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## SOCIAL POLICY RESEARCH ASSOCIATES

### **STATE OF INDIANA** **One-Stop Profile**

November 1996

Based on a Site Visit Conducted During July 1996

# STATE OF INDIANA

## One-Stop Profile

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# STATE OF INDIANA

## One-Stop Profile

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### DESCRIPTION OF THE STATE CONTEXT

The state of Indiana began preparing for a transition to integrated workforce development services during the mid-1980s. At that time, more than 17 state agencies were providing—with little coordination—a wide range of employment- and training-related services. Over the last ten years, a sequence of planning forums, local pilot projects, and statewide restructuring initiatives has brought substantial progress in reducing duplication of effort and implementing a coordinated approach, at least among the three major programs—ES, UI, and JTPA. The most recent efforts, conducted as part of the federal One-Stop initiative, are designed to enhance partnerships with additional agencies and programs and to further actual integration of staffing and service delivery among state and local workforce development partners.

In sharp contrast to the economic woes it experienced during the early and mid-1980s, Indiana's current economic context is generally healthy, with an unemployment rate of between 3.5% and 5%. However, in the larger urban areas, pockets of high unemployment persist. Although unemployment is generally low, many of the manufacturing jobs lost over the last decade and a half have been replaced by generally lower-paying jobs in the service and retail sectors. Employers complain that the state is already experiencing the scenario projected in the federal "Workforce 2000" report: there are fewer new entrants into the workforce and these individuals do not possess the basic skills needed to undertake entry-level jobs in the new high technology economy.

A number of variables have influenced Indiana's efforts to move forward in its One-Stop system development. These include (1) frequent governmental reorganizations at the state level and (2) declines in federal funding for workforce development programs and discussions about the advantages and disadvantages of privatization of One-Stop service delivery at the local level. Additionally, difficulties in developing close ties with the welfare and education systems have made it difficult to broaden the base of the coordinating partners beyond the DOL-mandated programs. Each of these factors is briefly described below.

- *High state officials, including the Governor and Lieutenant Governor, have supported the state's past efforts to consolidate workforce development programs and the state has generally been an active force in promoting system*

*change.* However, frequent turnover of the commissioners responsible for workforce development programs has made it difficult at times for the state to provide clear policy guidance to local practitioners. In addition, at the time of the site visit, a number of respondents were concerned about whether the state government would encourage the privatization of some workforce development services—a position favored by one of the unsuccessful gubernatorial candidates. The direction for future state One-Stop policies is expected to become clear once the new governor begins revealing his policy goals. Privatization is not currently under active consideration by the state.

- *Federal block granting of workforce development and welfare programs is perceived as a mixed blessing by both state and local respondents; they fear that the consolidation of programs will blur the fact that less money is available overall to respond to workforce development issues.* For example, the reorganization of the state Department of Workforce Development in 1995 also included a hiring freeze that eliminated more than 100 positions at the state level primarily through staff attrition. State and local staff are generally enthusiastic about the service designs associated with One-Stop systems, but they are wary of pressures to “work smarter with fewer employees,” and fearful of increased workloads and changed job responsibilities with no corresponding changes in wage scales.
- *Consolidation of workforce development agencies at the state level has set the organizational stage for the broadening of the state One-Stop partnership to include the entities responsible for vocational and technical education and workforce literacy.* However, although DWD now has policy oversight of these programs, local services are provided through independent educational entities. While the JTPA and ES/UI service delivery systems see their futures as clearly linked at this point, the school-to-work, adult education, and vocational education systems are not yet convinced of the need to join an integrated One-Stop Career Center system.

## **EVOLUTION AND GENERAL DESCRIPTION OF STATE ONE-STOP DESIGN**

For more than a decade, the state of Indiana has been moving toward integrated delivery of workforce development services. Starting in 1984, the state began developing a Strategic Plan for merging the Indiana Office of Occupational Development—which was responsible for JTPA programs—with the Indiana Employment Security Division, which administered Wagner-Peyser and UI programs. The Strategic Plan called for the development of “One-Stop Shopping” to permit job seekers to apply for a full range of job preparation and placement services from a single location.

During the late 1980s, the JTPA and ES/UI agencies were consolidated into the Indiana Department of Employment and Training Services, which facilitated the closer alignment of ES/UI and JTPA services at the local level. Six local SDAs were selected to pilot integrated

services, using integrated planning and realignment of service staff along functional, rather than programmatic lines. To emphasize that federal DOL resources were now supporting an integrated set of program objectives, the state began submitting a single state plan to the U.S. Department of Labor for the JTPA and Wagner-Peyser programs. Under an ES 2000 grant from DOL, the state further developed its collaborative workforce development initiatives and conducted on-site analyses of the pilot projects. State staff also visited employment and training systems in Germany and Denmark. As an outcome of these internal and external reviews, a report entitled “Challenge for Indiana’s Employment and Training System” reaffirmed that the state was moving in the right direction.

