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WEBINAR

IMPROVING LABOR AND EDUCATION DATA SYSTEMS AFTER THE COVID-19 UNEMPLOYMENT CRISIS

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P R O C E E D I N G S

MS. GOGER: Welcome everybody. My name is Annelies Goger. I'm a David Rubenstein Fellow at the Brookings Metropolitan Policy Program. I'm excited to have you here today for the launch of my new report which was coauthored with Janie McDermott entitled *Digital Transformation in Labor and Education Systems: Improving the Government Response to the Next Unemployment Crisis*.

I'm really excited to have you here today. We're going to start off with opening remarks from Chike Aguh, the Chief Innovation Officer from the Department of Labor.

And then I will give a brief summary of my opening remarks just to frame the conversation. And then after that my colleague, Nicole Turner Lee is going to facilitate a conversation which is drawing from some roundtables that we convened with local state and employer and other expert leaders to talk about how to approach improving the federal response to the unemployment crisis. And I think you'll find a really stimulating discussion.

During this pandemic crisis one in four Americans received unemployment insurance benefits. And Congress actually passed some very generous improvements to our unemployment insurance program, but unfortunately states really struggled to implement those new programs alongside the surge in people hitting their systems.

One of the problems is that the systems in many states are over 30 years old. This is exemplified by the plea from Governor Phil Murphy from New Jersey which is my home state. Where he pleaded for Cobalt programmers. And Cobalt is an older programming language that very few people are trained in these days.

In addition to that there are many problems with our delivery system in getting these benefits out quickly and to the right people. The systems were plagued with fraud and there are many remaining issues with equity in terms of who has access to these benefits. So we'll dive more into these problems and what some potential solutions are during the discussion.

But right now, it's my great pleasure to introduce Chike Aguh from the U.S. Department of Labor. He has a very diverse range of experiences that he brings to his position as Chief Innovation Officer. I first became familiar with Chike's work when he was head of upper mobility at the Education Design Lab.

In addition, I was really thrilled to find out that he also is a Fulbright Scholar like myself. He did his work in Thailand and I was in Sri Lanka. And the Fulbright program really can change your perspective. And I'm sure that he integrates this into his work every day.

In addition to that he's been active in social entrepreneurship. He was an education policy advisor

for the Mayor of New York City. He's worked as a consultant. He has a full range of experience. And I don't have time to go through his full resume, but I can really think of no one better to introduce and share his remarks than Chike because his focus at the Department of Labor is to help accelerate the mission of the Department of Labor to make sure that every American has access to the services and programs that they need to prepare for the future of work. So without further ado, welcome Chike.

MR. AGUH: And Annelies and to Brookings and to everyone here, thank you all so much for having me and thank you so much for writing this really important report on improving labor and education data systems particularly in light of what we've learned from COVID.

And even more broadly, how do we have true digital transformation in terms of how our system support workers as they're trying to -- and create their own economic destiny.

And so, you heard Annelies talk a little bit about unemployment insurance. And to be honest what she says of unemployment insurance is true of many of the benefits that we have here that support workers in America. But I want to put some numbers in perspective.

You know, I was sworn in on January 20th of this year. So I've been on the job a little more than six months and really coming off of a historic pandemic year and I want to throw out a few statistics about the unemployment insurance system. Before COVID, the weekly record for new claims filed for the unemployment system was, I believe, in October of 1982. And that record was, I believe, 695,000 new claims.

If you go back to the weeks in March, April, and May of last year, we had weeks where we had three million or we had six million new claims in a single week. If you were to go from the beginning of the pandemic to, I believe, April of this year. And these figures are actually a little out of date. The federal government gave out, I believe, it was \$667 billion in unemployment insurance benefits to almost 50 million Americans and that number is likely -- has definitely grown since this time.

In this time and you'll see this in the work that Annelies has done. We have learned painfully lessons that, frankly, we've known for a long time. And let me talk about a couple of the places where the system struggles.

This 53 states system that we have of unemployment insurance benefits struggle. And also, let me say while there have been struggles there have been huge successes. Again, let me restate that. \$667 billion in benefits to almost 50 million Americans and they really used those benefits to pay their rent, buy groceries, keep their families literally clothed, fed and housed.

And so, for all the way that we want to improve the unemployment insurance to many of these other benefits. And we rightly need to and should. They were a lifeline to millions of Americans like one and four Americans that Annelies talked about. And, you know, strive to improve the system. We have to make sure that we don't undermine the system.

And so, that's an important delicate balance to walk, but it's one that we have to if we're going to get to a better place as far as how to support actual Americans. But let's see a couple of lessons that we, I think, have learned during this time.

First was a lesson around resilience. Again, let me go back to weekly record, 690 thousand during COVID. Weeks where we had six million new claims. And many systems, frankly, broke under the pressure. They were not designed -- and not just technologically but just from people, staff on hand, things like that. And that was a load that this was not built to manage.

Number two, integrity. And you heard Annelies talk about again some of the iterations that we dealt with in terms of making sure that we are getting the right benefits to the right people.

One thing we saw during COVID was a new type of fraud for the unemployment insurance system which is really not necessary a claimant here a claimant there trying to get a benefit that they weren't eligible for. What we more dealt with was, frankly, sophisticated criminal actors engaging in identity theft and trying to defraud the system at scale.

That was a new thing that we're seeing. Not simply all in unemployment insurance systems but in, frankly, all technological systems in all sectors. And frankly, that's the thing that we have to tackle and deal with here at scale.

