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# BEYOND THE NUMBERS:

## Labor Market Information Research and Writings

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### Creating An Information Based, Market-Driven Education and Workforce Development System:

Government Publications  
Texas State Documents

### The Role of Labor Market and Follow-Up Information

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#### Introducing the Model

The dynamics and relationships within an education and workforce development system are complex and involve many different participants. These relationships include those between students and schools, between government training programs and eligible participants, between employers and new employees, between local service providers and state and federal oversight and administrative bodies. Indeed, there are so many independent "sub-systems" that the entire process of education and workforce development seems far too vast to view as a single, integrated system.

Each of these relationships however, comprise an important link and has a substantive role in educating our citizens and putting them to work. All the necessary pieces already exist; but our way of thinking about them, connecting them and improving them within the context of a single system becomes the real challenge. **This paper proposes a theoretical construct for a fully integrated market-driven education and workforce development system (EWFDS).** There is a role defined for each stakeholder both as recipients of information and as producers or drivers of information. These relationships are graphically displayed on the chart on page three. Also depicted on the chart are specific activities currently underway through the Texas SOICC to improve individual pieces of this evolving system.

As with any sound theoretical model, there is a paradigm for the whole and several important principles upon which this system is based. The paradigm offered here is that these disparate relationships fit together into a single system which responds to and is driven by needs of employers and the labor market.

Moreover, this system is not a series of independent linear processes. This is a recursive system which "understands" where it succeeds and fails through comprehensive customer follow-up, learns about changes in the external environment (such as changing labor market conditions), and builds upon these information items to drive a process of continuous program improvement.

#### Guiding Principles: Foundations of a New Model

The principles and philosophy of operation are simple, yet when implementing major change there should always be a set of unwavering principles that guide program operations. This model has five basic philosophical tenets that provide the foundation for an information-based education and workforce development system.

1. **The people responsible for providing education and training services are dedicated professionals who want to improve the quality of service.** Although many of these people have been functioning within a more traditional linear model, each of them is more likely to adapt their actions and behaviors if they have a better understanding of the process of continuous program improvement and the role they could play to achieve it.
2. **The strategic planning process is a critical component to creating a market-driven system.** It must be taken seriously by local education and workforce development service providers,

reviewed regularly, and adjusted to reflect any new knowledge about a changing external environment.

3. In order for a system to learn and adjust it must have access to comprehensive customer follow-up information. **It is impossible to build and improve on program success and disappointment if success is not defined within the operational plan and information is not collected to measure and identify its occurrences.** Only through detailed outcomes information can a process of continuous program improvement be successfully implemented.

4. **Customers are not taken for granted. They are valued and informed contributors and drivers of the system.** This system is built on the twin pillars of *truth-in-training* and *informed choice*. Customers are provided access to information about the labor market and about the performance outcomes of individual schools and programs. Armed with an inalienable right-to-know and access to the same key labor market information that schools and government agencies have, consumers directly influence the types of training programs that are made available by the system.

5. State and local government agency partners have a role in providing information, establishing reasonable benchmarks and standards for progress, administering program funding, monitoring progress and providing training and technical assistance to assure improvements and promote best practices. Other than these roles, **program decisions should be made as close to the customer as possible following principles of site-based management and local control.**

## Understanding Information Flows

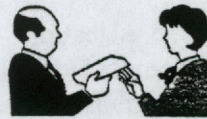
### Strategic Planning

Given these foundation principles, it should be clear that this market-driven system has two major points of focus; (1) comprehensive strategic planning and, (2) comprehensive outcomes follow-up. Since the model is recursive, it really doesn't matter where the discussion begins. However, since the process of program planning itself is more linear, let us begin with the strategic plan.

The strategic plan for an education and workforce development system is the heart of the system. If one agrees that the role of an EWFDS is linking the education and training of our citizens to employment opportunities in local

