



National Center for Higher Education Management Systems



Recommended Policies and Practices for
Advancing Indiana's System of Adult Education
and Workforce Training

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Indiana Chamber of Commerce

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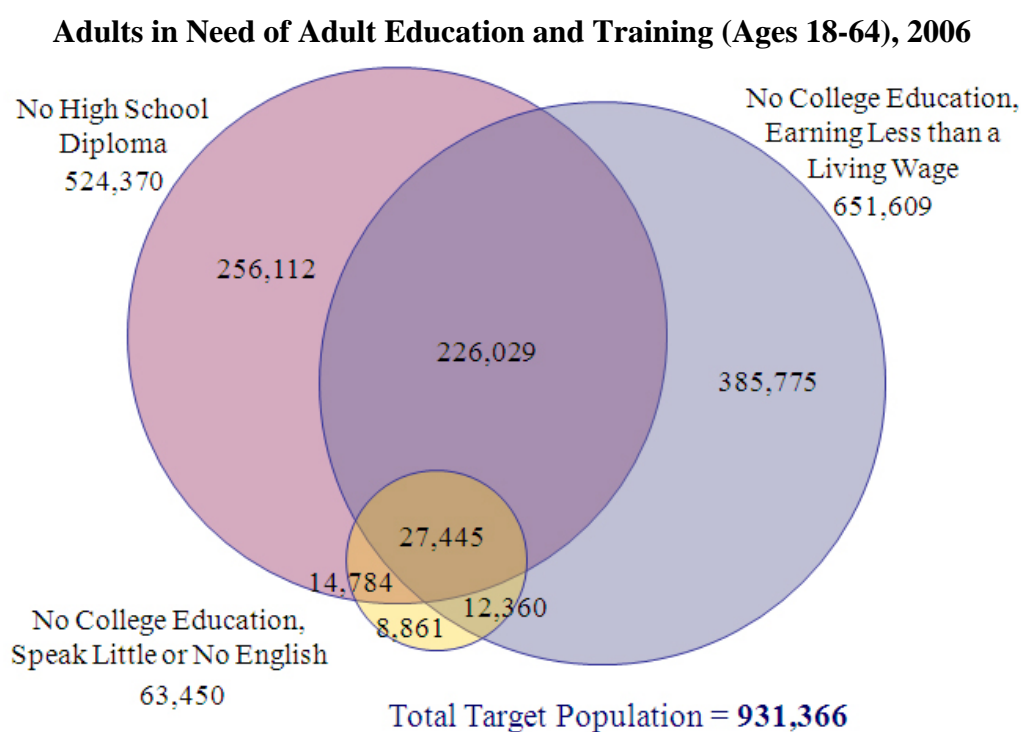
Table of Contents

	Page
The Landscape	3
Aligning Forces	4
Guiding Principles	5
Recommended Actions	5
Develop Statewide Goals.....	6
Create a System of Accountability	6
Collaboration and Alignment.....	8
More Effective Collaboration among Providers.....	8
Align Assessments Across Providers	8
Bundle Services to Improve Student Success	10
More Effective Use of Technology-Based Training	10
Affordability.....	11
Increase Funding for Part-Time Students.....	11
Seize More Opportunities to Engage Employers	11
More Effective Use of TANF Funds to Support Adult Postsecondary Enrollment	12
Administrative/Organizational Infrastructure	13
Create Leadership Capacity	13
Expand the Infrastructure for Maintaining and Utilizing Indiana’s Workforce Intelligence System (IWIS).....	14
Financing the Enterprise	16
More Effective Use of Existing Funds from Federal Sources.....	16
State Investment	16
Marketing – Increasing Awareness.....	17
Conclusion.....	17
Appendix A Stakeholders Interviewed by NCHEMS	19
Appendix B Description of Similar State Organizations	20

The Landscape

Working-aged adults in need of education and training in Indiana must chart their course through a complicated landscape of more than 20 different programs offered by at least four major providers: the Departments of Education and Workforce Development, Ivy Tech Community College, and the Family and Social Services Administration. The doors they enter and the training they receive are as much a result of chance encounters as guided state policy. As in many states, the adult education and workforce training providers in Indiana have a long history of operating in isolation of one-another – despite many overlapping services. They have pledged a great deal of their allegiance to the silos of reporting requirements set forth by federal government (a primary financial supporter of many of these programs), while the numbers of adults in need of their services has grown to nearly a quarter of the state’s working-age population.

Indiana’s Adult Education and Workforce Skills Performance Report (released by the Indiana Chamber of Commerce in February 2008) documents that nearly 1 million working-age adults in Indiana have either not completed high school, speak little or no English, or are working but living in families that earn less than a living wage (below).



The report also addresses the performance of Indiana’s education providers in serving these adults and the benefits to the state as a result. Finally, it affirms that a focus on traditional-age college-bound students in the absence of addressing deficient education and workforce skills of older adults would yield a future workforce in Indiana that lacks the skills needed to compete in the global economy.

Aligning Forces

However, the past does not necessarily dictate the future. More coordinated and effective strategies for educating adults are gaining traction. In the wake of the Performance Report, the Indiana Chamber of Commerce, the providers of adult education and workforce training, and state leaders and policymakers are in collective pursuit of potential strategies to address the education and skill deficits of Indiana's working-age adult population. A grant from the Joyce Foundation (under their "Shifting Gears" initiative) has served as a catalyst for bringing these key providers together.

Under the grant, work teams have formulated – and have met regularly – to focus on issues of policy, funding, data infrastructure, and marketing. These efforts have created an unprecedented climate in the state for collaboration among providers that have historically worked in relative isolation from one another. How can Indiana take advantage of these aligning forces to create a more effective system of adult education and workforce training – one that better prepares adults for high-wage high-skill jobs?