Because what we don't want to undermine is really the first priority which is equity. How do we make sure that these benefits are being accessed by all people who need them equitably? The people who access unemployment insurance should, frankly, reflect the American population. And as we dig into the data more and more, we know that they don't.

We know, for example, that people of color, immigrants, women are less likely to be able to access those benefits as other Americans that is something that cannot stand and has to change.

And lastly, let me say a piece of unemployment insurance -- but I think it's true but I want to really work for this data and an education data system which is how do we make it more customer censored? And when I say customer censor, I'll say a simple thing which is when we think about, for example, how workers get skills, get

trained. Some people go to a community college, some people are going to boot camp, some people are going to community-based organizations.

From the perspective of the worker who is getting the skills, it is irrelevant where they're getting them. I'm going to go to the place where I can get them and hopefully get a job and the one that I want.

The categories and the silos that we create in these systems, we don't create for workers, we create for us. And by us, I'm pointing at myself here also. Within the government is also all of us who are part of this ecosystem.

If I had to think about what is the ideal system that we want to create that serves workers under guarded by this digital transformation Annelies talks about in data systems? The system is kind of would sound like this.

First, we would have for a system of worker benefit like UI. We would have a really easy way for folks to access unemployment insurance benefits. Who they are? Prove that they're eligible and get those benefits really quickly. That will be kind of node one.

Node two would be once we proved who you are and that you need unemployment insurance benefits, we would be able to proactively say, by the way, you are also eligible for all these other benefits that you also may need. And also, by the way, that you paid for. You may need Pell Grants because you want to go back to an institution of higher education and get additional training to get a better job than you had before.

You may need TANA (phonetic). You may need food insecure. And so, we want to connect you to food assistance. How do we make sure that we won't make you do additional work to get access to those benefits that you've already paid for within this second node of the system?

The third node of this system ideally would be once we've economically stabilized you with a benefit like unemployment insurance and then got you access to all those other benefits to further economically stabilize you and gave you a stable footing. Let's connect you to worthwhile training interventions, reemployment interventions that can actually get you back into the workforce at as good as or a better place than you were before.

And then under girding all that is a system of data that lets us know, all of us know, how well we're doing and where we need to tweak the system. Whether that be us on the local level or, frankly, us here at the national level. That is the system that should exist and that is a system that cannot exist unless we have a digital transformation network that we're talking about.

And when we say digital transformation and as someone who has come from industry working on

these issues, digital transformation is not only about technology. It's also about our processes and how we use that technology to serve our customer. And for me, every day when I go to work, my customer is the American worker.

And so digital transformation is critical to serving the American worker the way that we need to with the benefits that they've already paid for to get into the economic place that's going to better us all.

The last thing I'll say here is this and this is really just an invitation which is at the Department of Labor, and probably true of the federal government as a whole. Not many people think of us as the most innovative place. And as someone -- I've worked in the local level. I've worked in the state level. Innovation is not something that we always associated with folks who work in government or the government systems.

But when you look at the history of the Department of Labor going back to probably the greatest Secretary of Labor being Francis Perkins. You think about the things that we instituted whether it be the abolition of child labor. The institution of the minimum wage. The warehouse system where workers could find open jobs in a way that was nonexploitative. All of those were revolutionary.

And many ways when people say government needs to become innovative, I think -- I usually come back with government must remember that it is innovative. It has been in the past it can be so in the future. And we have to in some ways lean into that because it's that heritage to get to the transformations that we need here in the 21st century.

And so, I say all that to say, Annelies has my information. I'm happy to make it available to anyone here and anyone who is ready to work with us to create a system digitally and otherwise that serves the American worker in a way that dignifies, respects, and advances them. You have a partner here in the U.S. Department of Labor.

And again, I'm so thankful to be able to be here today. I'm so thankful that this work is continuing. And I'm thankful to be able to hopefully work with many of you in the future. And so, Annelies and to the broader team, thank you all for what you do at Brookings and I'll turn it back to you for the rest of the agenda.

MS. GOGER: Thanks so much, Chike. And it's really an honor to have you here and we're lucky that we have someone like you in that role at the Department of Labor that has a vision like the one that you just laid out.

So before we get into the report, I wanted to do a little bit of housekeeping. So we do welcome you to submit your questions and to do that you can either Tweet with the #DigitalTransformation or you can send an email to events@brookings.edu. The report is also available on the Brookings.edu website if you want to read it for a

closer look.

So with that all said, why did we write this report? So this report, I've really been like sitting on for over a year because as the pandemic unfolded, actually at Brookings Metro we convened virtual meetings with a bunch of local workforce development board leaders.

And every month when we met consistently time and time again, they would tell us alarming stories about how they spent about 30 to 50 percent of their staff time entering or reentering the same data in multiple systems and that takes valuable time away from actually serving the public. Whether that's an employer that they're trying to help find a good candidate. Whether that's a jobseeker.

And so, they kept raising these data issues from their perspective. And I thought that that was interesting, you know, for the fact that a lot of the discussions about unemployment insurance were actually only really about the delivery of the benefits themselves, which as we've already discussed has been a huge challenge.

But actually, the data that's collected from employers for the unemployment insurance wage records. That data actually is used to verify employment for multiple social programs including the programs that we use for people to find career services or training and to evaluate performance of the programs to see if people got a job and what they're earning.

And so, what I'm trying to say is that unemployment insurance data is really the main data that we use to see if our programs are successful and it has a lot of problems. So we're going to go into that in the panel discussion. But that was one of the reasons why we wrote the report.

