2021

EVIDENCE BUILDING CAPACITY IN STATE WORKFORCE AGENCIES

A COVID-19 PULSE SURVEY

NASWA

NATIONAL ASSOCIATION OF STATE WORKFORCE AGENCIES

Driving the National Workforce Agenda

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This report and the national pulse survey were developed under a grant to the National Association of State Workforce Agencies (NASWA) through the Coleridge Initiative. This report supplements a 2017 national scan of state workforce agency research capacity developed by NASWA and funded by the U.S. Department of Labor. It will inform conversations and action steps by states and their research partners focused on improving state workforce development research capacity and practices to address the pandemic recession and resulting jobs crisis.

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INTRODUCTION AND SUMMARY

Prior to the COVID-19 pandemic and recession, every state workforce agency was facing pressing operational and policy issues that research insights could help address. The recession and jobs crisis have only increased their need and desire to use timely data to better understand local labor markets, labor market outcomes, and demographic and geographic disparities, to inform policy and program development, and to gauge which interventions or strategies work--and for whom. Not all state workforce agencies have the resources or capacity to pursue their priority research efforts, however, particularly when research relies on access to a secure data sharing infrastructure, cross-state information, and advanced data analytic and research skills.

During November and December 2020, in the middle of the pandemic, the National Association of State Workforce Agencies (NASWA) conducted a survey of state workforce agencies to better understand their research capacity and assistance needs. NASWA sent the survey to all state workforce agency administrators, with cc's to labor market information (LMI), education and training, and unemployment insurance (UI) directors, and asked that each state workforce agency coordinate one response for the state.

Thirty-nine states provided complete responses to the survey. The great majority of responses were submitted by state LMI divisions (77%), with a few coming from state workforce agency Secretary or Administrator's Offices (13%) or state WIOA Title I units (3%), and the remaining coming from some other unit or division of the state workforce agency.

This survey was designed as a follow-up to the national scan of then-current research and analysis capacity of state workforce agencies conducted by NASWA in 2016. In all, 41 states participated in the earlier study, which was funded by a grant from the U.S. Department of Labor (USDOL). The full report on the national scan can be found here: naswa.org/reports/evidence-building-capacity-in-state-workforce-agencies

A few key points arise in comparing responses to the 2016 and 2020 surveys, related to state agencies' key research questions, technical assistance and training needs, and staff capacity:

Key Research Questions

Examples of states' most pressing questions for workforce agency research and evaluation from the 2016 survey spanned the following categories:

- State Program impacts/effectiveness
- Program performance/outcomes
- Development of labor market data
- Customers and their barriers
- Program administration/operations

In the 2020 survey, states coalesced around state and local real-time labor market information, outcomes/impacts of reemployment efforts targeted on UI claimants, and WIOA training program impacts. This is not surprising considering the greater significance of tracking the economic impact of the COVID-19 pandemic and providing benefits and services to UI claimants in 2020.

Technical Assistance and Training Needs

In the 2020 survey, when asked for which technical aspects of research they most need training, technical assistance or other support, state workforce agencies focused on five areas:

- Advanced data analysis/analytics
- Program evaluation/evaluation design/research questions
- Reporting and communicating research results
- Data collection and management

Those responses are consistent with the highest ranked areas from the 2016 survey.

An addition to the 2020 survey was to ask state workforce agencies in which aspects of governance and data sharing they most need training, technical assistance or other support. In response, state workforce agencies focused on the following five areas:

- Learning and generating ideas and products with other units/agencies in the state
- Cross-state data sharing
- Cross-unit or cross-agency data sharing
- Learning and generating ideas and products with other states
- Data governance and stewardship

