

**Report of the Performance Standards and Workforce
Accountability Task Force**

December 31, 2007

Commonwealth of Massachusetts

Report of the Performance Standards and Workforce Accountability Task Force December 31, 2007

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I. Abbreviations

BHE	Board of Higher Education
DCS	Division of Career Services
DOE	Department of Education
DOE-ACLS	Department of Education - Adult and Community Learning Service
DTA	Department of Transitional Assistance
EOLWD	Executive Office of Labor and Workforce Development
ESOL	English for Speakers of Other Languages
FERPA	Family Educational Rights and Privacy Act
GED	General Educational Development
MWIB	Massachusetts Workforce Investment Board
MIS	Management Information System
WIB	Workforce Investment Board
UI	Unemployment Insurance

II. Introduction

The “Performance Standards and Workforce Accountability Task Force (hereafter referred to as “the task force”), was created in section 23H of the 2006 Economic Stimulus Bill, “An Act relative to Economic Investments in the Commonwealth to promote Job Creation, Economic Stability, and Competitiveness in the Massachusetts Economy.” (Attachment A)

This report, submitted on behalf of the task force, serves as the report of the task force, as specified under sub-section (d) of the legislation. The report summarizes the activity of the task force during 2007. It also proposes a series of activities and steps during the next two years to further advance the work related to performance standards and accountability for the Commonwealth’s workforce development system.

A. Background

i) Task Force Legislation – Objectives and Requirements

The task force was charged with developing and recommending policies that “advance the skills and workforce development opportunities for incumbent, unemployed and underemployed youth and adult workers whose lack of skills prevent or limit their successful employment.” In particular the task force was charged with developing recommendations in the following areas:

- (1) “Maximizing the skills gained, the number of people served, and the quality of outcomes achieved through the workforce development system;
- (2) increasing services and resources for those most in need and for the purpose of moving individuals and families out of poverty;
- (3) identifying professional development and technical assistance needs and resources to strengthen workforce development programs and the skills of staff who deliver workforce development services; and

- (4) Evaluating and analyzing current local and state policies for the governance and coordination of workforce development agencies and programs in Massachusetts and making recommendations for improving coordination, oversight, performance standards, streamlining bureaucracy and maximizing resources." The plan for this evaluation is outlined in Section V.

In addition the legislation required that:

- (5) "The department of workforce development, through the Commonwealth Corporation... evaluate existing and develop additional performance standards" for workforce development programs. The plan for this set of activities is specified in Section IV part C;
- (6) All workforce development programs receiving federal and state funds submit an annual performance report by June 30 to the department of workforce development, the state workforce investment board and various legislative committees. The legislature authorized an extension of the initial deadline; the first annual report (for FY06) was submitted on October 31, 2007. Planned activities to submit future reports are detailed in Section IV part D.

ii) Task Force Membership

The task force membership was specified in the legislation to include members of the legislature, key workforce development agencies, major business, community, labor and advocacy groups with an interest in workforce development in Massachusetts.

(Attachment B)

iii) Role of the Executive Office of Labor and Workforce Development (staff support for Task Force)

The Executive Office of Labor and Workforce Development (EOLWD), provided leadership and staff support for the work of the task force. Commonwealth Corporation, a quasi-governmental agency within the Executive Office of Labor and Workforce Development (EOLWD), staffed the task force.

B. The Commonwealth's Performance Standards and Accountability Efforts

Several initiatives conducted during the period preceding the establishment of the task force provided a foundation for the work of the task force. These include:

- the work of the performance standards committee of the MassJobs Council, co-chaired by Robert Haynes of Massachusetts AFL-CIO, who is now a member of the task force;
- the work of the performance measures subcommittee of the 2001 Task Force to Reform Adult Education & Worker Training, which resulted in a memorandum of understanding between key state agencies for the purpose of implementing and maintaining a comprehensive set of Core Performance Measures;
- The work of the Performance and Accountability Round Table, convened by the Massachusetts Department of Workforce Development, with the Department of Transitional Assistance (DTA), the Department of Education – Adult and Community Learning Services (DOE-ACLS), and the Board of Higher Education. The Round Table developed performance measurement categories (Employment Impact, Skill Building, Business Impact, Customer Satisfaction) and “core measures” in each category.

