REPORT OF THE VIRGINIA SECRETARY OF LABOR

Comprehensive Review of Virginia's Workforce Development System (Chapter 625, 2023)

TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA



SENATE DOCUMENT NO. 8

COMMONWEALTH OF VIRGINIA RICHMOND 2025

Cover Letter



Office of the Governor

G. Bryan Slater Secretary of Labor

Stakeholders, partners, and constituents of Virginia's workforce ecosystem:

Per Chapter 625; § 60.2-631 (F)(9), I am pleased to share with you this comprehensive review of Virginia's workforce development programs, intended to be a transparent and forward-looking assessment of where we stand today and a clear set of recommendations for where we must go to build on the progress achieved during this Administration and realize our vision of a workforce system that works for every Virginian and every one of Virginia's employers.

As the Commonwealth's economic landscape continues to evolve, so too must the systems we rely on to support job seekers, workers, and employers. This review represents a coordinated effort and the input of multiple state agencies, local partners, business leaders, training providers, and community stakeholders to evaluate the progress made and the strengths, challenges, and opportunities to come.

Our goal is simple but critical: to ensure that Virginia is seen as America's Top State for Talent by aligning our programs, policies, and partnerships with the needs of today's economy—and tomorrow's. Whether preparing high school students for emerging careers, helping laid-off workers pivot into new industries, or supporting employers in finding the skilled talent they need to grow, our approaches must be nimble, outcome-oriented, and data-driven.

This review highlights key findings and specific recommendations in multiple areas, including:

- System coordination and governance, including the roles of key agencies such as Virginia Works (the Department
 of Workforce Development and Advancement) and the Virginia Community College System (VCCS)
- Access and awareness of workforce services across the local workforce system
- The critical role of employer engagement
- Opportunities for continued improvement in performance, accountability, use of data, and technology modernization

We are proud of the progress we've made—but there is work ahead to maintain the momentum. This review is not a final report as much as it is a continued call to action. Going forward, Virginia has a critical opportunity to continue driving towards a workforce system that better meets the needs of our people, businesses, and future. Thank you for your continued partnership and commitment to this effort and to building a stronger Commonwealth through talent.

Sincerely

Bryan Slater

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Executive Summary

In accordance with 2023 legislation, this report provides a comprehensive assessment of Virginia's workforce development ecosystem, with the goal of improving efficiency and effectiveness. The analysis addresses four primary topics: (i) the adequacy of collaboration among programs; (ii) the organization and duties of the Department of Workforce Development and Advancement (Virginia Works); (iii) the operations and jurisdictions of Local Workforce Development Boards (LWDBs); and (iv) the role of the Virginia Community College System (VCCS) in workforce development.

The workforce ecosystem in Virginia encompasses over 60 programs administered by a complex array of state agencies, local entities, and educational institutions. Fragmentation, redundancy, and limited data integration have historically hindered service delivery. However, the current administration and some of its key partners have made significant strides in improving the Commonwealth's workforce development system, facilitating greater collaboration across the ecosystem, standing up Virginia Works, improving operations of local workforce boards, and helping to scale some of VCCS' most effective programs. Some notable accomplishments include:

- Establishing Virginia Works: The administration established a new agency in 2024 to strategically align workforce efforts, marking a significant step toward increasing the efficiency and effectiveness of the Commonwealth's workforce ecosystem.
 Over the last year, the agency has focused on centralizing coordination of programs and launching efforts to improve transparency, develop programmatic partnerships, and strengthen crossagency communication. Virginia Works has established itself as a collaborative ecosystem leader, supporting individuals, local boards, and employers alike.
- Tracking programs, metrics, shared data: Virginia
 Works has begun to advance this vision by creating
 a public-facing program catalog, building a
 foundation for shared, standardized performance
 metrics, and promoting integrated data usage via
 the Workforce Data Trust.

- Improving program service delivery: Virginia Works
 has also been driving improvements to individual
 workforce programs and tools, such as embedding
 Registered Apprenticeship consultants into
 American Job Centers (AJCs) to increase the
 number of apprentices and transitioning
 Workforce Services Representatives (WSRs) to
 Career Navigators to enhance Title III service
 delivery.
- Launching new job-seeker tools: Virginia Works has launched sites like Virginiaworks.gov to streamline the Commonwealth's workforce services and VirginiaHasJobs.com to improve job attainment and the job-seeker experience. VirginiaHasJobs has been an instrumental resource in connecting individuals to apprenticeships and jobs, especially those impacted by federal workforce changes and layoffs.
- Serving residents with flexible job placement services: At the local level, LWDBs continue to play a pivotal role in direct service delivery. Though there is variation in capacity and resourcing across Virginia's 14 regions, boards play an important role in facilitating job placements (often for those with barriers to employment), contributing to high satisfaction among individuals who receive services from local job centers. Many have expanded digital service delivery post-COVID and are participating in coalitions and supporting partnerships to align educational offerings with local labor market and talent needs.
- Expanding VCCS programs that serve the labor market: VCCS remains a cornerstone of Virginia's workforce training infrastructure, delivering both credit and non-credit programs aligned with highdemand occupations. Programs like Fast Forward and G3 have demonstrated strong enrollment growth and alignment to the Commonwealth's labor market. VCCS institutions often act as active sponsors or intermediaries for apprenticeships and have expanded their role in work-based learning through partnerships with employers and state agencies.

Nonetheless, several opportunities remain. To further promote collaboration:

- Virginia Works should lead a process, with relevant Secretaries and agencies, to develop a state-wide workforce development strategy for the Commonwealth. Agencies should align operating plans with this state-wide strategy, and continue cross-agency collaboration through implementation
- Virginia Works should continue to collect metrics on workforce programs across systems, with agencies contributing their program data. Over time, Virginia Works should enable use of this data to inform strategic and programmatic decisions, while providing ample context on differences in programs' objectives, target populations, and constraints
- Several ecosystem stakeholders (including Virginia Works, VCCS, Virginia Department of Education (VDOE), State Council of Higher Education for Virginia (SCHEV), Virginia Economic Development Partnership (VEDP), intermediaries) should collaborate to market a single menu of work-based learning opportunities, and double participation in them
- Virginia Works in partnership with Virginia
 Office of Education Economics (VOEE) should
 leverage the Commonwealth's data and
 analytics assets including the Workforce Data
 Trust, VOEE, Virginia Longitudinal Data System
 (VLDS), and the Economic Information &
 Analytics (EIA) team in Virginia Works to inform
 service delivery decisions and provide
 increasingly consistent, timely, digestible, and
 actionable information to state and region-level
 leaders across economic development,
 workforce, education, and partner systems

Opportunities specifically for Virginia Works include:

- Continue to hone Virginia Works' value proposition and brand, and articulate it clearly and consistently to partners and customers
- Develop mutually-reinforcing, trusting partnership with LWDBs, supporting grant applications, convenings, best practices and content, data and insights, and providing an

- integrated, seamless, omni-channel customer experience
- Continue to build internal agency capacity; further embed a culture of collaboration and customer centricity demonstrated by leadership throughout all levels of the organization, with an initial focus on Title III Career Navigators
- Lead rollout and ongoing enhancement of technology solutions across the ecosystem to improve reach and experience for individuals and employers

At the local level, joint accountability between local boards and other actors can improve outcomes:

- Virginia Works has established a robust accountability framework for LWDBs through the adoption of statewide performance metrics approved by the Virginia Board of Workforce Development. These six core metrics—ranging from job placements to wage growth—are now being operationalized across all local areas. Virginia Works should continue to build on this foundation by refining data collection, setting benchmarks, and strengthening annual performance reviews to ensure consistent, high-quality service delivery statewide.
- Virginia Works should facilitate a process to convene cross-sector, state and local stakeholders to collaboratively define what an effective local workforce development ecosystem looks like. Stakeholders can use this as a basis for constructive ongoing state-region dialogue that spans systems (e.g., economic development, workforce, education, social services in dialogue together)
- Virginia Works and local boards can collaboratively support an integrated, seamless, omni-channel customer experience for individuals and employers including integrated case management and service delivery, and tech-enabled options
- Local boards should increase non-Workforce Innovation and Opportunity Act (WIOA) funding to fill service gaps, support innovation, and respond more flexibly to the evolving needs of individuals and employers

Local actors that engage with employers
 (including LWDB Business Services Teams, Title
 III employees, community colleges, local
 economic development entities, Virginia Works'
 Rapid Response Team, and the Regional Talent
 Solutions & Business Outreach team of the
 VEDP), should proactively drive coordinated
 employer marketing, outreach, and support
 across actors through alignment, collaboration,
 and transparency

Virginia Community College System should work to:

 Expand Fast Forward and other workforce training offerings to provide increased access to

- high-value skills and credentials that align with state workforce development priorities, while continuing to improve outcomes
- Deepen partnerships with other ecosystem players (e.g., Virginia Works, LWDBs) to deliver end-to-end services for customers while fostering coordination to ensure services are aligned and easy for customers to navigate

Addressing these opportunities will help the Commonwealth achieve its workforce goals, including making Virginia the top state for talent.¹ⁱ

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¹ VEDP Strategic Plan, FY25-29

Section 1: Context for this report

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In 2023, the Virginia General Assembly enacted landmark legislation to enhance the Commonwealth's workforce development system. Central to this initiative was the establishment of a new Department of Workforce Development and Advancement—publicly branded as Virginia Works—which officially launched in mid-2024. This new agency consolidates key workforce programs under a single umbrella while also serving as a central coordinator for over 60 workforce-related programs operating across various state and local entities.

In tandem with this structural change, the same legislation ordered 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:

- The adequacy of collaboration among such programs;
- 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;
- The operations of the local workforce investment boards and the geographic areas served by such boards;
- The proper role of the Virginia Community College System in supporting workforce development efforts

To fulfill this directive, the Secretary of Labor engaged a diverse group of stakeholders, including leadership from Virginia Works, directors of all Local Workforce Development Boards (LWDBs), representatives from VCCS, senior officials from other state agencies involved in workforce programming, and leaders from the private sector. These stakeholders provided perspectives on accomplishments to date and opportunities related to the

topics above, including ways the system can collaborate more effectively, Virginia Works and local boards can partner more strategically, local boards can deliver better customer service, VCCS can align with local partners, and how the entire ecosystem can deliver high-quality talent to employers, among others; these insights served as invaluable inputs to this report. A full list of the participating stakeholders is included in the appendix.

This review comes at a time of both challenge and opportunity. Nationally, the workforce landscape is marked by uncertainty, but also potential. Federal funding for workforce development, which is where most of the Commonwealth's workforce funding comes from today, is under scrutiny, with proposed consolidation of multiple workforce funding streams into a single block grant to each state. This change would likely impact the current local model, potentially altering allocations to local boards and reducing federal reporting requirements, while providing states more flexibility to deliver integrated workforce services. Concurrently, the emergence of generative artificial intelligence (GenAI) technologies is rapidly transforming the labor market—disrupting industries, reshaping skills demands, and creating new opportunities for workforce development (both in terms of upskilling individuals in GenAl and, for example, using the technology to create customized training content). Locally, Virginia is experiencing workforce changes as well, particularly in areas historically dependent on federal and contractor employment. These changes are influencing the composition of individuals seeking workforce services and offer an opportunity to modernize service delivery—through omni-channel models and enhanced digital platforms—to better meet evolving customer needs. The Commonwealth's capacity to adapt with agility and provide high-quality, user-centered services will be crucial. Finally, with a gubernatorial transition in 2026, this report also serves a future-oriented purpose: to document the progress made under the current administration and to outline steps necessary to

maintain and build upon recent reforms, ensuring that momentum carries forward across administrations.

This report is organized into six parts. Following this context (Section 1), Section 2 presents an overview of Virginia's workforce development ecosystem. Sections 3 through 6 correspond to the four focus areas outlined in

the legislative mandate. Each of these sections provides relevant context, highlights recent accomplishments, and delivers targeted recommendations to build on the progress to date and further enhance the effectiveness and efficiency of Virginia's workforce development system.

Section 2: Overview of workforce ecosystem

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2.1 Virginia's workforce development ecosystem supports both individuals and employers in order to advance the economy and help Virginians thrive

The workforce development ecosystem in Virginia is a complex network of organizations that interact with job seekers, employers, and each other in many ways at the local, regional, and state levels. The ecosystem includes all those who are working toward one or both of two goals: supporting <u>individuals</u> in advancing skills and finding, gaining, and retaining employment, and supporting <u>employers</u> in their recruitment, development, and retention of talent. The ecosystem's objective is to "advance economic stability and growth by preparing and connecting job seekers with employers who seek to hire through [the workforce development ecosystem's] training providers and network of professional partners," even as ecosystem actors may prioritize or focus on one of these two goals differently.

This report has a primary focus on what is commonly considered to be the Commonwealth's formal "workforce system," which includes:

- The Department of Workforce Development and Advancement (with the external brand of Virginia Works) at the state level
- Virginia Career Works as the network of workforce development offices (also known as American Job Centers (AJCs),³ one-stop centers / offices, or Virginia Career Works Centers and participating partners) organized at the local level into 14 Local Workforce Development Areas (LWDAs), each overseen by a board known as a Local Workforce Development Board (LWDB).⁴

 Programs in the Commonwealth funded under WIOA federal legislation which supports "job seekers' access to employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy"⁵ⁱⁱ

Another primary focus area for this report is the credit and non-credit workforce training programs offered by VCCS, intended to prepare students for immediate entry into the workforce and commonly referred to as its "workforce development" functions that exist at each community college.

Virginia's broader workforce ecosystem is inclusive of a number of state agencies that provide training, education, and related support services in partnership with Virginia Works (e.g., the Department for Aging and Rehabilitative Services ("DARS"); Department of Veterans Services ("DVS"); the Department of Education ("VDOE") which administers adult education services under Title II of WIOA as well as overseeing the broader preK-12 education system; economic development organizations at the local, regional, and state level; four-year higher education institutions; community organizations focused on providing career navigation support and supportive services; and capacity-building entities like the Department for Housing and Community Development (through their GO Virginia program) that provide significant financial support to launch and scale efforts aligned to traded sectors on a regional level.

² Virginia Career Works Mission Statement, as of June 2024

³ Note that while these workforce development offices are known by many names, they will be referred to in this report as AJCs for standardization

⁴ See the Appendix for a map of LWDAs

⁵ DOL Additional detail on WIOA may be found in Section 2.4

2.2 The Commonwealth is facing growing labor needs, which are largely, but not fully, met by its strong talent pipeline

The Virginia Economic Development Partnership (VEDP), the state-level economic development entity in Virginia, categorizes businesses as Traded sectors, businesses selling all or most of their production to out-of-state customers⁶ or Non-Traded sectors, businesses that primarily serve local customers, competing with other non-trade employers for in-state sales.⁷ Another way to categorize businesses is by

size (number of employees). These are overlaid in Exhibit 1. On balance, Virginia businesses are more likely to be Non-Traded, and the vast majority of businesses have fewer than 50 employees. A small portion (~1%) are startups – companies in the first stages of operations, with high growth potential.

Exhibit 1

Number of Virginia firms by size and sector, as of July 2024⁸ⁱⁱⁱ

Firms: # (%) by segment Employees: # (%) by segment	Less than 50 employees 149K (92%) 861K (26%)	50-300 employees 7K (4%) 536K (16%)	300+ employees 6K (4%) 1.9M(58%)
Non-traded ¹ 111K (69%) 2.1M (62%)	104K (64%) 633K (19%)	4K (3%) 335K(10%)	3 3K (2%) 1.1M (34%)
Traded ² 50K (31%) 1.3M (38%)	45K (28%) 228K (7%)	3K (2%) 201K (6%)	3K (2%) 824K (25%)
l		tups ((1%)	

Five occupational groups make up ~45% of all employment in Virginia: Office and Administrative Support (10.5%), Business and Financial Operations (9.7%), Sales and Related (8.8%), Food Preparation and Serving (8.4%), and Transportation and Material Moving

(7.8%). ^{9iv} While the importance of each industry in local economies varies, the five industries are consistent across regions; for example, office and administrative support is the topmost occupational group for 6 of the 14 LWDAs (see Exhibit 2).

and Remediation Services, Education Services, Retail Trade, Arts, Entertainment, and Recreation, Healthcare and Social Assistance, Accommodation and Food Services, Other Services

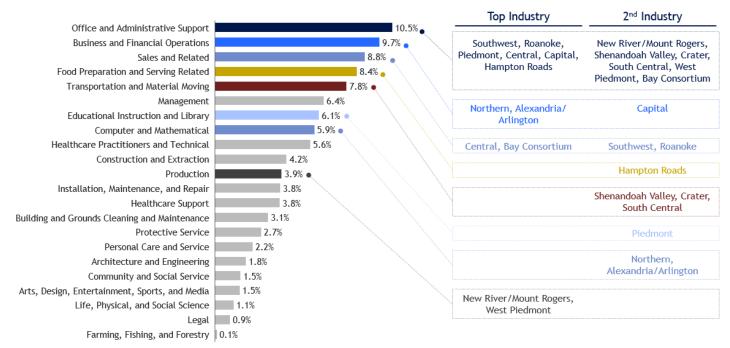
⁶ Traded sectors include Agriculture, Forestry, Fishing, and Hunting, Mining, Quarrying, and Oil and Gas, Manufacturing, Wholesale Trade, Transportation and Warehousing, Information, Finance and Insurance, Professional, Scientific, and Technical Services, Management of Companies and Enterprises

⁷ Non-Traded sectors include Utilities, Construction, Real Estate, Administrative and Support, and Waste Management

⁸ Statistics of U.S. Businesses

⁹ Virginia Works

Exhibit 2 Share of Virginia's Employment by Industry and Top Industries by LWDA, as of 2024^{10v}



Like in other states, Virginia's workforce development ecosystem is also "proactively reactive" – looking ahead and preparing individuals to pivot in response to emerging skill needs and economic trends that change employers' needs. Five specific occupations are projected to have the highest employment growth from 2020-2030: Food and Beverage Workers (18% growth); Business Operations Specialists (11%); Material Moving Workers (15%); Health Diagnosing and Treating Practitioners (13%); and Motor Vehicle Operators (15%). These occupations include specialized roles that require specific certifications, including American Heart Association CPR & First Aid, Commercial Driver's License, and Nursing. Other occupations are expected

to see a decline through 2030, including Secretaries and Administrative Assistants, Financial Clerks, Other Office and Administrative Support Workers, Supervisors of Sales Workers, and Legal Support Workers, partially due to Artificial Intelligence and automation. 12vii

Labor needs are largely met by Virginia's strong labor force that outperforms national averages on multiple fronts. Job openings as a percent of total employment in the Commonwealth exceed the U.S. average and have trended positively since 2020 (see Exhibit 3). Over the same time, unemployment rates in Virginia have declined and remained consistently below the U.S. average (see Exhibit 4).

