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**MULTIPLE EMPLOYMENT
PROGRAMS**

**National Employment
Training Strategy Needed**

Statement of Clarence C. Crawford, Associate Director,
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SUMMARY OF TESTIMONY BY CLARENCE C. CRAWFORD
MULTIPLE EMPLOYMENT PROGRAMS
NATIONAL EMPLOYMENT TRAINING STRATEGY NEEDED

For many years, federal, state, and local officials have struggled with the problems created by the myriad of employment training programs. Currently, over 150 different federal programs provide some form of employment training assistance. Despite the elimination of some programs, the total number of programs continues to grow. In recent years, several states have launched attempts to better coordinate employment training services at the local level.

PROBLEMS WITH THE CURRENT "SYSTEM" OF EMPLOYMENT TRAINING PROGRAMS. The fragmented "system" of federal programs creates a variety of problems that hamper attempts to help workers obtain training and find jobs. We found that (1) duplication of services can add unnecessary costs to program operations and add burden to clients and employers, (2) a lack of information leads to confusion about how to access services, (3) multiple administrative entities and funding streams lead to additional administrative costs, and (4) the lack of an integrated client tracking system makes it nearly impossible to relate client services across program lines to outcomes.

STATE COORDINATION EFFORTS. In an attempt to improve local service delivery of federal employment training programs, several states have taken the initiative to reorganize their service delivery "system" to better coordinate services at the local level. These initiatives are designed to (1) reduce duplication, (2) ease confusion and access to services, (3) lower administrative costs, or (4) improve the ability to track client progress.

STRUGGLE TO COORDINATE. Coordination efforts are hampered by differences in program requirements, such as differences in eligibility criteria and planning and budgeting cycles. In addition, coordination is difficult because some state and local program staff are reluctant to share information with staff from programs with whom they compete for funding. Further, staff resistance to change and a sense of frustration can create an inertia that is difficult to overcome.

NEED FOR A NATIONAL EMPLOYMENT TRAINING STRATEGY. Local, state, and federal leaders need to work together to establish common goals for employment training programs and yet allow communities the flexibility to develop service-delivery mechanisms tailored to local needs. The proposed fiscal year 1994 budget includes \$150 million for "one-stop career centers." These centers could be an important step towards a rational employment training strategy; however, it is critical that these centers work through existing programs rather than establish another program that competes with those that already exist.



Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss with you the fragmented "system" of employment training programs and the need for a national employment training strategy. For many years, those seeking assistance in finding employment and those who administer services have had to cope with the large number of federal programs that provide employment training assistance. Although many of these programs may have well-intended purposes when looked at individually, collectively they can create serious problems for administrators at the federal, state, and local levels as well as those in need of services. Some states have taken the initiative to coordinate some of the many programs, but these efforts have not always met with success.

My testimony today will focus on (1) problems created by the myriad of employment training programs, (2) state and local efforts to coordinate these programs, and (3) the need for a national employment training strategy. My testimony is based on our prior and ongoing work concerning the overlap of programs that provide employment training assistance.¹

There is much agreement on the need for a more comprehensive, integrated employment training system, but how to create such a system has sparked much discussion. Reducing the number of programs could help eliminate some of the problems in coordinating local services, but significantly reducing the number will be a challenge. In fact, the number continues to grow. A comprehensive, overall employment training strategy that fosters