During the early 1990s, the number of different programs involved in consolidation efforts was expanded to include workforce literacy programs and vocational and technical education programs. At the state level, the Department of Employment and Training Services, the Office of Workplace Literacy, and the Commission on Vocational and Technical Education were merged into a single state agency in 1991 via executive order of the governor. In 1994, state legislation confirmed the governor’s initiative by creating the Department of Workforce Development (DWD), which is responsible for JTPA, ES, UI, workforce literacy, and vocational and technical education programs, as well as housing the Workforce Proficiency Panel<sup>1</sup> and the Indiana Occupational Information Coordination Committee.

Indiana’s original Strategic Plan for Employment and Training, released in 1985, announced the policy of collocation and integration and “one-stop shopping,” making Indiana one of the “front runner” states in the planning and implementation of the One-Stop concept. As a result of the state’s early experimentation with and research into consolidated workforce development systems, the Indiana Legislature passed comprehensive state workforce development legislation in 1993 that included the Workforce Development Center (WDC) concept as a key component of a wider system. As stated in its One-Stop Implementation Grant proposal, the objective of the Indiana One-Stop system—congruent with its earlier vision—is “to implement a statewide public One-Stop Career Center system that prepares Indiana businesses and citizens to be competitive in a global economy by meeting customers’ needs for employment and qualified employees, skill development and skill certification

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<sup>1</sup> Established in 1992, the Indiana Workforce Proficiency Panel was mandated to work with representatives from business, labor, and education to identify a common set of essential and technical skills required for success in major occupational areas. A board and staff are overseeing the development of workforce proficiency standards for secondary, post secondary, and adult learners in a series of occupational areas.

through quality services, customer choice, universal accessibility, and accountability for outcomes.”

The state’s vision for One-Stop career centers includes both co-location and increased coordination/resource sharing across the JTPA and ES/UI program partners. At a minimum, the goal is to have the on-site presence of JTPA, ES, UI, veterans outreach and services, and Title V Older Workers services. In addition, the state One-Stop vision calls for One-Stop career centers to offer access to services provided through Vocational Rehabilitation and welfare-to-work programs.<sup>2</sup> As part of the federal One-Stop initiative, the state is planning to eventually have 26 One-Stop centers operational throughout the state. At each One-Stop career center, job seekers are supposed to be able to apply for and receive a full range of job preparation and placement services. Additional service access points will include staffed and unstaffed One-Stop satellite locations linked electronically to career centers via computer, telephone, or fax.

Key features of the services to be made available as a result of the implementation of a statewide One-Stop career center system include the following:

- a comprehensive career center within 50 miles of every Indiana resident;
- the provision of high-quality information to employer and job-seeker customers;
- a core menu of standard One-Stop services (described below);
- a core set of One-Stop tools, including automated labor market information, enhanced assessment, and the development of individual service strategies for all One-stop customers;
- customer choice of center location and formats for receiving information;
- customer satisfaction as an organizing principle, including the use of employer and job seeker focus groups for feedback and service improvement;

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<sup>2</sup>The full range of services required to be available through One-Stop career centers includes a long list. When center staff cannot provide direct application and on-site delivery of services for a particular program, they must provide information about the program, its eligibility requirements, and its locations. Programs covered include: cash assistance and Food Stamps, the JOBS program for AFDC recipients, JTPA 8% coordination funds, JTPA 5% older worker funds, Title V Older Worker funds, Food Stamp Employment and Training program, Carl Perkins single parent/displaced homemaker funds, adult basic education services, vocational rehabilitation services, McKinney Act homeless services, secondary and postsecondary technical education programs, Job Corps, migrant and seasonal farmworker programs and apprenticeship programs.

- the provision of effective, efficient, and professional services that address workforce development, economic development, and individual customer needs.

To accomplish these objectives, state respondents indicate that they need to work to change the thinking of state and local One-Stop staff to support an integrated service system. Otherwise, they indicated, staff will still be concerned with agency “turf” issues, rather than with achieving a new way of doing things. State One-Stop staff emphasize the importance of achieving a holistic approach to services, so that customers can be served by any staff person at any center without it mattering where the individual receives his/her paycheck. Staff development will be essential to realizing this goal.

## **ORGANIZATION AND GOVERNANCE OF STATE ONE-STOP INITIATIVE**

### **State-Level Organization and Governance**

*State Advisory Bodies.* Since 1993, the state-level governance of workforce development programs has been provided by the State Human Resource Investment Council (SHRIC), which advises the governor and DWD Commissioner on issues relating to the JTPA, Wagner-Peyser, Adult Basic Education, and Carl Perkins programs. The Council also addresses broader “human investment” and welfare reform issues.

