

A New Workforce Development Department

BUILDING A WORLD CLASS WORKFORCE SYSTEM IN CALIFORNIA



Department Background and Premises

The economy is undergoing fundamental shifts as a result of automation and the changing nature of work

Government has a role to play to promote employment and economic security for workers, families, and communities

California's vast pool of low-skill low-wage workers does not adequately share in the state's prosperity

California's workforce will not be able to fully adapt to changing economic conditions without sufficient public investment in programs and services

Bold ideas for improving the lives of Californians provide unprecedented opportunity to create good jobs with career pathways: housing, infrastructure, climate, childcare, early education

Shared Prosperity and the Future of Work

A new California Social Compact

- Business, labor, and government working hand-in-hand for shared prosperity

Using Technology and Innovation to Fight Poverty

- Leveraging data to improve program design and delivery
- Interoperable data systems to co-case manage common clients and facilitate partnership

A new world class workforce development department that will:

- Implement recommendations from the Future of Work Commission
- Connect workers, students, and jobseekers with opportunities for reskilling, upskilling, and training
- Align services and programming with leading industry sector and employer needs in regional labor markets

Challenges of the Status Quo

Fragmented workforce and employer services spread across four departments under LWDA

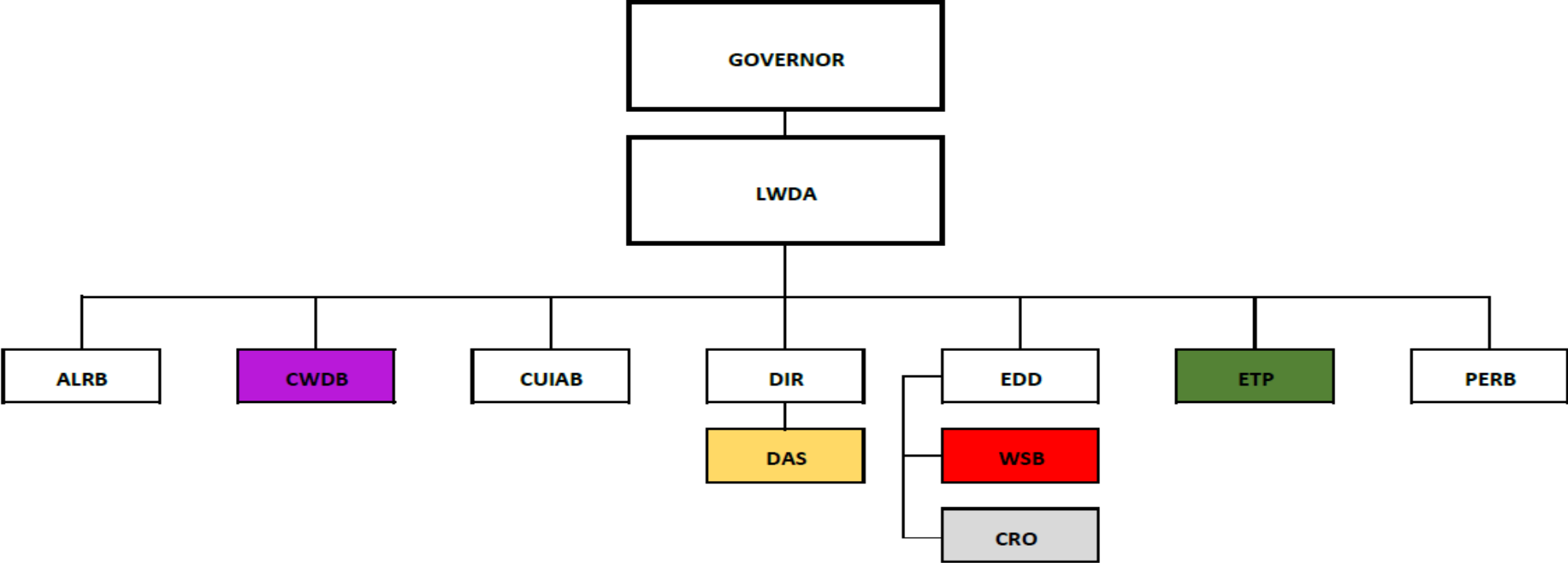
- EDD, DIR, CWDB, and ETP

Separate leadership and reporting structure

Inability to adequately leverage partnerships with stakeholders, including labor and industry