¹⁰ <u>Virginia Works - Virginia's Workforce Development Agency</u> This analysis was initially conducted in July 2024, and thus may over or underestimate the size of some segments compared to current estimates.

¹¹ Virginia Works, Virginia Combined State Plan, 2024-2027

¹² Virginia Works, Virginia Combined State Plan, 2024-2027

Exhibit 3 Job openings as percent of employment for the U.S. and Virginia, seasonally adjusted, as of July $2025^{13 \text{viii}}$

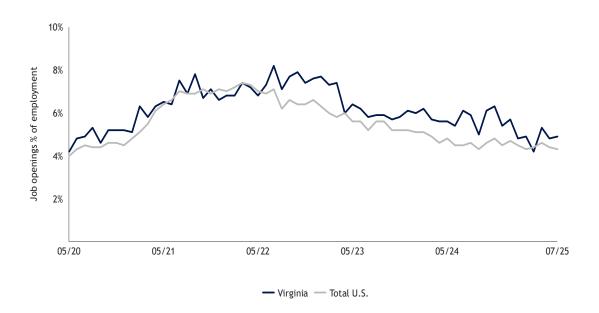


Exhibit 4 Unemployment rate for the U.S. and Virginia, as of July 2025^{14ix}

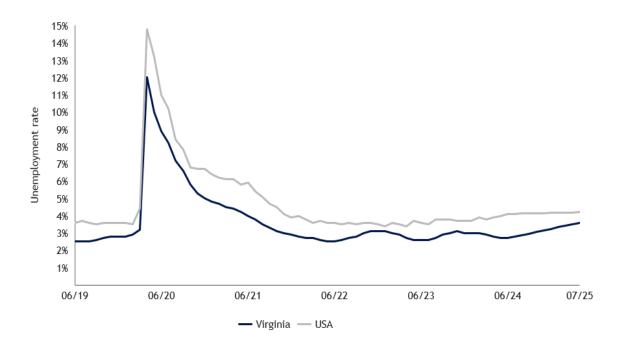
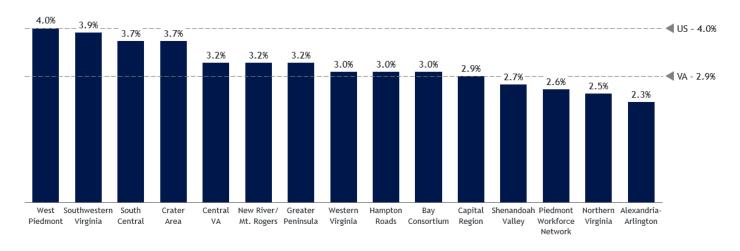


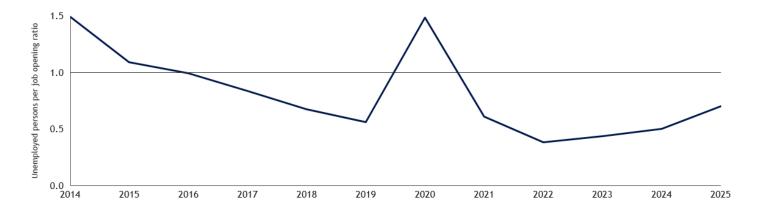
Exhibit 5
Virginia 2024 annual average unemployment rates by LWDA^{15x}



Since the economic shock of COVID-driven job loss in 2020, Virginia has developed and maintained a job

surplus (see Exhibit 6), with more jobs available than job seekers.

Exhibit 6
Virginia unemployed persons per job opening ratio, as of 2025^{16xi}



Virginia's active labor force has remained relatively consistent over the past five years, with only a $^{\circ}0.6\%$ annual growth rate over the past five years. This growth has slowed down, however; experiencing a slight

decrease between 2024 and 2025. Additionally, the labor force participation rate in Virginia is above that of the U.S. overall (65.4% vs. 62.4% respectively) (see Exhibit 7).

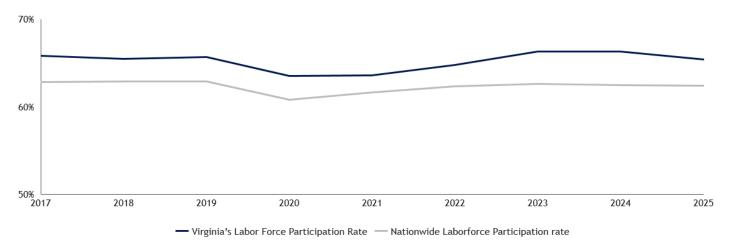
¹⁵ Virginia Works

¹⁶ U.S. Bureau of Labor & Statistics

Exhibit 7

Virginia total population 16 years and over vs. national average, labor force Participation, as of 2025^{17xii}

Percent of Virginians and of Americans across all states who are of working age, and participate in the workforce (seasonally adjusted annual average)



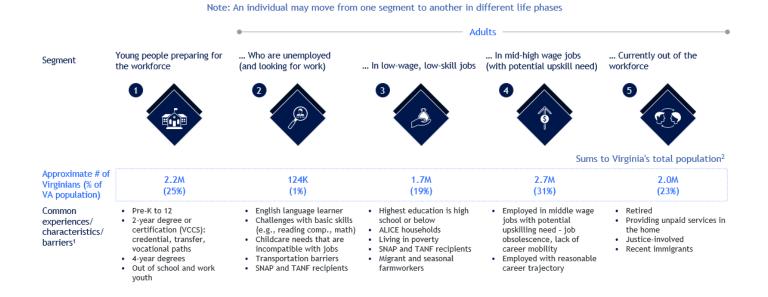
¹⁷ FRED Economic Data, 2025

2.3 Every individual in Virginia has a unique relationship to the workforce – segmenting common phases, experiences, and characteristics can help the Commonwealth's workforce ecosystem actors better serve their needs and opportunities

The Commonwealth's population can be segmented based on current relationship to the workforce and some of the common experiences and characteristics of that relationship (i.e., employment status, education level and skill development, barriers to participation,

familial environment, and other lived experiences). Exhibit 8 presents five customer segments of the workforce and the estimated number of Virginians in each

Exhibit 8 Understanding the individual customer by relationship to workforce¹⁸



This point-in-time snapshot captures how the workforce development ecosystem typically offers workforce education and training, as well as supportive or "wraparound" services, to each segment or group. However, it is important to note that the picture is not static: individuals move, often non-linearly, across these segments over the course of their lives and career journeys. In addition, not all members of each of these segments will be served by the workforce system for a variety of reasons (e.g., students going immediately to 4-year higher education, professionals not pursuing

upskilling). However, the Commonwealth can begin to track the penetration rate across each of these segments and monitor the percent of individuals in each category being served over time (with the goal of increasing the penetration rate, but never reaching 100%).

Young people preparing for the workforce

The <u>first segment</u> of the population is the group of young people below the age of 24 who are preparing to enter the workforce for the first time, estimated at

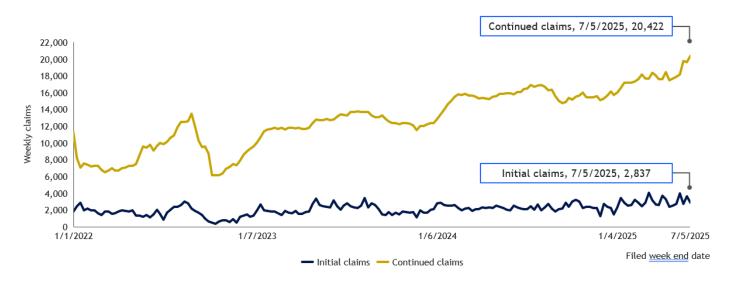
¹⁸ This analysis was initially conducted in July 2024, and thus may over or underestimate the size of some segments compared to current estimates. As of July 2024, note: Individuals in an archetype may belong to one or more of the subsegments; Sources: U.S. Census; SCHEV; Strada Education Foundation; Virginia DOE; Public News Service; DataUSA.IO; Virginia Navigator; Education.gov; Commonwealth Institute; WIOA; Talk Poverty, VDSS; Pew Research; Career Minds

roughly 2.2 million Virginians, or 25% of the population. It includes young people in both the preK-12 and postsecondary education systems, including nondegree certification / credential and 2- and 4-year degree programs. These systems serve ~1.5 million students through pre-K-12 public and private schools, ~400 thousand through public and private 4-year higher education institutions, and ~160 thousand students under the age of 24 through VCCS. The segment also includes 94 thousand disconnected youth (~9% of young people^{19xiii} in the state, as of 2023), or young people aged 14-26 who are not engaged in the workforce but are also not engaged in an educational system (i.e., have dropped out of high school, are not actively in any postsecondary education or training programs, and do not yet have a job).

Adults who are unemployed (and looking for work)

The <u>second segment</u> of the population is the group of adults who are experiencing unemployment and may be eligible for unemployment benefits: 124 thousand Virginians in May 2024, or ~1% of the population. ^{20xiv} This population typically includes adults with significant barriers to employment, including childcare needs, lack of access to reliable transportation, low English proficiency, lack of affordable housing, addiction and mental health challenges, and educational gaps in subjects like reading comprehension and basic math. While the size of the segment has varied (see Exhibit 9), the number of initial unemployment claims has stayed fairly constant since January of 2022, reflecting the low rate of unemployment in Virginia and the "hot" job market with more vacancies than seekers.

Exhibit 9
Virginia Weekly Unemployment Insurance Claims Activity, as of July2025^{21xv}



Adults who are in low-wage, low-skill jobs

The <u>third segment</u> of the population is the group of adults who are participating in the workforce, but are employed in low-wage, low-skill jobs: roughly 1.7 million Virginians, or ~19% of the population. For the

purposes of this report, this segment has been defined as Virginians earning below \$70 thousand in annual household income, based on the U.S. Department of Housing and Urban Development's definition of low-income as earning below 80% of the median income of a county or metropolitan area. (Note that Virginia's

¹⁹ The Annie E. Casey Founcation, <u>Kids Count Data Center</u>

 $^{^{20}}$ Since the analysis was initially conducted in 2024, this estimate has increased to $^{\sim}156k$, which is reflected in the text

⁽but varies from the estimates in Exhibit 8). Source: <u>Virginia</u> <u>Works</u>

²¹ Virginia Works

median household income is \$87 thousand.)
Subsegments of this population include Virginia residents whose highest educational attainment is high school or equivalent (or below), those living in poverty, ALICE (Asset Limited, Income Constrained, Employed) households, those who are adult SNAP (Supplemental Nutrition Assistance Program) and TANF (Temporary Assistance for Needy Families) recipients, and migrant and seasonal farmworkers. Note that these subsegments are not mutually exclusive—an individual may be represented by multiple of these experiences.

Adults who are in mid- and high-earning jobs

The <u>fourth segment</u> of the population is a broad group of adults who are participating in the workforce and are in mid- to high-earning jobs (for the purposes of this report, above \$70 thousand in annual household income): roughly 2.7 million Virginians, or ~31% of the population. The lower end of earners in this segment would still be considered part of the ALICE population, defined as households that earn above the Federal Poverty Level but cannot afford the basic cost of living in their county. ^{22xvi}

Given the large range of income and skill level across this segment, there is also a large range in services the group may seek from the workforce development ecosystem, and not a perfect correlation between earnings and need. For example, some higher-wage earners may be at risk of job obsolescence with the rise of Artificial Intelligence technologies and choose to upskill or reskill, while other "middle skill, mid-wage" earners (e.g., in certain trades) may have fewer immediate skilling needs – and both may seek support to access childcare if they also have young children.

Adults who are currently out of the workforce

The <u>fifth segment</u> of the population is the group of adults who are currently out of the workforce, meaning not employed and not currently seeking employment, and are therefore not considered as part of unemployment in segment two: roughly 2.0 million Virginians, or ~23% of the population. This population is largely comprised of older adults not seeking to re-enter the workforce – roughly 1.5 million Virginians who consider themselves retired. Beyond retirees, there are four (not mutually exclusive) subsegments of people who, despite longer periods of unemployment, may be looking to enter the workforce:

- Those not seeking a job due to challenges with their immigration status: ~200 thousand^{23xvii}
- Those who currently provide unpaid services in the home, such as stay-at-home parents: ~150 thousand^{24xviii}
- Those who have a justice-involved background creating barriers to employment: ~50 thousand^{25xix}
- Those who recently immigrated to the U.S.: ~25 thousand ^{26xx}

²² United for Alice; United Ways for Virginia

²³ Migration Policy Institute

²⁴ Women Work

²⁵ Prison Policy Initiative

²⁶ Cardinal News

2.4 The formal workforce development system plays an important but targeted role in serving these segments

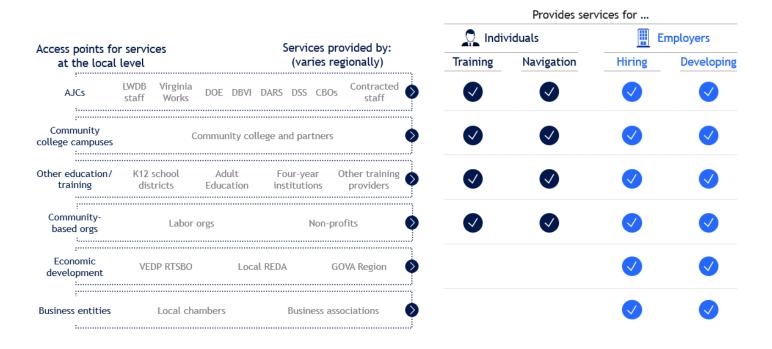
The actors that serve these segments form a complex workforce development ecosystem at the state and local level:

- Formal "Workforce system:" (1) Virginia Works at the state level, (2) LWDBs at the local level (see the Appendix for their governance structure) and the AJCs they operate, and (3) Programs funded by WIOA
- VCCS: The credit and non-credit workforce training offered by VCCS intended to prepare students for immediate entry into the workforce and commonly referred to as "workforce development" functions that exist at each community college
- Partners in the workforce development ecosystem: Including but not limited to the Virginia Department of Social Services (VDSS), Virginia Department for Aging and Rehabilitative Services (DARS), Virginia Economic Development Partnership (VEDP), Virginia Department of Housing and Community

Development (DHCD), Virginia Department for the Blind and Vision Impaired (VDBVI), Virginia Department of Labor and Industry (DOLI), Virginia Department of Education (VDOE), Veterans Education Transition and Employment (VETE) within the Virginia Department of Veteran Services, and the Department of Corrections (VDOC)

At the local level: Exhibit 10 illustrates how the workforce development ecosystem operates at the local level, where workforce system customers can access services through different entry points. Most of these entry points (e.g., AJCs, community colleges) serve both individuals and employers, while some, such as economic developers and business entities, provide only employer services. The AJCs are also noteworthy because they consolidate many different services into one entry point, including access to WIOA programs, any additional programs run by LWDB staff, Virginia Works programs, and many other programs hosted by required partners.

Exhibit 10 Workforce development ecosystem at the local level²⁷



²⁷ Interviews with stakeholders

Overview of AJCs

American Job Centers (AJCs) are centers where workforce development services and activities are made available to the citizens of the Commonwealth of Virginia. LWDBs are responsible for evaluating and certifying the centers in their LWDA and managing the operators of the centers.

A host of programs are made available at the centers, largely from a set of required partners who deliver federally mandated services. These programs include:

- Programs authorized under the WIOA Titles (see Section 1.4.1), including:
 - o Title I Adults, Dislocated Workers, and Youth
 - o Title II Adult Education and Family Literacy
 - Title III Wagner-Peyser Employment Services
 - Title IV Vocational Rehabilitation
- The Senior Community Service Employment Program (SCSEP)
- Carl D. Perkins Career and Technical Education Programs at the postsecondary level
- Trade Adjustment Assistance
- Jobs for Veterans State Grants
- Community Services Block Grant (CSBG) employment and training activities
- U.S. Department of Housing and Urban Development (HUD) employment and training activities
- Programs authorized under state unemployment compensation laws.
- Reentry Employment Opportunities (REG)
- Temporary Assistance for Needy Families (TANF)
- Job Corps; YouthBuild; Native American programs; and Migrant and Seasonal Farmworker programs

In addition to these programs, AJCs frequently host community-based organizations and provide additional programs or services that the LWDB receives grant funding to carry out.

Overview of services provided by the formal workforce system at the local level

This section of the report focuses on how individuals access job seeker support through AJCs at the local level, services that largely focus on job search and placement, career coaching, resume support, skills assessments, and access to education and training funded by WIOA. It also briefly covers the latest unemployment insurance benefits received by residents of the Commonwealth.

Unemployment insurance: For the week ending June 7, 2025, residents of the Commonwealth filed roughly

~3.3 thousand new claims and ~19.6 thousand continued claims. ²⁸ These are available to adults who are short-term unemployed and are provided by the Virginia Employment Commission.

