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Market Rhetoric Versus Reality in Policy and Practice: The Workforce Investment Act and Access to Community College Education and Training

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This article examines the impact of the Workforce Investment Act (WIA) of 1998 on access to community college education and training. The market-oriented, customer-focused rhetoric of WIA is compared to the realities of WIA implementation in three states: Rhode Island, Illinois, and Florida. The authors first discuss the emergence of WIA in the context of recent market-driven pressures on community colleges. Next, they provide an overview of the relevant components of WIA. Finally, they examine how the implementation and practice of WIA affects the ability of low-income populations to obtain postsecondary education. They find that WIA's rhetoric, intended to promote educational quality and increase customer choice, is not reflected in either formal policy or implementation. Important policy elements such as accountability measures and the focus on multiple customers have undercut the rhetoric of free choice. Thus, in practice, WIA has actually limited access to education and training at community colleges.

Keywords: community colleges; workforce development; market-driven education

Market-driven education (otherwise known as consumer-driven or outcomes-driven education) has become the clarion call heard throughout the educational system. This approach to education generally includes two major elements: first, an emphasis on the cus-

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tomer, defined in various ways and second, the collection and dissemination of outcome or performance measures as a means through which customers can make informed educational choices. In theory, this approach standardizes outputs. But because it does not dictate the ways in which institutions are to achieve outcome goals, market-driven education is designed to create institutional autonomy and an entrepreneurial approach to delivering education. Underlying this perspective is the assumption that institutional autonomy leads to healthy competition among schools as they strive to produce the best outcomes and that educational customers are enabled to make free and informed choices regarding the educational institution or program that best suits their needs. When taken together, these market forces are designed to improve educational quality.

In recent years, these principles have become increasingly common in efforts to reform postsecondary education. The state of Tennessee was a pioneer in this movement, instituting performance-based funding and accountability measures for its colleges and universities as early as 1978. As is stated on its Web site, the system as it currently operates, rewards institutions that perform well on measurable outcomes with additional funding. Moreover, the beneficiaries are seen to be students themselves: "Tennesseans enrolled in public colleges and universities are the primary direct recipients of performance funding program benefits. . . . Students and faculty are at the heart of the performance funding program" (see Tennessee Higher Education Commission at www.state.tn.us/thec/academic/pf/page4.html).

Since then, accountability and other market-based, competitive principles have increasingly guided higher education institutions and systems across many states. Indeed, a recent state-by-state report card on higher education produced by the National Policy Center on Higher Education (2000) revealed that states are increasingly subject to comparison on such measures of success as preparation, participation, affordability, and completion. In fact, the number of states implementing accountability plans doubled between 1994 and 1997 (State Higher Education Executive Officers 1998). According to the most recent results of a national survey of State Higher Education Finance Officers conducted by the Rockefeller Institute of Government (Burke and Minassians 2001), performance reporting, budgeting, and financing have all become commonplace among state systems of higher education. While the bulk of financing for all public higher education institutions continues to be based on fixed costs such as faculty salaries and enrollment, "the increased use of performance budgeting and funding does indicate the growing belief in state capitals, but not on public campuses—that performance should somehow count in state budgeting for higher education" (Burke and Minassians 2001, 5).

Community colleges are particularly susceptible to market-driven educational reform efforts (Dougherty and Bakia 2000a). These institutions serve a critical function by serving as a link between the education and the employment sectors and between the K-12 and four-year college sectors as well. Their funding base is also relatively unstable and subject to various forms of political pressure. And perhaps most important, as the postsecondary educational sector that has traditionally served the most disadvantaged student populations, it is particularly vulnerable to measures of quality and success that focus on graduation, transfer, or stable employment. Indeed, the increased emphasis on workforce development approaches to education in the community college sector is a response to market pressures (an issue that we discuss in more detail below). Thus, for these reasons, community colleges provide an important site in which to examine how market-driven approaches to providing education and training might affect both the amount and type of education available to disadvantaged students.

