

# The American Recovery and Reinvestment Act of 2009: Growing a Stronger Workforce

By Sheila E. Murphy

The experience of the Yuma Private Industry Council highlights notable opportunities for creating organizational renewal and growth within the workforce.





The American Recovery and Reinvestment Act of 2009 (ARRA) has presented countless opportunities for organizational, business, education, and community renewal nationwide. Workforce development represents a particularly vital area of growth for the refinement of human capital that represents the engine for stimulating economic and community recovery. The rapid allocation of much-needed stimulus funds to workforce development organizations has necessitated a veritable flash flood of energy and organizational prowess to meet the ambitious goals of ARRA.

The Yuma Private Industry Council (YPIC) is a private non-profit organization that provides job seeker and employer services in the Yuma County labor market. Incorporated in 1988, YPIC is the private sector partner in the public/private workforce development partnership with the Yuma County Board of Supervisors. Upon passage of the Workforce Investment Act (WIA), the Yuma County Board of Supervisors designated YPIC as the official operator of the “One-Stop” delivery system for workforce development services in Yuma County. The agency is led by executive director, John Morales, national president of the National Workforce Association and recipient of the inaugural Workforce Development Professional of the Year award in 2006 from the Arizona Association for Economic Development.

YPIC is in the process of demonstrating its ability to thrive in the midst of a mandate to reach more than double the number of individuals and businesses previously served by the agency, in an effort to jump start a business revival county-wide. A behind-the-scenes examination of the

work that founded a new approach to rebuilding the economy illustrates an emerging model for capacity-building in the workforce development arena. This model affords further insight into the potential for making workforce development a critical component of the U.S. human capital challenge in the 21st century.

The purpose of this article is to delineate: (1) the change of mindset required for effecting major transformation of workforce development for implementing ARRA; (2) the framework for response to human need, devised through strategic planning; (3) an emerging model for workforce development, including a scorecard, developed in response to ARRA; and (4) behind-the-scenes organizational changes and their impact to date on capacity and culture.

### **Change of mindset: From scarcity to abundance**

During the period of the years 2001 and 2009, the Yuma Private Industry Council experienced a 51 percent reduction in funding for provision of

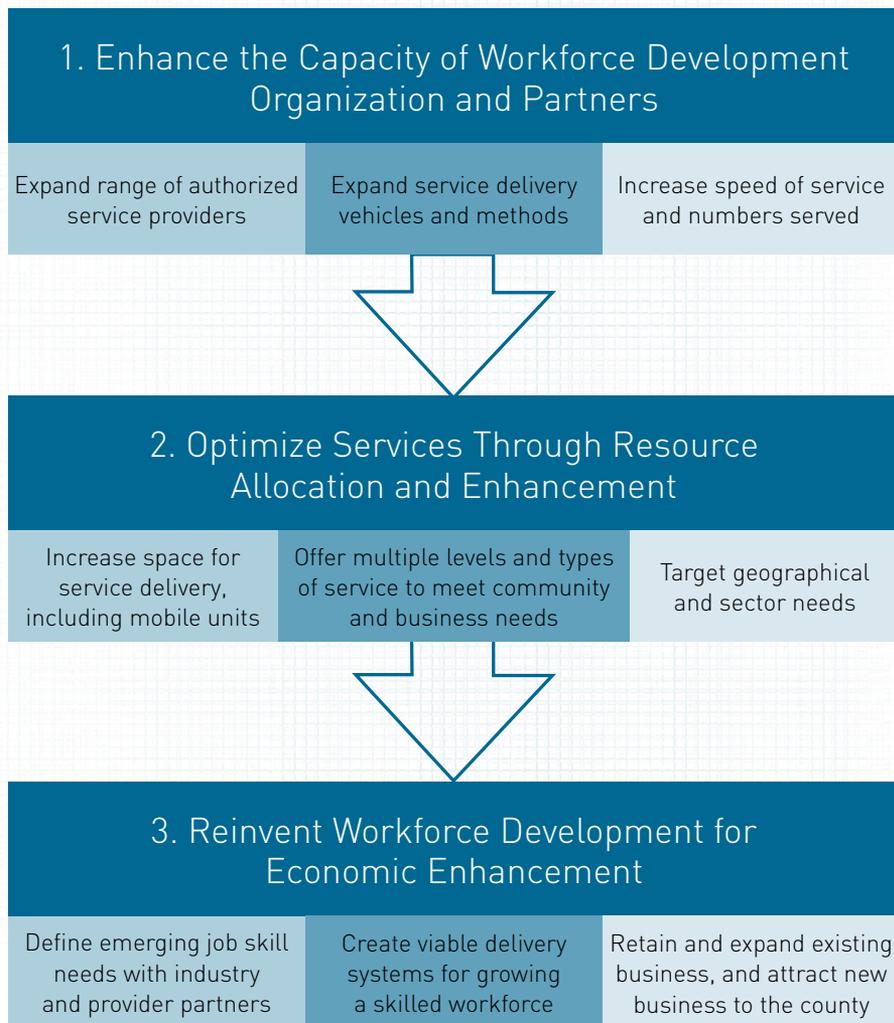
services mandated under the Workforce Investment Act (WIA). This resulted in dramatic cuts in services to the numerous communities served within Yuma County. A resultant mindset of scarcity came into being and prevailed: dedicated employees became proficient at “mental downsizing” and “making do” with considerably lower levels of resource. Self-limiting mental constructs were not unique to YPIC, but became endemic to many organizations charged with the delivery of human services.