We wanted to highlight that this isn't just about unemployment insurance. This is about a whole ecosystem of programs that are affected by the UI data, but also the fact that the employer data that is recorded not only is hard for those employers to report. It's reported differently in every state, which makes it hard to respond in a crisis because not all states have the same data in the same way.

It's also not coming very frequently, which is a problem in a crisis as well. So right now, for example, there's a lot of debate. Is there a labor shortage? Isn't there a labor shortage? We can't really answer that because it takes six to nine months to get the data from employers every quarter and then clean it and then release it.

Right now, we have the technology to automate that reporting that would make it easier on employers, that would standardize it across states, that would give us more and better quality data more often so that we would be able to have more information for many reasons to understand what's going on in the labor market.

And I think that that is a huge value to society as a whole. So I wanted to put that out there in

terms of why we're doing this report from a holistic point of view.

The second reason why we did this report was because I felt that a lot of the conversations about the technology and the processes and the policies were happening in separate conversations, and not as part of a holistic redesign effort. And so, I wanted to do this from a higher-level point of view that looked at how can we actually start small but think holistically about not just the technology by itself and not just the process or the policy by itself.

But really think about them together because that's how the user experiences it. And if we're going to do something about how that user experiences it, you have to really think about it. How they see this and experience this system from the beginning to the end.

So what we did in order to do this report is we actually set up three roundtables with local workforce board leaders, some state technologists who have been working on integrating education and employment data and some civic tech leaders who work nationally as well as some other leaders including all the people that you're going to see on the panel today.

And through this we got their input directly on what were the problems? What are you already doing to try to work on these problems? And then how do we envision a solution? How do we approach changing this ecosystem and this digital transformation process?

And so, you can read the report for all the findings, but I wanted to sort of share why we did it and how we did it? Because the point here is to really -- not just act like we have a blank slate and we're starting from scratch. But really to appreciate all the work that's been happening in the field and on multiple levels to try and work on these problems because it has been going on for a long time, way before the pandemic.

And how do we elevate what we've already learned rather than creating all new systems and new processes? We want to build on the assets that we already have. So the report has some case studies that you can look at to find out more information.

And so finally, I want to point you to the policy recommendations which I'd like to touch on at the end of this conversation. And in doing that the goal was to just provide some general feedback that can help guide the -- it's really a long-term effort. It's not going to be a quick fix. These are deeply engrained problems that have emerged over 30, 40 years.

And so, this is going to have to be something that happens from multiple angles at multiple levels. But I want to emphasize that if we want to build back better. If equity, racial equity, gender equity if that is important

to us, we need to do this in order to make sure that we're not leaving people out of our safety net the way that we have historically and in the way that we have in the last year.

And second, I'm really concerned about our security. We're trying to fight a machine gun with a bayonet right now as far as data security goes. And we don't have a unified framework for governance of security, privacy and giving people empowerment. Empowering people to make decisions about how their data is used and how it is shared? And when they want it to be shared and for what purpose?

And finally and more broadly, I think that we really need to do this because we need to build back trust that when something unexpected comes across that we can't control like a pandemic that we won't be left out there without any way to prevent, without any way to put food on the table. And without any way to help people get a new job when they've lost their old job.

There are millions and millions of Americans experiencing this as we speak today. And I just want to keep them in mind as we have this conversation. Because as the wealthiest country in the world, there's really no excuse to continue having these systems be -- put all the burden on the end user.

And so, with that I want to turn it over to Dr. Nicol Turner Lee who will moderate and facilitate our discussion. Thank you very much.

MS. TURNER LEE: Thank you so much, Annelies. Thank you everyone who has chimed in for this and thank you to Chike for joining us and setting the stage for why this report just has so much significance at this day and age.

I mean listen, I'm Dr. Nicol Turner Lee at the Center for Technology Innovation. I'm the Director there and I work on digital issues. And I think the same type of fragmentation that Annelies just described in this report is the same type of fragmentation has occurred when it comes to the digital divide.

And most importantly and I have a book coming out in this winter on this topic. I've seen this happen as a person who worked as a digital evangelist early in my career working on the ground, helping people navigate through these open government systems. And there's a lot of work to do going ahead.

So one of the things that we're going to do with the next part of this event is actually bring on practitioners. People who had the experience working closely, not just with the systems but with the people who are actually caught in the web of understanding how to discern the system and actually get some value out of them.

And so, I'm happy today to introduce a few of our panelists that will actually talk. And I've got a series of questions for them. But just another housekeeping reminder in case you forgot. If you have questions

during the course of the panel, we ask that you send them to this email, events@brookings.edu or Tweet them at #DigitalTransformation. We will be looking at both of those properties and ensuring that we ask your questions.

So let me start by first introducing Aimee Jahnke who is a Business Analyst at the Wisconsin Department of Workforce Development and she's got a strong background in civic tech and an understanding of safe government operations.

Kris Stadelman who is the Director of the NOVA Workforce Development. She is their leader in workforce development for three decades and four states and was the previous CEO of Workforce Development Council of Seattle, King County and Washington.

And Jason Tyszko who is the VP of the Center for Education and Workforce at the U.S. Chamber of Commerce Foundation. Previously he served as a policy advisor to Illinois Governor Pat Quinn's administration. And, Jason, by the way, I was actually in Illinois at the time when Governor Quinn was lieutenant governor and then became governor. So our paths may have crossed. Welcome everybody.

I want to jump to you first, Kris, because I want to frame this problem at a local level, right? And you work at the local level with workers who are often displaced and particularly displaced during this pandemic.

You've heard the parameters of the report so what I would like for you to do is give a perspective from the ground of what's wrong with these data and technology systems? And why is it important for us to address this as a critical way to sort of force correct as we think about the UI system?