WIOA was signed into law by the federal government in 2014 and supports "job seekers' access to employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global

22

²⁸ Virginia Works

economy." ^{29xxi} The federal legislation provides funding for states and local areas to deliver these services. There are four Titles under WIOA that provide funds to serve these populations:

- WIOA Title I, Employment and Training Services (5 thousand participants served in Virginia in Program Year (PY) 2023):^{30xxii} Funds workforce development programs such as career services and job training, serving populations federally described as Adult, Dislocated Worker, and Youth. The LWDBs receive these funds to provide services in AJCs.
- WIOA Title II, Adult Education (20 thousand participants in PY23):^{31xxiii} Funds adult education and literacy activities specifically for out-of-school youth and adults who are not proficient in English or lack a high school diploma or the equivalent. Grants are given by VDOE to eligible education providers to deliver these services.
- WIOA Title III, Wagner-Peyser (29 thousand participants in PY23): 32 xxiv 33 An amendment to the Wagner-Peyser Act of 1933, this Title supports job seekers and businesses looking to hire through the provision of labor exchange services and referrals. Virginia Works employs staff who work in AJCs to provide services under Title III as a required partner.
- WIOA Title IV, Rehabilitation (in FY24, DARS served ~24 thousand clients and DBVI served over 1 thousand): 34xxvFunds vocational rehabilitation services to individuals with disabilities and visual impairments. Grants for

this program are overseen by DARS, but provide services through both DARS and DBVI.

This document focuses mostly on Titles I and III, which provide the most direct workforce and training services to the broadest population. Through these programs, job seekers who qualify can access job search assistance, 1:1 career development support, and other workforce preparation opportunities.

It should be noted that the LWDBs and Virginia Works provide many other services beyond Titles I and III. LWDBs leverage other grant funding streams to serve the needs of their communities, and Virginia Works delivers other programs at the local level, including Registered Apprenticeship, Jobs for Veterans (JSVG), Trade Adjustment Assistance (TAA), and Reemployment Services and Eligibility Assessment (RESEA).

Each Program Year (PY), the federal government allocates funds to the Commonwealth to serve individuals under each program. The total allocation for PY23 was approximately \$60 million (which includes the funding for the agency and the funding that passes through to local workforce boards). 35 xxvi

- WIOA Title I Employment and Training Services
 - Youth (ages 14-24): \$14.6 million
 - Adult (ages 18+): \$13.6 million
 - Dislocated Worker (defined as individuals who have involuntarily lost their job due to reasons beyond their control, e.g., a layoff): \$13.0 million
- WIOA Title III, Wagner-Peyser: \$15.5 million

establishes a nationwide system of public employment offices, known as the Employment Service (ES).

²⁹ DOL

³⁰ DOL

³¹ NRS

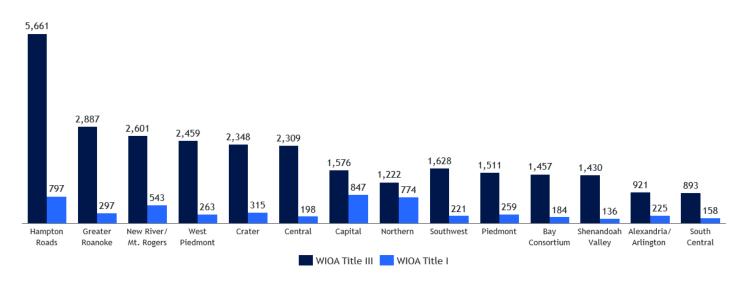
³² DOL

³³ The Wagner-Peyser Act of 1933, amended by the Workforce Innovation and Opportunity Act (WIOA),

³⁴ Estimates provided by Virginia Department for Aging and Rehabilitative Services DARS

³⁵ Federal Register

Exhibit 11 WIOA Title I and III participants in PY23, by LWDA³⁶



These programs are open to individuals across customer segments (Exhibit 12). While there is no data available to show how participants are distributed across these segments, the total represents only a very small fraction of the population of each segment. Despite their limited reach, the programs are effective at getting individuals into jobs. Two quarters after participating in and exiting from WIOA Title I and III programs, individuals were

81% and 70% (by respective programs) employed.³⁷ However, it is important to note that this includes lower-wage jobs, and not necessarily career roles to support sustainable livelihoods.

Data to substantiate longer-term retention in these jobs or wage gains over time is limited.

³⁶ Virginia Works analysis of program year 2023-24 WIOA data conducted for the purpose of this report conducted in July 2024. Note: 67 WIOA Title III participants were not matched to a region and 715 participants were co-enrolled in WIOA Title I and Title III ³⁷ VAWC reports, PY 2022-23

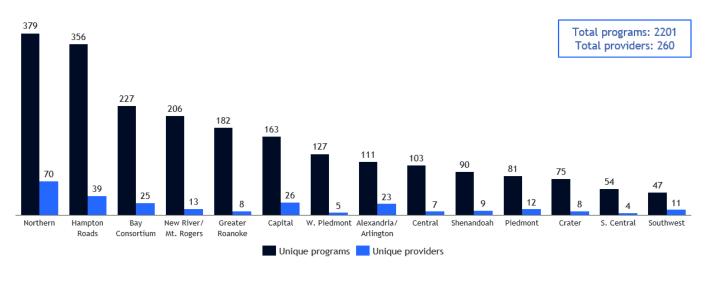
Exhibit 12
Individuals participating in workforce system, across segments³⁸

Segment	Total Population	# Individuals participating in workforce system, relevant to each segment
Young people preparing for the workforce	~2.2M	~1K (<1%) through WIOA Title I Youth
Adults who are unemployed	~124K	 ~18K (15%) through Unemployment Insurance benefits Up to ~3K (2%) through WIOA Title I Adult* Up to ~600 (<1%) through WIOA Title I Dislocated Worker* Up to ~23K (19%) through WIOA Title III Wagner-Peyser*
Adults who are in low-wage, low-skill jobs	~1.7M	 Up to ~3K (<1%) through WIOA Title I Adult* Up to ~18K (1%) through WIOA Title II Adult Education* Up to ~18K (1%) through WIOA Title IV Rehabilitation*
Adults who are in mid- and high- earning jobs	~2.7M	N/A
Adults who are currently out of the workforce	~2.0M	 Up to ~3K (<1%) through WIOA Title I Adult* Up to ~600 (<1%) through WIOA Title I Dislocated Worker* Up to ~18K (1%) through WIOA Title II Adult Education* Up to ~18K (1%) through WIOA Title IV Rehabilitation*

WIOA Title I funds training opportunities for job seekers: participants are supported to receive training from eligible training providers, including community colleges, nonprofit organizations, and privately run programs. The number of eligible providers varies

across regions, with Northern Virginia having the most providers at 70, who delivered 379 programs in PY23. Most regions have closer to 10 providers (see Exhibit 13).³⁹

Exhibit 13
Eligible training programs and providers, by region⁴⁰



³⁸ Based on July 2024 when analysis was initially conducted, Source: VAWC reports, PY 2022-2023

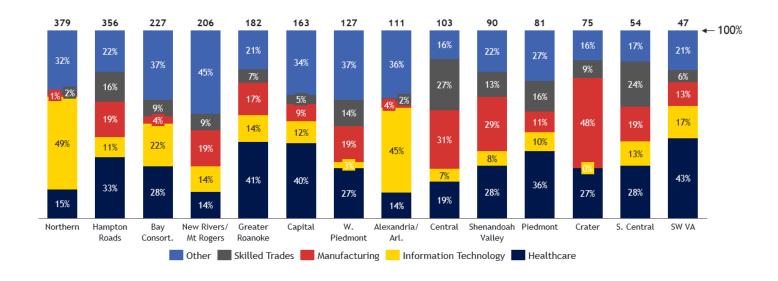
³⁹ Note that this is based on the Eligible Training Provider List, which is the list of approved providers, not those that are used. LWDBs are also able to use providers outside of their regions.

⁴⁰ Virginia Works analysis of program year 2023-24 WIOA data conducted for the purpose of this report in July 2024.

Eligible training providers across the Commonwealth are most likely to offer programs in Information Technology, Healthcare, and Manufacturing (Exhibit 14). However, the industry focus can vary greatly across regions to be responsive to local conditions. For example, Northern Virginia has few to no eligible programs in Manufacturing and Skilled Trades, whereas West Piedmont and Crater have few or no eligible programs in Information Technology. On average, programs with at least one WIOA-funded participant in

the program year trained eight WIOA participants and 67 participants total. 41 Completion rates across WIOA and non-WIOA participants were effectively the same at around 70%. However, this data has significant limitations. The data available shows that half of eligible training providers reported that all of their participants were WIOA-funded, but staff believe from interacting with providers that this number is likely significantly lower.

Exhibit 14
Eligible training programs broken down by industry, by region⁴²



Overview of services provided by VCCS

Many individuals go directly to community colleges to access workforce training and services, rather than entering through the workforce system and receiving a referral to a local college. VCCS offers both credit and

non-credit programs, in which students are trained in their field of interest and may work toward a recognized credential; they may also receive additional career search and/or "wraparound" supports (e.g., some offer free access to public transportation, mental health support services) through the community college.

⁴¹ It is worth noting that 40% of eligible training providers did not have data about their number of total participants and 63% did not have data on their WIOA participants, and the dataset treats providers that provided no data and providers that reported zero the same

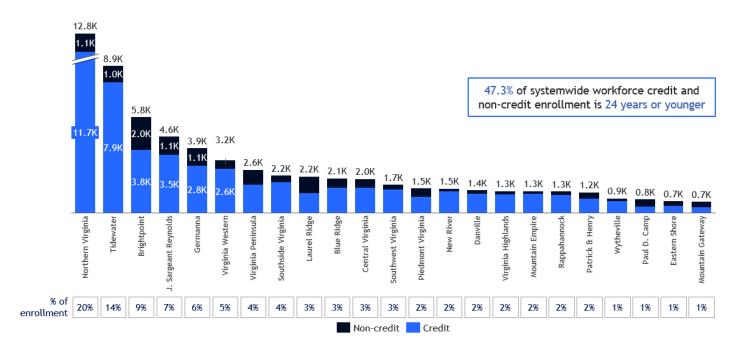
⁴² Virginia Works analysis of program year 2023-24 WIOA data conducted for the purpose of this report in July 2024.

VCCS's workforce development offerings include both credit and non-credit programs:

- **Credit programs**: Of the 207K students enrolled across VCCS for credit programs in 2023-2024, 51K were enrolled in Career Technical Education (CTE)—which directly prepare students to enter the workforce. Of this group, 26K were ages 24 or younger and fit into the young people category.
- **Non-credit programs**: 13K students were enrolled across VCCS in non-credit programs through Fast Forward in 2023-2024. Of those, 4K were ages 24 or younger.

Exhibit 15 shows the distribution of credit and non-credit workforce students across the system. 20% are enrolled in Northern Virginia, followed by 14% at Tidewater, 9% at Brightpoint, 7% at Reynolds, 6% at Germanna and all others were less than 5%.

Exhibit 15
2023-2024 headcount of workforce enrollment by community college across VCCS⁴³



As with the programs provided by the workforce system, the proportion of individuals served by

VCCS represents a small fraction of the total population in each segment (Exhibit 16).

⁴³ VCCS provided data on CTE and Fast Forward completions provided for the purpose of this report. This analysis was initially conducted in July 2024.

Exhibit 16
Individuals enrolled in VCCS programs as of July 2024, across segments⁴⁴

Segment	Total population	# individuals enrolled in VCCS programs	
Young people preparing for the workforce	~2.2M	 31K (~2%) through credit and non-credit workforce programs 133K (~6%) through non-workforce programs 	
Adults who are unemployed	~124K	34K through credit and non-credit workforce	
Adults who are in low-wage, low-skill jobs	~1.7M		
Adults who are in mid- and high- earning jobs	~2.7M	programs for ages 25+ • 23K through non-workforce programs	
Adults who are currently out of the workforce	~2.0M	-	

Within VCCS' suite of workforce offerings, the majority of non-credit options are part of Fast Forward. Fast Forward is a state-funded, short-term training program that prepares students to obtain third-party, industry recognized credentials in high-priority sectors. ⁴⁵ In 2024, Fast Forward served ~16 thousand students (including 43% students of color and an average age of 35 across all students). ^{46xxvii} The cost of attendance is shared by the state, students, and course providers, with course providers reimbursed fully only when the student successfully earns the credential. ^{47xxviii} The program has a 94% program completion rate and a 69% credential attainment rate ^{48xxix}, with students seeing on average an increase in wages of \$11,746. ^{49xxx} The top four training programs through Fast Forward are commercial driver's license, medical assistant,

construction, and phlebotomy technician. 80% of graduates from the 2019-20 Fast Forward cohort who obtained credentials were employed six months after graduation. 51 XXXXIII

The Workforce Credentials Grant (WCG), which funds FastForward grew during Governor Youngkin's administration between FY2021 and FY2026. The state's allocation for the grant increased by 76%, rising from \$13.5 million in FY2021 to \$23.75 million in FY2026. This increase reflects a continued commitment to building a skilled workforce aligned with Virginia's economic development goals and supported expanded participation and stronger program outcomes. Between FY2021 and FY2025, FastForward programs saw a 21 percent increase in total enrollment, a 27% rise in completions, and a 24% growth in

⁴⁴ US Census 2022; Pew Research; Career Minds; VAWC reports, PY 2022-2023; Virginia Works. This analysis was initially conducted in July 2024.

⁴⁵ There are additional programs run by VCCS and SCHEV (State Council of Higher Education in Virginia) which are not profiled in this document, and include Innovative Internship Program, Institutes of Excellence for Non-Credit Training and Instruction, NonCredit Workforce Training, Postsecondary Career and Technical Education (Perkins).

⁴⁶ Fast Forward

⁴⁷ NCSL

⁴⁸ VCCS

⁴⁹ Fast Forward

⁵⁰ VCCS

⁵¹ VCCS

credentials awarded. These outcomes highlight the programs' significant impact on Virginia's workforce. From FY2021 to FY2024, more than 41,800 FastForward completers employed in Virginia collectively earned over \$4.9 billion in cumulative wages. This wage data underscores the strong return on investment FastForward delivers for both individuals and the Commonwealth.

Students in both credit and non-credit programs can also receive financial support from G3, a tuition assistance initiative for students enrolled in high demand careers programs who come from households that are 400% below

the Federal Poverty Level (roughly \$100 thousand household income for a family of four). In 2023, 12,600 students across VCCS received \$20.5 million in G3 tuition assistance, ^{52xxxiii} which kicked in once federal and state aid were applied. Over 49% of students in 2022 were over the age of 25, and 83% of students were retained semester after semester. ^{53xxxiv} Data on employment outcomes from G3 is forthcoming.

Of students enrolled in credit programs (Career Technical Education) in 2022, 79.6% were employed within 18 months. 54xxxv

⁵² VCCS

⁵³ VCCS

Section 3: Adequacy of collaboration among programs

Section 3: Adequacy of collaboration among programs

3.1 Context / description

Virginia's workforce development ecosystem is inherently complex, with numerous programs with a variety of administrators, funders, structures and rules, and target audiences. One of the foundational drivers behind the creation of Virginia Works in 2024 was a recognition that Virginia's workforce system had become highly fragmented and decentralized. More than 60 programs, housed across 20+ agencies and 6+ Secretariats, were operating in silos, which led to duplication of effort, inefficient use of resources, and missed opportunities for strategic alignment. Virginia Works was envisioned not only as a consolidator of select workforce programs, but also as a coordinating body with the responsibility to foster coherence across the broader ecosystem. The legislation that created Virginia Works authorizes and empowers the agency to strategically direct and coordinate workforce programs, with a central focus on collaboration across the ecosystem.

The ambition behind greater collaboration is twofold: to improve outcomes and service delivery (creating a seamless, high-value experience for a wide range of individuals and employers) and to increase system efficiency (sharing information across players in the ecosystem, minimizing duplication, and maximizing the use of scarce resources). When agencies and programs work in concert, services are easier to access and navigate, better aligned with individual and employer needs, and more likely to produce meaningful employment outcomes. Conversely, when coordination is lacking, customers may encounter redundancy, confusion, and delays, discouraging them from future engagement with public workforce systems.

Collaboration at different levels is necessary:

 Collaboration across and among the Governor's Office, Cabinet Secretaries, and agency leaders

- Staff-level collaboration across state agencies who deliver workforce development services (e.g., Virginia Works-VEDP)
- Collaboration between state and local level entities (e.g., Virginia Works-LWDB, VCCS-CC, VEDP-REDA, VDSS- LDSS)
- Collaboration across local level actors (e.g., LWDB-county LDSS)

Effective collaboration is enabled by culture and relationships. As described above, this requires stakeholders at all levels to seek opportunities to partner with other entities rather than working in silos. Virginia Works is playing and should play a unique role, supporting this collaborative culture by leading by example and bringing the ecosystem together in a facilitative way. Stakeholders can identify shared goals and areas for joint initiatives, and support these with a variety of collaboration tools (e.g., working groups, codified shared goals, memoranda of understanding (MOUs)). Depending on the type of initiative groups are collaborating on, the level of formality of a collaboration tool will vary. For example, periodic crossagency conversations may be sufficient for some efforts (e.g., planning a joint event), while more formalized tools may be needed for others. When there is a need to specify target outcomes or service levels from one agency to another, MOUs are helpful guiding documents to capture those commitments (e.g., Virginia Works and VEC have successfully used an MOU to define goals and respective roles for "meaningful UI services" provided through the workforce system, an MOU is currently in place for agencies contributing to the Workforce Data Trust (which is a shared repository of data across workforce agencies and programs)). MOUs should be considered not as restrictive contracts, but as documents to help set expectations and desired outcomes, while still providing flexibility for processes.

Despite broad agreement on the need for collaboration, operationalizing a truly integrated workforce

development system remains a challenge. Structurally, no single entity holds formal authority over the entire workforce development ecosystem. Numerous agencies-including those in workforce, education, economic development, and social services- operate independently, with distinct missions, stakeholders, regulations, governance structure, and priority populations. This fragmentation often results in overlapping services and duplicative efforts, such as multiple entities promoting work-based learning or employer engagement.

Virginia Works was established to address this fragmentation and serve as the central coordinating body for workforce development in the Commonwealth. As outlined in the Code of Virginia (§ 2.2-2037), the Department is charged with developing a comprehensive, statewide strategic workforce development plan that aligns the efforts of all relevant agencies and stakeholders. It is also responsible for promoting interagency collaboration, facilitating data sharing, and supporting performance evaluation across programs.