A major reversal in circumstances occurred in February 2009, when ARRA was passed by Congress. Large infusions of capital were about to be funneled into the workforce development system. The leadership and staff at YPIC recognized the “results imperative” associated with the investment of large sums of money into the workforce development system at the national and



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Figure 1. **ARRA-Based Workforce Development Model for Yuma County**



state levels. The situation afforded professionals an unprecedented opportunity to bring about swift change within the communities served by workforce development organizations.

The prevailing mindset of self-limitation was followed by the sudden availability of extensive funding for structuring, designing, monitoring, and refining new programs and opportunities for skilling the workforce. This necessitated a strenuous reversal in thinking and flexible idea generation. The workforce development profession along with its counterparts in human service fields suddenly had to “think big,” after being trained, rewarded, and habituated in “thinking small.”

No less a mandate than an invitation to reinvent the core processes of the workforce development system, served to supercharge staff to recognize the uniqueness of the situation they faced

upon passage of the ARRA of 2009. The local economy, the state economy, and the national economy had been all-but destroyed. In April, 2009, the unemployment rate in Yuma County dropped to 22.9 percent, and reached 19.0 percent the following month. The usual “catch-22” scenario prevailed: fear precluded employers from hiring staff, while staff, in turn, hesitated to invest in training for opportunities that were not (yet) present or available by a committed date.

A bold move was required to jumpstart the process of preparing workers for green jobs, even before the jobs themselves were available. YPIC was able to capitalize on well-honed, credible, existing linkages with business, not-for-profit partners, governmental organizations, and the citizenry.

Long-term investments in outreach to the business community (including

a full-time outreach staff person dedicated to building relationships with business leaders) was supplemented by the development and refinement of a parallel position to build similar, long-term relationships with members of community organizations. YPIC’s participation in the founding of the Yuma Manufacturing Association proved useful as organizational participants found roles needing to be performed.

### Planning for results: A framework for dedicated response

Upon receiving the announcement of stimulus funding availability, senior leadership of YPIC immediately sought to energize and authorize innovation by instituting a formal strategic planning and implementation initiative, focused exclusively on ARRA. The initiative was designed to stimulate realization of a conceptual framework to which the organization committed itself. The implicit strategic vision conveyed within the Training and Education Guidance Letter (TEGL) requires workforce development organizations such as YPIC to deliver countywide on a nationwide commitment, emphasizing the following key points:

- build and champion prosperity with accountability
- contribute to economic development by providing a well-trained, ready-to-perform workforce
- meet both the letter and the spirit of the law
- learn and address requirements and needs of employer (demand) and job-seeker (supply)
- respond to employer and job seeker needs
- ensure the availability of a fully-functioning One-Stop Career Center
- maintain existing jobs and create new jobs
- help workers gain and maintain viable career paths, creating replacement skill sets that meet the current economic environment.