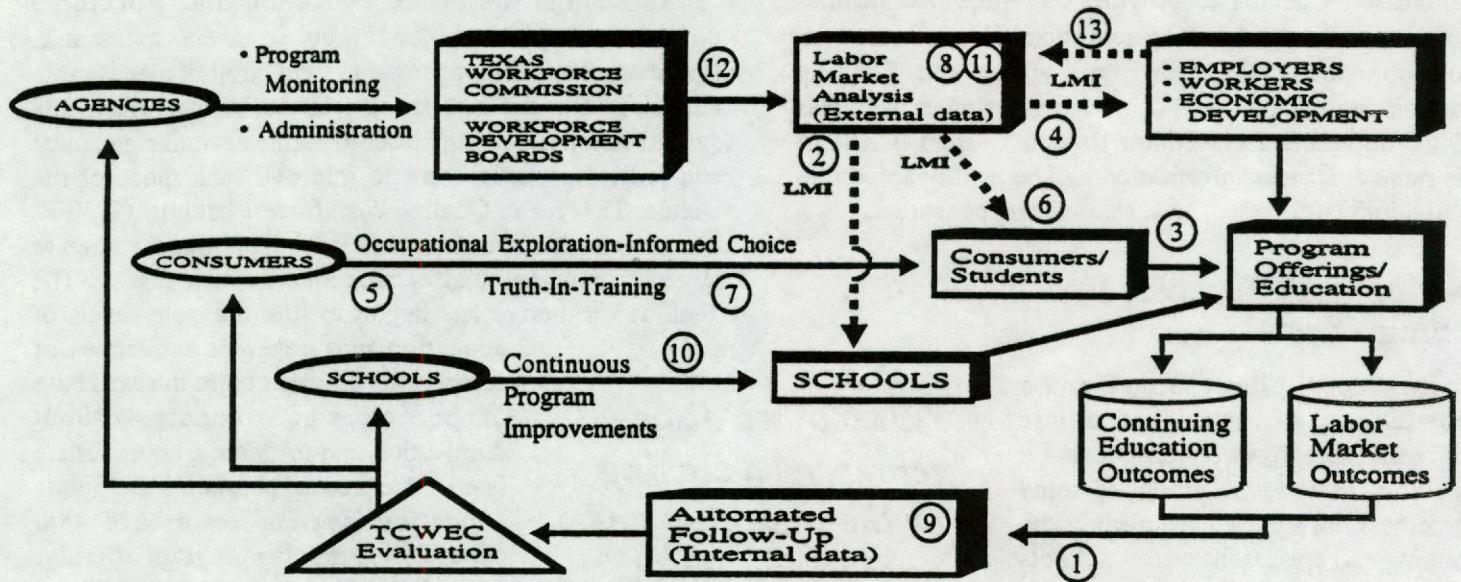
and regional labor markets, then the more one knows about those labor markets the easier the subsequent match will be. A major part of any strategic planning process should require training providers to assess:

1. **The current structure of regional industry and occupational employment** including historical trends and labor market conditions, status of incumbent workers, changes in the employer community and regional comparative advantages.
2. **How current employment will most likely evolve over time**, what factors will influence change, and what sectors will emerge or evolve in the future.
3. **How other community developments will affect this change** (e.g., changing demographics, economic development efforts etc.) and how they will be infused into strategic planning.



By understanding and, as importantly, communicating knowledge about the economic environment, both schools and consumers can help shape education and training program offerings. The Texas SOICC has provided many information products, including three automated information systems, to analyze and convey labor market information. The Texas CARES System has been designed to help high school level users investigate career options, access occupation and school characteristics information and assist in making informed career choices. The RESCUE System is designed to assist experienced workers identify career alternatives based on their current skills, assess regional labor market conditions and develop a personal action plan for becoming reemployed. The SOCRATES system is an automated tool for labor market analysis to assist planners identify targeted industries and occupations to drive regional education and training program offerings. Finally, the SOICC provides a wide array of dissemination activities including the Improved Career Decision Making (ICDM) program to communicate the availability and application of these information products and a toll-free hotline service and Internet Home Page to allow persons from all over Texas gain swift access to labor market and career information. Clearly, without an articulate analysis of regional labor market dynamics, any attempts to provide appropriate skills training or meet employer hiring requirements will be random and haphazard. Moreover, the lack of a personal or organizational strategic plan gives rise to the adage, "It is impossible to know if you have arrived, if you didn't know where you were going in the first place".

INFORMATION DRIVEN WORKFORCE AND EDUCATION DEVELOPMENT SYSTEM  
 ROLE OF LABOR MARKET AND FOLLOW-UP INFORMATION



SOICC PROJECT ACTIVITIES

1. ALMIS UI Wage Record Research
2. Study of Emerging and Evolving Occupations
3. A Program Major System for Classifying Secondary Education Course-taking Activity
4. RESCUE LMI System for Dislocated Workers
5. Consumer Reports System for Program Outcomes
6. TEXAS C.A.R.E.S. Career Information Delivery System
7. Toll-free Career Information Hotline
8. Farm and Ranch Employment Data Collection
9. Automated Student and Adult Learner Follow-up System
10. Improved Career Decision Making (ICDM Workshops)
11. NOICC Information Development and Dissemination Projects
12. Labor Market Planning and Analysis Software
13. O\*NET Occupational Characteristics Database Integration

tion and workforce development system, there must be a mechanism to account for all program participants. This mechanism has four basic requirements;

1. It must be **cost-effective**. While traditional survey techniques can yield reliable data, any attempt to incorporate existing administrative databases to save costs is desirable. This makes the existing UI wage record system very attractive for follow-up.

