through telephone or Internet contact, and there are no staff who assist clients in person. Staff at One-Stop Career Centers are not authorized to provide any assistance for individuals wishing to file UI claims but rather refer them to available telephones.

Although not listed as partners in the state’s WIA plan, for some purposes the state includes in its workforce development system programs in the Department of Corrections and Department of Mental Health. There is relatively little linkage between these programs and the One-Stop Career Centers.

B. Memoranda of Understanding and Partnership Building

Memoranda of understanding (MOUs) are required to be in place to identify partner participation in each One-Stop Career Center. MOUs are developed at the state level, and the state provides a template document for the One-Stop Career Center operators. Local areas appear to adopt these templates with infrequent changes in their
basic structure, although of course each one is altered to reflect particular services to be shared.

Our conversations suggested that, in large part, the MOUs merely codified relationships as they already existed, listing services already provided by the partners. Where one of the partners wished to maintain separate facilities, the MOU merely confirmed the availability of the partner’s services without requiring substantive participation in the One-Stop Career Center’s activities. While entering into an MOU may have increased knowledge and coordination of partner services, it was clear that where the partners believed their existing service structures were appropriate, there was essentially no independent impact of the MOU. When partners maintained staff in the One-Stop Career Center, the difficult issue of cost sharing was not addressed in the MOU.

C. Education and Youth

The involvement of community and technical colleges in the state’s workforce development system dates back at least to Governor Carnahan’s 1995 executive order specifying the Department of Higher Education as a partner in the system. A representative of the Department of Higher Education on MTEC has been an influential spokesman for the importance of technical education in the system.

The community and technical colleges provide services funded through separate state channels but they also provide services to WIBs through the ITA system. As noted in Section VII.B. of this report, the state’s training provider list existed prior to WIA, so that there was little important change in the availability of community and technical programs. Although community colleges may occasionally have a representative in a One-Stop Career Center, usually their activities are off-site. They make very little direct financial contribution to the One-Stop Career Centers, a fact noted by DWD.

Youth programs differ across local WIB areas fairly dramatically. Disagreement exists regarding the need for local youth councils. One local WIB representative argued that the youth council provided little additional contribution while another said he believed that the youth council helped create greater program coordination. The youth councils that we inquired about met quarterly, or, in some cases, less frequently.

DWD has issued directives to assure optimal referrals between Job Corps and youth services under Title I of WIA, two programs that it oversees. As specified in WIA legislation, the local WIBs have direct control over the Title I programs. DWD does not hire the individuals who provide the services in these programs and does not directly supervise them. While DWD does have an oversight role, its ability to impose uniform and effective procedures on program operators is limited. Coordination between programs under different agencies is clearly quite idiosyncratic to local areas. The federal School-to-Work program, while administered at the state level through the Department of Elementary and Secondary Education, is funded through various local entities. In one of
the One-Stop Career Centers we studied, we observed a close working relationship between this agency and the local One-Stop Career Center, but this was clearly a result of local-level negotiations.

**D. State and Local Workforce Investment Board Funding Issues**

Funding for Wagner-Peyser Act services has been declining for many years. DWD employees involved in this program at the local level described efforts to mechanize job search activities, especially in the late 1990s. One local supervisor commented, only partly in jest, that staff assistance to job seekers at that time had consisted primarily of teaching clients how to use a computer mouse. Aside from mechanization, efforts to raise productivity with fewer resources draw on partnerships with other service providers. While everyone we talked to agreed that the system had grown more efficient, it was also clear that fewer clients were receiving staff-assisted job search than previously, implying reduced levels of service for some.

A widely discussed issue in WIA funding was removal of the “hold harmless” clause, which had reduced funding variations over time under JTPA. Since the governor declined to waive removal of the hold harmless clause, as in many states, dramatic funding declines were experienced in areas where economic growth was strong and unemployment low, while areas experiencing economic distress had funding growth. There was no consensus among state officials regarding the extent to which these funding changes created serious problems for the overall system. One administrator noted that areas experiencing large declines in funding had relatively healthy economies so, by any objective standards, the need for WIA services would be much reduced. In contrast, others focused on the institutional costs of such funding instability, arguing that the ability to provide long term job development services in a local area could be jeopardized.

As was common in other states, a number of Missouri’s local boards did not spend their full allocations in the first year of WIA. Overall, expenditures for Title I services in Program Year (PY) 2000 were about three-fifths of appropriations. Lower expenditure levels were particularly likely to occur in areas that experienced funding growth. Although some observers presented this as an indicator that WIA allocations were inappropriate, others viewed this as a result of a new set of controls. Since final U.S. DOL regulations were not released until after the date that WIA was to be implemented in Missouri, one state official noted that local areas may have been uncertain about what kinds of expenditures would be appropriate and so were not in a position to spend their allocations. Of course, under WIA regulations, funds not spent in a given year would be available in later years.

It was clear in all our discussion that staff, especially at the local level, recognize budget limits are critical in determining their ability to serve their populations. However, the character of the funding streams means that there are important differences across programs. Finding eligible participants can be a serious issue for certain programs, especially narrowly targeted youth programs. In contrast, core, intensive, and training
services offered under WIA Title I and the Wagner-Peyser Act have many eligible clients, and local procedures must, to some degree, focus on efforts to select among them and limit expenditures. Local areas generally placed income limits for access to intensive and training services, and imposed effective maximums on payments for training. At the state level, while limits are critical, the system is designed around existing resources, so funding shortfall is less visible. One top DWD stressed the value of additional funding to speed development of the state’s computer system for data collection and client management.

Section V. One-Stop Career Center Organization and Operations

A. State and Local Overview

1. Overview of State

The state defines a One-Stop Career Center as a single facility that provides full-time access to core, intensive, and training services on-site and has, at a minimum, the programs and services of the federal and state mandated partner agencies. Section IV.A. above describes in some detail the programs that are included in the workforce development system. The state also maintains One-Stop Career Center “affiliate” or “satellite” sites, which provide less than full-time access to core and intensive services and have links to fewer than the state mandated partners.

Missouri's State Plan for certification of local One-Stop Career Centers is largely derived from and consistent with the Final Interim Regulations for the Workforce Investment Act published in the Federal Register. A One-Stop Career Center operator may be a single entity or a consortium and can operate one or more One-Stop Career Centers. The local WIB, in agreement with the chief elected official, designates and certifies the One-Stop Career Center operators in each local area, and the operator’s obligations are specified by contract. Although apparently permitted under Missouri’s plan, there are no One-Stop Career Centers operated by either for-profit or faith-based organizations.

Missouri does not have a model structure for One-Stop Career Center design and operation. However, to facilitate “brand recognition,” MTEC has mandated use of the term “Missouri Career Centers” to designate One-Stop Career Centers and specifies a logo for signs.

The roles and level of engagement of each state and local partner at the One-Stop Career Centers vary widely across the state, depending on the structure of the One-Stop Career Center (single entity or consortium), the providers in the local area, WIB policy, and preexisting arrangements. U.S. DOL programs, including Title I providers, Wagner-
Peyser Act (including veterans’ programs), Temporary Assistance/NAFTA, and Job Corps, are required to be available in every Missouri One-Stop Career Center, although, in a few cases, links are through computer connections only. Community and technical colleges almost never locate in the One-Stop Career Center. Typically, Division of Vocational Rehabilitation, adult education, and vocational education (Perkins) programs have representatives in One-Stop Career Centers, although the focus of their activities is elsewhere.