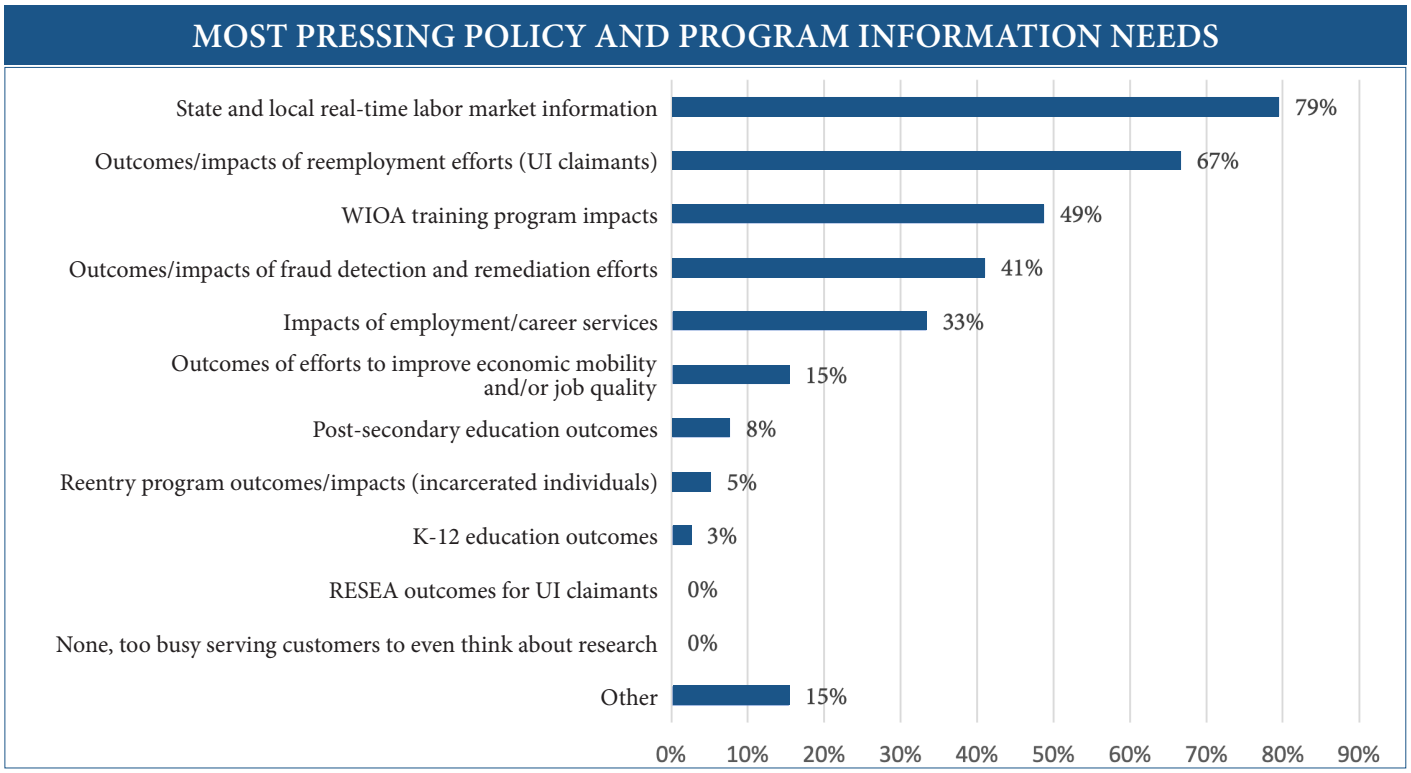
Staff Capacity

In 2016, the top two responses from state workforce agencies concerning their staffing capacity were fair (44%), followed by adequate (29%). In 2020, one of the top two responses shifted. Nearly half of state workforce agencies reported their current staff capacity for conducting or overseeing priority research efforts as fair (46%), followed by over one-third reporting their staff capacity as inadequate (36%). This shift may very well be due to the increasing demand for research and information with the onset of the COVID-19 pandemic.

ANALYSIS OF 2020 SURVEY RESULTS

Key Information Needs for State Workforce Agencies

When asked about the top three most pressing policy and program information needs that research could help address, state workforce agencies most frequently pointed to state and local real-time labor market information (79%), outcomes/impacts of reemployment efforts targeted on UI claimants (67%), and WIOA training program impacts (49%). Also of interest are measures of success for fraud detection and remediation efforts (41%), and employment and career services impacts (33%). While information to address economic mobility and jobs quality was a priority for a smaller percentage of states (15%), the fact that six states are focused on these broader, longer-term goals in the midst of a pandemic may tell us something of the future focus in many states.



One state workforce agency emphasized that "[s]tate workforce agencies wage a constant battle with improper [unemployment insurance] payments and fraudulent activity. . . . In light of the phenomenal amount of fraudulent activity states are encountering with pandemic filers, obtaining research methods for detection and remediation efforts could help us more effectively identify persons most likely to engage in unfavorable behaviors, thus reducing improper payments and fraudulent activity. Intensifying our capabilities with research is greatly needed."

Another state agency commented that "Under the current strain of responding to data requests that are COVID-19 related on top of required contractual agreements, there is no time for additional research at present."

Changing Information Needs

An overwhelming 87 percent of state workforce agencies reported that their information needs have changed since the onset of the pandemic and recession earlier in 2020.

Two state workforce agencies provided further insights into how the demands for information have changed:

- "Being a small state in terms of staff and/or resources, we completely maxed out our capacity for research and the demands for now information related to all things UI related. . . . Our staff responded heroically to the requests but were also overwhelmed at times given the multitude of data/research requests from the media, Governor's Office, and our own internal administration."
- "During the early months of the pandemic we were involved in compiling historical jobs, UI claims, UC wage records and new hire data . . . to assist our administration on a strategy to reopen the economy. In addition, similar data was compiled for the development of a cross-agency effort to merge labor market, [health] and human services, education and revenue data to analyze impact of COVID on health and human services programs and the economy and to assist with layoff aversion strategies."