Rather than involve the SHRIC in the details of One-Stop design and implementation, however, the state has created a separate One-Stop Advisory Council. The One-Stop Advisory Council—formed in mid-1995, after Indiana received the One-Stop Implementation Grant award—is comprised of representatives of various stakeholders in One-Stop development, including the SHRIC, the JTPA service delivery areas, affected state agencies (e.g., Workforce Development, Family and Social Services Administration (FSSA) Commerce, Education), the community college system, labor unions, the state chamber of commerce, and employers. At their meetings—which are generally held on an “as needed” basis—members of the Advisory Council are given reports on One-Stop implementation progress, brainstorm implementation issues, and provide input on One-Stop policies. Their recommendations are not binding on the state or local One-Stop partners.

*Key State One-Stop Partners.* Key state agencies relevant to One-Stop planning and development include the Department of Workforce Development and the Family and Social Services Administration. Linkages between One-Stop partners and welfare-to-work and school-to-work initiatives are also emphasized. The importance of coordination with economic development initiatives is recognized through the involvement of the state Department of Commerce on the One-Stop Advisory Council.

The Department of Workforce Development (DWD) is viewed as the lead agency in the state-level One-Stop initiative. Since the creation of the consolidated Department of Workforce Development in 1994, this single state agency has had primary oversight responsibility for most of the programs mandated for inclusion in local One-Stop career centers, including JTPA, ES, and UI. The Commissioner of DWD is the focal point for unified state-level implementation and oversight of the One-Stop initiative. His Deputy Commissioner for Field Operations and Program Development is the state's One-Stop Project Manager. A reorganization of DWD in October of 1995 linked One-Stop design and planning more closely to program development and field operations functions for ES and UI. The reorganization deliberately blurred the program lines separating ES and UI by creating an overall Director of Operations responsible to the deputy commissioner who leads the One-Stop team. The local DWD career center manager and local One-Stop program directors (described below) report to this individual.

Even though they are now located in a single consolidated agency, DWD staff do not envision that the vocational and technical education and workforce literacy programs will become fully integrated partners in local One-Stop service delivery systems in the near future. Because the JTPA, ES, and UI programs have now shared nearly an eleven-year history of integrated planning at the state and local levels, staff associated with these programs have been cross-trained and have a history of shared experience in the delivery of integrated services to job-seeker customers. Veterans service representatives are also generally comfortable with the delivery of services in an integrated services setting. In contrast, local vocational and adult education and literacy programs still have their own delivery arrangements involving providers that are not co-located in Workforce Development Centers. Progress in developing linkages and partnerships with these entities continues through the school-to-work initiative.

Full coordination between the One-Stop career center initiative and DWD's vocational and technical education partners, as well as K-12 local education partners, has been difficult to achieve to date. State respondents hope that the state's School-to-Work grant will facilitate coordination at both the state and local levels. A May 1996 memorandum signed by the deputy commissioners responsible for One-Stop and Education and Training encourages local school-to-work collaborative teams to identify potential linkages, including electronic connections between One-Stop career centers and schools, and develop joint action plans for marketing and service delivery efforts targeted to students, job seekers, and employers.

The Family and Social Services Administration (FSSA) also plays an important role in One-Stop planning and implementation. First, this agency is the administrative agency for the

Title V Older Americans Act, which is a mandated local partner in One-Stop career centers. A state-level non-financial agreement between FSSA and DWD ensures the coordination of Title V services with One-Stop career centers.<sup>3</sup> Second, FSSA is the lead agency for the Indiana Collaboration Project (described below), which is addressing barriers to interagency collaboration and integrated services at the state and local levels. Third, FSSA is the agency responsible for the Vocational Rehabilitation program as well as for the Indiana welfare-to-work programs for AFDC and Food Stamp recipients. Because the state's One-Stop vision calls for VR and welfare-to-work services to be accessible through One-Stop career centers, coordination and referral linkages, at a minimum, must be developed between DWD and FSSA staff at the local level.

### **State Framework for Local Governance**

The state framework for local governance of One-Stop career centers calls for input from a variety of local entities in the development of a local One-Stop plan. Each One-Stop career center must also form an informal advisory board with representation from a wide range of local stakeholders.

The One-Stop planning process divides the state into 16 planning units that coincide with the service areas of the JTPA Private Industry Councils (PICs). Local One-Stop plans must specify the roles to be played by local elected officials, workforce development policy boards, local education boards and institutions, and Step Ahead Councils in the development and implementation of the local plan.<sup>4</sup>

Private Industry Councils are designated by the state to play a major role in the design and implementation of local One-Stop services. The state envisions that PICs will move from a relatively narrow role of overseeing programs for the economically disadvantaged and dislocated workers to a broader role providing joint planning, oversight and evaluation of local Workforce Development Centers in partnership with the state Department of Workforce Development. PIC One-Stop responsibilities include:

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<sup>3</sup> Under the joint "action plan" developed between FSSA and DWD, Title V enrollees may be trained to work as Customer Service Assistants in One-Stop career centers, in addition to being placed at other public or non-profit agencies.