With generous support from the Lilly Endowment, the Indiana Chamber has contracted with National Center for Higher Education Management Systems (NCHEMS) to provide a policy framework and specific recommendations for improving the system of adult education and workforce training in Indiana – building on the important initiatives that have already taken place. The recommendations culminate from detailed interviews conducted with Indiana's providers of adult education and workforce training, government officials, and business leaders (a list of those interviewed is provided in Appendix A) and experience NCHEMS brings to bear from conducting similar work in other states.

The following brief recommends actions that would strengthen the adult education and training enterprise and the work of its various providers, and would create a more seamless system; one that serves more working-aged adults, focuses more on completions, is guided by effective leadership, and operates in a fiscal environment that rewards collaboration and improvement instead of status quo. If many of them are addressed, more adults will have living-wage jobs, the state's economy will be fueled by a more educated workforce, fewer adults will rely on costly state services such as Medicaid and corrections, and the state will experience substantial gains in personal incomes and tax revenues. In the end, the return will far outweigh the investment.

Guiding Principles

A policy framework and any set of recommended actions must be built on a foundation of agreed-upon criteria. Based on involvement in Indiana – the development of the performance report, discussions with the Joyce Foundation working teams, and interviews with stakeholders – NCHEMS recommends that the following principles guide the agenda to improve Indiana’s system of adult education and workforce training:

- Be systemic – incorporating the work of all providers, including education and training providers, workforce development, and economic development.
- Recognize that these are long-term problems that require long-term solutions and persistent and vigilant long-term leadership.
- Be applied without massive reorganization – working largely within the current governance structure.
- Focus largely on non-traditional aged adults (25 and older) and high school dropouts
- Focus as much as possible on competencies rather than “seat-time” – outcomes rather than activities.
- Develop and maintain the capacity to fund priorities – recognizing that (at least in the short-term) there is likely to be very few “new” state funds available.
- Be based on incentives and the allocation of rewards rather than “command and control”.
- Be affordable for both students and the state.

Recommended Actions

Most states, like Indiana, have not developed a comprehensive strategy for adult education and workforce training. These recommended actions are reflective of the themes that emerged during the interviews with stakeholders and providers, and build upon the momentum that has already taken place as a result of two initiatives: A Demand-Side Strategy to Meet Indiana’s Workforce Basic Skills Challenge (funded by the Lilly Endowment) and the Joyce Foundation’s “Shifting Gears” initiative. In a few instances, related practices in other states are referenced. However, the recommendations are tailored to the needs of Indiana and address potential solutions that are unique to the landscape of providers in the state. The recommendations fall into six major categories:

1. Goal Setting and Accountability
2. Collaboration and Alignment
3. Affordability
4. Administration/Organizational Infrastructure
5. Financing the Enterprise
6. Marketing – Increasing Awareness

Goal Setting and Accountability

Develop Statewide Goals

Stakeholders and providers should work together to develop measurable goals for the adult basic education and workforce training enterprise.

These would include (but not be limited to) the total number of adults served, the number completing recognized credentials, skill gains on WorkKeys, and the number of transitions from Adult Basic Education into college-level work. When defining the measures and setting the goals, they should be:

- (1) Grounded in research (where possible) – e.g., taking into account research that shows which transitions are the most meaningful in terms of increased personal income and workforce readiness (like the “Momentum Point” research conducted in Washington).
- (2) Cross-Cutting – including measures that can be influenced by each of the providers and key measures from sectors outside basic education and workforce training (e.g., K-12 high school graduation rates).
- (3) Developed with stakeholder input and awareness – key legislators, the business community, and other state leaders.
- (4) Subject to policy intervention – the results of which can be intentionally improved by the providers, and not highly conditional to external forces.

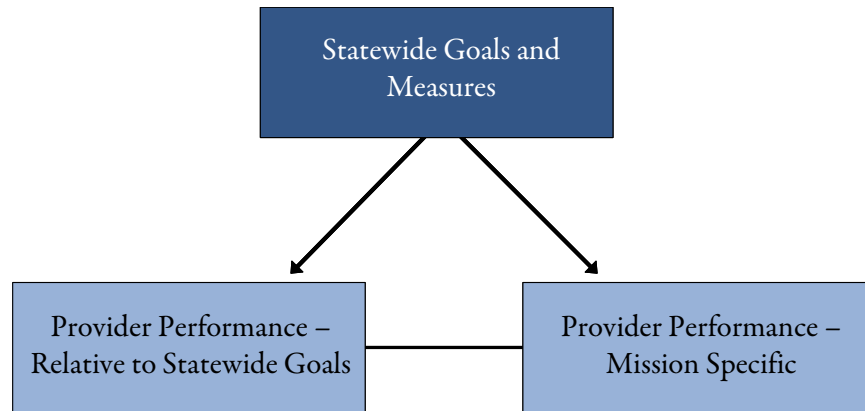
It is generally a good strategy to publicize at least one broad statewide goal that cuts across the entire system of providers and conveys a vision for the future to the public, employers, and policymakers. Examples include Kentucky’s “Double the Numbers” and Texas’ “Closing the Gaps”. Researchers and policymakers in Kentucky determined that by 2020 it would need twice as many adults with bachelor’s degrees or higher to exceed the national average. In Texas, they realized that the state’s educational attainment would actually decline in the future if they didn’t serve more under-educated minorities – particularly among the fastest-growing Hispanic/Latino population.

Create a System of Accountability

In addition to statewide goals, a broader system of accountability for adult education and workforce training needs to be developed. It should include the statewide measures augmented with measures for each of the key providers, as shown in the following illustration.

Challenge

There are currently no overall state goals for improving Indiana’s system of adult basic education and workforce training, and there is no system of accountability for tracking progress over time.