The market-driven, outcomes-based philosophy that permeates postsecondary educational reform efforts at the state level is also fueling policy changes at the federal level that have direct impact on the delivery of education and training by community colleges. Most recently, it has been reflected in the Workforce Investment Act (WIA), a major piece of federal legislation that emerged in 1998. WIA embodies elements of a market-driven approach to delivering education and training to disadvantaged populations, measuring its success based on a set of outcomes that are designed to produce a more efficient, targeted, and ultimately successful approach to delivering education and training. Moreover, the outcome measures chosen are explicitly designed to address the concerns and needs of the "customer," which is variously defined as students, the business sector, and/or the state.

Yet despite the clear market rhetoric that drives this reform and the workforce-focused environment in which it operates, questions remain regarding the degree to which this philosophy is actually reflected in either the details of the policy itself or the practices of educational institutions as they respond to WIA. Moreover, the question of whether, and how, these policies actually serve the needs of students remains unanswered. The purpose of this article, then, is to address the following five questions: In what ways does WIA policy contain a market-driven approach to education? How do the elements of WIA interact with other market-driven educational trends, and in what ways are they contradictory? Does WIA reflect and enhance a market-driven approach to education that produces informed consumers with unlimited access to the education or training of their choice? If not, what factors impede the market-driven model that is supposed to be driving educational practices at community colleges? and What broad effects might WIA and market-driven policies more generally have on the role of community colleges in providing education and training to disadvantaged populations?

To address these questions, we first provide a context for the emergence of WIA by discussing more generally the market-driven pressures on community colleges that have emerged in recent years. Next, we provide an overview of those components of WIA that are designed to reflect a market approach to delivering education and training. Finally, the bulk of the article is devoted to a close examination of how the actual implementation and practice of WIA affect the ability of low-income populations to access postsecondary education and training.

Assumptions of Market-Driven Educational Models

The trend toward accountability-driven, customer-focused education is a reflection of an increasingly common approach to the educational enterprise in general (Gross, Shaw, and Shapiro 2002). It is driven by a free-market approach to democracy that is often associated with the University of Chicago economist Milton Friedman and more recently with the ideas of Chester Finn, Bruno Manno, and Diane Ravitch. This analysis places schools in the same category as other institutions in our economy—that is, organizations that must compete for customers who, at least theoretically, have free choice.

Yet the market-driven model of delivering education at the postsecondary level is based on a number of assumptions inherent in the accountability equation. First, although it is assumed that the needs of the customer can and should be met, the term "customer" is now frequently applied to two, and sometimes three, very different entities—students, the business community, and state legislators. In and of itself, the presence of multiple constituents is not new to the community college sector; indeed, Dougherty (1994) argued convincingly that community colleges have traditionally served multiple constituencies with considerable success, and this is still true today. As the National Council of Instructional Administrators (2002) stated, "inherent in the community college mission is a responsibility to be responsive to the needs of a wide variety of constituencies in the communities that are served" (p. 1).

Responsibility is increasingly achieved by accountability systems that are imposed on community colleges and are designed to track various types of outcomes defined as critical indicators of customer satisfaction. Taken alone, accountability is not inherently bad or detrimental to community colleges. Indeed, given the fact that these institutions are funded so heavily with public monies, it makes good sense to track the ability of community colleges to meet the needs of their intended customers.

However, when accountability is combined with multiple constituencies, problems arise. First, most community colleges have neither the funding nor the expertise to produce the myriad of outcomes measures requested by their varied constituents (Alfred and Carter 2002). As we demonstrate below, some institutions are able to develop specific measures to address the concerns of a particular constituency. Yet others opt out of the accountability system entirely, having made the decision that the benefits of participating do not justify the costs of doing so.