Co-location for all workforce development partners is not required. Indeed, structural barriers to co-location may exist such as lease contracts or physical space limitations. For example, many vocational rehabilitation clients need accessible buildings that can be easily reached by public transportation services, and not all One-Stop Career Centers satisfy these requirements. Further, funding arrangements for some state programs can prevent co-location with partners in privately owned buildings. However, in many cases there are more basic factors that limit collaboration, and, where these are important, even where programs locate in the same building, the effective extent of partnership may be limited.

DWD and One-Stop Career Center staff most often cited partnerships with the Division of Family Services and the Division of Vocational Rehabilitation as problematic. In both cases, difficulties partnering may be traced to broader differences in mission. Representatives of both programs argued that their clients’ needs require focused attention not normally available in One-Stop Career Centers. In particular, those in the Division of Family Services argued that persistent, detailed case management is needed for many Temporary Assistance (federal TANF) recipients. Job-focused training (e.g., job readiness training) cannot be pursued effectively until other issues (e.g., domestic violence, family resource problems) are addressed. While co-location could be beneficial, they argued that it was necessary for the Division of Family Services to maintain separate space.

Similarly, the Division of Vocational Rehabilitation has a long-standing client service model with its own set of performance measures, which differ from those of JTPA/WIA. Like Temporary Assistance caseworkers, vocational rehabilitation counselors do extensive case management with their clients. In contrast to most other service providers, vocational rehabilitation counselors must have at least a master’s degree as well as professional certification. In addition, vocational rehabilitation legislation constrains initial screening and intake procedures, making it difficult to share even the initial intake process with other programs. Where the Division of Vocational Rehabilitation has located within a One-Stop Career Center, division employees are physically separate from other staff.
2. Views from the Local Area

Despite state-level directives that specify many common standards for One-Stop Career Center operation, enormous variation exists in actual center practice between and even within local areas. While it might appear that local WIBs directly control center operation, the basis of their authority is little more than formal when the other partners control substantial amounts of funding. In large part, the interests of those partners actually located in the One-Stop Career Center are reflected in center policy. The physical layout, the procedures to be followed when clients enter, the decision of when and how the telephone is to be answered, even the signage for the building are largely determined separately for each center, depending on local partners’ choices.

One-Stop Career Centers are often located at the site where one of the partners was already in place. Frequently, that partner continues to dominate activities at the center. For example, many centers had previously been Employment Security offices, taking UI applications as well as providing Wagner-Peyser Act services. Many of the managers remain the same, and we found that often procedures for dealing with clients had developed from those previously in use. As was noted by staff at more than one site, such a One-Stop Career Center might still be viewed as the “unemployment office” by local residents and so would attract many of the same types of clients that it had in its previous incarnation. Similarly, where a local service provider had been present over an extended period at a site, designation of that site as a One-Stop Career Center might have relatively minor effects on operations. Most clients would continue to be recruited through existing channels, with the reputation of the organization attracting clients. In some cases, we found that the Missouri Career Center label was used sparingly, providers clearly believing that other identifiers were of greater importance.

In short, Missouri’s management structure places control of local center operations at the level of the local center and the local WIB. Although the past histories of some One-Stop Career Centers may have reduced effective system overhaul, they also allowed the new system to build on existing strengths, respond to local needs, and minimize disruptions due to changes in procedures. Nonetheless, creation of the One-Stop Career Centers and the pressure to co-locate has substantially changed the system. DWD employees providing Wagner-Peyser Act services emphasized that their jobs had changed dramatically even where they continued to dominate in a center, since coordination with those providing WIA Title I services required them to alter the way they undertook tasks. The move toward greater co-location continues. In spring 2002, DWD closed down a major office providing Wagner-Peyser Act services in Kansas City, moving employees into a One-Stop Career Center dominated by the Full Employment Council (FEC), the primary organization providing Title I services under local WIB contract. We expect that the center will be substantially altered by this addition.

In the current environment, co-location is most likely the key facilitator of change. Where providers are physically separated, system impacts may be minimal. There are a substantial number of satellite centers across the state, but many are merely sites for
partners, whose procedures and services have changed little as a result of their “inclusion” as part of the workforce development system. For example, county Division of Family Services offices, which provide TANF and Medicaid services, are often designated as satellite sites, but there may be very little increase in contact with the WIA Title I providers.

Although collaboration does occur at the local level, contacts are idiosyncratic to the individuals and institutions in place locally. Co-location is often not the highest priority. Many Division of Family Services offices have placed representatives at One-Stop Career Centers, and one local Division of Family Services manager described extensive contacts with local WIA providers. However, in the face of recent budget cuts, one Division of Family Services office withdrew caseworkers who had been working in a local One-Stop Career Center.

B. Employer and Business Engagement

Unlike the state board, the local boards were not grandfathered, so membership must accord with WIA specifications requiring more than half of the members of local boards to represent the private sector. Section II.A.2. noted the impact of local business leadership on local boards. Private sector representatives suggested to us that the business majority has encouraged boards to increase efforts to ensure that the needs of employers were being met, that efforts were focused on providing them with workers whose skills and abilities matched their job openings. They further argued that this pragmatic focus helped in developing programs that fostered strategic planning and economic development.

The extent of WIA's impact on business engagement varied. In some areas, there had been a strong, proactive leadership in the Private Industry Council, with local business leaders working closely with training providers prior to the implementation of WIA. In these areas, WIA board changes were of minimal importance. For areas that lacked that leadership and vision, the mandate to have a majority of the WIB represent business interests was of greatest importance. Among those we interviewed at both the state and local level, there was a consensus that following the implementation of WIA, more attention has been given to surveying employers about their true needs and directing efforts to meet those needs. We were also told that WIA’s explicit involvement of business interests in the state and local planning process had been of value.

Ties to employers are clearly idiosyncratic in the local area. The state workforce board has a marketing plan posted on its website that focuses on increasing services to employers, but it is up to local One-Stop Career Center operators to take the initiative to contact local business owners under the plan. In at least one local area, the chamber of commerce is a member of the consortium that operates the One-Stop Career Center. Some local area WIBs have been active in working with employers to provide worker training. Whatever differences exist across One-Stop Career Centers, it is clear that One-
Stop Career Center operators and staff view employers as clients whose needs must be met if the goal of matching workers to jobs is to be successful.

One way that employers interact with staff of the One-Stop Career Centers is through Missouri Employer Committees, 34 local committees originally set up throughout the state to provide guidance to the Division of Employment Security when it oversaw Wagner-Peyser Act services. The role of these committees varies greatly across the state, some meeting regularly with local One-Stop Career Center staff, while others are moribund. The Missouri Employer Committees state steering committee, with 17 representatives from local areas, provides feedback to the DWD. It is currently charged with assessing the regional skill needs and developing programs to respond to these.

