

1 **Ending the Middle Skills Gap**
2 **Discussion Paper**
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4

5 **Background**
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7 On June 30, 2021, the Texas Workforce Commission’s (TWC) three-member Commission (Commission) earmarked
8 funding for a comprehensive statewide strategy to end the middle skills gap in Texas. Due to technological advances in
9 the workplace, employment demand has dramatically increased for individuals with middle skills, defined as workers
10 with some education beyond high school but less than a four-year degree. The Commission directed staff to research
11 multiple initiatives using statewide program funds for career information, preparedness, connection, and progression
12 activities to help put more Texas workers on a path to a career in a rewarding middle skills job.
13

14 Statewide Temporary Assistance to Needy Families (TANF), Workforce Innovation and Opportunity Act (WIOA), and
15 Adult Education and Literacy (AEL) funds are available to support the effort to meet these critical workforce needs.
16

17 **Proposed Initiatives**
18

19 ***1. Career Pathways Mobile Application – \$1.5 million***

20 TWC staff have identified an opportunity to provide information and visualizations to individuals who wish to better
21 understand the steps they must take to reach a career goal—whether beginning a career, making upward progress in a
22 current career, transitioning to a new career, or exploring the various education and training options available across
23 multiple careers. These visualizations are often referred to as Career Pathways. These pathways enable an individual to
24 see and better understand the series of education and training programs and the credentials needed to advance to the
25 next occupation.
26

27 Staff propose that TWC partner with a vendor and enter into contract to provide a Career Pathways mobile application.
28 (app). Users will be able to download the app onto mobile devices and will have access to information and visualizations
29 about career pathways they are currently on, pathways they can transition to in light of labor demands resulting from
30 the pandemic, and pathways they may pursue in the future.
31

32 It is anticipated that the launch of the app will take place in phases. Phase One will focus on information and
33 visualizations of career pathways that lead to and secure middle skills occupations. Initial priorities will be related to jobs
34 deemed to be in greatest demand due to the pandemic, with education and career opportunities prioritized for these
35 needs.
36

37 ***2. Career Coaching Services – \$1.5 million***

38 One of the initiatives proposed under the Commission’s priority to end the middle skills gap is providing funding for one-
39 on-one coaching services for individuals whose careers have been impacted by the COVID-19 pandemic. Career coaching
40 would provide Texas workers with tangible, immediate support related to job opportunities, credible tools to help them
41 transition, and valuable advice in pursuing their next job.
42

43 To address the continuing needs of individuals whose careers have been affected by the pandemic, TWC proposes
44 entering a contract to provide career coaching services. This contract would provide career transition services, delivered
45 digitally, to meet the immediate needs of workers with real-time access to career coaches from mobile and desktop
46 devices to Texas residents wherever they are located, at any hour, on any day. This service would provide job seekers
47 with structured job-seeking support and access to online resources and chat-based career advisors for six months.
48

49 The contract cost is anticipated to total \$1.5 million and will reach approximately 10,000 Texans.
50

51 ***3. Certifications for Metrix Users – \$1.1 Million, Adopted August 17, 2021***

1
2 **4. Training and Certifications for In Demand and Targeted Occupations – \$3.8 Million**

3 To continue supporting online learning and skills development for Texans, TWC will procure and enter into a contract for
4 a learning management system to upskill workers in occupations for which technological and advanced skills are
5 required. The vendor will provide online training and certifications toward industry-required skills in technology,
6 advanced manufacturing, and other occupations that are in demand by Texas employers. Coursework will help prepare
7 individuals for high-demand and high-growth occupations as well as enhance life skills, or soft skills. Courses will be
8 provided in an online format, with participants either taking courses directly from the provider or being seamlessly
9 linked to other providers' courses. This program will provide industry-based certifications, as applicable.

10
11 Staff suggest allocating \$1.9 million for a one-year contract, with the option to renew for a second year at an additional
12 \$1.9 million, for a two-year maximum cost of \$3.8 million. Funding for this contract would be evenly divided between
13 WIOA and TANF statewide funds. Based on experience with the current skills enhancement online learning provider,
14 staff anticipate this contract would provide certifications for 2,500 individuals, with the goal of offering non-training
15 courses to thousands more.

16
17 If the allocation is approved, staff will procure this service for use by Local Workforce Development Boards through
18 flexibility provided by TWC Chapter 840 WIOA Eligible Training Providers rule, Sections 840.62 (Training Contracts) and
19 840.64 (Out-of-State Training Programs).