<sup>4</sup> Step Ahead Councils are county boards representing social service and supportive service providers, which are mandated to develop strategies to overcome barriers to customer participation in workforce development services. In carrying out this mandate, they are active in providing child care services and developing alliances with community based organizations and neighborhood groups.

- developing a Unified Local Employment and Training Plan in partnership with local elected officials;
- negotiating an Integrated Services Contract with the state DWD for the sharing of JTPA and ES/UI resources in the operation of the local One-Stop system;
- providing integrated fiscal management of JTPA, education, and older workers' funds, as well as funds from other programs integrated in One-Stop career center operations.
- providing planning, oversight, and evaluation of local One-Stop career centers and making recommendations to the state DWD and SHRIC.

Although the state has not passed legislation reshaping PICs into broader workforce investment boards, some of the state's PICs have expanded or modified their board composition to include all partners required on local One-Stop Advisory Boards. In addition, some PICs, including the Indianapolis PIC (IPIC) have begun reshaping their identities by removing themselves from direct service delivery and specializing in administrative oversight and policy making. PICs may determine the composition of their local One-Stop advisory councils, but must include all major stakeholders in the planning and implementation process.

State guidelines for day to day administration of One-Stop career centers call for co-management of centers by a single DWD manager and the JTPA program manager. Each center also has a designated facilitator, who helps to arrange cross-program functional teams to develop and implement integrated services. In local service delivery areas with multiple career centers, the DWD manager of one of the centers is designated as the One-Stop "Program Director." This individual reports to the Field Operations manager within the DWD Operations Division, which oversees local implementation of One-Stop plans and policies.

## **COMMUNICATION AND COORDINATION**

As a matter of policy, Indiana promotes open communication among workforce development stakeholders throughout the state. In part, this goal is accomplished by encouraging stakeholders to be involved in a number of different boards, commissions, and advisory councils and work groups at both the state and local levels. Through the regular meetings of related boards and councils, agency heads and commissioners keep in touch with the points of view of representatives of unions, employers, job seekers, chambers of commerce and heads of the key partner agencies.

Frequent communication is also encouraged among the various state-level staff involved in One-Stop planning. A small One-Stop planning team acts as a central clearinghouse for

communications about One-Stop implementation. Department of Workforce Development staff with planning or field responsibility for One-Stop development have frequent contacts with the five members of the One-Stop team, which is led by the DWD Deputy Commissioner for Program Development. Formed in March 1995 and staffed by individuals selected based upon their broad skills, knowledge and experience, the One-Stop team coordinates and oversees One-Stop plans in the areas of labor market information, integrated information systems, the development of new customer products, quality of services, and financial management procedures. Members of the state One-Stop team each have their own task assignments and areas of expertise. However, they also work well together, keeping each other informed about all aspects of state and the local One-Stop implementation issues.

Throughout the policy and planning process for One-Stop Career Centers, interagency state-level work groups have met to work on particular issues, such as infrastructure investments to facilitate the labor exchange process and the development of a uniform assessment system. Work group membership has generally included state, local, and private sector representatives. The Indiana Policy Council, which has representation from both workforce development and human service agencies, is another body developed to support interagency and cross-program collaboration by “removing inter-agency barriers that inhibit the efficient delivery of services.” One of the Policy Council’s Projects—The Indiana Collaboration Project—facilitates information exchange designed to minimize redundant data collection on clients common to the partner agencies.

To help communicate its vision of One-Stop career centers to local planning teams, the state has developed detailed minimum state requirements for local centers in the areas of staffing, core services, additional services, location, technology, software products, and services for employers. These requirements are spelled out in detail in the state’s One-Stop Implementation Grant proposal as well as in other policy documents. Within the state-established parameters, however, local entities have the flexibility to customize services to meet unique community needs. The Unified Local Employment and Training Plan is the vehicle for communicating the local customized service plan to the state.

Ongoing state-local communication about One-Stop implementation issues within the DWD bureaucracy is designed to pass through the DWD Field Operations manager, to whom local (DWD) Program Directors report. Monthly conference calls between state and local One-Stop staff are used to address implementation issues. In addition, a face-to-face meeting is held at least once every six months. State specialists in ES, UI, and veterans employment

services issues provide individualized support to local career center staff on an as-needed basis.

As the statewide roll-out of One-Stop career centers continues, the state plans to develop a state-local management team that will meet regularly to share information, review implementation problems, and develop longer-range plans to support local One-Stop development. Challenges identified by the state field operations staff as a result of the new integrated DWD field operations structure include how to help the new integrated local One-Stop center managers and Program Directors learn about and deal with the performance and resource issues across multiple programs, rather than focusing on a single program.

