High Road WIOA:
Building Higher Job Quality into Workforce Development

EARN COWS BUILDING THE HIGH ROAD Policy Matters Ohio KEYSTONE RESEARCH CENTER

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Introduction

In response to the federal Workforce Investment and Opportunity Act (WIOA), most states are now in the latter stages of developing federally required plans and policies for operating their systems of workforce development under WIOA. This process creates an unprecedented opportunity to build into each state's plan concrete ideas for using state and local workforce policy and practice to boost job quality. By developing new policies that help local boards connect workers to the best possible jobs, and supporting employers – individually and in partnerships – with efforts to improve jobs, WIOA implementation can create a "high road in workforce development." It can make workforce systems an enduring force for better job quality.

The arguments in favor of more strategic incentives for better job quality are clear. Too many workers toil in jobs with great instability – high levels of staff turnover, volatile and unpredictable hours, and, at the extreme, "wage theft" that illegally reduces their pay. Training and connections provided by the workforce system should systematically and strategically help workers move away from instability and towards better and more stable jobs. First, and most obviously, connecting workers with the best quality job possible *serves job seekers better*. More stable work will mean higher income, longer job tenure, and better schedule predictability. But beyond that, WIOA policies for job quality *help protect the public investment* in training by ensuring that investments in training are not simply lost in a revolving door of turnover. Further, policies that focus on better quality jobs help make WIOA resources a *reward for employers who are already treating their workers with greater care*, which reduces the risk of providing a resource to low-road competitors who may waste the investment. The job quality policies outlined in this brief are explicitly intended to strengthen job quality for clients of the system, reward a region's high-road employers, and secure the maximum results from public investment by ensuring that grants are awarded to the programs most likely to provide returns on training.

State WIOA plans provide an opportunity for states and local workforce leaders to develop a more structured and strategic policy that builds job quality into the systems' connections to employer partners. In the past, local systems have sometimes too indiscriminately treasured any employer connection without paying sufficient attention to the quality of jobs the employer offers. The workforce system needs to serve *both* employers and job seekers. With limited resources, investments should be carefully focused to *create opportunity for workers and supply skills to employer partners with good jobs*.

In this brief, we propose three concrete disbursement policies that allow for more effective and focused use of WIOA resources, by ensuring that employer partners are the best possible fit for job seekers in the system. Many states or local areas already have some language supporting job quality – for example, seeking to target scarce training dollars to occupations that meet self-sufficiency wage standards (i.e., pay enough to support a family without public assistance). As this indicates, the goal of promoting the highest possible job quality for workers helped by the system is uncontroversial. The next logical step is to make this commitment more concrete and direct investments in ways that help secure the job quality outcomes on which there is strong consensus.

Box 1. A Valuable Resource on WIOA and Job Quality from CLASP

The Center on Law and Social Policy's (CLASP's) *WIOA and Job Quality* offers useful standards to consider in addition to the benchmarks recommended here. The brief recommends allocating WIOA on-the-job training grants only to firms meeting specific criteria that are tuned to funnel training toward high-quality jobs that are accessible to low-income youth and adults. In particular, CLASP suggests the following stipulations to award only high-road employers that:

- Provide adequate wages (in the top 20% for industry/occupation) and benefits
- Continue to invest in employee training after the initial on-the-job training courses
- Provide paid sick days, paid family leave, and paid medical leave
- Schedule employees predictably and for sufficient hours

Quality Standard 1: No Training for a Revolving Door, Starting with Nursing Homes

The current WIOA planning and implementation process presents states with a crucial opportunity to ensure that the workplaces benefitting from increased training investment have created a constructive work environment that encourages employees to stay. To illustrate how to capitalize on this opportunity, we focus on a commonly targeted position – nursing assistants in long-term nursing care facilities. These positions tend to be targeted by the workforce system because the work offers steady hours and employers are consistently hiring. A relatively short-term training can secure these opportunities for job seekers. But these jobs also often generate high rates of turnover as wages are limited and the stress and demands of the jobs can be quite high. When workers leave the jobs, training doesn't pay off for the worker or for the workforce system – the investment is lost to the revolving door of turnover. In the worst case, businesses providing low-wage, revolving-door jobs may only be able to stay in business because of an effective subsidy from the workforce system to cover costs of worker recruitment and training.