In addition to activities operating through One-Stop Career Centers, there are a variety of state programs focused on providing services to employers. DWD has business representatives who contact employers, and over $15 million in state funds support a customized training program (jointly administered by DWD and the Department of Elementary and Secondary Education), which trains workers in direct response to the skill needs of employers.

C. Operational Issues

A system for obtaining and disseminating labor market information has been in place in Missouri for many years. As in most states, the structure and function of this system has focused on satisfying federal requirements, especially those of the Bureau of Labor Statistics Federal-State Cooperative Programs. Recently, changes have been initiated in this system due to the implementation of WIA, changes in the national employment statistics system, reorganization of the workforce development system in Missouri, changing technology, and new classification structures. In particular, attention has been given to improving the timeliness, geographic coverage, and usability of labor market information.

Job seekers post resumes and employers post job openings on the DWD sponsored website MissouriWORKS! The site has links to state data on job characteristics, demand, and earnings as well as links to labor market resources and services provided through the U.S. DOL such as America's Job Bank and America's Career Infonet. Information about labor market conditions, including employment and unemployment, wage rates, and labor availability, can also be obtained from staff at the One-Stop Career Centers. All One-Stop Career Center partners provide some staff-assisted core services. Unemployment insurance claimants can file by phone or Internet at the One-Stop Career Centers, but center staff are not authorized to answer questions related to UI claims, a limitation that was frustrating to DWD employees in the One-Stop Career Centers. Staff who had helped with UI claims prior to the creation of DWD were sympathetic to clients who wished to discuss UI problems in person.
D. One-Stop Career Center Contracting and Cost Sharing

Local WIBs may designate either a single entity or a consortium as One-Stop Career Center operator for a period of two years, depending on funding cycle and performance. One-Stop Career Center operators may provide core, intensive, and dislocated worker services, although these are contracted out in some cases. Youth services are normally procured through competitive contracts. Adult training is obtained through ITAs, based on the state’s eligible provider list. For-profit proprietary schools are common among training providers, as are state community colleges. Across the state, both competitive contracting and “grandfathering” of past operators occurs. Missouri has used non-profit and community-based organizations as One-Stop Career Center operators or contracted service providers. Turnover among One-Stop Career Center operators has not been common, although, in some sites, turnover of contracted service providers has occurred. Overall this turnover was not viewed as a serious problem.

State guidelines for cost allocation are based on federal rules and are quite general. The Wagner-Peyser Act funds the majority of costs for automated infrastructure. Core services are funded by the Wagner-Peyser Act with some WIA Title I staff assistance. Workshop costs are more likely to be equally shared. For example, in some locations, workshops are supported by Wagner-Peyser Act funds and are available to all. In other locations, job clubs are considered to be WIA Title I staff-assisted core services. In yet other cases, workshops are team taught by staff and funded from various sources.

One-Stop Career Center managers and local partner representatives must negotiate cost sharing issues on a case-by-case basis. Generally, on-site partners are expected to pay rent if they are housed in the building in a full-time capacity, and rent is based on square footage. Partners with part-time or itinerant staff usually do not contribute. In some cases, funding regulations limit the ability of mandated partners to pay rent, leaving DWD to bear the larger share of costs. Those at the local level voiced complaint about the time and effort of negotiating cost sharing arrangements. These same difficulties with cost sharing were echoed at the state level. In particular, DWD noted that vocational education and adult education and literacy programs (both administered by Department of Elementary and Secondary Education), which have staff in most One-Stop Career Centers, seldom provide sufficient payments to cover rent and other costs.32

Section VI. Services and Participation

A. Individual Services

The service mix available at One-Stop Career Centers varies by location, as does the composition of their clientele. In large part, this reflects the fact that One-Stop Career Centers are, in essence, cooperative arrangements between existing organizations, with services reflecting their focuses. All One-Stop Career Centers offer core and intensive services on-site, and arrange for training services under WIA, but the actual character even of these services is variable.
One-Stop Career Centers that originally were part of the Employment Security system often have a large contingent of DWD employees who continue to provide Wagner-Peyser Act services. Many of those who come into these offices are seeking job search assistance, and a majority may be UI recipients who are required to make an appearance to maintain benefit eligibility. During the 1990s, emphasis was placed on Internet-based self-service, but in the last two years, there has been a shift back to providing more staff assistance in job search.

Some One-Stop Career Centers formerly housed job training for the disadvantaged under JTPA and related programs. In Kansas City, the Full Employment Council (FEC) has provided job services to the disadvantaged for many years. Its long-standing central office is a One-Stop Career Center under WIA, attracting both youths and adults from the community on the basis of a local reputation. Until early in 2002, when DWD closed down a large nearby office and moved its staff to the FEC location, it provided almost no Wagner-Peyser Act services and was much less likely to serve the UI population.

In terms of populations served, certainly unemployed individuals who come into any One-Stop Career Center will be eligible for core services. Incumbent workers, in contrast, may not be eligible for many One-Stop Career Center services, since training opportunities may be limited to those with lower income levels. The various restrictions on who can participate in WIA Title I youth services mean that youths are generally recruited through various channels. Similarly, dislocated workers are normally contacted through former employers and receive services at specially arranged locations. TANF recipients and those with disabilities usually must settle for a referral to the relevant agency. In a fair number of cases, although located in the same building, the Division of Family Services and the Division of Vocational Rehabilitation have operations that are quite distinct from the One-Stop Career Center. Staff stressed the fact that those seeking job services at the One-Stop Career Center were likely to be low-skilled individuals. More skilled workers were apt to seek the few resources available to them by accessing MissouriWORKS!, the state’s labor market information website, from a remote location.

Clearly, the One-Stop Career Centers are not yet at the point where an individual who walks through the door will be flawlessly funneled to the appropriate service. Centers do not believe they have the resources to provide highly trained professionals who could identify the needs of all clients and direct them to the right provider. But, there is an increased emphasis on triage, and centers make an effort to at least provide a greeter at the front of their offices.

The processes to register participants in the system varies. UI claimants are automatically entered and tracked after filing a claim—which they do by telephone or Internet. In one center that we visited, individuals are registered as Wagner-Peyser Act services recipients as soon as they enter the One-Stop Career Center, even if they only use the computer. But, their participation is counted in the Wagner-Peyser Act performance
measures only when they receive staff-assisted core services. If they begin intensive services, they are registered as part of WIA Title I and counted in WIA performance measures. In practice, many One-Stop Career Centers follow somewhat looser standards for registration, which may differ according to the partner and the particular activity engaged in. While the formal rules require any client receiving substantial staff time in core service to be entered into the data, the decision of when staff involvement requires registration may differ across centers and even individuals.

Although the state provides a set of definitions for staff-assisted core services, intensive services, and training services that correspond closely to WIA specifications, these allow local WIBs some latitude in how they define a service. For example, training programs with fewer than 40 contact hours may be defined as intensive rather than training services. In one center, we were told that participation in a day or two of a work readiness seminar would be considered a core service while participation in ten days (normally with a counselor’s recommendation) would be considered an intensive service.

As might be expected, we were told that the decision to move an individual from core to intensive and to training services would be made on the basis of client need. Some respondents said that only those unable to obtain work in core or intensive services were referred to training, reflecting a "work first" approach. The dominant view, however, was that employment per se was not the primary goal, that the quality of the job was critical.

