**REPORT OF THE VIRGINIA
SECRETARY OF LABOR**

Preliminary Report on Recommendations for Improving the Effectiveness and Efficiency of Virginia's Workforce Development System (Chapter 625, 2023)

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**

SENATE DOCUMENT NO. 4

**COMMONWEALTH OF VIRGINIA
RICHMOND
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Secretary of Labor's Preliminary Report on Recommendations for Improving the Effectiveness and Efficiency of Virginia's Workforce Development System
Per Virginia Code Chapter 624 Enactment Clause Item 9

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Enabling Legislation

Session Chapter 624 Enactment Clause Item 9:

That the Secretary of Labor shall conduct a comprehensive review of the Commonwealth's workforce development programs and provide recommendations to address a wide range of subjects relating to improving the effectiveness and efficiency of such programs, including (i) the adequacy of collaboration among such programs; (ii) the organization, powers, and duties of the Department of Workforce Development and Advancement, established pursuant to §2.2-2035 of the Code of Virginia, as created by this act; (iii) the operations of the local workforce investment boards and the geographic areas served by such boards; and (iv) the proper role of the Virginia Community College System in supporting workforce development efforts. The Secretary of Labor shall submit a preliminary report to the Governor and the General Assembly by November 30, 2023. The final report shall be submitted to the Governor and the General Assembly by June 30, 2025.

Background *(i. Adequacy of Collaboration among Workforce Programs)*

Historically, Virginia's workforce development ecosystem has operated in fragmented, siloed, and reactive ways instead of taking a coordinated, forward-looking, and dynamic approach to fulfill the needs of Virginia's employers and workforce, today and in the future. Prior to the 2023 General Assembly, Governor Glenn Youngkin and Secretary of Labor Bryan Slater prioritized the modernization and enhancement of the many disparate components of workforce development in Virginia, starting with alignment of a broad group of stakeholders around a shared definition of what "workforce development" means for the Commonwealth. This effort shaped the vision for Virginia Works (aka the Department of Workforce Development and Advancement, Virginia's new workforce agency) and, thanks to the support and help of the General Assembly, the passage of bipartisan legislation to create the agency and mandate the coordination and performance measurement of workforce development programs across the Commonwealth (both those within the agency – WIOA Title I job-seeker services, apprenticeships, rapid response programs, and more – and those which reside in other state agencies – WIOA Title II (adult education – DOE), G3 & other programs at VCCS, and more). With the agency established on July 1, 2023, Virginia's efforts to coordinate a truly cohesive hub-and-spoke ecosystem model for workforce development, with Virginia Works as its backbone.

The Vision for Virginia Works *(ii. The Organization, Powers, and Duties of the Department of Workforce Development and Advancement)*

Virginia's **NATION LEADING** workforce ecosystem will equip Virginians with the skills they need and enables employers to **ATTRACT, GROW, AND RETAIN** them – ensuring the future of a thriving Commonwealth. In parallel with the stand-up of Virginia Works, we will accelerate the **COORDINATION, ENHANCEMENT, AND FUTURE-READINESS** of the Commonwealth's many

workforce programs and stakeholders across the government and broader ecosystem through a formal process.

The Guiding Principles of Virginia Works

- Coordinated service delivery that is easily accessible to all Virginians
- Best-in-class centralized data collection to inform decision-making
- Agile, innovative, and responsive system and programs to address both the state and local workforce needs
- Consistent, transparent, and standardized metrics to measure program success
- Single entry point, "no wrong door" approach to connect employers and job seekers to opportunities
- Responsive to employer and job seeker needs – customer-focused in every way
- Business and industry involved in training and curriculum development

Agency Stand-Up Activities

The establishment of the DWDA, including the transition of people, programs, services, and systems, is taking place over three distinct phases and will run through FY 2025. They include:

