

GAO Highlights

Highlights of GAO-14-19, a report to congressional committees

December 2013

WORKFORCE INVESTMENT ACT

Local Areas Face Challenges Helping Employers Fill Some Types of Skilled Jobs

Why GAO Did This Study

The economy is recovering from the recession, but employers still have difficulty filling certain jobs. DOL's Workforce Investment Act (WIA) Adult and Dislocated Worker programs are designed in part to help employers find the skilled workers they need. The programs provide participants with services including job training, which must be for occupations that are in demand. However, questions have been raised about the extent to which these programs are positioned to help supply workers for jobs that employers have difficulty filling. The conference report accompanying the Consolidated Appropriations Act of 2012 mandated that GAO assess the Adult and Dislocated Worker programs. This report addresses (1) how local workforce areas have identified occupations that are in demand and how they have guided participants toward training for them; and (2) what challenges local workforce areas have faced in helping employers fill certain jobs. GAO conducted a web-based survey of a nationally representative sample of 200 local workforce investment boards (WIB), which oversee local workforce areas, and used the results to create estimates about the population of all WIBs nationwide. GAO also interviewed DOL officials and workforce organizations.

What GAO Recommends

GAO recommends that DOL collect and disseminate information on how local areas have used career pathways approaches to prepare workers for middle-skilled jobs that employers have difficulty filling. DOL agreed with our recommendation.

View GAO-14-19. To view the survey and detailed results, see GAO-14-20SP. For more information, contact Andrew Sherrill at (202) 512-7215 or sherrilla@gao.gov.

What GAO Found

Based on survey results for calendar year 2012, GAO estimates that most local areas used various sources of information to identify occupations that are in demand (i.e., available jobs and occupations that are projected to grow). Local areas found all of the sources of information they used to be at least moderately useful. To identify occupations that are in demand, GAO estimates that nearly 90 percent of local areas used state job banks and occupational projections, both of which are funded by the Department of Labor (DOL). All percentages presented on this highlights page are estimates from the survey and have a sampling error of no larger than plus or minus 7 percentage points. In addition, 93 percent of areas used at least one local initiative, such as a partnership with the local economic development agency, to identify such jobs. As compared to other sources, areas reported using local initiatives because they provided more detailed information and better reflected local employers' needs. To guide participants toward training, most local areas required them to complete certain activities, such as meeting with a case manager to discuss training options (80 percent) or completing a skills assessment (78 percent). Most local areas faced challenges in guiding participants toward training. Specifically, local areas faced challenges related to participants' lack of financial or work supports, such as child care or transportation (67 percent); participants' lack of the basic skills necessary even to participate in training (66 percent); difficulty finding training providers who could quickly adapt curricula to employers' changing needs (62 percent); and high training costs (54 percent). However, in 57 percent of local areas, these challenges did not affect their ability to guide participants toward training.

Local areas had difficulty helping employers fill certain jobs for a variety of reasons, including the low skills of some participants, according to GAO estimates. Eighty percent of local areas reported that employers had difficulty filling certain jobs, some of which can be considered "middle-skilled" jobs, such as welders and machinists, because they require more than a high-school diploma but less than a 4-year college degree. These local areas had difficulty supplying such workers because participants lacked relevant qualifications or the basic skills needed to participate in related training, among other reasons. To help participants improve their skills, DOL and other agencies have encouraged the use of career pathways approaches that combine job training with basic skills education and support services. According to these agencies, such approaches aim to enable participants to secure industry relevant certification and obtain employment within an occupational area and advance to higher levels of future education and employment in the area. However, little is known about the extent to which local areas are using career pathways approaches—or how they are using these approaches—specifically to prepare participants for middle-skilled jobs that employers have had difficulty filling. Without information on whether and how local areas are using these approaches to prepare participants for such jobs, DOL may not be well-positioned to help local areas use these approaches to better meet employers' needs.