The system should include several measures for each of the providers that are directly related to the statewide goals – e.g., numbers of adults being served, numbers who complete various milestones, gains on WorkKeys, etc. In addition, measures that are mission-specific should be included. Examples include numbers of adults who are successfully remediated at Ivy Tech Community College, adults who are successfully placed in higher wage jobs at DWD, GED recipients in Adult Basic Education, etc. The provider measures and goals should be developed in consultation with the providers and should recognize the varying missions of each. The following are necessary characteristics for a successful accountability system:

- Successful marketing – especially the overall statewide goals.
- Data presentation that is clear and communicates to a variety of audiences – starting with the overall state goals and drilling down to provider-level measures (e.g., the web interfaced Dashboard for the Minnesota State Colleges and Universities).
- Supported and fostered by a larger entity (comprised of members from a variety of sectors) that helps to keep the process and communications on track (discussed above) and balance the needs of key providers and stakeholders.
- Produce periodic brief policy reports that highlight progress on certain measures (e.g., the National Center for Public Policy and Higher Education’s *Measuring Up: The State-by-State Report Card for Higher Education*).
- Operate in a fiscal environment that rewards improvement (discussed below).

The accountability mechanism must include most of the above in order to stand the test of time – across term limits, administrations, etc. Once the accountability framework is in place, future editions of the Performance Report should reflect progress at the state and provider levels.

Without effective accountability, the agenda is not likely to succeed. In addition, the existence of a strong accountability framework lays the groundwork for increased state investment in adult basic education and workforce training; that is the state is much more likely to invest in something that yields transparent results.

Collaboration and Alignment

More Effective Collaboration among Providers

In some local areas, the state should work toward creating a single port of entry for adults (in need of education and training) – where these consumers would be assessed and placed into the most

appropriate level/type of skills training – i.e., basic education and literacy (DOE), specific training for work readiness and job placement (DWD), preparation skills for college entry (DOE and Ivy Tech Community College). Some local collaboration already occurs between major providers of adult education and workforce training – DWD, DOE, and Ivy Tech Community College (e.g., Fort Wayne and Columbus). The current plans to co-locate Adult Basic Education with Ivy Tech Community College are also a step in the right direction.

Co-location of major providers in larger areas may not be the most preferable arrangement where a single location may create access problems for some adults. In these cases, providers should work toward more coordinated strategies to connect adult learners with the most appropriate level of education and training. These models could be implemented in most areas of the state by simply combining or restructuring administrative functions that already exist at the provider agencies. Regardless of physical locations, the objective should be to provide clients with a single point of access to the services they need.

These strategies should also incorporate the Temporary Assistance to Needy Families (TANF) function of the Family and Social Services Administration (FSSA). Currently in Indiana, TANF funds are almost exclusively used for immediate job placement, and not for skills training. The additional use of TANF funds as part of a more comprehensive plan to improve the education and skills of low-income residents is a more effective long-term strategy for improving their ability to earn a living wage.

Efforts to improve collaboration among providers should also incorporate the important work of community-based organizations where possible. While the vision and general strategies for collaboration should generate at the state level, implementation should foster local strategies. One size does not fill all.

Align Assessments Across Providers

Just as the operations of the providers are often disconnected, so too are the assessments they use to gauge students' skills. DWD primarily administers WorkKeys, the DOE administers the Tests of Adult Basic Education (TABE), and Ivy Tech Community College administers the COMPASS placement exam. But crosswalks between these instruments have not been

Challenge

Education and training provisions are loosely connected (in some areas not at all), creating an incoherent message to consumers, inefficient placement of adults with the most appropriate intervention, and duplication of administration efforts as adults bounce from one provider to another.

developed and, therefore, the identified skill levels do not translate consistently across agencies. Among these assessment tools, WorkKeys is the only one that assesses both education and workplace competencies – which is imperative for bridging the education and business communities.

Stakeholders should investigate the use of a single instrument (such as WorkKeys) in each of the agencies in order to create more seamless transitions across education and training providers and to gain more employer recognition. It should be used in the initial screening process for placement into the most appropriate program, and the gains in individual skill levels would translate across agencies as adult learners move from one provider to another. In addition, it should also be considered as a basis for:

- High school completion – Ivy Tech has statutory authority to grant high school diplomas and to define the criteria for doing so. Using an instrument like WorkKeys for determining the presence of skills that are consistent with high school completion would also have merit with employers (unlike the GED) because work readiness skills are assessed in addition to educational skills.
- Develop a profile the first year of college-level work – Ivy Tech should use the instrument to profile the first year of college. This would provide a basis for assessing whether or not it could be used as an alternative to COMPASS for determining readiness for college-level work. If this application proves feasible, students moving through the system of providers would always be aware of their education and skill levels relative to what is needed to succeed in college-level work.
- Awarding college credit for acquired skills – in cases where students score relatively high in certain areas, the results should count toward some college credit. This would be one way of awarding college-level credit for non-credit instruction (or technology training). The equivalent of credit for life experience would move many adults who have acquired defined skills more quickly into subsequent education and training opportunities.

The broader use of a single assessment instrument would need to be communicated more effectively with employers. Their buy-in and consistent use of the instrument for job placement is a critical part of successful implementation. Because of their connection and communication with many employers throughout the state, The Indiana Chamber's Ready Indiana initiative is well-positioned to assist in this effort. Other employer organizations throughout the state and the labor unions may also be positioned well to play a role.

It is important to note that Work Keys is not a viable assessment option for adults with the greatest literacy challenges – in these cases, providers would need to continue administering assessments that are more appropriate for this population.

Developing statistically valid and reliable crosswalks between multiple assessments is the only alternative to using single instrument across agencies. For example, a particular score on the mathematics portion of the COMPASS assessment equates to a particular score on the applied mathematics portion of WorkKeys. A substantial amount of work with the testing companies would be required to develop these crosswalks.

