

# Workforce Investment Act Annual Report

## Program Year 2006

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July 1, 2006 through June 30, 2007



Submitted by:

South Carolina Department of Commerce

Workforce Development Division

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## Table of Contents

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### **Results for Program Year 2006 – Cost-effective Investments and Outcomes**

<u>Moving Forward: Positive Results for Program Year 2006</u>	<u>page 1</u>
<u>Business Outreach – Job Growth through Training</u>	<u>page 2</u>
<u>Participant Growth</u>	<u>page 4</u>
<u>Return on Investment</u>	<u>page 4</u>

### **State Evaluations**

<u>Internal Customers</u>	<u>page 7</u>
<u>Economic Developers and Partners</u>	<u>page 7</u>
<u>Local Investment Boards</u>	<u>page 8</u>

### **Additional Highlights**

<u>State Workforce Investment Board's Grant Programs</u>	<u>page 9</u>
<u>Jobs for South Carolina's Graduates Program</u>	<u>page 9</u>
<u>Workforce Development Partnership Conference</u>	<u>page 9</u>
<u>Youth Training</u>	<u>page 10</u>

### **Conclusion**

# Cost-effective Investments and Outcomes

## Moving Forward: Positive Results for Program Year 2006

South Carolina's use of federal WIA dollars in Program Year 2006 provided an excellent return on investment. Results achieved advanced the goals of the Workforce Investment Act of 1998, as well as the goals outlined in our state's plan for a comprehensive and coordinated workforce and economic development strategy.

A key element of that strategy is an increased emphasis on the business services. South Carolina's WIA activities in this past program year were designed to maximize the opportunities available for job seekers in the state by maintaining a tight focus on matching training with the demands of new, existing, and prospective businesses and industries. The South Carolina State Workforce Investment Board (SWIB) has identified its core purpose as creating a competitive workforce advantage for South Carolina by ensuring that a quality and effective workforce system exists in order to improve the lives of all South Carolinians. Through its policy advocacy and collaboration roles, the Board has promoted a closer alignment between workforce development and economic development.

***Our highest priority is to provide the right training and skills development - for the right jobs - in a way that meets the needs of our business customers and ensures steady increases in the availability of quality, high-paying jobs.***

The performance measurements and outcomes for Program Year 2006 outlined in the tables and charts in Section II of this report provide a detailed look at the impact this new strategic direction is already having in South Carolina. The results noted in the breakdown tables are based on very specific reporting guidelines that are uniquely tailored to evaluate progress in individual programs and areas. Many of the numbers paint a promising picture that the new strategy and priorities are taking our state in the right direction. For instance, South Carolina experienced tremendous success this past program year in all areas of training: Customized, On-the-job, and Incumbent Worker, which resulted in substantial numbers of existing jobs being saved and new jobs being created. See below.

## **Business Outreach – Job Growth through Training**

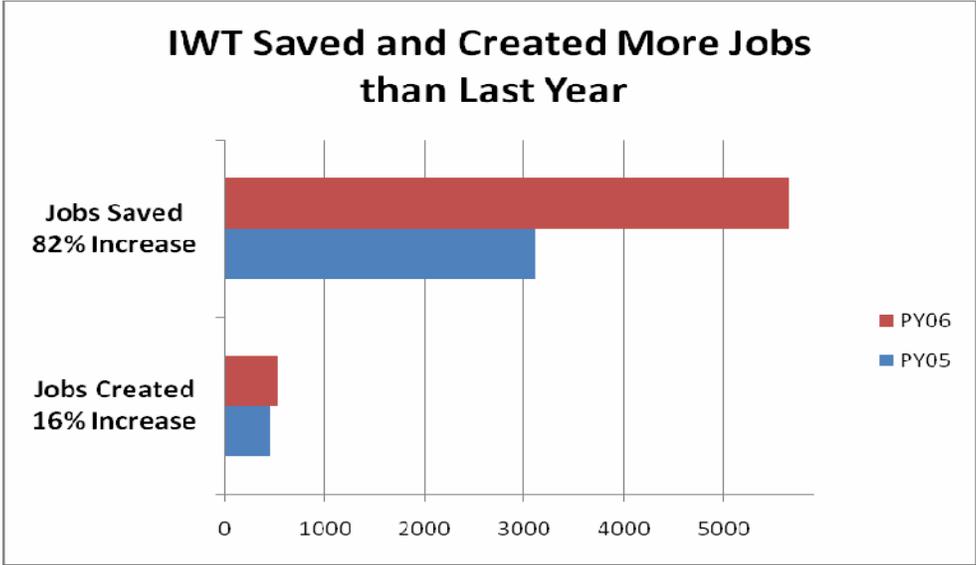
### ***On the Job and Customized Training***