In long term care, more than in other industries, retention is critical not only for employee development and satisfaction but also for consumers. Continuity of care and relationships with consistent caregivers are core components of quality care. The nursing homes that work hard to hold onto staff take advantage of the tight connection between the quality of care and the quality of the jobs of frontline caregivers. The WIOA system can help reinforce this virtuous cycle by making sure training resources are used to connect job seekers with the nursing homes where caregivers are more likely to be employed over the long term.

In Wisconsin, the data to help better focus training funding in long-term care exist already. The Wisconsin Department of Health Services currently requires all nursing homes in the state to report their turnover and retention rates for both full- and part-time nursing assistants (as well as for a few other caregiving positions) and makes this information publicly available.[1] While Wisconsin may be out front in this respect currently, as of July 1, 2016, the federal agency Centers for Medicare & Medicaid Services (CMS) will require all nursing home facilities to submit staffing information as part of compliance with the Affordable Care Act.[2] The CMS has also expressed its intention to provide online reports with data on staff turnover and other measures of care quality at the facility level. States can work now to develop a system where these data not only inform consumers, but also the workforce investment system.

[1] Available at: https://www.dhs.wisconsin.gov/guide/cir.htm.

[2] Centers for Medicare & Medicaid Services, "Staffing Data Submission PBJ," (accessed Nov. 6, 2015), available at: https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/NursingHomeQualityInits/Staffing-Data-Submission-PBJ.html.

With these data, a WIOA state rule for improving job quality in long-term care could be developed along these lines: local workforce development boards should use training resources to allow job seekers the opportunity to secure careers in long term care. If a local board is working directly with employers – and direct work here might include referrals for placement or other direct contact from job developers to industry – it should invest in training only in cases where nursing homes have annual turnover among full-time nursing assistants of 50 percent or less and turnover for part-timers of less than 110 percent.[3] If they are working with job seekers, job developers should review turnover rates at area facilities and seek to develop relationships for placement and referral with the lower turnover nursing homes and to systematically avoid placing job seekers with the high turnover homes.

Applying this rule in Wisconsin provides some insight into its potential impact. Of 384 nursing homes in Wisconsin, 231 or 60 percent qualify for investments from the workforce system under this rule. The impact of the rule remains relatively consistent over several geographies: 12 of 21 nursing homes (57 percent) could be targeted in Madison's home county, Dane; 26 of 38 nursing homes (68 percent) in Milwaukee County would be on target; and 12 of 19 (63 percent) would qualify in a sample of rural counties as well.[4]

This structure then allows the workforce resources to focus on nursing homes where training investments are more likely to pay off, and workers are more likely to stay employed. It prioritizes the top two-thirds of homes and reinforces their efforts at job quality.

Given turnover data, each state could consider its unique circumstances and set thresholds based on industry conditions and workforce system aspirations. It is certainly the case that these suggested turnover thresholds are high. Workforce system leaders should also consider and connect with lower-turnover industries to place job seekers. But within long-term care, the system should focus on the homes with the most stable jobs. Whatever the precise turnover cut off, if a state system is going to systematically work with the nursing home industry, then getting job seekers connected to the lower turnover employers is a step toward better outcomes for workers, better targeting of state resources, and strong systems of support for better employers.