Perhaps just as important, the outcomes desired by one type of customer may make it impossible to meet the needs of another. The National Council of Instructional Administrators (2002) pointed out that

> community colleges also have multiple "masters" to whom they are accountable: federal and state governments and agencies; state boards and/or higher education coordinating bodies; accrediting bodies; regulatory agencies; local boards of trustees; the communities which support them through taxes; business and industry which employ students and graduates; and other constituent groups. Each of these "masters" has requirements, formats, procedures and expectations unique to its needs. These are, unfortunately, generally incompatible with each other. (Pp. 7-8)

Because the interests of this growing list of constituents are not necessarily complementary, it is often difficult for the community college to successfully address the needs of all customer groups.

Second, market-driven education assumes that all customers have equal access to the information needed to make an informed choice. Yet the outcomes reported as a result of accountability measures are one important part of the information equation, but not the only one. Customers must be able to access the information that they will need to make rational decisions. Moreover, the model assumes that free choice is indeed present and that customers are unencumbered by factors that might constrain their choice, such as finances, time, or transportation. These would seem to be problematic assumptions for community colleges, which are designed to serve the most disadvantaged student populations. Literacy levels, language barriers, knowledge of the employment sector, and the ability to navigate a complicated and unfamiliar bureaucracy are all potential barriers to the information that an informed consumer would need to make a wise educational choice.

It is also assumed in the free-market model that the entity (in this instance, the community college) that delivers the product desired by the customer is unencumbered by bureaucratic or financial constraints that would inhibit the entity's ability to respond to the market. Yet as Cohen (2000) has pointed out, states have become increasingly involved in the educational functions of the community college and have sought to increase their level of control by developing larger and more complicated accountability systems and reporting requirements, and the federal government has utilized large funding sources, such as those available under the Perkins Vocational Act, to influence community college policy and practice. Finally, market-driven models of education assume that the accountability measures that are nearly always built into these systems will, in fact, have the expected effect—that is, they will assert pressure on the educational institution to better serve the customer whom it is designed to serve. Yet, such matters have a mixed record of success. In all these ways, the assumptions on which a market-based education model is based are violated to some degree.

Accountability and the Movement toward Workforce Preparation

Despite the flaws in logic that are inherent in market-driven educational models, the market is becoming an increasingly potent force in the community college sector (Bailey and Averianova 1999; Levin 2001; Alfred and Carter 2002). Moreover, the business community is by far the strongest market force in the community college arena. Other types of customers, students in particular, are being overshadowed by the political and fiscal power of the business community. As a result, in the past thirty years in particular, community colleges have become increasingly focused on workforce preparation, and the degree of emphasis on this function has increased greatly in the past several years (Cohen and Brawer 1996; Bailey and Averianova 1999). Partnerships with industry and local and state governments have resulted in the development of relatively short-term, certificate-oriented training programs (Dougherty and Bakia 2000b), and financial pressures and opportunities have rendered this sector of education increasingly entrepreneurial (Grubb et al. 1997). While the educational level of the labor force is almost certain to increase, much of the growth will occur via shorter-term, specialized, vocationally oriented programs of study.

While community colleges have traditionally been the primary providers of such programs, they are facing increased competition. As Alfred and Carter (2002) pointed out, entities such as the University of Phoenix, in-house corporate trainers, and electronic campuses are reshaping the postsecondary market (p. 3). Thus, if community colleges want to remain the primary providers of such education, they must find ways to justify and successfully market their activities and their results in an increasingly competitive, institutionally varied environment.

The outcomes desired by one type of "customer" may make it impossible to meet the needs of another.

Institutional response to these market forces most typically comes in the form of an increased emphasis on workforce development. Workforce development is commonly defined as an approach to community college education that focuses on providing a workforce that is educated to the specifications of the local labor market (Public/Private Ventures 2001). By developing curricula and training programs that are designed to meet the expressed needs of the local business community, community colleges can utilize a workforce development approach to education that provides a more direct link to a very lucrative customer—the business sector.