Unclear access points for workers and employers

CURRENT ORGANIZATIONAL STRUCTURE OF WORKFORCE AND TRAINING PROGRAMS



DISTRIBUTION OF WORKFORCE TRAINING PROGRAMS & ASSOCIATED FUNCTIONS

California Workforce Development Board	Department of Industrial Relations	Employment Development Department	Employment Training Panel
1. WIOA Policy Development	1. Sets Apprenticeship Standards	1. WIOA Administrative & Fiscal Agent	1. Funds Incumbent Worker Training
2. WIOA State Plan Development	2. Assists Employers with Apprenticeship Development	2. WIOA Compliance Monitoring	2. Funds Unemployed Worker Training
3. WIOA State Board Support	3. Enforces Apprenticeship Laws & Standards	3. WIOA Guidance & Technical Assistance to Local Areas	3. Vocational Skills Training For Businesses Creating New Jobs
4. WIOA Program Performance & Evaluation	4. Approves Pre-Apprenticeship Programs	4. State Special Projects – Grants & Initiatives Fiscal Agent	4. Administrative & Employer Technical Assistance
5. Workforce Data Collection & Research	5. Approves On-the-Job Trainee Programs	5. State Special Projects – Compliance Monitoring	5. GOBiz Critical Proposal fast track for employers
6. State Special Projects – Grants & Initiatives Management		6. National Dislocated Worker Grant Administration	
		7. Workforce Innovation Grant Administration	
		8. Employment Training Tax Collection	
		9. Employment Services & Job Match In all AJCCs	
		10. Reemployment Services & Eligibility Assessments	
		11. Trade Adjustment Assistance Training Services	
		12. Veteran Training Programs & Services	
		13. Collects Labor Statistics	
		14. National Farmworker Jobs Administration	
		15. H2A Guest Worker Administration & Enforcement	

Workforce Innovation & Opportunity Act (WIOA)

America's Job Centers of California (AJCC)

Governor's Office of Business & Economic Development (GOBiz)

Proposal

Integrate the following Departments and Department Divisions

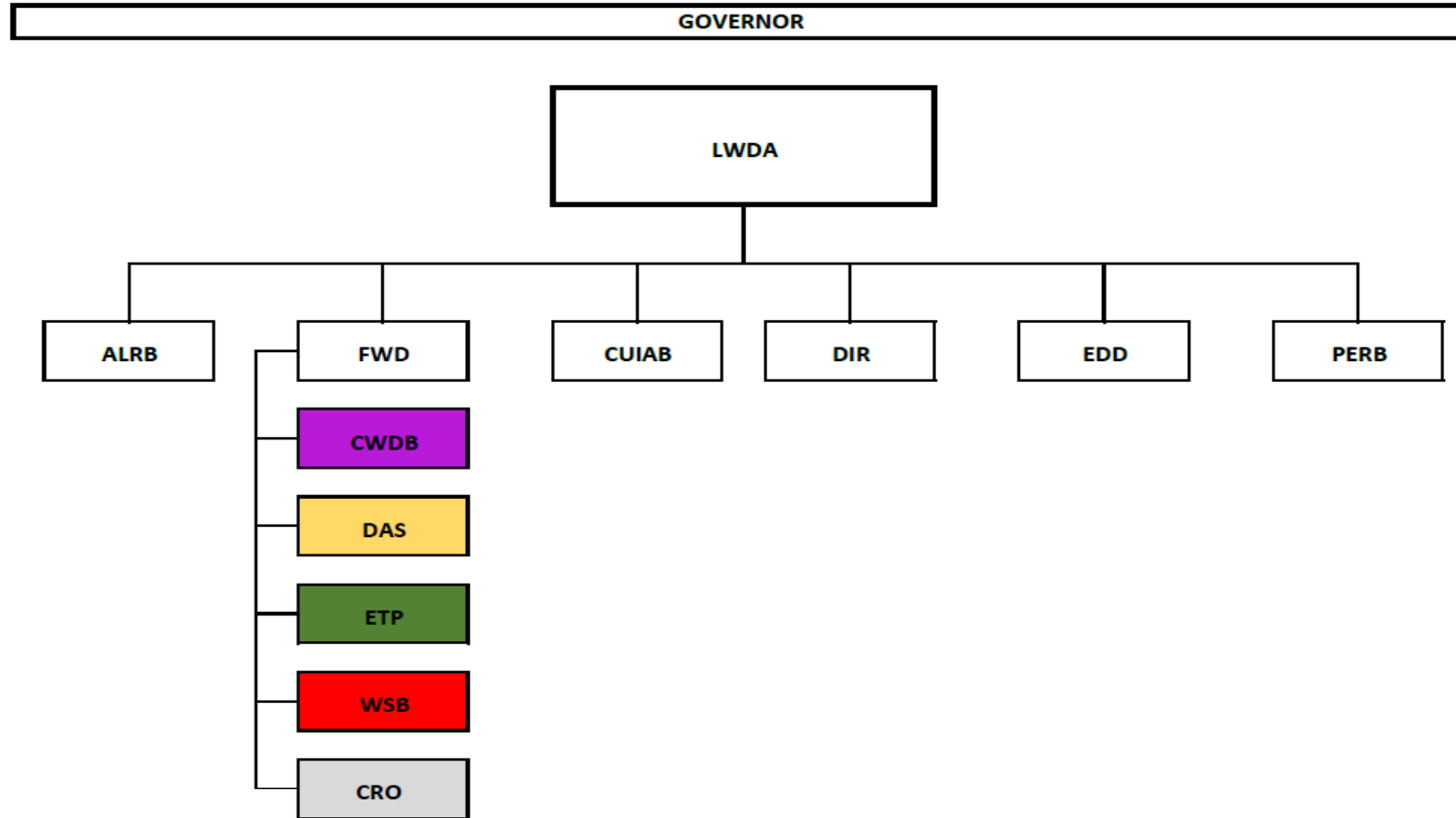
- California Workforce Development Board
- Employment Training Panel
- DIR-Division of Apprenticeship Standards
- EDD-Workforce Services Branch – including Compliance Review Office, Monitor Advocate Office, and EEO