Workforce development professionals were being asked to build a system that prepares a highly skilled workforce, able to deliver increasingly high levels of performance, and to acquire new skills as economies and communities make changes. Key to this development are the many

linkages among local, regional, state, and national locales. This translated to convening every agency and organization having a vested interest in making a profound revision in the ways that workers build, refine, and share their skills.

### **Delineation of the opportunity**

During the ARRA strategic planning meeting on April 29, 2009, John Morales, executive director of the Yuma Private Industry Council (YPIC) and president of the National Workforce Association (NWA) issued a directive to the leadership of YPIC:

“[YPIC must] utilize the stimulus funding of ARRA to reinvent a workforce development system that addresses the real needs of people, businesses and communities. In Yuma County, this means serving those who are suffering from job losses, unemployment, and the need for training that makes them competitive in the new economic environment. We must break the cycle of low-paying jobs, and the shortage of highly skilled workers. We need to fill the gap in educational providers for technology, finding ways to meet rapidly changing needs. We must act aggressively to build a system that promotes and facilitates development of a highly skilled workforce, well prepared for increasingly high levels of performance, in the interest of improving our communities and the regional and national economy.”

At the commencement of strategic planning for making ARRA actionable, participating staff agreed to commit the organization’s energies to the following broad measures on which the organization would be judged. Did the Yuma Private Industry Council:

- serve more people who need help with employment?
- serve job-seekers by responding to relevant needs?
- increase workers’ access to education and training?
- work with high-growth employers and under-skilled adults?
- align workforce development activities in a new system?
- link partners with aligned strategies?

Ultimately, the template of evidence that can be showcased on behalf of job-seekers, employers, communities, and the economy, encompasses the four points below. As a direct result of the ARRA: What has been done by workforce development? How quickly did we get it done? What results are evident? How do these approaches and results strengthen the workforce system?

To address these requisite areas of commitment, YPIC recognized that its commitment was to serve business needs for sustainability, notably within emergent industries, including but not limited to “green” manufacturing, high-technology and security; logistics; border health and security; and “green” engineering. Likewise, the workforce development arm of Yuma County was tasked with serving large numbers of job-seekers quickly, efficiently, and responsively. This involved a combined capacity of service provider partners for education and training services; a consistently accurate assessment of a rapidly-changing economic environment; and the ability to convene trusting partners to respond quickly.

Quick, credible response was needed, to shape a relevant model for an expanding program, and to address a growing capacity to meet large scale need, yielding tangible results that serve both industry and workers.

### **An ARRA-based model for workforce development**

The model for ARRA-based workforce development, shown, is comprised of three key components, each of which incorporates supporting elements. Under ARRA, workforce development must enhance its capacity, optimize services through resource allocation and enhancement; and reinvent workforce development as a critical feature of economic development.

The visionary leadership role, including that of convener, facilitator, and trusted presence within the business arena and the community-at-large, brings out the greatest capabilities of workforce development professionals. Expertise in leveraging resources of all types to generate the highest possible return on investments in job generation is a necessity. Tracking progress, including the identification

of opportunities for workforce system expansion, becomes necessary.

Among the most challenging elements associated with the new model is the issue of short- and long-term outputs and outcomes. Meaningful change typically arrives slowly, bringing with it a well-built “results generator.” In contrast, short-term outputs can be misleading. Nonetheless, the state of the economy in the United States necessitates both short- and

## **Figure 2. Strategic Scorecard: Capacity of Workforce Development Partnerships**

### **Skill development programs based on new economic and community need**

- \_\_\_ Number of individuals trained
- \_\_\_ Number of jobs generated

### **Alternative delivery service models in response to specific client needs**

- \_\_\_ Number of individuals served or trained
- \_\_\_ Number of jobs generated
- \_\_\_ Number of firms served
- \_\_\_ Number of firms requesting service