- **On the Job Training increased by 98%.**
- **Customized Training increased 275%.**

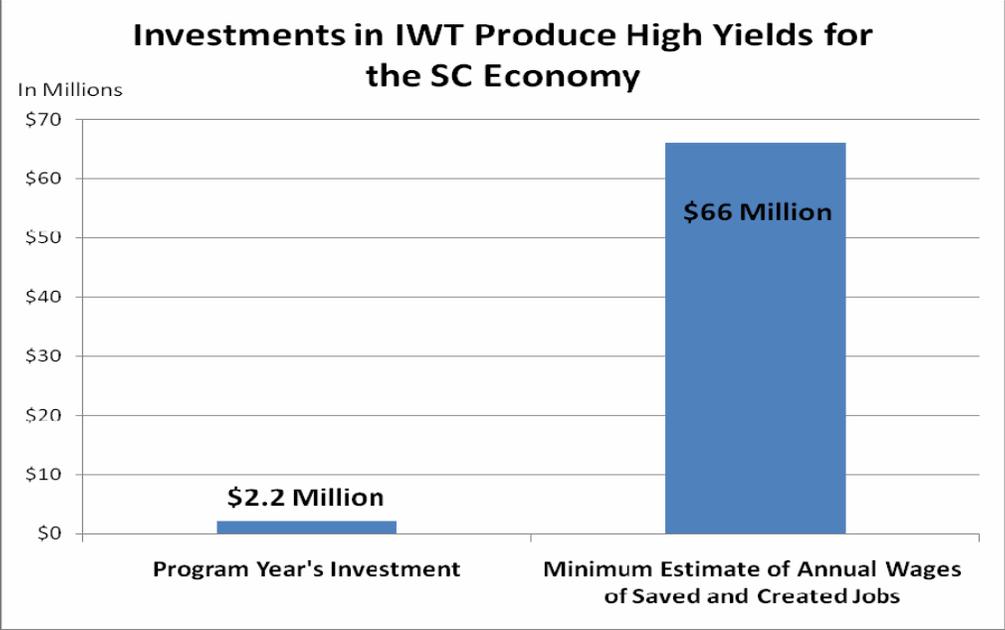
### ***Incumbent Worker Training (IWT) Grants***

- **Trained 7,068 workers.**
- **Invested an average of \$313 per participant.**
- **Spent a total of \$2,209,504.**
- **Increased the number of employer grant agreements by 51%.**
- **Saved 5,651 existing jobs, an 82% increase.**
- **Created 524 new jobs were created, a 16% increase.**

**Jobs Saved and Created**



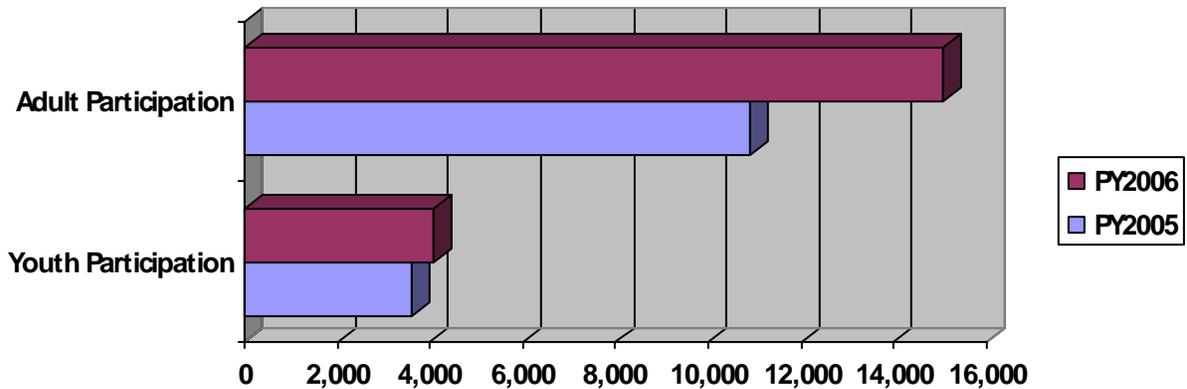
With 5,651 jobs saved and 524 jobs created, at a range of salaries, this one-time investment of \$2.2 million in Incumbent Worker Training added a minimum of \$66 million into the state’s economy in recurring annual wages (calculated using a minimum base wage amount of \$5.15 per hour – although salaries were as high as \$30 an hour).