B. Participation

While the sequencing requirements of WIA altered the procedures by which training services were offered, among those we interviewed there was little concern that individuals were being denied training as a result of this requirement. On a continuum between “work first” and “training,” an overwhelming majority of respondents placed Missouri’s system much closer to the latter. One observer suggested the sequencing requirement was beneficial to the system and moved Missouri toward best practices but had no important impact on the system’s underlying structure.

The more important question of how successful the system is in reaching those needing services is particularly difficult to answer. Some of those we interviewed expressed concern that performance standards did not create incentives for local WIBs to expand their services to serve all those eligible, and we heard suggestions that at times services to certain populations had been pulled back when it was believed performance standards would be threatened. We turn to this issue in Section VII.C. below. Ancillary services, such as child care, transportation, or emergency assistance, are provided at local WIB discretion. In large part, individuals are referred to other organizations for such services. Division of Family Services provides most child care assistance, and transportation is often subsidized by other organizations. Emergency assistance is often very limited.
Most respondents believed the basic structure of WIA facilitated improvements in the system. The basic policy goal that all services should be available for anyone who is eligible who walks in the door of the center is reflected in attitudes and policies implemented throughout the system. This is not to say that the effects of WIA requirements have been large or that all areas have been affected. State policy even in the absence of WIA supported moving in this direction, and in some areas existing procedures dominate.

Section VII. Market Mechanisms: Their Use and Effects

A. Labor Market Information

The labor market information section in the Department of Economic Development conducts most activities related to obtaining, analyzing, and disseminating employment-related statistics. A broad range of national, state, and local employment statistics are available to job seekers, employers, workforce development staff, and other interested individuals. These statistics include national, state, and local unemployment statistics, wage data, layoff statistics for businesses in the state, and occupational and employment prospects.

Labor market information can be accessed in several ways. MissouriWORKS!, an Internet site, is the predominant means of disseminating labor market information to job seekers, employers, and state workforce development service providers. The Missouri Economic Research and Information Center, housed in the Department of Economic Development, is the primary agency tabulating and presenting statistics for use of DWD clients. The center’s website provides regional information, economic indicators, industry and occupation data, and information on community issues. The Missouri Occupational Information Coordinating Committee compiles data on the labor market and educational opportunities that can be used to assist job seekers and workforce development service providers in making decisions related to career development.

B. Individual Training Accounts and Provider Certification

1. Individual Training Accounts and Individual Choice

WIA’s implementation did little to change the state's system of providing training services. Before WIA, a list of accepted training providers existed and the list continued to be maintained by the Department of Elementary and Secondary Education after passage of WIA.

In concept, the ITA available under WIA is a voucher that allows individuals to enter any training program that they choose. The Missouri Education and Career Hotlink website provides information about every certified program in the state, allowing searches by institution name, name of program, or geographic area. Data on each program include a description, cost, the number of enrollees, and completers. Links to
related programs and general career issues are given. Information about some programs that are not certified is available. Although additional performance measures required by WIA are not yet available, our judgment is that this website facilitates comparison among certified programs subject to this constraint.

Of course, client choice may be limited in practice, depending on the approach used by counselors. When we asked about the extent of client choice, responses often simply confirmed the statutory requirement that the client have full choice. Nonetheless, most of those we interviewed believed that ITA choice was often seriously constrained. In some geographic areas, only a small number of programs consistent with individual interests were available. Local WIBs limit the time and money resources available for each training participant. WIA specifies that counselors are to approve issue of an ITA only if it helps the client gain self-sufficiency.

Our interviewees repeatedly commented on the importance of matching the person with training so that labor market success would result. Client interest and aptitude were clearly viewed as limiting certain training options, and counselors directly guided choice of a particular training program for a large share of clients. On the other hand, there are some individuals who know what services they want before they come to the center. One provider noted that individuals entering the One-Stop Career Center with particular training goals are often disgruntled to learn that they must undergo assessment as well as core and intensive activities prior to receiving authorization to undertake training.

2. Provider Certification

The need to tabulate performance standards for training providers under WIA imposed new requirements on the system. The Department of Elementary and Secondary Education maintains a centralized process for program certification and has established procedures designed to remove much of the burden of data gathering and analysis from training providers. Information on providers that are part of the state's postsecondary system is automatically obtained by the Department of Elementary and Secondary Education from the Department of Higher Education; other providers apply directly to the Department of Elementary and Secondary Education to establish eligibility. This data sharing arrangement between the two departments is of substantial value because it allows the Social Security numbers of participants to be directly matched with wage record data and assures continued certification for large state programs. The match of Social Security number to state wage record data also reduces the reporting burden for other training providers, although they must submit lists of participants, with Social Security numbers, to the Department of Elementary and Secondary Education.

Efforts to maintain the provider list in Missouri face serious challenges in the near future as certain WIA requirements begin to bind. The Department of Elementary and Secondary Education has received but has not processed raw data from providers to compute required performance measures. Many providers have been asked to submit revised data. Of the 10,000 programs currently approved in the state, perhaps as many as
one-fifth may ultimately face difficulties in maintaining eligibility because of data problems.

Ambiguities in the definitions related to performance measures and difficulties in properly matching data have raised concern that performance measures would not accurately reflect program differences. Those undertaking the tabulations fear that reported measures may mislead clients who do not understand the statistical issues. Ultimately, program performance statistics may be presented in categorical ranges rather than as a single value to convey uncertainty in the measures.

Despite the problems Missouri faces in meeting training provider requirements, our interviewees were convinced that the procedures used to maintain the provider list and gather required performance statistics are superior to those used elsewhere. Conversations with local One-Stop Career Center staff suggest there has been no difficulty providing training under WIA due to problems with the provider list. If programs are dropped due to data problems, it seems likely those programs will be small and disruptions in availability of training options will be minimal.

C. Performance Standards and Incentives

1. Federal, State, and Local Interactions

In preparation for negotiations regarding performance standards with the local U.S. DOL office, state officials estimated expected levels of performance measures using JTPA data. State officials found U.S. DOL officials to be receptive to concerns about these estimates, and, generally, negotiated levels were within acceptable ranges, with some exceptions. Prior data implied training credential rates as low as ten percent, whereas U.S. DOL insisted on rates of over 40 percent. Meeting the 40 percent rate has led the state to seriously evaluate the character of programs in the system. State officials were also concerned that federal insistence on substantial improvement in successive years may prove unrealistic in areas where Missouri’s current performance is already good. Finally, state officials had difficulty determining reasonable standards where no prior data were available. Following initial calculation of performance results, in several cases the state successfully renegotiated standards with U.S. DOL.