The development of a more cohesive system of education and training, along with a more standardized approach to assessing workforce skills, will help to improve the relations between educators and employers. As a result, educators will be in a better position to communicate the skills of their students to employers, and employers will have a better understanding of the role and capabilities of the education and training system in supplying qualified employees.

Bundle Services to Improve Student Success

Experience in other states suggests that many adults will abandon their educational pursuits if there are too many providers involved, and if they can't achieve their goal in a timely manner. The most notable (and researched) problem revolves around the transition from adult basic education to college-level work. College degree-seeking adults rarely persist through years of English as a Second Language (ESL) and/or developmental-level work prior to earning college credit.

Washington's Integrated Basic Education and Skills Training (I-BEST) is the most recognized program that combines basic skills and college-level work. Basic skills students get the benefit of support from basic skills instructors while earning credit toward a certificate or degree. Therefore, the student's path to certificate or degree completion is easier to navigate and is much more time efficient.

A pilot program that combines Adult Basic Education instructional resources and instructors from Ivy Tech is already underway in Evansville. The state would be well-served to expand these activities – with more collaboration among the Department of Education and Ivy Tech – to other parts of the state. The co-location of ABE and Ivy Tech would facilitate this effort even more.

More Effective Use of Technology-Based Training

Providers should work together to develop system-wide curricula and training that can be delivered at a distance to place-bound students and to certain classrooms. The education and training should be consistent with the assessment commonly used by each of the providers – where competencies associated with the coursework are tied to certain levels of readiness (e.g., high school completion and college-level work). Distance delivery alone is not a good solution for many undereducated adults. However, for certain competencies, it is usually more cost-efficient to deliver course work from a distance – while maintaining a “high touch” component with an on-site tutor – rather than the traditional full-time faculty approach.

Common-course distance delivery with a high touch component has proven successful in reducing cost and improving student success for remedial and developmental work at a variety of postsecondary institutions. Carol Twigg, from the Center for Academic Transformation at Rensselaer Polytechnic Institute, has pioneered these efforts. Tennessee is building on her work to implement this model statewide for its remedial and developmental coursework. More effective use of information technology by Indiana's education and training providers could facilitate improvements in student learning, standardize expectations across providers, and reduce instructional costs.

Affordability

Increase Funding for Part-Time Students

Stakeholders should push for more state investment in financial aid for part-time students attending in-state postsecondary institutions.

Only 5.3 million of 210 million state grant financial aid dollars in Indiana (2.5%) are dedicated to students attending part-time. A

bold initiative recently set forth in Indiana calls for the expansion of the community and technical college system (Ivy Tech Community College). Yet, the structure of the state's financial aid program runs counter to this effort because it promotes full-time attendance.

Indiana should increase the level of funding for the part-time grant aid program. The increased investment should be based on calculations of “unmet need” in the most recent academic years at Ivy Tech Community College, the regional public four-year institutions, and independent institutions that serve part-time students. Ivy Tech Community College has already communicated with the State Student Assistance Commission of Indiana (SSACI) regarding the level of unmet need for part-time students in the previous academic year. Providers and policymakers should work together to develop a common approach for determining how much additional funding is needed to support part-time students.

In order to increase the enrollment and completion rates of adults who are likely to attend part-time, it is important to acknowledge unmet needs beyond the direct costs for attending colleges and universities (tuition, fees, books and supplies). Many of these adults will need additional support services such as childcare and transportation. Stakeholders should recognize these needs when expanding grant aid opportunities for part-time students and/or redirecting more TANF funds for this purpose. For many adults, these life challenges are just as difficult as those associated with the ability to pay for tuition.

Seize More Opportunities to Engage Employers

The state's education and training providers and employers should collaborate more effectively to provide opportunities for internships, apprenticeships, and other arrangements that combine education with employment. Expanding the possibilities for students to “earn and learn” is an alternative approach to direct grant aid to part-time students that should be explored further.

The best current example of such an arrangement is the very successful apprenticeship programs being conducted by several of the trade unions in cooperation with Ivy Tech. While exact replication of the apprenticeship arrangements is not possible, there are other possibilities. For example, it may be possible to develop relationships with employer associations in fields in which there are workforce shortages – hospitals (already in progress in many areas), hospitality, auto dealers, manufacturing, etc. All have circumstances in which:

Challenge

Indiana awards very little financial aid to students attending part-time – the likely attendance pattern of non-traditional aged adults.

- Individuals can be employed in entry-level jobs.
- They could combine work experience and formal training to obtain certificates that will make them more valuable to employers.
- The individuals are likely to seek ongoing employment with members of the association (although not necessarily with the current employer).

Since the individuals, when trained, will be mobile, and since the number of candidates employed at any one place will likely be small, dealing with individual employers is problematic. Dealing with associations that represent numerous and generally similar employers is more likely to yield positive results.

There are also employers who hire large numbers of low-wage (usually service) workers and who have no expectations that these workers will be long-term company employees. The workers involved, in many cases, have insufficient workplace skills to allow them upward mobility to higher-paying jobs. The fast food industry is illustrative of this group of employers/employees. These employers currently have little incentive to improve the workplace skills of their employees (beyond the very narrow skills required for the job at hand). At the same time, they represent a point of access to large numbers of individuals who could benefit from higher skills. One option is to create a new revenue stream for such employers by paying them (or provide tax credits) for helping individuals acquire Work Readiness certificates – or to acquire higher levels of such certificates (moving from bronze to silver, for example).

These very different strategies have common components:

- They engage employers as partners in signaling the importance of workers' acquiring better skill sets.
- They are based on assessments that allow learning to be certified.
- They allow individuals to earn while they learn, creating an alternative to scholarship programs for part-time students.

More Effective Use of TANF Funds to Support Adult Postsecondary Enrollment

As noted above, the TANF funds in Indiana are almost exclusively used to place low income adults directly into jobs – not for improving skills and increasing their levels of education. Many low-income adults need assistance beyond reduced tuition and fees in order to attend college. The two most common needs are child care and transportation assistance.