### **FUNDING ARRANGEMENTS, BUDGETING, AND FISCAL ISSUES**

Late in 1994, Indiana was awarded a One-Stop Planning and Development grant of \$270,471. This grant was originally intended to be used to support statewide implementation of a common intake system as well as for development of technology-based customer products. However, because the state received notice of its One-Stop Implementation Grant award of \$4.2 million soon after the award of its Planning and Development Grant, the two grants were used to support a consolidated One-Stop implementation work plan. A second-year federal Implementation Grant of \$2.6 million brought the total federal investment in One-Stop development in Indiana to roughly \$7 million.

With the exception of support for the state One-Stop team, the grant funds have been allocated to short-term or one-time costs. Most of the state grant (76%) is being used at the state level to build the automated infrastructure necessary to support local One-Stop career centers and to support capacity building and staff development activities. Planned activities to support the development of the statewide One-Stop career center system include the following: (1) to design and develop an integrated information support system and self-service technologies that will provide multiple paths for customers to access One-Stop services; (2) to re-engineer the delivery of customer services based on a prototype developed at the Indianapolis Eastside Center; (3) to expand the number of One-Stop career centers statewide to a total of 26 centers; (4) to retool the business processes and physical workflow of One-Stop career centers; (5) to provide staff retraining and capacity building supports; and (6) to expand access to improved and user-friendly labor market information. Under the first year of the Implementation Grant, local One-Stop career centers could apply for up to \$150,000 from the state to support local system development efforts. A total of over \$800,000 was provided to local service delivery areas in the form of 14 different One-Stop implementation awards ranging in size from \$20,000 to \$144,000.

The federal One-Stop investments in system development have not occurred in a vacuum. Rather, they were preceded by and are being supplemented by the investment of substantial additional federal, state, and local funds. For example, the state estimates that building its automated job matching systems will cost a total of about \$10 million, which will come from a variety of state and DOL funds, as well as non-federal sources used primarily for local training and center costs associated with system implementation. Some of the activities included in the initial One-Stop grant application have had to be modified because the grant awards have been less than the amount requested. For example, as a result of funding shortfalls, planned marketing and “consumer report card” activities have been put on hold until additional funding sources are identified. However, state respondents identified the federal Implementation Grant as a “reaffirmation [of the fact that] we were moving in the right direction, and [a help in] pulling the pieces together into an integrated plan.”

To support the development of integrated services at the local level over the past several years, Indiana’s Department of Workforce Development has developed “integrated service contracts” to formalize the sharing of staff and services between the three major partners—ES, UI, and JTPA. In the past, these contracts have concentrated on allocating costs to participating programs based on “inputs”—the resources contributed by each program. However, starting in FY 1997, Indiana will be participating in the pilot testing of the new cost allocation principles developed by the Cost Allocation Workgroup established by Region V of the Department of Labor. Under the new cost allocation principles, the adequacy of cost-sharing agreements will be determined by whether the agreements result in the achievement of the targeted productivity “outcomes” identified by each of the participating partners, rather than by a narrow accounting of their resource inputs.

## **RELEVANCE OF THE STATE DESIGN TO THE FOUR FEDERAL GOALS**

The statewide development of One-Stop career centers is intended to follow a prototype developed at the Indianapolis Eastside Career Center. The Eastside Center embodies a number of new concepts for the delivery of customer services, including an attractive physical facility, customer access to self-assisted technology-based information systems, staff integration, and a focus on customer satisfaction. Below, we discuss how the new career center design relates to each of the federal One-Stop themes.

### **Universal Access**

Providing information to One-Stop career center customers is viewed by the state as a key One-Stop service. The availability of high quality information through a variety of technology-based mediums is expected to make One-Stop services accessible to a wide base of

employer and job-seeker customers. According to the One-Stop vision promoted in Indiana, however, the goal of universal access is not to be realized through self-service options alone. Core services, available to all customers of One-Stop career centers, must also include staffed services such as counseling, assessment, facilitated labor exchange, referral, and case management.

### **Customer Choice**

Local job seekers and employers may choose to receive services from any One-Stop center in the state. At a minimum, there will be one full-service One-Stop career center in each service area. Customers will also have a choice of which medium to use in receiving information from the career center system, including face-to-face assistance, computer-based information products, video, written materials, and telephone assistance. Information regarding job openings, wages, and hiring requirements will all be available through multiple mediums. As the One-Stop system is expanded across the state, customers will also have increased options for accessing information and services on-line and in satellite locations such as schools, libraries, and other public access points.

The information provided by One-Stop career centers on local education and training programs and local employers is also intended to help customers make more informed decisions as consumers of education and workforce development services.

### **Integrated Services**

The state of Indiana has developed a very detailed list of services that must be available in One-Stop career centers. These include self-service registration, information, and assessment; orientation sessions describing available services; an information resource area or library; staff-directed services for intake, registration, counseling, assessment, and referral for all job seeker customers; a training area for testing and workshops; and additional intensive services for targeted customers such as technical training, education, vocational rehabilitation services, and welfare-to-work services.

