Introduction

The national unemployment rate was 3.6% as of May 2019\(^1\). The conundrum is that in the midst of this robust economy, employers are struggling to fill vacancies while the long term unemployed (LTU), defined by the Bureau of Labor Statistics as those who are unemployed for 27 weeks or more, rose by 68,000 from May 2018 to May 2019\(^2\). Furthermore, the LTU are often persons with significant barriers to employment such as returning citizens or individuals with disabilities. How can workforce practitioners prepare the LTU for gainful employment and meet employers’ recruitment needs? One approach that has proved fruitful in serving non-traditional populations such as the LTU and addressing employer vacancies is the utilization of Paid Work Experience (PWE) as a training strategy.

Approach

The PWE training strategy is a demand-driven model that addresses the needs of both employers and job seekers. Workforce practitioners meet with local or regional employers, determine their hiring needs, and suggest that they broaden their talent pipelines by considering non-traditional candidates, such as the LTU, with WIOA funding support for 50 to 100% of wages over the training period. The employer has the opportunity to find new prospects to fill recurring vacancies in a tight labor market with federal funding support; the job seeker can return to the labor market and move along a career pathway at family supporting wages.

The PWE demand-driven model is founded on three key concepts: 1) enabling multi-partner collaboration that integrates workforce and economic development principles to create programming that is customized to meet the needs of individual businesses or industry sectors; 2) focusing on the availability of a skilled workforce as an essential part of retaining or attracting businesses in local communities; and 3) collaborating with education and training systems to prepare the LTU as strong candidate matches for open positions that also have good potential for growth.

Another key aspect of PWE is the Dual Customer approach which addresses the needs of both employers and job seekers simultaneously and is also founded on three key concepts: 1) preparing the job seeker for the local labor market; 2) understanding what sectors, industries and jobs comprise the local labor market by research and relationship building; and 3) understanding the hiring needs of business customers through direct contact and clear communication.

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\(^2\) Ibid
Feedback from Key Workforce Development Practitioners

Eric Seleznow, Director of the Center for Apprenticeship and Work-Based Learning, Jobs for the Future: “PWE gives the worker time to adjust to the job. Applied learning is a good tool to training and integrate individuals back into the workforce. It also gives the employers time to adjust to the worker as well as providing a potential pipeline of new talent supported by WIOA funding. When times are tough for workers, you have to be creative.”

Bronwyn Drost, former Project Manager, Workforce Innovation Fund, Business Development Team, Michigan Works Southwest & PWE Webinar Presenter: “With the unemployment rate remaining relatively low, businesses are struggling to fill vacancies, and many are now looking to fill their openings with non-traditional populations. PWE is a win-win proposition for these job seekers as well as their new employers as it makes for a successful transition into steady employment on both ends. As PWE can substantially broaden an employer’s talent pipeline, the current job market provides a perfect environment for the advocacy of PWE opportunities throughout the business community.”

Kelly Middleton Banks, Manager of Program Implementation, National Association of Workforce Boards: “In the current environment, you need to think outside the box and cast a broader net. The PWE approach gives Workforce Development Boards an opportunity to build, maintain and expand their relationships with employers by providing them with access to WIOA funds to address their talent shortage.”

Related Links on WorkforceGPS

DOL/ETA Webinar on PWE

Resource Brief on Promoting PWE
https://h1breadytowork.workforcegps.org/resources/2017/04/03/12/05/H-1B-RTW-LTU-SME-Promoting-Paid-Work-Experience-Resource-Brief

Work-Based Learning for Out-of-School Youth and Disadvantaged Adults

Work-Based Learning Policy: 50 State Scan
https://strategies.workforcegps.org/resources/2017/10/12/18/06/Work-Based-Learning-Policy-50-State-Scan

H-1B Ready to Work Internship and PWE Toolkit
https://h1breadytowork.workforcegps.org/resources/2016/04/12/14/51/RTW_Internship_and_PWE_Toolkit