In addition to structural barriers, systems-level challenges persist, such as competing rules and compliance systems (e.g., federal vs. state reporting requirements), and incompatible data and reporting systems. Fiscal constraints create additional challenges, with organizations prioritizing their own financial stability in difficult funding environments. Many organizations in the ecosystem are resource-constrained and have limited capacity, which can also lead to setbacks in collaboration when there is employee turnover requiring re-establishing relationships and operations.

Virginia Works, by modeling inclusive leadership and convening capacity, has a unique opportunity to unify the ecosystem around shared goals. This includes finalizing and implementing a strategic workforce development plan that is inclusive of all agencies, promoting shared measurement systems, and investing in the capacity of partners at every level. With sustained leadership and support, Virginia Works can unify the ecosystem around shared goals and drive toward a more integrated, responsive, and effective workforce development system.

3.2 Accomplishments to date

Since its establishment, Virginia Works has made early progress in fostering collaboration and enhancing transparency across the Commonwealth's workforce development system. These efforts are foundational to building a more coherent, efficient, and outcomesdriven ecosystem. Virginia Works has driven dialogue and collaborative momentum across agencies and increased transparency of ecosystem programs, outcomes, and data by:

Engaging in cross-agency, strategic conversations

Virginia Works has prioritized cultivating dialogue and alignment across agencies, deploying informal mechanisms to foster recurring engagement and deepen relationships among stakeholders. At the state level, Virginia Works regularly convenes informal crossagency conversations involving entities such as the Virginia Department of Social Services (VDSS), Virginia

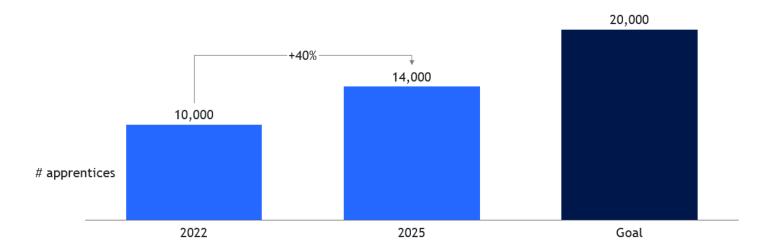
Department of Education (VDOE), Virginia Office of Education Economics (VOEE), Virginia Economic Development Partnership (VEDP), Virginia Community College System (VCCS), Virginia Department of Veterans Services (VDVS), and others. These conversations have primarily focused on promoting transparency and gathering input for Virginia Works' strategic planning efforts, while opening lines of communication and building relationships among colleagues at different agencies. In parallel, structured strategy sessions with seven agency partners—including VDSS, VDVS, and VCCS—have provided a space for mutual understanding of programmatic objectives and have laid the groundwork for identifying shared priorities and joint initiatives.

Engaging the broader ecosystem

Virginia Works has undertaken broader convening efforts to build connectivity across all actors in the workforce ecosystem, including employers and industry leaders, and other state partners such as the Governor's Office, Department of Health, and Department of Transportation. Bimonthly statewide town halls, routinely attended by more than 150 program staff, have become a valuable forum for sharing best practices, reviewing outcomes data, and strengthening practitioner networks. In September 2024, the agency

hosted the inaugural *Virginia Works Together Summit*, which brought together approximately 300 stakeholders during National Workforce Development Month. A similar event, called the *Together for Talent Summit*, was held in September 2025 with approximately 200 employer participants, and 10 agency partners. Virginia Works also supports local engagement, including partnering on local job fairs, which requires collaboration across state agencies, local boards, and employers.

Exhibit 17
Number of apprentices and target, by year⁵⁵



Developing programmatic partnerships

Agencies are also fostering collaboration by supporting individual programmatic partnerships across departments, including on work-based learning topics. Notable examples include a reentry partnership between Virginia Works and the Department of Corrections (VDOC) where Virginia Works provided over 3,000 supervisees with information on workforce services during probation and parole intake, and VEDP's collaboration with community colleges on the Technology Talent Investment Program (TTIP).

There have also been joint efforts across state and local entities to expand apprenticeship opportunities, which

have driven increases in number of active apprentices from $^{\sim}10,000$ to over 15,000 in the last three years. Since 2022, there have been a total of over 17,000 net new apprentices. 56

Some examples of these partnerships to increase apprenticeships include:

The Apprenticeship Academy pilot, launched in the Capital and Crater regions, where Registered Apprenticeship Consultants presented to ~100 Business Service Center partners and colleagues at Brightpoint Community College, with the goal of ensuring business service centers and front facing Career

⁵⁵ Internal briefing materials on Virginia Works' accomplishments and goals'

⁵⁶ Virginia Works provided data on net new apprentices for the purposes of this report

Navigators understand the core concepts of Registered Apprenticeships and how to connect with their local Registered Apprenticeship Consultant (RAC)

- Virginia Works embedded Registered
 Apprenticeship consultants into American Job
 Centers (AJCs), streamlined the program
 completion process—reducing processing time
 by 98%⁵⁷—and launched near <u>real-time tracking</u>
 <u>of apprenticeship participation</u> (which
 disaggregates data by race, ethnicity, gender,
 educational attainment, and occupation)
- The Apprenticeship Accelerator, developed with five industry associations to co-design registered programs in real-time for high-demand occupations; during these workshops, participants work to understand talent needs, the Registered Apprenticeship program, and design their own Registered Apprenticeship program. One Accelerator workshop was conducted in May 2025, with plans to train Registered Apprenticeship Consultants to deliver the workshop in their regions
- The launch of the <u>HIRED Apprenticeship Fund</u>, which provides \$4,000 in employer incentives for registered apprenticeship participants and \$2,000 for supportive services.

Cataloguing and publishing a program inventory

One of Virginia Works's earliest accomplishments has been the development of a comprehensive workforce program inventory for the Commonwealth. This <u>catalog</u>, covering over 70 programs, ⁵⁸ consolidates critical details about each program's scope, operating region,

and target populations. Organized by service type, (workforce education and training, supportive services, business support services, and capacity-building)
Secretariat, and geography, the inventory allows stakeholders to better understand who is doing what, where, and why—both within their local area and statewide.

Increasing consistency of data and metrics tracking

In parallel, Virginia Works has introduced a robust metrics tracking framework. On a quarterly basis, Virginia Works collects and analyzes core performance indicators from across participating programs. These include: job placements, people trained, total program cost, cost per job placement, and progressed wage growth. Seven quarterly cycles have been completed to date, with continuous improvements made to data definitions, program participation, and alternative metrics (if the core performance indicators do not measure a program's intended outcomes the program may propose alternative metrics). While the goal is 100% compliance, it has taken time for programs to collect and report these metrics, but as seen in Exhibit 18, there has been progress; by the final quarter of FY 2024, approximately two-thirds of the programs reported on three or more metrics.⁵⁹

Virginia Works aims to release the first public dashboard by January 1, 2026, creating a new standard for transparency and evidence-based decision-making. Once fully operational, this data will empower the Commonwealth to: 1) Identify high-performing programs for potential expansion; 2) Provide targeted support to struggling programs; and 3) Allocate resources more strategically based on impact.

⁵⁷ Internal briefing materials on Virginia Works' metrics collection and reporting effort

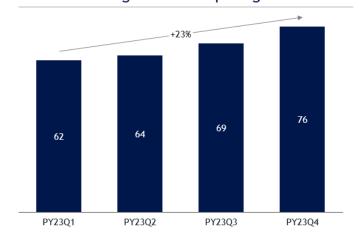
⁵⁸ Note that more programs were initially included in this workforce ecosystem catalog than were included in the metrics-tracking effort

⁵⁹ Internal briefing materials on Virginia Works' metrics collection and reporting effort. Note that if an agency only reports annual data, their metric is only counted as being reported in the quarter in which it was reported.

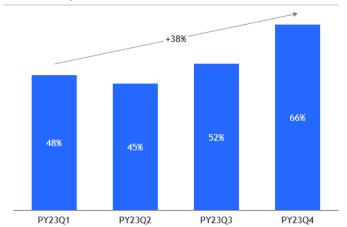
Exhibit 18

Programs participating in metrics effort and percentage reporting 3 or more metrics for PY23, by quarter⁶⁰





Percent of Programs Reporting 3 or more Metrics by Quarter



Increasing cross-agency data reporting and usage

A cornerstone of these efforts is the Workforce Data Trust (WDT), which began in 2017 and was initially rolled out in 2020. This cross-agency repository serves as a central hub for integrating data from 12 participating entities (e.g., VEC, DARS, VEDP, VDOC, VDSS). It is designed to enhance information-sharing, reduce fragmentation, and support more sophisticated analyses of education and labor market trends. The WDT is governed by a multi-agency council, led by Virginia Works, which has developed a comprehensive data governance strategy encompassing privacy, security, stewardship, and integration standards.

Complementing this initiative is VOEE—a division of VEDP—created in 2021 to align local labor market analysis with workforce and higher education planning. VOEE relies on the WDT as a data source and collaborates with VEDP on projects such as the High-Demand Occupations List and related dashboards. Together, these developments represent a major step forward in modernizing the Commonwealth's workforce data infrastructure, enabling the Commonwealth to make smarter, data-informed policy and investment decisions, and fostering more effective collaboration.

⁶⁰ Internal briefing materials on Virginia Works' metrics collection and reporting effort

3.3 Recommendations: Continue the evolution from cross-agency communication to collaboration on joint strategy and initiatives

Recommendation 1: Develop a state-wide workforce development strategy for the Commonwealth as a collaborative effort of the relevant Secretaries and agencies. Align agency operating plans with this state-wide strategy, and continue cross-agency collaboration through implementation

As Virginia continues to modernize and strengthen its workforce development ecosystem, the next step as detailed in the legislation is the creation of a unified, statewide workforce development strategy. Virginia Works should develop and facilitate a sustainable process for the relevant agencies to co-develop and execute a state-wide workforce development strategy. 61 This plan should build off the administration's economic development plan, with the agencies collectively executing against this plan, and each individual agency having its own strategy aligned to the broader plan. Ideally, this would commence at the start of a new administration, enabling the next set of leaders to continue building on recent efforts and promote continuity. This strategy is especially important in the current environment given proposed budgetary changes and consolidation of workforce funds (e.g., a recent U.S. budget proposal suggests combining several workforce funding streams into a single block grant for states to allocate as desired); if states do have more flexibility over programs, it will be essential to break down silos across agencies and programs, coalesce around a single vision and strategy, and provide integrated service. To this end, Virginia Works is taking preemptive steps to enable the agency and local system to pivot quickly including finalizing a comprehensive five year strategic plan for the Workforce Ecosystem, holding regular convenings with all state partners, exploring approaches to enable more

flexible service delivery and adjust physical infrastructure, and developing an operational dashboard to identify where limited resources are most needed. Virginia Works continues to focus on building collaborative partnerships at the local and state level to streamline services and alleviate duplication of services. Virginia Works is working to incorporate AI into job search and career coaching tools and implement mobile service delivery to serve Virginians more effectively. The agency is leading efforts to cross-train team members to ensure it can quickly adapt to new program structures. Regardless of the funding model, Virginia Works will prioritize training aligned with regional labor market needs and employer demands, including continuing to scale Registered Apprenticeship programs. Success of this workforce strategy will also require support and leadership from the Governor's Office and cabinet Secretaries, promoting greater engagement amongst participating agencies. Development of this strategy will then spin up specific cross-agency initiatives and projects that this group can collaborate on. For example, the strategy may identify opportunities to build out more robust partnerships across educational and social service providers for wraparound supports, or educational institutions and corrections for scaling training for incarcerated individuals. Focusing on these initiatives will help ensure that agencies are concentrating efforts on the highest-priority, strategic partnerships.

Department of Veterans Services, Virginia Department for the Blind and Vision Impaired, Virginia Department of Health Professions, Virginia State Council Of Higher Education, Virginia Department of Education, Virginia Department of Corrections, Virginia Department of Agriculture and Consumer Services, Virginia Marine Resources Commission

⁶¹ Agencies involved in this process should include Virginia Works, Virginia Employment Commission, Virginia Department of Professional and Occupational Regulation, Virginia Economic Development Partnership, Virginia Department for Housing and Community Development (and the GO Virginia program), Virginia Community College System, Virginia Department of Social Services, Virginia

Recommendation 2: Continue to collect metrics on workforce programs across systems. Over time, Virginia Works should enable use of this data to inform strategic and programmatic decisions, while providing ample context on differences in programs' objectives, target populations, and constraints

Improving metrics collection

As Virginia seeks to build a more integrated and high-performing workforce development ecosystem, robust data collection and strategic data use must remain at the center of reform efforts. Virginia Works has taken important first steps through the launch of its crossagency metrics initiative and the development of the WDT. Now, the Commonwealth has an opportunity to further enhance these efforts—ensuring that data not only informs but drives decision-making across the ecosystem.

Improved metrics will not only inform Virginia's broader workforce strategy, but also help programs identify other programs with similar goals, missions, and outcomes, highlighting potential partnerships or synergies. For example, an education and training program might use the metrics data to find a high-performing supportive services provider in a nearby region, and consider partnering with them for wraparound services.

To realize this vision, the metrics process must continue to mature in several key areas:

- Quality and Consistency: Definitions must continue to be standardized to produce reliable, comparable data. Over time, metrics collection can be made more sophisticated by incorporating local cost-of-living adjustments, reducing duplicative counts across overlapping programs, and tailoring data collection to reflect the unique goals of different program segments.
- Ease of Reporting: Stakeholders report mixed experiences with the current reporting process. While some say it aligns closely with existing (e.g., federal) reporting standards, others cite variation in reporting requirements.
 Streamlining the reporting process while continuing to allow for flexibility to accommodate unique program needs.

- Tracking Longitudinal Data: Current tracking of long-term outcomes often requires complex data sharing arrangements (e.g., paying the Virginia Employment Commission for job retention and wage data). Automation through the WDT, where individuals would be tracked after the completion of a program, could reduce this burden. However, even using VEC Wage match data would still leave gaps in employment data, including for out-of-state wages, self-employed wages, and federal wages.
- Transparency: The forthcoming public dashboards represent a significant milestone in enhancing visibility across the system. Leaders should continue progress towards release of these dashboards, which are on track to be completed by January 1, 2026. When launched, these dashboards will allow agencies, stakeholders, and the public to examine program performance on shared metrics for peers.

Senior leadership support and sponsorship has been critical in the success of the metrics collection and will be required to ensure continued success; writing standard operating procedures (SOPs) related to the metrics effort will also increase transparency and success of the project so contributors know exactly what to do, what to submit, and when. A webpage containing this information is forthcoming.

Short and long-term use of metrics data

Virginia Works is progressively working towards improving the quality, ease, and transparency of metrics data. In the short-term, this will enable the data to serve as a resource to the field, providing visibility to all agencies and programs.

In the long-term, this data should support periodic workforce program portfolio reviews. The Governor's office, General Assembly, Virginia Works, and state agencies' leaders can examine each program, the number of individuals and employers served over time, respective costs and return on investment (ROI) per program, and use

these data points as inputs (alongside other qualitative data and contextual information) to support program decisions about investments to improve quality, support scaling or downsizing, and ensure alignment to the Commonwealth's economic development goals and largest talent gaps. Led by Virginia Works, stakeholders in Virginia's workforce ecosystem-including state agency leaders- can help ensure that the holistic portfolio of programs covers a variety of individual training needs (ranging from basic job skills to more advanced technical training) and a variety of training durations (ranging from short-form courses to longer credentialing programs).

The goal would be to start internally with Virginia Worksmanaged programs, taking the lead and showing how to

conduct these reviews effectively (as they are beginning to do with quarterly program reviews, where program managers report on performance and fiscal health of their programs, along with key wins, risks, and areas they need support), and then eventually expand to include the entire portfolio of workforce programs across the Commonwealth. Virginia Works should also leverage metrics to facilitate connections and best practice sharing across programs (e.g., if two programs have similar goals and focus populations, but one is producing substantially better outcomes, the higher performing program might share key success factors and lessons learned with the peer program).

Recommendation 3: Collaborate across stakeholders (including Virginia Works, VCCS, VDOE, SCHEV, VEDP, intermediaries) to market a single menu of work-based learning opportunities, and double participation in them

Virginia has made notable progress expanding registered apprenticeships—growing from 10,000 in 2022 to over 14,000 in 2025—with a goal to reach 20,000.⁶² Achieving this goal will require stronger coordination, streamlined messaging, and more unified outreach across the workforce system.

Single menu of work-based learning

Currently, multiple agencies engage employers separately about creating work-based learning opportunities, sometimes with inconsistent terminology and overlapping offerings. This creates confusion and diminishes the impact of outreach. Instead, agencies should align around a shared work-based learning (WBL) framework and menu of offerings, coordinate employer engagement, and use consistent messaging that emphasizes value to businesses, not just educational benefits to students. The single menu of work-based learning offerings, which Virginia Works has already begun working on, can be detailed in marketing materials that explain the different work-based learning models and key contacts. This menu will help employers understand the different types of programs, in what circumstances and why they would choose one over the other, and how to proceed with offerings that are a good fit. This menu and its offerings should be shared with all system actors, who can then provide the menu to their constituents, relaying the range of options and creating a "no wrong door" approach, or one where anyone seeking assistance with work-based learning receives timely support and consistent resources, regardless of their initial point of contact or entry point.

While the menu of offerings will remain consistent, stakeholders will need to tailor marketing to different personas and profiles of students and individuals to achieve the goal of doubling participation in work-based learning and apprenticeships. This will require using data to identify eligible groups, ensure messaging is clear and resonates with students, and that there is broad awareness of the breadth of different opportunities and pathways. For example, the messaging targeted to CTE participants considering skilled trade apprenticeships might focus on the average wage increase of program completers, whereas the messaging tailored to undergraduate students seeking internships might emphasize the increased likelihood of full-time job offers for those who have internship experiences.

