



Policy Position

[Education, Early Childhood and Workforce Committee Home](#)

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ECW-01. Governors' Principles to Ensure Workforce Excellence

1.1 Preamble

The strength of America is our citizens—their innovation, creativity, and hard work. In the 21st century's rapidly advancing global economy, the foundation and economic prosperity of this nation will depend on a responsive workforce that has specialized and advanced training, cutting-edge skill sets, and higher levels of education. It also will depend on a workforce system that can anticipate the business needs of the future and rapidly align the necessary resources to stay ahead of the emerging demands.

Competitive economies include aligned economic, educational and workforce development systems that address the needs of workers, regardless of the worker's skill level, age or circumstance. Through a comprehensive, integrated, and flexible workforce system, the nation will be equipped to swiftly respond to the changing needs of its workers and businesses to keep them competitive.

Globalization demands a bold transformation of our nation's federal-state-local workforce system. Since enactment of the Workforce Investment Act of 1998, the nation's governors made significant progress and led innovative new strategies to restructure workforce development systems, forge new alliances with federal, state, and local governments and the private sector, and ultimately, upgrade the skills and knowledge of America's workforce. To accelerate these transformations and help ensure that every job seeker remains competitive for work in a global economy, governors need new flexibilities to create a nimble, flexible, market-driven and supply-focused workforce system.

The time is ripe for the laws and policies of this country to catch up with the realities and possibilities of the 21st century. Governors call on Congress and the Administration to enact transformative legislation that will authorize governors to proactively implement innovations, build broad and inclusive partnerships, and activate structural reforms across education, workforce, and economic development systems.

1.2 Governors' Priorities for a World-Class Workforce

Governors recommend the following key priorities for a world-class workforce.

- Nimble state systems that can anticipate and respond to the current and emerging demands of workers and business require that governors have flexibility and discretion over funding and the authority to rapidly implement innovations.

- Every worker must have access to training and lifelong learning opportunities that will improve their employability and earning potential through education, training, and career advancement.
- Education and training must align to the current and future needs of business.
- Emerging entrepreneurs and small business owners must be cultivated to accelerate the capacity for innovations that will lead to new knowledge, new technologies, and new jobs.
- Workforce development strategies must produce broad and prosperous regional benefits for residents and businesses and result in high-quality job growth and business attraction and retention.
- The business community should engage with the workforce development system in mutually beneficial joint ventures that will increase the education, training, and employment capacity for workers, strengthen business, and stimulate regional economies.
- Responsibility for governance of the state workforce system should reside with the governor. The governor can deploy resources based on regional economies rather than geopolitical boundaries.
- Meaningful collaborations between federal agencies should support and help to streamline workforce, education, and economic development programs at the state and local levels.
- National investments in workforce must provide substantial, reliable, and flexible funding and support commensurate with their importance and contribution to the economic success of our nation.
- System-wide accountability and transparency with decreased administrative costs can be achieved with common, customer-centric, state-driven performance measures.
- Governors need additional flexibility in regard to workforce policy, funding and federal regulations to allow for workforce services integration across the workforce system at the state and local levels, to reduce administrative costs, and to streamline and integrate workforce policy and services for business, workers and job seekers.

1.3 Recommendations for Transforming the Workforce System

Governors urge Congress and the Administration to adopt the following recommendations to transform the workforce system.

1.3.1 Governor-Led, Business-Guided Workforce System. The new challenges confronting our nation and economic position in the world emphasize the need for a comprehensive and flexible state-based workforce system focused on the needs of local regions and communities that is led by governors and guided by business leaders. To be effective agents of systemic state change, Congress must recognize the authority of governors in state-led workforce systems and eliminate the rigid, one-size-fits-all laws and regulations, federally-mandated governance, and prescribed service delivery structures that get in the way of state and local innovations.

1.3.2 Globally Competitive State-Led Regional Economies. Economies are regional in scope. Integrating economic and workforce development initiatives through a governor-led state-regional framework offers the greatest potential for economic expansion and industry competitiveness, while providing job growth and stability for workers and opening career advancement opportunities. State-regional approaches and sector strategies often include and cross several jurisdictional boundaries including city, county and even state lines. National policy should be designed to support governor-led state-regional initiatives and sector strategies, particularly state efforts to build broad partnerships with business and industry. Federal policy also should support strong public/private partnerships and provide governors

with the authority to cultivate these partnerships to attract and retain high-growth industries and high-wage occupations.

1.3.3 Focus On Emerging Industries. Globalization has increased the world demand for energy. To address a number of national concerns, clean and domestic energy has become one of the governors' top priorities. Governors are proactively involved in establishing new and broad energy collaborations and designing and implementing "green job" and "green economy" initiatives. Governors also have taken the lead in developing collaborations and initiatives to address critical skills shortages in the health care, technology, and industry sectors experiencing skill shortages. To further expand these and other regional efforts, governors need the discretion to identify targeted and emerging industries and the flexibility to expend workforce, education, and economic development assets and available resources accordingly.

