



Best Practice: Workforce1 Career Center System

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CITY: NEW YORK CITY

POLICY AREA: WORKFORCE DEVELOPMENT

BEST PRACTICE

The **Workforce1 Career Center (WF1CC) system** within the New York City Department of Small Business Services (SBS) is an integrated network of 18 Career Centers whose mission is to fulfill business customers' hiring and training needs by preparing and placing the most qualified individuals in their job opportunities. The Career Centers work with employers in high growth and demand industries and connect New Yorkers to over 25,000 jobs annually. The Career Centers work closely with NYC Business Solutions Centers, which help businesses open, operate, and expand. The NYC Business Solutions Centers collaborate with Career Centers to fill job opportunities that their business customers require.

ISSUE

The Workforce1 Career Center system addresses the needs of New York City (NYC) businesses to have access to screened and qualified labor, as well as the need of jobseekers' to have access to skills development and job opportunities citywide. The Workforce1 Career Center system offers its services free of charge and is open to any jobseeker needing assistance. The NYC Business Solutions Centers offer no-cost services and are open to any business needing assistance.

GOALS AND OBJECTIVES

The goal of the Workforce1 Career Centers is to serve the needs of jobseekers and businesses using a demand driven workforce strategy that works closely with businesses to understand the skills and experience required to make a strong employment match. The key metrics used to measure success include employer commitments to hire candidates, overall jobs filled, positions filled that pay over \$15 per hour, and quality metrics including customer service indicators and percentage of job orders that are filled. Process and outcome measures are managed on a regular basis by program management staff to ensure that the quality and quantity of services delivered to jobseeker and business customers meet the goals of the system.

To serve New Yorkers across the city, the Workforce1 Career Centers are located throughout the five boroughs, and are designed to be demand driven, connecting the city's employers to the skilled workforce they need and providing New York's adult jobseekers with job preparation and placement services. This set of jobseeker services includes career advisement, job search counseling, skills training and job placement assistance. Employers receive support from the portfolio of NYC Business Solutions services, which includes access to qualified job candidates, candidate matching and recruitment, customized job training and post-employment assistance. Each WF1CC is operated by a contracted service provider, which varies by site and includes non-profit, for-profit, and educational (community college) organizations.

IMPLEMENTATION

To increase communication, accountability and flexibility, SBS manages the performance of the Workforce1 Career Center system for businesses and jobseeker metrics on a real time basis. The primary funding source for the system is the federal Workforce Investment Act (WIA), funded through the US Department of Labor. While WIA has basic common measures that must be met, SBS has focused on the measurements it considers the most important, believing that if these outcomes are achieved, WIA common measures will be accomplished along the way.

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Under SBS' system of management, three strategies are utilized to measure success:

- Performance-based milestones: These metrics are directly linked to the payment of service.
- Strategic Operating Plans (SOPs): These objectives are not tied to payment, but instead are linked to the vendor's annual contract evaluation, and allow SBS to coordinate the system across vendors. In these plans, service providers articulate a strategy for their services in the year ahead, focused on key objectives laid out by SBS including target sectors, employer commitment goals, mid-wage and overall placement goals. Performance in these areas is reviewed on a quarterly basis, with monthly and quarterly meetings to discuss outcomes to date, current practices, and best practices. The SOPs function as living documents, with metrics and procedures changing throughout the year in response to new learning. This allows for the constant incorporation of improvements, as well as collaboration between SBS and service providers around problem-solving and best practices. Through the SOPs, factors such as job placement wages, the efficiency of candidate matching, and the degree to which the system is driven by business needs can be incorporated into what it means to be a "successful" career center.
- Other performance outcomes: These metrics can be used to assess and improve performance, but are not directly used in service provider evaluation. Another key to strong implementation is for the Workforce1 Career Centers to track customer data and have technology that enables smooth service delivery. The award winning central work management application Worksource1 is used to track outcomes for these metrics; this database is shared by SBS and all Workforce1 Career Centers. Worksource1 allows for the sharing of customer information across all Workforce1 Career Center locations, enabling center staff to better understand customer needs and provide better service. The application includes case management and assessment tools along with management reporting capabilities. Most importantly, the system has streamlined workflow in the centers, reducing the time it takes to perform data entry on information such as case notes, services consumed, positions filled, and retention activities. Weekly, monthly, and quarterly performance management reports provide a window into real-time system performance, which informs programmatic decision making. This multi-layered system of outcome-based management allows SBS to keep centers accountable for performance, in addition to identifying and implementing best practices for operation.

COST

The current system consists of 18 career centers, with annual operating budgets between \$1 and \$4 million dollars per year. The total annual system budget, which includes an additional \$7 million in training, is nearly \$42 million.

RESULTS AND EVALUATION

The success of the system to date can be attributed to increased accountability and using a data driven approach to managing performance and making programmatic decisions. As such, the system is constantly challenged to improve performance. The staff time and commitment to performance management requires considerable management attention. However, the results prove the value of the model. When SBS took over the system in 2004, only 500 placements were made annually; in 2012, over 29,000 placements were made. While technology and strong reporting can alleviate some of the administrative burden, SBS and service provider staff must both be willing to actively collaborate and dedicate significant effort to this endeavor.