2. It must provide **feedback based on statistically sound principles and practices** to assure the highest degree of both data quality and integrity and inspire the highest degree of confidence by the users.

3. It must cover a **critical mass of potential labor market and continuing education outcomes**. The workforce is highly mobile and the world offers many opportunities. Although it is foolish to think that every outcome could be identified, it is important to capture the vast majority of possible outcomes.

4. The results must be **accessible to all stakeholders** in the system. To collect outcomes information and not share or communicate the knowledge it provides is the same as not having collected the information at all.

Project Activities: Making It Happen

Comprehensive Outcomes-Based Follow-Up

If strategic planning is the heart of the system, perhaps comprehensive outcomes-based follow-up is the soul. Studying the labor market is more a practice of understanding human behavior than it is an exact science. As such, despite our best efforts, there are no guarantees of success. For a system to learn and grow and for its caretakers to implement a process of **continuous program improvement**, it must know where it succeeded and where it failed. A comprehensive follow-up system is that vehicle.

Program follow-up is not new in either theory or practice. This model, however, takes a different twist to standard follow-up. First, if there is to be a fully integrated educa-

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The Texas Student and Adult Learner Follow-Up system, which uses record linkage techniques to administrative databases, provides cost-effective outcomes information for use by all system stakeholders. Moreover, the Department of Labor/Employment and Training Administration (DOL/ETA) has commissioned the Texas SOICC to create a Consumer Reports System (CRS) so this same outcomes information will be readily accessible to all administrative entities, schools and consumers.

## Putting It All Together Into A Single System

How does follow-up data and a knowledge of the economic environment really drive an education and workforce development system? Outcomes data represent a closing of the planning and operations circle. Schools can combine their understanding of the economic environment with knowledge of the labor market experiences of graduating students to modify program offerings and adjust curriculum to become more responsive to labor market trends. Consumers are exposed to information about the external labor market through publications and automated career information systems such as SOICC's Texas CARES and RESCUE. They can combine this knowledge with school and program outcomes information to decide which offer the most effective paths to their career goals.

This notion of **informed choice** infers that it is a student's responsibility to select a career path, but each student should be able to do so based on reliable information about regional labor market trends and performance data about previous student cohorts completing any given program within a school. *The system does not dictate to the consumer what career path they must take...* rather the student is provided information and counseled how to use it in the context of their own career development decisions.

Finally, the state and local agencies responsible for **monitoring program performance** should have access to the same program outcomes data to insure program accountability and work toward a positive return on investment of education and workforce development funds. Toward this end, Local Workforce Development Boards, the Texas Workforce Commission and the Texas public education system can play major roles both in supporting the creation and dissemination of information about the external economic environment and insuring access by all parties to comprehensive follow-up data. This allows local service providers to make sound planning decisions within the local context while insuring that the funding and

oversight bodies are sufficiently accountable for outcomes to the legislature and the taxpayers of Texas.

To change the entire education and workforce development system in its entirety is an enormous task. Improving each composite subsystem through manageable and definitive tasks is much less daunting. Today, this system vision is coming closer to reality as both state, local and federal partners work to improve each piece of the puzzle. The Texas Quality Workforce Planning (QWFP) initiative made major strides in linking public education to targeted industries and occupations in each region. The TechPrep initiative has begun to link multiple levels of education into coherent sequences of course offerings that build the skill base of participating students without duplication and lost credit hours. There is an increased emphasis by the public education system to assure that occupational training program offerings are related to labor market demand conditions.

And finally, the Texas SOICC, through career and labor market information software and publications, automated follow-up and the new Consumer Reports System, has helped make quality information more readily available to all stakeholders. Together, Texas is well on its way to creating a truly integrated, market-driven education and workforce development system.

*"Outcomes data represent a closing of the planning and operations circle."*

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The Texas State Occupational Information Coordinating Committee (TSOICC) exists to develop and provide useful information on occupations, educational opportunities, and the labor market.

TSOICC Member Agencies:  
Texas Education Agency  
Texas Workforce Commission  
Texas Department of Commerce  
Texas Rehabilitation Commission

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