Contract training, as a subset of workforce development, is a case in point. More than 90 percent of community colleges offer some type of contract training (Dougherty and Bakia 2000b). Under such arrangements, businesses can contract with any educational vendor to provide the specific skills and training desired by the company. Contract training embodies a market approach to delivering education because it requires community colleges to compete to win these contracts. Thus, contract training and other forms of workforce development efforts require close, consistent collaboration with the business sector and the development of training or education programs that are tailored specifically to the needs of a particular employer, industry, or occupation. Often, such programs are offered to those already employed by the business (as in contract or on-the-job continuing training), and they may or may not carry college-level credit or be transferable toward the acquisition of a more traditional academic credential, such as an associate's or bachelor's degree.

While workforce development does not explicitly negate the needs of students, it is clearly designed first and foremost to address the needs of another customer—the business community. Short-term training programs designed to meet the precise needs of an individual company may be quite useful to an employee, particularly while he or she remains employed by the company that paid for the training. But because such training does not often carry college credit or a recognizable credential, it most often remains meaningful only within the context of a particular company.

Education and Training Policy under WIA

WIA has emerged within the context of this unmistakable movement toward defining the employment sector as the primary customer of the community college. Indeed, many elements of WIA reflect and reinforce this orientation toward the needs of the labor market. Perhaps most prominently, despite the fact that WIA promises to deliver education and training to unemployed workers, it employs a work-first philosophy that actively discourages the acquisition of either education or training and encourages states and educational institutions to link access to education with the needs of the local labor market. Moreover, WIA employs an outcomes-driven, market ideology in both providing and assessing the quality of education and training. Thus, the policy would seem to be consistently in line with market-driven educational reforms.

Yet rhetoric is not necessarily consistently reflected in either the details of formal policy or the implementation of these policies in states and educational institutions. How well are the assumptions of a market-based approach to education supported in (1) the conceptualization of WIA and (2) its implementation? Below, we address the first portion of this question by providing an overview of WIA and the rhetoric that shapes it. Next, we examine how WIA is being implemented to examine whether the rhetoric matches the reality, particularly with regard to the question of whether WIA does, in fact, address the needs of students as one of the policy's primary customers.

WIA: A Market-Driven Policy Initiative

WIA represents a distinct departure from previous workforce development federal policies, such as the Comprehensive Employment Training Act of the 1980s and the Job Training Partnership Act (JTPA) of the 1990s, in three important ways. First, WIA employs a work-first philosophy whose goal is to place as many WIA clients into employment as quickly as possible. Rapid workforce attachment is emphasized; education and training are de-emphasized. Second, WIA is designed to be a customer-driven policy, and customers are broadly defined to include both students and the employment sector. Third, a comprehensive accountability system is employed to collect information designed in part to help customers make informed educational choices. When taken together, these three factors are designed to create a market-driven approach to providing services to WIA clients. This approach has important implications for access to education and training for disadvantaged students.

According to a recent Department of Labor (2002) Web site, WIA is driven by "customer satisfaction," which is gauged by a series of customer (both students and employers) satisfaction and job placement measures. This is in distinct contrast to previous federal job training policies, which both provided more access to education and training and operated via vendor-driven policies through which community colleges competed to obtain grants from the Department of Labor to offer education and training programs specifically for JTPA clients (Barnow and King 2001). The competition for vendor grants was clearly an element of JTPA that reflected a market orientation, but funding was relatively plentiful. Under WIA, the vendor is not the central element in the equation; instead, two sets of customers—the business sector and the WIA clients who become students—drive the model. As the Department of Labor (1998) stated, "The most important aspect of the Act is its focus on meeting the needs of businesses for skilled workers *and* the training, education and employment needs of individuals" (p. 4).

WIA operationalizes its customer-driven orientation via the use of two tools: the voucher-like Individualized Training Account (ITA) and the accountability system. Under JTPA, community colleges and other educational institutions competed for federal dollars distributed by states via training contracts. On receiving a contract to, for example, provide a training program for office assistants, the community college would develop the program, staff it, and advertise the program and recruit to fill its classes. Thus, while there was an element of competition for these dollars, on receiving the contract, community colleges could be sure that they would receive a sizable contract for developing and staffing such programs if they could fill their classes.

