Case Studies

on the implementation of the Workforce Investment Act

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Introduction to the Series

The implementation of the Workforce Investment Act (WIA) requires major organizational change for employment and training agencies. The initiative emphasizes coordination, collaboration and communication among organizations for better service delivery. At this time, states are developing systems that will enable them to address the needs of all customers seeking employment. The Institute for Community Inclusion (ICI) has conducted state case studies for two purposes: (1) to identify how states have begun the process of collaboration under the new mandates of WIA; and (2) to understand the impact on customers with disabilities.

This is the first in a series of publications highlighting the findings from case studies in three states. Future reports will describe the challenges and successes of WIA implementation in Maine and in Minnesota. Following these reports, a series of cross state analyses will focus on themes that were common among all states. These products are intended for use as a practical resource for other states as they work to create more collaborative systems for all job-seekers.

Kentucky's Demographic Profile

Population
3,960, 825 in 1999 *(7% increase from 1990)*
48% of the population lives in a metropolitan area *(Significantly lower than the national average of 79%).*

Income
1997 average annual salary: $25,574 *(National average of $30,336)*
Median household income: $36,252 *(National average of $38,885)*
Approximately 23% of Kentucky's children live below the poverty level.

Geography
39,732 square miles
99.7 persons per square mile (1999) *(National average: 77.1 persons)*

Labor market information
January, 2001 unemployment rate: 4.1% *(National average: 4.2%)*
Pool of resident labor to fill new jobs appears to be limited.
Educational attainment lags behind the rest of the U.S.

Louisville
Has recently experienced growth in both population and employment due to increased foreign immigration and more women in the labor market. Stands out from its counterparts in its employment statistics for older and younger workers. Kentucky has a larger number of younger workers than the national average. For older works, Kentucky is below the national average.

(Source: Louisville Labor Force: Trends and Issues, March, 2000)

Two researchers from the ICI visited Kentucky in October of 2000 and interviewed individuals identified as key players at the state and local levels. All interviews were tape recorded and transcribed. Subsequent themes were developed through analysis, and these findings are presented below. Additional information from Kentucky's state plan and the official state website is included in this summary. The staff in Kentucky offered their time and insights, and were committed to sharing their perspectives with other states as they create collaborative systems that are consistent with WIA's reforms.

This report focuses on the issues Kentucky faced and continues to contend with in its quest to provide integrated employment services for all job-seekers. When possible, these issues are punctuated with quotations from respondents to help the reader get a more comprehensive sense of the implementation process in Kentucky.

History and Current Structure of the Kentucky Workforce System

Kentucky was an early implementation One-Stop Career Center state and received grant funds from the Department of Labor in 1995 to begin their One-Stop Career Center structure. Participation in the Department of Labor's pilot program gave Kentucky an opportunity to develop their inter-departmental relationships and more seamless service delivery for individuals in search of employment. However, this journey has not been without its challenges and lessons learned.

Current Infrastructure
There are 13 Cabinets under the Secretary of the Executive Cabinet. These include: Economic Development; Families and Children; Health Services; Labor; Personnel; Revenue; Education, Arts, and Humanities; Finance and Administration; Justice;

Natural Resources and Environmental Protection; Public Protection and Regulation; Tourism Development; Workforce Development; and Transportation. The Cabinet for Workforce Development, created in 1990, administers programs that support individuals to accomplish their employment, education, and training goals. This Cabinet is comprised of the Department for Employment Services, Department for Training and ReEmployment, Department for Vocational Rehabilitation, Department for Adult Education and Literacy, Department for Technical Education, Department for the Blind, and Kentucky School-to-Work. In addition, there are 11 Workforce Investment Areas in Kentucky. Each area has its own local workforce investment board that:

- creates a five-year local plan
- chooses all local One-Stop operators
- identifies eligible service providers
- oversees the local One-Stop system

Kentucky has 27 comprehensive centers (career centers in which all the mandated partners offer integrated services) and 93 satellite or affiliate centers. Affiliate centers are located throughout the state and do not provide all services but some core partners are present. Although the state defines the guidelines for mandated services, local areas have the flexibility to decide the number and the location of career centers.