C. Task Force Activities and Products

The task force began meeting in June 2007. The following is a summary of the task force's activities and products from June through December 2007.

i) Reviewed and Modified Core Performance Measures

At the first meeting of the task force on June 27, 2007 the members reviewed the Core Measures that had been developed by the Performance and Accountability Round Table. The task force modified the measures to include median earnings in addition to average earnings as a measure of employment impact (Attachment C).

ii) Reviewed Wage Record Uses and Limitations

The task force discussed the importance of using employment and earning data obtained from unemployment insurance records “wage records” to verify employment impact and any increase of earnings due to participation in workforce development activities. Task force members reviewed both the benefits and limitations of using “wage records,” earnings and employment data gathered for purposes associated with Unemployment Insurance (UI). The primary benefit is that because the data are already collected for administrative purposes, programs do not need to incur additional expenses in conducting longitudinal follow up of the employment and earning status of program participants. However, the records only include quarterly aggregate earnings and not actual hourly wages or number of hours worked. As a result it is not possible to determine the actual increase in hourly wages or hours worked but only aggregate earnings. Members discussed the feasibility of collecting additional data through the wage records system, such as occupational data about the wage earner.

While there was interest in collecting additional data as part of wage records, it was recognized that most states only collect the same data as Massachusetts. It is important to maximize the use of the data being collected currently before seeking to collect additional data elements and thereby increasing the burden on employers as well as on state data collection systems. An overview of UI wage records or earnings data is included (Attachment D).

iii) Reviewed Two State Models for Performance Accountability Systems

At the second task force meeting on August 14, members reviewed examples of performance accountability in two states, Florida and Washington, that have been developing their systems for more than a decade. The members reviewed sample performance reports, information on programs included, and how the performance reports are used in these states (Attachment E).

iv) Developed and Submitted the Annual Performance Report

Task force members provided significant input into the content and formats of the annual performance reports. One of the most significant contributions of the task force was the development of summary reports that provided the opportunity for legislators and

program administrators to review key metrics for (similar) programs in summary form on a report. The detailed report on each program includes a brief description of the program, key performance metrics, and demographics of the population served by the program.

The Executive Office of Labor and Workforce Development submitted the initial annual report on selected programs to the legislature on October 31, 2007. The report included 16 major statewide workforce development programs as well as 62 organizations receiving funding through state budget line items and earmarks in the EOLWD section of the state FY2007 budget. To the extent possible within their existing data systems, each program provided data on performance outcomes in the categories of employment, skills building, and business impact and customer satisfaction. The programs also provided information on the characteristics of their participants and their primary activities and services. (Attachment F)

v) Identified Key Research Questions and Developed Research Design for Analysis of Governance and Coordination.

Subsection (b) of the legislation directed the task force to “design and conduct an evaluation and analysis of the present governance and coordination of workforce development agencies and programs in the commonwealth”. The legislation defined the goals of the study as follows: “The goals of the study shall include assisting citizens of the commonwealth in making better use of the state’s workforce development system, defining clearer lines of responsibility and accountability, and analyzing the management of the system in an effort to both improve service delivery and supplement the resources available for education and training.”

The task force and members of a research design committee discussed the objectives of the research, developed a research framework and identified key research questions. The task force determined that the research should be focused on understanding how key user groups interact with and are served by the components of the workforce development system. The research design committee identified five user groups for this purpose:

- Low skilled adults who are unemployed or underemployed

- Unemployed or underemployed immigrants
- Adults with disabilities
- At-risk youth
- Employers

The key research questions are as follows:

- (1) How do learner and job seeker users experience the system?
 - a) What are their entry points?
 - b) How do they learn about services?
 - c) What are their exit points?
 - d) How do they transition from one service provider to the next, if necessary? How well does the system respond to people at critical transition points during their involvement with the system providers?
 - e) What processes (intake, assessment, eligibility determination) do they have to repeat when they transition from one service provider to the next?
 - f) What processes are in place to assess their satisfaction with service and to ensure that services meet their needs?
 - g) What works for them?
 - h) What doesn't work for them?
- (2) How do employer users experience the system?
 - a) What components of the system do they experience as users?
 - b) How do they learn about services?
 - c) What processes are in place to assess their satisfaction with service and to ensure that services meet their needs?