The accountability measures present in WIA are evidence of a distinctly different relationship between the federal government and providers of education and training. First, while JTPA did not impose eligibility requirements on training providers, WIA requires that all providers be certified with the federal or state government. In addition, whereas there were no reporting requirements under JTPA, under WIA, all providers must "submit annual specified performance-based information relating to the outcomes of their students (i.e., completion rates, placement and earnings)" (Department of Labor 2002, 4). Moreover, to remain eligible, they must meet or exceed minimum levels of performance established by states and localities. And finally, evidence of customer satisfaction for both participants and employers must be collected by each training provider as well.

These outcome measures are then fed back to the one-stop career centers that are the mandated entry point for individuals wishing to access WIA services. The centers provide the outcome measures as a means through which WIA clients approved for training can examine the outcome measures and make an informed choice regarding which program is most likely to help them achieve their educational and employment goals.

According to the WIA model, clients are able to access this training via the provision of ITAs. WIA clients who are not able to obtain employment by simply utilizing the on-site resources of the career centers are theoretically able to obtain an ITA and then choose an appropriate educational or training program. This differs from the JTPA model in that programs are not developed specifically for WIA clients, as they were under JTPA. Rather, clients are able to choose any program for which a community college or other educational organization submits the requisite accountability information. Thus, community colleges are not competing for contracts to develop programs; they are competing for individual students. In much the same way that K-12 school voucher program models provide parents with the opportunity to shop for the best existing school, ITAs explicitly treat students as consumers and education as an open market.

With the adaptation of both mechanisms, WIA, at least in theory, embraces a market-driven model for the delivery of education and training. As Barnow and King (2001) pointed out, "WIA is quite clear about providing accurate, up-to-date performance information on providers to support informed consumer choice, an essential element in fostering reliance on market mechanisms" (pp. 7-8). They went on to say,

> It is no longer unusual to see proposals and provisions referring to both participants and employers as "customers" of workforce services and viewing service providers (such as state and local agencies, community colleges, and community-based organizations) as entities addressing their needs. (P. 8)

Indeed, materials from the Department of Labor itself describe WIA using similar language, stating that

> provisions of the Act promote individual responsibility and personal decision-making through the use of "Individual Training Accounts" which allow adult customers to "purchase" the training they determine best for them. This market-driven system will enable customers to get the skills and credentials they need to succeed in their local labor markets. (usworkforce.org/runningtext2.htm)

The Reality of WIA: Does the Rhetoric Match the Reality?

Yet WIA is not as consistent, or as seamless, in its market orientation as this rhetoric would suggest. In fact, several assumptions of a market-driven model are violated under WIA. In the following section of this article, we utilize data from community colleges, one-stop career centers, and state policy makers to examine whether the implementation of WIA reflects a consistent market philosophy that honors students, as well as the business sector, as legitimate customers.

The data presented in this article are a subset of a larger data set that was collected as part of a research project funded by the Atlantic Philanthropic Foundation, the Russell Sage Foundation, and the Annie E. Casey Foundation. The purpose of the research project is to examine the ways in which community colleges have responded to welfare reform and WIA, particularly with regard to maintaining access to education for low-income populations. We have collected data in six states whose responses to these policies vary—Florida, Illinois, Pennsylvania, Massachusetts, Washington, and Rhode Island. Within each state, we have examined responses to these policies in two to three community colleges.

Reporting requirements are so onerous to some community colleges that they reduce or eliminate the ability of colleges to participate in WIA.

In conducting our study, we utilized a nested comparative case study design, which is based on the methodological thinking of Ragin, Becker, and others (Ragin 1989; Ragin and Becker 1992) that explores ways in which comparative case study methods can be used to examine complex social phenomena. Our goal was to develop a pool of data that would allow us to do meaningful comparisons of the effects of these policies across different state and institutional contexts.