Case Study Findings

Based on the interviews conducted the following themes emerged as important to Kentucky's process of change under the Workforce Investment Act:

1. Co-location of partner staff
2. Importance of an infrastructure
3. Building relationships
4. Local control
5. Committed leadership
6. Multilevel involvement
7. Flexibility to change
8. Shared cost and allocation of funds
9. Regional variation
10. Variation in policies and practices between agencies
11. Seamless service delivery without compromising confidentiality

1. Co-location of partner staff

Creating a seamless system where individuals can get services from several agencies in one location required partner agencies to locate in the same office space. At a state and local level staff identified advantages of having staff co-located, such as personal relationships that had begun to develop and contributed to greater information sharing and collaborative work.

Kentucky Employment and Disability-related Agencies
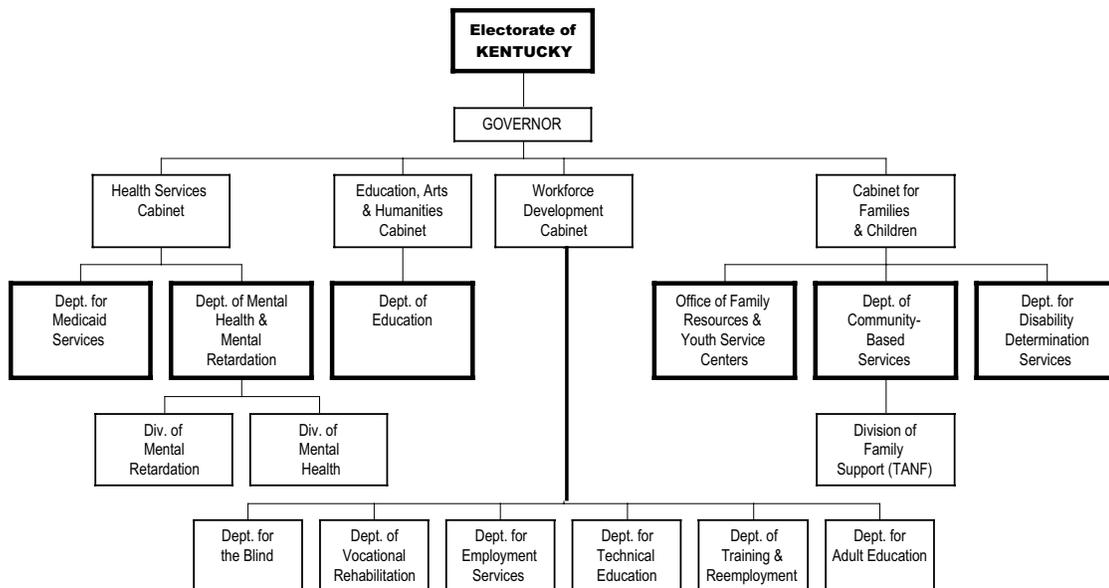
Using itinerant staffing and affiliate sites as a way to offer comprehensive services when full co-location cannot occur

For some small agencies, staffing limitations make it logistically impossible to have counselors in each of the One-Stops Centers. One viable solution for this has been to place staff on an itinerant basis. For example in Carrolton, KY Employment Services operates at the center on an itinerant basis three times per week.

Affiliate sites associated with the comprehensive One-Stop Centers were also designed to ensure greater access to services. Affiliates were electronically linked to the full-service centers but may only provide some of the services on site with one or more of the participating mandated partners. In Kentucky, because of geographic and other boundaries, many people were not able to access the comprehensive One-Stop Centers. While all mandated partners were not always present, because of electronic connectivity, affiliate sites provide the same access and information as the larger sites. Kentucky created affiliate sites in several innovative locations. For instance, they make use of libraries as affiliate sites, and other locations that may be frequented by people who have not traditionally sought services from the One-Stop system. These sites have also been set up at Cincinnati-Northern Kentucky Airport, Wal-Mart, and local shopping malls. Affiliate sites were an effective solution since Kentucky viewed the One-Stops as a system, and not a particular service center.

> *If you could get to the point where… it may not be your comprehensive center, but you're part of the same system. You get the same information… It allows you to reach down into some of those places that aren't typically accessed.*

"My place or yours?" Using a neutral site to create an even playing field

Agencies also had difficulty agreeing on the best space to co-locate. One of the challenges to co-locating was who moves where. Many involved in the process in Kentucky recommend a neutral site where none of the mandated partners had previously resided and provided services. This would ensure that all agencies were on equal footing and no one agency felt more "ownership" of the space than the others. "Even in large towns, there's a certain amount of prestige with, 'you come to my place.'"