MR. TYSZKO: Well, obviously, the UI system was not built to handle this kind of a pandemic. But I'll go back to the last recession, 2008, 2009. We had, you know, a huge burden land on our UI system at that time. And there was a lot of attention and even funding focused on fixing it, but clearly it did not fix it.

I would say that I really appreciate Chike's remarks because finally, you know, thank you pandemic, thank you new administration. We're paying attention. But these data systems, all government data systems, but especially the Department of Labor that tracks so many important pieces of what's going on. This is critical infrastructure.

And just like all critical infrastructure, it's been underfunded and neglected for so many decades. Here we are an even bigger crisis in terms of unemployment than the one in 2008, 2009 and the crash was hard and deep and ugly for so many families. But that's, you know, it's not the only problem.

The database as Annelies mentioned was in trouble before the pandemic. And if anything, I'm glad that this unemployment insurance crashed. It is an opportunity for everybody to look at these data systems and say,

oh, my gosh. They are so ancient and they are so out of date. And compared to what's available in the field today, I'm in Silicon Valley. You know, there's so many good products. So many solutions that are available to look at.

So from the perspective of a dislocated worker, they need not just timely benefits but great information about what's happening in our labor market. You know, what occupations are in demand? Which ones are an over filled? So, you know, I don't want to change for that.

The information that we can provide is critical to closing that gap between supply and demand. And without a good database, we don't have it. We're collecting anecdotes from customers, from local employers. You know, trying to gather intelligence because the data is late and it's not great and it very often doesn't help us with assisting customers today.

MS. TURNER LEE: Yeah, and I love the way that you frame that because this blind spot in our data systems really just further complicates it. Not just for, you know, people who are the providers but for the employees themselves, right?

People who are seeking work, they can't figure out to navigate. And we can't figure out how to navigate it. And Jason, I want to put it to you. Because, you know, a central part of this are employers themselves. And so, if you think about what Kris said in terms of this fragmentation that happens at that level of government.

What about with employers? What has been your experience with employers when they're also trying to navigate through these systems? Are they seeing similar challenges?

MR. TYSZKO: Thank you, Nicol. And I'll address that question in two different cuts. You know, the first is the immediate question at hand and the question regarding kind of the pandemic. You know, the UI systems how they're administered.

And, you know, from the employer perspective, we recognize these challenges. We fully understand just how archaic a lot of these systems and technologies are. And they can be very burdensome and costly for employers to interact with and report to. And the lack of a standard data model or data dictionary and the lack of a data standard for reports. Particularly, for establishments that cut across states. It's just incredibly burdensome and difficult to navigate.

So we often find ourselves at this strange impasse and at these larger heads where we all know better quality and better value data is a good thing. But how you get it matters and now we're constantly responding to individual state requests. We're trying to enhance how they collect wage records but in a way that is inconsistent with how other states are approaching it.

So the fragmentation is serving nobody well. And it's a burdensome and costly system for employers which is why they are so reticent to engage in a discussion about improving or adding to it in terms of more data.

But there is a way through this. And we've been working on it like Annelies had teed up. So the UI system, yes, to everything happening on the government and provider side. We're feeling it on the employer side and experiencing that too. But then taking a look at this in a larger context.

You know, where employers are at and how we're thinking about this is, you know, we're an economy that competes on talent. And in that economy, data is king. And when we look at our workforce system, we couldn't be further behind. We do not have good data when it comes to the workforce in our labor markets. And for the kinds of site selection decisions we're making, how we're managing our workforce, how we're developing and growing workers, there is no enabling data infrastructure to do that in an efficient and effective way.

So we need to make sure that we're contextualizing this conversation not just in the context of what can we do to make UI better? But we need to step back and say, how does the UI wage record and the systems and processes used to collect data from employers reflective of the broader data infrastructure and data needs to make for a well-functioning talent market place where data is fully transactionable in ways that address use cases on both sides.

Because we often talk about this in, well, what's in it for government in terms of program administration and statistical data? And we talk about sometimes what's in it for the learner and the worker? But we also need to say, well, what's in it for the private sector?

And this could be a win/win/win if we set it up the right way. But we really need to start thinking outside of the box and outside of how the current system is configured. And I think if we're able to step outside of that box and talk about what would it take to modernize America's workforce data? We could come up with an entirely new value proposition and an entirely new data model for how we do this work.

MS. TURNER LEE: Yeah, you know, I love how you're talking. When Annelies actually asked me to facilitate this panel, she took me back a few decades when I was in Illinois working on a workforce development project where we were training low-income people who are particularly benefits of the UI system to actually go through workforce training.

And the data was just a nightmare. You know, outside of the fact that I'm a sociologist who is just trying to do good in the community, I actually managed all these multiple datasets. And I have to tell you, I have an

advanced degree, and I still couldn't figure it out, right, as I was going through it.

But, Aimee, when we think about these data poverty issue that Jason is so talking about. The other thing is that, you know, at the state level, states actually have more control over their educational and labor force information. Where are states in this? And, you know, where do we see, you know, both opportunities and as well as the hiccups when we're starting to move towards that? And we'll get more into this in the conversation. This is national infrastructure around workforce data.

MS. JAHNKE: So when you're thinking about where states fit into the picture a lot of times states are built to help gather the information that's required for our federal performance and monitoring of following the rules and the policy of our funding.

And also, supporting some of those long-term evaluation needs. And so, the information is really around performance metrics. It's around being able to break those performance metrics out into segregated categories for things like evaluation process and then to help define the process a little bit better.

