TRANSFORMING U.S. WORKFORCE DEVELOPMENT POLICIES

DEVELOPMENT

POLICIES FOR THE 21st CENTURY

EDITORS
Carl Van Horn, John J. Heldrich Center for Workforce Development at Rutgers University
Tammy Edwards, Federal Reserve Bank of Kansas City
Todd Greene, Federal Reserve Bank of Atlanta

Transforming U.S. Workforce Development Policies for the 21st Century

Carl Van Horn
Tammy Edwards
Todd Greene
Editors

2015

W.E. Upjohn Institute for Employment Research
Kalamazoo, Michigan

Part 3

Building Evidence-Based
Policy and Practice

20

Chicago's Journey toward Better Data and Performance for the Workforce Development System

Elizabeth Weigensberg
University of Chicago

Amanda Cage
Chicago Cook Workforce Partnership

The recent economic downturn has led many job seekers and policy-makers to ask questions about which workforce development programs are effective at helping people acquire skills and obtain employment. In Chicago, as in many other jurisdictions nationwide, the local workforce development system is a complex array of public and private organizations that provide services ranging from job search assistance to education and occupational training (Chapin Hall at the University of Chicago 2010). Information about program performance is inconsistent and difficult to obtain, given fragmented program funding silos coupled with various data and reporting requirements. Even when data to assess programs are available, they are often limited to participants within a particular service provider agency or public funding stream, providing only a partial understanding of program outcomes. Furthermore, data quality and access can be inconsistent, since organizations are often required to use multiple cumbersome data management systems with limited reporting capacity (Weigensberg et al. 2013).

The need for better data to understand program performance is not only shared among policymakers and job seekers but is also expressed by workforce program administrators and frontline practitioners seeking more information about their outcomes (Corporation for a Skilled Workforce and The Benchmarking Project 2013; Weigensberg et al. 2012). The demand for data to make informed decisions about work-

force development programs created a culture of desired change in Chicago. Since 2009, numerous public and nonprofit agencies, local policymakers, foundations, and researchers have collaborated to engage in several strategic and innovative initiatives to improve organizational governance and the structure of the local workforce system as well as to access, create, and analyze data to assess programs and inform decision making.

CHICAGO WORKFORCE INVESTMENT COUNCIL AND CWIC*STATS*

In 2009, Chicago Workforce Investment Council (CWIC), a nonprofit, was created to help align programs and promote effectiveness of the local workforce development system. CWIC was chaired by Mayor Richard M. Daley and governed by a board of influential businesses and community partners to provide cross-systems oversight of key public agencies, including high schools, community colleges, and workforce development programs. CWIC's mission was to ensure that Chicago had a skilled and educated workforce to keep Chicago's businesses, economy, communities, and families thriving. It aimed to improve the skills and earning potential of residents, meet the labor needs of local businesses, and strengthen Chicago communities. The council focused on aligning the diverse public agencies and program funding streams within the workforce development system and was charged with ensuring that programs were effective for both residents seeking employment and businesses needing to hire a skilled workforce. It monitored over $350 million in annual workforce investments and coordinated resources across numerous city agencies to maximize the return on public investment.

To support the information needs of CWIC and other stakeholders, numerous workforce development policymakers, program administrators, and foundations partnered with Chapin Hall at the University of Chicago to establish a Chicago workforce data and research initiative called CWIC*stat*s. The model for CWIC*stats* emerged from the need for a workforce data consortium that could provide reliable data from the diverse and fragmented local workforce development system. CWIC-

stats researchers worked with state and local public agencies to access and analyze administrative data on program participants and outcomes, including data on Workforce Investment Act program participants and secondary students in the Chicago Public Schools, and then to link that information to employment earnings. CWIC*stats* produced program performance measures, reports synthesizing local labor market indicators, and periodic research studies providing an in-depth understanding of targeted populations and programs. The CWIC*stats* initiative served as an innovative model of cross-system data integration and analysis to address data and research gaps, assisting policymakers with data-informed decision making (Weigensberg 2013).

CHICAGO-COOK WORKFORCE PARTNERSHIP AND IWIS

In 2012, building on recent political transitions, the local workforce development system evolved along with the approach to address the need for data on program performance. Mayor Rahm Emanuel and Cook County Board President Toni Preckwinkle established the Chicago Cook Workforce Partnership (the Partnership) to oversee the local workforce development system. The Partnership combined city and county resources to promote collaboration and efficiency for services supported by the federal Workforce Investment Act (WIA), which were previously administered by three separate local Workforce Investment Boards that covered Chicago and Cook County. Since its inception, the Partnership has reduced administrative and programmatic redundancy within the local system and helped to align local training opportunities with the needs of businesses. To achieve its goals of effective and streamlined workforce services, the Partnership also saw the need for improved data for workforce programs.