Data were collected at several different levels using a mixed-methods case study design. First, we interviewed a total of 110 state-level bureaucrats in relevant departments (e.g., Education, Human Services, Employment and Training) and analyzed formal policy development and implementation utilizing existing policy documents, policy analyses provided by a number of policy research houses as well as the agencies themselves. Next, we identified three community colleges in each of the six states and interviewed a total of ninety-six faculty members and administrators. We also conducted interviews and focus groups with groups of low-income workers such as welfare recipients and WIA clients. Finally, we interviewed thirteen welfare and WIA caseworkers. In addition, we have collected an extensive amount of secondary data regarding the implementation and outcomes of both policies, including state-issued enrollment data, reports by research houses and advocacy organizations, and reports generated by individual community colleges. In all, our data will allow us to paint a detailed and comprehensive picture of how community colleges are responding to welfare reform and WIA and, in particular, to discern how these policies are affecting the ways in which they provide education and training to low-income workers. In this article, we utilize data from Illinois, Florida, and Rhode Island to provide examples of the ways in which community colleges are responding to a variety of market-driven pressures.

It is important to note that market-based, competitive models of federal and state educational policy exert their influences in varied ways. The relationship between workforce development and WIA is complicated in these states, and each of them exerts certain types of market pressure on community colleges. It is beyond the scope of this article to provide a systematic, comparative analysis of the implementation of WIA across these states. Rather, we utilize our data to untangle the effects of these admittedly entwined factors and to illustrate how several aspects of WIA and workforce development affect access to education and training for low-income workers.

The Effects of the Work-First Philosophy: Barriers at One-Stop Career Centers

As the Aspen Institute, the Workforce Alliance, and others have pointed out, recent federal public policy has been increasingly focused on getting unemployed individuals into the employment sector as quickly as possible. Work of any kind, rather than education and/or training, is seen as the most efficient solution to the needs of both the employment sector and the unemployed worker (Aspen Institute 2002, 1; Workforce Alliance 2002, 1). WIA is no exception. As the Department of Labor indicates, WIA offers three levels of service. At the most basic level, core services are available in the form of access to computers, assistance in filing unemployment insurance claims, or assistance with job search and placement. Intensive services are available to adults who cannot obtain employment through core services and include assessment of skill levels, counseling, and development of an individualized employment plan. Training services, the top layer of services, are relatively rare and are available only to those individuals who have not obtained employment via core or intensive services. Thus, access to training is greatly restricted by virtue of the hierarchy of services available to WIA clients. Moreover, according to the Department of Labor, "Training services must be directly linked to occupations in demand in the local area or in another area to which the participant is willing to move." Thus, in important ways, the work-first philosophy that drives the development of this hierarchy of services is a critical violation of free-market models of education because it restricts access to education. Customers, at least in the form of students, are not freely able to choose whether and how they will approach education and training. Rather, the hand of the state—in this instance, one-stop caseworkers—determines whether WIA clients will have access to education.

We see this phenomenon in play in a number of our states, as colleges report a significant decrease in enrollment as a result of WIA. For example, in Illinois, the ideology of rapid labor force attachment was so clearly received by caseworkers at one-stop career centers that very few individuals received ITAs during the initial years of implementation. According to a director of truck driver training (a short-term training program appropriate for many WIA clients) at an Illinois community college, the college experienced a large decline in the number of clients served when the transition from JTPA to WIA occurred. He said,

> We had a very small number of folks that came through WIA. We had a great pool of people that should have been coming through WIA; I was interviewing people every day that were qualified. But they would not send them, they would not fund them.

His impression was confirmed by a one-stop career center employee, who said,

> You have to go through core and intensive services before you ever get to training services. I've been in meetings where it has actually been stated that nobody is ever going to get to training because everybody is going to get a job in core or intensive. Our clients that are going to be left as we get to the bottom of the caseload are people who have a lot of barriers they have to overcome before they can even get training. So at this point, the ITAs really aren't an option for that group of people.