Avoiding standardization or rules about location

It was also recommended that due to local variation, it was neither necessary nor prudent to standardize where One-Stops were located across the state. For instance, if it were mandated that all the One-Stops be located in one partner's building, other agencies may feel resentful that they have to move while the partner does not. Further, locating all the One-Stops in the same place throughout regions may create friction and tensions between agencies, by giving too much "power" and status to the home agency. This may disrupt the balance and cooperative spirit that is integral to the One-Stop process. Also, local variation dictates that One-Stop Centers should be located at the most appropriate place for the particular community.

2. Importance of an Infrastructure

> *There was no law behind it; that was all voluntary. The reason Kentucky was able to so easily implement early is that we already had this network of One-Stops in place throughout Kentucky via that grant.*

As a state that began their One-Stop Centers under an implementation grant, Kentucky was able to build an infrastructure that was invaluable after WIA was passed. Under this grant agencies that traditionally worked separately were working collaboratively in the Cabinet for Workforce Development and this sent a powerful message of partnership to other levels. Strong state boards, local boards and implementation committees created an infrastructure based on working alliances.

Status of co-location

Coordinated service delivery is the goal of WIA and co-location of partner agencies has been used by states to achieve this goal. Kentucky realizes that there are practical and geographical limitations that prevent all partners from co-locating. The expectation is that when partners are unable to co-locate, the One-Stop Center will be connected through a central network fully accessible at all times. Electronic connectivity is very important when partners are unable to physically occupy the same space. Locally, there are different levels of collaboration. Kentucky has issued broad guidelines on co-location to preserve the flexibility and diverse nature of local regions. This flexibility enables communities to utilize endemic resources to enhance service delivery.

We're still at the table with numerous work groups, from Empower Kentucky to Employ Kentucky Operating System down to subcommittees of an implementation committee, to youth councils and One-Stop councils.

Kentucky's infrastructure was important from the top levels of administration all the way down to the committees that have been formed within the One-Stops. Their continued success under WIA, was guided by the following structures put in place during the implementation grant.

- Formation and use of their Workforce Cabinet
- Building of their technology infrastructure
- Creation of comprehensive centers with mandated full-time partners
- Creation of a substantial committee structure
- Appointment of key individuals to local and state boards

Voluntary Atmosphere

Since Kentucky applied for and received an early implementation grant they were able to structure their Workforce Cabinet and One-Stop Career Centers under a voluntary system rather than feeling forced together under WIA. People were also invested in maintaining a system based on these partnerships, so WIA was not considered dramatic change. They were able to establish relationships at the state and local level and begin to work out systems of collaboration.

(Under the grant) we had chosen some sites for comprehensive centers, we had moved in and we had co-located some people. We had built these relationships already with the other partner agencies. "How are we going to do this? How are we going to pay for the rent? How are we going to pay for the lights? How are we going to manage your caseload system?" So we had the infrastructure there.

Technology Infrastructure

The implementation grant also provided resources for a technology infrastructure. T1 lines, or data lines allow information to be shared more quickly than with a modem, were established in the state prior to implementation of WIA and allowed agencies to share information and data quickly and easily. DOL requested Kentucky's participation in the operating system pilot because this technology infrastructure was in place.

3. Building Relationships

Getting people together and getting them working together is the surest way of ensuring that the system will survive.

Participants recommended focusing on relationship-building prior to implementation based on mutual support, respect, and shared goals. Relationships had to be built:

- horizontally (between entities at the same level)
- vertically (between federal, state, and local government)
- informally (among staff at various levels)
- formally (through the use of memorandums of understanding or MOUs)

Participants noted that establishing relationships among individuals in the partnering agencies was as important as the formal collaborations. "…there's a lot of time that has to be invested in getting on the same page before you can get to implementation. It's setting those relationships up." These informal relationships facilitated the work that partners later performed.

What we've been able to keep, within the Cabinet, is that feeling, that we know everybody and we can talk to them…These [partners] are people you see every day… The job almost becomes secondary to the fact that you know them.