## Participant Growth

During this past program year, more than 19,000 South Carolinians participated in WIA-funded services in our state's 12 local Workforce Investment Areas. Compared with the prior program year, participation in WIA-supported adult programs grew by 38%. Youth program participation rose by 13%.

**Comparison of Growth in WIA Participant Categories**



## Return on Investment

### *Larger Investments Yield Greater Returns*

The table below shows the average cost per participant in all WIA programs this past program year. This investment yielded increased earnings for participants, increased training services for participants, and a greater focus on populations which are harder to serve. Performance results exceed the state's goals in job entry and retention, earnings for Adults and Dislocated workers, and placement in employment or education. Results on the Youth measures of degree or certificate attainment and literacy/numeracy also exceeded state goals.

WIA Funding Category	Dollars	Participants	Cost Per Participant
Adult	\$17,683,232	7,757	\$2,280
Dislocated Workers	\$14,156,147	7,460	\$1,898
Youth	\$13,222,134	4,058	\$3,258

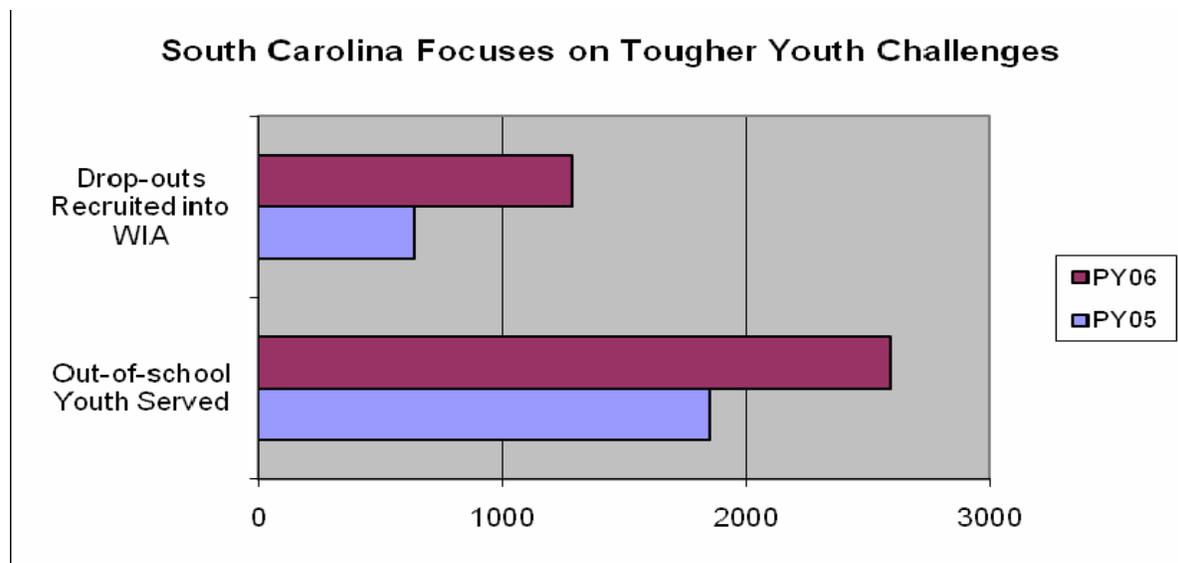
### ***More Participants Take Advantage of Training Services***

South Carolina not only increased the total number of Adults and Dislocated Workers served by 38%, but also increased the total number of Adults (190%) and Dislocated Workers (110%) who received training.