### **Speed of service in response to employer and job-seeker needs**

- \_\_\_ Time savings projected or realized based on new methods and approaches
- \_\_\_ Number of individuals served or trained
- \_\_\_ Number of jobs generated
- \_\_\_ Number of firms served



## Figure 3. Optimized Services Through Resource Allocation and Enhancement



### Increased Space for Service Delivery

- \_\_\_ Square footage of service space available to clients
- \_\_\_ Hours of service availability per month

### Increased Levels and Types of Service

- \_\_\_ Hours of service availability by level and type of service
- \_\_\_ Number of service hours delivered

### Target Geographical and Sector Needs

- \_\_\_ Number of jobs generated
- \_\_\_ Number of business clients receiving services
- \_\_\_ Number and type of economic sectors served
- \_\_\_ Hours of service availability by community location

long-term results, and will be watched by stakeholders in all sectors.

The new model incorporates multiple features of change, and seeks to function from a fusion of well-founded situation analysis and carefully crafted collaboration, as well as the development of long-term, mutually beneficial partnerships. Collaboration will continue to represent a vital feature for spawning key results.

### Enhanced capacity

Three categories pertaining to capacity development were identified by YPIC staff. Given the breadth, the scope, and at least double the previous year's number of clients needing services at the One-Stop Career Resource Center, staff discerned the need to add to its authorized training providers. Expansion of providers appearing on the list of "Arizona Helping Everyone Access Training" (Arizona HEAT) represented the initial step in the capacity-building process. Multiple affected areas necessitated greater supply or specialized capability, including but not limited to solar installation, engineering, information technology, and health care technicians.

A second category of capacity-building involved the expansion of service delivery vehicles and methods. A range of approaches to service delivery has opened the way for alternative delivery methods, based

upon scheduling, expertise of trainer or educator providers, and modes of linking knowledge experts and job seekers. Included in this mix is employer company participation in training design and delivery. In its role as convener of organizational representatives, YPIC is responsible for "making things happen," often in a manner that departs from the traditional, long-term training or educational delivery.

Thirdly, the mandate for rapid response to community economic need, means high numbers of individuals served, fast delivery of training and job-readiness services, and accurate tracking of completion, as well as success rate. YPIC has already brought together solar installation and engineering providers, recruited job-seekers who qualify, and supported the training opportunity to skill job-seekers for higher-level, technologically specific performance roles in the private sector.

The enhanced capacity of the organization provides at least a twofold benefit for the communities in Yuma County. First, YPIC structures outreach and job preparation packages that warrant replication in a variety of fields of endeavor. By continuing to deliver on its explicit contract with the community, the agency attracts greater numbers of employer companies to its

door. A strong record of training and development leads to further success in preparing job seekers for a new environment having a positive future. Second, YPIC has placed itself in the position of facilitator and convener in the communities and with business and industry alike, based upon its dedication of two new, full-time positions within the agency, having responsibility for building relationships with learning and collaboratively defining the needs of organizations and community agencies.

To keep itself on track, YPIC captures numbers on a monthly basis, using the scorecard components noted in Figure 2:

### Optimized services

One of the many surprises in store for workforce development in 2009 was the vast number of middle- and upper-management individuals displaced from employment. As YPIC identified the specific needs of this relatively new population, the idea of expanding the agency's physical space was given consideration. At roughly the same time, a building consisting of 4,992 square feet became available on the premises of the main campus at YPIC headquarters in Yuma, Arizona. An example of the aforementioned change in mindset became immediately discernible during this stage of development. Staff examined its choices regarding expansion with characteristic logic and conservative care. "Maybe we can get by with adding 50 percent of the space."

Staff's years of "responsible creativity," seeking to do more with less, was reversed as the decision was made to capture the available space needed to serve the enormous number of job-seekers, representing at least double the number of individuals who usually sought assistance. A new re-employment center adjacent to the One-Stop Career Resource Center functioned as an adjunct physical space to help large numbers of clients representing a group of people not typically served by YPIC: long-term middle- and senior managers.