Although this management system requires a large investment, it also is a great strength of the NYC system. The Workforce1 system consistently fills over 6,000 open positions with qualified New Yorkers each quarter. There are 140,000 New Yorkers using these centers each year. To manage this volume of customers, and ensure high quality engagement while meeting



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outcomes, a strong data collection, performance evaluation and quality assurance system must be in place. SBS' system of performance-based contracts, SOPs, vendor communication, and performance reports provides this structure, allowing the Workforce1 system to operate at scale.

TIMELINE

The Workforce1 Career Centers are managed on a yearly calendar cycle for planning, budget, and performance outcomes. Contracts are negotiated for 3 year cycles per each vendor partner.

LEGISLATION

The federal legislation governing the system is the Workforce Investment Act (WIA), which has been in existence in its current form since 1998. In February 2009, the American Recovery and Reinvestment Act (ARRA) was passed. This act, more commonly known as the "Federal Stimulus Package" included additional WIA funding to the local system. That funding allowed for more flexibility for training related investments and was piloted for future versions of the WIA legislation.

LESSONS LEARNED

Key Takeaways

NYC has found that by holding the contracted vendors to a high standard and focusing on performance that is important to the system, a more sustainable workforce development system that focuses on business demand and meets local needs is created. The key takeaways from NYC's system that are applicable to other localities include:

- Performance-based contracts, linking payment to accounts, enable SBS to hold vendors accountable for their performance on critical outcomes.
- Strategic operating plans enable SBS to manage system-wide goals. Similarly, SOPs provide a platform for SBS and vendors to constantly evaluate performance and adjust accordingly, along with the ability to efficiently reallocate resources. This is particularly useful during periods of economic downturn. In addition, allowing the vendors to develop, evaluate, and establish their path to success through the SOP process and focusing on metrics including business outcomes has proven critical for creating a sustainable system.
- Finally, using a local system of record like Worksource1 allows vendors to communicate and coordinate across the system, as well as allowing SBS to manage performance in real time. Using the data available under this system, service providers are also able to tell their system's story and prove the success of their practices, abilities which are crucial for gaining further support for their programs.

TRANSFERABILITY

The Workforce1 Career Center system has various components that can be transferred and/or adopted by other localities. Below are several programs or initiatives that have wide-reaching appeal outside of New York City.

Individual Training Grants

The Workforce1 Career Centers issue Individual Training Grant vouchers of up to \$3,800 to jobseekers who are interested in developing occupational skills necessary to achieve their career goals. These vouchers are targeted towards training in high-growth industries, and they can be used to pay for tuition, processing fees, software, uniforms, registration fees, testing fees, tools and books. Since July 2012, over 1,000 New Yorkers were trained.



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In order to increase transparency and the ability of customers to seek out high-quality training providers, SBS launched the **NYC Training Guide**. The NYC Training Guide is a research tool that matches jobseekers with appropriate training programs to promote skills development and career advancement. Available at www.nyc.gov/trainingguide, this tool provides detailed information about training courses and providers, enabling jobseekers that receive Individual training grants to fully consider their training options and decide which course best meets their needs.

Sector-Based Career Centers

SBS operates two sector specific centers: the Workforce1 Industrial and Transportation Career Center and the Workforce1 Healthcare Career Center. SBS launched its first sector-based Career Center, the Workforce1 NYC Transportation Center, in June 2008 as one of the first large-scale sector initiatives in NYC and the nation. Recognizing the success of that sector-based initiative, in partnership with the Mayor's Center for Economic Opportunity, SBS opened two additional sector centers focused on Manufacturing (2009) and Healthcare (2010). In 2011, the Manufacturing and Transportation centers merged to become the Workforce1 Industrial and Transportation Career Center. The goals of each Workforce1 sector center is to identify and meet the needs of employers within the targeted sectors, and provide low-income workers access to good jobs with career advancement opportunities.

Veterans Initiative

The Workforce1 Veterans Initiative is a public-private partnership to create a scalable model for connecting veterans, service members, and military families to stable, meaningful employment as well as other supportive services through the City's workforce development system, Workforce1. Through the existing infrastructure of 18 Workforce1 Career Centers, veterans now receive priority for all career, training, and job placement services from dedicated Veteran Specialists as well as direct referrals to partner organizations for additional services, such as benefits, education, housing and healthcare.

Providing Labor Market Information

The New York City Labor Market Information Service (NYCLMIS) provides labor market analysis for the public workforce system. The service is a joint endeavor of the New York City Workforce Investment Board (WIB) and the Center for Urban Research at the Graduate Center of the City University of New York. The NYCLMIS' objectives are to develop action-oriented research and information tools that will be used by workforce development service providers and policy makers to improve their practice, and to be the portal for cutting-edge and timely labor market data about New York City. Over the last year, the NYCLMIS has produced two key reports and corresponding tools to assist the NYC workforce community in their business development practices.

CONTACTS

Commissioner Robert Walsh
New York City Department of Small Business Services
110 William Street, 7th floor
New York, NY 10038

Deputy Commissioner Jackie Mallon
New York City Department of Small Business Services
110 William Street, 8th floor
New York, NY 10038
www.nyc.gov/sbs

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