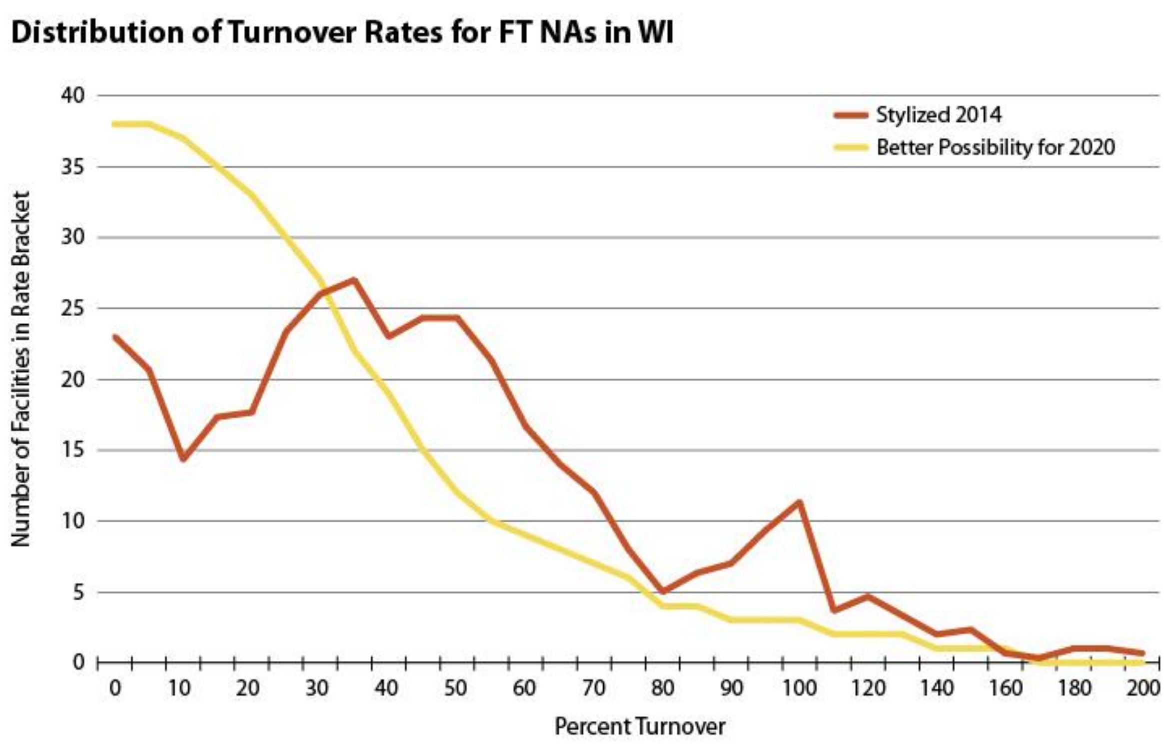
[3] The two-part rule is required because, for unclear reasons, about 5% of studied facilities had low turnover for FT NAs but very high turnover for PT NAs.

[4] The sampling analyzed data from Crawford, Monroe, Oneida, Polk, Price, and Vernon counties in combination.

Box 2. Strategic Investment of Workforce Resources in Nursing Home Industry Partnerships

Many states and localities provide support to groups of employers with similar skill needs, organized into industry training consortia that are also called “sector partnerships” or “industry partnerships.” WIOA endorses sector strategies strongly, requiring that they be incorporated into state and local WIOA plans, and signaling that more federal, state and local resources are likely to be invested this way in the future.

The nursing home example illustrates some general principles regarding how states and local areas investing in sector partnerships can improve job quality. The red line in the figure below shows a slightly smoothed version of the actual distribution of full-time nurse aide turnover rates among nursing homes in Wisconsin. The curve shows that there are quite a lot of nursing homes with turnover rates of less than 35% and even a fair number with virtually no turnover: these homes prove that aide turnover is not an inherent and unavoidable feature of nursing homes. If front-line caregivers are adequately compensated and honored for their central role in skilled caregiving, they may stay decades at the same facility. The graph also shows that there are a lot of facilities that have turnover rates among nursing aides of over 50% and more than a few with turnover of 100% (where there is an uptick in the red line) or even higher.



Source. COWS analysis of 2014 data from the Wisconsin Department of Health Services.

The red curve makes clear that there is no public purpose in investing public resources in nursing homes with turnover over 50%.

The yellow curve labelled “Better Possibility for 2020” suggests another strategic way for states and local areas to invest with sector partnerships: by partnering with industry to systematically shift the distribution of turnover over time. The hypothetical yellow curve five years into the future shows the number of facilities with turnover below 30% to have roughly doubled. The share with turnover over 50% has also been slashed in half. If a workforce area can invest in a sector partnership that delivers training and peer learning that upgrade skills and facility management in ways that sharply reduce turnover, it will materially improve jobs for workers and care for consumers while helping employers achieving a higher road to profitability. If nursing home sector partnerships do not have a plan for how they will support more facilities in emulating their best practice, low-turnover peers – in other words, if use of public money by a sector partnership will leave the red curve in the same place – then those partnerships should not receive public funds.