And when you're thinking about -- so what's really what these systems are often built for and the state helps build these. And if you imagine any one program, you then have 50 states that are building a system, right? And when I often think about some of those key challenges around this particular topic, it's around that what Jason already said, the standards, right?

A lot of the things that we are asking needs standards around them so that they can align. So it's that interoperability and that data standard piece. It's the sharing itself which is that will, that funding, that training so we do it ethically. That knowledge and that vision to make that sharing happen. And it's the process of who's involved when these systems are designed, right?

A lot of times from a state perspective, yes, we're building the systems to help with gathering this information. But a lot of times the regulations are written that really outlines what data we're gathering and if those are not done with technologists at the table thinking about user experience at that point sometimes by the time it gets to where a state is building, it's hard to undo some of that data standard work in a way that honors the customer.

And so, just from a share an example. When WIA law was passed, one of the key items. So Workforce Opportunity and Innovation Act was passed, one of the key things was to like Chike was talking about, having an aligned experience. So having a person come in and regardless of who funds it, having a person think that we're all on the same team.

And so, they did a lot of work in the first half of data standards and data definitions. But they didn't

get the timing right. And so, what happens is even if a person comes on the exact same day to all four or five programs, it fills out the application on the same day. The timing perspective of when we have to gather this information can be up to 90 days difference.

That means for the next 90 days, a person is going to be asked and answering some of these same questions over and over again. And from a user experience perspective, these questions are not always designed from a strength-based perspective. And when that happens, you can have somebody have to answer the exact same question that can bring up different emotionality again and again and again and again.

Whereas if we just shifted a little bit who's involved in that process potentially, we can make that experience better.

MS. TURNER LEE: Yeah, I mean I think, Aimee, you're coming up my lane now because in my work on artificial intelligence and bias. I constantly use this phrase that people hear me use, which is, you know, we have to have the reflection of the living experiences of the subjects or else we're building on top models on top of context that do not necessarily reflect those experiences.

You know, Kris, I'm thinking about the report though and the fact that the report also highlights that in addition to having these blind spots or the implications of not having standards around how data is collected and reported and used. That there's some people who are missing in the UI data, right? Gig workers. And so, the report points out that even when we're reporting in these systems, we're missing people. Tell me a little bit about what that means when we start thinking about metrics? We think about innovation. We think about jobs. Who is not being represented in these reports?

MS. STADELMAN: It really is all about performance and metrics. So the WILA, the Workforce Innovative and Opportunity Act comes with performance metrics around how many folks get jobs at the end, how are they retained six months to a year later and what are their wages.

The data that comes back to us, first off, is old. We're not going to see it until at least a year after a person exits the program. But it also doesn't include anyone who is not covered by UI. So when you think about it that's sole proprietors, entrepreneurs, gig workers for gig platforms but also contract workers that are on 1099s.

In the Silicon Valley, that's a really common way to hire people project by project is on a 1099. None of those folks are counted in my performance metrics even though they're working and making money. So there's a flaw in that system. I can supplement the data but it's labor intensive to get those reports back from people who can self-report and to gather documents for data validations, approve, yes, they really earned money. Most of

the time the performance is left to that UI wage file.

So the missing data matters. And just like all data, it becomes the evidence you use to make decisions. So you don't design a big problem around entrepreneurs or they will be a whole group of people you don't get any credit for.

In addition, I want to just say in looking at those metrics, the issue of equity. You know, we collect a lot of data, a lot of demographics, but the only performance outcome data I have is from that UI base wage file.

So I can't, a year after somebody exits or 15 to 18 months sometimes after a person exits, compare the services they received to the outcomes. So if there are inequities in who receives what service and which services are most effective with which demographics, I don't have access to that data as evidence to base programmatic decisions on for what services should I employ.

What do I have to change? You know, are there built in biases and inequities? I don't know. I can't tell from the current data and that doesn't make any sense in a world where Facebooks knows what kind of shoes I want to buy. Why can't I have that data?

MS. TURNER LEE: Yeah. I mean, you're coming down my lane and I think that's all important because we're actually employing these tools and hiring, but we're not actually employing these tools when we look at outcomes based on, you know, particularly those who need it the most when it comes to how we actually come up with the right solutions for workforce retraining or reskilling.

But, you know, this is such a frightening conversation to tell you the truth. We continue to have it because that was three decades ago, Jason, when I was in Chicago running this program. And here we are sort of talking about the same thing.

But, Aimee, this goes back to this question of user centered programming and user centered data collection. I mean, a couple of things I want to kind of ask you on this. One, what do we need to do differently so that we can actually place a user at the center of what is turning out to be very archaic ways of reporting?

But then two, how does it contribute to further racial equities or systemic inequities when we're basing people? And this is something that we talk about back when I was doing digital work on the ground. When we start basing people on deficit models, right? Where the data becomes so most important but the data is not necessarily the data that we need to collect to tell us where people are headed. Down a pathway data is basically reporting data like Jason said.

You know, that we have to mandatorily put into a system. So talk to me a little bit about that. How

do we make this more user sensitive? And how do we make it in a way where we're also not furthering systemic inequalities? And I'll open that up to anybody as well before we move on.

MS. JAHNKE: I think one of the things that we can do is bring the right people together at the right time, right? So don't wait until we are at the point that the states or the local areas are dediamonding their systems to start talking about user experience. Start talking about it when the law and the policy and the regulations and the reporting standards are generated because words matter.