Relationship-building has enhanced the visibility of disability issues

Individuals who represent disability agencies formed alliances within local boards (most notably Vocational Rehabilitation and Department for the Blind) to make their voice stronger. Through relationship-building and enhanced communication, these disability advocates aligned to create more support for the disability community and to ensure that accessibility and other issues specific to people with disabilities are addressed.

There are so few of us out there that are champions for people with disabilities…we work very closely. We know each other personally…We work uniformly, and that helps us. That gives us two votes instead of one…So I know my counterpart on the local WIB, and we sit down and talk…(and) have a private session before we go in. 'How do you feel about this? Here's how we want to vote.'

Example of formal, horizontal relationship-building
Building more formal collaborations was also an important way of ensuring that people with disabilities and disability issues in general are considered throughout the WIA implementation. Kentucky formed a state-level policy group focusing on learning disabilities that includes representation from the Kentucky Psychiatric Association, TANF, Vocational Rehabilitation, Adult Education, the Department of Corrections and others. This working group provided a forum for education and discussion of disability issues and was based on a similar model that the state of Arkansas used with success.

4. Local Control

…local WIBs have great decision-making powers, much more so than the state level. That was the intent of the law, to take it to a local level where it should be.

Local control must be universally accepted and requires those at the state level to share authority. Local boards:

- Collaborate with one another and with the state board
- Should be comprised of experts who bring knowledge of their local area
- Should bring together a wide variety of individuals (including individuals with disabilities or those who advocate on their behalf)
- Should maintain the focus on serving the customer

The composition of the local board must represent a diverse array of opinions and attitudes. This becomes especially important when considering the interests of people with disabilities.

It's critical that vocational rehabilitation be on the local boards. If they're not on local boards, they don't have any say over what goes on…They can't assure that our customers are going to have full access to services at the center, if we're not…at the table.

Representation of disability issues on local boards
Vocational Rehabilitation personnel identified a key role for staff and customers to be actively involved in their local boards. Originally, VR was concerned

about not having a seat on the state board. The decision was made by the Governor that one person would represent all the cabinet agencies on the state board. While initially disappointed, staff at VR realized that more of the critical service implementation work was to occur locally and they emphasized that their customers' needs be represented at this level. Because there are two disability agencies that serve individuals in Kentucky (VR and Department for the Blind) local boards can either have a representative from one or both of these agencies. Many local boards also have an individual with a disability who serves.

Responsibilities of local boards
It was the ultimate responsibility of local boards to ensure that funding issues, for example, were worked out and solved and did not interfere with services delivered to customers. In Kentucky, local boards met to discuss what populations get priority in terms of funding. Local boards also played a pivotal role in considering geographic and cultural variation in determining where One-Stop Centers will be located. Another example of the importance of local control was the state's reliance on local boards not just for review, but for development of policies.

Local boards required good communication with the state. State level personnel indicated they felt part of their responsibility was to make sure local interests were represented at the state level and that the state provide the technical assistance and support to make the local board successful. As one administrator reported, "Local boards gave their support because they knew they were key in the implementation, they knew that they had support and were valued and respected."

Local boards also relied on information sharing at the local level across the state. They learned from each others' successes and failures and incorporated these lessons in their own planning. This openness to considering different approaches was acknowledged by a local Career Center staff person.

Our local people-I can't say enough about the people who were visionaries early on who thought out of the box. They thought about the customer as the bottom-

line and how we could be more customer-friendly and outcome-focused…I can't say enough about the people who, five, six years ago, came together and thought that this was possible.

5. Committed Leadership

It has to come from the top, that we want to work in collaboration, we want to be partners. Not only because it's the law, but because it's a good idea.

Kentucky's committed leadership:
- Developed state initiatives that drive the system
- Set the philosophy of the One-Stop System
- Delivered the shared message and mission
- Facilitated and encouraged collaboration
- Included support from the Governor and VR commissioner

Fortunately, the Secretary of the Cabinet has been 100% behind this and all of our commissioners and directors have been 100% behind this. They see it as a win/win situation.

Committed leadership drove Kentucky's successful implementation

Prior to the implementation of WIA, partnering agencies had different missions, cultures, and goals. Cross awareness training to inform staff of the different aspects of each agency was an effective way to impart knowledge, but in order to attain systems change, it was vital to develop a new common vision that supported the importance of work as a goal for all individuals. Initially, Kentucky struggled with creating a shared mission for WIA implementation that transcended local, state, and cultural boundaries.