The long-term care industry presents a useful first case for applying turnover requirements to WIOA disbursements, given that data will soon be reported consistently in nursing homes (and its effects have a greater impact on people served than in many other industries). But the same principles of rewarding low-turnover and thus higher-quality employers can and should be applied to any industry. State workforce boards must take every opportunity to incentivize high-road firms that invest effort and resources in retaining employees, a strategy that will create more high-quality jobs.

Quality Standard 2: A Wage Theft Disqualifier

WIOA guides state and local areas to target services to low-income individuals with barriers to employment. The Act also emphasizes work-based training and education services. The job seekers in the Act's priority-of-service low-income population often have little work experience and limited formal education. Some participants facing these barriers to employment are placed in low-wage jobs in industries that are rife with wage theft. Wage theft occurs when employers do not pay workers their full due under the law. It includes practices such as misclassification (where an employee is wrongly classified as an independent contractor), failure to pay the minimum wage or the prevailing wage, and non-compliance with overtime laws. In 2014, the Wage and Hour Division of the U.S. Department of Labor won more than $240 million in back wages for workers, with much of this recovery coming from workers in low-wage industries.[5] **Table 1** breaks down cases and back pay won by low-wage industry. The awards represent only a small fraction of the actual amount of wage theft that occurs, as most goes unreported.

[5] US Department of Labor, Wage and Hour Division, "*Fiscal Year Statistics for WHD,"* (accessed December 7, 2015), available at: http://www.dol.gov/whd/statistics/statstables.htm - fmla.

Table 1. Back Wages Recovered by US Department of Labor in FY2014 for Select Industries

Sector	Cases	Back Wages	Employees
Restaurants	5,118	$34,451,990	44,133
Health Care	1,581	$17,703,092	21,029
Agriculture	1430	$4,502,976	12,031
Hotels and Motels	1,049	$4,040,376	7,420
Guard Services	475	$5,659,936	6,729
Temporary Help	368	$3,915,498	6,009
Day Care	1,144	$1,875,156	5,812
Janitorial Services	523	$3,902,434	4,425
Garment Manufacturing	239	$3,095,832	1,673
TOTAL	**11,927**	**$79,147,290**	**109,261**
Source: US Department of Labor, Wage and Hour Division, Low-Wage Industry Statistics, FY 2014, available at http://www.dol.gov/whd/statistics/statstables.htm - lowwage.			

Local workforce boards should not take for granted that every employer willing to engage with the state workforce development system has a strong commitment to worker development and training and plays by the rules when it comes to wage and hour laws. The U.S. Department of Labor maintains a database of employers that violate the main federal labor law, the Fair Labor Standards Act (FLSA), which established the federal minimum wage and national hours and overtime laws.[6] That database shows that many of the industries and occupations that engage actively with workforce systems, including in sector partnerships, are also high on the list of industries in which wage theft occurs.

For example, Ohio's sector strategies initiative is known as Industry Workforce Alliances. This program supports regional partnerships in manufacturing, logistics, health care, and insurance. According to the DOL's Wage and Hour violations database, there were more than 3,700 manufacturer violations of the FLSA in that state from 2010 to late 2015, recovering more than $3.6 million in stolen wages for Ohio workers. Wages of $1.6 million were returned to workers in transportation and warehousing, industries associated with logistics. In health care and social assistance industries, the DOL recovered more than $1.8 million in back wages. Many of these violations occur at large and extremely profitable corporations, some of which are also partners with one-stops, the local WIOA service delivery centers. Wal-Mart, for example, returned $23,000 in employee pay for violations of wage and hour laws in Ohio.

Many workers are unaware of wage and hour protections. Low-wage workers and those with employment barriers are also under considerable pressure to not report possible violations. They may feel that they have few other job prospects. Continued employment might also be linked to continued public assistance (e.g., because TANF or food assistance {i.e., the Supplement Nutrition Assistance Program or SNAP} have work hours requirements, the latter

[6] US Department of Labor, Enforcement Data, available at: http://ogesdw.dol.gov/homePage.php.

for the Able Bodied Adults Without Dependents (ABAWD) population). As the current US DOL Wage and Hour Administrator David Weil noted, "[w]orkers in many of the industries with the highest levels of noncompliance are often the most reluctant to trigger investigations through complaints due to their immigration status, lack of knowledge or rights, or fears about employment security."[7] Continued work, even in the face of extreme mistreatment, may be the only option a worker has. A three-city study in 2009 suggested that as many as two out of three low-wage workers experience wage theft.[8] As WIOA increases the workforce development system's focus on more vulnerable populations with barriers to employment there is an opportunity to educate, encourage and support workers in enforcing their rights under the law.