20
21 **5. Mobile Credential Wallet – \$750,000**

22 With the statewide credential library and Career Pathways mobile application (app) serving as the foundation, staff
23 propose that the next step in these large-scale, credential-focused initiatives is the acquisition of a mobile app in which
24 individuals have access to personal inventories of academic and workforce credentials earned. These inventories are
25 often referred to as credential wallets. A mobile credential wallet allows an individual to:

- 26 • store and display credentials earned (for example, certifications, licenses, diplomas);
- 27 • track credential expiration and renewal dates (as applicable);
- 28 • receive information about the next credential(s) to pursue while on a career pathway; and
- 29 • share credentials instantly and securely with various audiences such as employers, workforce training programs,
30 local education agencies, and institutions of higher education.

31
32 It is TWC's intent that the vendor identifies and makes connections across the credential library, the career pathways
33 app, and the credential wallet.

34
35 Staff propose that TWC partner with a vendor to provide a mobile credential wallet. The selected vendor be awarded up
36 to \$750,000 in WIOA Statewide. If usage and outcomes indicate a successful launch of the wallet, staff foresee ongoing
37 costs as a result of this initiative and will return to the Commission for further action as appropriate.

38
39 **6. Virtual Reality Career Exploration Pilot – \$2 Million**

40 VR headsets and career-exploration software are valuable tools for outreach specialists, providing interactive virtual
41 career-exploration experiences and stimulating students' interest in local in-demand occupations and middle-skills jobs.
42 A number of vendors offer VR headsets and software licenses at an estimated cost of \$5,000 per unit per year.

43
44 To ensure that each Board can expeditiously contract with a vendor for the appropriate number of VR headsets and
45 licenses that will allow each outreach specialist to provide such services, TWC would need to distribute funds to
46 participating Boards at \$5,500 per unit, which supports the purchase of equipment and associated software, in addition
47 to administrative costs.

48
49 Outreach specialists often provide career-exploration services in group settings, and they will be encouraged to do so
50 using these headsets in an effort to provide more students with labor market information. To ensure that each outreach
51 specialist has access to enough VR headsets and software licenses for a class of approximately 25 students, TWC may

1 distribute \$133,333 to each Board that employs outreach specialists. Fifteen Boards have notified TWC of their plan to
2 use a portion of their local TANF/Choices allocations to staff one or more outreach specialists for Board Contract Year
3 2022.

4
5 Staff propose a \$2 million pilot program to provide a distribution of \$133,333 to each of the 15 Boards hiring workforce
6 career and education outreach specialists to be used for contracting with a vendor for approximately 25 VR headsets
7 and associated software to provide interactive virtual career-exploration experiences to students, with any remaining
8 funds not needed for administrative expenses reinvested into the outreach specialist program.

9

Board Number	LWDB Name	Distribution Amount
2	South Plains	\$133,333
6	Dallas	\$133,333
7	Northeast Texas	\$133,333
9	West Central Texas	\$133,333
10	Borderplex	\$133,333
13	Heart of Texas	\$133,333
14	Capital Area	\$133,333
15	Rural Capital Area	\$133,333
17	Deep East Texas	\$133,333
18	Southeast Texas	\$133,333
22	Coastal Bend	\$133,333
23	Lower Rio Grande Valley	\$133,333
25	Texoma	\$133,333
26	Central Texas	\$133,333
28	Gulf Coast	\$133,333
Total		\$2,000,000

10
11 Additionally, TWC currently employs four education outreach specialists in the Labor Market and Career Information
12 (LMCI) department. TWC will identify other available funds to procure this technology for TWC LMCI outreach
13 specialists.

14
15 **7. Short Term Training for Parents in the Child Care Services Program – \$2 Million**

16 On June 15, 2021, the Commission approved a temporary waiver of TWC Chapter 809 Child Care Services rule
17 §809.41(a)(3)(B) to provide additional flexibility—allowable under federal Child Care and Development Block Grant law
18 and regulations—to support families that do not meet the activity requirements when child care eligibility is
19 determined. This waiver allows for an initial three months of child care with zero parent share of cost. These parents
20 must become employed within those three months to remain eligible for child care services.

21
22 To serve these parents and get them reemployed as quickly as possible, this initiative would focus on short-term training
23 (one to four weeks in length), especially training programs currently on the statewide Eligible Training Provider List
24 (ETPL), reducing the need for additional local contract development. In addition to ETPL programs that can be funded
25 through Individual Training Accounts, earn-while-you-learn training models (including on-the-job training and Registered
26 Apprenticeship Programs), although longer in duration, should also be encouraged, as they provide concurrent training
27 and employment to participants.