 Although CWIC*stats* made great progress to link and analyze data across multiple programs and data sources to assess program performance and pursue research, the fragmented and incomplete nature of workforce development data remained a challenge, especially for program management purposes. With support and recommendations from research efforts conducted at Chapin Hall (Weigensberg et al. 2012) and Public/Private Ventures (Miles et al. 2010), a growing need for

an improved data system for local workforce development programs emerged. Furthermore, the need for better data was being voiced from community-based service providers, not just public agency administrators. In 2013, the Partnership, in collaboration with public agency partners and service providers, embarked on a three-year project to develop and implement a comprehensive integrated workforce information system (IWIS) to capture and report data on all participants served by workforce development programs in Chicago and Cook County. This effort, which is funded by a U.S. Department of Labor Workforce Innovation Fund grant and several local foundations, is the first attempt to create a management information system to integrate administrative data across public and private agencies, as well as funding streams, to provide data on all individuals served by local workforce development programs. IWIS will reduce the need for frontline staff to enter data with numerous management information systems because it will serve as an interface among multiple data systems. IWIS will also promote the use of data through customizable reporting for agency staff and program administrators, as well as common reporting among private funders. In addition to the robust reporting features, IWIS will benefit frontline staff by creating a dashboard where they can easily navigate data entry, obtain information across numerous backend data systems, share referrals, and assess outcomes that were previously unavailable or labor-intensive to obtain. Once in operation, IWIS will allow for the comprehensive assessment of workforce development programs for the first time, while also streamlining data processes for improved program management. Although these technical advances with IWIS will assist policymakers, administrators, and frontline staff, the system will also ultimately benefit job seekers by providing enhanced information sharing, efficient referrals, and better data to improve services.

LESSONS LEARNED

The CWIC*stats* and IWIS initiatives to improve data and program performance in Chicago have provided several key lessons that could benefit others embarking on similar efforts to improve workforce data.

Shared Need and Vision for Improved Data

The CWIC*stats* and IWIS efforts emerged from a common need for better data on the workforce development system, which was shared among multiple stakeholders, including policymakers, public agencies, community-based service providers, private foundations, advocates, and researchers. CWIC*stats* was developed as an excellent strategy to link and analyze data to address the initial need to provide periodic performance measures and research on the overall effectiveness of the system. However, stakeholders wanted more comprehensive data, particularly on those individuals served by the workforce development system, yet not supported by public funds and not typically included in those corresponding data systems. Therefore, stakeholders, especially the frontline provider organizations, rallied around the need for IWIS as a comprehensive data system that could be used not only for analysis purposes but also for program management.

Strong Leadership and Partner Collaboration

To build on a shared vision of improved workforce development data, strong leadership and partner collaboration were essential to implement strategies to achieve this vision. For both CWIC*stats* and IWIS, political leadership and local public agency leaders helped to champion the work and engage partners. Also, with both efforts, an advisory council of key stakeholders was established to assist with oversight and to provide input. In addition to leadership, collaboration with public agencies and community provider partners was essential to implementing both data initiatives. Specifically, collaboration among public agency partners, such as the Illinois Department of Commerce and Economic Opportunity and the Illinois Department of Employment Security, was essential to establishing data sharing agreements to access and use their program data. Also, in regard to IWIS, extensive stakeholder engagement efforts were used to solicit input from public agencies and community providers to help define the system requirements and to ensure IWIS will meet the data collection and reporting needs of users (Weigensberg et al. 2013). Strong leadership and collaborations among partners were key to overcoming many challenges with both CWIC*stats* and IWIS, including obtaining buy-in, securing legal

data permissions, data sharing and interface development, identifying common measures and reporting, and executing effective implementation plans.

Data and Research Expertise

Another important aspect of both data initiatives was the engagement of partners with data and research expertise in using administrative program data from the workforce development system. CWIC*stats* was housed at Chapin Hall at the University of Chicago, where experts could apply their many years of experience analyzing administrative program data, while serving as a third-party entity to provide unbiased research for partners. With the development of IWIS, data expertise was provided by Chapin Hall, the Chicago Jobs Council, and independent consultant Marty Miles, who helped to develop the system requirements plan with the input from public agencies and private providers. Leveraging expertise from experienced researchers and data partners was essential to promote innovation, ensure a high level of rigor, and lend authority for these data efforts.

Data Linkages across Multiple Programs

The innovation with both CWIC*stats* and IWIS was to link data across programs to look at the workforce system holistically rather than operating within fragmented program and funding silos. Data from workforce programs, educational institutions, and earnings were linked to assess program outcomes but also to pursue research about the experiences and trajectories of participants over time. These efforts highlighted the importance of focusing on a more systemwide and longer-term perspective to understand how programs can support the pathway and outcomes of individuals as they moved through the workforce development system and into employment.