Things like in WIA law, we talk about employment barriers as being the thing that we segregate all of our data by. It sets every conversation from that point forward about how we serve people in our programs through the lens of what they can't do instead of what they can. And why it's there has to do with being able to look at the evaluation of the data, but we can ask those questions in a different way.

And if we bring in the technologists at the beginning of the conversations, you can have expertise talk to each other and say, this is what I would like to be able to look at or how I would like to be able to use the data. And then user experience designers and/or data standard technicians can come in and say, if you just tweak it this way, it will improve the outcome over here and we can have the conversations about equity within our digital systems before 50 states have already designed 50 different solutions.

And we can bring that voice and choice of the customer up closer to that will help us as well. And so, if you think about it by leading by example as we're talking about using this as a digital transformation process, you know, how can we as we're getting ready to do this work, how can we fix some of those mistakes now instead of waiting until later?

MS. TURNER LEE: No, I agree. I was over here giving you your amen corner, honey. Because I think that is so important to frame the conversation before rather than having to deal with the outcomes later. Does anybody else want to chime in because I want to turn to Jason and go back to the employer perspective? Kris, you're good? Jason?

MS. JAHNKE: Can I make just one more?

MS. TURNER LEE: Sure.

MS. JAHNKE: And when we think about only thinking about performance. Another area that we can also improve on is thinking about different types of evidence. And this gets to what Kris was talking about a little bit.

So if we just focus all of our funding and all of our systems on producing that long-term evaluation

type evidence, right? We are missing out the ability to do more actionable information during something like the pandemic where we don't have historical evidence. And if we want to flip the script on activities, you don't necessarily want all of history to define what we should do forward. We want more actionable now information.

And so, thinking about our datasets not just from performance and long term, but how can we do -- how can we use them as actionable real time information systems?

MS. TURNER LEE: Yeah, that is so important. You know, Jason, as we're having this conversation, I'm thinking about the employers again.

Do you think that most employers would support a major overhaul of wage record reporting? And, you know, if so, what other stakeholders would be need to be engaged?

MR. TYSZKO: I'll tell you the short answer is yes if done right. And I think the one thing we need to do is step back and say it's not all about improving wage record reporting, it's about thinking about the data infrastructure of the future and how employers are sitting on a gold mine of data in their HR and applicant tracking systems.

And if we're wanting them to share that data and go through the burden and cost of producing higher quality or sharing higher quality and higher value data, there has to be something in it for them as well. And we think with the incorporation of data standards for job records and employment records, we can use a standards-based approach for how employers organize and share data with government and other actors. But that needs to be something that is adopted across multiple states, if not all states.

And that's how you start unlocking a value proposition for employers in terms of reduced burden and cost for reporting purposes. But the main thing I want you to walk away with, with respect to this question is it's not necessarily about overhauling the wage record.

It's about improving comprehensive employment and jobs data for use in a wage record. And if we're able to actually implement data standards for jobs and incumbent workers in those jobs, the employment outcomes and we're able to share those out as comprehensive jobs and employment data, we could then use that to satisfy by our count over 200 instances where state and federal agencies are soliciting data from employers that touch those topics.

And if we're able -- and that's, you know, UI wage records is just one of those reports in every state. So it's not all about the UI wage record or it doesn't have to be all about that. If we enhance comprehensive employment in jobs records, we are able to satisfy the UI wage record reporting requirement while also satisfying a

number of other queries.

And with data standards, you can also make that linked data inside their HR systems themselves, which means it's living, breathing data being reported out more regularly and done in an automated fashion. So this actually helps streamline the workflow process and employer UCUs in order to populate and share out that data to be used as a UI wage record. It's automated.

The data they're already collecting and organizing but doing it in a structured way and linking it to those that needs to report to and it could just promote massive efficiencies that reduce burden, reduce cost while dramatically increasing the quality and value of the data.

MS. TURNER LEE: Yeah, I think that point that you're bringing up is so important because Annelies really does lay out in the report about what you're talking about, right, in terms of what that infrastructure has to look like so that we also leverage new technologies to make it more seamless to actually share.

But, Jason, I want to stay on you for just a moment on this JEDx case, right, because I know that you're familiar with that. And it's good for folks to actually understand the implications of that case study as well. That is also in the report.

What would and should be top of mind for Congress and the administration in this area? I mean let's start with some solutions. And for those of you who have questions we'll be going to those questions in about five minutes, but I do want to make sure we stay on just solutions that we need to be employed that are in the report or among the panelists before we actually go to the Q&A period.

So, Jason, what do you think? What should be done by the powers of the administration to implement the data standards that you're talking about?

MR. TYSZKO: Yes. So Nicol, you had mentioned a project that's being run by the U.S. Chamber of Foundation called JEDx and that stands for the Jobs and Employment Data Exchange. And it's actually a project that has combined a number of other efforts that we've been working on since 2017.

But essentially what JEDx is all about is seeking a public/private approach for how we implement data standards for jobs and employment outcomes. And what we're proposing through JEDx is a multistate collaborative to form a data trust, a public/private data trust, that could function much like a utility. Where employers could implement these standards and share out this data to be used to first and foremost satisfy UI wage record reporting requirements for states, but could also be used to address other government reporting. And so, doing unlock two additional use cases.

So let's knock out government reporting. But if we are using a standards-based approach and getting the employers to voluntarily share this data in a way that makes sense for them, it will create a structured, longitudinal database about the jobs as well as the employment outcomes around those jobs that will allow us to explore a whole new generation of talent analytics. And that's not just for the public sector for workforce planning purposes or other purposes. It's also for the private sector.

