

Hawaii Unified State Plan

Executive Summary

Background

As required by the Workforce Innovation and Opportunity Act of 2014 (WIOA), Hawaii submitted a Unified State Plan outlining a four-year strategy for the state's workforce development system. The plan was submitted to the U.S. Department of Labor on April 1, 2016. The Secretaries of core partner agencies (Labor, Education and Human Services) had 90 days from that date to approve the plan. DOL then requested revisions from each state. Hawaii submitted a new plan with those revisions on September 1, 2016. States must have an approved plan in place to receive funding for the core programs.

The State of Hawaii submitted a Unified State Plan covering the WIOA core programs:

- Adult, Youth and Dislocated Worker Programs (Title I)
- Adult Education and Family Literacy Act Program (Title II)
- Wagner-Peyser Act Program (Title III)
- Vocational Rehabilitation Services Program (Title IV)

Key Sections of the Unified State Plan

One of WIOA's primary areas of reform is to require states to plan across core programs and include this planning process in the Plan. Thus, Hawaii's Plan outlines a shared vision and strategic goals that will be adopted by all core programs, including the one-stop services system (American Job Centers) and provides recommendations for better alignment and coordination of programs and resources. The key sections of the plan are:

- A. Economic and Workforce Analysis
- B. Workforce, Education and Training Activities Analysis
- C. State Strategic Vision and Goals
- D. State Strategy
- E. State Strategy Implementation

A. Economic and Workforce Analysis

Hawaii's Plan includes an analysis of the economic conditions, economic development strategies, and labor market in which the State's workforce system and programs operate. It includes an analysis of the current workforce, including individuals with barriers to employment. The Hawaii Department of Labor and Industrial Relations Research & Statistics Office with information from the Hawaii Comprehensive Economic Development Strategies (CEDS) process prepared the economic and workforce analysis for the state plan. Highlights of the economic analysis are provided below:

- Hawaii's labor force and employment is strong and has been improving in recent years after recovering from the 2008 recession. The unemployment rate is low, one of the lowest in the country, so the focus of workforce services must be increasingly dedicated to improving economic conditions of populations in the state with significant barriers to

employment: adults and youth with disabilities, low-skilled adults, homeless individuals, veterans, ex-offenders in re-entry status, individuals with limited English proficiency, low-income adults and Native Hawaiians.

- According to the 2014 U.S. Census, of the 45,000 adults living below poverty levels in Hawaii, 80.6% are employed, which is a consideration for the workforce development system in terms of implementing strategies that improve the economic conditions of employed individuals living in poverty.
- Hospitality and tourism, healthcare, water transportation, construction, fishing and retail sales lead the state in private sector industry employment growth. By 2014 Hawaii had nearly 680,000 wage and salary employees (a 9% growth over the past decade) with an average hourly wage of \$11.09. The state's industry and occupational employment are projected to grow by 11.1% over the period 2012 to 2022. However, employment projections are uneven across the state among various counties.
- The Economic and Workforce Analysis Section includes state aggregate as well as individual county analysis. Therefore, the expectation is that when Local Workforce Development Areas (LWDA) are developing their local plans, they reference the information provided in the Unified State Plan that corresponds to their local area.
- An extensive analysis of the job skills gap shows that the question may be more of quality over quantity. Employers are finding the following skills of many potential candidates to be lacking: soft skills, technology skills, basic literacy and English language skills, as well as work experience and cultural awareness and sensitivity. Many workforce services participants have career desires in occupations that either have an oversupply of recent potential workers or low employer demand, while projected job openings in several career clusters/geographic combinations are bereft of potential skilled workers. Other findings generally show an oversupply of labor force compared to job demand on the upper half of the workforce growth projections.

The strategic goals and corresponding actions discussed below address the skills gaps identified by the economic and workforce analysis.

B. Workforce, Education and Training Analysis

Hawaii's Plan also includes an analysis of the State's workforce, education and training activities, including strengths and weaknesses and the State's capacity to continue providing these activities. The analysis demonstrates that there are numerous activities with strong indicators of success available to job seekers and employers aimed at creating a skilled talent pipeline. Additionally, several activities specifically address the needs of individuals with barriers to employment.

Strengths of the Hawaii Workforce Delivery System

Priority for State Leadership. Workforce development is a top priority for Governor Ige and he supports the work being done by multiple partner agencies and programs across the state that train and educate job seekers and connect them with employers who are seeking skilled individuals for high-demand, high-wage jobs.

Hawaii's Governor encourages the development of a career pathways program to facilitate seamless transition from education and training to workforce industries with crucial shortages. This pathways program represents the State's commitment to ensuring that new and existing employers will have access to a skilled workforce.

Additionally, the State continues to be engaged and passionate about the needs of Hawaii's job seekers and employers alike, and to develop strategies and supporting policies that align with Governor Ige's vision for workforce development: economic, strategic and creative diversification and growth in clean energy, information technology, healthcare, and local agriculture.