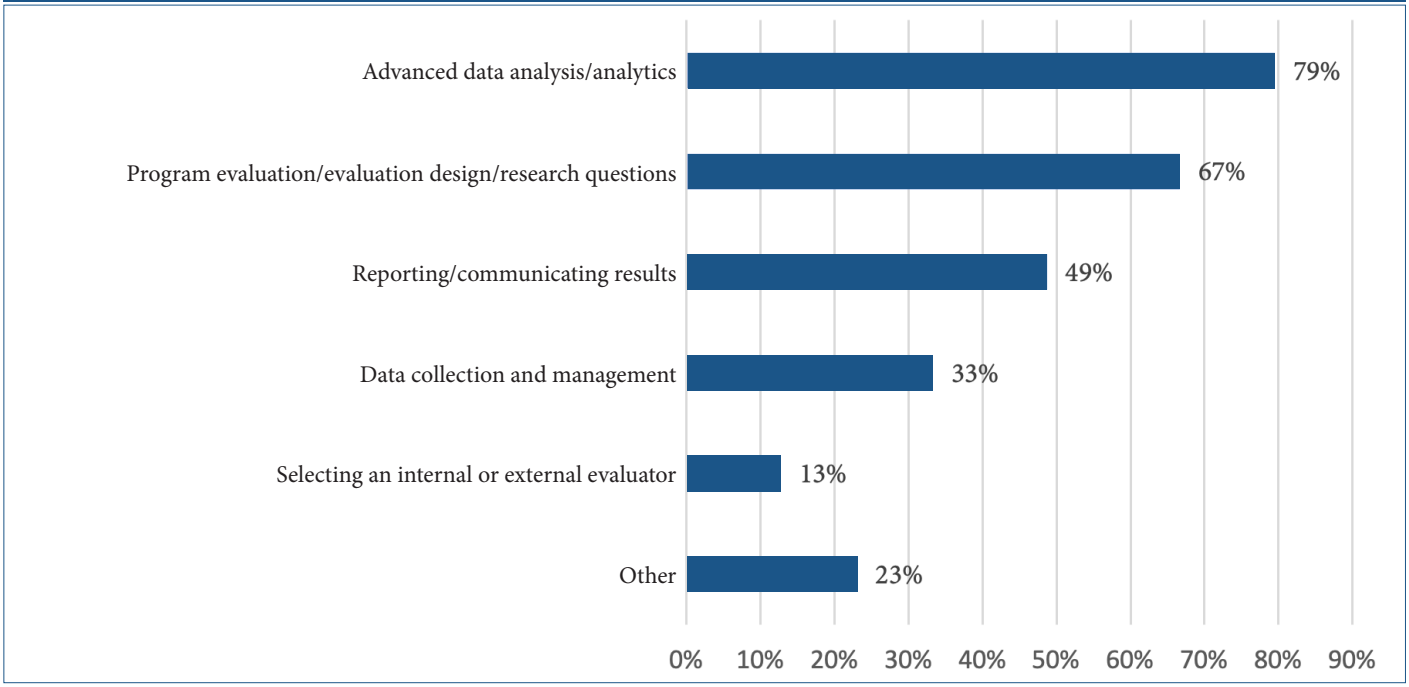
Another state agency emphasized how things have NOT changed: "We are also extremely interested in rural disparities, both before and after COVID-19."

Technical Assistance and Training Needs

Technical Aspects

When asked for which technical aspects of research they most need training, technical assistance or other support, state workforce agencies focused on five areas, leading with advanced data analysis/analytics (79%) and program evaluation/evaluation design/research questions (67%). For many states, reporting and communicating research results (49%) and data collection and management (33%) are also areas of need.

TECHNICAL ASPECTS OF RESEARCH WHERE TRAINING AND TECHNICAL ASSISTANCE NEEDED



Nearly a quarter of state workforce agencies also indicated an "other" area (23%), including the following:

- Instilling an evaluation mindset among our internal program stakeholders
- Getting updated with up-to-date research and analytical methods (e.g., using programming languages like R or Python, data science, etc.)
- RESEA (Reemployment Services and Eligibility Assessments) - compliant outcome research
- Better understanding the confluence of unemployment insurance data, work search requirements, and how those characteristics influence broader economic and labor market information surveys and statistics such as the current population survey
- Experience for new hires with data science education to learn our data, our programs, and how to apply the techniques they learned in school to real world social service problems
- Quantitative evaluation of internal systems and processes (e.g., application of operations research, industrial engineering, quality control and other management science methods)
- Developing and supporting custom automated reporting systems
- Managing data that come from different sources (e.g., different databases)
- Ability to pull data out of multiple software systems and match them