### ***Youth Participants Exceed Goals in all Common Measures Categories***

South Carolina targeted a challenging need and reaped positive results. The state served 40% more out-of-school youth this program year, a population that is typically harder to serve and can require a more intensive level of staff time and services. Also, the out-of-school youth population served in Program Year 2006 included a substantial increase in the total number of high school dropouts served.

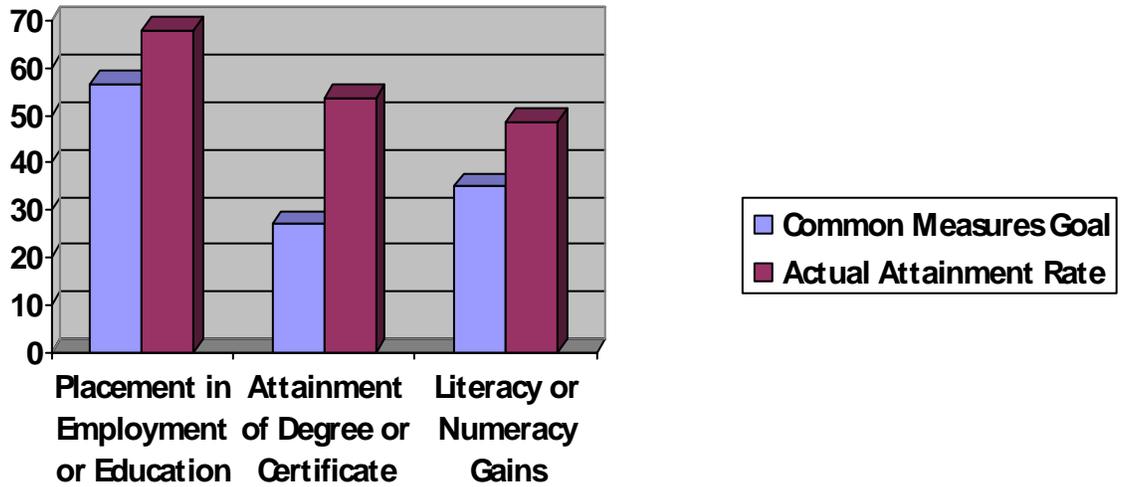
**In fact, the number of NEW (not previously served) high school dropouts served more than doubled in program year 2006.**



As the chart above shows, high school dropouts made up a substantial portion of the Out-of-School Youth served in program year 2006.

Amazingly, these youth with multiple barriers to success outpaced the performance goals set at the beginning of the program year for WIA common measures in the categories of Placement in Employment or Education; Attainment of Degree or Certificate; and Literacy or Numeracy Gains. See below.

### Youth Results



# State Evaluations

## Internal Customers

The South Carolina Department of Commerce Workforce Development Division developed a Virtual OneStop<sup>1</sup> (VOS) Help Desk Customer Satisfaction Survey to measure our effectiveness in providing assistance to VOS users. The lead coordinator from all 12 Local Workforce Investment Areas were surveyed via e-mail, and all responded. On a scale of 1 to 5, with 5 being the highest score, the overall customer satisfaction rating was 4.9.

**The Customer Satisfaction rating for each category was as follows:**

Category	Customer Satisfaction Rating
Staff was courteous	5.0
Staff was professional	5.0
Staff was easy to reach	4.9
Staff response was helpful	4.9
Staff response was user-friendly	4.9
Staff responded in a timely manner	4.9

## Economic Developers and Partners

- Feedback from each local economic developer is solicited regarding the value and ease of use of WIA business services including the One-Stop system for economic development purposes. Results are documented and shared with local WIA administrators and state WIA staff in order to address concerns and inform priorities.
- Feedback from each mandated partner agency regarding the strength and effectiveness of its partnership with the workforce system is solicited continuously in order to pool resources to increase employment opportunities throughout the local areas.

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<sup>1</sup> Virtual OneStop is South Carolina's participant reporting and case management system.