In addition, the types of services being delivered incorporated a broader range of subject matter to meet the needs of an emerging category of the workforce in line for re-skilling, and

include financial planning and advisement, counseling services, translation of generic skills to new workplace environments, and résumé development for federal and nonfederal work.

At earlier points in the history of workforce development under WIA and its predecessor, the Job Training Partnership Act, few job-seeking clients represented middle management and higher-level management. The current picture challenges workforce development professionals to address needs at all levels where job seekers are struggling. The intensity and scope of the financial crisis has left few sectors and levels untouched. Workforce development is called upon to customize its services to meet human need wherever it occurs.

Similarly, business requirements have experienced transformation through opportunities for green approaches to realizing potential savings in energy utilization. The employee base needed necessitates re-skilling in areas of need that will sustain a culture in transition. YPIC has sponsored training and education for individuals who demonstrate probable success in the investment of time and money to assume emergent technical positions.

In partnership with Arizona Western College and other in-state institutions of higher learning, YPIC has structured training and education to meet needs in information technology, logistics, engineering, health care and related fields. Proximity to Mexico continues to provide opportunities in the area of border patrol and border health as well. Solar industries are emerging in the Yuma area, based upon outside investors selecting the area for “farms” supplying both solar- and wind-based energy sources.

Another area of importance is geographical locations within the County. Traditionally, South County has represented an area of high need. Communities within South County show promise for maximization of the investment of time and money in youth and adults who seek additional training and education in a wide variety of fields. The bilingual expertise of numerous YPIC staff, in addition to its community-based understanding, has facilitated the development

of community- and business-based coalitions in such South County locations as Somerton and San Luis.

The increasing role of San Luis in its role in logistics means opportunity for a wide range of skill areas. YPIC has a long history of facilitating, convening, and participating with the Greater Yuma Economic Development Corporation and other entities, including municipal, county, and state government, in addition to internationally-based groups to combine resources in unique ways that maximize return by all parties. ARRA offers enhanced opportunities to invest, train, and develop businesses representing emerging sectors that will benefit the region.

East County further represents an area of need, and YPIC has collaborated with communities to the east of the City of Yuma, working with libraries and other agencies to bring people and organizations together to boost resources and re-skill job seekers to meet new needs for sustaining the economy of the county and state.

### **Reinvent workforce development for economic enhancement**

Of key importance in workforce and economic development is the convening and collaboration of partnering organizations dedicated to defining workforce needs; and sharing resources to effect needed change in training and development, including funding, people, space, and access to services. The convened partners commit to leveraging their collective resources to maximize job creation and economic development. Using an economic development approach, partners examine the potential for industry clusters, seeking to attract and enhance existing or well-suited clusters such as logistics, manufacturing, engineering, and related industry groups. The Yuma Manufacturing Association, for example, has partnered with YPIC to explore education and training needs, to skill its workers effectively and attract the necessary labor for building further capacity. The initiation of mutually beneficial approaches to maximize job creation and economic development is paramount to strengthening the community economically.

A parallel function takes place within the job-seeker side of the equation, in which YPIC explores the degree to which individuals available for being re-skilled for 21st Century opportunities are screened for eligibility. The balancing of supply and demand relative to re-skilling the workforce for contemporary needs necessitates constant communication and updating of the key provider partners and employer clients.

Building upon methods defined with capacity building in the ARRA-based model, a system-based mode must be established, maintained, and enhanced, based upon changing conditions. For example, Border Security issues continue to be redefined based upon economic challenges, opportunities for employment, and health and security concerns. A systematic fusion of interested agencies must strive to ensure a routine approach to making available job-training and job-enhancement capabilities, such as current training in security measures, technological approaches to border safety, and health issues such as disease control and prevention, pertinent to the H1N1 virus.