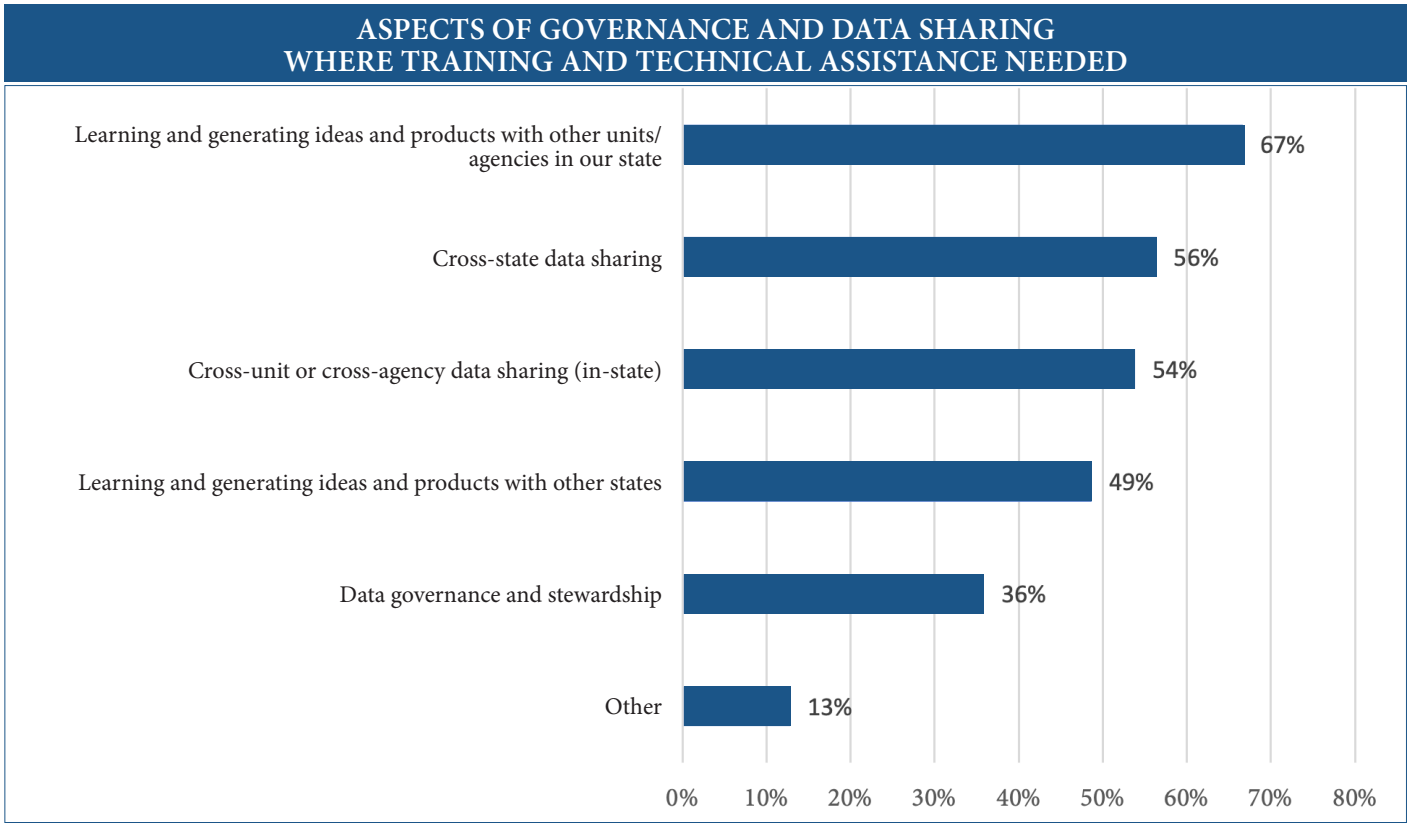
FROM STATE WORKFORCE AGENCIES

One "pressing need is additional analysis training of staff. Being a small state, we are limited in [our] number of staff. Staff must each perform a wide variety of duties involving differing levels of complexity. A need for basic and complex analysis training would benefit all staff members."

"[D]eveloping staff and technology capacity and funding the research we aspire to produce are both enormous challenges."

Governance and Data Sharing

When asked for which aspects of governance and data sharing they most need training, technical assistance or other support, state workforce agencies focused on five areas, leading with learning and generating ideas and products with other units/ agencies in the state (67%). Other important areas include cross-state data sharing (56%), cross-unit or cross-agency data sharing (54%), learning and generating ideas and products with other states (49%), and data governance and stewardship (36%).



Over one-eighth of state workforce agencies also indicated an "other" area (13%), including the following:

- Workforce system, including education, enterprise-level governance and strategic planning across agencies in research agenda planning, and data governance
- Making sure we are asking the right questions, at the right time to drive policies and service delivery, and can get access to the right data to answer these questions timely
- Guidance on creating suppression guidelines to prevent re-identification of individuals in public reporting
- Key performance indicators beyond WIOA--what data elements will help us make better policy and program decisions
- Never can learn enough
- None - our P20W system has been in effect for 20+ years