…we didn't provide a value…or a principle system and we had a lot of trouble getting agreements. So…the lesson there is to have leadership at the top that is on board with the same vision…before you can get things to start working well at the local area.

What essentially drove Kentucky's success was strong and clear leadership from the top levels of administration. Support from the Governor was key in the implementation process.

I think (Kentucky's success) is attributed to our Governor. He's very pro-active… and resourceful with what we have…looking at the various cabinets and departments and reanalyzing their services and the roles and cutting duplication. He's done a really good job at that.

The Governor's support was two-fold. Not only did he take action to reorganize the state's infrastructure, but also his belief in the goals of WIA lent an authority to the initiative that would have otherwise been absent.

(Having an involved governor)…does not necessarily mean he has to be at the table. But you have to have somebody in the Governor's office that has the authority…when you hit those snags that you invariably will hit…to break the logjam.

Once support from the Governor was identified, the shared mission was passed down through Department heads and their staff at the local level. It was important to ensure this commitment from state administrators who became resources to the local boards and One-Stops.

…you've got to have that partnership at the top…you gotta have a certain level of commitment that spills over into local area, and the local people need to see that everybody in this is committed, at the leadership level.

6. Multi-level investment

It's not the directors, or cabinet secretary…It's those front-line staff who can either make it or break it.

Multi-level investment requires:
- Active involvement of all players, from state and local leadership to front-line staff
- Acknowledgement that each entity brings its own expertise
- Comprehensive understanding of partnering agencies and changes occurring under WIA

In the year following the passage of WIA, multiple levels of staff from the partner agencies participated in implementation meetings. The values of collaboration and cooperation were established at the highest level of the state workforce system, but the logistics of creating this seamless system was addressed by this group.

One thing we did that was somewhat helpful was that we formed an implementation team… we have let that group deal with cost allocation, One-Stop, and some performance standards issues. There were crosscutting issues between departments and cabinets. We had 20-some agencies represented on there… It was a good place to throw out such things as cost allocation because we said, 'you get with your financial people and we'll bring our financial people. Let's sit down and talk about this.' There was actually some good energy there.

State commitment increased investment of local board

Our job was essentially to make them look good, to provide whatever technical assistance and guidance is necessary that they meet their performance standards. So they had a group of folks that they pretty much know that they could work directly with, and this was our job.

Local boards gave their support to the Cabinet and its implementation of the One-Stop system because the state clearly conveyed that they were key in the implementation process. "By and large, the locals support the Cabinet, and that is a big issue; that's key. You can do a lot...when you have the locals across the state supporting you..." Local boards felt valued and respected and were confident that they had the full support of the state. Increasing the level of investment of the local boards ultimately increased the capacity of the entire system.

Investment in front-line staff

Systemic investment of front-line staff was crucial. Training was both a way to ensure that staff felt valued and able to provide quality services. Many state agency staff in Kentucky advocate cross awareness training. Cross awareness training provides enough information that representatives can identify the needs of clients and direct them to the appropriate partner agency staff person. Cross awareness training does not imply that staff have to be able to perform each other's work, however, staff must be able to clearly articulate the type of services other agencies provide as well as the population targeted for service provision. Many One-Stops in Kentucky trained their caseworkers to be able to identify a variety of types of customers, such as dislocated workers, incumbent workers, youth, and individuals transitioning from welfare to work. Because all these populations are seen in the One-Stops, it was vital that all representatives have a working knowledge about available resources.

We've had two training sessions on cross training, and not for eligibility purposes of individual programs, but more general knowledge of what… Vocational Rehabilitation does… Dept. for Social Insurance… It's a general knowledge of other department activity.

Front-line workers developed a comprehensive knowledge of their partnering agencies and this aided in mutual referral, collaboration, and investment in the One-Stop system. As workers developed a sense of other agencies' services, their commitment to and investment in a more coordinated system was solidified. Through training, staff were able to implement the goals around collaboration and shared expertise that are at the cornerstone of the vision behind WIA.

7. Flexibility to change

… you've got to recognize that what will work in Lexington, Kentucky will not work in Paintsville… the culture's different. The people's value systems are different. You've got to recognize that and be able to build in flexibility. Back in the mid-90s we tried (the one size fits all approach), and that didn't work.