- d) What works for them?
- e) What doesn't work for them?
- (3) What are the root causes of the ways in which the system doesn't work for learner and job seeker users? What can be done to address the root causes?
- (4) What are the root causes of the ways in which the system doesn't work for employers? What can be done to address the root causes?
- (5) In what ways does the system support (or fail to support) upward mobility pathways?
- (6) What can be done to improve the capacity of the system to support upward mobility pathways?
- (7) What are effective governance and coordination practices at state or local levels that should be adopted more broadly?
- (8) What types of professional development and technical assistance resources would be needed to support the capacity of the system to meet the needs of job seekers, learners and employers?

The task force also suggested that the research include a review of the governance and coordination structures of other states' workforce development systems. Section V of the report provides an outline of the research activities to be conducted from December 2007 through June 2008.

III. Summary of Recommendations

A. Oversight

Recommendation: Charge the Massachusetts Workforce Investment Board -- MWIB (through the Performance Sub-Committee) with providing the oversight, vision, and policies for performance management for the Commonwealth's workforce development system. The MWIB will provide the venue for ongoing leadership by the legislature, administration, business community, labor and key stakeholders. In consultation with the co-chairs of the task force and with the Secretary of Labor and Workforce Development add "expert informants" familiar with the workforce development system, the work of the Performance Standards and Workforce Accountability Task Force and the needs of key user groups to the MWIB Performance Sub-Committee.

Recommendation: Establish an inter-agency workgroup made up of individuals with decision-making authority to support the work of the Performance Sub-Committee.

B. Performance Management Framework and Data Sharing

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and the Executive Office of Labor and Workforce Development) with completing key tasks associated with building capacity for performance management by October 31, 2008.

- i) Select and prioritize objectives for performance management
- ii) Define the key attributes and make recommendations for the development and implementation of a shared performance information system
- iii) Develop cost benefit analysis

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and EOLWD) with evaluating existing performance standards by June 30, 2009.

C. Annual Performance Reports

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and the inter-agency work group) with completing the following tasks by November 30, 2008:

- i) Analyze the process followed to develop the first annual (FY06) performance reports and develop plan to enhance FY07 performance reports
- ii) Submit FY07 and FY 08 performance reports
- iii) For the next few years focus on two Core Measures categories – Employment and Skills Gains
- iv) Update Workforce Investment Profiles.

D. Research Design to Analyze Governance and Coordination of the Workforce Development System

Recommendation: Charge the Commonwealth Corporation (under the guidance of the MWIB Performance Sub-Committee) with conducting a qualitative research study to identify the governance and coordination issues associated with the workforce development system's capacity to meet the needs of key user groups.

Recommendation: Charge the MWIB Performance Sub-Committee (with staffing support from the Commonwealth Corporation and EOLWD) with developing recommendations to address governance and coordination issues identified in the research study by October 31, 2008.

IV. Building the Commonwealth's Performance Management Capacity

A. Introduction

The Economic Stimulus Bill made a major contribution toward improved performance measurement and accountability of the workforce development system by requiring for the first time the preparation of a comprehensive set of performance reports in 2007 for workforce development programs and services (Attachment F). Through this effort the task force established a baseline for performance measurement in the workforce development system and a foundation on which a performance management system might be developed.

The preparation of performance reports lays the groundwork for establishing a performance management system. In 2008 the commonwealth should engage in two parallel efforts. The first is to examine approaches for building capacity for increased accountability, better planning and resource allocation and shared responsibility in the workforce development system. The second is to continue to produce and improve on annual performance reports.