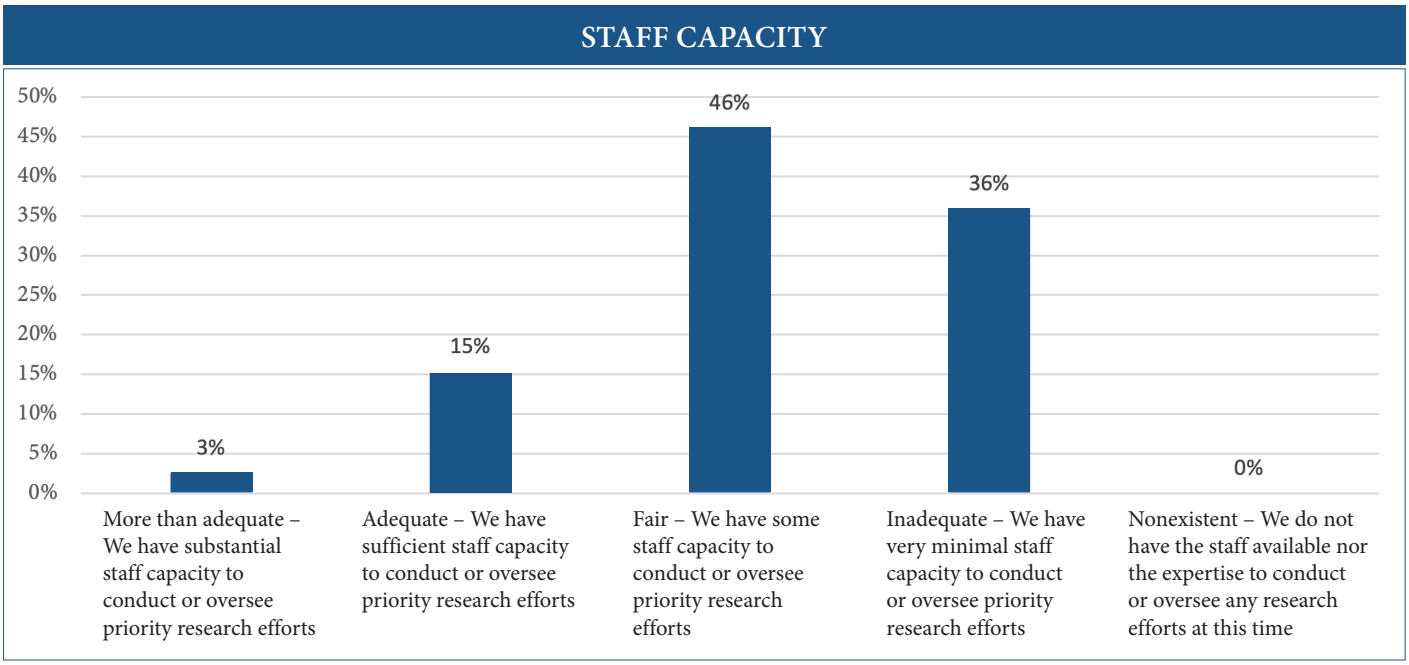
One state workforce agency took the time to detail the range of training and technical assistance needs they see states facing. They highlighted "[s]oftware platforms and training on, for example, the Applied Data Analytics training sponsored by NASWA and the Coleridge Initiative that require the ability to use Python and R." They pointed out, however, that "[t]his also requires agencies to contribute resources (e.g., more analysts and IT infrastructure)." They reported that transforming "data from our transactional systems into more easily usable formats (e.g., SQL tables). . . . is an area where something like RIPL and the Coleridge Initiative can possibly help us transform the way we use and benefit from data. With the right investments, we could make useful data far more accessible." Turning to less technical aspects, they emphasized that "[p]romoting research

culture within state agencies seems to be as important as concrete actions. Due partly to state agencies' lack of experience in high quality research such as net impact studies, it remains a prevailing theme that research is a luxury rather than a necessity. A clear sign of that is when 'pressing' issues arise and all resources previously dedicated to conducting research are redirected to those issues, derailing research projects and conditioning their restart on the re-availability of resources. We would also benefit from training on how to resource, manage and peer-review research projects to generate reliable information for policy, strategic and operational decisions. We need secure and effective data cataloging/data governance software and methods so we can better preserve and share data knowledge internally and with research partners. Having robust systems/documents/processes through which research staff can learn what data fields mean and how things flow through systems to generate data is important to being able to effectively conduct research and communicate results."

