

Workforce Development Center: A Collaborative Effort in Waukesha County (Wisconsin)*

Cary Tessmann

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Nine public and private agencies combined their resources to form a one-stop shop for citizens requiring a wide variety of social services and assistance; the result - more efficient service delivery and increased customer satisfaction.

The GFOA presents its Louisville Award for Financial Innovation to an applicant who introduces a new concept or technique with enduring value to the government finance profession. The Louisville Award, presented as part of the Awards for Excellence Program in recognition of an exceptional accomplishment, is GFOA's most prestigious and rare award. The Waukesha County Workforce Development Center, which is discussed in this article, received the Louisville Award in 1996. It was the fifth Louisville Award bestowed since the beginning of the program in 1980.

How do multiple governmental and other public and private entities work effectively together and efficiently share resources? This question of collaboration is being asked more frequently due to limited resources and as needs for fundamental change in working relationships are recognized. A look at the Waukesha County Workforce Development Center provides an example of how nine public and private agencies, with assistance from a private foundation, successfully worked together and shared resources with a common purpose at a single location. This article explores the factors that resulted in this collaborative effort.

Needed: A One-stop Shop

Waukesha County, located in southeastern Wisconsin, has been one of the fastest growing counties in the state, resulting in high economic development and low levels of unemployment. In the past 10 years the population increased 14 percent, the labor force increased 24.1 percent, and the number of jobs increased 47 percent.

Because of this rapid growth, employers encountered a continuing problem with an inadequate supply of entry-level and skilled workers. At the same time, approximately 1,200 families were receiving Aid to Families with Dependent Children (AFDC). Many high school and college students were needing assistance to develop job skills and find work. Waukesha County and Waukesha County Technical College (WCTC) were looking for opportunities to partner with private agencies wherever possible.

In order to receive public assistance, a customer usually had to go from one agency to another, which caused delays or duplication of services while adding to the frustration and transportation costs of customers. For example, a single mother receiving AFDC needed to go to the county department of health and human services to see an economic assistance worker to apply for welfare benefits and a child support worker to establish paternity and child support payments of the

noncustodial parent. In order to be eligible for AFDC, she needed to participate in a work program, which required seeing another worker as well as enrolling in classes or seeking a job. If she enrolled in classes, she saw someone from WCTC; if she elected to seek a job, she saw someone from either the state or private job service agency; if she required assistance in paying for child or transportation costs, she saw still another worker at the county health and human services department. All of these agencies were located at different sites, necessitating the need for transportation and a number of separate appointments.

In 1992, the idea of a one-stop shop was proposed. Nine public and private agencies were invited to participate in the Workforce Development Center:

- * Waukesha County Department of Health and Human Services,
- * Waukesha County Technical College,
- * Wisconsin Job Service,
- * Waukesha-Ozaukee-Washington Private Industry Council,
- * Waukesha County Economic Development Corporation,
- * Partners for Education,
- * Kaiser Employment Group,
- * La Casa de Esperanza, and
- * the AFL-CIO.

A Workforce Development Center management team, consisting of a representative from each of the nine agencies, was created. The management team worked to resolve "turf issues" among the agencies and reduce distrust and self-promotion. Focusing on a common mission and the customer, the team began the process of site and facility planning and establishing service-delivery goals.

A Vision for the Center

In December 1992, a memorandum of understanding was developed between the nine agencies, which included the mission statement and objectives to be accomplished. The mission of the Workforce Development Center is to advance the economic well-being of the region by developing and maintaining a quality workforce and by serving as the focal point for local and regional workforce development initiatives. This is to be achieved through the co-location and integration of employment, training, education, and economic development services for job seekers, workers, and employers.

The objectives of the Workforce Development Center are the following:

- * to empower job seekers in actively achieving long-term economic self-sufficiency;
- * to assist employers in meeting their present and future workforce needs;
- * to meet participants' temporary economic and support service needs and strengthen the connection between economic assistance and preparing for work-related self-sufficiency;
- * to deliver necessary services in the most cost-effective and efficient manner possible;
- * to strengthen the bond between the county's economic development and employment and training programs through continual communication and coordination between the public and private sectors;
- * to achieve high-quality employment and training services for residents and employers of the county wherein area employers can avail themselves of a prequalified and trained workforce;
- * to establish a process of joint planning and management of multiple employment and training systems which will result in an integrated and effective utilization of available resources;
- * to develop a comprehensive and centralized database of program services, job applicants, employers, job openings, and regional training opportunities which will be a valuable information source for job seekers and employers and which will assist the integration of planning and services;
- * to collaborate with and enhance current economic development activities and business/education partnerships within the county in order to provide a full spectrum of economic development services; and
- * to provide workforce development linkages to the K-12 schools.

In the spring of 1993, an agreement was reached on the scope of services. The center would provide a unified registration process, career counseling, group job-search activities, financial assistance for unmet needs, unified marketing to area businesses, assistance to new or growing businesses, temporary child care, skill assessment, an on-line list of available jobs, job referrals, referrals to training opportunities, analysis of skills used in specific jobs, incentives to employers for training, technical assistance to area employers, school-to-work linkages, and labor market information.