⁶² Internal briefing materials on Virginia Works' accomplishments and

Starting with VTOP

One potential starting point is the Virginia Talent and Opportunity Partnership (VTOP), a program that connects Commonwealth undergraduate students to paid and creditbearing internship and work-based learning experiences. VTOP was previously fully housed at SCHEV, but recent legislation changed the program so that SCHEV continues to handle educational components, VEDP covers marketing, and Virginia Works handles intermediaries and setting up the operational programs. These agencies should work collaboratively to implement the new plan for VTOP, engaging with employers in a seamless manner and presenting them with a range of engagement and workbased learning models. VTOP's success could be further heightened if VEDP, SCHEV, and Virginia Works collaborate to implement the Registered Apprenticeship model within the program. To fully realize VTOP's potential and ensure consistent, statewide implementation, the

Commonwealth should activate a network of trusted intermediaries to support employer engagement and program delivery.

Leveraging intermediaries

Virginia Works should leverage intermediaries to help scale work-based learning and broaden impact. VCCS and industry associations can serve as intermediaries for work-based learning given the wide breadth and depth of employer partnerships they already have for internships and apprenticeships (and VDOE for youth apprenticeships), and their own work-based learning programs in some cases. For example, Virginia's Associated Builders and Contractors works with an educational affiliate to offer a robust apprenticeship program in the construction trades. These partnerships can jointly market a full suite of WBL opportunities and encourage employers to offer both internships and apprenticeships, even in non-traditional fields.

Recommendation 4: Leverage the Commonwealth's data and analytics assets including the Workforce Data Trust, VOEE, VLDS, and the EIA team in Virginia Works to provide increasingly consistent, timely, digestible, and actionable information to state and region-level leaders across economic development, workforce, education, and partner systems

Data and analytics assets

The WDT, initially rolled out in 2020, represents a major opportunity to transform how workforce data is integrated and how data is used to conduct meaningful analyses that drive program decisions and Commonwealth strategy.

Alongside WDT there is VOEE, which is part of VEDP, and was created in 2021 with the objective to report on the alignment of higher education with workforce needs and track emerging labor market trends across Virginia; VOEE conducts analyses on high-priority topics and industries (e.g., manufacturing, data science, cybersecurity), creates public-facing dashboards, and develops reports to inform the General Assembly on talent needs.

Virginia Works also has an EIA team (Economic Information & Analytics), which is the official source of labor market information, census data, and economic information (including economic impact analyses) in Virginia. EIA collects, analyzes, and disseminates data relating to all

aspects of the Commonwealth's labor market, with a focus on federally-required reporting. Where the roles of VOEE and EIA intersect, there is an opportunity to align these activities.

The Virginia Longitudinal Data System (VLDS) is an effort to merge administrative education, workforce, higher education, and health data across participating agencies. VLDS is not a warehouse that collects and stores data, but rather leaves it within its respective agencies and uses a technology to combine and deidentify data before releasing it to researchers for analysis.

More broadly, there is also a need to address the confusion about the roles and functionalities of each of these data components (WDT vs. VOEE vs. VLDS vs. EIA) and how they complement one another (e.g., that VOEE has analytical capacity for custom questions related to education and workforce alignment, but is not a database, VLDS also is not a repository / does not have

direct access to data). A one-stop-shop, such as a website, that explains the differences in these tools, the types of data, and intended users, would support public and policymaker understanding of these platforms. It should be reinforced that WDT is the only one of these platforms designed to be a comprehensive data trust, where users can easily pull cross-agency data, conduct analyses, and develop actionable insights.

Enhancing Workforce Data Trust

The longer-term vision for WDT is to serve three core functions:

- Performance Insights: Use data to automatically populate metrics dashboards and provide insight on reach, long-term outcomes, effectiveness, and ROI for workforce programs.
- Labor Market Alignment: Provide a real-time view of employer skill demands and current talent supply—identifying mismatches and priority training needs (VOEE is currently piloting this with skilled trade jobs, but has noted the challenge of doing this more broadly given data limitations, and accuracy of matching supply data to specific occupations)
- System Capacity and Efficiency: Provide a
 current view of capacity across the VA
 workforce system (of people / talent, resources,
 efficiency, etc.) to inform adjustments to
 capacity and resourcing across programs to
 achieve desired outcomes (at least initially,
 within Virginia Works staff and programs)

To activate this vision, several near-term actions are needed:

- Link all relevant data: Agencies must ensure that their education, employment, and workforce data are consistently integrated into the WDT. This enables cross-agency analysis, tracking of longterm participant outcomes, and identification of barriers to program access or success. As of the time of this publication, some agencies had not signed their MOUs to contribute data to WDT; this is important to guarantee compliance with the law and ensure all relevant agencies' data is included in the WDT.
- Advance analytic capability: Once centralized, data can be used to conduct new analyses on high-priority research questions, such as new work-based learning opportunities, training program effectiveness, and barriers for underserved populations. Given most of the focus thus far has been on data aggregation and governance, building out WDT's analytics capacity would likely require hiring additional talent to provide these capabilities (either within Virginia Works or via partnership with VOEE).
- Support stakeholder use: A critical success factor is training and change management.
 Stakeholders across the workforce system need to understand what data is available, how to access it, and how to turn it into actionable insights.

Section 4:
Organization, powers, duties of
Department of Workforce Development
and Advancement

Section 4: Organization, powers, duties of Department of Workforce Development and Advancement

4.1 Context / description

As referenced previously, Virginia Works was created in 2023 to improve coordination across the Commonwealth's workforce development programs, enhance efficiency, reduce duplication, and streamline service delivery for job seekers and employers. Its mandate, <u>outlined in Chapter 20.2 of the Code of Virginia</u>, includes engaging the business community, collaborating with higher education institutions, tracking workforce metrics, and communicating system changes to the public and policymakers.

The creation of Virginia Works involved significant restructuring: 12 programs were consolidated into the agency during its formation [see Exhibit 19]. Virginia Works now directly delivers services for nine programs and oversees three programs (Title I Adult, Dislocated Worker, and Youth). Virginia Works is also collecting metrics data for an additional 52 programs operated by partner agencies. This blend of administration and collaboration reflects its mission to act as both a programmatic leader and central coordinator across the ecosystem.

Exhibit 19
Programs consolidated into Virginia Works^{64xxxvi}

Transferred Programs			
Registered Apprenticeship (from DOLI)	Foreign Labor Certification Migrant & Seasonal Farmer Ou (from VEC)		
Economic Information & Analytics (from VEC)	Coordination of Local Workforce Services (WIOA Title I) (from VCCS)	Jobs for Veterans State Grants (from VEC)	
Reemployment Services & Eligibility (from VEC)	Trade Adjustment Assistance (from VEC)	State Workforce Services (from VEC)	
Work Opportunity Tax Credit (from VEC)	Layoff Aversion & Assistance (Rapid Response) (from VEC)	Equal Opportunity & Compliance Monitors (from VCCS and VEC)	

During this transition, four new functions [see Exhibit 20] were established to expand capabilities: Internships,

Outreach, Jobs for Veterans State Grants, and Employment Services (Title III) / State Workforce Services

⁶³ These programs include Registered Apprenticeship, Reemployment Services and Eligibility, Work Opportunity Tax Credit, Foreign Labor Certification, Trade Adjustment Assistance, Rapid Response, Migrant and Seasonal Farmer

⁶⁴ Virginia Works

work-based learning, and on-the-job training; Grants development; Business engagement and outreach; Research, metrics, and evaluation.

Exhibit 20 New functions added to Virginia Works^{65xxxviii}

•	New Functions ————		
Internships, work-based learning, & On-the-job training	Coordinates with business engagement & outreach, as well as training institutions, to develop internships and other work-based learning and OJT programs		
Grants development	Builds and executes a private, state, and federal grant- funding strategy		
Business engagement & outreach	Partners with businesses, associations, and employee organizations to anticipate and be responsive to business talent needs		
Research, metrics, measures, & evaluation	Leverages data insights to improve coordination outcomes, and efficiency across the commonwealth's workforce programs and partner organizations		

The agency moved into its headquarters in October 2024 and is completing its transition in four phases, with the first three phases as agency launch (completed

in February 2024), and the current fourth phase (March 2024 onward) as ongoing implementation work.

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⁶⁵ Virginia Works

We are here

Exhibit 21 Phases of Virginia Works transformation^{66xxxviii}

Phases 2 & 3: Virginia works stand-up Phase 1: Agency planning (Complete) Phase 4: Driving Success (Underway) & discovery (Complete) (April '23 - July '23) (March '24 - July '25) (July '23 - February '24) ✓ Conducted a baseline data call ✓ Auditing and discovering all > Refine and support the implementation current programs associated with of success metrics for each workforce ✓ Developed a memorandum of workforce development development program understanding (MOU) Support and drive the measurement ✓ Developed the organizational design of Designed the implementation, Key Activities Virginia works of improvements across all communications and change workforce programs management plans ✓ Identifying standard operating procedures and upcoming activities > Deliver agency improvements ✓ Stood up agency transition workstreams and efficiencies Functionally transitioning people, Train and coach personnel as needed to programs services, and systems drive improved program outcomes ✓ Discovery of agency improvements and efficiencies Perform an evaluation of governmentwide workforce programs Implementing change management activities to cultivate the Virginia works culture ✓ Documenting program evaluation criteria methodology Legend √ Complete Upcoming Underway

Standing up Virginia Works has been a complex process. The transition required merging the efforts of several programs who have their own activities, norms, and operating cultures; ensuring alignment of programs across agencies (Virginia Works programs, programs at other agencies), supporting the local boards, and serving several different stakeholders (jobseekers, employers, sister agencies, federal program managers, policymakers). It is important to recognize that Virginia Works is still in its first year of full operation. As with any major re-organization, realizing the full benefits of integration will require time, continuous learning, and ongoing investment in operational capacity.

As additional context, Virginia Works receives very minimal state funding (~\$5.4 million total in FY26 from General and Special Funds)⁶⁷ and is largely funded by federal funding (~\$65 million in FY26),⁶⁸ which has been declining in recent years. The total discretionary dollars available statewide each year is approximately \$2 million, which enables the agency to implement new ideas, fund non-federal activities, (e.g., apprenticeship applications, branding, and provide grant opportunities to LWDBs). In addition, some of this funding must be reserved for contingency plans. Given the constrained funding environment, it is important to note that many of the recommendations detailed below are contingent on additional appropriations, either from state or federal sources, to accomplish them.

⁶⁶ Virginia Works

⁶⁷ Virginia Works provided data on the 2026 budget for the Virginia Department of Workforce Development and Advancement for the purposes of this report

⁶⁸ Virginia Works provided data on the 2026 budget for the Virginia Department of Workforce Development and Advancement for the purposes of this report

4.2 Accomplishments to date

Virginia Works has made significant progress in its first year—not only completing the agency's stand up ahead of schedule and under budget, but also laying the groundwork for a more integrated, effective, and customer-focused workforce development system.

Virginia Works was successfully stood up

Standing up a new state agency is a complex undertaking. Virginia Works achieved this in four distinct phases, beginning with passage of bipartisan legislation and then successfully transferring 12 existing programs and establishing four new functions. Key elements of this transition included:

- Reorganizing programs into a functional, crossprogram structure, grouping them under 14 operational "wards" to mirror the 14 Local Workforce Development Areas (and creating an East and West division to help organize the state)⁶⁹
- Clarifying roles and responsibilities of the agency based on <u>legislative mandates</u>, including strategy development, higher education collaboration, and workforce data tracking
- Updating leadership roles, onboarding new staff, and providing transition support through comprehensive training (e.g., "Virginia Works 101"), staff communications, and leadership development
- Issuing a new employee handbook to unify practices and expectations across the reorganized workforce

Notably, throughout this reorganization, the agency maintained uninterrupted service delivery with no lapse in individual and employer services.

In addition to structural changes, Virginia Works prioritized operational efficiency of its own internal operations:

led "process improvement sprints," identifying pain points and implementing time-saving solutions (e.g., development of a Foreign Labor Housing App resulted in a saving 704 hours per year)
 The agency consolidated five roles in Veterans

Each program team participated in employee-

- The agency consolidated five roles in Veterans Services, reducing redundancy
- Several systems were automated, including the federal 9130 reporting process (a financial report sent to the U.S. Department of Labor) and several reports for the Economic Info and Analytics team. The team used Python to automate three time-consuming, manual, and error-prone reports and press releases, saving nearly 100 hours per month of economists' time.
- A shared resources model (for graphic design and other services) was introduced across the agency to streamline internal support functions

These efforts demonstrate Virginia Works' early commitment to continuous improvement, employee engagement, and fiscal responsibility. Stakeholders have also noted positive momentum throughout the standup and launch of Virginia Works:

Stakeholders have noted positive momentum, including Virginia Works establishing a reputation as collaborative ecosystem leader

Amid the structural and operational transformation of Virginia's workforce system, Virginia Works has begun to establish itself as a collaborative and credible leader across the ecosystem. Despite its broad mandate, Virginia Works has demonstrated a commitment to partnership—with state agencies, local boards, education institutions, and community-based stakeholders. Stakeholders, and particularly those from other state agencies and partners, report that this approach is beginning to foster stronger alignment and shared purpose across entities that had previously operated more independently.

Executive Directors. Given the county lines were not drawn the same, there was some overlap.

⁶⁹ Previously under VEC there were 6 districts that did not align to the 14 LWDAs. Under this structure, a district manager would have to work with 2-3 different LWDB

The agency has made a concerted effort to improve engagement with LWDBs. Through consistent, structured communication, Virginia Works is strengthening relationships with local directors and board leadership. These efforts include regular "Director Digest" communications, standing calls and check-ins with workforce directors, and joint planning and strategy sessions to align local and state priorities.

Virginia Works is also laying the groundwork for improved performance monitoring and transparency across the ecosystem. Key initiatives include expanding participation in the Workforce Data Trust to enable more comprehensive data sharing, and standardizing performance measurement across programs through the statewide metrics framework (as referenced in Section 3.2, Accomplishment #5, 'Increasing consistency of data and metrics tracking').

As described in Section 3 above, Virginia Works has been spearheading a lot of the progress around ecosystem collaboration. Together, these efforts are beginning to equip the workforce system with the tools and trust necessary for greater coordination, stronger accountability, and improved outcomes.

The agency is conducting activities to the benefit of key stakeholders, including:

Improving tools for individuals

To simplify navigation of and enhance access to workforce services, Virginia Works has modernized its digital presence:

- Launched VirginiaWorks.gov, consolidating eight previously separate websites into a single, user-friendly platform to reduce redirects and improve usability.
- Created VirginiaHasJobs.com, which has seen over 273,000 visits. The site provides job postings, internship and apprenticeship listings, region-specific employer highlights, and a

- resource hub for federal workforce support efforts. A centralized inbox and webinars have supported field staff and job seekers—particularly those affected by layoffs.
- Modernized the Virginia Workforce Connection customer relationship management tool to enhance functionality for individuals and employers alike. This has included improving the user experience and navigation of the main landing page, adding a Registered Apprenticeship module, developing a VOS Greeter that automatically checks visitors in as they enter Virginia Workforce Centers, adding a remote electronic signature, and adding an eligibility explorer to allow individuals to indicate program areas of interest and confirm eligibility (and upload required documentation). Additional developments planned for the future include a mobile application and Job Seeker Engagement module to push alerts to job seekers that have applied or may be interested in relevant roles.

Growing employer engagement

Recognizing the importance of employer partnerships in shaping a responsive workforce system, Virginia Works has taken strategic steps to expand outreach and feedback loops with industry leaders:

- Developed a <u>sector strategy roadmap</u>, building on the successful Blue Ridge Partnership model, ⁷⁰ to guide collaboration with statewide actors within a given industry sector —starting with the healthcare sector
- Partnered with VEDP and the Virginia Chamber of Commerce to deliver employer webinars, helping businesses understand and engage with workforce services; the agency has conducted two employer-focused webinars to date in 2025 which had a combined attendance of ~250 (one

to their strategic goals focused on academic planning, student engagement, advancing IT and workforce analytics, and Carilion Clinic serves as the anchor institution, overseeing efforts to align health sciences education in the region with workforce needs

⁷⁰ Blue Ridge Partnership was established in 2019 as a collective impact model by a core group of dedicated employers, educators, and community leaders working in the health sciences sector in GO Virginia Region 2 (Roanoke, New River Valley, Alleghany, Greater Lynchburg); today the partnership engages ~75 leaders across committees aligned

on Registered Apprenticeship and one on tax incentives) and has upcoming sessions on internships, veteran hiring, working parents, and competing for in-demand talent through the end of 2025

- Strengthened apprenticeship engagement, now with over 1,900 registered employer sponsors⁷¹
- Increased employer activity on the VA
 Workforce Connection (VAWC) platform for
 reviewing resumes, posting jobs, and posting
 job orders, demonstrating engagement with the
 Commonwealth's tools for connecting
 employers and job-seekers

Partnering with local boards

Virginia Works has also demonstrated agility in supporting local boards, particularly in response to

economic disruptions and events, e.g., Hurricane Helene, plant closures, and federal layoffs. In response to federal layoffs the agency quickly stood up support—including webinars, resource toolkits, and the Virginia Has Jobs site, which supported nearly 10,000 impacted individuals and attracted participation from nearly 500 employers. The Separately, during natural disasters like Hurricane Helene, the Rapid Response team coordinated with local offices and the Virginia Employment Commission to provide on-site support, including employment guidance and unemployment insurance assistance. From July 2025 through June 2025, Virginia Works has responded to over 160 business closures, serving more than 9,000 displaced employees through its Rapid Response efforts.

4.3 Recommendations: Transition from early-stage agency standup and collaboration to engagement on joint strategy and initiatives

Recommendation 5: Continue to hone Virginia Works' value proposition and brand, and articulate it clearly and consistently to partners and customers

Articulate agency's value and priorities

A stronger public understanding of Virginia Works' role, authority, and impact is essential to maximizing its effectiveness and ensuring alignment across the workforce system. While the agency has taken steps to communicate its mission via a Directors Digest to 14 LWDA, biweekly calls (virtual calls every other week with LWDBs, where meetings are led by LWDBs and Virginia Works provides updates by functional areas), and Director strategy sessions (hosted by Virginia Works to hear from LWDBs and provide updates by functional area), some stakeholders still report a lack of clarity about its purpose and value proposition.