Current State of Affairs

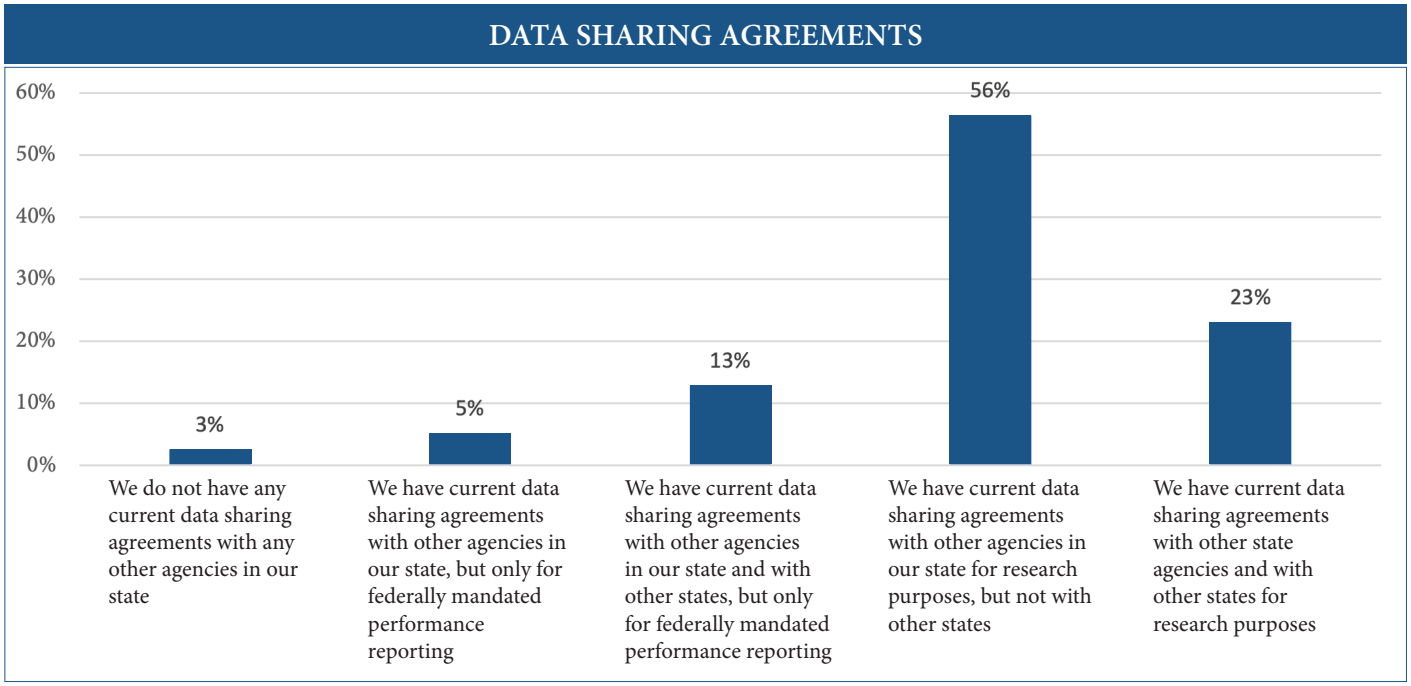
Staff Capacity

When asked to describe current staff capacity (including not only staff levels, but also staff experience and skills) for conducting or overseeing priority research efforts, nearly half of state workforce agencies reported their staff capacity as just fair (46%) and over one-third reported their staff capacity as inadequate (36%).



Data Sharing Agreements

When asked to select the response that most accurately describes the state workforce agency's data sharing agreements, over half of state workforce agencies reported having current data sharing agreements with other agencies in the state for research purposes, but not with other states (56%) and nearly one-quarter reported having current data sharing agreements with other state agencies and with other states for research purposes (23%).



Responding state workforce agencies provided additional insights into their unique data sharing challenges, including the following:

- "We would like to expand workforce related research including Corrections and WIOA participants and TANF/SNAP participants but data agreements and data sharing contracts are not in place."
- Many "research projects are extremely limited by our inability to connect with our surrounding states for data, especially UI wage records. Our state is an exporter of post-secondary students with numerous metro employment centers on the borders. This leaves large holes in student/participant employment visibility."
- "[T]he issue is our data practices statutes and interpretation, particularly within our agency. It makes [it] very difficult to obtain agreement to share data unless there is specific statutory authority for that purpose."
- "We need federal partners, particularly in unemployment insurance and education, to make extremely clear and in detail what activities are prohibited and not prohibited by federal statute. Our state has strong research capacity. We need assistance with legal hurdles."
- "Our most pressing need is to obtain interstate wage records for outcome purposes for our own internal research, and other economic, workforce, and social service partners in our state. For example, broader authority to use the State Wage Interchange System (SWIS) would significantly advance community, local, and state research efforts to improve the programs that positively influence our customers and stakeholders."

Access to Administrative or Operational Data

Current Access

When asked whether states' LMI shops and/or state workforce agencies currently have access to specific types of administrative or operational data to conduct research above and beyond federal deliverables or reporting, the greatest number of states confirmed having in-state access to UI claims (37), UI wage records (36), LMI (35), WIOA Title I (31), and WIOA Title III (30) data. One state reported having no in-state access to any of the administrative data sets. See column 2 of the table below for more information.

When asked about having access to other states' administrative or operational data for conducting research, fewer states confirmed having access (column 3). Of those who did, UI wage records (10), LMI (9), and UI claims (5) were the most common. Three states reported having no access to any of the administrative data sets from other states.

Types of Administrative/Operational Data	In-State Access	Cross-State Access
UI Wage Records	36	10
UI Claims	37	5
WIOA Title I (Adult, Dislocated Worker, Youth)	31	1
WIOA Title II (Adult Education)	17	0
WIOA Title III (Wagner-Peyser)	30	1
WIOA Title IV (Vocational Rehabilitation)	11	0
Workers' Compensation	6	0
Corrections	6	0
SSI/SSDI	2	0
TANF	13	0
SNAP	13	0
Early Childhood Education	4	0
K-12 Education	12	0
Post-secondary Education	18	1
Labor Market Information (including BLS)	35	9
None of the Above	1	3

States provided a few additional comments regarding access to administrative data for research purposes. One state emphasized they mostly provide their data for others for their program evaluation and research. Other states identified additional administrative data sets they access:

- U.S. Department of Labor Registered Apprenticeship data
- State Disability Insurance and Paid Family Leave data
- In-State and Cross-State Census data

Desired Access

When asked about specific types of administrative or operational data to which states' LMI shops and/or state workforce agencies DO NOT currently have access, but would like to have access, to conduct research above and beyond federal deliverables or reporting, the greatest number of states confirmed an interest in having in-state access to corrections (19), SSI/SSDI (18), and K-12 education (18) data. Five states reported they do not have issues with accessing any of the administrative data sets. See second column in table below for more information.

When asked about specific types of other states' administrative or operational data to which states' LMI shops and/or state workforce agencies DO NOT currently have access, but would like to have access, to conduct research above and beyond federal deliverables or reporting, the greatest number of states confirmed an interest in having access to other states' UI wage (15), UI claims (12), and post-secondary education (11) data (see column 3). Four states reported they do not have issues with accessing any of other states' administrative data sets.