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PHASE 1: AGENCY PLANNING (COMPLETE) (April '23 – July '23)	PHASES 2&3: VIRGINIA WORKS STAND UP & DISCOVERY (UNDERWAY) (July '23 – July '24)	PHASE 4: DRIVING SUCCESS (UNDERWAY) (July '24 – July '25)
✓ Conducted a baseline data call. ✓ Developed a Memorandum of Understanding (MOU). ✓ Designed the Implementation, Communications, and Change Management Plans. ✓ Stood up agency transition workstreams.	✓ Auditing and discovering all current programs associated with Workforce Development. ✓ Developed the Organizational Design of Virginia Works. ➤ Identifying Standard Operating Procedures and upcoming activities. ➤ Discovery of agency improvements and efficiencies. ➤ Functionally transitioning people, programs, services, and systems. ➤ Implementing the change management activities to cultivate the Virginia Works culture. ➤ Documenting program evaluation criteria methodology.	➤ Refine and support the implementation of success metrics for each workforce development program. ➤ Support and drive the measurement of improvements across all workforce programs. • Deliver agency improvements and efficiencies. • Perform an evaluation of government-wide workforce programs. • Train and coach personnel as needed to drive improved program outcomes.

KEY ACTIVITIES

A detailed implementation plan, inclusive of major milestones and associated activities, was developed with leadership and key stakeholders, and is refined regularly as needed, and tracked in a project management tool.

Agency Planning (COMPLETE)

- Conducted a baseline data call to inform understanding of the people, programs, services, and systems moving to the new agency.
- Developed a Memorandum of Understanding (MOU) to outline the roles and responsibilities of key agency activities to maintain continuity of operations.
- Hosted numerous visioning sessions and designed the Implementation, Communications, and Change Management Plans for the transitioning agencies and programs for an efficient shift to the new agency.
- Stood up agency transition workstreams to facilitate program-specific activities.
- Launched Stakeholder Advisory Group to convene quarterly and advise on the process of establishing the agency for its long-term success.

Agency Stand Up (UNDERWAY)

- Transition people, programs, services, and systems to the new agency to facilitate program service delivery continuity. (Complete)
- Hold monthly employee town halls and other engagement opportunities to encourage two-way dialogue on staff questions and share input on key decisions like the agency's Virginia Works logo.
- Work with the transition workstream leads to identify and refine agency-specific standard operating procedures and upcoming activities. (Complete)
- Develop an organizational design of the DWDA that includes the proposed span of control and reflects the agency's strategic objectives and operating model. (Complete)
- Implement the change management activities to cultivate the DWDA culture and provide resources for employees pre-, during, and post- transition.
- Begin the design of a single workforce technology hub 2.0 that serves as a single-entry point for customers.
- Discover all programs Commonwealth-wide that are associated with workforce development.

Agency Success (UNDERWAY)

- Launch process reviews and improvement sprints across the agency, with the goal that outcomes are owned and driven forward by staff.
- Refine and support the implementation of success metrics for each workforce development program across the agency and Commonwealth-wide.
- Support and drive the measurement of improvements across all workforce programs.
- Design future-state service delivery model for workforce development across the Commonwealth.
- Launch an integrated, intentional communications strategy around Virginia Works to ensure awareness across all customers and stakeholders.
- Train and coach personnel as needed to drive improved program outcomes.

As Virginia Works continues its implementation journey, this plan will be updated, and dates, milestones, and other activities may change.

Launching the Comprehensive Review *(iii. The operations of the local workforce investment boards and the geographic areas served by such boards; and (iv) the proper role of the Virginia Community College System in supporting workforce development efforts)*

Per the Code of Virginia, the Secretary of Labor has the authority to oversee direction and compliance across all workforce-related programs in the Commonwealth and the associated steps that are being taken to begin tracking key performance indicators across them. See figure below to view the current state of workforce development programs across the Commonwealth.