Part B of this section addresses the steps to be taken to meet the major challenges for the commonwealth in establishing and implementing performance management in the workforce development system:

- Establishing authority for oversight of performance management
- Establishing an inter-agency work group to provide staff support among workforce development agencies and programs.

Part C addresses key steps in building the capacity for performance management in the workforce development system:

- Build consensus around the objectives of performance management.

- Build capacity for a shared information system and a culture of shared accountability.

Finally, part D of this section addresses the preparation of annual performance reports and building a process for continuous improvement of the reports:

- Analyze different agency/program definitions of key measures
- Develop a plan to implement consistent definitions.

B. Oversight for Performance Management for the Commonwealth's Workforce Development System

Recommendation: Charge the Massachusetts Workforce Investment Board -- MWIB (through the Performance Sub-Committee) with providing the oversight, vision, and policies for performance management for the Commonwealth's workforce development system. The MWIB will provide the venue for ongoing leadership by the legislature, administration, business community, labor and key stakeholders. In consultation with the co-chairs of the task force and with the Secretary of Labor and Workforce Development, add "expert informants" familiar with the workforce development system, the work of the Performance Standards and Workforce Accountability Task Force and the needs of key user groups to the MWIB Performance Sub-Committee.

Workforce development programs are operated through several federal and state agencies. Therefore there is generally no clear authority for any single entity to lead performance management for workforce development. As the report *Integrated Performance Information for Workforce Development: A Blueprint for States* suggests, "there needs to be a champion of integrated performance information in order to make it happen, and most states have found that the clearer and stronger the authority that is established, the more likely it is to last and for the state to succeed."¹

¹ Wilson, Bryan, *Integrated Performance Information for Workforce Development: A Blueprint for States*, p. 5 (2005). Washington State Workforce Training and Education Coordinating Board, Olympia, WA.

In many states the designated body reports directly to the Governor. There is usually accompanying legislation assigning oversight responsibility and authority.

For the Commonwealth, the state workforce investment board is an appropriate body for the critical oversight of performance management activities. It is charged under federal law with assisting the governor with broad oversight of workforce development activities including “development and continuous improvement of comprehensive State performance measures, including State adjusted levels of performance, to assess the effectiveness of the workforce investment activities.”²

It is proposed that the Massachusetts Workforce Investment Board (MWIB) continue the work of the task force through the Performance Sub-Committee. The Massachusetts Workforce Investment Board is jointly led by the governor and a business representative, has a majority of business representatives, legislative and labor representation and representation from the Commonwealth’s key workforce development agencies.

In consultation with the co-chairs of the task force and the Secretary of Labor and Workforce Development, the MWIB Performance Sub-Committee should be further strengthened by the addition of “expert informants” who bring expertise on the workforce development system as well as a policy perspective. These might include advocates, service providers, legislators, labor and legislative staff who bring a deep understanding of the workforce development system’s key users and stakeholders.

Recommendation: Establish an inter-agency workgroup made up of individuals with decision-making authority to support the work of the Performance Sub-Committee.

It is further proposed that MWIB Performance Sub-Committee and the Secretary of Labor and Workforce Development establish a workgroup of representatives from the agencies and programs that provide the majority of funding and resources for the workforce development system. The agencies represent the programs that are included in the annual performance report. This inter-agency workgroup should provide staff support to the MWIB Performance Sub-Committee on developing definitions and

² The Workforce Investment Act of 1998, Public Law 105-220, Section 111 (d) from <http://www.doleta.gov/regs/statutes/wialaw.txt> (December 24, 2007)

reporting procedures related to performance measurement. The agencies that should be included in the workgroup are:

- a) Executive Office of Labor and Workforce Development
 - ◆ Department of Workforce Development
 - ◆ Division of Career Services
 - ◆ Division of Unemployment Assistance
 - ◆ Commonwealth Corporation
- b) Executive Office of Health and Human Services
 - ◆ Department of Mental Health
 - ◆ Massachusetts Rehabilitation Commission
 - ◆ Department of Transitional Assistance
 - ◆ Massachusetts Commission for the Blind
- c) Department of Education
- d) Board of Higher Education.