Wage theft hurts workers and our economy. A missed or short paycheck may mean bills go unpaid or meals get skipped. Workers might seek out predatory lending products to make ends meet when their jobs aren't paying as expected, paving the way to the poverty-debt trap. Wage theft also has broad economic consequences. Compliant employers must directly compete against those who break the law. Wage theft often means employers are shorting the state on workers' compensation premiums and payroll taxes that support our unemployment compensation and Social Security. Ohio's then-Attorney General estimated that employee misclassification alone was costing that state upwards of $230 million per year in forgone tax revenue at the state, local and school district level.[9]

No state should directly or indirectly subsidize employers who steal from their workers. Our workforce development dollars are limited and should be spent where workers will get fair pay for fair work. State and local workforce boards should adopt anti-wage theft strategies, training job developers to engage with job seekers on issues of basic labor standards, and systematically avoid working with or connecting job seekers to employers that have violated these most basic worker protections.

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[7] David Weil, principal investigator, *Improving Workplace Conditions through Strategic Enforcement: A Report to the Wage and Hour Division*, May 2010, p. 1, available at http://www.dol.gov/whd/resources/strategicEnforcement.pdf. Other factors that make workers less comfortable filing complaints, such as lack of union representation or intimidation, can contribute. See also David Weil and Amanda Pyles, "Why Complain? Complaints, Compliance and the Problem of Enforcement in the U.S. Workplace," *Comparative Labor Law and Policy Journal* 27 (Summer 2007): 101-135.

[8] Center for Urban Economic Development, "National Employment Law Project, and UCLA Institute for Research on Labor and Employment, *Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities*, 2009," (accessed December 7, 2015), available at: http://www.epi.org/publication/epidemic-wage-theft-costing-workers-hundreds/.

[9] *Report of the Ohio Attorney General on the Economic Impact of Misclassified Workers for State and Local Governments in Ohio, 2009* (accessed December 7, 2015), available at: http://www.faircontracting.org/PDFs/prevailing_wages/Ohio_on_Misclassification.pdf.

No workforce dollars for employers guilty of wage and hour violations. The most basic test of job quality is whether the employer follows state and federal wage and hour law. WIOA, with its emphasis on integrated education and employer driven strategies, gives governors or local boards power to establish criteria to evaluate whether employers should receive on-the-job training (OJT) grants and incumbent worker training (IWT) grants.[10] Employers may also receive support indirectly through participation in state job boards, sector partnerships, or by using local one-stops to recruit and screen applicants. There are several strategies state workforce systems could use to ensure that support does not go to employers practicing wage theft, including:

- Require disclosure of any wage and hour violation occurring in the past five years on employer applications for training funds and other services. In Ohio, as in other states, local area compliance with applicable state and federal laws is required for entities partnering with the state workforce system.[11] For local partners compliance is often assumed and there may be no internal procedures to verify compliance, particularly in areas like wage theft. Establishing procedures to review partners specifically for these violations will help steer workforce dollars away from employers who violate the law.

- Establish policies of debarment which would prevent employers with ongoing, repetitive, or recent violations from participating in workforce development programs.

- Establish clawback procedures, requiring employers that have committed wage theft and have recently received workforce development funds to return all monies.

Educate WIOA participants on basic wage and hour law and enforcement in their industry. While wage theft occurs in many sectors of our economy, it is rampant in low-wage work, where workers are less likely to enforce their rights against an employer. As the WIOA system shifts to better serve the workers who will likely find employment in these jobs, there is a new opportunity to provide these job seekers with a basic orientation to the wage and hour standards and the enforcement process. Information on wage and hour compliance could be included in one-stop orientations and at job fairs. Deeper, industry-specific training could be incorporated into sector partnership training programs. State boards could prioritize sector partnerships that include such training partners just as local boards could preference training providers that include wage and hour orientations in their curricula.

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[10] *See,* WIOA section 134(c)(H)(ii) and 134(d)(4)(A)(ii), respectively.
[11] *See*, Ohio Revised Code section 5101.241 as an example of local area responsibilities, including federal and state law compliance.