28
29 Through this initiative, Local Workforce Development Boards (Boards) would provide short-term training services only to
30 individuals who:

- 31
- are determined eligible for Workforce Innovation and Opportunity Act (WIOA) funds;

- are receiving TWC-subsidized child care services and are in an initial three-month job search period;
- are unlikely or unable to obtain or retain employment leading to self-sufficiency or wages comparable to or higher than previous employment through the provision of workforce services alone;
- are in need of training services to obtain or retain such employment;
- have the skills and qualifications to successfully participate in a selected training program;
- select a training program linked to target occupations in the local area or in an area to which the individual is willing to commute or relocate; and
- are unable to obtain other grant assistance for training, including Pell Grants and Temporary Assistance for Needy Families funds.

Staff estimate that these short-term trainings will cost an average of \$3,700, allowing Boards to serve approximately 540 individuals through this program.

Staff propose distributing \$2 million in WIOA funds to the 28 Boards, according to the methodology described below, to provide WIOA short-term training services to parents of children receiving CCS subsidies, specifically those parents in an initial three-month job search period. The distribution methodology includes a base amount of \$45,000 to ensure that each Board has enough funds to support training for multiple individuals, with distribution of the remaining funds (\$740,000) aligned to the CCS local formula allocations for Fiscal Year 2021 (FY'21).

Board Number	Board Name	Base Amount	FY'21%	Formula Amount	Total Training Amount
1	Panhandle	\$45,000	1.57%	\$11,639	\$56,639
2	South Plains	\$45,000	1.57%	\$11,616	\$56,616
3	North Texas	\$45,000	0.72%	\$5,322	\$50,322
4	North Central	\$45,000	6.70%	\$49,598	\$94,598
5	Tarrant County	\$45,000	6.81%	\$50,402	\$95,402
6	Dallas	\$45,000	11.03%	\$81,616	\$126,616
7	Northeast	\$45,000	1.05%	\$7,762	\$52,762
8	East Texas	\$45,000	2.95%	\$21,795	\$66,795
9	West Central	\$45,000	1.07%	\$7,947	\$52,947
10	Borderplex	\$45,000	3.89%	\$28,783	\$73,783
11	Permian Basin	\$45,000	1.55%	\$11,487	\$56,487
12	Concho Valley	\$45,000	0.45%	\$3,363	\$48,363
13	Heart of Texas	\$45,000	1.36%	\$10,064	\$55,064
14	Capital Area	\$45,000	3.46%	\$25,588	\$70,588
15	Rural Capital	\$45,000	2.42%	\$17,889	\$62,889
16	Brazos Valley	\$45,000	1.13%	\$8,331	\$53,331
17	Deep East Texas	\$45,000	1.40%	\$10,331	\$55,331
18	Southeast Texas	\$45,000	1.37%	\$10,164	\$55,164
19	Golden Crescent	\$45,000	0.67%	\$4,946	\$49,946
20	Alamo	\$45,000	8.76%	\$64,820	\$109,820
21	South Texas	\$45,000	1.82%	\$13,438	\$58,438
22	Coastal Bend	\$45,000	2.18%	\$16,110	\$61,110
23	Lower Rio Grande	\$45,000	5.84%	\$43,227	\$88,227
24	Cameron County	\$45,000	2.48%	\$18,388	\$63,388
25	Texoma	\$45,000	0.65%	\$4,801	\$49,801
26	Central Texas	\$45,000	1.79%	\$13,240	\$58,240
27	Middle Rio Grande	\$45,000	0.84%	\$6,232	\$51,232
28	Gulf Coast	\$45,000	24.47%	\$181,102	\$226,101
Total		\$1,260,000	100.00%	\$740,001	\$2,000,000

1
2 **8. Jobs Y'all and Outreach Initiative – \$2 Million**

3 Designed to help close the middle skills gap, a statewide career and education outreach initiative will raise awareness
4 about occupations requiring more than a high school degree but less than a four-year degree. The awareness campaign
5 will promote occupations and career pathways and direct Texans to the tools and programs available to receive training
6 and/or the certifications to enter those occupations. The campaign will be supported by seasonal direct response
7 initiatives targeting youth with disabilities and foster youth. While TWC has the Texas HireAbility campaign and Summer
8 Earn and Learn program, there is not currently a central, online location to direct young Texans to learn about and get
9 engaged in programs. And, while TWC has a foster youth program which works closely with transition centers, there is
10 not currently a youth focused campaign in place. This initiative will add these components.