The mission and workplan of the inter-agency workgroup should be established in consultation with the MWIB Performance Sub-Committee and the senior managers of the participating agencies. It is proposed that the first meeting of the workgroup be held in early 2008 with the leaders of these agencies to develop a formal mission and to obtain their commitment to ongoing participation and support. The role of the group will include reviewing current reports, developing coordination and alignment of definitions of core measures, developing additional measures as necessary, proposing data collection and analysis systems, and identifying resource requirements for implementing various aspects of performance measurement.

C. Performance Management Framework and Data Sharing

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and the Executive Office of Labor and Workforce Development) with completing key tasks associated with building capacity for performance management by October 31, 2008.

In order to build the capacity for performance management and develop a culture for shared accountability the MWIB Performance Sub-Committee should undertake the following critical steps with the active support of the inter-agency workgroup:

i) Select and Prioritize Objectives for Performance Management

One of the key decisions for the MWIB Performance Sub-Committee will be to articulate a clear set of goals and objectives for the performance management framework for workforce development. Options include:

- (1) Trend analysis
- (2) Analysis of program impact/effectiveness, impact for key customers
- (3) Aligning the investment of workforce development resources
- (4) Making resource allocation decisions
- (5) Understanding the experience and outcomes for customers who are served by multiple programs
- (6) Identifying opportunities for program improvement.

ii) Define the Key Attributes and Make Recommendations for the Development and Implementation of a Shared Performance Information System

A major barrier to performance management is the inability to access participant information from multiple program level or agency level management information systems (MIS) for performance measurement, analysis and reporting. The MWIB Performance Sub-Committee should investigate options for developing a shared information system. Such a system might take the form of a single data warehouse or

utilize a network of existing data systems linked through data sharing and exchange agreements. The MWIB Performance Sub-Committee should determine the programs and services to be included in the performance management system to start with (in 2008 and 2009) and in the long run by 2012. The Performance Sub-Committee should also define the capacity and features required of such a system. For example: Should the system have the capacity to support requests for ad hoc reports or should it be designed to support periodic, standardized reports?

In order to complete this work the MWIB Performance Sub-Committee will need to identify and recommend solutions for several key issues. Such issues may include, but are not limited to:

- (1) How to develop shared ownership and accountability for workforce development goals among programs/ agencies that are part of different secretariats and have different federal and state mandated standards.
- (2) Participant-level data for various programs are governed by privacy and confidentiality concerns and state or federal policies/regulations, such as the Family Educational Rights and Privacy Act (FERPA), which may restrict ability to share data across organizational boundaries.
- (3) Whether the costs of establishing a shared information system outweigh the potential benefits.

iii) Develop Cost Benefit Analysis

The MWIB Performance Sub-Committee should, with staff support from the inter-agency workgroup, develop an estimate of resource (staff, software, hardware) and legislative/regulatory requirements for implementing the recommendations for a shared information system. This estimate should include an analysis of costs and benefits of implementing such a system.

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and EOLWD) with evaluating existing performance standards by June 30, 2009.

The MWIB Performance Sub-Committee should consider the following inputs in order to evaluate existing performance standards:

- (1) The current goals of the program or agency, often established by federal agencies that provide the primary funding.
- (2) The needs of the Commonwealth's residents and workforce
- (3) The Massachusetts economy and the needs of local employers
- (4) The current and recent performance of programs and activities.
- (5) The current and recent performance of similar programs in comparable states.
- (6) Benchmarks and performance standards in states with a performance management system and the methodology used to establish these performance standards. Among the states to be considered in this regard are Washington, Virginia, Florida, and California.