1.3.4 Responsive Assistance for Businesses in Transition and Affected Workers. As the economy ebbs and flows, business and workers have to adapt. In times of business downsize or closure, employers turn to states to help laid-off workers find new employment. Often, this first means helping workers upgrade their skills or learn new skills. Federal initiatives and funding targeted at this population must be immediately available and flexible so that appropriate services are responsive to the unique circumstances within each state and are readily accessible to workers. In addition, workers affected by federal policy decisions should receive adequate Trade Adjustment Assistance, incorporated into the overall state workforce system, in a timely and efficient manner. All federal assistance should be provided through state-based networks and initiatives, and final authority to implement the provision of assistance should be determined by the governor.

1.3.5 Increased and Agile Funding. Federal funding has not kept pace with the growing training and education needs of workers to stay competitive and for states and localities to provide those services. Governors support an adequate and consistent federal investment for workforce development and should be given the authority to determine how federal funds are allocated within their states as demands dictate. Economic necessity already requires governors and local leaders to cobble together funds to provide enhanced training and education to workers and the existing barriers must be removed to make it more effective and cost efficient. Furthermore, Congress should acknowledge the role of governors by providing enhanced flexibility to coordinate and, when necessary at a state or local level, integrate workforce, education and economic development funding to meet the unique needs of their states and communities. Additionally, governors should be given the option to pool federal funds for various employment, economic development, education, and training programs at the state level to respond to the needs of workers and businesses.

1.3.6 Alignment of Federal Programs. Portions of the workforce system span across many agencies within the federal government, including the U.S. Departments of Labor, Education, Commerce, Health and Human Services, Justice, Veterans Affairs, and Defense. These myriad administrations, agencies, funding sources, regulations, and responsibilities needlessly complicate, and in some cases prohibit, the kind of true alliances and collaborations that are necessary to streamline the workforce development system and to provide seamless services at the state and local levels.

To that end, governors recommend that Congress and the Administration direct federal partner agencies to develop a joint initiative to align federal programs, oversight, and regulations, consolidating redundancy and conflicting regulations where possible, and to establish transparent levels of responsibility and accountability. The initiative also should be tasked to identify and eliminate obvious and hidden barriers to program alignment that are embedded in standard operating procedures within the federal government.

1.3.7 Accountability and Reporting. Accountability and workforce system performance outcomes should be addressed separately from reporting. A set of common performance measures applied across the workforce system will increase accountability and transparency, while significantly decreasing data collection inefficiencies. Governors urge Congress to adopt a performance measurement system applied across the system and developed by the states to streamline varying and incomparable performance measures into four critical areas focused on customer outcomes, including short-term and long-term employment rates, earnings and credential completion.

1.3.8 Incentivize Innovations. To foster invention and sustain a culture of innovation, states must be incentivized and rewarded for their efforts to build a world-class workforce system. Governors support incentivizing states with additional federal funds and flexibilities for initiatives including comprehensive system building, anticipating and addressing emerging education and training needs, and developing regional economies.

1.3.9 Maximize Advanced Technologies. Every aspect of the workforce system can be improved upon by technological advances to help streamline service delivery, modernize data collection and validation investments, and simplify reporting efforts. Initial investments will marginalize costs over time, and produce better outcomes for workers and businesses and for system accountability. Congress should provide transitional financial support that will give states and localities the ability to utilize technological advances to achieve greater system efficiencies.

1.3.10 Vital Role of Community and Technical Colleges. Community and technical colleges have an important and broad role in America's workforce system. Community and technical colleges are responsive to the demands of the labor market and provide customized career and technical training programs, adult basic education and English Language Training to meet the specific needs of industry sectors and individual employers, including training for incumbent workers. Governors acknowledge the vital role of community and technical colleges in workforce education and training and in state-led regional and sector initiatives, and support including these entities in funding and collaborative opportunities that align the necessary resources to meet the emerging needs of a highly-skilled workforce.

1.3.11 Preparing Youth for Work. The varying challenges facing youth in our country today require programs that are designed to help them acquire foundational skills and progress through the education continuum regardless of the point of entry and needed supports, and to prepare them for future employment and life-long learning. Governors must be given the flexibility to coordinate funding streams and to utilize funding where appropriate given the unique needs of youth and the available resources within each community. Governors are leading efforts to increase high school completion rates and keep more students in school. The workforce system needs to build upon this work and help empower youth to succeed.

Time limited (effective Winter Meeting 2009–Winter Meeting 2011).

Adopted Winter Meeting 1993; reaffirmed Winter Meeting 1995; revised and reaffirmed Winter Meeting 1997; revised Winter Meeting 1998, Winter Meeting 2000, Winter Meeting 2002, Annual Meeting 2003, and Winter Meeting 2005; reaffirmed Winter Meeting 2007; revised Winter Meeting 2009 (formerly Policy HR-1).