Joint Planning and Financing

Many obstacles hindered bringing the center to fruition. As this was an original project and the first time that the involved agencies had entered into such a widespread agreement, there was no track

record of dealing with one another in a cooperative venture of this magnitude. Financial and operational risks of the project were not clearly defined until they were uncovered during negotiations, and as a result, a shortage of trust was encountered during the early phases of the project. The cross-purposes of past programs or individual agency goals complicated negotiations. These hurdles were overcome by the management team operating under the basic premise that the project parameters developed would work for everyone or they would work for no one. At each major stage of negotiations, the agencies involved were informed of the decisions and given the opportunity for feedback, which was considered in future negotiations.

With the assistance of a \$70,000 planning grant from the county, the planning process continued with the help of a consultant and architect. In selecting a site, the management team's major requirements included the need to be near the I-94 corridor on existing or logical extensions of public transportation, proximity to the Waukesha and Milwaukee labor forces, a neutral site outside major city locations, and a location providing high visibility and a positive image. Three sites were selected for detailed analysis by an architectural firm. New construction became a viable alternative when WCTC offered land adjacent to its Pewaukee campus site at no cost to the project and also offered to maintain the roads and grounds at the site during the lease period.

Complex issues of building ownership and construction came to the fore once this WCTC site was selected. By Wisconsin statute, WCTC was precluded from owning or capitalizing more than \$500,000 in value without a referendum. The county's and state's interests were to participate in programming, not in ownership of a facility. As a result, the center's management team turned to the WCTC Foundation, a private organization, requesting that the foundation construct the building and lease it to the Workforce Development Center agencies as the major tenants. The foundation's board of directors responded positively to the request and agreed to lease the land from WCTC for \$1 per year for 20 years, construct the building, and provide ownership of the building on behalf of the agencies involved. Thus, construction could be undertaken in the most direct and cost-efficient manner without the legal constraints of being a public entity. The foundation board accepted the principle of ownership without risk and return, which resulted in leases structured such that the risk of breach was minimized and passed on to WCTC and the county.

The cost of the project was estimated to be \$2.6 million. In order to make the final lease affordable for all parties, the Waukesha County board and the WCTC district board each approved a \$500,000 programmatic grant for the project. They also agreed to provide up-front funding for the cost of the furniture and equipment used by their staff. The foundation borrowed nearly \$1.4 million, which will be repaid over a 10-year period.

The differences in policies and procedures of the major tenants were compounded by the need for approval from oversight bodies. County negotiations needed to be approved by the county board of supervisors, Wisconsin Job Service's position was dictated by the state department of administration, and WCTC required approval from the Wisconsin Technical College System board of directors as well as from its own board.

WCTC, the county, and the state would serve as master leaseholders of the building to secure the loan funds, with the county and WCTC subleasing to the other agencies in the center. The Aaa bond ratings of both the county and WCTC and the Aa bond rating of the State of Wisconsin provided the

necessary financial security for the lender.

Master leases were written for 10 years with a one 10-year renewable option. An initial annual per square foot lease rate of \$11 was approved. This consisted of \$6 per square foot needed to fund the mortgage payment, \$4 per square foot needed to fund the operational costs, and \$1 per square foot needed to fund the management of the center, which included the center's manager and central receptionist. The operational costs were indexed to inflation and subject to an increase on an annual basis. The state had an additional \$2 per square foot rental cost added to its lease for the rental of furniture and equipment. The foundation would receive monthly rental payments from the three master leaseholders to satisfy the monthly mortgage payments to the bank. It would make quarterly payments to WCTC and the center's management team for reimbursement of operational and management costs.

After the first 10-year period, the bank note would be paid off and the lease amounts would be renegotiated. It was anticipated that an amount for future improvements to the building would replace the \$6 per square foot portion of the rental payments.

It was determined the most appropriate construction delivery method would be a modified design-build contract, with WCTC's director of facility services providing on-site management. The center was to be a 30,792 square-foot building designed to house 110 full-time equivalent employees from nine agencies.

Construction began in May 1994, after the master leases were signed. Occupancy took place in December 1994, with full operations ensuing in January 1995. The building included a common reception area; a career assessment area; classroom space for training and group activities; a job information area; a child drop-off facility for temporary use by parents in need of services; space for employer interviews and seminars; common staff meeting rooms; and space jointly used for mailing, copying, and other administrative functions. Individual workstations were arranged on a functional basis, so staff from various agencies can work together on similar tasks. Exhibit 1, detailing the floor plan of the center, illustrates the functional integration of the agencies and services.

Integrating Agency Functions

As part of the management team's commitment to making the center's design, operation, and service delivery system responsive to both internal and external customers, multiagency workgroups were formed to address issues such as integrated services to job seekers, integrated services to employers, building environment, shared services, community-based organizations, move coordination, management information system, future technologies, employee skills bank, and a newsletter.