*DWDA "Lift and Shift" Program List; Organizational Chart Under Development
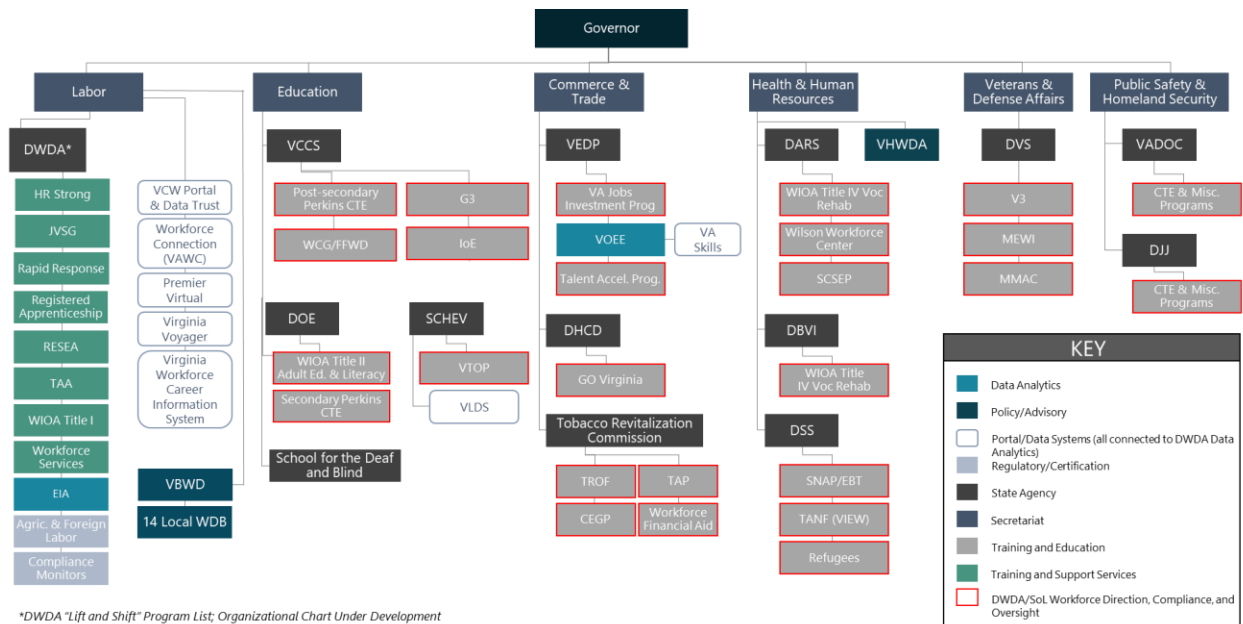
A comprehensive list of workforce-related programs – in addition to those displayed above – has been assembled with the help of many across Secretariats (see next page). A call for involvement was made across Secretariats and agencies at a Commonwealth-wide Workforce Town Hall hosted this past December, where an overview of performance metrics and a timeline for reporting were discussed with over 300 attendees. The list of Commonwealth-wide workforce programs continues to evolve as programs are identified and, going forward, will serve as a living catalog or "ecosystem map" of the Commonwealth's investments and areas of focus for workforce development, supporting data-driven decisions around how to scale and enhance what's working well.