It was very important in Kentucky to change the perception that One-Stop is a way of doing business, rather than a separate program. This enormous cultural change initially caused partners to protect their own turf.

(Initially) there was a lot of turf protection among the partners….As long as you stay closed-minded to anything, you're not going to be receptive to people with disabilities, or anything else. You're still thinking, 'this is my program and I'm going to protect it, I'm not going to share.'

Participants recommended remaining flexible to the enormous amount of change, the culture shift, and the power struggles. Learning how to "back up, punt, and try it again" when a new idea fails was an important theme. Flexibility was also required when considering how each center would look. A balance must be struck between wanting standardization in procedures while still remaining flexible to differences in centers, staff, local regions and workforce investment boards.

Transition from funding source to partner

Key players must remain adaptable and adjust to the changing role of partners, specifically those that had previously been considered a funding source and not a provider. Employment Services had traditionally been viewed as a pool of money and not as a partner in the system.

It's also hard for entities like Vocational Rehabilitation, Employment Services and some of those other groups to look at us as a partner because they have for so many years looked at us as a training dollar and as a funding source.

Transition from disability service provider to consultant

Another area of transition was the way services are delivered to people with disabilities. Vocational Rehabilitation was concerned about ensuring that their customers were being served effectively and that individuals who have more intensive needs receive specialized VR services. Although they want the One-Stop system to be able to effectively serve people with disabilities, VR feared that quality or specialization in services would suffer since such supports have not traditionally be provided by other agencies. VR was also hesitant about the loss of earmarked funding specifically to serve people with disabilities.

Disability agencies have often taken on the role of consultant as they prepare the range of One-Stop providers to effectively serve people with disabilities. From the disability agency's perspective, one of the greatest advantages of working in collaborative settings is the ability to provide education to the partnering agencies.

We believe that we're the experts in the area of providing services to people with significant disabilities. There are things that we can provide to them to help them do their jobs better. We can assist them with learning what they need to do, give them a list of who to call. We can tell them how to…accommodate individuals who have various disabilities, whether it's visual, hearing, physical, or mental.

One-Stop partners reinforced this notion that Vocational Rehabilitation and other agencies traditionally serving people with disabilities were key in helping them provide better supports for all job seekers:

(Vocational Rehabilitation has been helpful in getting) information to us so that we establish our system and centers in a manner that they do meet ADA requirements and are accessible. They have given us a checklist and documents and they've been very helpful in providing communication for us.

8. Shared costs and the allocation of funds

(Cost sharing decisions) are probably the biggest issue and biggest hurdle, as an area, any board, that any comprehensive center needs to get over. It's our biggest hurdle.

Shared costs in Kentucky were discussed by participants as they related to:

- Assessment
- Physical co-location costs such as common space, shared utilities, and the cost of the development of a shared data system
- Shared staff
- Marketing

That's the only thing I would say about the One-Stops and WIA implementation-it's costly. People are thinking that you're going to be sharing resources, but…your budget will feel the weight of WIA. If we choose to move our whole office into a center, generally, the lease that we have is a lot less than what we're moving to…so your costs are going to escalate because of what it costs to make these changes. We don't have enough dollars as it is. But we still want to cooperate, still trying to do the partnerships. We think…it may be three or four years down the road before we see the advantages of doing this.

Assessment

Many participants discussed concerns about the issue of assessment and how these costs were determined. One way that Kentucky addressed this issue was through the initial agency that makes contact with an individual. For example, if Adult Education or Vocational Rehabilitation has administered a test or assessment battery on an individual, the next agency that sees the individual will not have to administer the same tests. This will be accomplished through the electronic sharing of data among agencies.

Physical co-location

Partnering agencies initially experienced difficulty agreeing on guidelines for cost allocation within One-Stops. To address this issue, Kentucky developed cost allocation guidelines to assist local boards in developing a plan that delineated each local partner's financial commitment to sustain the One-Stop Centers. These guidelines were still being worked out locally. In addition to paying for shared space, such as restrooms, resource rooms, reception, and janitorial expenses, agencies may pay rent based on what percentage of space they occupy.

Status of cost allocation

Kentucky developed cost allocation guidelines to assist their local boards in developing a plan that delineates each local partner's financial commitment to sustain the One-Stop Centers. Required components of these plans include:

- an organizational chart that identifies all partners and staff functions
- a description of the services offered at the Center
- official budget that includes shared operational costs
- the method used to allocate expenses to benefit cost objectives

The Local Workforce Investment Board (LWIB) must certify that the plan has been prepared according to state guidelines.