D. Annual Performance Reports

Recommendation: Charge the MWIB Performance Accountability Sub-Committee (with staffing support from Commonwealth Corporation and the inter-agency workgroup) with completing the following tasks by November 30, 2008:

i) Analyze the process followed to develop the first annual (FY06) performance reports and develop plan to enhance FY07 Performance Reports, including:

- (1) adding programs,
- (2) clarifying definitions and terms, and
- (3) developing standardized performance-reporting requirements for contracts with organizations receiving FY08 earmarks in DWD line items.

The first set of performance reports (FY06 reports submitted on October 31, 2007) were developed by Commonwealth Corporation staff obtaining data from the key agency staff. The Performance Sub-Committee should begin by reviewing these reports with key agency staff to understand program operations as well as implications for performance and accountability. The Sub-Committee should also determine whether to add programs and agencies to the list of agencies/programs to be included in the FY07 performance reports (to be submitted by June 2008).

The Executive Office of Labor and Workforce Development, on behalf of the MWIB Performance Sub-Committee, should submit FY07 Performance Reports to the legislature by June 30, 2008. The inter-agency workgroup should clarify definitions, propose a plan to move toward consistent definitions and terms, and develop draft FY07 performance reports for review by the MWIB Performance Sub-Committee. Key workforce development agencies will develop performance reports consistent with the formats used for developing the first annual reports (Attachment F). Agency and program staff should prepare the reports for review by the MWIB Performance Sub-Committee by April 30, 2008. The inter-agency workgroup should also develop a set of standardized reports for contracts and organizations receiving “earmarks” or funding through various workforce development-related line items in the Massachusetts budget.

ii) Initially Focus on Two Core Measures Categories – Employment and Skills Gains

It is proposed that for the next few years, the MWIB Performance Sub-Committee focus on two of the four Core Measures categories – Employment and Skill Gains. All statewide programs to be included in the second annual (FY07) report should provide outcome data in two performance categories: employment impact and skill building impact. It is proposed that programs provide information on both actual results as well as goals or planned level of performance for such indicators (and the basis or rationale of the established goals). While programs should be requested to provide, to the extent available, information on any business impact and customer satisfaction measures utilized by the program, not all programs will have goals and/or results in these categories.

- (1) The key employment impact measures include:

- a) Entered Employment Rate – percent of all participants/students who obtain employment after participation in activities and services. Primarily for unemployed and underemployed individuals receiving employment, education and/or training services for new employment opportunities.
 - b) Employment Upgrade Rate – percent of all workers who obtain an employment upgrade, promotion and/or wage increase after participating in activities and services. Primarily for incumbent workers receiving education and training services to advance their skills.
 - c) Average and median wages or earnings after participation in activities; as appropriate, wages as a percent of pre-program entry wages.
 - d) Retention in employment at a subsequent follow-up point after participation, preferably three to six months after the end of participation.
 - e) Average and median wage or earnings at six month follow-up; as appropriate, follow-up wages as a percent of wages at initial post-program employment.
- (2) The key skills building impact measures include:
- a) Educational Credentials – percent of all participants/students who obtain a recognized educational credential (diploma, GED, degree, certificate) after participating in education and training that leads to such credentials.
 - b) Occupational Skills Credentials – percent of all participants who obtain a recognized skills credential (industry-recognized certificate, degree, license) after participating in education and training that leads to such credentials.
 - c) Basic Education or Literacy Advancement – percent of participants who achieve an improvement in basic education or English literacy as measured by pre/post testing after participating in basic education or ESOL activities.

It is proposed that, in addition to outcome data in the performance categories outlined above, programs provide information on the demographics and characteristics of their participants as well as on the key components, activities and services wherever available. The programs should also submit program data on enrollments and funding to facilitate a calculation of cost per participant (or student or organization) and other efficiency measures. It is further recommended that programs with information on program results not easily classified into the above categories provide such data (on a voluntary basis). Examples of such results might include impacts on the community from participants and businesses served or retention in school for at-risk youth served in programs.

It is proposed that programs not meeting a substantial number of their established goals, including any such goals negotiated with the federal government, should include a narrative explaining the circumstances of the performance difficulties and corrective action steps being taken to resolve the deficiencies.