Secretariat	Agency	Program Name
Commerce and Trade	VEDP	Advanced Manufacturing Talent Investment Program and Fund Pilot
Commerce and Trade	VEDP	Talent Accelerator Program
Commerce and Trade	VEDP	Virginia Jobs Investment Program (VJIP)
Commerce and Trade	VIPC	Commonwealth Center for Advanced Manufacturing
Commerce and Trade	VIPC	Cyber Security Institute
Commerce and Trade	VCEDA	Workforce Development Training Fund
Commerce and Trade	DHCD	Growth and Opportunity Fund (GO Virginia)
Education	DOE	Adult Education
Education	DOE	Perkins
Education	DOE	Work Based Learning Coordinators
Education	DOE	Virginia Space Grant Consortium
Education	VCCS	Get Skilled, Get a Job, Give Back (G3) Innovation and Program Grants
Education	VCCS	Institutes of Excellence for Non-Credit Training and Instruction
Education	VCCS	Postsecondary Career and Technical Educations (PERKINS)
Education	SCHEV	New Economy Workforce Credential Grant (aka FastForward)
Education	SCHEV	Innovative Internship Program
Education	SVHEC	SVHEC Workforce Training Programs
Finance	VEDP	Tech Talent Investment
Health and Human Resources	VDH	CNA Nursing Scholarships
Health and Human Resources	VDH	Earn to Learn Nursing Education Acceleration Program
Health and Human Resources	VDH	MMNSP Nursing Scholarships, LPN & RN
Health and Human Resources	VDH	Nurse Educator Nursing Scholarships
Health and Human Resources	VDH	Nursing Preceptor Incentive Program
Health and Human Resources	VDH	Nursing Scholarships Long-Term facility (CAN, LPN, RN)
Health and Human Resources	VDH	Nursing Scholarships Nurse Practitioner / Nurse Mid-Wife
Health and Human Resources	DSS	Refugee Resettlement
Health and Human Resources	DSS	Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T)
Health and Human Resources	DSS	Virginia Initiative for Employment Not Welfare (VIEW)
Health and Human Resources	DARS	Senior Community Service Employment Program (SCSEP)
Health and Human Resources	DARS	State General Vocational Rehabilitation (VR) Program
Health and Human Resources	DARS	Wilson Workforce and Rehabilitation Center (WWRC)
Health and Human Resources	DBVI	Vocational Rehabilitation Program
Labor	DWDA	Employment Service Program
Labor	DWDA	Foreign Labor Certification
Labor	DWDA	Hampton Roads Skilled Trades Rapid On-ramp Network for Growth (HR STRONG)
Labor	DWDA	HR Strong
Labor	DWDA	Jobs for Veterans (JVSG)
Labor	DWDA	Reemployment Services and Eligibility Assessment (RESEA)
Labor	DWDA	Registered Apprenticeship
Labor	DWDA	Trade Adjustment Assistance (TAA)
Labor	DWDA	WIOA Adult
Labor	DWDA	WIOA Dislocated Worker
Labor	DWDA	WIOA Youth
Labor	DWDA	Work Opportunity Tax Credit
Natural and Historic Resources	VMRC	Waterman's Apprentice Program
Public Safety	DOC	Career and Technical Education (Vocational)
Public Safety	DOC	Apprenticeship
Public Safety	DOC	Work Certifications
Public Safety	DFP	Training and Professional Development
Public Safety	DJJ	Workforce Development initiative
Transportation	DMV	Drive to Work
Transportation	DPRT	DRPT Workforce Development - Transportation
Veterans and Defense Affairs	DVS	Military Education & Workforce Initiative (MEWI)
Veterans and Defense Affairs	DVS	Military Medics and Corpsman Program (MMAC)
Veterans and Defense Affairs	DVS	State Approving Agency OJT/ Apprenticeship
Veterans and Defense Affairs	DVS	Virginia Values Veterans (V3)

As part of this effort, programs are being categorized by what they do (training, job placement, business services, other supportive services) and who they support (individuals or employers) and each program has been asked to name a data owner who will be responsible for sharing relevant program data to support metrics reporting (see 6 key performance metrics below). The data intake process has been launched and will be refined on a quarterly basis over the course of this year.

The success of the Virginia Works ecosystem depends upon a thoughtful, measurable, and outcome-oriented approach to strategic planning and a coordinated and thorough review of the programs and service delivery mechanisms that support Virginia's employers and jobseekers at every level. Between now and June 30, 2025, each step in this process will support the development of recommendations and a strategic plan to realize the vision for a truly next-gen service-delivery model for workforce development across the Commonwealth.

Over the next 18 months, the Secretary's Office and the Virginia Works team will:

1. Build the most up-to-date view and analysis of performance, operational structure and operating models, customer experience, technology, physical experience and footprint, and service delivery approaches across each of Virginia's 14 local workforce development areas and American Job Centers, identifying opportunities to scale what works, strengthen common approaches, fill any gaps, and understand acute local and regional workforce needs.
2. Incorporate an understanding of the role of the Virginia Community College (VCCS) across workforce development efforts Commonwealth-wide and opportunities to enhance its coordination as part of the Virginia Works ecosystem.
3. Identify opportunities for enhancement and innovation within the comprehensive American Job Center (AJC) service delivery model to produce a truly unified and consistent "no wrong door" customer experience, enabled by Virginia Works.
4. Identify leading-edge innovations and other opportunities that Virginia may consider in future to scale a nation-leading workforce system, based on best practices across the US and internationally.
5. Identify opportunities to improve collaboration between the state and local workforce development boards to increase impact.

6. Build and scale approaches to sector strategies, beginning with healthcare, that focus on regional models and public-private partnerships.

These six steps, in addition to continued agency stand-up and process improvement efforts that contribute to the complete vision for the future state Virginia Works service delivery model, will form the basis for the comprehensive review and the final report of recommendations to be delivered in June of 2025.