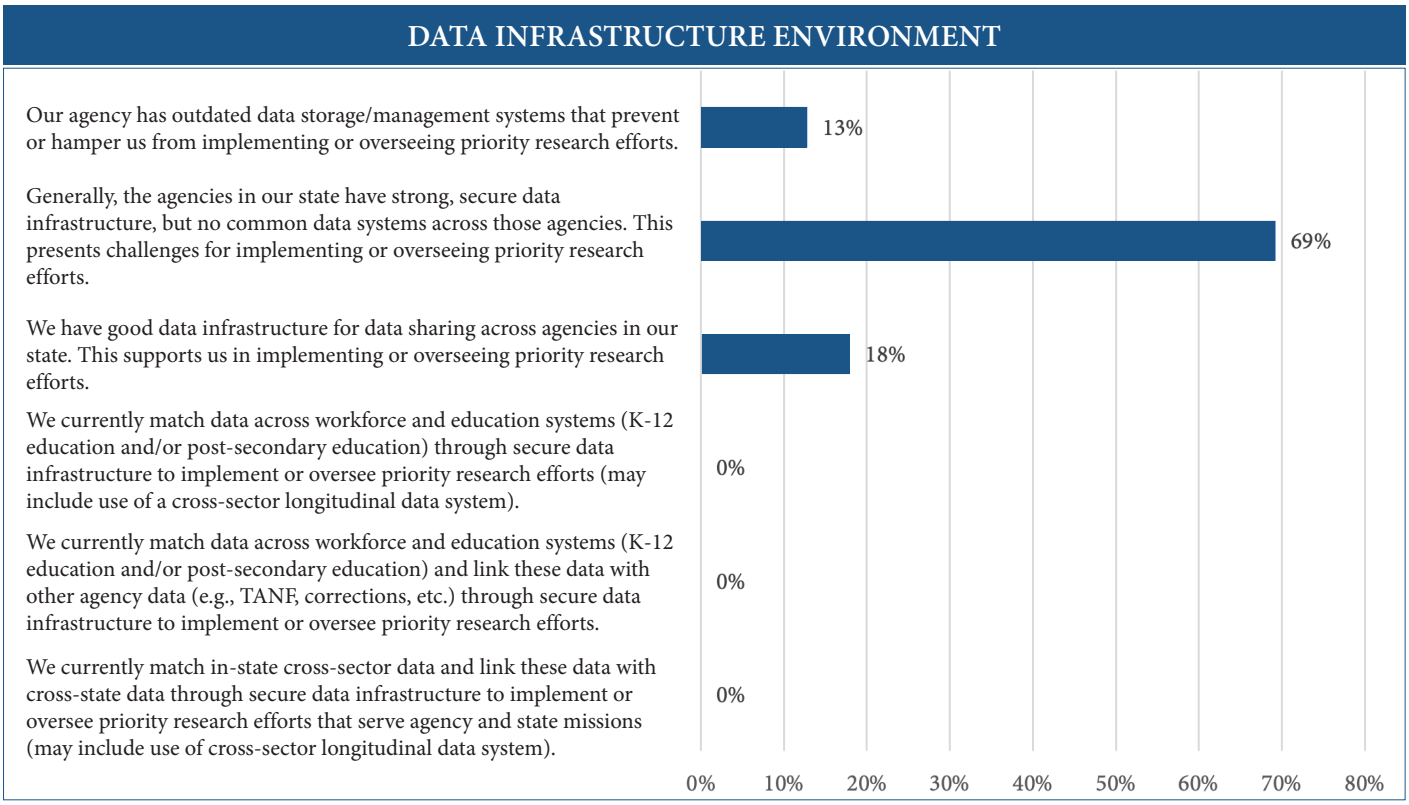
Types of Administrative/Operational Data	In-State Access	Cross-State Access
UI Wage Records	2	15
UI Claims	2	12
WIOA Title I (Adult, Dislocated Worker, Youth)	4	8
WIOA Title II (Adult Education)	14	9
WIOA Title III (Wagner-Peyser)	5	8
WIOA Title IV (Vocational Rehabilitation)	17	9
Workers' Compensation	13	8
Corrections	19	8
SSI/SSDI	18	8
TANF	11	7
SNAP	12	7
Early Childhood Education	16	8
K-12 Education	18	8
Post-secondary Education	13	11
Labor Market Information (including BLS)	1	8
None of the Above	5	4

States provided a few additional comments regarding their difficulties in accessing administrative data for research purposes. One described their most pressing need as obtaining interstate wage records for outcome purposes for their own internal research and other economic, workforce, and social service partners in the state. For example, broader authority to use the State Wage Interchange System (SWIS) would significantly advance community, local, and state research efforts to improve the programs that positively influence customers and stakeholders. They noted piecemeal interstate data sharing efforts tend to be cumbersome and inefficient. Other states identified additional administrative data sets they would like to access for research purposes:

- Medicaid data
- Income Tax data
- Drivers License data
- Birth/Death records
- Occupational License data
- Cross-state Paid Family and Medical Leave data
- Workers' Compensation