Developing and maintaining viable delivery systems for growing a skilled workforce is the job of all affected firms and agencies in the communities served by YPIC. Toward that end, skill development must be perceived through the eyes of employer organizations, and provider partner organizations that link needs and talent profiles. Direct process flows that ensure competent training and service delivery must be established. Gaps in service and delivery should be addressed through effectively constructed inter-relationships among provider agencies. All partner providers, funding officials and clients need to have a clear and accurate understanding of the model in effect for workforce and economic development.

Finally, business retention and expansion, a core component of economic development, must be the primary focus of all workforce development. In addition, communities in the present era need to commit to working collaboratively not only to retain and expand existing business, but to attract new businesses to the local area.

The visionary leadership role, including that of convener, facilitator, and trusted presence within the business arena and the community-at-large, brings out the greatest capabilities of workforce development professionals. Expertise in leveraging resources of all types to generate the highest possible return on investments in job generation is a necessity.

### Behind-the-scenes organizational change and impact

One of the distinguishing features of ARRA as envisioned was of pure service delivery designed to transfer needed skills to people to meet the demands of a new century. In the face of an unprecedented economic crisis, organizations charged with workforce development service delivery were suddenly being asked to spend dollars in an insightful way and to devote training and education to rescue an economy from tired habits and out-moded systems.

One way to describe ARRA is as a license to change without an instruction manual. The stimulus bill returned workforce development professionals to their rightful role as human capital designers. The ironic result of financial collapse was to place professionals with vision in charge of convening the movers and shakers of the community and making investment in human capital happen according to a blueprint still being architected to fit an as-yet-undefined century.

Workforce development leaders were invited to bring key forces of communities together, decide upon the optimal routes toward developing super-charged engines of human competence to jump-start business where it was most needed.

What has happened to such organizations? In the case of the Yuma Pri-

vate Industry Council, several critical features have already been noted, and are growing as of this writing:

- Professionals have convened and collaborated with job-seeking performers and business entrepreneurs to build a model for economic development.
- Workforce development professionals have been given a mandate to craft successful formulas for community and business success and to release resources to allow people with energy and will to collaborate in building structures that will offer lasting resources that change communities.
- Confidence is being restored at the organizational and community levels, by offering structured projects that necessitate dedicated, hard work that promises concrete results.
- Restrictive and bureaucratic clutter have been replaced by a blank slate that allows creative individuals to work in concert with one another to produce pathways to success within communities that have suffered through financial ruin.
- Individuals have been thrust into roles that transcend prior levels of responsibility and provide countless opportunities to shine.
- Organizational structures are being rebuilt to fit large-scale human needs. Questions are shaped around “why not?” rather than “why?” relative to expansion of physical space, mobile service delivery, and virtual offerings.
- Internal organizational support, in the form of new human resource policies and procedures is necessary to counterbalance the toll on the lives of professionals, who have been working overtime for several months. “Use it or lose it” vacation time represents a critical issue for employees. Specifically, in the words of one staff member: “How relaxing is it to go away and leave mounds of unfinished business, only to know that there will be too much to accomplish on my return?” Systems are needed to address these new and difficult issues.

### Lessons learned

Among the lessons learned about workforce development through ARRA are these:

- The profile of a human service professional has increased its entrepreneurial range, replacing a profile characterized by a game of “keep-away” relative to eligibility.
- The level and quality of energy that typifies the enterprise of training and development is increasingly risk-positive, where previously it had been risk-averse.
- Community and business credibility have become increasingly important in the enterprise of working in partnership with other agencies. Relationships representing long-term, personal knowledge of community and business leaders’ track records of personal sacrifice and delivery of results have gained in importance.
- A wide range of age groups function collaboratively in the job-generation, business-building enterprise that is alive and well as a result of ARRA. There are numerous roles for multiple players to fill within communities. At its best, ARRA offers a fresh canvas for creating what may be long-term structures, the duration and value of which transcends the troubled period in which they emerged.
- Organizations function as systems, and systems tend to hold together. That said, systems can be stressed by external factors, including, but not limited to, economic and social systems. ARRA represents a major opportunity and a major source of stress for those staff members who must produce dazzling results without sufficient preliminary planning.