So we know more about what's happening across the talent market place so we can make more strategic decisions about how we find and source talent, how we grow talent, how we promote talent but also where we establish businesses. So it has to be a data utility service that's standards based that satisfy reporting requirements for administrative strategical purposes but also drives analytics that could support private sector use cases.

And one more thing, if we're not only improving how we share data, we're not only improving how we then use that data to drive new insight in analytics, we can also unlock a third use case which is around using that data on employment outcomes to provide a verified and authentic record of employment earnings for every American worker that's out there.

And by having that and having a verified and authenticated record of my employment, it will make it applying for jobs more easily, assessing my paper jobs more easily. It will reduce the burden on verifying my employment as I'm going through the hiring process. It will create a better transcript by which training institutions and post-secondary institutions can evaluate my experience for credit.

And to loop back to where Chike was going in his remarks, it provides the basis by which we can automate certain government administrative functions. Namely, I can use that verified and authenticated digital record to determine my eligibility for a wide variety of government benefits and programs.

So it's kind of government by algorithm at this point, but it provides a quality data source to start determining eligibility for a number of different things including UI. So we think there's a real opportunity here to have a breakthrough innovation for how we modernize America's workforce data. But it's not about just enhancing the UI wage record. It's exploring a public/private approach to implement data standards to address a number of use cases including government reporting.

So we're actually organizing a team of states this year who are going to put their hat in the ring to be part of a pilot. And we're going to work with them this year and next to design and implement a pilot around JEDx to test this data collaborative approach.

So if anyone is out there that interested in learning more about it or participating in it. We're building a team to begin experimenting. And we're hoping Congress and federal agencies can learn quite a bit from this approach because if they're going to be passing legislation to support UI reform or improving state technology, we want to make sure that these two things are happening in silos. But we're communicating what we're doing because if we can make this more of a public/private system and approach, and if the employers are at the table to support that design like Aimee is talking about. You know, we're part of that design too. I think we can make huge strides here.

But if we kind of all go it alone or in our own silos, we're just going to be right back where we were, Nicol, 10, 20 years ago having this conversation again. So we're excited to bring this innovation. We're willing to try it and we're willing to go, as the business community, to make the case to our constituents that more and better data is a good thing. And it's a good thing for them and we can achieve it while actually reducing our burden of cost.

So we think we can thread the needle on this, but it's going to take a village. It's going to take a nation to do it, but we're going to do our part to help facilitate this and we're happy to work with all the stakeholders that want to engage with us on this project.

MS. TURNER LEE: Well, no. I think that's an interesting way. I think it's a big, audacious way to actually take this on in the way that actually serves -- you know, I like the way you actually talk about the data collaborative.

Now, to be cautious, government by algorithm kind of scares me, Jason. Because algorithm bias is alive and well and we have to make sure that we start with what I think Aimee is talking about inclusive economy scale.

I want to go to Kris and then I want to go over to Aimee then I want to open it up to one last question, bring Annelies again and then we're going to sort of take Q&A.

You know, I do want to check what Jason is talking though about, Kris, with regards to the local level in terms of solutions, right? Because we are assuming in one respect and if we can get this system to be a well-oiled machine then it will work better, right? The challenge is we do have inequities that exist still in the system that I would love for you to address on the local level.

You know, a lot of people during the pandemic that didn't get a stimulus check, right? Because of the fact that they were not on the records for the IRS. And there were many people who were like, you said, sole proprietors that could not benefit from unemployment insurance. Some states, if you recall, had to actually make

exceptions to give workers simply because they were not part of those or did not possess those wage records as well.

How do we begin to -- or what would be your recommendation if you're speaking to a live audience here on how we ensure that we have more inclusive ecosystems where we're accounting for the type of concerns you all have been expressing which is inclusive workforce data? So we're not leaving people behind, right? And we're making sure that this record that Jason is talking about really includes the vast majority of workers in this country?

MS. STADELMAN: Well, I really like the solution that Jason is talking about because it is that bigger context. Think of it as a broad database of the American workforce and UI is just a piece of what you're going to do.

Because you can then, you know, data is currency. And everybody else uses it well so you shouldn't worry about the government having a little bit of it. They need it so that they can serve people better. And we can then go and look at what services were provided and which ones were effective. Now, we can make more informed choices.

But we also have user perspective. So part of our problem -- and in Silicon Valley, we have just like they do in rural areas -- not everybody is digitally literate. And they have to be if they want to work today.

You know, in the pandemic if you wanted to apply for a job, you had to do it on the internet. So there have to be solutions. Again, infrastructure solutions to make that available to everyone. We're prepared and we're providing now, of course, on digital fluency. How do you manage a Zoom call? You know, and eight by aid and blue jeans and Microsoft teams. And you have to know them all if you're looking for work. And you probably need to know them to do some of the jobs that you're applying for.

You certainly need them to get registered in the employment service system to be online and present for a job. You certainly need it if you want to apply for unemployment insurance. So as those systems are being developed that user experience is critically important. It needs to be easy. It needs to be effective. Then those local problems like ours need to teach people how to use them. How to access them. Make sure they have the equipment, the broadband access.

And then on the other side, we need to be collecting the data as evidence of which programs are effective.

MS. TURNER LEE: You know, I so agree with that. Like I said, you know, we at Brookings, we are very cordial colleagues, but we also know that we work together in ways that I think our work has such great

significance. You're so right about the digital divide. I mean I would consider myself to be digital divide queen at Brookings on that.