Data Infrastructure Environment

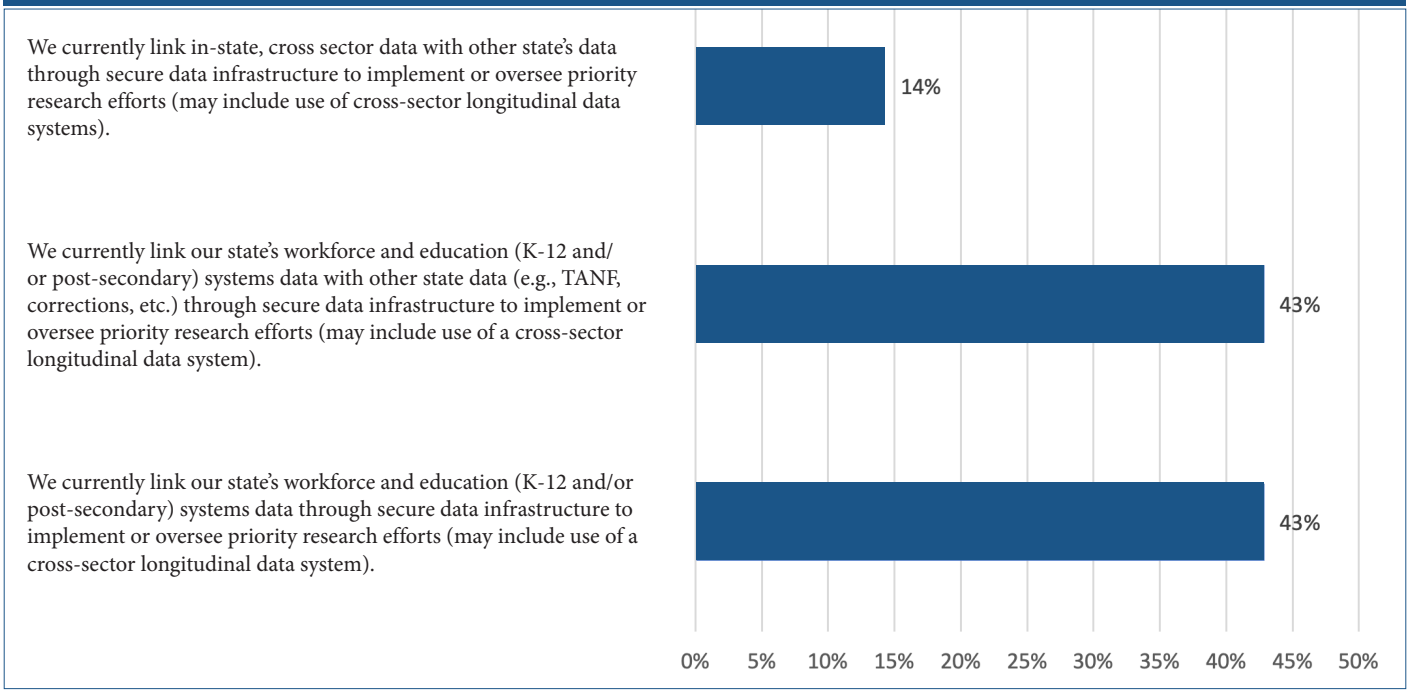
When asked to select the response that most accurately describes the state workforce agency's data infrastructure environment, over two-thirds of states reported that agencies in their states have strong, secure data infrastructure but no common data systems across agencies (69%). Since federal data and performance requirements across workforce development programs have only recently become more aligned with the enactment of WIOA, it is not surprising that more states do not have common data systems across agencies.



The 18% of state workforce agencies responding that they had good data infrastructure for data sharing across agencies in their states were also asked about their state workforce agencies' data analysis environments. A large majority (86%) of those seven states reported falling into one of the two following categories:

- We currently link our state's workforce and education (K-12 and/or post-secondary) systems data through secure data infrastructure to implement or oversee priority research efforts (may include use of a cross-sector longitudinal data system).
- We currently link our state's workforce and education (K-12 and/or post-secondary) systems data with other state data (e.g., TANF, corrections, etc.) through secure data infrastructure to implement or oversee priority research efforts (may include use of a cross-sector longitudinal data system).

DATA ANALYSIS ENVIRONMENT



Additional Thoughts

State workforce agencies highlighted additional needs in their comments, including the following:

- "[W]ould be beneficial for research" to expand the information provided by employers in their quarterly UI wage filing to include "occupation, number of hours worked, and employee demographic data."
- Need for "ongoing/sustainable funding to support the work we are doing through WDQI and to fund an ongoing data scientist position."
- Need "to exempt participants in pilot/evaluation projects from being included in state and local performance accountability."
- "[N]eed to ensure that the performance accountability and reporting systems are simplified, better aligned with our customers' needs, and provide more timely and meaningful data that can be used to manage the system."
- "[G]reat benefit from the federal system leading the charge in data schema and data standards related to workforce program service delivery (WIOA, SNAP, TANF, RA, K12 and Post-Secondary) [being] aligned across the federal partners and then reflected in our performance. This would help research that leads to improved outcomes. WIOA went a long way, by aligning outcome measures, if they could do the same with service delivery measures, this would reduce the cost of research and lead to more consistent replication over time."

One state workforce agency emphasized that "WIOA's Performance Accountability and Reporting requirements consume an inordinate amount of resources with federal partners constantly making changes to their requirements or instituting new edits. All the resources required for performance accountability are resources not available for evaluating effectiveness and improving our services and outcomes for our customers. WIOA's vision of conducting high quality research to unlock the power of data to transform the national workforce system is being undermined by WIOA's rigid performance accountability model. For all the expressed desire that states conduct experimental design studies with randomized controlled trials of innovative practices for those who are least likely to have positive outcomes, the performance accountability model does not reward risk-taking and local Boards are loath to participate in them [experimental activity] for fear of what impact it would have on performance (i.e. that it would go down and they would fail and potentially be sanctioned because of weaknesses in the statistical models)."