The state has mandated a high degree of consolidation and integration between JTPA, ES, and UI staff and resources in the delivery of services at One-Stop career centers. As illustrated by both local career centers we visited in Indiana, the use of integrated service contracts between these key partners has made possible a high degree of cross-agency staffing of key functions including reception, UI registration, assistance with job placement services, and counseling about career options. Involvement by additional partners in integrating the delivery of services is more dependent on agreements negotiated at the local level.

Although full-service One-Stop centers are expected to achieve a high degree of service integration across local partners, Indiana expects that a number of other local service delivery sites for ES/UI services will continue to exist as satellite centers. Limited budgets, long-term leases, and other factors will prevent the transformation of all service locations into full-service One-Stop centers.

### **Performance-Driven/Outcome-Based**

The performance goals established for the Indiana One-Stop career center system are designed to mirror four general principles: (1) employment is the objective of workforce development; (2) customer satisfaction is key; (3) accountability measures should be based on easily accessible information; and (4) performance measures should recognize the customer-centric orientation of services and the importance of self-service modes of delivery.

During 1996, a state-local workgroup is refining a performance measurement approach based on the following elements of One-Stop outcomes:

- *Employment outcomes*, including placement rates, secured employment rates, and long-term placement rates;
- *Customer satisfaction*, measured for employers and job seekers who use One-Stop services, with a goal of improving customer satisfaction over time;
- *Market penetration*, measured by dividing the number of job openings listed by a One-Stop system by the number of new hires within the service area; and
- *Level of utilization of self-service opportunities* for job seekers and employers.

The state has developed specific state and local career center performance measures and goals. State outcome goals include the following:

- a 10% reduction in the proportion of UI claimants who exhaust their benefits;
- the development of individual service strategies for all UI claimants;
- the receipt of career center services by at least 50% of all secondary school students sometime before they complete 9th grade;
- a 10% decrease in the proportion of staff time spent in data entry tasks and a 10% increase in the proportion of time spent in face-to-face interaction with customers;
- an increase of 100,000 in the number of job openings available through automated job listings;
- an increase of 100,000 in the number of job seekers accessible to employers through automated resume listings;

- an increase in the number of sites where individuals can access basic workforce information;
- an increase of 60,000 in the number of individuals with post-secondary degrees with access to America's Job Bank;
- an increase of 100,000 in the number of public assistance recipients with access to America's Job Bank.

One-Stop performance will also be measured at the local office level, with quarterly monitoring of the percentage of UI claimants with individual service plans, the number of students using career center services, the percentage of successful job matches, the level of overall customer satisfaction, and the utilization of self-service options. Conformance to state guidelines for office appearance is also reviewed periodically.

Another element of an increased state emphasis on accountability under the One-Stop system will be the implementation of accountability standards for DWD's career center Program Directors and center managers. They will be evaluated based on their success in achieving systemwide goals, including the overall operation of their office, the use of the information resource area, the level of overall customer satisfaction and employer relations, and the extent of integration achieved between JTPA and other One-Stop partners.

## **IMPLEMENTATION OF STATE SUPPORT MECHANISMS**

### **Capacity Building and Technical Assistance**

Indiana has identified and begun responding to a wide range of staff development needs that are associated with One-Stop implementation. These include: (1) training on an overview of the One-Stop mission/goals and operating procedures for a full-service career center; (2) general training in customer-driven services and continuous improvement practices; (3) cross-training of specific program staff about partner programs and procedures; and (4) training in specific technology applications. Training in these different areas is being provided by a wide variety of agencies and organizations, including the training section of DWD's human resources unit, staff of specific state and local partners.

Staff training has occurred in several different waves to support the different phases of One-Stop development in the state. At the time of the initial Indiana initiative to promote consolidation of services across JTPA and ES/UI partners in 1985, training was designed to achieve a common understanding of the One-Stop initiative and to train the staffs of JTPA, ES, UI, and VETS about the details of the different programs operating within a local career center setting. More recent waves of training have continued to focus on cross-training for

front-line staff as well as on training for the new automated technology-based systems and products.

Current DWD staff development offerings focus on the needs of staff at various levels within the career center setting. For example, training designed for managers includes training in leading effective meetings, problem solving, and communication skills. Training designed for line operations staff includes training on counseling theory, basic communication skills, career counseling, and case management. Technical training provided to line staff by the DWD Policy and Program Development Unit, in association with One-Stop development, has included UI Automation Training and beginning and refresher courses in the state's automated job matching system. Local One-Stop sites have also used their One-Stop Implementation Grants to fund additional training in cross-program identities and procedures, the concepts associated with a customer service approach, the use of labor market information, case management, electronic communications, and "acceptance of change."