Quality Standard 3: Target Workforce Resources to Employers with Good Scheduling and Sick Time Practices

Other employer practices that have come to people's attention in recent years relate to work time and scheduling. Researchers have documented that "just-in-time scheduling" is pervasive, with workers called in to the job or having their hours cut with little notice.[12] These scheduling practices can play havoc with the lives of low-income and single-parent or dual earner families. A family may find be unable to pay the bills because of unanticipated cuts in paid working time, or may have to arrange last-minute child care or lose a slot for a child because of cancelling too often at the last minute.

Paid (or "earned") sick leave is another important work time policy. Low-wage workers are the least likely to have access to paid sick leave. The lack of such leave is another factor that drives up turnover: workers get fired because they stay home to care for a sick child or aging parent – or because they have the flu themselves. In other instances, workers quit because they cannot juggle an illness in the family and a job that provides no paid sick time.

As with other employer practices, there is substantial variation among employers when it comes to scheduling and work-time practices. Retail trade, for example, accounts for 15.4 million jobs, roughly 10% of the U.S. total[13] and a higher share of part-time jobs (one third of retail workers are part-time)[14] and unpredictable hours/shifting schedule jobs.[15] Yet even in retail, there are some employers that offer better pay and benefits, paid sick time, and predictable scheduling.[16] Trader Joe's, for example, announces its schedule at least three weeks in advance and employees can lock in time off months in advance. The company recognizes that flexible scheduling – even if you have large numbers of employees – can be made to work for employee and employer. In its Nashville-area stores, many aspiring musicians work at the company because they are able to take off up to three weeks at a time to go on a concert tour and then work steady for a while, including on weekends. Another six major retailers, while

[12] Julia R. Henly and Susan J. Lambert. 2014. "Unpredictable Work Timing in Retail Jobs: Implications for Employee Work–Life Conflict," *Industrial & Labor Relations Review,* 67(3), July, pp. 986-1016. http://ilr.sagepub.com/content/67/3/986.abstract

[13] Bureau of Labor Statistics, "Workforce Statistics," available at: http://www.bls.gov/iag/tgs/iag44-45.htm#workforce.

[14] Bureau of Labor Statistics, "Retail Sales Workers," Jan. 8 2014, available at: http://www.bls.gov/ooh/sales/retail-sales-workers.htm#tab-3.

[15] Service workers (which include major retail occupations) receive less advance notice of work schedules than all of 10 other categories except skilled trades. They also had the second-highest "instability ratio" of all occupations, measured as the difference between highest and lowest hours divided by usual hours. They had among the least "schedule control.' See Henly and Lambert. 2014. "Unpredictable Work Timing in Retail Jobs," *Industrial & Labor Relations Review,* 67(3), July, pp. 986-1016.

[16] Zeynep Ton. 2013. *The Good Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs and Boost Profits*. Boston, MA: New Harvest.

they may not have holistic "good jobs strategies," have announced that they won't do on-call scheduling, thereby reducing the chance of future negative publicity.[17]

Many typical (and often smaller) low- and moderate-wage employers also forego just-in-time scheduling: 30 percent of "service workers" and 28 percent of part-time workers receive four weeks or more of advance notice.[18] Surveys also show that a non-trivial share of employers even of entry level employees provide them with some kind of paid time off that can be used to cover an injury or illness to the employee or a person they for which they help care.

A growing number of geographical areas have chosen to mandate paid sick time.[19] Advocates in a number of places have also begun to advance labor standards related to schedules. San Francisco's "Retail Worker Bill of Rights," for example, promotes full-time work and access to hours; fair, predictable schedules; equal treatment for part-time workers; and worker retention and job security. It also discourages abusive on-call scheduling practices. Across the country in New York City, the Retail Action Project (RAP)[20] has launched the Just Hours Campaign (http://retailactionproject.org/campaigns-2/sustainable-scheduling-new/) which seeks to establish (or re-establish), among other standards, stability in hours; predictability in schedules; and family-sustaining hours (i.e., enough work time to make it possible for workers to support their families).

States and local areas will vary in their appetite for 21st century family friendly work-time standards. There can be little argument, however, that public workforce resources should target employers with better practices. The need for workforce systems to push in the direction of better quality and more stable jobs will grow if technological and employment trends move further in the direction of the "gig economy" – with growing numbers of employees working (or stuck) in the irregular economy whether as drivers (ride sharing or home delivering for on-line retailers or grocery stores) or in an infinite variety of other occupations (e.g., via "Task Rabbit").