The types of costs addressed in the cost allocation plan include direct and shared costs. Direct costs are those for which only one agency is responsible and would include wages of employees who spend all their time in one program and materials or consultant time purchased specifically for a particular program. Shared costs benefit more than one funding stream. These costs are distributed among the relevant partners. Examples of shared costs include shared space, like conference rooms and rest rooms.

(Source: Cost Allocation Guidelines for Kentucky's One-Stop Delivery Center—http://otr.state.ky.us/cost.htm)

Shared staff

Many One-Stops struggle with the important role of the receptionist. This is the first person a customer meets when he comes through the front door, and (s)he must be knowledgeable about the services offered by all the partnering agencies within the One-Stop. Agencies tried a variety of strategies to determine who should pay for the receptionist, or which agencies should take responsibility for "covering" this post. For instance:

> *For two months, whenever somebody came in, the receptionist made a mark for who they saw…it was a four to one ratio…they were seeing Employment Services four times as often. So I set it up that we'd (VR) be at the reception window one day a week. That was as fair as anything.*

Marketing

Marketing of the One-Stops can also be a difficult issue. Many agencies wanted "their" funding to go directly towards helping people find jobs. The fear was that if too large a portion of the budget is spent on indirect administrative costs, funding would be scarce for the provision of actual services. It was also important to consider that marketing of One-Stops will bring in more customers, allowing partners to provide more services. Despite this, many agencies were reluctant to dedicate too much funding to administrative costs.

> *The agreement was that we would use the technical assistance grant to do all the development. We'll get materials developed, the logo done, buy all the displays…but when it comes down (to) covering the costs of printing the materials and publishing it in newspapers or other media, if we are promoting the One-Stop system, then we are all going to all contribute… since we are promoting everybody's program and not just one.*

9. Regional variation

We are not homogeneous. We have an urban area in Northern Kentucky that's booming beyond all hopes, and is indistinguishable from the other side of the river, which is Cincinnati. In the bluegrass area, the 17 counties here, you've got some of the highest rates of unemployment and some of the lowest rates of unemployment, all in the same local area.

In Kentucky there has been local variation regarding:
- economic conditions
- demographics
- environmental factors
- knowledge and expertise of staff
- incidence of disabilities
- technological competence
- degree to which local boards want input and participation from the state

Striking a balance between standardization and variation

As local areas vary greatly, it was impossible to standardize operating procedures across the state. There was a consensus that no proto-type exists for the best way to implement this system. Kentucky recognized this was not a barrier but an uncontestable truth. Local cultures vary, and the key to successful implementation was not standardization but flexibility.

You cannot make a mold for a comprehensive center or services that are rendered in a Workforce Investment area. You can't say that it worked in Lexington, Kentucky, then it's going to work in Indianapolis.

10. Variation in policies and practices between agencies

Partners struggled with the lack of standardization in:
- Tracking customers (including those with disabilities)
- Performance standards and data collection
- Confidentiality rules and regulations
- Physical and technological accessibility of centers

Variation in policies—data collection

One issue that Kentucky struggled with was coordination between multiple agencies that have traditionally collected disparate data on their programs and participants.

I know you can't mix HHS and DOL programs, but that would be a big help if we had some consistency to performance standards, and how to collect them, and the data that's used to review them. A lot of the data is different, different timeframes. You might have a retention in one program of six months and retention of another program of twelve months, and follow ups for different times, so it's hard to track.

This was an ongoing issue that Kentucky continued to address. Within the framework of their new data system, Kentucky was working on collecting more consistent data to reflect the goals of WIA that are shared among partnering agencies.

Variation in practice—accessibility issues

For questions about level of physical accessibility, Kentucky has been consulting the Rehabilitation Services Administration (RSA) but the state is still developing guidelines based on information received from the US Department of Justice.

Although it's the law (WIA), and we all know it's the law, I would venture to say there are still some facilities out there that are not 100% accessible. It's unconscionable, but that's the way it works.

While it is true that there are some centers that are not completely physically and technologically accessible, accessibility is a progression for most centers. Kentucky deals with accessibility issues by remaining flexible, recognizing variation, and acknowledging that full accessibility for all centers is a work in progress.