In order for annual performance reports to be timely and useful for planning and budgeting, annual performance reports should be available earlier than June of the following year, the date originally specified in the Economic Stimulus Bill. The MWIB Performance Sub-Committee should submit FY08 Performance Reports to the legislature by November 30, 2008.

iii) Update Workforce Investment Profiles

The Commonwealth Corporation, with the support of the Massachusetts workforce development agencies and programs, has been developing "Workforce Investment Profiles" which contain information on program goals and key activities, sources of funding, number of persons served, and use of funds in each Workforce Investment Area of the state. The Commonwealth Corporation, with the support of the inter-agency workgroup, should update the profiles by March 2008 and thereafter by October 31 of each year.

V. Research Design to Analyze Governance and Coordination of the Workforce Development System

Recommendation: Charge the Commonwealth Corporation (under the guidance of the MWIB Performance Sub-Committee) with conducting a qualitative research study to identify the governance and coordination issues associated with the workforce development system's capacity to meet the needs of key user groups.

As discussed in Section III, Part C, Summary of Task Force Activities and Products, the task force and the Research Design committee identified user groups and research questions to guide the research. The following provides an overview of the key research activities for the period of December 2007 through June 30, 2008. The MWIB Performance Sub-Committee (and a Research Design committee) should continue to provide guidance to the Commonwealth Corporation throughout this period.

i) Identify research settings.

These will be state and community based workforce development agencies in four workforce investment board regions. The regions will be selected to provide diversity in terms of population, density of service providers, and geography. Target regions are:

- Worcester
- North Shore
- Franklin/Hampshire
- Southeast (specific region to be determined)

The Research Design committee, workforce investment board staff, and regional stakeholders will assist in identifying organizations and individuals within each region to target for interviews. Targeted regional/local organizations are likely to include, but will not be limited to: workforce investment boards, career centers, adult basic education providers, community colleges, local offices of the Massachusetts Rehabilitation Commission, and community based organizations serving refugees and immigrants.

ii) Review relevant program data, including workforce investment profiles, performance reports and regional labor market information.

iii) Develop interview protocols.

These will guide interviews and focus groups with several types of individuals: system users, line staff, local managers, and state agency managers as well as other individuals who may have expertise in the performance of the workforce development system.

iv) Conduct interviews and focus groups.

v) Develop profiles of the experiences of key user groups, with particular attention to:

- (1) whether and how frequently simultaneous and/or sequential service by two or more distinct components of the system occurs,
- (2) how likely it is that users will receive coordinated services, and
- (3) how effective service design and delivery is under such circumstances.

vi) Synthesize findings and test with key informants, including senior managers and policy makers.

vii) Identify the governance and coordination issues associated with the workforce development system's capacity to meet the needs of key user groups.

Identify and describe effective coordination practices. Test with key informants, including senior managers and policy makers.

viii) Investigate the governance and coordination structures of other states' workforce development systems.

Targeted states may include:

- (1) Washington
- (2) Kentucky

(3) Oklahoma

(4) Colorado

Some of these states are in the process of redesigning their workforce development system governance and service delivery structures. Others made substantial changes prior to or in preparation for the implementation of the Workforce Investment Act. The investigation of states' structures will address the following:

- a) What problem(s) did/does the redesigned structures attempt to address?
- b) Has it been effective?
- c) How does it relate to improving services and outcomes for key user groups and using public resources more effectively?
- d) Is it relevant/applicable to Massachusetts?

ix) Synthesize findings from investigation of other states' structures. Test with key informants, including senior managers and policy makers.- Summarize findings, addressing the following questions:

- (1) What current policies and practices support coordination between organizations and agencies, leading to effective services for key user groups?
- (2) What are significant gaps in coordination and what are the causes of these gaps?
- (3) What are local innovations in coordination practices that could be adopted system wide and are likely to improve outcomes for key user groups?
- (4) What structures have other states adopted that are relevant to the Commonwealth's objective of improving workforce development system service delivery and outcomes for key user groups?

