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**/NEW FLASH/**

## The Facts of WIA

**The Workforce Investment Act reauthorization bill awaits committee action. Could it affect you?**

By C. Michael Ferraro

BURIED AMONG THE HEADLINES this summer was the news that Congress may soon pass a bill that reauthorizes the Workforce Investment Act (WIA) of 1998. This piece of legislation directs billions of dollars to states to fund local workforce programs that provide crucial services to people who need job training and development. Workplace learning and performance professionals should take the time to familiarize themselves with WIA and the network of career centers it created.

### **WIA explained**

The Workforce Investment Act, a bipartisan bill that Congress passed in 1998, was landmark legislation that consolidated and improved a number of federal, state, and local job training programs under one workforce system. The WIA system provides unemployed, disadvantaged, and incumbent workers with access to training grants, labor market information, and job counseling through a nationwide network of one-stop career centers.

These centers are situated in local workforce investment areas that are designated by state governors on the basis of geography, population, and other considerations. They are administered by local Workforce Investment Boards (WIBs), which bring together representatives of community business, labor, and educational entities to allocate federal training funds for workforce training and development programs.

The one-stop systems also require “partners,” such as adult education, job training, unemployment insurance, and rehabilitation programs, to offer their services to eligible clients and assist in center operations. In addition, the legislation requires training and educational institutions to meet established criteria before they can secure state approval to provide those services.

### **Legislative status**

On June 29 of this year, the United States Senate passed the Workforce Investment Act Amendments of 2005, a bill designed to reauthorize and improve the nation’s workforce investment system. The U.S. House of Representatives passed its reauthorization bill, the Job

Training Improvement Act of 2005, in March 2005. Because the bills differ on a few key points, the House and Senate must now go to a conference committee to develop a compromise bill.

The last attempt to pass reauthorizing legislation occurred in 2003. But, Congress was unable to reach an agreement because of differing opinions about the role of faith-based organizations in the WIA system and the appropriate way to provide funding to states. While reauthorization isn’t necessary for funding to continue, the consensus among WLP professionals and the general business community is that changes are needed to improve the effectiveness of the current system.

One important change included in both of the current House and Senate bills addresses long-standing complaints about inadequate representation on the WIBs. According to existing law, local secondary and postsecondary schools are required to participate on the boards, but are free to designate their own representatives. The proposed legislation, however, would require them to be represented by their superintendent or president. That would ensure their high-

level involvement in workforce training and development decisions.

The new bills also would improve the process by which training providers are deemed eligible to offer services through the career centers. The 1998 law requires states to develop cumbersome two-phased systems for determining eligibility, which excludes many training providers from offering their services and limits customer choice. The new legislation, however, would eliminate those federally mandated guidelines and permit state governors to establish their own procedures and performance standards.

Another critical change would affect jobseekers' access to training. Under the current system, applicants can't participate in job training until they have exhausted core services, such as skills assessments and job search assistance, and intensive services, such as prevocational education and group counseling. The proposed changes would allow applicants to bypass the core and intensive service phases if they are unlikely to find employment with those services alone.

Other similarities between the House and Senate bills include

- increasing the number of partner programs required to participate in one-stop career centers
- providing greater flexibility to states to allocate federal training dollars
- sharing infrastructural costs among partners.

### Outlook

Despite their broad agreements, the House and Senate still differ over the same key issues that prevented reauthorization in 2003. The House bill would allow faith-based organizations that receive WIA funds to apply religious preferences to their hiring practices. And because of concerns about potential religious discrimination, the Senate did not include this provision in their version of the bill.

The House version also combines three separate funding streams—adult training, dislocated workers, and employment services—into a single block grant. Democrats on the Senate side,

however, object to block grants because they claim that they are easier to cut than specific programs. (The Senate bill includes a compromise provision that maintains the current funding streams, but allows state governors to transfer funds between the adult training and dislocated worker programs.)

While there is still time for the two chambers to resolve their differences and produce a final bill, they must act quickly. The bills will expire at the end of this Congressional session—most likely in December—and would have to be reintroduced and passed by both the House and Senate in 2007 before a new conference committee can be formed. With \$4 billion in federal funding for job training and career development at stake, WLP professionals should watch this bill in the months to come.

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## Federal Job Training Funding under WIA - Top 10 Recipients Last Year

State	Total Funding
1. California	\$580,395,465
2. Texas	343,909,607
3. New York	327,868,514
4. Illinois	212,397,796
5. Ohio	205,570,905
6. Florida	178,544,643
7. Michigan	177,801,449
8. Pennsylvania	158,925,173
9. Puerto Rico	145,450,293
10. North Carolina	138,075,382

## iPods and Learning: Not Always a Good Mix

HERE'S ONE REASON to keep earbuds out of the classroom: In a new study, University of California Los Angeles psychologists report that we don't learn as well when we listen to music or do other tasks.

"Multitasking adversely affects how you learn," says Russell Poldrack in a press release. He is a UCLA associate professor of psychology and co-author of the new study. "Even if you learn while multitasking, that learning is less flexible and more specialized, so you cannot retrieve the information as easily. Our study shows that to the degree you can learn while multitasking, you will use different brain systems."