I saw one workstation…There was nothing that could not be accommodated by this workstation, but it was really expensive. That was the Cadillac. In Kentucky we put Chevrolets in, and that's OK because it's a start.

11. Seamless service delivery without compromising confidentiality

All of our programs have different confidentiality rules and regulations, and we have to be respectful of those. We are probably spending the most time on security and referral issues as much as anything, and we are not going to roll it out until those are taken care of. We can't afford not to.

Creation of security tabs

Even without sharing data or diagnostic information, a referral from VR automatically implies disability, which can be stigmatizing. While co-location was helpful in getting a wide array of resources to a single person, it can compromise privacy. How to create a One-Stop system that enhances services for people with disabilities without compromising confidentiality was a difficult issue that Kentucky was still in the process of addressing. One strategy that was effective is the creation of security tabs into the data system.

The system that Kentucky was working with involved a series of tabs with security clearances. Some basic demographic tabs would be available to anyone using the system, but more confidential information could be accessed by a limited number. While working to create a referral system that would not violate the confidentiality of service participants, Kentucky

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Status of data systems

Kentucky has been working with the Department of Labor to develop a One-Stop Operating System called EKOS (Employ Kentucky Operating System) that will allow WIA partners to share referrals and track the status of customers electronically. EKOS is currently being developed but is not in full use yet. A subcontractor is developing the software. The goal is a multi-user, multiple agency operating system that for most agencies could replace their existing data collection systems. There is a requirement that it be a secure system, so that customer information is not available for unauthorized use. The system must also be 100% WIA compliant, ensuring that data necessary for reporting purposes, including standards and indicators, is collected.

Since the site visit, a version of the software has been implemented within the Cabinet for Workforce Development. All Cabinet agencies with the exception of Technical Education will be using the One-Stop Operating System. The Department for Vocational Rehabilitation, which was concerned about confidentiality of shared information in a common database, will not use EKOS as its primary case management system but has agreed to an interface between the systems to share required referral data used by Vocational Rehabilitation. Currently, there are still accessibility concerns regarding EKOS that could affect this decision.

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encountered some roadblocks that have hindered the unveiling of the system. There was difficulty communicating the importance of confidentiality for the purely technical people who are involved in creating the system. Kentucky tried to ameliorate this problem by ensuring that front-line staff who will be users of the system be involved in the system's development process.

Conclusion

Kentucky provides one example of how a state has joined together to provide a more integrated service delivery system for their workforce development customers. The critical issues that enabled the development of this system are:

- Communication between all levels of involved agencies
- Opportunity to develop relationships and partnerships in a voluntary manner under the implementation grant, and expanding those relationships with the advent of WIA
- Strong leadership from the Governor, the Cabinet Secretary, and the agency commissioners
- Staff at all levels being able to respond flexibly to change. As with all change there were some challenges, but staff were able to consider more flexible approaches and how they could serve as different resources to their partner agencies
- Strong local boards and a commitment to respecting the differences of local communities and how they implement change

Despite their strong progress in the development of a WIA system, Kentucky continues to face challenges. State agency staff are working through the implementation and maintenance of a shared data system that meets the partner agencies' needs but also respects confidentiality of customer information. An additional challenge faced by staff in Kentucky is the continued process of shared resources and cost allocation where each partner agency has a dedicated funding stream that is mandated by different federal agencies. But as one state administrator pointed out,

one of the greatest challenges of change is change itself.

> *Obviously the biggest problem is culture change. The rest of it is simple. That one's tough, because we're all bureaucrats…and we've been in our agencies…a considerable period of time. We've all got a comfort level based on what our agency does, and we're not overly fond of change.*

Despite these challenges Kentucky moves forward with the focus on serving their diverse customers.

Many individuals interviewed for this study reported the strength of the relationships and friendships that have contributed to their success. The agencies have created a culture that supports professionalism and relationship building and it has become the cornerstone of their success. This respect and appreciation for their colleagues in other agencies has allowed them to carry on when they have faced challenges. Rather than giving up or blaming the problems on the other agency, they have found ways to compromise that maintain the integrity of their agencies and meet the final goal of providing the best service for their customers.

Acknowledgements

If you have comments or questions on this publication, or need additional information please contact:

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