To improve understanding across the workforce ecosystem, Virginia Works should clearly articulate its

mandate, priorities, and services to stakeholders at all levels—including individuals, employers, local boards, and sister agencies. Outreach efforts must emphasize how Virginia Works complements local and partner agency efforts, helping to unify and enhance—not replace—existing services. When the agency's strategic plan is completed (which is currently being drafted), it should be distributed to communicate the agency's strategy and core priorities.

A clear understanding of the agency's value and strategy should also help address challenges of the state adding new individual workforce programs to other agencies. The General Assembly should maintain its commitment to having Virginia Works serve its intended role of strategic coordination.

⁷¹ Internal briefing materials on Virginia Works' accomplishments and goals'

⁷² Virginia Works provided data on the number of individuals and employers that participated in Virginia Has Jobs events for the purposes of this report

⁷³ Virginia Works provided data on the number of individuals and employers they served during business closures for the purposes of this report

Clarify branding

Brand confusion remains a persistent challenge, particularly between Virginia Works and VA Career Works, the more widely recognized brand at American Job Centers (AJCs). Consistent nomenclature around state and local resources available to job seekers and employers is necessary to improve the customer experience. Limited investment in branding to date has led to inconsistencies in how and where the Virginia Works name is used. Today, job seekers experience confusion on where to go for assistance and interpret there to be differences in support offered across differently-named destinations. For example, while AJCs (as defined earlier) across the Commonwealth have the same mandate and serve the same functions, they are known to their communities by a myriad of names, including but not limited to:

- American Job Centers
- VA Career Works job centers
- VA Career Works offices
- One-stop offices
- Unemployment offices

To address this Virginia Works and the Virginia Board of Workforce Development should lead the development of a cohesive, statewide brand strategy, which Virginia Works has already begun. This includes adopting a single brand identity, and applying it consistently across all materials, websites, offices, and signage, which will reduce public confusion and build credibility. However, executing this strategy will require support from the General Assembly, including investment in design, communication, and implementation to roll out consistent branding across the Commonwealth.

Track and report agency KPIs and impact

To solidify its role and ensure ongoing support, Virginia Works must clearly define what success for the agency

looks like—and consistently measure and communicate its impact across the workforce ecosystem. The agency's first step should be to reference the agency's strategic plan (referenced above) to ensure any key performance indicators (KPIs) selected align to the agency's vision, mission, and long-term goals. From there, Virginia Works should identify a focused set of KPIs that reflect its contributions to:

- Individuals (e.g., number securing employment, time to employment, wage growth)
- Employers (e.g., number served, jobs filled, employer satisfaction / Net Promoter score)
- The economy (e.g., high-priority talent gaps filled, economic ROI of services)

Tracking and reporting on these metrics will allow the agency to link its inputs (e.g., number and location of personnel, facilities, programs, technology, funding / spending) to outcomes, thereby showing its ROI.

Virginia Works should also develop an annual impact report to present this data alongside qualitative insights and customer success stories (and this report could be incorporated into the required annual report to the U.S. Department of Labor and Virginia Board of Workforce Development). This will help build transparency, foster public trust, and illustrate the agency's evolving value proposition.

This impact measurement framework would also strengthen alignment with VEDP's "Top State for Talent" initiative. For example, tracking employer Net Promoter Score (NPS) over time can help measure how workforce services are improving employer satisfaction and perceptions of Virginia's talent pipeline. This data transparency can help the Commonwealth make continued investments in employer satisfaction, and help VEDP continue to attract businesses to the Commonwealth.

Recommendation 6: Develop mutually-reinforcing, trusting partnership with LWDBs, supporting grant applications, convenings, best practices and content, data and insights, and providing an integrated, seamless, omni-channel customer experience

Virginia Works' effectiveness depends not only on statewide strategy but also on alignment and buy-in

from LWDBs, which provide a feedback loop and transparency around local needs and are critical to

implementing priorities on the ground. While both Virginia Works and LWDB leaders report progress, there is an opportunity for enhanced partnership, with Virginia Works clarifying its role and activities to support local efforts, and local boards in parallel building capacity to take advantage of Virginia Works' offerings.

Partnership with local boards

Virginia Works should deepen its role as a strategic partner to local boards in several ways:

- Grant Application Support: Build on recent Grant Opportunity Digests (compilations of funding opportunities) to support boards with federal and philanthropic grant applications. This might include sharing templates and offering technical expertise, including trainings, to increase access to funding. Virginia Works recently hired and onboarded a Grants Development Manager, who will focus on supporting LWDBs (and others in the ecosystem) with these activities.
- Convening and Knowledge Sharing: Host peer learning sessions to enable dissemination of

- best practices, tools, and shared resources, and capture and disseminate best practices and lessons learned across local boards.
- Actionable Insights: Leverage the
 Commonwealth's data and analytics assets
 including the Workforce Data Trust, VOEE,
 VLDS, and the EIA team to provide consistent,
 timely, digestible, and actionable information to
 state and region-level leaders, and advisory
 support to inform strategy, programming, and
 partnerships

Collaborating on employer-facing services

As referenced in the LWDB section below, Recommendation 4, there is also a role for Virginia Works to play in convening LWDBs (and their business services teams) and other state actors that support local players (e.g., VEDP, VCCS). The aim of this is to align across actors on which employer services to bring to the table, create a unified set of marketing materials, coordinate outreach on behalf of the entire group, and refer employers to the appropriate actor for specific services.

Recommendation 7: Continue to build internal agency capacity; further embed a culture of collaboration and customer centricity demonstrated by leadership throughout all levels of the organization, with an initial focus on Title III Career Navigators

Internal operations and culture

As Virginia Works continues to mature, its long-term success depends on strengthening internal operations and cultivating a culture centered on customer service. Investing in people, process improvement, and front-line service delivery will enhance consistency and credibility statewide.

To foster a cohesive, mission-driven workforce, Virginia Works should:

- Upskill staff in proactive, customer-centered service delivery and support their evolution from transactional roles to strategic partners
- Strengthen internal culture and connection to the agency, especially among staff who remain through leadership transitions—building a strong foundation for continuity and innovation

 Improve retention through professional development, visible career pathways, and a culture of recognition and empowerment

Operationally, Virginia Works should continue to embed cross-functional collaboration by coordinating how internal teams (program team, monitoring team, grant admin team, IT team, policy team, etc.) work together to meet customer needs. Examples include the Rapid Response Program, which is currently developing a transformation plan (and beginning to examine data to measure the impact of this plan), rethinking how they will provide layoff aversion assistance, and considering how they can collaborate with the Registered Apprenticeship program to provide business outreach. In parallel, it can:

- Redesign procedures and systems using data and tech to drive consistency and efficiency
- Streamline key processes and management, such as the Eligible Training Provider List (ETPL), inter-program referrals, and policy development
- Establish standard operating procedures (SOPs) and a clear, final organizational map to guide internal alignment

Focus on Title III Career Navigators

Career Navigators (formerly Workforce Services Representatives) are the most visible representatives of Virginia Works at the local level, typically working alongside LWDB staff and contractors. Therefore, it is essential for the agency to invest time and resources in bolstering this program and boosting Career Navigators' professional skills in order to enhance its reputation across the Commonwealth and continue to improve culture across the agency. Currently stakeholders report variation in quality of Career Navigators, but given they are state employees, local leaders in centers have limited influence in quality improvements. Career Navigators should work to deliver integrated concierge services to individuals, including via collaboration with other local board and state agency staff, and Virginia Works should

ensure interaction with these Title III staff is a positive experience. This can be accomplished via new hiring, training and professional development, and training managers. Virginia Works should also increase consistency of what Title I and Title III staff are asked to do across the Commonwealth to minimize geographic variation.

These front-line staff are the face of the agency for many job seekers. Ensuring every interaction is helpful, welcoming, and consistent will greatly shape the public's perception of the Commonwealth's workforce development system.

Focus on strategic collaboration over compliance

Virginia Works should also improve trust and collaboration by continuing to evolve beyond its prior compliance-focused posture (largely carried over from programs owned by other agencies before the Virginia Works transition) towards one as a strategic partner. The agency can achieve this by investing in customer service and collaboration training for staff—many of whom transitioned from legacy agencies; involving LWDBs early in new initiatives, from design through implementation; and responding quickly and consistently to local board needs, reinforcing that Virginia Works is a partner, not just a regulator.

Recommendation 8: Lead rollout and ongoing enhancement of technology solutions across the ecosystem to improve reach and experience for individuals and employers

Tech for individuals

Technology plays a critical role in making workforce services more accessible, efficient, and user-friendly for both individuals and employers. Virginia Works has made strong initial progress in this area and now can deepen and expand its digital strategy to further modernize service delivery.

To make services more intuitive and impactful for job seekers:

 Continue enhancing Virginiahasjobs.com by expanding content (adding information on internships, apprenticeships, local employers), improving usability, and increasing user traffic.
 Additional resources—such as listings for internships, apprenticeships, and region-specific

- employers—will help more individuals connect with opportunities.
- Support local adoption of proven tools (e.g., LinkedIn) by evaluating opportunities for statewide licensing or integration with Virginia Works platforms.
- Further consolidate VirginiaWorks.gov into a unified, easy-to-navigate platform. Minimizing redirects and eliminating site fragmentation will improve navigation for users.
- Continue modernizing VAWC with career navigation tools, resume builders, and emerging modules like AI-powered upskilling, improving both access and job readiness for users across the Commonwealth. Completing plans to add digital signature and document upload

functionality will also improve usability and value of the tool.

Tech for partner agencies

Current referrals between workforce programs and partner agencies often rely on paper or email, limiting follow-up and data tracking. To enhance tools for partner agencies, Virginia Works should:

- Explore using VAWC to host a centralized, crossagency referral system
- Ensure referrals are trackable and linked to outcome data, especially for individuals referred across agencies
- Engage partners in the system design to ensure broad participation and reduce service gaps

Tech for local boards to track employers and individuals

Many local boards currently use inconsistent systems (e.g., Excel, Salesforce) to track employer interactions, limiting coordination. To leverage technology for employer engagement, Virginia Works should lead adoption of a statewide employer CRM, standardizing how boards log outreach, track engagement, and

identify shared leads. A unified system would also support cross-regional collaboration—reducing duplication and presenting employers with a seamless experience across the Commonwealth. However, this would require significant investment and change management.

A unified system for tracking individuals served would also provide significant benefits to the Commonwealth. Currently, while some programs use VAWC as their CRM for individuals, and it can track them once they are registered, it is not universally adopted. This leads to gaps in understanding what services an individual has received or which programs they have engaged with. Additionally, the use of varied platforms and tools across the workforce ecosystem makes it challenging to determine the total number of unique individuals served. Virginia Works has an opportunity to build on existing initiatives, including through the Workforce Data Trust, to integrate the data architecture and establish a single system of record across all programs. Such a tool would allow agencies to access a comprehensive view of an individual's service history, enhancing coordination and improving service delivery across the system.

Section 5: Operations of LWDB and geographic areas served by boards

Section 5:

Operations of LWDB and geographic areas served by boards

5.1 Context / description

At the local level, customers can access services through different entry points. Many of these entry points (e.g., American Job Centers, local boards, community colleges) serve both individuals and employers, while additional organizations, such as economic developers and business entities (e.g., chambers of commerce) provide primarily employer-focused services.

Operations at the local level are complex given the multiple entry points and multiple services, including access to WIOA programs, grant-funded programs run by LWDB staff, programs administered by Virginia Works (e.g., Reemployment Services and Eligibility Assessment, Rapid Response), and many other programs provided by partners. Some programs are housed within one-stop AJCs, while others are part of the broader local ecosystem. This, coupled with regions that are very different in terms of geographic size, population, demographics, wealth, funding, labor

market dynamics, institutions and number of community colleges, infrastructure, number and size of employers, and industry / sector mix, have resulted in local workforce systems that vary substantially in terms of capacity, capabilities, and scale of impact.

Some boards benefit from robust infrastructure, more diversified funding (vs. 100% reliance on WIOA), experienced leadership, and strong employer networks. Others face limited resources, rural dispersion, and fewer institutional partners—making it more difficult to consistently deliver high-quality services. To ensure all Virginians receive equitable support regardless of region, continued investment in board capacity, technology, and state-local alignment will be essential. However, it is important to emphasize that continued investment in boards is reliant on increased state support and funding.

5.2 Accomplishments to date

LWDBs are not only central to the delivery of workforce services across Virginia—they are demonstrating progress in accomplishing job attainment goals while adapting services to meet the unique needs of their communities.

At a system level, and among those who utilize local workforce services, local boards are helping individuals secure employment and satisfaction is high

Recent analysis confirms that the local workforce system is successfully helping most of the individuals it reaches find jobs. There are strong employment outcomes across WIOA programs, with minimal variation based on participant background, and participants express high satisfaction among job seekers utilizing AJCs, reflecting effective service delivery.

Approximately 81% and 70% of individuals who exit WIOA Title I and Title III programs, respectively, are

employed two quarters after they conclude the program, with median quarterly earnings of \$7,550. The higher employment rate of Title I is likely attributable to the fact that Title I participants have access to dedicated case managers and training programs, whereas Title III provides a broader but "lighter touch" set of services focused on finding a job, and support can be as one-off as a single resume review session. Notably, employment rates and median earnings vary little by race or education level, with exiters seeing comparable outcomes regardless of background. However, it is important to emphasize that these earnings are primarily from low-wage jobs below the poverty line. In the future, it will be important to track the system's success in helping individuals secure jobs at 150% to 200% of the poverty line (likely from employment in long-term careers or skilled trades).

The survey conducted for this report indicated that job seekers who referenced that they used a state-run job center are also pleased with their experience, with minimal variability across geographies. Survey respondents reported high overall satisfaction, with an average score at 4.32 (on a scale of 1 for highly dissatisfied to 5 for highly satisfied), and with satisfaction levels tightly ranged across the different types of services that job seekers received. One relative outlier was income level: lower-income job seekers were slightly less satisfied with the services they received than their higher-income peers, though their overall satisfaction level (4.0) was still high. Survey respondents also indicated satisfaction with the roles they received at the end of their search (average of 4.25, with minimal variability across regions).

Post-pandemic, many LWDBs have retained or expanded virtual service delivery. Most offer online

webinars, digital job boards, and remote career counseling. Service modes are adapted based on local infrastructure—for example, maintaining in-person offerings in areas with limited broadband. Some regions go further by extending services into correctional facilities, using resource fairs to inform incarcerated individuals of opportunities available post-release. This ability to customize service delivery based on local conditions is a critical strength of the decentralized model.

Some workforce boards are using innovative approaches to funding. For example, the Hampton Roads region is tapping into new, non-WIOA funding sources (which now comprises ~70% of their funding)⁷⁴ to support greater innovation and collaboration with the community college system. Others are participating in local coalitions like WorkforceCoalitionRVA in the Capital Region.

5.3 Recommendations: Support and enable partnership among LWDBs and others in local workforce ecosystems to deliver the best possible experience for individuals and employers

Recommendation 9: Collaboratively define what an effective local workforce development ecosystem looks like. Use this as a basis for constructive ongoing state-region dialogue that spans systems (e.g., economic development, workforce, education, social services in dialogue together)

Developing a common framework

LWDBs are central to implementing workforce strategy, yet the system currently lacks a shared definition of what success looks like at the local level. Establishing a common framework for effective workforce development—while allowing local flexibility—would improve consistency, collaboration, and accountability across the Commonwealth.

To support clarity and alignment, Virginia Works should facilitate a process to convene state and local stakeholders from workforce agencies, higher education, economic development, and community partners to build a framework for effective workforce development. Virginia Works should then support each Local Workforce Development Board in adapting this framework to fit its unique economic conditions,

institutional landscape, and population needs. This process should enable the right balance of consistency across LWDBs and local ownership of the vision and its execution. Rather than a prescriptive structure, the framework should capture essential outcomes and components that must be present in order to reach those outcomes. It will be necessary to refresh this process every few years to ensure that the definition remains relevant to individuals and employers in the face of evolving workforce dynamics.

The developed definition should include both outcomes (performance today) and system enablers, which speak to a region's ability to sustain and improve its performance over time:

⁷⁴ Expert interview conducted as part of report research

Outcomes (for the workforce ecosystem to achieve)

- Closing supply-demand talent gaps in the region, with priority focus on high-demand industries, specific skillsets, and/or "high economic value" jobs or roles
- Building a pipeline of workers for the jobs of the future (e.g., adapting to forwardlooking needs and/or skilling / upskilling the incumbent workforce)
- Successfully serving a large proportion of job seekers with barriers to work (i.e., enabling individuals served by the workforce development ecosystems to overcome the barriers they face and find high quality, living-wage jobs); and a growing percentage of employers seeking talent
- Delighting customers with excellent service and a high-quality set of services, including:
 - Training and upskilling (job seekers)
 - Individualized advising / case management and wraparound services (job seekers)
 - Talent matching and development (employers)
- Enablers (to allow the system to achieve its goals over time)
 - An active coalition that prompts effective collaboration across all workforce development actors in the region, with clear roles and responsibilities for different actors in the ecosystem
 - Accessible localized data on workforce needs and talent supply that is broadly

- understood and used across stakeholders in the ecosystem
- High quality training options that are responsive to labor market and employer needs, and support strong jobseeker employment outcomes
- Effective individualized support models (e.g., case management, advising) that reach all job seekers who need them
- <u>Clear and accessible physical and virtual</u> <u>access points</u> for customers and stakeholders

Tracking local KPIs

Once the characteristics of effective workforce development are established, local Boards can track their region's progress against those elements and KPIs. Virginia Works should provide support and tools to LWDBs to enable consistent and efficient measurement, as a core part of the metrics effort described above. This framework also can serve as the basis for regular dialogue between regions and the Commonwealth. This dialogue should bring together state and local leaders across systems (e.g., education, workforce development, economic development, social services). Virginia Works should collaborate with sister agencies to establish a process for this regular dialogue with each region. The objective of this dialogue is to hold regions accountable for progress and collaboration across systems, to enable collaborative problem solving that unblocks barriers to more effective workforce development, and to provide state leaders with actionable feedback on how the Commonwealth can more effectively enable local progress.

