

## Understanding WIOA Performance Targets PY2018 and PY2019

*Performance Measurement and Accountability* is one of the 13 primary Local Board duties. Section 116 of WIOA establishes, in lengthy detail the requirements for performance negotiation at the State and Local level for the core programs and Eligible Training Providers described in Title 1B. The purpose of measurement is to achieve positive outcomes for individuals served by those programs.

### ***WIOA Adult***

Performance Measure	2018 Target	2019 Target
Employment Rate 2 <sup>nd</sup> Quarter After Exit	66.2%	67.1%
Employment Rate 4 <sup>th</sup> Quarter After Exit	65.5%	66.4%
Median Earnings 2 <sup>nd</sup> Quarter After Exit	\$4,736	\$5,036
Credential Attainment Rate 2 <sup>nd</sup> Quarter After Exit	61.4%	63.4%

### ***WIOA Dislocated Worker***

Performance Measure	2018 Target	2019 Target
Employment Rate 2 <sup>nd</sup> Quarter After Exit	60.5%	61.3%
Employment Rate 4 <sup>th</sup> Quarter After Exit	57.9%	58.7%
Median Earnings 2 <sup>nd</sup> Quarter After Exit	\$6,094	\$6,444
Credential Attainment Rate 2 <sup>nd</sup> Quarter After Exit	64.8%	66.8%

### ***WIOA Youth***

Performance Measure	2018 Target	2019 Target
Employment Rate 2 <sup>nd</sup> Quarter After Exit	55.2%	56.1%
Employment Rate 4 <sup>th</sup> Quarter After Exit	52.1%	52.9%
Credential Attainment Rate 2 <sup>nd</sup> Quarter After Exit	51.7%	52.7%

#### **Q: Why do we have performance targets for the Workforce System?**

Measuring performance is a long-standing part of the federal and local workforce system. The specific metrics were established by WIOA federal law. Previous legislation also used similar metrics.

The metrics help the workforce system set goals and measure performance outcomes. The State system and network of partners is accountable for meeting the metrics and Local Workforce Councils are the entity responsible for ensuring they meet local targets. Those commitments and working agreements are established in the Memorandum of Understanding.

#### **Q: How were WA State targets set?**



Washington state's Workforce Training and Education Coordinating Board (Workforce Board) negotiated statewide targets with the US Department of Labor (DOL) based on the most recent performance data available at the time, which was four rolling quarters of data ending with the Second Quarter of Program Year 2016 (Oct-Dec 2016). This data was then processed through the DOL's statistical adjustment model, which predicted what performance would be expected now based on current economic conditions. Those predicted estimates (after some tweaks negotiated between the Workforce Board and the DOL) became the state targets.

***Q: How were the Local WDA targets set?***

After the State targets were set, the process for setting the local targets was discussed with representatives from each of the 12 Workforce Development Councils (WDCs). PacMtn's rep was Vince K. our data analyst. There was some flexibility in how local targets were set, but the methodology 1) had to be statistically defensible and 2) the average of the sum of the local targets had to add up to the state targets, which were already negotiated with DOL and could not be changed. DOL has not been able to create a statistical adjustment model that works on areas smaller than states, so local negotiations accounted for local economic conditions.

After lengthy discussions over a period of several months, the 12 WDCs agreed upon a methodology that fairly distributed the target levels based on past performance and the number of jobseekers served.

***Q: Is PacMtn satisfied with the Targets and the Methodology/Process?***

The targets for PY2018 and PY2019 are modest and in line with recent performance, so we are comfortable accepting these numbers. We feel our voice was heard during the process and that it was generally fair. Through this year we will continue to monitor PacMtn's performance and pay attention as the Workforce Board proceeds through the next review. Under different economic conditions the methodology could have negative impacts. Furthermore, we still have not yet seen the full effect of co-enrollment on our performance results. If we find that the methodology is producing results we cannot support, we were assured that we will have the opportunity to re-negotiate the methodology and the targets set for 2020 and beyond.

***Q: What is the greatest challenge or concern regarding the targets and the methodology?***

The greatest challenge in setting local targets is coming up with numbers all 12 WDCs can support, while still adding up to meet the state targets. The 12 WDC have worked closely with the Workforce Board on the timing of the development of targets, but we often find ourselves negotiating against an inflexible State target that must be equitably shared. It is important to understand PacMtn targets are not set in isolation, but balanced against the interests of 11 other WDCs, the State of Washington and the US Department of Labor.

***Q: Why aren't there targets for all of the WIOA performance metrics?***

DOL has decided to phase in the performance metrics it is requiring based on the availability of local data and its own ability to interpret and process the data. For PY2018 and PY2019, the following metrics are required to have goals set:

Employment rate in the 2<sup>nd</sup> Quarter After Exit



Employment rate in the 4<sup>th</sup> Quarter After Exit

Median Earnings in the 2<sup>nd</sup> Quarter After Exit

Credential Attainment Rate

These all apply to Adult and Dislocated Worker programs. The Median Earnings metric does not apply to Youth programs and the Employment metrics for Youth also include exits into post-secondary education or training.

***Q: What is the status of the metrics that measure effectiveness in serving employers?***

Washington is one of five states piloting measures of the effectiveness of business services. WIOA requires that the metric eventually chosen for all states must be selected from three potential measures: 1) retention of new hires from the 2<sup>nd</sup> to the 4<sup>th</sup> quarter after exit, 2) repeat customers (% of businesses using services more than once in a three-year period) and 3) employer penetration rate (% of businesses using our services out of all the businesses in the state or WDA).

Washington chose to pilot repeat customers and employer penetration for PY2016 and PY2017. The state Employment Security Department began reporting this data in October 2018. The DOL will review the results and choose one measure to use nationally at a time that is yet unspecified.

***Q: How do this year's targets compare with previous year's targets?***

Employment rates are between 7 and 10 percentage points lower for all programs than the targets that were set for PY2016 (which did not change in PY2017). Median earnings are \$772 lower for Adult programs and \$1,529 lower for Dislocated Worker programs.

***Q: What happens if a Workforce Area does not meet targets?***

DOL has officially declared they would not apply sanctions for performing below targets in PY2018 and DOL officials have informally suggested that no sanctions will be applied in PY2019, but the decision for PY2019 has not been formalized at this writing. PacMtn would strive to meet or exceed the targets as a matter of practice and as a strategy for organizational excellence and continuous improvement.

For additional questions or comments, please contact  
Bridget Lockling at (360) 704-3568 or [bridget@pacmtn.org](mailto:bridget@pacmtn.org).