The best way to improve memory and learning is to pay full attention. Poldrack says: Tasks that require more attention, such as learning calculus or reading Shakespeare, will be particularly affected by multitasking.

The researchers used functional magnetic resonance imaging (fMRI) to examine brain activity and function, a technique that uses magnetic fields to spot active brain areas by telltale increases in blood oxygen.

Participants in the study, who were in their 20s, learned a simple classification task by trial and error. They were asked to make predictions after receiving cues concerning cards that displayed various shapes. The cards were divided into two sets. With one set of cards, they learned without any distractions. With the second set of cards, they simultaneously listened to high and low beeps through headphones and kept a mental count of the high-pitch beeps. While the distraction did not reduce the accuracy of the predictions—participants learned either way—it did reduce the participants' subsequent knowledge about the task.

When asked questions about the cards afterward, participants were able to extrapolate on the task they learned

without the distraction. On the task they learned with the distraction, their knowledge was much less flexible.

Those results demonstrate a reduced capacity to recall memories when placed in a different context, Poldrack says.

Different forms of memory are processed by separate systems in the brain, he adds. When you recall what you did last weekend or try to remember someone's name, you are using a type of memory retrieval called declarative memory. (Patients with Alzheimer disease have damage in these brain areas.) When you remember how to ride a bicycle or play tennis, you are using procedural memory, which requires a different set of brain areas than those used for learning facts and concepts. The beeps in the study disrupted declarative memory, says Poldrack.

The brain's hippocampus—which plays critical roles in processing, storing, and recalling information—is necessary for declarative memory. For the task learned without distraction, the hippocampus was involved. For the task learned with the beeps, however, the striatum was involved instead.

The striatum is the brain system that underlies our ability to learn new skills. It's the system damaged in patients with Parkinson's disease, Poldrack says. They have trouble learning new motor skills but do not have trouble remembering the past.

"Multitasking makes it more likely you will rely on the striatum to learn," says Poldrack. "Our study indicates that multitasking changes the way people learn."

But cranking up your iPod isn't all bad. The researchers aren't opposed to multitasking altogether, just not while you are trying to learn something you want to remember. Listening to music can energize people and increase alertness. And while

performing certain tasks, such as exercising, it can be helpful. But tasks that distract you while you try to understand something new are likely to adversely affect your learning, according to Poldrack.

**/YOUR CAREER/**

## Ace that Interview

NOT GETTING THE JOB OFFERS you want? Mark Palmenter and Maria Garcia, co-authors of the Interview Survival Kit, offer these four tips to help you seal the deal at your next interview:

**Analyze your personal values.** An interview is as much about you deciding whether a firm fits your personal values as it is about the firm gauging you as a potential new hire. Figure out the type of company you want to work for before the interview. You will feel more confident during the interview, and you will ensure that the dialogue is about understanding if the firm is a good match for you—not just a test to determine your qualifications.

**Over-prepare.** Treat your interview like a final exam. Browse the company's website and read its annual reports and press releases. If the company sells its goods at a store, take a field trip to look at the packaging and consumer reactions to the products. Most importantly, make sure you walk into your interview feeling

that you can speak comfortably about how your past experiences will help your potential employer in its current business status.

**Put your best foot forward.** While it may seem obvious to most, making a good first impression and a strong, lasting one is a critical factor to landing your top job choice. In fact, hiring decisions are often made within the first few minutes of an interview. So, leave your cell phone at home, shine your shoes, make sure your clothes are clean and ironed, and walk into the room with a presence that demands attention.

**Ask questions.** Prepare at least two questions for your interviewer at the end of your discussion. Ask about career development opportunities, recent mergers and acquisitions, or trends in the marketplace. Having strategic questions at hand not only shows that you put thought into the interview, but also suggests that you genuinely are interested in the company.

**/IN PRACTICE/**

## Employee Engagement Boosts Bottom Line

THERE IS MORE EVIDENCE to support what learning and performance professionals already know: Engaged employees make a dramatic impact on their organization's bottom-line results.

ISR, an employee research and consulting firm, recently conducted a global engagement study of more than 664,000 employees. It focused on three traditional financial performance measures during a 12-month period: operating income, net income, and earnings per share (EPS).

"Our research continues to show that a well-substantiated relationship exists between employee engagement—the extent to which employees are committed, believe in the values of the company, feel

pride in working for their employer, and are motivated to go the extra mile—and business results," says ISR Global Research Director Patrick Kulesa. "This data reaffirms the remarkable ability of an engaged workforce to affect a company's bottom line."

The most striking finding is the almost 52 percent gap in operating incomes between companies with highly engaged employees and companies whose employees have low-engagement scores. High-engagement companies improved 19.2 percent while low-engagement companies declined 32.7 percent in operating income during the study period.

Other findings include a 13.2 percent improvement in one-year net income

growth for companies with high employee engagement, and a 3.8 percent decline in net income during that same period for companies with low employee engagement.