To provide for maximum overall effectiveness, the center was set up with shared computer and telecommunications systems, which allowed the agencies to obtain microcomputers for most center staff who previously had no computer access or only mainframe access. Other technology innovations included a single local area network that services all microcomputer users. All staff share access to common network functions, such as word processing, spreadsheets, electronic mail, and calendaring. A State of Wisconsin system allows for direct entry of client information. A

customized microcomputer-based data system provides tracking of center customers. Access to various mainframe systems is made available through a gateway running on the network. In order to provide high-speed access between county offices and the center, the WCTC network is linked to the county network using a spread spectrum radio technology link which spans roughly three miles. Finally, all agencies share a single phone and voice-mail system.

Results: Satisfied Customers

The integration of agency functions and the design of the center causes customers to recognize only one thing when they walk through the front door: all other job seekers at the center are, like them, somewhere on the road to employment, carrying no predetermined labels. The management team's deemphasis of which customers are receiving economic-support benefits reinforces the view of economic-support programs as temporary. The recipient now sees economic support as a short-term condition in the quest for self-sufficiency. The center's environment welcomes a wide diversity of people who are treated with respect and are empowered to dream and accomplish their goals.

The management team targeted county recipients of economic-support programs to achieve local success and enhance the image of the center as a place that welcomes all citizens. All economic-support programs - from intake through benefit issuance for able-bodied recipients - are administered at the center. A person applying for economic support is expected to participate in the center's services. A centerwide management information system developed with a local community development block grant allows all center staff, regardless of agency affiliation, to share nonprivileged customer information, which allows for seamless, user-friendly program delivery between agencies.

More important than any other factor or outcome of the center's operations has been the satisfied customers it has served. Annualized statistics from initial and subsequent data collection systems report that, of more than 10,000 individuals registered as looking for employment, more than 8,000 experienced job placement for a success rate in excess of 80 percent for the center's first year of operation.(1) Career center customers exploring employment options and receiving other assistance totaled in excess of 4,000 with more than 1,100 visits to job search network training sessions. Child care center visits exceeded 2,500. Employer statistics show an average of 1,200 active job orders on the JobNET at any one time. Job orders placed by employers totalled close to 4,200 with similar orders placed with WCTC's placement system exceeding 4,700. These statistics are easy to generate with the center's integrated information system. Data collection systems are still being developed or enhanced to provide important feedback to further evolve services. Evolving information systems that better identify service outcomes result in better definition of service needs and ways to fulfill those needs.

The first year of activity contributed to an outstanding synergy for those working at the center, which has had a positive effect on operational financing. The unplanned costs that occur because of new activities have been manageable. During the first year of operations, the U.S. Department of Labor

provided \$130,000 of "one-stop funds" to purchase computers and develop a broad marketing plan for the center. The center also received a \$100,000 learning-lab grant from the DOL which the

center will use when serving as a model and offering technical assistance to other states and municipalities and to develop a marketing document to give to visitors. Opportunities for further significant cost savings and for providing improved workforce development services from this collaborative effort seem reasonably obtainable.

In July 1996, WCTC received a \$748,460 DOL grant to assist dislocated workers in securing high-paying jobs. Services are to be provided through the Workforce Development Center and the Milwaukee Job Center Network in order to combine their resources to best meet the economic development needs of the area. The grant will target high-wage sectors within the metropolitan region, creating new networks with business and labor associations, to link high-wage employment opportunities and dislocated workers. In July 1996, the Workforce Development Center received \$250,000 from the DOL to implement a pilot project demonstrating the viability of fee for services that could be replicated by other one-stop centers around the country. The key to this project is its market-driven nature wherein business customers will define product development, delivery method, quality standards, and expected outcomes. The center is in a position to leverage a vast array of employment, training, and business development resources to meet area business needs.

Lessons Learned

The center has brought improved services to the people and businesses of Waukesha County. With a future that may bring reduced federal and state funding for education, workforce development, and other domestic programs, the center's shared infrastructure and operating strategies have positioned Waukesha County and WCTC to deal with uncertainty and avoid chaos. In the current national environment, the center's collaborative partnerships and synergistic outcomes have been successful for everyone involved. The center's director and management team are developing strategies to maintain and build on the center's excellent beginnings.

In examining Waukesha's Workforce Development Center's evolution, some key elements of its success are apparent. Open sharing of information was extremely important to avoid organizational chaos from combining operations of diverse entities and to deal proactively with common concerns, constraints, and problems on a timely basis. In addition, open information systems incorporated current technology and networking capabilities to improve the interactive sharing and use of information.

Through its development of a shared vision, collaborative relationships, and open information systems, the center became a benchmarking model. Within Wisconsin and nationally, other organizations and people interested in workforce development have visited the center. The center has shared its experiences with others so that, through collaboration, all can learn and benefit together. With the current organization and people as a strong foundation, the center plans to continue evolving and improving.