We had 40 million, I think it was unemployment insurance claims come in during the pandemic and a lot of people couldn't get access on top of that number simply because they didn't have broadband access or the ability to get off the phone and actually put the benefit online which Aimee points to you. From the state perspective what would be your recommendation? I think we're hearing federally from Jason. We need a data collaborative. I love the way that's phrased. We need some systems that actually work with Congress's help to make that more seamless.

And I think what we're hearing in terms of criticism that we need to make sure that they're locally sensitive to the experiences and context of workers. What about the state? What recommendations would you put forth, you know, to Congress and the state in sort of moving this process forward?

MS. JAHNKE: The fund, the work to make it happen, right? A lot of our work is funding. What gets funding? What gets measured gets done. And so, make sure you specifically call out funding these use cases and making the data collaboratives happen. Fund the tools that can make it happen.

Don't just put all of the eggs in the basket on performance and long-term evaluation on or other types of evidence building that is actionable real time. And push for those language standards. And even more so than pushing for those standards, model the leadership that's required to be able to do it at the federal level.

Federal departments, the Department of Labor and the Department of Education collaborate with your datasets. And think about this from the social determinant of health model, right? So when we are thinking about equity and person centered design, a person is not just receiving workforce services. They are at the center of many services and we should be thinking about them in that collective manner as we make the plans going forward from the state perspective too. But without funding, we can't put our emphasis on those areas.

MS. TURNER LEE: That's right. You need money to make this work, folks, right? I want to jump into some Q&A because some really great questions are coming through. Chase Demora (phonetic) who is an economic development specialist out of the county of Maui asked this question.

Is there a way to automate the UI system with AI? That's an interesting one. Jason, I'll go to you first. Can we actually use AI now to actually help us with these systems versus trying to, you know, go back to old traditional ways of automation?

MR. TYSZKO: Yeah. I'd say on the employer reporting side. I'd have to think about applications

of artificial intelligence. I'm not even sure you need that.

You just need linked data. And to be able to create structured linked data from the HR system to either a data utilities/collaborative or if you want to go direct to like state UI office that could be done with technology that's available to us now. So perhaps AI could make it even better. I have to talk to the real experts about that, but this isn't as hard as it sounds. It's not the technology that's the problem, it's the coordination and political will to do it.

MS. TURNER LEE: Yes, yes, yeah. Okay. I have one more question and I'll bring it back to Annelies. This is really great. I'm glad we had this conversation today because it's so timely.

Tamara Gorvich (phonetic) asked this question. There are many databases, for example, continuous work history samples that exist that are not available to the public.

Would making those existing databases available improve our understanding? And I think that's interesting because that's saying there's stuff that the public doesn't know about. Should we actually get access to some of those databases to create that rich portfolio and profile that you all have been talking about?

MS. GOGER: So I don't -- go ahead, Kris.

MS. STADELMAN: I just wanted to link that up to the AI question because I think there are ways that AI can be used in predicting who would be a good applicant for which jobs based on the skills and resumes of other people that got those jobs.

So I think LinkedIn, for example, has this down. And they send you, you know, job advertisements because it matches certain things in your profile. We need to think about how UI can help a job matching system at a bigger level.

MS. TURNER LEE: Aimee?

MS. JAHNKE: I was just going to say, yes, we should keep them into consideration and at the same time provide those solutions for how we can have computational access to some of those. And having a person have some level of -- and having the folks that own those have the right stewardship protection so that we do it ethically and we do it with informed choice related to folks as we are using their data. And we make sure that we're using it for better services and positive reasons.

MS. TURNER LEE: Yeah. Go ahead, Jason.

MR. TYSZKO: Well, there's a real quick point I wanted to make on this. You know, we talk a lot about how, you know, government can gain access to better data to do its job. I'm talking about how, you know, employers stand to benefit and how we want to use data.

But at the end of the day a lot of our work, particularly on our foundation side, is really geared towards how are we empowering learners and workers with data? Because they often have the least access or agency around it.

So all of our data is fragmented everywhere. Little if any of it is actually linked to us. And our ability to go find it and readily use it to do things with can be incredibly challenging. You want to talk about digital divide? There it is. So if we're moving into this brave new future, we need to think effectively about how we're using the ability to link data to individuals as part of our overall workforce strategy because wherever we're producing data about jobs, employment outcomes, learning and skills that data should be getting linked to the people it's about. So it's always working for them in terms of identifying continuing education and employment opportunities.

But we need to empower people with data. That's not setting up a website and telling them to go and try to find what's important to them. It's linking data about them to them so it's at the ready in the palm of their hand literally. And they could be seamlessly using it to navigate the education and labor market.

MS. TURNER LEE: Yeah. I mean I think what you all are talking about and Annelies is going to come on and tell everybody how to find her exemplary report. Is that we've actually moved now from inline to online services, right?

And if we go into this online space, we not only want to leverage the data in more strategic ways, but we also want to make sure that we have a full record of the American workforce system and what blind spots we have.

I want to say thank you to the three of you for actually participating. We've got 45 minutes, but we got a lot in. And I want to thank Annelies for actually writing this report. I was hoping she'd come on and tell us where to find it. There she goes. Tell us where to find the report so people can actually go and read it and actually, you know, continue this conversation and their respective thoughts.

MS. GOGER: Thanks so much, Nicol. Excellent job. This was a fascinating conversation and I'm really grateful you all came on. And thanks to all of you who came. And I hope you can now also do your own bit to move this conversation forward from whatever corner you're in.

Everyone can find this report on the Brookings.edu website. You're also welcome to contact me. You can Google my name and it's called Digital Transformation and Labor and Education Systems. So if you want to Google that you can also find it that way. So thanks so much everyone and have a wonderful day.

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