Partnership and Collaboration. At both the state and local levels partners are being identified and are working in collaboration to develop a customer-focused, outcome driven workforce delivery system. In several comprehensive centers across the state, partners are co-located to provide streamlined services to job seekers and employers. In local areas where partners are not physically co-located, staff have developed and implemented strong referral processes that ensure that job seekers receive appropriate services. However, referral processes often vary by local area and there is an opportunity to establish consistency through a centralized, common intake, assessment and referral policy or process, which will be developed in the first year of the State's four-year WIOA workforce development state strategy.

Service Delivery to Priority Populations. There are a number of workforce, education and training programs available to individuals facing significant barriers to employment; however, there is an opportunity to enhance and better coordinate the services provided to at-risk populations. As part of the WIOA planning process, core partners, one-stop systems and stakeholders groups are committed to finding ways to better serve these individuals (specifically, adults and youth with disabilities, low-skilled adults, homeless individuals, veterans, ex-offenders in re-entry status, individuals with limited English proficiency, low-income adults and Native Hawaiians) through the workforce development system, such as:

- developing and implementing a universal intake process that reduces duplication and streamlines the service delivery process;
- creating an effective statewide referral and follow-up system to ensure that job seekers receive the appropriate services from partner programs;
- making the delivery system accessible to all job seekers, especially those with disabilities and language barriers; and
- reaching outside of the traditional delivery system to serve the hard to serve, specifically by comprehensively engaging all community agencies involved in workforce development.

Additionally, the State Workforce Development Council and each Local Workforce Development Board will have a strategic focus that addresses issues related to serving populations with barriers to employment.

Opportunities to Strengthen Hawaii's Workforce Delivery System

The following areas of opportunity have been identified:

System Integration. Title I and Title III programs share case management, data and reporting system that is separate from the systems used by Adult Education and Vocational Rehabilitative Services. The use of individual information management systems creates a significant barrier to both program alignment and common performance reporting. Therefore, under a requirement of WIOA and through a core partner agency MOU, a centralized data management system administered and managed through DLIR will be implemented in the first year of the State's four-year WIOA state strategy that will coordinate and share case management, data and reporting information.

Program Alignment and Coordination. Workforce, economic development, and education partners are engaged at the state and local levels. In many local workforce development areas these partners are co-located in the comprehensive centers. However, there is an opportunity to better align and coordinate programs and services to enhance collaborative efforts and resources. Under Hawaii's Plan a priority will be to develop strategies for making the workforce development system more efficient for job seekers and employers through core partner agency and one-stop system coordination and collaboration.

Resource Sharing. Funding for WIOA and many other workforce and education programs continues to decrease; more than ever it is important for partners to share and leverage resources, and to explore other funding options (i.e., competitive grants) where appropriate. Hawaii will focus on the responsibility of each partner to contribute resources to Hawaii's workforce development delivery system.

Service Delivery. Most workforce, economic development, and education programs are managed locally, and the quality of service may vary by area. A number of measures will be implemented through the state strategy to improve the consistency of service delivery, including:

- Comprehensive implementation of coordinated core-partner and one-stop system services.
- Comprehensive utilization of the WIOA Eligible Training Provider provisions.
- Managing services to both job seekers and employers.
- Evaluating the effectiveness, programmatic and physical accessibility, and continuous improvement of the Hawaii workforce development.
- Ensuring core partners meet negotiated performance measure.
- Ensuring that participants receive high-quality services in order to acquire high-demand, high-wage occupations.

Job Seeker Interest Aligned to In-Demand Occupations and Industries. Local WIOA programs use LMI to determine high-demand occupations and industries for which they will fund training programs. While demand is up, the perception of manufacturing and other STEM related occupations as viable careers still needs improvement. As such, there is an opportunity to better

inform, educate and encourage job seekers about the high-demand, high-wage occupations in Hawaii.

System Capacity

Hawaii is positioned to continue providing high-quality workforce development programs and activities that prepare job seekers for high-demand, high-wage careers. The state’s focus on partnership and collaboration will lead to better alignment of programs and resources creating a more customer centered workforce delivery system.

C. Vision and Goals for Hawaii’s Workforce System

The Plan describes the state’s strategic vision for its workforce development system, and the goals for achieving this vision. This section includes goals for preparing an educated and skilled workforce, including preparing youth and individuals with barriers to employment, and goals for meeting the needs of employers. The plan outlines the following the vision and strategic goals.