In addition to these activities, Indiana was awarded a DOL Challenge Grant for capacity building, which was used to identify the overall work-based competencies needed by state and local ES, UI, and JTPA staff to perform their jobs in a One-Stop setting in a number of functional areas, including supervision, business administration and management, interviewing, assessing, counseling, and training. A program-specific set of competencies was developed for UI staff. As part of the competency system, state staff are assessing themselves to ascertain whether they possess the skills needed for their jobs. After each assessment is completed, the individual meets with his or her supervisor to identify training needs and develop a training plan to respond to skills gaps.

DWD staff are also participants in a statewide initiative—Indiana Commitment to Quality—designed to improve customer awareness and build the capacity for continuous improvement and cost-effective services. Capacity building efforts affecting local career center staff and other local partners include Quality/Teamwork training sessions provided for local One-Stop teams and "creativity" training for local One-Stop facilitators.

### **Improvements in Labor Market Information (ALMIS) and Related Technology-Based Products**

Although co-location and cross-training of staff is an important element of Indiana's One-Stop initiative, its One-Stop Implementation Grant proposal says that the key to improving the state's career center system lies not in building physical structures or moving staff but in using technology effectively. Automated information systems are seen as effective tools for facilitating the match between employers and job seekers and for providing self-

assisted access to information as a key resource to all customers. To support integrated service delivery statewide, the state plans to design and implement developments in two areas—a single integrated access information system (described below under management information systems) and a technology infrastructure to support a range of business and job-seeker-oriented products. Taken together, the two developments make up a seamless “Customer Self-Service Computer System” that provides technology-based services to customers at the same time that it manages administrative information for service providers and program managers and promotes information sharing across agency partners.

Improved labor market information is viewed as an important tool for meeting the needs of a changing labor market. As part of the development of One-Stop career centers, the state hopes to improve the quality of labor market information and put it into formats that will be useful both to job seekers/career changers and to businesses. Indiana calls for local One-Stop career centers to provide high quality labor market information in Information Resource Areas (IRAs), which are envisioned as open-entry user-friendly rooms that “empower customers to meet their personal goals and information needs.” IRAs will provide customers access to relevant labor market information, as well as job matching and career information. In many centers, customers will be assisted in the use of automated information systems by older workers enrolled in the Title V Older Worker program.<sup>5</sup>

The state has already invested substantially in a number of automated labor market information and career information products for use by career center customers. The automated statewide labor exchange (ALEX) and the Job Information Center (JIC) both appear to be popular with customers. CHOICES CT, an automated career information delivery system, helps adults relate their skills and interests to other career and education options and includes information about education and training opportunities. The computer-based National Career Aptitude System (NCAS) assesses a user’s ability to learn and perform tasks associated with hundreds of occupations. A Microcomputer Occupational Information System (Micro-OIS) provides occupational supply and demand information based on state and local labor market information.

Targeted improvements in labor market products as part of the One-Stop initiative include (1) improving the ability of career centers to offer up-to-date information on local

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<sup>5</sup>A non-financial agreement between the Family and Social Services Administration, which administers Title V and the Department of Workforce Development approves the use of Title V participants as information aides in One-Stop information resource areas.

labor market trends and in-demand occupations by funding local labor market studies; (2) training front-line service delivery staff in how to use local labor market information; (3) conducting focus groups involving employers and job seekers in discussions about the long-term design of the labor exchange function in One-Stop career centers; (4) installing ALEX kiosks and PC-based ALEX systems in post-secondary education and training institutions and other “high volume” community sites; and (5) making America’s Job Bank and America’s Talent Bank available to customers in One-Stop career center Information Resource Areas, and (6) developing a more user-friendly alternative to CHOICES.

In addition, the state has developed a process by which employers can fax in a job order and another process allowing employer or job-seeker customers to request labor market materials to be faxed to them. Another new customer-oriented product designed to support local economic development efforts is a “Workforce Profile System” that uses individual job-seeker information from the automated job match system to construct a demographic profile of the job seekers in a given geographic area. One shortfall in the planned activities at the time of the site visit was the “Consumer Report Information System,” whose further development had been delayed until additional funds were found to support this project.

### **Management Information Systems**

The Single Integrated Access System (SIAS) is viewed as an essential element of the Indiana One-Stop approach because it will free up staff from data collection tasks and enable them to work with job seekers on improving their skills and job finding abilities. Perhaps more importantly, an integrated automated system appears to customers as a single process flow. Contrary to early fears, customers do not appear to mind entering information about themselves into the computer, particularly when they compare it to the previous approach of “filling out the paper and standing in line.”

The SIAS system is designed to facilitate the exchange of information between a variety of users, including customers and partner agencies, by using an open architecture plan. The Internet will be the major outside access point for the system, with local office use supported by a combination of wide-area networks and local-area networks. User interfaces will consist of Microsoft Windows presentation layers of software with high-performance middle layers of hardware and software to facilitate the information sharing functions. Functional components of the system will include the following:

- The *single intake/access module* will allow individual customers to enter their own intake information, access the state job-matching system for direct or staff-interfaced job referrals, determine UI eligibility, obtain information about

eligibility for other programs, and enroll in training or education classes. All 26 service locations that are or will become One-Stop career centers are already using the automated single intake process.