The system of disbursing TANF funds should be more flexible to include assistance for increasing the knowledge and skills of low-income adults – thereby advancing their employment opportunities beyond low-wage, low-skill jobs. Again, including TANF services in the “one stop” centers (described above) would foster a more holistic strategy for utilizing these funds for education and training assistance as well as job placement. Many states use TANF funds for the purposes of education and training – including Minnesota, Oklahoma, and Wyoming.

Administrative/Organizational Infrastructure

Challenge

There is currently no long-term leadership infrastructure in place to propel a comprehensive adult education and workforce skills agenda into the future.

Create Leadership Capacity

A coordinating body should be developed to provide long-term strategic direction for the adult basic education and workforce training enterprise.

It would serve to coordinate the collective work of the Departments of Education and Workforce Development, Ivy Tech, the Commission for Higher Education, and the Family and Social Services Administration – as it relates to the provision of adult education and workforce training services. More specifically, this coordinating body should:

- Lead and sustain a focused, long-term agenda.
- Represent the interests of key consumers – i.e., students and employers.
- Be comprised of members from a variety of public and private sectors (including labor) – representing the state’s interest to improve adult workforce skills and the economic competitiveness of the state.
- Have the authority to carry out its mission – i.e., the capacity to fund priorities.
- Not be granted the authority to run actual programs – i.e., no involvement in operational activities.
- Not be limited to legislative terms and gubernatorial appointees – in order to foster an agenda that expands beyond term limits.

This leadership function can be newly created for the express purpose of providing leadership to this endeavor or can be chosen from among existing organizations (either governmental or non-governmental). The former has the advantage of unambiguous alignment of organizational mission with intended outcomes. It has the disadvantage of (likely) requiring legislative action and of adding to the list of government agencies at a time when the priority is reduction, not expansion, of such entities.

The second alternative can avoid the disadvantages listed above, but it can have its own set of problems. Whatever organization could be assigned these functions already has a (different) purpose and an organizational structure and culture attuned to that purpose. Adding additional functions would be problematic unless the host organization:

- Could act as an umbrella organization within which an essentially free-standing unit could be organized, essentially serving as a fiscal agent.
- Would allow a separate coordinating body named explicitly to provide leadership to this activity.

Sustained leadership capacity would also strengthen the ability of the system of providers to attract philanthropic support. There are several foundations interested in supporting well-organized efforts to improve access and success for non-traditional aged students.

The Indiana Economic Development Corporation (IEDC) and State Workforce Innovation Council were suggested by several interviewees as organizations that could be changed (or augmented) in ways that would meet the criteria. The Indiana Commission for Higher Education should also be considered since it already focuses on postsecondary opportunities for non-traditional adults. Its role could be expanded to include the leadership responsibility for this broader agenda - as is the case in Kentucky with its Council on Postsecondary Education.

Examples of such leadership entities from other states include the Adult Education divisions of the Kentucky Council on Postsecondary Education, the Illinois Community College Board, Washington's State Board for Community and Technical Colleges, and Washington's Workforce Training and Education Coordinating Board (brief descriptions of each are in Appendix B). None of the above coordinates the activities of the same providers that are collaborating in Indiana. The development of each was legislated, which is not necessary in Indiana if the entity was created within (or as an extension of) an existing entity. They are different also in that several of them have programmatic control for either adult basic education or workforce training – which is not what NCHEMS proposes above because it would require change in governance structure and create unnecessary bureaucracy. A coordinating body focused solely on the education and training of adults and high school dropouts would be unique to Indiana.

Expand the Infrastructure for Maintaining and Utilizing Indiana's Workforce Intelligence System (IWIS)

In order to effectively lead an action agenda like the one proposed here, there must be a data infrastructure in place – along with associated research capacity – to promote evidence and guide a system of accountability, as well as respond to questions from stakeholders and policymakers. IWIS is the obvious choice for serving this purpose. It was developed as part of the Information for Indiana initiative – with initial support from the Lilly Endowment and on-going support from the state of Indiana. It is a collaborative partnership among state agencies that provide education and training, designed to leverage the resources that already exist in order to provide better data and information for decision-making. IWIS is housed at the Department for Workforce Development and contains student-level (unit record) data needed to follow students from one provider to another, thus, enabling researchers and policymakers to assess the collective ability of students to navigate the system to meaningful completion and its impact on the state's workforce and economy. It is a powerful tool that does not exist in more than a few states but continues to be a “work in progress”. To date, it has a few shortcomings:

- It lacks participation from the Department of Education (K-12 and Adult Basic Education) and the private sector of postsecondary education. Substantial progress has been made to incorporate data from DOE.
- Apart from the agreements developed between DWD and the Commission for Higher Education, IWIS needs more established protocols for long-term sustainability – e.g. annual dates for data submission and processes for ensuring data quality.
- While some research capacity exists within DWD and the Indiana Business Research Center (IBRC), a more focused concentration of it is likely needed to support an

agenda of this magnitude. Research personnel at DWD have myriad other data and reporting responsibilities that would routinely distract them from responding in a timely manner.

- The legal framework under which analytical work must take place is not complete. Issues of privacy, disclosure of information, the release of de-identified data for third-party research, and others included in the Family Educational Rights and Privacy Act (FERPA) have not been completely resolved among all parties. In many states, FERPA is interpreted in an overly restrictive manner – unnecessarily stifling sound research efforts. Indiana should avoid this problem.
- More effective communication is needed regarding the existence and potential uses of IWIS – particularly among the policymakers and educators that should benefit from it the most. NCHEMS’ interviews have revealed widely varying levels of understanding among key stakeholders with respect to IWIS’ current condition, the types of research that have already been conducted with it, and how it can be used more effectively for policy-level decisions.