To nudge employers towards better scheduling and sick time policies, states and local areas could implement the following two requirements:

No workforce resources for employers that do not meet a minimum paid sick leave standard: for example employers could be required to provide at least one hour of accrued sick time for each 40 hours worked and to allow accrual of up to at least six days of paid leave that can be

[17] Bourree Lam, "The End of On-Call Scheduling," *The Atlantic*, October 23, 2015; online at http://www.theatlantic.com/business/archive/2015/10/on-call-scheduling-labor/412132/

[18] Susan J. Lambert, Peter J. Fugiel and Julia R. Henly, *Precarious Work Schedules Among Early Career Employees in the U.S. A National Snapshot*, August 27, 2014. University of Chicago Research brief issued by EINet (Employment Instability, Family Well-being, and Social Policy Network) at the University of Chicago: http://ssascholars.uchicago.edu/einet.

[19] According to the Partnerships for Working Families, 11 localities and four states have enacted paid sick leave and another four localities have ongoing campaigns. See the map online at http://paidsickdays.org/#

[20] For evidence of wage theft in the New York grocery industry, see Annette Bernhardt, James DeFilippis and Siobhan McGrath, *Unregulated Work in the Global City*, June 11, 2007; see especially "A. Unregulated Work in the Grocery and Supermarket Industry in New York City," pp. 45-38.

used when the worker is sick or cares for an ailing child, family member or household member. Most of the recent local and state paid sick leave laws meet or exceed these standards.

No workforce resources for employers that not meet family friendly work time standards. Workforce systems could also direct resources only to support connections to employers that require schedules posted at least two weeks in advance, standard schedules (or a guarantee of a minimum number of hours if there are flexible schedules genuinely adjusted to accommodate employee as well as employer preferences), and prohibitions on sending employees' home after they come to work because customer demand lags.

Conclusion: Taking the First Steps Along the Workforce High Road

The public policy case for using workforce resources in ways that support employers with better-than-average jobs by the standards of their industry is unassailable. As the recovery strengthens, moreover, the ratio of job openings to job seekers is on the rise. Workforce system and job seekers can, and should be, more selective. Job seekers on their own, however, rarely have sufficient knowledge to pick the employer that will provide them with the best job and the best career advancement opportunities. One-stops and training programs can help ensure that job seekers operate with the best available information. The system can help make the labor market more transparent for job seekers identifying employers that meet some minimum standards: turnover below industry norms, not guilty of wage theft, and providing paid sick leave and family friendly scheduling policies.

Smart use of workforce funds to improve job quality also includes strategic public investment in sector partnerships that increase the prevalence of high road or "good job" strategies. With regard to these partnerships, the nursing home example discussed in box 2 is a metaphor for how state and local workforce areas should engage all industries. In that example, shifting the regional industries toward lower turnover is tantamount to helping more facilities copy the job quality and management practices that has reduced turnover at some of their peers – to zero! Throughout the labor market, workforce turnover correlates with job quality and with employer organizational and human resource practices. Other indicators as well as turnover will vary systematically based on job quality and employer practices: scrap rates and uptime in manufacturing; on-time delivery in logistics and transportation. Good sector partnerships will understand the management practices associated with job quality and the indicators (some common across industries, such as turnover, wages and benefits, and others industry-specific) that measure the share of employers and employment in the partnership that are on the high road. States and local areas should aim to shift the distribution of employer practices – and to shift job quality – over time towards the high road end of the spectrum.

America has too many low-quality jobs and very modest public investment in training and workforce development. We have no option but to do our best to use limited workforce resources to improve job quality. As noted at the outset, this should not be controversial. It will benefit employers and employees, consumers and regional economies, the last strengthened by virtue of higher shares of high-road businesses.

In most states and local areas, focusing strategically on improving job quality is new work for the workforce development system. It is also exciting and important work. And, we hope, it will grow exponentially the more states and localities that join the workforce high-road movement. If WIOA can, over a period of years, give rise to a community of workforce practitioners skilled in the art of using their limited resources to support and grow good employers, this new law will have accomplished a great deal.