Meaningful Analysis for Decision Making

Another important element of these data initiatives was to ensure data reports and analysis were useful and meaningful to policymakers and program administrators, who needed this information to make deci-

sions. The analysis and research products from CWIC*stats* were often shared in a variety of formats, including presentations and policy briefs, to convey data in a user-friendly format to help make applied decisions. IWIS was also designed to ensure practical reports were included in the data system along with the ability for users to develop their own queries to analyze data, assisting users with obtaining what information they needed for management as well as service provision purposes.

Diverse Funding

Given the array of staff and resources needed to implement data initiatives, funding should be diversified among numerous sources. CWIC*stats* operations cost approximately $500,000 annually, which was supported by numerous grants from foundations as well as contracts with public agencies.[1] These funds supported the role of researchers at Chapin Hall at the University of Chicago to perform the data and analysis aspects of CWIC*stats*. However, the development of a new data system with IWIS cost significantly more, with the initial development costing approximately $3 million. The main financial support for the development of IWIS was provided by the U.S. Department of Labor and augmented by additional funds from private foundations.[2] Although developing a new data system is expensive, the investment is expected to lead to substantial savings with program management and service provision, owing to less redundancy, more efficiency with data entry, and anticipated improvements in program performance through an increased ability of providers to assess and improve services. Despite generous investments for development, obtaining funding to maintain and grow IWIS past the initial implementation will be a challenge. Future financial sustainability will likely come from a combination of funding from participating public agencies, private providers, and foundations. After the initial development, continued support costs for IWIS are estimated to be about $500,000 per year.

These lessons learned from Chicago's experience with CWIC*stats* to link data and conduct research, along with the current development of IWIS, can help other jurisdictions that are also struggling to obtain improved data to assess and manage their workforce development systems.

Notes

1. Numerous organizations provided funding for CWIC*stats* development and research efforts, including the Chicago Cook Workforce Partnership, Chicago Workforce Investment Council, the Chicago Community Trust, the Searle Funds at the Chicago Community Trust, the Boeing Company, the Ford Foundation, the Joyce Foundation, the Annie E. Casey Foundation, the Lloyd A. Fry Foundation, the Chicago Department of Family and Support Services, and the Steans Family Foundation.
2. In addition to the U.S. Department of Labor Workforce Innovation Fund grant, funding for IWIS was provided by the Chicagoland Workforce Funder Alliance.

References

Chapin Hall at the University of Chicago. 2010. *Chicago Workforce Development Programs: System Map and Inventory.* Chicago: Chapin Hall at the University of Chicago. http://www.chapinhall.org/research/report/chicago -workforce-development-programs-system-map-and-inventory (accessed October 9, 2014).

Corporation for a Skilled Workforce and the Benchmarking Project. 2013. *Apples to Apples: Making Data Work for Community-Based Workforce Development Programs.* Ann Arbor, MI: Corporation for a Skilled Workforce. http://benchmarking.skilledwork.org/wp-content/uploads/2011/06/ Benchmarking_Mainreport_FINAL-2.pdf (accessed October 9, 2014).

Miles, Marty, Sheila Maguire, Stacy Woodruff-Bolte, and Carol Clymer. 2010. *Putting Data to Work: Interim Recommendations from the Benchmarking Project.* Philadelphia: Public/Private Ventures. http://benchmarking .skilledwork.org/?p=825 (accessed October 9, 2014).

Weigensberg, Elizabeth. 2013. "CWIC*stats*: A Collaborative Model to Address the Research and Data Needs of Local Workforce Development Policymakers." Paper presented at the Federal Reserve System Community Development Research Conference, held in Washington, DC, April 11–12.

Weigensberg, Elizabeth, Jeffrey Gawel, Robert Goerge, Jennifer Keeling, and Marty Miles. 2013. *Integrated Workforce Information System (IWIS) Systems Requirements Plan: Overview and Scope.* Report prepared for the Chicago Cook Workforce Partnership. Chicago: Chapin Hall at the University of Chicago. http://www.workforceboard.org/media/8899/iwis-system -requirements-plan-exec-summary.pdf (accessed October 9, 2014).

Weigensberg, Elizabeth, Colleen Schlecht, Faith Laken, Robert Goerge, Matthew Stagner, Peter Ballard, and Jan DeCoursey. 2012. *Inside the Black*

Box: What Makes Workforce Development Programs Successful? Chicago: Chapin Hall at the University of Chicago. http://www.chapinhall .org/research/report/inside-black-box-what-makes-workforce-development -programs-successful (accessed October 9, 2014).