Negotiations over local standards were initiated following establishment of standards for the state. DWD prepared baseline figures for each area. Negotiations varied across the areas, but, given the novelty of the process, our informants suggested that few local areas were in a position to develop a coherent bargaining position. Some areas simply accepted baseline figures, while others returned to the state with very low offers. Throughout discussions with local areas, DWD was acutely focused on how the local negotiated standards would aggregate to the state level. In contrast to negotiations between the U.S. DOL and the state, which covered a three-year period, negotiations with local areas were for a single year, allowing standards in later years to be negotiated based on the first year’s experience, and on the state’s needs to meet federal requirements.
2. Effects on Policies and Procedures

WIA performance standards were frequently cited as the most problematic element of WIA implementation. In contrast to many other areas where WIA simply reinforced change already under way, the impact of performance standards on the system is marked and pervasive. In the first year of implementation, Missouri did not meet the negotiated performance standards set for WIA Title I activities. Adult education and literacy requirements, as specified in the WIA legislation, were met, and Perkins results were only marginally below required levels. Since state funding is threatened if this shortfall continues, DWD has undertaken a focused effort to help local areas to improve their performance.

Technical assistance provided by DWD to local areas takes several forms, but the focus is on helping local providers to understand how the performance standards are calculated and how their actions affect these measures. We were told, for example, that some local areas had not recognized the importance of obtaining certain kinds of follow-up information on participants, resulting in performance measure estimates that were depressed. Our interviews throughout all levels of the system confirm that local staff is now very conscious that each individual registered as a Title I recipient contributes to the performance measure. As more than one respondent noted, when an individual is entered into the database as a WIA participant, the organization must take responsibility for assuring success when that individual exits the system.

The state sets certain conditions on when individuals are registered in the system, how services are defined, and how outcomes are measured, but there is still substantial latitude for local areas. While it is clear that any individual engaging in intensive services must be registered as a WIA Title I participant, many services can be provided as core services (under the Wagner-Peyser Act) which do not require registry in WIA Title I. Local areas therefore have some ability to manage participation in WIA. Similarly, guidelines set by the state leave local areas to determine whether particular credentials are to be considered for purposes of performance calculation. WIBs recognize that a stringent definition of training certification may jeopardize their ability to meet specified performance standards.

Choice of training providers clearly is influenced by the kind of performance statistics they produce. Youth services can be explicitly chosen on the basis of satisfying performance standards. Our sense is that many intensive service providers also directed clients toward certified training programs that produced the most promising training statistics.

Local areas clearly recognize that management of exits plays an important role in assuring that performance standards are met. One local area organizes a quarterly meeting in which staff discuss in detail each individual who will be exited from the system to determine whether the individual satisfies self-sufficiency criteria. While other
areas do not have this kind of formal structure, our conversations confirmed that individual staff seriously consider the way each exit will influence calculated performance measures. The data system was recently modified to automatically register a “soft exit” when a WIA participant has received no services for 90 days, and local staff now understand that such unplanned exits can influence performance statistics.

Imposition of performance standards also has led some local areas to engage in extensive data-gathering activities. A local provider explained that performance measures based on standard procedures (using UI wage record data) frequently provided measures of local performance that were at best inadequate and at worst incorrect, making it absolutely necessary to gather independent data to assure data quality.

3. Effects on Participants and System Efficacy

While performance standards were accepted as necessary, almost all of our respondents criticized particular details of the standards. A common criticism was that the system of standards had too many numbers and was too complex, so it failed to give those running the programs a clear target. We were also told that lags between the activity and release of performance estimates made it difficult to adjust actions in response to feedback, especially given different lags in the various measures. Another set of criticisms concerned the potentially perverse incentives the performance standards created for system managers at the local level. Since most of the measures focus on outcomes for participants, providers may benefit by limiting access to those with the most promising prospects. Many of those we talked to were familiar with long-standing controversies regarding this kind of “cream skimming.” We encountered widespread belief that local areas are, in fact, limiting services in ways to assure a more successful pool of applicants.

On the other hand, some respondents put a positive spin on WIB responses to the performance standards. One manager said he believed there was much less creaming under WIA than there had been under JTPA. Procedures in his local WIA area placed great emphasis on making sure individuals do not exit until their labor market performance is assured; an approach, he argued, that benefited participants. JTPA administrators, he asserted, had put much effort into selecting participants who would benefit their performance measures.

As pressure mounts to improve performance statistics, service outcomes that are not measured will face reduced emphasis. The most obvious outcome that is not captured in the current performance measures is the count of individuals served. Clearly, if a provider can improve outcomes by reducing numbers of participants, there are strong incentives to do so. In their failure to capture extent of service, WIA performance standards represent a significant departure from the standards Missouri developed to evaluate its system prior to WIA. Although the Governor’s Outcome Measures appear similar to WIA performance standards, outcomes were initially tabulated in raw numbers as well as percentages, with the raw numbers given primary emphasis. Furthermore,
when MTEC established performance targets for the system in the late 1990s, these were originally tabulated as raw numbers, so that an increase in the number of clients serviced would positively impact the measures of system performance.

The concern that WIA performance standards, especially those requiring continuous improvement, might reduce the number of individuals served is reflected in the state’s WIA implementation plan, which specifies that “the State does not want the use of rates to tacitly encourage local areas to decrease number served to increase percentage rates.” Of course, it is very difficult to determine the degree to which performance standards have actually reduced services. To some degree, the fact that our respondents expressed concern about this possibility reflects existing efforts to assure maintenance of service levels. We suspect existence of these concerns tends to militate against incentives to limit the population served. Of course, in the face of federal pressure to meet specified standards, the state has little choice but to focus on program participant outcomes rather than on expanding the pool of participants.

More generally, it is important to stress that, as with any system of incentives, performance standards in WIA will ultimately elicit those behaviors that they reward, whether or not they further the goals that are actually desired. Federal policy must be focused first on assuring that performance standards, taken as a group, are as closely aligned as possible with the outcomes that are actually valued. In addition, successful achievement of program goals requires realistic and attainable performance requirements; it is critical that means to realize the desired outcomes exist or can be developed. Achievement is further facilitated by clear and specific measures that indicate when the goals are accomplished. In contrast, where performance measures reflect environmental factors outside the power of the agencies to control—for example, where they are subject, as are current standards, to economic cycles—-attempts to impose stringent requirements may fail to elicit effective effort.

The task of providing labor market services may involve goals that are difficult to fully capture in any standard. While we are not in a position to suggest a detailed set of evaluation measures, we note that one of our interviewees commented that simply adding performance measures that reflect the number served or the proportion of local area job matches accounted for by the state labor exchange would go a long way toward remedying incentive problems. We also suggest that measures focusing on labor market outcomes for all clients—especially the most disadvantaged—may be of great value. Because of the difficulties in fully defining ideal standards, it may be necessary to put some emphasis on process as well as the ultimate goal. Standards identifying the kinds of services that clients receive or the content and quality of their training could be helpful in reducing incentives to cream.