The tangible, output-based results, such as the number of individuals who have been trained in solar technology, learned critical healthcare skills, retooled their areas of knowledge to fit a new era, and prepared themselves for decades of continued employment are impressive. In concert with these measures of success are the capacity-level successes that organizations have made.

The Yuma Private Industry Council has changed itself to fit the sudden onset of resource availability to refashion the scope and shape of workforce development. The agency has demonstrated its own ability to become increasingly entrepreneurial. It has increased its size, opened the floodgates of collaboratively based engines of success, traded on its community and business credibility to put into motion such structures as the Yuma Manufacturing Association, a cluster of private sector organizations within the manufacturing sector, to solicit appropriate providers for technological training, even outside of the community's own borders.

Current participation in a federally funded county coalition, has familiarized Yuma County with the availability of technical training that has recently been made available to Yuma County residents. Several professionals have been sponsored by the organization's resources to receive training in solar technology within another Arizona county. Yuma County's own college has additionally provided a wide range of training services that continue to expand, based upon growing needs and opportunities to serve both business and job-seeking needs.

YPIC has elevated expectations of itself relative to well-timed, clearly attuned, relevant services for large numbers of employers and job-seekers. The agency has taken the leap to redefine its profession amid high levels of need during the economic collapse. The goal of transformation has taken on exciting new dimensions as defined by YPIC leadership and staff. The level of community and business development has further been brought to the endeavor, adding richness and enhancing the capacity of the community's offerings.

### From county-level services to a redefinition of the workforce development system

The important work that YPIC is doing in response to ARRA bespeaks a "strategic inflection point" or trend-turning moment, as coined by Andrew Grove, of Intel Corporation. Workforce development professionals are engaged in seeing large-scale developments in

## Figure 4. Reinventing Workforce Development for Economic Enhancement

### Redefined Job-Skill Needs

- \_\_\_ Number and types of agencies contributing to partnership venture
- \_\_\_ Dollar amounts leveraged through partnership
- \_\_\_ Collaboratively structured services
- \_\_\_ Number of jobs generated

### Viable Delivery Systems

- \_\_\_ Documentation of service flows as agreed by partnering agencies
- \_\_\_ Documentation of agreed-upon revisions in service delivery
- \_\_\_ Number of programs or services delivered
- \_\_\_ Number of hours of service delivery completed
- \_\_\_ Number of individuals receiving service or training
- \_\_\_ Number of individuals successfully completing service or training
- \_\_\_ Number of jobs generated

### Business Retention and Expansion, and Attraction of New Business

- \_\_\_ Specified removal of obstacles to business retention and retention
- \_\_\_ Number of participation organizations
- \_\_\_ Number of programs or services delivered
- \_\_\_ Number of hours of service delivery completed
- \_\_\_ Dollar amount of business expansion in specific sectors
- \_\_\_ Dollar amount of new business investment in specific sectors
- \_\_\_ Number of jobs saved through effective workforce development
- \_\_\_ Number of new jobs generated



their own communities and beyond those boundaries. the redefinition of workforce development as one of, if not the engine of economic development, is in the forefront of thinking by communities that care about crafting systematic methods of designing their future means of anticipating and responding early to opportunities to grow business and talent concurrently.

YPIC's energy, commitment and progress with ARRA-initiated opportunities, offers important learning for individuals and organizations sharing a belief in growing and expanding business in proactive ways. In concert with partnering organizations Greater Yuma Economic Development Corporation, Arizona Western College, Yuma County Chamber of Commerce, and the Yuma Union High School District, YPIC has participated in attracting new employers to the local area, while helping existing

businesses expand beyond their original visions. Such aggressive movement forward crystallizes the intention of ARRA. Stimulus dollars have been allocated to bring to life new approaches to inventing growth and development in highly creative ways that address challenges by building new industry having both intended and surprising positive consequences. **T+D**

**Sheila E. Murphy** is president of Sheila Murphy, LLC and Sheila Murphy Associates, providing organizational and executive development services, based in the Phoenix, Arizona area and serving client organizations worldwide; [shemurph@cox.net](mailto:shemurph@cox.net).

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