Recommendation 10: Support an integrated, seamless, omni-channel customer experience for individuals and employers including integrated case management and service delivery, and tech-enabled options

Integrated, seamless, and consistent

There is still opportunity to create a more seamless and consistent experience for individuals across the Commonwealth, ensuring individuals' experience with

local job centers is high-quality and consistent across sites. Individuals and employers, regardless of where they are located across the Commonwealth, should have a consistently high-quality experience interacting with the workforce system.

To ensure that all job seekers receive dependable, professional service, Virginia Works and local boards should define and implement minimum service expectations across all American Job Centers (AJCs), including:

- Standardized and minimum weekly operating hours, with consideration for evening or weekend availability where feasible, and staff working in-person to support customer needs (vs. teleworking).
- Streamlined intake and navigation, with low wait times and effective resolution by the first staff member a customer interacts with, as well as use of shared technology tools for client onboarding, referrals, and data collection.
- As referenced in Section 4.3, Virginia Works should provide support to ensure branding at the local level is consistent across centers.

Within AJCs, staff funded by both Title I and Title III are part of the broader team that delivers services to assist individuals with their job search. In most regions, Title III staff, who are employed directly by the state, are more likely to sit in a resource room and work with individuals with basic job search needs, such as resume review and accessing VA Workforce Connection. Title I employees, who are employed directly or via contract by the LWDBs, tend to work as case managers to connect eligible individuals with education and training opportunities – but these roles may differ by center. It is possible that many job seekers could be eligible for support from and benefit from the support of both Titles as part of their job search.

Title I and Title III staff have different reporting lines to the LWDBs and Virginia Works, respectively, which in some LWDAs have created silos that result in fragmented experiences for individuals. Examples include:

- Job seekers must interface with several different staff members to receive similar services, increasing friction and delaying the relationship-building process.
- Individuals receive duplicated or inconsistent services. In many centers, Title III employees

are a job seeker's first point of contact and make the judgment call about what other services or center partners the job seeker should engage. Title I and center operations staff do not always have visibility when job seekers are referred to other center-based staff, so they cannot verify if Title I services are being offered to all eligible individuals or if services are being duplicated. This inconsistency in services is the motivation behind the recommendation in Section 4.3 for Virginia Works to prioritize improvements among Title III Career Navigators, with the aim of providing more integrated concierge services.

The customer experience could be improved by removing silos between Title I and Title III service delivery, either through structural changes or realignment of ways of working across center-based staff (today, AJCs do the latter to varying degrees). As a structural change to enable more integrated support, Virginia Works could explore having the same staff members deliver both Title I and Title III services by having them hired by and reporting through the same chain of command, but in doing so, would need to recognize and accommodate federal regulations governing the staffing of Title III. For revised ways of working: Virginia Works should partner with the LWDBs to explore opening new channels of communication and collaboration across staff members, drawing on best practices in certain LWDAs that already have a more integrated approach.

Wraparound supports

Many Title I and III participants face at least one barrier to employment. Simply enrolling these prospective workers in a training program or providing them with job-search specific advice is insufficient; many also require supports to address basic needs (e.g., access to childcare, professional clothing, transportation subsidies) that enable the (re)entry into the workforce. While the LWDBs can facilitate the provision of some of these wraparound supports, they can also leverage the Commonwealth's other social service agencies, which may already be engaging this population as well.

When staff do not have visibility into services received across systems, case management across agencies and systems is not well-integrated. There are several major downsides:

- Staff cannot coordinate across agencies to help jobseekers to work toward common goals
- Staff may unknowingly replicate the same services
- Job seekers need to share the same information with different agencies, resulting in a diminished customer experience

Some regions are starting to adopt a more integrated approach to case management, with coordination happening beyond the intake process and throughout service provision for job seekers. Many have cited referrals from other agencies as one of the primary reasons the centers receive inbound foot traffic, along with physical proximity. For example, in Alexandria / Arlington, the AJCs are in the same building or nearby other social service agencies, making it easy for individuals to access other services if they are referred there.

To promote more integrated case management, Virginia Works should explore several different angles, including encouraging affiliate and comprehensive site colocation with other agencies or with community colleges, and recommending strategies and approaches to referrals among different social services agencies and community organizations (currently happening in Alexandria / Arlington, where majority of their foot traffic is referrals from partner agencies). To facilitate greater communication and coordination while cases are active, the state can explore technological solutions that give agencies appropriate visibility into peers' efforts. Any solution of this nature will require extensive consultation across the relevant agencies to ensure that it is additive and fit-for-purpose. Virginia Works should also help broker connections or formalize the process of connecting individuals across agencies to each other, so that, once they have a sense of how each plays a role in supporting certain individuals and/or populations, they can align on how best to coordinate.

Tech-enabled options

Ensuring accessibility for all Virginians means providing multiple modes of service—in-person, online, hybrid, and mobile—tailored to community needs and capacities. In rural or transportation-limited regions, local boards may explore mobile service delivery through vans, libraries, or community centers.

Some LWDBs have the ability to administer WIOA Title I services in a fully virtual manner. Other regions have elements of virtual support for WIOA participants (e.g., online orientation videos, connection to a case manager), but require in person meetings for certain paperwork or signatures. Areas that have not or have only partially scaled up virtual services for Title I have shared several concerns, including:

- They do not have a secure way to collect sensitive information virtually
- They have concerns around access, since there is limited broadband access in their region

While in-person support should remain available to all job seekers, the enhanced flexibility of the virtual option enables LWDBs to better serve those who prefer remote services – especially youth who are used to and frequently prefer virtual interfaces, and individuals with caregiving responsibilities. Regardless of location, all regions and centers should work to enhance digital options such as remote career counseling, virtual workshops, and Al-driven resume tools.

To make it more viable for regions to offer virtual options, the state could provide guidance on the most secure and effective ways to intake and process sensitive information through the web. In addition, the state could host trainings for local staff to increase familiarity and comfort with virtual options and spotlight the learnings of regions already successfully offering virtual services. One such learning is that while broadband access may be limited in parts of the state, most individuals can still access the internet via smartphone, so having a phone-based interface is crucial. The state may also consider subsidizing implementation of a secure virtual platform across all regions.

A flexible, omni-channel strategy—built on the right technological and operational foundations—will extend the reach and impact of the workforce system, especially for underserved populations. By implementing consistent standards, integrating professional services, and scaling inclusive delivery

models, Virginia can offer a unified customer experience that adapts to local realities while upholding shared expectations across the Commonwealth.

Recommendation 11: Increase non-WIOA funding to fill service gaps, support innovation, and respond more flexibly to the evolving needs of individuals and employers

Diversifying funding

Sustaining high-quality, innovative services at the local level requires that workforce boards maintain strong and diversified funding. However, many local boards currently face financial strain, with shrinking allocations and heavy reliance on WIOA funds. In some places this has created unintended competition between local boards and community colleges for limited resources.

Some regions have demonstrated success in overcoming these challenges by tapping into alternative funding sources, including local, philanthropic, and private-sector funds; partnering with community colleges to jointly deliver programs and access shared resources; using braided funding models to combine sources strategically for aligned workforce goals; and piloting innovative programs through competitive grants. It is important that boards strengthen their financial position by diversifying funding streams (beyond WIOA and state sources) and identifying operational efficiencies, supported by grant application services from Virginia Works, partnerships with community colleges, using braided funding, etc. Local boards should also dedicate more capacity to developing comprehensive plans before applying to state discretionary funds to ensure they are complying with grant requirements (in order to win the funds) and

devising a plan to spend the funds in the required timeframe (to prevent the need for recapture by the state). In a recent cycle, Virginia Works had allocated \$1.8 million through two grants with the potential to fund up to 12 proposals. Virginia Works received 18 applications, but was only about to issue eight grants because the remaining applicants did not meet the terms of the application.

Consider other organizational and operational options to boost efficiency

If local boards are not able to tap into new funding sources and diversify revenue, some Boards may need to consider their viability as standalone entities and voluntarily seek structural changes that would increase the proportion of funds available for service delivery and improve service quality, through decreased overhead and greater scale. These options could include consolidation of regions, or shared services with other workforce region(s) and/or sister agencies in the same region (e.g., community colleges, local economic development bodies).

By strengthening their financial position and operational efficiency, local boards can better withstand funding fluctuations and continue to serve as critical workforce anchors in their communities.

Recommendation 12: Proactively drive coordinated employer marketing, outreach, and support across actors through alignment, collaboration, and transparency

While many actors, including VCCS colleges and VEDP's Regional Talent Solutions & Business Outreach (RTSBO) team, engage with businesses on their talent needs,

employers tend to access the "formal" workforce system through two main channels.

 a) <u>LWDB Business Services</u>: Per Virginia's WIOA Combined State Plan and as set in VBWD policy, each Local Workforce Development Area is required to have a Business Services Team whose responsibility it is to drive sector strategies within a region, provide local employers with human resources solutions, and identify methods to shrink local skills gaps. Teams are intended to be cross-agency and cross-program, comprised of representatives of each of the core partner agencies, economic development, and other partners as appropriate. They are encouraged to help businesses develop relationships with the AJCs, and each partner agency in the AJC has statutory requirements for creating relationships with businesses and assisting clients receiving services through their funding in finding employment opportunities. While there is no "single point of contact" that handles intake across all workforce services in the region, Business Services Teams are expected to manage relationships with businesses in the community in a coordinated manner.

Services offered to employers span the strategic (e.g., strategic planning / economic development, "light" HR consulting) to the tactical of workforce recruitment (e.g., accessing untapped labor pools) and retention (e.g., assessment, training). With only guidelines but no prescriptive direction on how to engage employers, Business Services Teams deliver a wide range of service experiences. In terms of scope:

- Some regions have a narrow focus centered on connecting Title I-supported jobseekers with employers, such as setting up workbased learning experiences for their Title I participants, and do not provide any consulting services.
- Others have a broad focus, providing a wide range of employer support, including but

not limited to consulting services, holding hiring events for major industries and specific populations (e.g., teens), and offering labor market information.

There are also different approaches to engaging employers, which include:

- Convening employer round tables or "sector partnership" groups by industry, to surface common issues and facilitate sector-wide dialogue and relationshipbuilding
- Organizing workshops and lectures on topics of interest to employers in the region
- Individual outreach and coordination on an employer-by-employer basis
- b) Virginia Workforce Connection (VAWC): VAWC is an online portal that serves as a "gateway to employment and labor market information in Virginia." It offers many services to employers, including options to post job listings, search for qualified employees through an advanced resume search, analyze labor market information, and locate business services. Title III staff who work in the local regions (but report up through Virginia Works at the state level) are responsible for adding employers and their open roles to the portal.

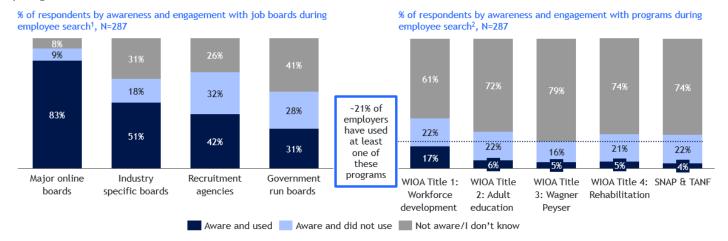
Across these channels, only a small fraction of employers in the Commonwealth are engaged or supported. The employer penetration rate for WIOA funded programs is 6.5%, and 20,513 unduplicated businesses (or 6.7%) were served by WIOA funded and non-WIOA funded programs.^{75 xxxix}

While almost two-thirds of employer respondents were aware of government run job boards, awareness was much lower for WIOA programs; WIOA Title I had the highest awareness and usage, at only 17% (see Exhibit 22).

⁷⁵ DOL

Exhibit 22

Percentage of employer respondents who were aware of / used different resources and programs⁷⁶



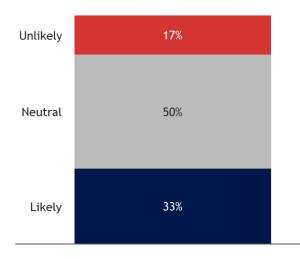
Mixed feedback from employers on services at state and local levels

Usage aside, employers provided mixed feedback on the services they accessed at the local level from both LWDBs and AJCs and through the Virginia Workforce Connection and other state-run job posting sites. Only a third of respondents said they would be likely to recommend workforce services (see Exhibit 23) and only 41% said that engagement from LWDBs and their centers was helpful and effective (see Exhibit 24). One contributing factor: only 20% of respondents perceived that candidates sourced through LWDA channels were high-quality and/or better qualified than those sourced through other channels.

⁷⁶ Question: When you have previously conducted an employee search were you aware of and/or used: Virginia Workforce Connection, major online job boards, government run job boards, industry specific job boards.; Source: Boston Consulting Group VA Job-seeker Survey

Exhibit 23 Percentage of respondents by likelihood of recommending government-provided workforce services⁷⁷

% of respondents by likelihood to recommend stateprovided workforce services, N=287



Collaboration on employer outreach and marketing

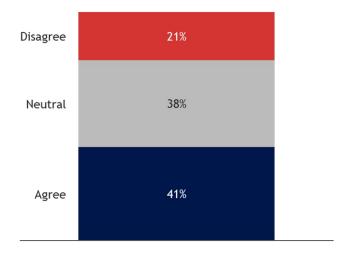
LWDBs are well-positioned to deepen their impact on employers by leveraging strong local relationships and aligning more closely with statewide resources. Building a more unified, strategic approach to employer engagement, aligning state and local messaging and offerings, and creating joint marketing and outreach materials will improve outcomes for businesses and create more efficient and consistent workforce solutions.

At the local level, actors who engage with employers (including but not limited to LWDB Business Services teams, Title III employees, community colleges, local economic development entities, Virginia Works' Rapid Response Team, and the Regional Talent Solutions & Business Outreach (RTSBO) team of the VEDP) should

Exhibit 24

Percentage of respondents who agree / disagree on helpfulness of LWDB Business Services Teams⁷⁸

% of respondents indicating each level of agreement to the helpfulness and efficacy of local workforce development agencies², N=227³



better coordinate marketing and outreach. Some LWDBs are already doing this effectively with most local actors, although all will benefit from assessing to ensure that the group is comprehensive and outreach is streamlined. This will enable the ecosystem to serve more unique employers and more effectively by bringing the expertise of all entities to bear.

This process should also include specific focus on employer engagement approaches. The state actors that coordinate with the relevant local players (e.g., Virginia Works, VEDP, VCCS) can unite with LWDBs to convene employer-facing staff across a comprehensive set of actors in each region. Senior leadership buy-in will be critical to generate the necessary momentum.

effective and helpful; Note: Individuals who responded N/A were not shown this question. Disagree is an aggregate of strongly disagree and disagree responses. Agree is an aggregate of strongly agree and agree responses.; Source: Boston Consulting Group VA Employer survey

⁷⁷ The question was "How likely are you to recommend state-provided workforce services to your organization," with a score of 1 being least likely and 10 being most likely. Scores of 1-3 were collapsed into unlikely, 4-7 into neutral, and 8-10 into likely

⁷⁸ Question: The services and resource provided to our company from local workforce development agencies are

How this looks will vary region by region, but some aspects of effective coordination could include:

- Specialization across actors on which employer services they bring to the table, to minimize duplication and increase customer clarity
- Alignment to conduct outreach on behalf of the entire group and refer employers to the appropriate actor for specific services
- Creation of a unified set of marketing materials (including website) to disseminate to

employers, which could include providing a comprehensive list of all services offered across all entities for local employers to reference

Whereas Virginia Works may focus on strategic relationships with large state employers and businesses, local boards will concentrate efforts on engaging with local employers and bring the best of state resources to these companies.

Section 6: Proper role of VCCS in supporting workforce development efforts

Section 6:

Proper role of VCCS in supporting workforce development efforts

6.1 Context / description

VCCS plays a foundational role in the Commonwealth's workforce development ecosystem. Community colleges serve as a critical access point for individuals seeking workforce training, operating both as a direct provider of services and as a referral partner through the workforce system. VCCS institutions offer a diverse array of credit and non-credit programs that prepare students for employment in high-demand sectors. These programs often lead to industry-recognized credentials and include wraparound supports such as transportation assistance and mental health services to enhance student success.

Stakeholders across Virginia recognize the central role of VCCS in workforce development due to its expansive reach and accessibility. While the workforce system supplies a relatively small proportion of community

college students in aggregate, in many regions community colleges are the primary providers of WIOA-funded training programs. Their extensive infrastructure and robust programming position them as pivotal actors in delivering quality workforce education and addressing local talent needs.

Given the prominence and strengths of VCCS programming and more robust, diverse funding, VCCS community colleges are often able to deliver high-quality services independently with less reliance on other state and local workforce entities; this independence can sometimes result in less coordination with other state and local workforce partners, presenting opportunities to strengthen integration and alignment across the broader workforce ecosystem.

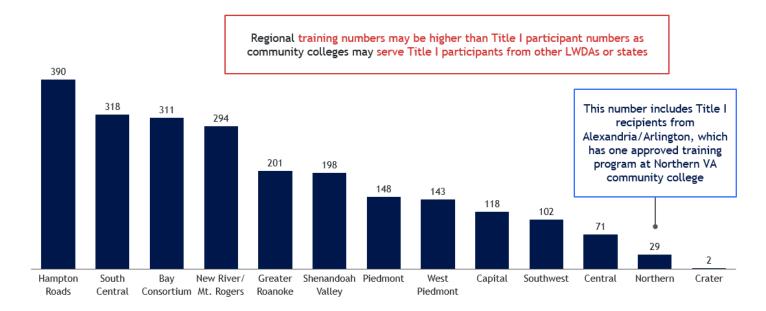
6.2 Accomplishments to date

VCCS community colleges are successfully and increasingly delivering upskilling and credential attainment to better meet the Commonwealth's talent needs

VCCS community colleges are widely regarded as Virginia's leading workforce training providers, both in terms of scale and quality. Across agencies and workforce programs, stakeholders consistently identify VCCS institutions as their preferred partners for delivering training. Of employers surveyed, 51% said that community colleges were important or very

important to help them source and hire talent, and 46% said they were important or very important to helping them develop, upskill, and reskill talent. Notably, employers referenced community colleges as the most important actor for sourcing and hiring talent, and a close second for developing talent (versus four-year institutions, economic development organizations, and LWDBs). This is underscored by the volume of WIOA Title I participants served by community colleges in nearly every region, reflecting their entrenched role in the Commonwealth's workforce landscape.

