

Luann Dunsford

Chief Executive Officer, Michigan Works! Association

INTRODUCTION

Chairman Cole and Ranking Member DeLauro, thank you for the opportunity to address the committee this morning. My name is Luann Dunsford and I am the CEO of the Michigan Works! Association. The Association's work ensures top-quality services and support for Michigan's talent pipeline. Our Association is a go-to resource for the 16 independent Michigan Works! organizations across Michigan that are connected through a common mission: Economic Prosperity. Everyone Works!. My testimony supports the Workforce Investment & Opportunity Act (WIOA) authorized funding levels for the Adult, Youth and Dislocated Worker Programs at the Department of Labor.

Thank you and your staff for your continued leadership through recent bipartisan budget and omnibus appropriations negotiations. The Fiscal Year 2018 omnibus contained critical increases to investments in workforce development, job training, and education programs. These federal resources allow local stakeholders to implement strategic sector partnerships, apprenticeships, career pathways and other innovative solutions to the workforce challenges facing local employers.

Your leadership is critical to ensuring a similar sound investment is included in the Fiscal Year 2019 appropriations process. As discussions of work requirements for various programs heat up, an honest look at the level of resources required to administer such activities is in order.

For now, though, I'd like to talk a bit about the success of the national workforce system and specifically our Michigan Model.

OUR WORK

Federal funding for workforce programs flows to states in a variety of vertical silos that can overlap or contradict each other and are often not connected. Across the nation, each state works to maximize federal funding while minimizing duplication.

Michigan Works! is the statewide branded identity for Michigan's talent development system. The Michigan Model consolidates those different funding streams into one system that is comprised of responsive, less bureaucratic, multi-dimensional organizations. Local workforce development boards are a hub of collaboration. We are private sector led and governed locally.

The heart of the Workforce Investment & Opportunity Act (WIOA) is where the rubber meets the road in each community. Chairman Cole – I lived in Oklahoma for a number of years and I know that the industries in Tulsa and Oklahoma City are very different from the beautiful rolling plains of western Oklahoma. In Michigan, talent needs differ from region to region as well. Thank you for ensuring that local workforce boards have the resources needed to address the skills gap in their region and the flexibility to develop programs in response to the demands of their local industry and talent pool. Truly, “what makes sense locally makes sense.”

Whether the economy is booming or struggling, local workforce boards tailor services to meet the demands of their communities. Today, the skills gap presents itself in several ways:

1. With a strong economy and unemployment levels at all-time lows, many in the labor pool are simply not job-ready or have multiple barriers to employment.
2. There is often a mismatch of skills from students graduating from two and four-year post-secondary programs with the jobs available.

3. Technology continues to change an increasing number of professions.
4. Significant numbers of individuals are ‘underemployed’ and need incremental training or education to advance their career.

The nation’s workforce development system stands in this gap to meet the needs of employers, while preparing workers for the jobs that are available.

Federally funded workforce programs help make that happen, which leads to millions of new hires every year. Appropriate and stable funding levels are needed to provide adequate training and support to our nation’s workforce. This is the primary reason why my organization, and others across the country, have requested WIOA authorized levels for the four titles of the law in the Fiscal Year 2019 Labor, HHS, Education Appropriations Bill.

WORKFORCE DEVELOPMENT IN ACTION

Michigan Works! services are demand-driven - we work with employers every day to explore their needs. By aligning our job seeker services with demand, we can provide individuals with a competitive edge. Over the past two decades, the common thread in every job seeker success story I’ve heard is that they wouldn’t be where they were today without the support and encouragement they received from someone in a Michigan Works! office. Having someone in your corner guiding you and encouraging you makes the difference.

The integration of programs in Michigan allows every dollar to go farther, reduces overhead and duplication and is more customer friendly. Braiding resources is a critical component to the successful implementation and sustainability of integrated career pathways in Michigan and nationwide. This approach allows customers to be served in a more comprehensive, efficient way.

Last year Michigan Works! served nearly 36,000 employers, filled over 75,000 jobs and provided services to over 700,000 job seeker customers, ultimately serving 1 in 14 Michiganders with nearly 1.5 million visits to our American Job Centers.

Data-driven accountability is an essential element of Michigan Works!. Beyond the numbers and programs are the stories of people whose lives have improved with the strategic use of workforce resources. Allow me to provide one example:

Curtis Marculewicz visited Michigan Works! to seek support in finding a career, not just a job. Michigan Works! connected him with Weyerhaeuser, one of the world's largest wood product manufacturers. Through On-The-Job training, Curtis learned a new trade, secured employment and gained stability with one of the best-paying employers in the area.

Not only did Michigan Works! connect Weyerhaeuser with a valuable employee, but also provided resources through a state-funded incumbent worker training program, the Skilled Trades Training Fund, to train nearly 80 employees.

Through their strong partnership with both Kirtland Community College and Weyerhaeuser, Michigan Works! established a training plan, which resulted in Weyerhaeuser's apprenticeship program becoming U.S. Department of Labor certified.

The importance of incumbent worker training far exceeds available resources.

FISCAL YEAR 2019 DEPARTMENT OF LABOR BUDGET LANGUAGE

I would like to address language included in the President's FY2019 Department of Labor budget request that would give states more authority under WIOA to consolidate and/or re-designate local workforce boards. While we support greater flexibility for states to meet their unique workforce needs, the underpinning principle of WIOA is that the workforce system is most effective through local delivery, local response and local decision-making.

Locally, WIOA-funded programs are collaboratively designed and implemented by workforce boards, education and training partners and employers to meet local worker demand. This evidence-based approach is getting potential workers off the sidelines and into employment and helping low-wage workers advance to middle-class jobs.

For thousands of Michigan workers and employers each year, the federally funded, locally operated, workforce system is a win/win. Businesses can focus on innovation and expansion, while the Michigan Works! Association works across the community to recruit and prepare the local talent needed to sustain that growth.

CONCLUSION

Training, support and business partnerships are key to our country's prosperity in the future. With the bipartisan budget deal enacted earlier this year, we urge you to further invest in workforce development, career and technical education, adult education and other connected programs that provide opportunities for job seekers and talent needed for businesses to continue their economic growth.

The success of job training and employment services is rooted in our ability to proactively create and sustain our nation's talent pipeline. Federal funding for workforce programs is vital to the economic prosperity of our communities.

Thank you for this opportunity to discuss these issues today. Please consider us a resource if we can be of any help.