11
12 A campaign can most quickly and efficiently be realized by leveraging and optimizing TWC's previous investment in
13 jobsyall.com, a mobile responsive website which already features relevant messaging, images and career exploration
14 tools, and targets Texans aged 14-24. This is an opportunity to enhance and refine the site to better serve young Texans.
15 The site will continue to feature TWC's career tools but transition to emphasize middle skills occupations and career
16 pathways and add landing pages for youth with disabilities and foster youth and direct them to services. New content
17 including social media animations, PSAs, and career videos will be developed to promote occupations and drive traffic to
18 Texas Career Check, Texas Reality Check, Texas Internship Challenge, Texas HireAbility/StartMyVR, and
19 MyTXCareer.com. The campaign and site will also feature and support the launch of new tools which will go online
20 related to the middle skills initiative including mobile app, mobile credential tracker, virtual reality simulations, and
21 career coaching.

22
23 The campaign will be promoted through the Texas Workforce System's online, email, and social media channels but also
24 through earned and paid media to meet Texans where they are online and in person at school, career exploration and
25 job hiring events, and local workforce development board offices. The initiative will be measured by media impressions
26 and engagements, website pageviews and link clicks, and program registrations. Recommend evaluation to collect and
27 report awareness and participation.

28
29 Staff propose the following budget:

Campaign Creative Content and Website Content Development	\$500,000
Statewide Outreach and Evaluation	\$1,500,000
Total	\$2,000,000

30
31 Funding to be split 89% WIOA statewide and 11% vocational rehabilitation, pending Rehabilitation Services
32 Administration approval.

33
34 **9. Curriculum Development for Construction Trades – \$500,000**

35 This initiative supports the development and dissemination of curricula and other instructional materials for
36 construction trades in IET models, including curricula incorporating essential components of reading instruction for
37 adults.

38
39 The current grant for the Career Pathway Professional Development contract, awarded to Region 6 Education Service
40 Center (ESC 6), expressly allows for curriculum development and directs ESC 6 to consult, develop, disseminate, train,
41 and provide research and evidence-based professional development services for implementing quality career pathway
42 models.

43
44 A contract amendment will require deliverables for the development, dissemination, and training of curricula for
45 construction trades. The amendment will also direct the grantee to develop curricula in dual languages as appropriate.
46 Curricula developed through this initiative will support AEL programs and Local Workforce Development Boards as they
47 work to upskill workers and job seekers in the trades, thereby advancing TWC's goal of ending the middle skills gap.

1 **10. Integrated Education and Training (IET) in Corrections – \$750,000**

2 TWC will enter into an interagency contract with Windham School District for a three-year initiative to:

- 3 • develop and expand integrated education and training (IET) models for an estimated 500 incarcerated
4 individuals who are within two years pre-release;
5 • provide reentry and post-release services to those individuals; and
6 • disseminate best practices on developing such models for AEL and workforce system stakeholders.
7

8 This initiative complements TWC’s participation in a national technical assistance initiative overseen by the US
9 Department of Education Office of Career, Technical, and Adult Education for the development of IET in corrections
10 models.

11 **11. Pre-Apprenticeship Bridge Program for Building Trades – \$500,000, Adopted August 17, 2021**

12 **12. Family Literacy Math Assistance Call Center – \$500,000, Will be presented in October 2021.**

13 **13. Employer Engagement – \$1.2 Million, Adopted August 17, 2021**
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18 **Decision Points**

19
20 At the August 17, 2021, public meeting, the Commission approved the following three Middle Skills Gap Initiatives:

- 21 • Certifications for Metrix Users (#3)
22 • Pre-Apprenticeship Bridge Program for Building Trades (#11)
23 • Employer Engagement (#13)
24

25 Today, staff seek direction on each of the projects which were approved as a priority on June 30, 2021, but required
26 additional discussion and action, as identified below.
27

28 Funding amounts and funding type for the following initiatives:

- 29 • Career Pathways Mobile Application (#1)
30 • Career Coaching Services (#2)
31 • Training and Certifications for In Demand and Targeted Occupations (#4)
32 • Mobile Credential Wallet (#5)
33 • Jobs Y’all and Outreach Initiative (#8)
34 • Curriculum Development for Construction Trades (#9)
35 • Integrated Education and Training (IET) in Corrections (#10)
36
37

38 Funding type and funding distribution amounts to Boards for:

- 39 • Virtual Reality Career Exploration Pilot (#6)
40 • Short Term Training for Parents in the Child Care Services Program (#7)