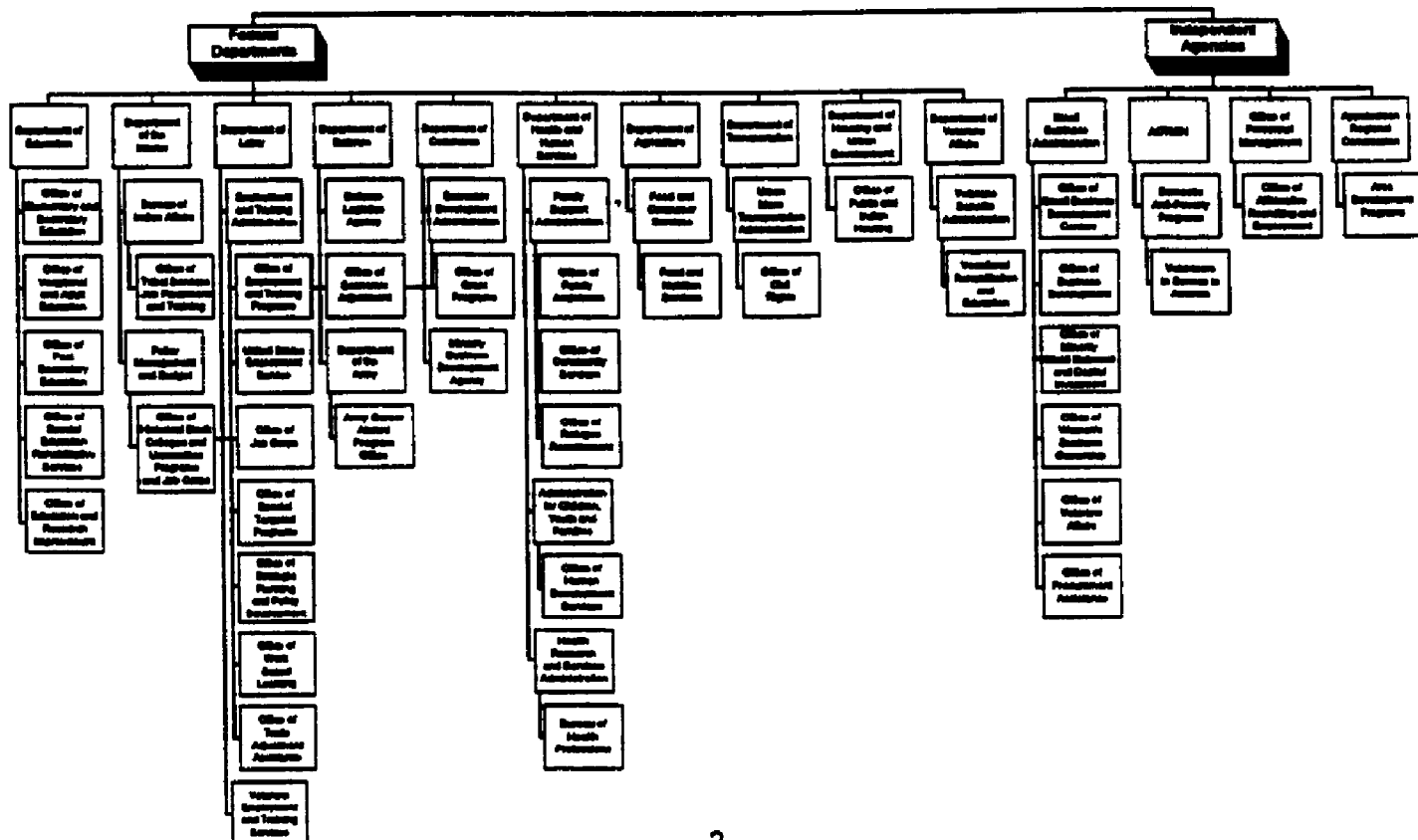
¹Letters to the Chairman, Senate Committee on Labor and Human Resources (GAO/HRD-92-39R, July 24, 1992) and the Chairman, House Committee on Education and Labor (GAO/HRD-93-26R, June 15, 1993). We have ongoing work that is looking into several aspects of the multiple programs issue. For example, we will be determining the extent to which programs collect sufficient information to judge their effectiveness. Also, we are looking at specific requirements that may hamper efforts to coordinate local services and the extent to which agencies, whose primary mission is not related to employment training, are operating employment training programs that may be duplicating services of other major programs.

coordination among the many federal programs is needed, but clearly no simple solution exists.