**Section VIII. Information Technologies in the One-Stop Career Centers**

Creation of the Division of Workforce Development (DWD) in 1999 generated a need to integrate separate information systems maintained by other divisions. The
Division of Job Development and Training had used the Job Training Information System while the Division of Employment Services had used America’s Job Bank and MissouriWORKS! In 2000, DWD management information staff developed Toolbox, a central system for both client tracking and case management, designed to obtain the data needed for Welfare-to-Work and WIA monitoring and reporting. Toolbox facilitates real-time data entry, an important tool for effective case management, whereas the Job Training Information System was used only for participant tracking. Integration of MissouriWORKS! and Toolbox allowed DWD to capture customer information through the Internet, reducing workload and cycle time. By end of 2002, the process of moving all job matching functions of the America’s Job Bank (largely Wagner-Peyser Act activities) to Toolbox will be completed. In the near future, material related to the trade act, NAFTA, and veterans’ programs will be added to the system, facilitating client referral and the sharing of client data across programs and partner agencies.44

Implementation of Toolbox has not been smooth. When the recording and monitoring of Wagner-Peyser Act activities were moved to Toolbox, local areas were pressured to adopt on-screen real-time data entry. Local areas were accustomed to a paper system that allowed delayed entry of data. To encourage use of the new system as a case management tool and to preclude retroactive registration, DWD now requires corrections or changes be made within a 60-day window. Even now, not all local areas use Toolbox as a real-time system.

Clients can enter the data system at several levels. At present, Missouri does not use “smart cards” or swipe cards to track clients. Self-serve Internet clients can access job information without registering but must register to post a resume. In the One-Stop Career Centers, self-serve clients may or may not be recorded, but any individual who receives significant staff time must be recorded in the system as a Wagner-Peyser Act participant, and those who receive intensive services must be registered as WIA Title I participants.45

The primary way that clients are served with information technology is through MissouriWORKS! This Internet-based job matching service is sponsored and maintained by the Department of Economic Development.46 It emulates, online, the general resource area in a typical One-Stop Career Center. The system allows job seekers to develop a resume online, post the resume for interested employers, and view job orders posted by employers. Employers can view resumes and search for individuals to fill job openings. While its major function is to facilitate connection between employers and job seekers, links are provided to a broad range of additional resources related to employment and career development.47

Before MissouriWORKS! was available, clients would have had to come to an office to look at a printout of job openings. As the workforce development supervisor at a One-Stop Career Center commented, “Most of the action was deskside…clients would get job information that way.” Of necessity, client contact was high. MissouriWORKS! made information about employment, job development, and training available to anyone
with an Internet connection. According to a workforce development supervisor we interviewed, having workforce development information available online “changed the whole way we delivered services…it probably moved us too far to self-help.” Workforce development staff spent more time managing job orders than talking one-on-one with clients. Recently, however, there appears to have been increasing pressure to provide at least some individual attention to job seekers.48

At present, Missouri does not have any state or local initiatives to promote telecommuting, nor has distance learning been emphasized. To the extent that educational institutions on the list approved for WIA training have distance learning programs, they are available to clients, but they are not of great importance. No records are kept on such matters.

Section IX. Summary Observations and Reauthorization Issues of Special Concern

Prior to passage of WIA, most of the central reforms envisioned under WIA were already part of Missouri’s workforce development system. In particular, the state had already designated partner agencies and consolidated their activities within an overarching state plan, as well as created a state agency to oversee the largest employment training programs and to lead workforce development strategy. Still, WIA created or reinforced structures that solidified these reforms. Efforts to avoid duplication of services and to assure collaboration and coordination between partners were underscored and strengthened by WIA.

These major changes in workforce development notwithstanding, the state has moved only part of the way toward a fully coherent system that provides seamless services to those in need. In part, this situation reflects difficulties due to separate funding streams and distinct programs, each with its own set of restrictions. We heard repeatedly that separate funding silos caused operational problems. DWD officials note that lines of authority under WIA were fragmented. Without a single agency with real responsibility for implementing WIA, system success depends on collaborations that are local and variable. In addition, existing contracts, lack of available physical facilities, restrictions on use of state funds for building rent, as well as efforts by some agencies to maintain independent status present structural barriers to co-location. State budget cutbacks have reduced workforce staff and leave each agency focused on finding ways to meet its own narrow mission.

At the same time, it would be naïve to assume that misalignment with mission was due solely to separate funding streams and could be corrected by merely restructuring funding. The Division of Vocational Rehabilitation and the Division of Family Services were often cited as less than full contributors to the One-Stop Career Center mission. In both cases, however, the culture, needs, and scope of service provisions of these programs go far beyond workforce development. It would be incorrect to think of either program as “just” connecting a specific group with employment opportunity. Forcing the funding stream of these two agencies to funnel through the One-Stop Career Centers might
seriously inhibit their ability to provide extensive and intensive case management and counseling typically required by their clientele.

Programs that focus predominately on job readiness and placement are a more natural fit in the One-Stop Career Centers. An official at a One-Stop Career Center run by a consortium noted that co-location greatly facilitated collaboration among programs with like focus. The “no wrong door” approach was literally applied, as partner agencies—including those with separate offices in the building—would walk clients to the appropriate service provider.

Having to respond to separate performance measures undoubtedly contributes to a sense of separation that inhibits close cooperation among partners. Prior to WIA, the state had developed and applied a set of performance measures (the Governor’s Outcome Measures) to four of the main workforce programs, JTPA, Vocational Rehabilitation, Wagner-Peyser Act, and FUTURES (the state’s job training program for TANF recipients). Following implementation of WIA, federal measures commanded primary attention. It is probably fair to say that any attempt to develop an alternative evaluation system will have to wait until the federal measures are no longer binding for the primary workforce partners. At the same time, in keeping with the discussion above, it should be noted that it may not be practical to devise one list of performance measures that will adequately reflect the goals of each program.

An area where WIA may have had a distinct impact on the workforce development system is in the requirement that private sector representatives dominate local WIB membership. Bringing business to the table has fostered an understanding of the workforce development system among the business community and encouraged strategic planning. While it has long been recognized by those providing Wagner-Peyser Act services in the state that their success depends critically on providing employers with a “product” they can use, the continued pressure at the local level may have pushed practice further toward this goal. Finding further ways to foster the dialogue between business and government has the potential for improving the working relationship between the two sectors.

A related challenge is that while small business owners would probably benefit most from the services of the state’s workforce investment system, they generally have the least knowledge about available services. Further, their need to attend to their business often precludes active involvement in local WIB meetings. Local One-Stop Career Center operators market their services, but they find it much easier to reach out to the larger firms. Developing creative ways to engage the small business owner in the workforce development system should be encouraged. The Internet may provide an effective way to connect small business owners to the workforce development system since the owners can access the system at a time and place convenient to them.

It might be profitable to engage in some focus group research with small business owners to gain greater insight into their specific needs and the ways that the state
workforce development system can help meet those needs. With that type of information in hand, active outreach to this particular group by local area One-Stop Career Center operators can be more effectively targeted. Customized and on-site training programs have also been effective in getting employers engaged in workforce development; of course, these programs focus explicitly on a given employer's specific training needs.

A central role of workforce investment programs is to provide employment and training for individuals with low levels of skills, assuring self-sufficiency for those who might otherwise end up relying on government programs, private charity, or family assistance. Judging the success of the system on this dimension requires answering two questions: Are those in need receiving services? Are those services effective in producing self-sufficiency?

A variety of mechanisms assure that coverage extends to those in need. An explicit income screen limits Title I youth services to those most likely to be in need. Local areas have often limited adult services to the most disadvantaged. Further, the character of the services provided tends to be most valuable to those at the bottom of the skill distribution. Available job readiness training and job search are structured to be of little value to most managerial and professional workers, and training provided under ITAs is generally relatively low cost and of short duration.

