Will WIOA Performance Accountability Lead to Fewer Hard-to-Serve Participants?

National Skills Coalition has long advocated for an expansion of quality employment and training services to those jobseekers and workers most in need—a position that figured prominently in our recommendations for the new Workforce Innovation and Opportunity Act (WIOA). Since WIOA’s passage, there has been a common impression that the new performance accountability language in the law will force programs to serve fewer individuals with significant barriers to employment and training. Such individuals can include those with low basic skills in general, as well as specific population groups such as ex-offenders, the homeless, and individuals with limited English proficiency. This fact sheet attempts to clarify some provisions of WIOA that may have contributed to this impression. We hope stakeholders can work together to ensure that WIOA’s standards are interpreted correctly during implementation, so as to avoid any negative, unintended impacts on services to the hard-to-serve.

Common Measures Do Not Mean Common Performance Targets

WIOA establishes six common metrics (four in Wagner-Peyser Title III) as the primary indicators of performance for each of the six core programs in WIOA. While the metrics are the same for each program (with some modifications for Title I Youth), the expected levels of performance will not be the same for each program. In other words, each program will use the same set of measuring sticks, but will not be expected to reach the same heights.

Performance Targets Will Take into Account Past Program Performance

Among the factors that will be considered in establishing the performance targets will be each of the core program’s baseline performance. For example, if baseline data shows 75 percent of Title I Dislocated Worker exiters are in employment in the fourth quarter after exit and 60 percent of Title II exiters are employed, both programs will not have the same national goal. The national goal for Title II will be substantially lower. For some programs there will not yet be national baseline data available for the new performance indicators. Where national data is not available, officials negotiating targets should consider baseline data from states that can produce it.
Targets Will Be Adjusted for Participant Characteristics

Performance targets will vary for different states and local areas based on their economic conditions and participant characteristics. In a major change from the Workforce Investment Act, WIOA requires that performance targets be adjusted using statistical models that take into account these factors. The participant characteristics include “indicators of poor work history, lack of work experience, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, homelessness, ex-offender status, and welfare dependency.” Therefore, if a state program is serving more individuals with such characteristics than is the national average, the state program’s performance targets should be adjusted downward. Similarly, if a state program is serving fewer individuals with such characteristics than is the national average, the state’s targets should be adjusted upward. The same will occur at the local level relative to state participant characteristics and targets.

State and local targets will be adjusted at the beginning of the program year based on prior participant characteristics and revised retroactively after the program year based on actual participant characteristics. If programs end up serving more harder-to-serve individuals than was expected, the performance targets will be revised downward. If programs, to put it pejoratively, were to “cream” participants by serving only those who were less hard to serve, the performance targets would be revised upward, taking away any advantage the program was trying to gain.

WIOA Creates a New Priority of Service

While this is not a provision within the performance accountability section, it is important to remember that WIOA Title I creates a priority of service for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient. This new requirement is designed to greatly increase the number served who have substantial barriers to employment.

What Can States and Local Officials Do to Help Ensure Access for the Hard-to-Serve?

First, states and local officials should ensure implementation of the new priority of service. Second, if there are additional participant characteristics that negatively impact performance outcomes that are not captured by the administrative records or statistical models, states and local areas should document these characteristics and use that documentation in target negotiations, either with the federal Departments or the state.

Third, if local administrators set performance expectations in contracts with service providers, the expectations should take into account the characteristics of the participants the providers serve. Because some providers serve individuals with greater-than-average barriers to employment and training, administrators should not expect each provider to achieve the performance levels established for the local workforce area.

By taking these three steps, states and local areas can help make certain that WIOA serves individuals with significant barriers to employment and training.