State Strategic Vision

The WDC developed this vision and goals based on the following common understanding:

- WIOA is designed to help job seekers access employment, education, training and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.
- WIOA is an alignment of workforce programs.
- Under WIOA, the workforce system should strive toward three hallmarks of excellence:
 1. The needs of business and workers drive workforce solutions, and local boards are accountable to communities in which they are located.
 2. One-stop Centers (or American Job Centers) provide excellent customer service to jobseekers and employers, and focus on continuous improvement.
 3. The workforce system supports strong regional economies and plays an active role in community and workforce development.

VISION: All employers have competitively-skilled employees, and all residents have sustainable employment and self-sufficiency.

GOALS OF THE WORKFORCE DEVELOPMENT SYSTEM IN HAWAII	
1	To provide coordinated, aligned services.
2	To prioritize services to vulnerable populations with barriers to employment as described under WIOA, including veterans, unemployed workers, youth with disabilities, homeless individuals and Native Hawaiians, which are currently of critical concern in the State.
3	To develop sector strategies and a career pathways system that will integrate education and training, and move skilled jobseekers into growth industries.
4	To augment a high employment rate.
5	To fully engage employers in the workforce development system to address the talent shortage.

D. State Strategy

The Unified State Plan includes a description of the strategies the State will implement to achieve its strategic vision and goals. These strategies take into account the State's economic, workforce, and workforce development, education and training analysis and include a discussion of specific strategies to address the needs of priority populations as identified in the economic and workforce analysis.

GOAL 1: Provide coordinated, aligned services.

- WDC will review and oversee development and continuous improvement of a seamless, coordinated service delivery system that is described in the Plan and outlined in local plans and Memoranda of Agreement that describe in detail alignment of services, policies and procedures.
- Core partners and other key service providers will design and utilize a common intake/referral application form in order to coordinate services, avoid duplication of services, reduce paperwork, and streamline administrative operations.
- WDC will facilitate the development of and necessary staff training for a centralized data system that will populate from the common intake/referral application form and aggregate data pertinent to common performance measures.
- WDC will meet with core partners and other key service providers on a semi-annual basis to discuss successes, challenges and solutions to achieving coordinated, aligned services.

GOAL 2: Prioritize services to vulnerable populations with barriers to employment as described under WIOA, including unemployed workers, veterans, youth with disabilities, homeless individuals and Native Hawaiians which are currently of concern in the State.

- Each core partner will develop and implement policies and procedures that will ensure that vulnerable populations with barriers to employment that are described in the Plan receive priority for services.
- WDC and core partners will engage employers to improve the labor market and skills outcomes for vulnerable populations, as well as increase access to employment opportunities for those populations.
- WDC will conduct a needs assessment in FY17 of homeless individuals and Native Hawaiians to determine what specifically is needed to get these populations into sustainable employment and self-sufficiency, and will develop a statewide strategy to address the results of the needs assessment.
- The core partners and other key service providers will establish a MOA that outlines each agency's roles and responsibilities in providing effective, high-quality, intensive, wrap-around services to vulnerable populations.
- WDC will coordinate resources among core partners and other key service providers to provide adequate professional development to workforce staff so that the highest-quality and most effective, evidence-based services are provided to vulnerable populations in order that they achieve success.

GOAL 3: Develop sector strategies and a career pathways system that will integrate education and training, and move skilled jobseekers into growth industries.

- Use economic data, industry clusters and industry resources to determine growth industries and the skill needs of industries and employers.
- Establish and maintain sector initiatives that facilitate ongoing dialogue between government, employers and other key stakeholders to increase understanding of growth industry needs, foster learning between related businesses and coordinate use of information and resources to formulate and implement effective workforce solutions that meet the skill, recruitment, and retention needs of employers and the training, employment, and career advancement needs of workers.
- Align policies and funding streams across education, workforce, and economic development systems and all levels of government to focus public resources on the training that moves workers into industries with high-quality jobs that lead to better financial outcomes and longer job tenures for workers.
- Take an active role in the development of the “common pathways” for both individuals who desire to pursue secondary education AND for individuals who do not desire to pursue secondary education but desire to learn employment skills through work experience and/or on-the-job training.
- Coordinate a “common” work assessment process between core partners.
- Continue with implementation of the Employment First State Mentoring Program (EFSLMP) to train a cadre of trainers on Customized Employment, who in turn will train other staff.
- Continue with the current iCAN bridging program at the Community Schools for Adults as a stepping stone to proceed into a career pathway leading to a work-readiness certificate and/or degree and economic success. Work closely with UH/CC to create possible dual enrollment and pre-apprenticeship classes for adult learners.

GOAL 4: Augment a high employment rate.