Exhibit 25
WIOA Title I participants provided training through community colleges, by region⁷⁹



Two flagship state-funded programs—Fast Forward and G3—have scaled rapidly and earned broad local support. Fast Forward uses a pay-for-performance model (with costs shared across students, the institution, and the Commonwealth) to provide shortterm training at community colleges in 40 high-demand industries, and G3 provides tuition assistance (as a lastdollar scholarship program) for qualifying students who are attending community college programs in six indemand industries. In 2024, Fast Forward enrolled nearly 16,000 students, with a program completion rate of 94% and a credential attainment rate of 69%. Participants experienced an average wage increase of nearly \$11,000 upon credential completion. 80xl G3, targeting high-demand careers for low-income Virginians, supported nearly 12,600 students with \$20.5 million in tuition assistance, contributing to 95% increases in median wage from pre to post-completion. 81xli

Program development at community colleges is increasingly aligned to Virginia's high-demand occupation lists, drawing upon data from Virginia Office of Education Economics (VOEE). New Fast Forward programs typically require employer backing and approval from the State Board for Community Colleges, ensuring labor market relevance. Community colleges are also active contributors to Registered Apprenticeships, with two serving as program intermediaries (Central and Danville) and several serving as active sponsors (Brightpoint, Central, Danville, Germanna, and Piedmont).

⁷⁹ Note: Mountain Empire CC and Southwest VA CC are in Southwest; New River CC, Virginia Highlands CC, and Wytheville CC are in New River/Mt. Rogers; Mountain Gateway CC and Virginia Western CC are in Blue Ridge; Blue Ridge CC and Laurel Ridge CC are in Shenandoah Valley; Brightpoint CC is in Crater; Piedmont Virginia CC is in Piedmont; Central Virginia CC is in Central; Southside Virginia CC is in South Central; Community College Workforce Alliance is in Capital; Danville CC and Patrick Henry CC are in West Piedmont; Northern Virginia CC is in Northern; Eastern Shore CC, Germanna CC, and Rappahannock CC is in Bay Consortium; Paul D Camp CC, Tidewater CC, and Virginia Peninsula CC is in Hampton Roads; Sources: VAWC reports, PY 2022- 2023. Analysis conducted in July 2024.

⁸⁰ VCCS

⁸¹ G3 Annual Report

VCCS's contributions extend to state-level initiatives, working alongside four-year institutions on efforts like the Tech Talent Investment Program, which is the Commonwealth's large-scale investment in tech talent, with the goal of doubling the number of graduates each year in computer science and related fields. 82 xliii The system has exceeded its goals in producing computer science degrees, committing to 67 new degrees from 2020 to 2023, and producing 203 degrees (300%+ over its target). 83xliii Additionally, colleges have secured targeted funding to launch in-demand training programs tailored to local workforce needs. For example, nine colleges are receiving a total of nearly \$5 million from the Virginia Department of Health to support accelerated nursing programs, and Brightpoint Community College secured nearly \$3 million in funding through a partnership with

HCA Virginia to develop a new radiologic technology degree program. 84xliv

Beyond instruction, VCCS is actively shaping the broader workforce ecosystem. VCCS hosted the HIRE Ed Conference to convene colleges and employers to exchange best practices and highlight successful partnerships. Many VCCS institutions also collaborate closely with agencies like the Department of Social Services to align TANF-funded education and training with Fast Forward programming. In some regions, community colleges partner closely with LWDBs and even jointly pursue external funding. These productive partnerships are seen as critical to aligning local strategies and scaling services to meet local labor demands.

6.3 Recommendations: Grow the reach of VCCS as Virginia's primary workforce training provider, and its alignment and partnership with others in the workforce ecosystem

Recommendation 13: Expand Fast Forward and other workforce training offerings to provide increased access to highvalue skills and credentials that align with state workforce development priorities, while continuing to improve outcomes

Increase production of high-value credentials

Building on the strong foundation established by VCCS and its individual community colleges, the Commonwealth should continue to invest in expanding access to high-value credentials that meet Virginia's evolving talent demands. These credentials are central to enhancing economic mobility for residents and achieving the Commonwealth's broader workforce priorities, particularly in sectors identified by VEDP and VOEE as most critical—such as healthcare, information technology, and skilled trades.

To align more closely with Virginia's strategic workforce goals, the VCCS system should be further enabled and resourced to scale credential offerings in high-demand fields. This includes launching new programs in sectors with acute talent shortages—healthcare being a top priority—ensuring that new offerings are backed by

employer demand and aligned with local economic development goals.

Expansion of the Fast Forward and G3 programs represents a particularly high-return opportunity. Virginia is home to over 1 million adults with some college but no credential, 85 xlv a significant population that could benefit from short-term, workforce-aligned credentials. VCCS leaders report existing waitlists and estimate that with appropriate investment from the General Assembly, these programs could expand two- to threefold to meet latent demand. Leveraging online and hybrid delivery models will be essential to scaling these programs efficiently and extending their reach to more Virginians.

Ensure continued equitable access

Importantly, as VCCS scales its workforce offerings, equitable access must remain a cornerstone of this expansion. Roughly 40% of Fast Forward credentials are

⁸² VEDP

⁸³ Tech Talent Investment Program

⁸⁴ VCCS

⁸⁵ National Student Clearinghouse Research Center

currently issued in rural areas, 86xlvi demonstrating the system's vital role in serving geographically dispersed populations. Maintaining—or ideally increasing—this level of rural access will ensure the benefits of workforce development are felt across the Commonwealth,

supporting broader goals of inclusion and economic resilience.

Recommendation 14: Deepen partnerships with other ecosystem players (e.g., Virginia Works, LWDBs) to deliver endto-end services for customers while fostering coordination to ensure services are aligned and easy for customers to navigate

Increase connectivity with Virginia Works, local boards, and partner organizations

To fully realize its potential in Virginia's workforce development ecosystem, VCCS must continue advancing its efforts in partnership integration and data transparency, including with Virginia Works and other ecosystem players. While community colleges are indispensable training providers in many regions, deeper and more formalized collaboration with LWDBs and other partners would enhance service coordination and overall system effectiveness.

In some regions, LWDBs and VCCS institutions already work closely together, but in others, they may operate parallel workforce efforts that, while complementary, can result in redundancies and fragmented service delivery. Greater alignment of VCCS with other workforce organizations and local boards—through shared referral protocols, co-developed wraparound supports, coordinated funding pursuits, and coordinated braiding of funding—would reduce confusion for job seekers, reach more individuals, and maximize shared capacity. Formal partnerships, underpinned by joint planning and clearly defined roles, could significantly improve outcomes and ensure seamless experiences for Virginians navigating the workforce system. A strong example of this is the Community College Workforce Alliance (CCWA), which is a workforce development division of Brightpoint and Reynolds Community Colleges. CCWA provides training and certifications to individuals in 12 programs, coaching and career services to promote employability, and training solutions for business with a single front door to seek talent and design customized training programs. CCWA prioritizes accessibility with several virtual options for

individuals and collaborates with both Fast Forward and G3 to cover the costs of workforce trainings for participants.

Enhanced collaboration should also extend to agencies like the Department for Aging and Rehabilitative Services (DARS) and the Department for the Blind and Vision Impaired (DBVI), to elevate educational pathways and support for students with disabilities. This could entail these agencies partnering with VCCS disability offices to ensure that best practices for accessible learning are being implemented in classroom settings, and that eligible community college students are referred to these agencies for supplemental services that cannot be delivered on campus.

Continue building local employer partnerships

Community colleges must continue building robust, locally relevant employer relationships to ensure programs reflect real-world demands. Employers increasingly value involvement in curriculum development, program design, and student engagement, all of which contribute to stronger job placement and retention outcomes. Coordination between VCCS and local LWDBs' Business Services Teams can prevent duplicative outreach and reinforce a unified approach to employer engagement.

Most employer relationships with the community college system, including industry association relationships, are owned by individual community colleges. (There are a few relationships with major employers handled at the VCCS system level; one example is the U.S. Department of Labor grant with Amazon Web Services, engaging seven community colleges and coordinated centrally.) The way

⁸⁶ VEDP

relationships are managed is based in part on how colleges' workforce and employer engagement functions are structured:

- More centralized approaches have a college-wide team responsible for coordinating employer relationships for both credit and non-credit pathways, often with individuals owning specific course pathways (e.g., Career and Technical programs). Some of the outreach to employers is led by course instructors who have industry connections. In smaller colleges, rather than a college-wide team, the Deans of specific disciplines (e.g., STEM) will drive outreach across both credit and non-credit classes for the industries that fall under their purview.
- More decentralized approaches see credit and non-credit program leads reach out to employers separately through emails, cold calls, and connecting at relevant events, even if within the same industry. Two staff teams and separate tracking systems can lead to confusion, though teams are trained to make referrals as needed.

Strong relationships between colleges and employers are mutually beneficial. By better understanding the skills and competencies desired by employers, community colleges can make their programming more relevant for students and drive enrollment over the long-term; employers, in turn, can have a more active hand in shaping their talent pipelines. More specifically, strong employer-college partnerships:

• Grow awareness of programs: The community colleges conduct outreach to employers in their community to help them understand what programs are available at the college, especially for priority industries. In many cases, employers are only familiar with the Associate's degree and do not realize that there are students in non-credit programs, as well as ways the community college can support them with daylong workshops or incumbent worker trainings. The latter service is also offered by other actors in the ecosystem, such as the LWDB Business Services team.

- Understand and meet employer needs: The community colleges are keen on maintaining an evergreen picture of employer needs; often, they will tour employer facilities and interview key leaders to identify workforce gaps and needs. Colleges then try to fill those needs by curating learning experiences (credit, non-credit, or customized to that employer) and/or modifying or refreshing curriculum for existing courses to ensure that it stays relevant. At times, some community colleges will refer employers to other actors within the workforce ecosystem, but this varies greatly across regions. Understanding employer needs also extends to demand for hands-on learning; by understanding which employers, industries, and jobs value hands-on learning, community colleges can ensure students are connected to experiential learning opportunities in addition to classroom instruction, and completing programs as workready graduates. Overall, VCCS should be directly engaged with business to understand their needs and train students to business needs. They should also involve business, industry, and their associations directly in curriculum development to ensure there is no misalignment in training and business needs.
- Connect students to employers: Some colleges
 have explicit goals around student-employer
 touchpoints (e.g., every student engages with at
 least one local employer before graduation).
 Practically, this can manifest in different ways:
 inviting employers into the classroom as
 speakers, running job fairs, arranging
 interviews, curating internships.

Finally, increased reporting on medium- and long-term employment outcomes—such as sustained earnings, industry retention, and career progression—would offer invaluable insights for students, policymakers, and workforce leaders alike. Integrating this data into the Workforce Data Trust would provide a more holistic view of workforce effectiveness and inform return-on-investment assessments for training programs.

Conclusion

Conclusion

Virginia has laid a strong foundation for a collaborative, modern, data-driven workforce development system that supports individuals, employers, and the Commonwealth's economic growth more broadly. The establishment and initial momentum of Virginia Works represents a critical step toward greater alignment, efficiency, and accountability across a highly complex ecosystem. However, sustaining and expanding this progress will require continued leadership investment in collaboration, and intentional investments in strategic planning, capacity-building, data, and tech infrastructure.

The recommendations offered in this report outline a roadmap for advancing this transformation. These include developing a cross-agency state workforce strategy, improving inter-agency coordination through shared performance metrics and digital platforms, and leveraging the Workforce Data Trust to generate actionable insights. To fully realize the potential of Virginia Works, the agency must clearly communicate its role within the ecosystem—both to external stakeholders and internal staff. This includes distinguishing the Virginia Works brand from legacy

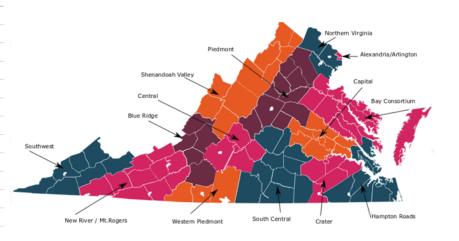
identities, articulating a coherent vision for its oversight and service roles, and building a culture of customercentric service delivery. Continued investments in employee training, technology modernization, and agency partnerships will be critical enablers of this work. At the local level, Virginia should promote integrated case management, omni-channel service delivery, and coordinated employer marketing while diversifying funding to support local innovation. VCCS must also play a more connected role within the ecosystem. This includes collaborating more intentionally with local boards and continuing to align training offerings with the Commonwealth's highest-priority economic sectors.

Ultimately, by solidifying collaborative governance structures, embracing data transparency, and maintaining a focus on economic growth, Virginia can position itself as a national leader in workforce development. The work ahead is ambitious, but with continued momentum and stakeholder alignment, the Commonwealth is well-positioned to achieve its goal of being the top state for talent.

Appendix

Appendix

LWDA	Region	Executive Director		
1	Southwest Virginia	Rachel Patton		
2	New River/Mount Rogers	Marty Holliday		
3	Greater Roanoke	Morgan Romeo		
4	Shenandoah Valley	Sharon Johnson		
5	Crater Region	Tabitha Taylor		
6	Piedmont	Sarah Morton		
7	Central Region	Traci Blido		
8	South Central Region	Terra Napier		
9	Capital Region	Brian Davis		
10	West Piedmont	Tyler Freeland		
11	Northern	David Hunn		
12	Alexandria/Arlington	Dave Remick		
13	Bay Consortium	Jackie Davis		
14	Hampton Roads	Shawn Avery		



Interviews

Group	Total	Example Organizations
Executive Directors and LWDBs	29	Interviewed all LWDB Executive Directors twice, including interim Executive Directors
Partners	29	Virginia Works, DARS, DOE, VDSS, VEC, DOC, , DVS, DBVI, local economic development entities, Goodwill Rappahannock, VEDP, WorkED Consulting, Virginia Chamber of Commerce
VCCS and community colleges	12	VCCS system office, Virginia Western CC, Virginia Peninsula CC, CCWA (joint venture of Reynolds and Brightpoint CCs)
Data	5	VAWC, Virginia Works staff
Employers	7	Amazon, BWX, Newport News Shipbuilding, Associated Builders and Contractors, Virginia Manufacturers Association, Carilion Clinic, IEC Chesapeake
Job seekers	3	Individuals who visited AJCs

Site Visits

Group	Total	Sites
LWDAs	8	Alexandria / Arlington
		Bay Consortium
		Greater Roanoke
		Capital
		Crater
		Hampton Roads
		New River/ Mt. Rogers
		Northern Virginia
Community Colleges	ommunity Colleges 2 Brightpoint (Community College Workforce Alliance) Virginia Western	

Job-seeker and employer survey

This report references insights from three surveys launched in June 2024 to inform this research effort. These surveys reached three critical populations:

- Job seekers: ~1000 individuals who started a new role in Virginia in the last 5 years. 87 22% of respondents lived outside Virginia at the beginning of their job hunt; the remainder that lived in Virginia at the time are representative of Virginia's population on gender, age, geographic distribution, and educational attainment. The survey intentionally reached a broader audience than only those who have directly interacted with the workforce system (through LWDBs / AJCs) in finding or preparing for their job, with the intent of understanding the full range of job seeker perspectives across the Commonwealth and informing opportunities to broaden awareness, outreach, engagement, and services provided by the ecosystem as whole.
- Employers: ~300 employers across all regions of the Commonwealth, contacted through the state and local workforce system, state and local chambers of commerce, and state and local economic developers. As a result, it is a reasonable assumption that respondents were more likely than the average Virginia employer to be familiar with workforce services provided at the local level through any or all of these entities, positioning them to provide feedback on how the system works today and how it can improve. Most respondents were entirely based in Virginia, roughly 40% of respondents had fewer than 50 employees in the state, and annual revenue spanned from small companies earning less than a \$1 million each year to those earning over \$1 billion. Roughly half of respondents were company executives, with the next biggest group serving in HR roles.

How workforce is governed at the state and local levels

The Commonwealth's workforce system is governed by the Governor, Virginia Board of Workforce
Development (VBWD), chief elected officials, the
Secretary of Labor, Virginia Works, and the LWDBs. The
Governor receives federal funding for workforce
development programs and activities, which is then
allocated to the state or LWDBs based on Virginia's
Combined State Plan.

The VBWD, whose members are appointed by the governor:

- Approve the state plan
- Review and improve existing statewide workforce policies and activities
- Organize within-state distribution of funds for adult and youth programs
- Prepare some performance reports to DOL

Workforce development ecosystem staff and stakeholders: ~300 individuals across all regions of the Commonwealth who deliver workforce development services to job seekers and employers, across both state and local actors and programs. This includes but is not limited to LWDB Board Members, program staff across all WIOA Titles, local economic developers, VCCS, community-based organizations, and local elected officials.

⁸⁷ The survey was fielded by Dynata, a third-party company which specializing in targeting surveys to particular respondent profiles

By law, the majority of the state board's members represent businesses, with the remainder being chief elected officials, labor representatives, and apprenticeship program representatives.

At the local level, the LWDBs and chief elected officials run workforce development. Each LWDA has a LWDB that is appointed by the chief elected officials. The LWDBs have a similar composition to the state board; members include at least 50% business representatives as well as local educational institutions, training organizations, and governmental and economic development organizations.

As detailed in the Code of Federal Regulations, once appointed and certified, the LWDBs and chief elected officials' responsibilities and functions include:

- Delegate local workforce responsibilities between the two entities and jointly set policy for the local area
- Develop the 4-year local strategic plan
- Approve eligible training providers for the eligible training providers list

LWDBs are independently responsible for soliciting and obtaining grants other than federal funds, developing one-stop-operator budgets, delivering WIOA Title I services, and conducting local market analysis.

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