If these shortcomings are not addressed, Indiana runs the risk of becoming “data rich and information poor”. If IWIS continues to be housed at DWD, additional resources (or redirected resources) are needed to support the demands of a broad policy agenda. Building capacity would include more detailed protocols for provider data submission, and more staff time allotted to mine the data for accuracy and conduct research that will guide policy decisions.

An alternative would be to house and maintain IWIS with a neutral third party. Such an entity would need 2-3 programming staff members and a senior-level person that would respond to the requests set forth by the advisory board described above.

Regardless of where IWIS is housed, each participating organization should be able to access the data in a secure and restricted environment for research purposes. Once the data are linked by DWD, they can be de-identified (i.e., removal of the SSN) to conform to federal standards of disclosure and privacy. Accomplishing this would generate more analytic capacity and largely alleviate the potential issue of bias associated with DWD. This arrangement exists in the few states that have linked data from multiple state organizations – Florida, Texas, and Washington.

IWIS should be utilized more effectively to support goal setting and the accountability framework (discussed below). Like the research conducted in the state of Washington, it should be used to establish “momentum” points at which adult students make substantial gains in skills, employment opportunities, and incomes. Once established, these momentum points should be a major component of the accountability system – at the state and provider levels.

Finally, IWIS needs a technical advisory group that meets periodically to advise participating parties. This should not be a formal entity like the one proposed for policy leadership, but a collection of experts in constructing unit record databases for the purpose of tracking the progress of students across agencies. To date, the development of IWIS has largely been guided by those internal to the project.

Financing the Enterprise

More Effective Use of Existing Funds from Federal Sources

It is extremely difficult to implement a change agenda without resources that can be:

- Invested in necessary infrastructure and capacity, and
- Utilized to create incentives for changes in behavior.

Complicating the matter is the reality that the preponderance of funding sources for adult education and workforce training come from the federal government and carry many restrictions as to their uses. However, each of the federal programs – ABE, WIA, TANF, etc. – set aside a percentage of the program allocation for the state to use in administering the programs and for discretionary uses designed to make programs more effective. For example, there were \$8 million in discretionary funds available to DWD in the most recent year. In Indiana, as in most states, these resources are “passed through” to the agencies responsible for operating the programs.

Absent the infusion of additional state funding, these set-aside funds represent the only financial resources available to leverage the change agenda in the ways initiated above. As a result, it is recommended that these funds be assigned, in whole or substantial part, to the policy leadership entity for use in making strategic investments and rewarding providers for exemplary performance in meeting stated priorities – focusing more on completion than numbers served.

State Investment

The alternative would include a direct state investment for the use of rewarding improvements among the providers and desired changes in their behavior – e.g., more effective collaboration, increased levels of service to adults in need, increased program completion rates among adult students, etc. Similar efforts in other states suggest that a relatively small pool of funds can be used effectively to influence change. For example, an incentive trust fund of \$16 million was used in the late 1990s in Kentucky to reward the public postsecondary institutions for increased enrollment and retention rates. Institutional responses were evident. Enrollment, retention, and graduation rates at nearly all institutions increased markedly over a period of a few years. Although, as has been the case in other states, the funds used for the incentives were never folded into the base allocations to institutions and, as a result, were eliminated in the fiscally strained years that followed.

Regardless of the source of funding – a new investment by the state or redirecting existing resources – a long-term strategy for rewarding the providers for desired results is a necessary ingredient for change.

Challenge

The flow of funds for adult basic education and workforce training (federal and state) promotes the disconnected efforts of the providers. There is no mechanism in place to reward collaboration and to provide incentives for improvement.

Marketing – Increasing Awareness

The Joyce Foundation working team devoted to marketing strategies has made considerable progress identifying the key issues associated with a successful marketing plan – a well-defined target audience, an effective message, and a single port of entry for those who might respond to the message. Related campaigns in other states have communicated one or more of the following messages:

Challenge

There is currently no compelling and coherent message provided to the public and employers regarding the value of improving education and skills, and the options available to them.

- An overall state goal and vision – e.g., “Double the Numbers” in Kentucky and “Closing the Gaps” in Texas. These goals/visions are derived from research conducted in each state and express what the state needs to accomplish to be competitive in the future.
- The value of education – the increase in earnings associated with higher levels of education. In Kentucky, many of the welcome signs as you enter the state read “welcome to Kentucky... where education pays!” This message is woven throughout many of the campaigns across the country.
- Education and training opportunities – the array of programs available, with a focus also on simplifying the landscape of education for the public. Examples include the Lumina Foundation for Education’s “KnowHow2Go” campaigns in several states targeted to youth, and Kentucky’s “Go Higher” campaign targeted to adults who completed some college but no degree.

The Joyce Marketing team has identified several campaigns conducted in other states as examples of “best practice”. In preparation for Indiana’s marketing campaign, much can be learned from their experiences, successes, and failures.

The ability to convey any of these important messages to adults and employers in Indiana hinges largely on the success in meeting many of the challenges expressed above – e.g., the development of compelling statewide goals, the creation of a data infrastructure to support messages with facts, and the levels of collaboration among providers and alignment of programs needed to market a coherent message to the public and employers regarding education and training opportunities. Until then, a marketing campaign would be premature.

Conclusion

While there may be some isolated examples of best practices in other states that address specific components of this initiative, the development of a comprehensive strategy (including all education and training providers) like the one building in Indiana would be a paramount achievement. Whatever strategies are chosen, they must employ solutions that are unique to Indiana – because the landscapes on which providers operate are very different from state to

state. If current waves of discussions lead to action, Indiana has the opportunity to be the outright leader in the United States.