- Build a better business climate for small enterprises that comprise over half of Hawaii’s employers by supporting the reduction of tax and regulatory burdens as well as tax policies that make it easier to hire or train additional staff, particularly from those groups who struggle in the labor market.
- Promote skills development through strategic leadership and long-term direction to fortify investments in training, enhance job readiness, industry specific and soft skills acquisition and institutionalize alternate learning methods in ways that help vulnerable populations.
- For individuals with special needs that preclude full-time employment, encourage flexible work, e.g. job-sharing or part-time.
- Coordinate core partner efforts to ensure that all of our students/clients are “registered” into PMIS and has access to the job seeker resources.
- Develop the roles and responsibilities for each core partner staff (administrative, middle management, direct services staff) involved with the job seeker. The roles and responsibilities will include, but not limited to: (1) assessment for identifying a career pathway; (2) obtaining the skills for a job; (3) preparing for interviewing and getting the job; (4) maintaining the job; (5) and/or advancing in the job.
- Meet monthly (later quarterly) to assess what is working and solutions to what is not working.

GOAL 5: Fully engage employers in the workforce development system to address the talent shortage.

- Improve employer use of the PMIS by promoting the benefits of using it; overcoming employer reluctance by providing training; and by making system improvements so that the site is more user friendly.
- Expand employer involvement with program design, implementation, and/or building worksite skills to improve access to jobs and heighten credibility with other employers, potential partners and program participants.
- Focus on short-and long-term goals aligned with industry needs, created with industry input and sustained through industry oversight and participation.
- Establish Core Partner teams. A team approach is not as easy as it sounds. By nature, it's competitive with a sense of ownership to the established employer account. The message from core partner management staff needs to be clear, "1 is a placement for all." Meaning that if Workforce Development (WDD) is able to place a jobseeker with a company; that can open the doors for all core partners to do so in the future.

Specifically, the Plan describes strategies for implementing industry or sector partnerships and career pathways, and strategies for aligning programs and services to achieve a fully integrated workforce system.

Sector Strategies and Career Pathways

Hawaii is in the beginning stages of implementing sector strategies and a comprehensive career pathways system. A Career Pathways Advisory Committee has been established to inform the development of Hawaii's career pathways system in the first year of the State's four-year WIOA state strategy. This system will be a regional, multi-partner model that aligns public partners and their strategies and investments to regional talent development needs, as defined by employers in critical industries. The objective of sector strategies will be to align all partners, including economic development, education, and workforce, around the same goal of creating talent pipelines for critical growing industries. The result of productive industry partnerships is the creation of an ongoing talent pipeline that meets business needs and creates family-sustaining careers for Hawaiians.

The following process is included in Hawaii's State Plan to guide the development and implementation of career pathways and sector strategies:

1. Gather workforce data and intelligence
2. Form sector partnerships and develop future vision
3. Assess talent needs
4. Develop strategies and align resources
5. Operationalize
6. Assess, Adjust, Improve, and Sustain

The Career Pathways Advisory Committee will advocate for and lead the development of career pathways and sector strategies, as well as integrated services in each Local Workforce Development Area. Local areas will self-assess to help determine each area's readiness to implement and support sector strategies, and will develop a targeted plan with strategic recommendations that can be used to implement pathways and sector initiatives locally.

Strategies to Align Programs and Services

One of the State's strategic goals is to align workforce development resources to ensure that employers and job seekers receive high-quality services. To achieve this goal, the State will coordinate agency business engagement activity, build and use data driven decision making and evaluation methods, and expand specific partnerships and collaborations.

- **Coordinated Business Engagement Activity**
Each Local Workforce Development Area (LWDA) will coordinate employer visits, job fairs, and other hiring events to align business engagement activities. Moving forward, there is an opportunity to identify and include additional partner agencies and provide staff cross-training.
- **Build and Use Data Driven Decision Making and Evaluation Methods**
The alignment of programs and services to create a seamless workforce system will ultimately require shared or coordinated information, case management, data and reporting systems. Such a system will allow for common intake and more efficient co-enrollment and referral processes. The WIOA core partners are exploring various options for coordinating systems.
- **Expand Partnerships and Collaborations**
A strength of the Hawaii workforce system is the number of partners who are working together to achieve a shared vision. Through several recent initiatives, existing partnerships have been strengthened and new partnerships and collaborations have been formed.

Strategies to Strengthen Workforce Development Activities

Many of the strategies that will be used to align programs will also strengthen the delivery of workforce activities and the system as a whole and help overcome the opportunities identified in the Workforce, Education, and Training Analysis. Hawaii's Plan includes the following additional initiatives as strategies for strengthening the workforce:

- Implementation of regional sector strategies
- Continuation of Partner Work Groups
- Implementation of coordinated, aligned core partner and one-stop system services
- Implementation of improved Eligible Training Provider List (ETPL)

These strategic actions will close the skills gap illustrated in the preceding economic and workforce analysis, and increase the financial stability and economic prosperity of employers, individuals, and communities in Hawaii.

Program Sub-Sections and Assurances

The remainder of Hawaii's Unified State Plan articulates how each Core Program operates and addresses individual federal core agency requirements, as well as ensuring required program assurances and certifications.