THE CURRENT SYSTEM OF FEDERAL EMPLOYMENT TRAINING PROGRAMS

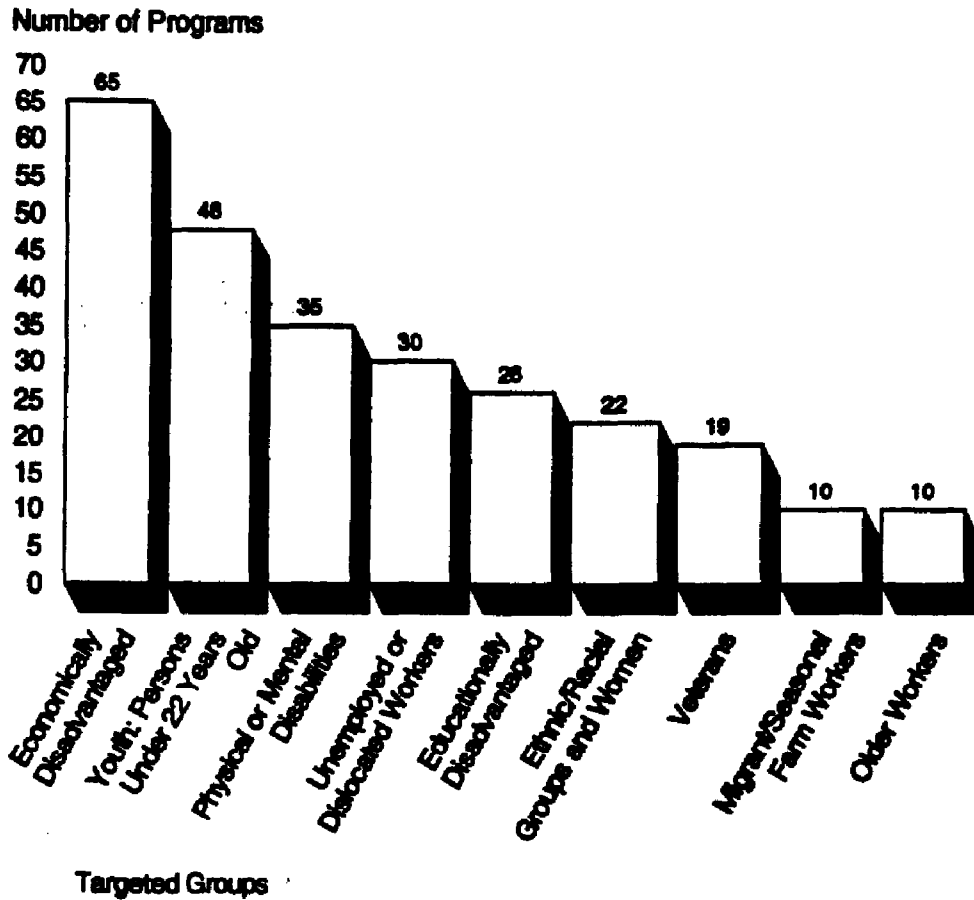
For fiscal year 1991, we identified 125 different programs or funding streams that provided employment training assistance to adults and out-of-school youth at a cost of over \$16 billion. As shown in figure 1, these programs were administered by 14 different federal departments and independent agencies. Although the Departments of Education and Labor administered most of these programs (79), several other agencies, with primary missions not related to employment or training, also administered some of them. For example, the Departments of Agriculture, Housing and Urban Development, Interior, and Transportation each administered employment training programs.

Figure 1: **Executive Branch Agencies Responsible for Employment and Training Programs**



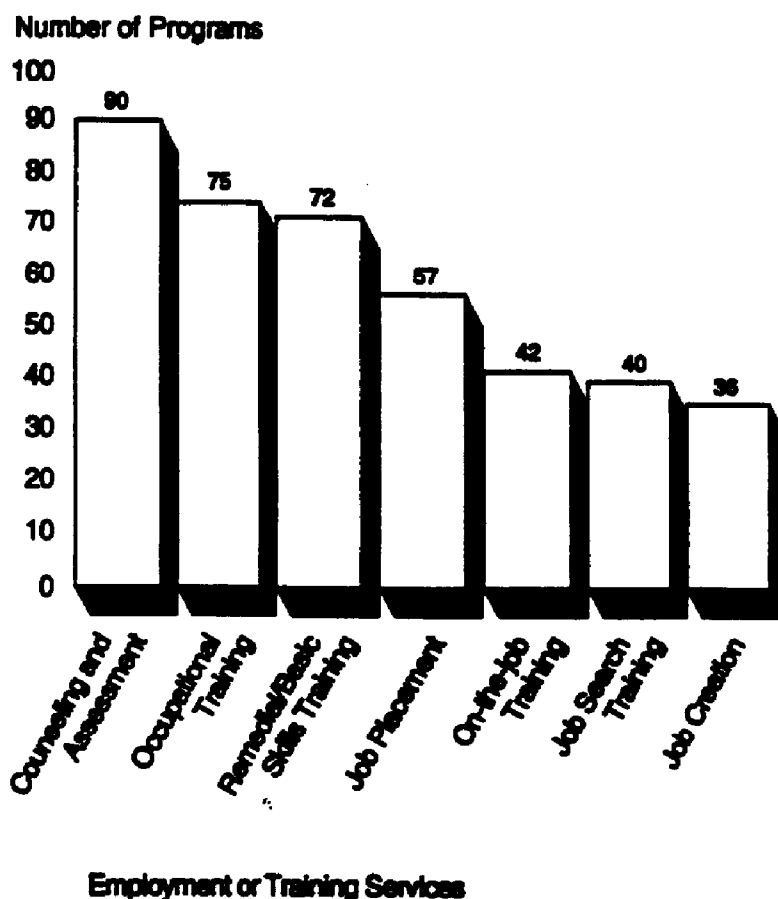
These programs often served the same target populations. For example, as shown in figure 2, 65 of the 125 programs served the economically disadvantaged and 48 programs were aimed at serving out-of-school youth under 22 years of age.