- A *job seeker access module* will offer individual customers access to stand-alone instructional and informational software and resources including computer-assisted learning modules, self-assessment software, letter-writing and resume-writing software, information on local labor markets, occupations, and businesses, and job listings maintained on the ALEX system.
- A *business access module* will offer employers the ability to place a job order or retrieve or update prior job orders, conduct searches of applicant profiles, access labor market information at various geographic levels, access America's Job Bank and America's Talent Bank, submit required employer reports and payroll taxes electronically, and submit a business profile to inform job seekers about the business.
- A *partner access module* will offer each partner agency a variety of ways to exchange information with other workforce development agencies. A set of "business rules" will guide information sharing and will be incorporated into data exchange linkages between information systems. Currently cross-agency information sharing is in the conceptual stage.
- A *staff access module* will allow staff access into different data entry and retrieval screens depending on their approved security access level. Staff will use this module to (1) input data for customers or help customers to use the system; (2) scan in documents to be used to verify eligibility for various programs; (3) assess UI eligibility; (4) assist customers in job match difficulties; and (5) retrieve pre-formatted and ad hoc reports.

Most individual service delivery areas have also invested in an automated case management system that re-enters the customer-level information from the single intake process and provides an automated system for recording individual assessment, service plans, costs, service unit tracking, and follow-up data for participants receiving these services.

### **Marketing**

The re-engineered One-Stop career center system is designed to provide customer-driven automated services to large numbers of customers, thereby freeing up staff to provide "value-added" services to customers who need more individualized assistance in the form of individual counseling, assistance with job matching, and case management. However, the state is wary of marketing the new One-Stop services too widely until field offices have determined what customer workloads they can handle.

At the time of the site visit, the state One-Stop Advisory Council and One-Stop staff team within DWD were in the process of determining the name and logo to be used in

marketing One-Stop career centers throughout the state. The decision was made to use the name “workforce development centers” in describing the One-Stop centers to the public. An advertising consultant was helping the state One-Stop team decide on a marketing strategy. To support marketing efforts, several new brochures have been developed, including a *Guide to Workforce Development Centers* and *The Art and Science of Finding a Job*. The state One-Stop team has also made a commitment to conduct joint marketing efforts with the state’s School-to-Work team.

### **ASSESSMENT AND LESSONS LEARNED**

Indiana provides an example of a state that has been working slowly and steadily toward the integration of DOL-funded workforce development services over an extended period. Over an eleven-year period, the state has gradually evolved its One-Stop approach from reducing duplication of effort and promoting consolidated program intake to promoting increased integration across the DOL funding streams. Because of the long history of state and local integration projects, One-Stop implementation has been relatively smooth in Indiana.

The federal One-Stop Implementation Grant has enabled the state to expand integration efforts to include a broader set of partners and develop a model for integrated customer services at the local level. Using the Indianapolis Eastside Center as a pilot for the process to be used in re-engineering the design and delivery of customer services in an integrated One-Stop model, the state has now specified the process to be followed in One-Stop transformation. This process includes formation of a local advisory council composed of stakeholders, making sure local staff have the team-building and problem solving skills to guide the transformation process, and keeping seamless customer services as the guiding principle.

The Information Resource Area (IRA) has become another part of the One-Stop model that the state is interested in replicating in other One-Stop centers throughout the state. Customer satisfaction surveys completed to date indicate that customers find the IRA useful and are adapting well to computer-based information access. Customers also appear to be responding positively to the professionalism and customer orientation of the new centers: trained staff who are “customer conscious,” the absence of long lines, and the availability of Title V “assistants” who can help customers in the use of the new technologies.

Although some projects are moving more slowly than originally anticipated, Indiana appears to be well on the way toward building its One-Stop technology-based products and systems and training state and local staff in the use of these systems. At the time of the site visit, three reorganized One-Stop centers had been opened and two more were planned to open

shortly. Twenty-six service locations had begun to implement integrated intake systems. A total of 17 touch-screen ALEX kiosks had been installed in other public facilities.

Collaboration with additional programs and agencies, most notably school-to-work activities, has increased.

Local respondents, while generally complimentary about the role played by the state, expressed some concerns about the rapid rate of system transformation being attempted as part of the DOL Implementation Grant initiative. Some local respondents indicated that the DOL grant has forced the state to try to move more quickly on implementation of One-Stop systems than they were prepared to do and has caused some systems to be rushed into service prematurely. However, more recently, the state has indicated that it will not rush into the establishment of the 26 One-Stops during the three-year implementation period. This may lead to a more thoughtful critique of the system as it evolves and the continued development of more refined products.