For the first time in Indiana, the silos of postsecondary education, adult basic education, and workforce training are breaking down. Each acknowledges the other's work and their roles in serving undereducated adults. They have aligned to chart a more ambitious course. Resolutions to the problem of nearly one million adults in need of education and training stand squarely on their shoulders. A targeted agenda – with more effective leadership and collaboration among providers – is critical. At stake are the livelihood of adults in Indiana and the ability of the state to compete in the global economy.

Appendix A Stakeholders Interviewed by NCHEMS

While the information gleaned from the collection of interviews was used to craft many of NCHEMS' recommendations, it is important to note that not all of them are necessarily endorsed by each of the stakeholders below.

- Michelle D. Boyd, Executive Director, Top Notch – Union Construction Labor & Management
- Claudia Braman, Executive Director, Indiana State Student Assistance Commission
- Brian Burton, Senior Vice President, Indiana Manufacturers Association
- Carol D'Amico, President and CEO, Conexus Indiana
- Rochelle Finzel, Director, Institute for Working Families
- Craig Fry, Executive Director for Apprenticeship Studies, Ivy Tech Community College; and Indiana State Representative
- Jerry Haffner, Assistant Director of Adult Education, Indiana Department of Education
- James M. (Bubba) Johnson, Director of Training, Plumbers, Steamfitters, and HVACR Service Technicians Local 440
- Stan Jones, Commissioner for Higher Education, Indiana Commission for Higher Education
- Pat Kiely, President, Indiana Manufacturers Association
- Carol Kramer, Kramer & Company
- Paul Mitchell, Policy Director for Economic & Workforce Development, Office of the Governor
- Marty Morrow, Chief Operating Officer, Indiana Department of Workforce Development
- Becky Nickoli, Vice President, Workforce and Economic Development, Ivy Tech Community College
- Dennis Obergfell, Deputy Director, Indiana State Student Assistance Commission
- Michael D. Patrick, Apprentice Coordinator, Sheet Metal Workers Local 20 Apprenticeship and Training Trust
- Derek Redelman, Vice President Education and Workforce Development Policy, Indiana Chamber of Commerce
- Suellen Reed, Superintendent of Public Instruction, Indiana Department of Education
- Ken Sauer, Associate Commissioner for Research and Academic Affairs, Indiana Commission of Higher Education
- David Shane, President/COO, LDI Ltd.
- Anne Shane, Vice President, BioCrossroads
- Tom Snyder, President, Ivy Tech Community College
- Teresa Voors, Commissioner, Indiana Department of Workforce Development
- Linda Warner, Director of Adult Education, Indiana Department of Education

Appendix B Description of Similar State Organizations

Kentucky Council on Postsecondary Education

Mission

The Council on Postsecondary Education is charged with leading the reform efforts envisioned by state policy leaders in the Kentucky Postsecondary Education Improvement Act of 1997. The Council has multiple responsibilities to ensure a well-coordinated and efficient postsecondary and adult education system. Among its many responsibilities, the Council:

- Develops and implements a strategic agenda for the postsecondary and adult education system that includes measures of educational attainment, effectiveness, and efficiency.
- Produces and submits a biennial budget request for adequate public funding of postsecondary education.
- Monitors and approves tuition rates and admission criteria at public postsecondary institutions.
- Defines and approves all academic programs at public institutions.
- Ensures the coordination and connectivity of technology among public institutions.
- Collects and distributes comprehensive data about postsecondary education performance.

The duties of the Council on Postsecondary Education are outlined in the Kentucky Postsecondary Education Improvement Act of 1997, Section 74 through 84 (36K DOC).

History

A 1998 task force concluded that adult illiteracy was “a fundamental barrier to every major challenge facing the state” – from education reform and economic development to its citizens’ basic health and well-being. Recognizing the hindrance that an undereducated workforce has been on the state’s economy, Kentucky’s leaders moved aggressively to make adult education a top priority.

The Kentucky Adult Education Act passed by the 2000 General Assembly created a partnership with the Council on Postsecondary Education, increased funding and set the stage for dramatic improvements in the educational status of adult Kentuckians who lack a high school diploma, function at low levels of literacy or want to learn English.

Providers

The 2005 - 2010 public agenda for Kentucky postsecondary and adult education integrates goals to increase adult education participation and GED attainment into its strategic framework. Specifically, three of the six goals (to be reached by 2020) relate to adult learners:

- Seamless, integrated system strategically planned and adequately funded to enhance economic development and the quality of life.
- Comprehensive community and technical college system, access to two-year general studies programs or for transfer to baccalaureate programs, development of workforce

training with skills to meet the needs of a new and existing workforce. Remedial and continuing education to improve the employability of citizens.

- Efficient, responsive and coordinated system of providers that delivers educational services to all adult citizens in quantities and of a quality equal to or above the national average and that significantly elevates the level of education of adults. This goal was changed in 2000 as part of the Adult Education Act. Prior to 2000, it read: “coordinated system of autonomous institutions . . .” and there was no reference to adult education. KRS 164.003(2)(f) as revised in 2000

Members

The Council is composed of thirteen citizen members, a faculty member, and a student member appointed by the Governor. The Commissioner of Education serves as a nonvoting ex officio member. Citizen Council members are selected from a list of nominees provided to the Governor under the nominating process set forth in the Kentucky Postsecondary Education Improvement Act of 1997. Citizen council members are elected for a six year term, the faculty member is elected for a four year term, and a student member is elected for a one year term.

Illinois Community College Board

Mission

To administer the Public Community College Act in a manner that maximizes the ability of the community colleges to serve their communities. To promote cooperation within the system and accommodate those state of Illinois initiatives that are appropriate for community colleges. To be accountable to the students, employers, lawmakers, and taxpayers of Illinois. To provide high-quality, accessible, cost-effective educational opportunities for the individuals and communities they serve.

History

In 1965, the Illinois General assembly established the Illinois Community College Board to create a system of public community colleges that would be within easy reach of every resident. Forty years later, the Illinois community college system covers the entire state with 48 colleges and one multi-community college center in 39 community college districts.