Figure 2: Many Programs Serve the Same Target Groups



In addition, we found that many programs have similar features and services. For example, 90 programs provided participants career counseling and assessments, and 75 provided occupational training. (See fig. 3)

Figure 3: Many Programs Provide Similar Services



Since we first identified the 125 programs or funding streams, there has been much discussion about the need to reduce the number of programs. However, our subsequent analysis showed that despite the elimination of several programs, the total number of programs has increased. For fiscal year 1993, we identified 151 programs, and while it is too early to know the actual number of programs that will be funded for 1994, our analysis showed that the proposed fiscal year 1994 budget² includes funding for at least 154 programs.

²As submitted by the President to the Congress on April 8, 1993.

PROBLEMS WITH THE CURRENT "SYSTEM"

The fragmented "system" of federal programs creates a variety of problems that thwart the effectiveness of efforts to assist workers in obtaining training and finding jobs and add unnecessary costs to program operations and burden to clients and employers. For example, as I mentioned earlier, we found that 90 programs provided counseling and assessment services. The problems created by such duplication can be described through the plight of a fictitious client named "Mary." Mary started her search for assistance at the local public employment office. She completed an application, took a skills assessment test, and was interviewed by an agency representative. Because she did not have any job experience or job-related skills, the representative referred her to a local job training agency. Mary then went to the training agency's intake center where she completed another application and was again interviewed by agency staff. After documenting Mary's eligibility for services, the interviewer told her that she would have to take a skills assessment test. Mary informed the interviewer that she had already taken a similar test at the public employment office, but she had to take another test because the programs did not share information.

Duplication of job placement services can also create problems and frustration for employers. We found that over 50 of the programs provided placement assistance. But, as one state official put it, employers do not want people from each of these programs "soliciting" job openings from them. Employers want a single point of contact that understands their needs and will provide them with qualified candidates.

Another problem is the confusion that the fragmented system causes for individuals seeking employment training assistance. Browsing through a local telephone directory can demonstrate the difficulty experienced in trying to find information on government training programs. The District of Columbia telephone directory, for

example, lists several pages of private employment agencies and training institutions, but has little information on the government programs that can assist those seeking help. As a result, individuals may have difficulty knowing where to begin looking for assistance. This is unfortunate given that many of these government programs can objectively help individuals in selecting the training that most effectively meets their needs.

An additional problem associated with the fragmentation of the current system is the added administrative burden. As shown earlier in figure 1, programs are administered by 14 federal departments and agencies. Funds are channeled through more than 35 interdepartmental offices and a multitude of state and local agencies before services actually reach the people needing help. Given this maze of funding channels, the administrative costs associated with these programs are considerable. A 1989 Job Training Partnership Act (JTPA) Advisory Committee Report to the Secretary of Labor said ". . . In this era of budget stringency . . . we should no longer accept a fragmented, uncoordinated approach to the delivery of human services. It is inefficient, wasteful, and frustrates the consumers of these services."³

The fragmented system also makes it difficult to monitor program performance and track participant progress. For example, the JTPA Title IIA program for economically disadvantaged youth and adults tracks activity by funding source, rather than by individual participant. To gather information on the services received by a client from this one program, evaluators or local administrators would have to tap into as many as four separate databases. Further, this does not include any information on the services the individual may have received from other programs.

³Working Capital: Coordinated Human Investment Directions for the 90's, Job Training Partnership Act Advisory Committee Report to the Secretary of Labor, October 1989.

STATE COORDINATION EFFORTS

In an attempt to improve local service delivery of federal employment training programs, several states have taken the initiative to reorganize their service delivery "system" to better coordinate services at the local level. These initiatives are designed to (1) reduce duplication, (2) ease confusion and access to services, (3) lower administrative costs, or (4) improve the ability to track client progress. Many of these initiatives are still in their early phases, and it is too soon for an in-depth evaluation, but state officials believe that many of these initiatives have been, at least in part, successful. I would like to describe some of these initiatives.

To help reduce duplication, several states are using case managers to provide services from a range of programs. These case managers assess their clients and then draw on the services from several programs to arrive at a tailored set of services that meet their clients' needs. In 1987, Wisconsin started using a case management approach in its Job Center Networks and has continued to expand its use since then. A Wisconsin official described case management as "essential" for coordinating client services, especially for clients with multiple barriers to finding employment. According to a report by the Texas Department of Commerce, "well designed case management efforts represent an opportunity . . . to better organize services to reduce fragmentation and duplication."