Highly engaged companies also demonstrated a 27.8 percent improvement in EPS growth, while less engaged companies reported an 11.2 percent decline.

A similar previous ISR study of 41 companies during a three-year period revealed similar results. High-engagement companies experienced a 5.75 percent difference in operating margin and a 3.44 percent difference in net profit margin versus the low-engagement companies.

**MORE**/[www.isrinsight.com](http://www.isrinsight.com)

## /WORKING LIFE/

### Employers Keep the Lid on Budgets, Salaries

FOR THE FOURTH consecutive year, salary increases are below 4 percent.

In fact, pay increases for most salaried workers will average only 3.5 percent this year and remain at that level through 2007, according to new research by The Conference Board.

“Moderate inflation has allowed employers to continue to control payroll costs,” says Charles Peck, compensation specialist for the Conference Board. “This continued control is reflected in the pattern of salary budgets this year compared with last year’s projections.” For nonexempt, exempt, and executive employees, 2006 salary budgets are virtually identical to last year’s projections.

The 2007 estimates for all non-exempt and exempt employees show salary hikes staying at 3.5 percent. Executive paychecks are projected to increase by 3.8 percent. That pattern persists in most of the industries that were examined.

The Conference Board researchers also expect inflation to be less than median salary budgets both this year and next. The organization currently projects a 3.1 percent rise in inflation for 2006 and 3.3 percent for 2007. In addition, median salary structure adjustments—the movement, up or down, of pay ranges established by organizations for the hierarchy of jobs—were under 3 percent for the fifth year in a row.

## /TRENDS/

### High Fuel Costs Affect Work-Life Balance

Escalating fuel prices are cutting into Americans’ leisure activities and may be contributing to job turnover.

According to 900 respondents in a recent online survey conducted by Manpower, 76 percent confirmed that rising gasoline prices are impacting their work-life balance. Sixty-five percent say that they have reduced their spending on entertainment and hobbies, 29 percent have cancelled their summer travel plans, and another 29 percent have restricted their children’s extracurricular activities.

“Workers are really feeling the squeeze of gasoline prices,” says Melanie Holmes, vice president of North American corporate affairs for Manpower. “It’s encouraging, however, to see that 6 percent of employers are taking steps to help their employees manage higher fuel costs.”

Holmes noted that, in some cases, high commuting costs are contributing to employee turnover. In the survey, 31 percent of respondents said they are considering finding a job that is closer to home. That finding is similar to last fall’s Manpower survey in which 35 percent of respondents were searching for jobs with shorter commutes.

“High fuel costs are a concern, but they don’t have to threaten employee retention. While employers can’t be expected to fill everybody’s gas tank, there are a number of relatively inexpensive things they can do—such as offering telecommuting, subsidizing mass transit costs, and organizing car-pools—to help workers cope with the cost of commuting,” says Holmes.

### Know Your Terms

This year marks the bicentennial anniversary of America’s first dictionary. What would a person from 1806 need to learn to do business now? Here are some of the words that will be added to the 2006 version of *Merriam-Webster’s Collegiate Dictionary, Eleventh Edition* (due out in bookstores this fall):

**big-box** (adj) 1990: of, relating to, or being a large chain store having a boxlike structure

**empty suit** (n) 1950: an ineffectual executive

**endcap** (n) 1983: a display of products placed at the end of an aisle in a store

**keiretsu** (n) 1975: a powerful alliance of Japanese businesses often linked by cross-shareholding

**micropolitan** (adj) 1982: of, relating to, or being a population area that includes a city with 10,000 to 50,000 residents and its surrounding communities

**supersize** (vt) 1994: to increase considerably the size, amount, or extent of

**technopreneur** (n) 1987: an entrepreneur whose business involves high technology.

[MORE/www.merriamwebster.com/info/webster-reform.htm](http://www.merriamwebster.com/info/webster-reform.htm)

[MORE/www.us.manpower.com](http://www.us.manpower.com)

**/FAST FACT/**

## **Good Gigs**

**Results from CareerJournal.com's 2006 Best Careers survey include "curriculum and instructional coordinators" and "management consultants and analysts" among its top five.**

**In addition, training and development specialists ranked second among jobs with the "most friendly" co-workers, and the website predicts 78,000 additional employees will enter the field between 2004 and 2014.**

**SOURCE/CareerJournal.com**

**/IN THE NEWS/**

## **The New Watchword?**

Already criticized for its inflated jargon and overuse of acronyms, the business world may be saddled with yet another buzz word: collective intelligence.

What is it? In its July 10 issue, *Fortune* magazine talked to Thomas Malone, director of the Center for Collective Intelligence at Massachusetts Institute of Technology, about how connectivity is changing our world. Malone described collective intelligence as a crystallization of unprecedented technological and organizational opportunities. "It's about how we organize thousands of people and lots of computers to solve problems in the most intelligent way possible," he said.

Examples of this—such as Google and Wikipedia—give people access to information so that they can "make decisions themselves instead of just following orders from someone above them." The challenge for workplace learning and performance professionals is to understand collective intelligence at a deeper level so they can create and take advantage of these new learning possibilities.



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