Providers

The Illinois Community College Board and the community college system, along with the Adult Education and other service providers take great pride in serving the educational needs of the citizens of Illinois. Aside from offering traditional educational opportunities, community colleges also enhance the economic and personal well-being of the community by providing diverse continuing education (credit and noncredit), workforce development, and business development services.

In the system’s strategic plan, the community colleges pledge to:

- Address workforce development needs with flexible, responsive and progressive programs.

- Offer rigorous courses and programs designed for college and university transfer.
- Expand adult education and literacy programs.
- Escalate efforts to meet the growing demand for trained workers in high demand occupations.

Members

The Illinois Community College Board consists of eleven members appointed by the Governor and confirmed by the Senate for six-year terms. One student member is selected by the ICCB Student Advisory Committee for a one-year term. The Board Chair is selected by the Governor. Board meetings are held six times per year (January, March, May, June, September, and November). July and December meetings are scheduled on a subject-to-call basis.

The Illinois Community College Board utilizes the advice and counsel of all constituent groups of the community college system in establishing policies necessary to implement state statutes. Four organizations representing various community college constituents in the state have been designated as official advisory groups to the Illinois Community College Board. These four organizations are the Illinois Presidents Council, the Illinois Community College Trustees Association, the Illinois Community College Faculty Association, and the ICCB Student Advisory Committee.

Washington Workforce Training and Education Coordinating Board

Mission

The Workforce Board advises the Governor on workforce development policy, ensures that the state's workforce preparation services and programs work together, and evaluates performance. The Board also advocates for the non-baccalaureate training and education needs of the workers who account for about 75 percent of Washington's workforce.

The Workforce Training and Education Coordinating Board is a state agency committed to the development of a highly skilled workforce that will sustain Washington's economic vitality. The Workforce Board shapes strategies to create and sustain a high-skill, high-wage economy.

To fulfill this Mission, the Board will:

- Advise the Governor and Legislature on workforce development policy.
- Promote a system of workforce development that responds to the lifelong learning needs of the current and future workforce.
- Advocate for the non-baccalaureate training and education needs of workers and employers.
- Facilitate innovations in workforce development policy and practices.
- Ensure system quality and accountability by evaluating results and supporting high standards and continuous improvement.

Providers

As a state agency, the Workforce Board oversees a workforce development system that includes 18 education and training programs receiving almost \$1 billion annually in state and federal funds.

There are 18 programs in the state's workforce development system, as defined by state statute, which are directly overseen by the Workforce Board. In addition, there are more than 20 other related workforce programs that provide help for everyone from displaced homemakers to disabled veterans. Taken together, these programs help Washington residents get the education and training they need to land a job, forge new career paths and acquire ongoing skills and expertise demanded by a changing economy.

Members

The Workforce Training and Education Coordinating Board (Workforce Board) is a Governor-appointed body representing a partnership of 12 members from business, labor, and government. The Governor appoints the Chair and Board members with the exception of a representative from targeted populations who is appointed by the Chair.

The State Board for Community and Technical Colleges (Washington)

Mission

To build strong communities, individuals and families, and achieve greater global competitiveness and prosperity for the state and its economy by raising the knowledge and skills of the state's residents. The State Board has developed three broad goals to guide the system over the next 10 years. Attention to these goals will provide two-year colleges with a framework for system innovations and development, pursuit and use of resources, and measuring progress.

History

The structure of the community college system remained largely intact until 1991 when, as part of the Work Force Training and Education Act, the legislature amended the Community College Act of 1967 and re-designated it as the Community and Technical College Act of 1991.

Washington's Community and Technical College Act of 1991 provides for a state system of community and technical colleges separate from both the public secondary schools and four-year institutions. The act requires that the colleges "offer an open door to every citizen, regardless of his or her academic background or experiences, at a cost normally within his or her economic means" (RCW 28B.50.020(1)).

Providers

Each college district is required to "offer thoroughly comprehensive educational, training and service programs to meet the needs of both the communities and students served by combining, with equal emphasis, high standards of excellence in academic transfer courses; realistic and practical courses in occupational education, both graded and ungraded; community services of

an educational, cultural and recreational nature; and adult education" (RCW 28B.50.020(2)). College districts containing only technical colleges are exempted from the requirement to offer academic transfer courses. Each college is governed by a board of five trustees appointed to five-year terms by the governor with the consent of the Senate.

The state's five remaining public vocational technical institutes were designated as "technical colleges," removed from the jurisdiction of their local school districts, and merged with the community college system. Each technical college was provided with its own college district and a board of trustees. Each technical college district overlaps the districts of neighboring community colleges. The State Board for Community College Education was renamed the State Board for Community and Technical Colleges by the 1991 act.

Members

The State Board for Community and Technical Colleges has nine members appointed to four-year terms by the Governor with the consent of the Senate. In making appointments, the Governor is required to consider geographic balance and the representation of labor, business, women, and racial and ethnic minorities. At least one member of the board must be from business and one from labor. Two must be from Eastern Washington. Board members must be citizens and residents of the state. The State Board is required to provide "general supervision and control over the state system of community and technical colleges." Among its specific responsibilities are to:

- Prepare a single system operating budget request and capital budget request for consideration by the Legislature.
- Disburse capital and operating funds appropriated by the Legislature to the college districts.
- Ensure that each college maintains an open door policy and offers the educational, training, and service programs specified by law.
- Administer criteria for establishment of new colleges and for the modification of district boundary lines.
- Establish minimum standards for the operation of community and technical colleges with respect to personnel qualifications, budgeting, accounting, auditing, curriculum content, degree requirements, admission policies, and the eligibility of courses for state support.
- Prepare a comprehensive master plan for community and technical college education.
- Encourage innovation, coordinate research, and disseminate research findings.