Recommendation: Charge the MWIB Performance Sub-Committee (with staffing support from the Commonwealth Corporation and EOLWD) with developing

recommendations to address governance and coordination issues identified in the research study by October 31, 2008.

The MWIB Performance Sub-Committee should review the findings of the research study and recommend management practices, professional development priorities, and state and local agency coordination or governance structures that would have a substantial impact on improved service effectiveness and outcomes for key user groups. Such recommendations should include administrative, budgetary and legislative implications.

VI. List of Attachments

All attachments may be viewed at and downloaded from the following web-page:

<http://www.commcorp.org/researchandevaluation/perfaccountability.html>

- A. Text of the Legislation related to the Performance Standards and Workforce Accountability Task Force**
- B. Members of the Performance Standards and Workforce Accountability Task Force**
- C. Core Performance Measures**
- D. Uses and Limitations of Wage Records**
- E. Information on Performance Measurement Models**
- F. Performance Report on Workforce Development Programs and Services, submitted October 31, 2007**
- G. Workforce Investment Profiles Fiscal Year 2006**

Table 1. Massachusetts Workforce Development Performance Management: Two Year Work Plan

Description	2008	2009
Oversight and Policy Framework	<p>MWIB Performance Sub-Committee assumes responsibility</p> <p>Key Informants added to Sub-Committee</p> <p>MWIB Performance Sub-Committee defines policy goals</p> <p>Interagency Working Group convened</p>	<p>MWIB Performance Sub-Committee outlines schedule for including programs/agencies in reports for the period 2008 - 2012</p>
Performance Measurement & Data Sharing	<p>Investigate options for shared information system</p> <p>Define attributes for shared information system</p> <p>Develop cost benefit analysis</p> <p>Report on options for shared information system based on cost-benefit analysis (Oct)</p>	<p>Evaluate existing performance standards (June)</p>
Annual Performance Reports	<p>Analyze process for FY 2006 Performance Reports</p> <p>Update & complete FY '07 Reports (June)</p> <p>Develop and submit FY '08 reports (Nov.) adding additional programs/agencies</p>	<p>Develop FY'09 Workforce Investment Profiles (October) and Annual Performance Reports (November)</p>
Research to Analyze Governance & Coordination	<p>Research completed (June) and Recommendations (October)</p>	

Table 2. Massachusetts Workforce Development Performance Management: Detailed One Year Work Plan

Description	Jan-Mar 2008	Apr- Jun 2008	Jul – Sep 2008	Oct – Dec 2008
Policy Framework	<p>MWIB Performance Sub-Committee assumes responsibility</p> <p>MWIB Performance Sub-Committee defines policy goals</p> <p>Inter-agency Working Group convened</p>	<p>MWIB outlines schedule for including programs/agencies in reports for the period 2008 - 2012</p>		<p>Steps initiated to implement recommendations of MWIB</p>
Performance Measurement & Data sharing			<p>MWIB Performance Sub-Committee completes:</p> <ul style="list-style-type: none"> • Key attributes of shared information system • Cost benefit analysis 	<p>MWIB Performance Sub-Committee reports on options for shared information system based on cot benefit analysis</p>
Annual Performance reports	<p>CommCorp prepares Workforce Investment Profiles FY'07</p> <p>Programs/agencies review Oct 31, 2007 reports & develop FY 2007 report</p>	<p>MWIB Performance Sub-Committee:</p> <ul style="list-style-type: none"> • Reviews FY 2007 report for submission June 2008 • Submits FY 2007 reports to legislature 	<p>Work begins on developing FY 2008 reports with each program/agency</p>	<p>Complete FY 2008 Workforce Investment Profiles (Oct) and FY 2008 Reports (Nov)</p>
Research to analyze Governance & Coordination	<p>CommCorp: Begins evaluation –data – collection</p>	<p>CommCorp completes evaluation study</p>	<p>MWIB Performance Sub-Committee makes recommendations.</p>	