Several states have made efforts to ease client confusion and access to services. For example, Massachusetts has located staff from many programs in one facility. During the late 1980s, the Massachusetts Department of Employment and Training collocated employment and unemployment services in 40 Opportunity Job Centers statewide. Recent market research sponsored by the state showed that there were definite benefits associated with collocating services. New York has launched several initiatives to help ease client access to services. For example, some local Employment Service offices were designated as "Community Service Centers."

These offices combine basic employment services with a community-wide referral system for all local employment, training, and support agencies. In addition, individuals and employers have access to job listings and labor market information through computer terminals at various locations statewide--including job training agencies, colleges, and retail malls. A New York Labor official told us that these initiatives have significantly eased client access to information about all programs and services available, no matter where they first access the system.

To help lower administrative costs, a local area in Pennsylvania piloted a "Single Point of Contact" intake and assessment program for several major federal programs. Under this approach each client receives a one-on-one interview and an in-depth skills assessment that enables staff to identify the services of various programs that best meet the client's needs. Because officials believed that this approach was successful, it is now also used for intake and assessment in the Job Opportunity and Basic Skills (JOBS) program in most of the state's jurisdictions.

Several states are experimenting with computer systems to help improve the ability to track client progress. Having a computer system that is participant-centered is necessary in a fragmented system to determine who is being served and what services they are receiving. New York is developing a comprehensive, client-centered computer system called "Gateway." The long range objective is to build a system that links client information on services received from several agencies and generates data for evaluating how the system as a whole works to serve individuals. Iowa is developing a similar automated system. One Iowa official told us that the ability to determine the effectiveness of all services depends on their ability to create a computerized reporting system that can consolidate information across program lines.

**STRUGGLE TO COORDINATE EMPLOYMENT
TRAINING PROGRAMS**

The success some states have achieved in better coordinating employment training services has not come easily. Differences in program requirements, staff mistrust, and resistance to change often frustrate efforts to coordinate services. For example, differing eligibility criteria, planning and budget cycles, and performance measures make arranging for joint activities difficult. We found that varying definitions for individuals in the same target group result in confusion and inappropriate exclusion of some individuals from programs serving that target group.

In 1989, we reported that individual agencies are often reluctant to cooperate with one another.⁴ State and local program staff are unwilling to share information, resources, and clients with staff from other programs because they frequently compete for clients and funding. In our discussions with state officials, competition between local agencies, or "turf battles," was often cited as a tremendous obstacle to cooperative relationships.

Overcoming the resistance to change found in traditional institutional structures is also difficult. In 1992, we reported that agency staff do not generally welcome change; they often feel threatened or overwhelmed.⁵ Further, we found that improvement in interagency coordination is often difficult because differing agency ideologies prevent staff from reaching consensus. In addition, program isolation and a lack of information on successful coordination efforts and their potential benefits create a sense of frustration and the belief that the coordination problem is insurmountable.

⁴Dislocated Workers: Labor-Management Committees Enhance Reemployment Assistance (GAO/HRD-90-3, Nov. 21, 1989).

⁵Integrating Human Services: Linking At-Risk Families With Services More Successful Than System Reform Efforts (GAO/HRD-92-108, Sept. 24, 1992).

**NEED FOR A NATIONAL EMPLOYMENT
TRAINING STRATEGY**

Local, state, and federal leaders need to work together to develop a national strategy that would establish common goals for employment training programs and yet allow communities the flexibility to develop service-delivery mechanisms tailored to local needs. Several states have been trying to improve the coordination of their programs, but the federal government needs to join the battle. By properly channeling assistance to support state and local coordination efforts, the federal government can play an important role in encouraging better coordination of employment training services to maximize the effectiveness of the resources allocated to helping workers.

In its proposed budget for fiscal year 1994, the administration has included \$150 million for "one-stop career centers" to streamline access to job and training information. According to the budget proposal, these centers are to serve as common entry points for all those seeking access to career counseling, assessment, occupational information, and referral to jobs and other employment training programs and related services in the community. We believe that these centers could be an important step towards a rational employment training strategy; however, it is critical that these centers work through existing programs rather than establish another program that competes with those that already exist.

Developing a national employment training strategy will be a challenge, but we cannot afford to wait any longer.

Mr. Chairman, that concludes my prepared statement. I will be happy to answer any questions you or other members of the Subcommittee may have.

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