If federal employment-based performance standards are successful, they assure the answer to the second question. Programs produce high performance statistics if they are successful in providing valuable training and job search assistance. On the other hand, the performance standards make no attempt to measure whether those in need are receiving services. Insofar as a primary impact of WIA is to focus resources on meeting performance standards—as is clearly the case in Missouri—one of the results of WIA will be to divert attention from issues of coverage. This is not to say that current levels of coverage are seriously incomplete but rather that WIA’s performance standards are unable to support efforts to maintain or expand coverage.

In conclusion, the independent effects of WIA in Missouri have been fairly minimal, largely because reforms under way prior to WIA's implementation anticipated the act’s main provisions. Effects that have occurred have been basically positive, including increasing business involvement and placing continuing pressure on partners to increase coordination and collaboration. On the other hand, the program fails to live up to its promise of providing a unified structure, leaving the state with a multitude of programs, each with a separate funding stream and institutional requirements. Perhaps most important, performance standards appear to create incentives that militate against attempts to assure that all those in need obtain access to employment and training services.

Revisions of WIA need to give careful attention to the incentives inherent in the performance measures. The more pressure states face to meet and increase specified performance levels, the greater the certainty that programs will evolve to yield those
outcomes to the exclusion of all others. It also appears that benefits would be gained by further consolidation of relevant programs, perhaps transferring greater control over to state and local units. The extent of that transfer must be a matter of debate, however, as elimination of the separate programs would ultimately replace the priorities specified in the current federal legislation with those of state legislators and local officials. The federal government should consider carefully whether these are the outcomes that it wants.
Acronyms (all refer to Missouri state or local entities, unless otherwise indicated)

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AEL</td>
<td>Adult Education and Literacy (administered by DVAE, in DESE)</td>
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<tr>
<td>CBHE</td>
<td>Coordinating Board for Higher Education (executive body to DHE)</td>
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<td>DED</td>
<td>Department of Economic Development</td>
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<td>DESE</td>
<td>Department of Elementary and Secondary Education</td>
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<tr>
<td>DHE</td>
<td>Department of Higher Education (also referenced as CBHE)</td>
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<td>DOLIR</td>
<td>Department of Labor and Industrial Relations</td>
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<td>DSS</td>
<td>Department of Social Services</td>
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<tr>
<td>DVAE</td>
<td>Division of Vocational and Adult Education (in DESE, includes AEL &amp; Vocational Education)</td>
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<td>DWD</td>
<td>Division of Workforce Development (in DED)</td>
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<tr>
<td>ES</td>
<td>Division of Employment Security (in DOLIR)</td>
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<tr>
<td>FEC</td>
<td>Full Employment Council (Kansas City and Vicinity One-Stop Career Center operator)</td>
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<tr>
<td>FUTURES</td>
<td>Missouri’s version of the federal JOBS program for AFDC recipients</td>
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<tr>
<td>MTEC</td>
<td>Missouri Training and Employment Council (state WIB)</td>
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Notes

1 Thirteen of Missouri’s 14 WIA regions correspond exactly to prior JTPA service delivery areas. Two JTPA areas were combined to form the Central WIA area.

2 DWD does not administer the state’s UI system.

3 Missouri received notification that the grant had been awarded in August 1995.

4 The chair of one local WIB commented that WIA gave the local board “more flexibility to move…more ability to try new things,” citing as an example of this greater flexibility and innovation a program for incumbent workers at a local area hospital that trained workers to fill technical positions as a strategy for increasing opportunities for new entry-level workers.

5 The order designated DWD as the state agency to “receive Wagner-Peyser funds, …administer programs under the federal Job Training and Partnership Act, and otherwise coordinate and administer the job development, training and placement activities for the citizens of the state of Missouri.”

6 This employee speculated that the governor’s decision to move only the functions related to the Wagner-Peyser Act services from DES to DWD, rather than the whole division, was unique among the states. At the time the idea was proposed, many in the Missouri Division of Labor and Industrial Relations thought the U.S. DOL would not approve the move.

7 A legislator we interviewed commented that most legislators became involved with WIA or workforce development only when a constituent brought an issue to their attention, complained about a service, or needed help resolving a problem. An alternative route of involvement was when state legislators came forward as representatives of local elected officials who were directly involved in WIB activity at the local level. In either case, such activities appear to have been of very limited importance. One action at the legislative level that appears to have echoed down to the local level was concern about the services that UI recipients receive. After concerns about UI expenditures were brought up in legislative hearings, DWD employees providing Wagner-Peyser Act services were instructed to give special attention to UI recipients.

8 All our respondents asserted that U.S. DOL refused to admit its change in interpretation.

9 For adult and youth programs, 85 percent of the funding goes directly to the local WIBs, with 15 percent reserved for the governor to control. For dislocated workers, 60 percent goes directly to the local WIBs with 25 percent under state control for Rapid Response (under the dislocated worker program) and 15 percent reserved for the governor to control. Of the 15 percent reserved for the governor to control, five percent is used for administrative functions such as the state WIB (MTEC), in-house research, and contracted research. The remaining ten percent is allocated to special projects and some administrative costs. In the initial program year, $200,000 was dispersed to each local area to develop and maintain programs and to support One-Stop Career Centers.

10 The available allocation under JTPA was only 6 percent.

11 The four membership categories for MTEC are specified as “business, industry and agriculture” (nine members), “state and local government or agencies” (nine members), “labor and community-based organizations” (nine members), and “public members” (three members).

12 The workforce-related Show-Me Results goals were:
   1. Increased number of jobs paying greater than $10/hour
   2. Increased number of dollars of new investment in Missouri firms and farms
   3. Increased productivity of Missouri firms and farms
   4. Decreased percentage of Missourians obtaining public income support
5. Increased percentage of Missourians with health insurance
6. Increased access to high quality child care for working families
7. Increased percentage of Missourians with incomes above the poverty level
8. Decreased number of communities with a high concentration of poverty

Show-Me Results defined outcomes for each separate workforce development agency. The Commission on Management and Productivity's strategic planning process also required state agencies involved in workforce-related programs to identify outcomes common to all programs rather than simply focusing on the particular outcomes of each agency.

13 The four programs included in these tabulations were: a) Wagner-Peyser Act services, b) Vocational Rehabilitation, c) JTPA (later WIA), and d) TANF work components (formerly FUTURES, the Missouri federal JOBS program). The tabulations focused on all participants in a given program year who did not participate in that program in the following year (i.e., “leavers”), and employment and earnings were based on unemployment insurance wage record data for Missouri and Kansas. Prior earnings or employment referred to the year prior to the program year and outcome earnings and employment were determined for the year after the program year.

14 As the state WIB under WIA, MTEC includes statewide business leaders, major employers, local elected officials, chairs of local WIBs, and workforce development partner agencies at the state and local level. At several points in the planning process, public comment on plan drafts was solicited. Participants in these meetings included representatives of state labor organizations, educators, welfare agencies, community-based organizations, transportation providers, state and local vocational rehabilitation agencies, and key advocacy agencies in Missouri such as Rehabilitation Services for the Blind. Stakeholders in workforce delivery prior to WIA also commented on the plan. This group included the administrative entity directors of the former service delivery areas under the JTPA, local elected officials, Private Industry Council members, and state and local level youth program staff.

