Improving the Quality of Jobs through the Public Workforce System

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Read our interview with Scott Anglemyer, Executive Director, at Workforce Partnership.

The world of work is changing rapidly. What are some of the key drivers you see in workforce development and how is your organization responding?

One of the biggest threats to the public workforce system is the failure to recognize and adapt to changes in the labor market, and how job seekers and employers engage one another. If we go into the current labor market with the tools and mindsets that we had just a few years ago, we're going to do our communities a great disservice.

We're keeping an eye on a handful of trends. The first is what we're calling the decentralization of customer service. Consumers are changing how they shop, and that change is beginning to affect how they access services. With the rise of online shopping and the success of companies like Starbucks—putting locations seemingly on every corner—consumers are less likely to travel to large retail locations when they can do their shopping in their neighborhood, or online.

We see this trend affecting workforce development. Job seekers are increasingly less likely to come to a centralized workforce center when they can get similar services at home, or at a service provider in their neighborhood. As a result, we're working to put more of our services online, decentralize our services by opening satellite offices and developing more and stronger linkages with both traditional and nontraditional partner organizations. We're looking to make more of our services mobile-device friendly, but we have a lot more work to do in that area.

One of the things that I like about the new Workforce Innovation and Opportunity Act (WIOA) is that it tries to address this shift. WIOA recognizes that a workforce system extends beyond the walls of the one-stop career centers, while I think previous legislation tended to treat the one-stop and the workforce system as the same thing.

While those one-stops continue to serve important functions, it is more important to build a system with partners.

Many of the fastest-growing, in-demand sectors need lower-wage, lower-skill workers. How can the employment outcomes of people in these jobs be improved?

Our board and staff believe that effective workforce development involves not only developing job seekers' skills, but developing employers. We're starting on a process we're calling employer development: focused work with employers to improve their recruitment process and improve the quality of their jobs. Essentially, it will be working with employers to transform how they view employees; instead of seeing them as costs that must be managed, we want to help them view employees as value creators.

This requires a significant shift in mindset. While the single greatest cost center for most businesses is personnel, good employers recognize that their staff represents more than just costs, they represent an opportunity to create value. It's been proven time and again that for most businesses, investing more in their employees yields returns in productivity.

That's a challenge for us in the public workforce system. Typically, we've worked to change job seekers through training and skill development—sometimes viewing employers as our customers, and job seekers as our product. But I think the biggest challenge is balancing the important work in skill development with developing employers into good employers, and their jobs into good jobs.

What opportunities does this open for the workforce system, employers and job seekers?

For the workforce system, it creates a number of opportunities. It gives us a chance to form new partnerships, which can develop comprehensive strategies to help employers improve their operations to better utilize their staff (and pay them better). It gives us a chance to work with more employers than we've worked with before. I think it also gives us a chance to raise our profile in the community—to be seen as a valued partner with businesses, improving their bottom lines—while advocating on behalf of a wider range of job seekers.

I think another opportunity is to try approaches on levels that we've never done before. One partnership that we're participating in centers on a neighborhood—a section of one of our communities—and focuses a wide range of resources on that neighborhood. The Federal Reserve Bank of Kansas City's **Econ Avenue** program is exciting for us about where it may lead, and the focus on job and employer quality fits nicely into the broader Econ Avenue strategy.

For employers, it is about the bottom line. As I mentioned earlier, we believe in most cases that we can increase workforce quality, reduce turnover and ultimately improve profitability. We also believe that this work can address what often looks to employers like skill shortages, but may just be a mismatch between what a job is worth to a job seeker and what an employer is willing to pay.

How do you see your workforce investment board engaging in this work?

We're going to attack this in two ways. First, we'll work with specific employers on a one-on-one basis. At the most basic level, we'll supply them with labor market data that shows how their wage offers stack up in the labor market. We've had some success in helping employers adjust their expectations, and they often find that by raising wage offers, they end up with more productive staff, yielding returns that far outweigh the costs of the higher wage. Beyond that, we will be working as consultants to those employers—looking at processes and helping them identify ways that they can change their operations to become more efficient and empower staff. Much of this work will occur through partnerships with organizations that have experience with such consulting—our local Manufacturing Extension Partnership program, for example.

On a broader level, we think we can accomplish a lot of this work through sector initiatives, where we work with multiple employers in the same sector. There are some excellent examples of sector strategies across the country that have resulted in improved job quality and pay for people in low-wage, low-skill occupations. To ensure that we do that, we've created a new position whose primary responsibilities are to lead our sector initiatives and employer development work. We see those two approaches going hand in hand.

What other trends are you watching?

A second trend we see is the rise of what has been called the 1099 economy. More employers are engaging workers as contractors rather than employees, and an increasing number of workers are comfortable with alternatives to the traditional employer-employee relationship. While it's more prevalent in some industries and occupations, such as information technology, it's growing more common in many fields. That has huge implications for the workforce and workforce development. It affects our accountability, since our performance measures are often tied to long-term, permanent placements, which are going to become increasingly less common. It also affects job quality, since 1099 workers don't get benefits and don't have the comfort of permanence that employees have.

We're experimenting with the concept of a "gig-ship"—a training program stemming from multiple placements, or gigs, with multiple employers. We see this as something that is particularly suited to placements at some of the tech startups in our area. These employers are too small to add permanent workers, but need additional project-based work. We want to use our resources to assist them in bringing on someone to learn a skill, such as a new programming language, helping develop their skills while meeting the particular need of the employer. We see internships as a bigger part of our service mix going forward, as well.