House these programs in one Department under the LWDA

Develop mechanisms to link this new department with:

- K-12 CTE programs
- Adult Education
- Community College CTE programs
- Human Services employment programs (TANF and SNAP E/T)
- GO-Biz and Economic Development Entities
- Entities administering Greenhouse Gas Reduction Funds directed toward workforce

PROPOSED ORGANIZATIONAL STRUCTURE OF WORKFORCE AND TRAINING PROGRAMS



Benefits of New Organization

Unified executive leadership and a common organizational structure

Common policy vision, mission, and objectives

Nesting of programs within a common operational infrastructure

“One stop shop” for employers seeking funding for training or assistance developing apprenticeships

Shared partnership and coordination with education, human service, and economic development programs

A more rational organization of separate departments under LWDA: Workforce, Employment benefits and tax, Labor law enforcement

Build Using the Strengths of Existing Orgs

CWDB's big vision, long game, and ability to innovate

- Policy leadership, grant programs, and program evaluation capacity

EDD's staffing, resources, administrative know-how, local workforce partner relationships, and reach

- 800 field staff providing employment services to job seekers in 80 locations
- Ongoing labor market analysis
- Fiscal stewardship of approximately \$600 million in federal workforce funds

ETP's connectivity to industry, employers, and workers

- 6,308 employers and almost 200,000 workers served in last two years

DAS's connectivity to organized labor and community college system

- Joint labor-management apprenticeship programs in key industries including Healthcare, Advanced Manufacturing, Construction, and Civil Service
- Expertise in the Development of Apprenticeship, Pre-Apprenticeship, and Learn and Earn Training Models

Current Thinking on New Structure

Job Seeker Services: Direct services through the career centers, training, workforce & employment services, oversight & compliance

Industry Engagement: Sector work, apprenticeship, pre-apprenticeship, incumbent worker training, high road training partnerships, high road construction careers

Policy: Government relations, legislation, data, research, Grants and Initiatives: Innovation hub, incubates new practices, oversees pilots

Boards: Continue as leadership entities with statutory programmatic decision-making power

Administration, Support and IT

Executive Office; Communications & Public Affairs, Legal and EEO

Data Driven and Evidence Based

Measure program outcomes

Leverage administrative program data

Conduct rigorous evaluation and assessment

Engage in labor market analysis, including qualitative studies on the future of work and deep dives on future sector workforce needs

Utilize communities of practice and peer learning

Provide for accountability and transparency

Considerations

Sensitivity of stakeholders

- “Will my interests in the status quo be protected?”

Sensitivity around potential changes to boards and appointments

- “Will my ability to influence decisions be preserved?”

Fear of change by staff

- “Will I keep my job and how will my duties change?”

Potential need to phase in elements of the reorganization

- There are significant complexities in standing up a new organization

New organizational functions may require a funding source

- Existing funding for affected programs comes with strings attached

Rough Timeline and Tasks

2019

- Develop High Level Organization Chart and Internal Buy-In
- Develop Detailed Work Unit Organization Charts
- Develop Preliminary Budget
- Stakeholder Engagement

2020

- Introduce Trailer Bill in February
- Create Budget

2021

- Clean Up Legislation

Work to Date

Ongoing Executive Workgroup from all affected Departments

Regular Smaller Executive Workgroups with Specific Tasks

- Project Oversight and Steering Committee Workgroup
- Program Development Workgroup
- Transitions Workgroup
- Personnel Workgroup
- Facilities Workgroup
- Business and FISCAL Services Workgroup
- Information Technology Workgroup
- Communications and Outreach Workgroup
- Legal and Legislative Workgroup

On-going engagement with Government Operations Agency, Department of Finance and Governor's Office for Advice and Feedback

Appointment of Associate Secretary-Future of Work Realignment

Trailer Bill language

Next Steps

Continue to Refine Organization Chart

- Finalize High Level Chart
- Determine where existing work units go

Conduct and Oversee Workgroups

- Internal workgroups to focus on how existing work units are merged and moved
- Involve GovOps, CalHR, CDT, DGS and other relevant entities in workgroups

Finalize Budget

Finalize and Initiate Communications Plan

Continue Stakeholder Conversations