- This effort is carried out by state WIA staff specifically dedicated to the goal of improving service to our business customers and partners in economic development. Data are gathered in one-on-one interviews and follow-up on the information gathered is a priority

## **Local Investment Boards**

A local board standards task force, made up of representatives from the local workforce investment boards, worked for over six months to develop local board standards. The SWIB unanimously adopted the standards in August, 2007. The standards include goals for planning and operation that are designed to move the boards into more strategic roles in their communities and help align education, workforce development, and economic development. The standards include guidelines for strategic planning, resource alignment, support of a quality OneStop system, support for Youth programs, funding oversight, and fiscal and performance accountability.

## **Additional Highlights**

### **State Workforce Investment Board's Grant Programs**

The SWIB approved distributing \$3.2 million through a competitive grant process to further specific goals in its strategic plan to improve the workforce. The Board sought proposals to work with businesses and education to analyze and close skills gaps; to develop local area plans in collaboration with economic development, key industries, and education; to create stronger alliances among the local WIBs and the business and economic development communities; to increase non-traditional access points for customers of the One Stop Career Centers; to pilot innovative workforce development programs; and to expand the use of WorkKeys® across the state.

The grant process was open to post-secondary institutions, local workforce investment boards, councils of governments, community-based organizations, private for-profit entities, and public or private non-profits. Forty-four applications were received, 18 were funded. The funding floor was \$61,600 and the ceiling was \$296,400.

Specific activities included: employment services and computer training for disabled veterans returning from Iraq and Afghanistan; skills gaps closure and supplementary education for childcare workers in five economically-depressed counties; implementation of the Workkeys® system among business leaders and educators in the K-14 systems; job training opportunities in truck driving, advanced manufacturing, and nursing; GED preparation, soft skills training, and WorkKeys® certification for the incarcerated, recently paroled, and immigrant populations; pre-employment training and certification of work-ready individuals across the state; and community planning.

### **Jobs for South Carolina's Graduates Program**

For the second year, the State Workforce Investment Board funded a successful high school drop-out prevention program, Jobs for South Carolina's Graduates. The program has been piloted in 14 schools and served 630 at-risk youth this past year. For the second year in a row, the program experienced a 95% retention rate and placed in the top 5 states in the nation for this achievement.

### **Workforce Development Partnership Conference**

The State Workforce Division sponsored a workforce development training event for local and state practitioners, policy makers and administrators to present best practices and other opportunities for improving delivery and effectiveness of the workforce system. The conference drew more than 450 participants.

## **Youth Training**

The Workforce Development Division held training for local WIA staff and administrators, local planners and Youth program service providers in program year 2006. Training sessions held regionally in August of 2006, and a single session held in Columbia in May of 2007 focused on the Youth Common Measures and designing programs to serve Youth participants more effectively.

## Conclusion

From the number of jobs created and saved with Incumbent Worker Training to the tremendous increase in the number of OJT and Customized Training opportunities, it is apparent that the new strategic direction for workforce development in South Carolina is beginning to pay dividends for employers and job-seekers.

South Carolina continues to strive for valuable outcomes with its WIA funds. This is evident by the state's increase in the number of Adult participants and the number of Adults and Youth who were provided more staff-intensive services and training. The state doesn't hesitate to take on hard challenges as is shown by an increase in the number of out-of-school youth and high school dropouts served. Providing alternative paths to job-readiness for traditionally difficult to serve populations, such as high school dropouts, is an important part of South Carolina's workforce development strategy.

In South Carolina, 30,300 jobs were added to the economy during Program Year 2006. July 2007 employment in South Carolina (seasonally adjusted) was up 13,900 from January 2007, and 40,900 from July 2006. Overall employment rolls have increased. Our continuing challenge in workforce development is to prepare workers for the right jobs by aligning training with market demands so that South Carolinians fill these positions.

As we continue aligning workforce development activities with the goals of economic development and business recruitment/retention, and focusing on meeting the needs of our business customers, we expect additional success to follow. For South Carolina to succeed in the 21<sup>st</sup> century, it is critical that our workforce training efforts continue to be closely aligned with the needs of emerging high tech, high paying, and high demand industries, and that our WIA expenditures reflect that priority. Continued investment of WIA funds in training as outlined will continue to be a priority for the State Workforce Investment Board in Program Year 2007 and beyond.