15 Since that time, the plan has undergone minor modifications that are largely technical in nature, for example, clarifying allocation formulas, incentives, and sanctions. Currently the state has requested an additional modification to allow the state to recall funds from areas under some circumstances.

16 U.S. DOL did issue interim regulations, but those we interviewed believed that implementing the program prior to the issuance of final regulations imposed some uncertainties. Our sense is that while this influenced the planning process, the long term impacts on the program were minor.

17 Under WIA, states have the option of submitting a “unified” plan, bringing together in one document programs for all workforce development partners.

18 The exception is that in the Jefferson-Franklin area the DWD provides services in the local One-Stop Career Center under contract with the local WIB.

19 These include two veterans’ programs (Disabled Veterans Outreach Program and Local Veterans Employment Representative Program) and the North American Free Trade/Trade Adjustment Assistance program.

20 The training programs are Customized Training, jointly with the Department of Elementary and Secondary Education, and the New Job Development program. The tax credit program is the Skill Development Tax Credit Program.

21 These are the Area Vocational and Technical Schools.
The Division of Vocational Rehabilitation administers the Extended Employment Sheltered Workshops program and the Missouri Transition Alliance Partnership Project (jointly with the Division of Special Education), both focused on disabled individuals.

The Division of Vocational and Adult Education, in the Department of Elementary and Secondary Education, administers federal and state funding for both the Perkins Vocational and Technical Education Act, and adult education and literacy programs. There are a variety of other programs offered by the Division of Vocational and Adult Education, several focused on providing services to aid secondary students in the transition from school to careers (Community Careers System/School to Career Initiative, A+ Schools Program, Learn and Serve America, Tech Prep Education). The extent of contact with the One-Stop delivery system varies across programs and local areas.

The Department of Elementary and Secondary Education administers several of the largest programs in the workforce development system.

Under contract with the Division of Family Services, DWD staff provide job readiness workshops, intensive job search assistance, and job development and job retention workshops for TANF recipients. Also under contract from the Division of Family Services, DWD provides similar services as part of the Missouri Employment and Training Program in selected counties.

Future federal allocations are not expected; consequently many local areas are considering reducing services under this program.

Workplace and Community Transition for Incarcerated Youth Offenders, and Vocational Education.

Supported Employment and Work In Recovery programs.

The entities that can be selected as a One-Stop Career Center operator include: (1) a postsecondary educational institution; (2) an employment service agency established under the Wagner-Peyser Act on behalf of the local office of the agency; (3) a private, non-profit organization (including a community-based organization); (4) a private for-profit entity; (5) a government agency; (6) another interested organization or entity.

State agencies are required to allocate funding to a unit in the state’s Office of Administration that acquires housing for state activities. Co-location in an existing One-Stop Career Center that is not located in a state-owned building may require that the agency pay for rent when its required allocation provides for space in state-owned buildings.

As an example, in the Kansas City area, the business community is supportive of efforts of the Full Employment Council (FEC), a local area One-Stop Career Center operator. A top administrator within the FEC attributed that fact to the strong, outcome-focused leadership at the FEC. As a result, the businesses represented on the local WIB are high profile companies in the Kansas City area, he asserted.

Until recently, the state adult education and literacy (AEL) program had maintained a policy of discouraging the payment of rent for any space used by local programs, reflecting a long-standing policy of running classes, often during the evenings, in donated space. Programs based in One-Stop Career Centers followed the same policy, much to the consternation of the local WIBs and of DWD. Following negotiations between DWD and AEL administrators in September 2002, AEL agreed to allow local programs to pay rent for space used in One-Stop Career Centers. Since such payments would need to come from local program budgets, one observer noted that the change in policy might well result in less AEL activity in One-Stop Career Centers.
Staff-assisted core services include: initial assessment, job search and placement assistance, job referrals, job development, workshops and job clubs, and core follow-up services. Intensive services include: comprehensive assessment, full development of an individual employment plan, group counseling, individual counseling, case management, short term pre-vocational services, intensive follow-up services, out-of-area job search expenses, relocation expenses, internships, and work experience.

We spoke with a One-Stop Career Center operator whose annual budget for emergency assistance was $2,500.

http://www.ded.state.mo.us/business/researchandplanning/.


http://www.works.state.mo.us/mech/.

Until recently, local caps were generally less than $3,000. The maximum length of time for a training program is generally less than two years. In September 2002, DWD informed local boards that maximum caps on ITA expenditures were inappropriate, although training cost could be considered in approval of an ITA. Our discussions with local officials suggested that the new policy will not have much effect on the types of ITAs that are approved.

Still, the provider viewed the sequencing requirement as valuable by providing a labor market focus to training activities.

The Department of Elementary and Secondary Education obtains the Social Security numbers of participants in Department of Higher Education programs and matches these numbers with state UI wage record data to generate the statistics required by WIA. Without this arrangement, the daunting task of gathering data on all enrollees to maintain WIA eligibility could well lead some program administrators to allow program eligibility to lapse where there are small numbers of WIA participants relative to program size. Perhaps because of this arrangement, the major fields at the state’s flagship university are listed as approved programs. Of course, very few WIA clients use these programs, but we were told that they are useful for those who are close to finishing a degree program.

Despite the difficulties imposed on practitioners, the large number of measures tends to reduce some potentially adverse consequences of focused standards. For example, because standards evaluate both short-term and long-term employment outcomes, programs must provide skills that help participants both obtain and retain employment.

For example, the measure identifying improvement in earnings was presented as a count of the number of individuals whose earnings had improved.

“The state’s method for improvement will be: 1) quantitative increases in each of the 17 WIA core indicators, based on yearly increases from the established baseline; and 2) qualitative increases based on customer feedback (see Section V.). Although the state will track improvement in terms of increase in the performance rates (i.e., 72 percent in PY 2000; 74 percent in PY 2001), the State wants to ensure that the numbers of customers served does not decrease. The State does not want the use of rates to tacitly encourage local areas to decrease number served to increase percentage rates. The State will address this by adding the caveat that local areas should endeavor to increase performance rates provided number served does not decrease significantly.” (Emphasis in original, State Plan, p. 73)

More than 1,200 staff and partners at more than 200 locations currently use Toolbox. More than 900,000 clients were in the system in 2001.
Of course, the number of individuals obtaining services but not registering is not known. At this point, it is probably not very high. That situation may change, however, as computer literacy and Internet access increases among the general population. Requiring some form of online registration before allowing access to any job related information is a possible solution, but that requirement could discourage some from attempting to access the available information at all.

The web address is http://www.works.state.mo.us.

For example, there are links to guidelines for structuring a job search or beginning a small business, a list of educational institutions providing approved training for participants in WIA, TANF, TAA-NAFTA, and PFS programs, and a list of day care providers.

In recent legislative hearings focused on concerns about the increase in payments under the state’s unemployment insurance system, it was suggested, as a One-Stop Career Center staff member indicated, that “people at the unemployment office weren't helping people find jobs anymore.” Passage of WIA has further encouraged increased client contact, and typically a client will meet with someone who conducts at least a quick needs assessment and provides direction.