It was not until the federal government began talking about rescinding unspent WIA dollars that states began to issue more ITAs. According to an Illinois caseworker interviewed shortly after rumors about the potential rescinding of funds came out,

> [Laughing] Originally when I first started, they explained that this program was a work-first type of program in that whole work-first philosophy. Just recently, within the past couple of weeks, I have been notified by my supervisors and other individuals that that's not really what they're wanting to gear this program towards and they're reviewing the policy and so forth.

Clearly, WIA employs a number of policies that prevent many WIA clients from ever setting foot on a college campus.

Accountability Measures Result in Creaming

According to the Department of Labor, WIA employs universal access to services—that is, anyone who walks through the door of a one-stop career center is eligible for services (Department of Labor 1998). However, WIA's accountability system is a major disincentive to providing universal access to services at one-stop career centers. Strictly enforced outcome measures in the form of job placement and wage rates of WIA clients encourage one-stop centers to provide services to only those clients who are most likely to produce successful outcome measures.

The result can be a phenomenon referred to as creaming. Creaming occurs when caseworkers select clients for training based on their perceived ability to complete training and find work rather than on their need for increased skills or education. Centers can and do decide which types of potential clients they will serve, as the following conversation with an employee in a Rhode Island one-stop career center revealed. He described a steady pressure to meet performance targets for wages and job placements, asserting that "the fewer of those people [low literacy] I have to deal with, the more I am ensuring that my performance will be in the higher level, the more acceptable level."

> Question: So there's more outreach to [high-skilled workers]?
> Answer: Yes.

The strategy used here is clearly designed to meet the performance targets by enrolling only the more advantaged customers and making quick job placements rather than sending them to training. The career center worker went on to detail the differences between what he sees as a desirable client versus an undesirable client. In describing the undesirable client, he said, "The person says, 'Yeah, I can collect for twenty-six weeks; I'll worry about it on the twenty-fourth week and go out and get a job.' That's not a motivated client."

A desirable client, on the other hand, is one who is highly motivated to get a job.

> Somebody comes in and says, "I don't want to be here, I want to be working." . . . We're going to enroll you in WIA, yes. Because what do I have? I have a motivated client for which I can get an outcome. . . . Now if that sounds like creaming, it might be to an extent.

In other words, career center workers act strategically in these decisions in response to the outcomes-oriented funding formula.

This situation is exacerbated by the fact that WIA does not take into consideration the difficulties of placing high-risk clients. As another career center director in Rhode Island reported,

> There is no regression model under these performance standards like there was under JTPA. Under JTPA, the more of the hard-to-serve that you served, the lower your standard of placement . . . and you looked at wages. Female was a criteria, because women get paid less. So the more females you serve, the outcome is probably going to be lower wages. So the more women you served, they gave you credit for that.

This type of consideration is not present under the current WIA policy in Rhode Island. Again, this places additional pressure on the one-stop career centers to serve the relatively easy to serve. Visits to career centers throughout our three states bear this out: the majority of WIA clients present tended to be older, white males, with a few exceptions in heavily urban areas.

We found additional evidence of creaming in Florida in response to accountability measures. Florida's twenty-four regional workforce investment boards are rated on their one-stop career center wage and placement rates in a document known as the "Red and Green Report." This report, which places each region into a positive (green) or negative (red) performance category, is quite controversial throughout the state. Workforce investment boards, in urban areas in particular, struggle to maintain good performance indicators while at the same time serving the state's most disadvantaged populations (as in Rhode Island, the JTPA regression methodology is no longer in place). In one region, the board felt intense pressure from the state to improve performance and in turn pressured the local one-stop career centers to improve their outcomes. The result was that many local career center workers, including those based at community college campuses, felt the need to cream clients—in this case, they did so by not entering those individuals into the record-keeping system whom they felt would not have good outcomes, as a dialogue with a one-stop career center caseworker revealed:

Answer: The emphasis is placement, and we are supposed to register in the database only those people who are looking for work. Only serious job seekers, and they are looking more for quality, not quantity.
Question: You are only supposed to register in the database serious job seekers?
Answer: Yes, serious job seekers. Meaning that we have students because of where we're located [at a community college] that either don't have to work or they're working a job but they just come in here to look to see if there's something better.
Question: But they don't want those people to be entered into the system in the first place?
Answer: Because we're supposed to place one out of three people.
Question: Oh right, it's for statistical purposes obviously.
Answer: Yes.
Question: So if you're entering too many into the system and you don't place all of them . . . your numbers don't look great.
Answer: Yes.
Question: But it's a little bit of number playing then?
Answer: Oh well, you know, we just have to be careful who we enter because we need to be successful.

The manipulation of the numbers used to report outcomes has many obvious consequences, but perhaps most important, it affects the ability of some individuals to access WIA funds for training since those individuals never enrolled in the reporting system are not eligible for training vouchers. As these examples show, the accountability mechanisms inherent in WIA do not address the education and training needs of WIA clients, particularly those who are most disadvantaged. Thus, accountability measures functioning at the site of one-stop career centers violate the free-choice, open-access assumptions on which a market-based model of educational delivery is based.

The Effects of WIA Accountability Measures on the Community College

The assumption that WIA clients will have the capacity to choose among all qualified education and training providers that exist in a locality is proving to be false as well. In addition to the significant barriers to education and training that are erected at the career centers, an additional set of disincentives exist that make it difficult for community colleges to participate in the WIA system as training and education providers. In the case of community colleges, accountability measures once again function to restrict the ability of WIA clients to access a full range of education and training.

As was stated earlier, customer satisfaction is a primary element of WIA. Within the context of WIA training providers, customer satisfaction is measured by statistics on job placement, wages, and satisfaction measures for both students and employers. These data must be collected for every program in which even a single WIA client is enrolled, for every student enrolled in the program (not just WIA students), and for every employer who hires one of these students. These reporting requirements are so onerous to some community colleges that they reduce or eliminate the ability of colleges to participate in WIA, and they encourage community colleges to participate with only those programs that produce the best outcome measures.

A preliminary report on WIA implementation issued by Government Accounting Office (2001), as well as a recent study published by the Aspen Institute (2002), indicates that these requirements do, in fact, reduce participation in WIA among community colleges and other educational providers. Many providers that delivered education and training under JTPA are not doing so under WIA. Both reports point to what they see as excessive data reporting requirements, outcome measures that many providers believe are unfair, and a drastic reduction in the number of potential students who might enroll in these institutions via WIA. As the Government Accounting Office stated, "WIA data collection coupled with the few job seekers sent to training has, to date, resulted in training providers reducing the number of programs they offer" (p. 11). In some instances, the number of providers has been reduced by nearly half. Thus, the free choice that is a prerequisite of market-driven models of education has been seriously curtailed by burdensome reporting requirements that necessitate the construction of data collection systems that many community colleges are either unable or unwilling to develop.

We observed this effect in several community colleges across our states. While community colleges have improved relationships with employers and increased workforce development efforts over the years, they still have difficulties with WIA's requirements. A director at the Illinois Community College Board reported that the Illinois colleges harbor negative feelings about WIA. She said,

> We have worked for a year to build up understanding among the colleges about the value of WIA, and to convince them that WIA is not the ends, it is simply a means. If they thought that workforce development in the state was only going to be WIA, they would all be out of here.

As an Illinois career center worker stated,

> There aren't a lot of providers on the list [of approved vendors]. That's the complaint we hear a lot. And community colleges aren't putting all of their programs on; they're just putting a few of their programs on. And I think the reason for that is because . . . if somebody enrolls in, say, a nursing program, then the performance of everybody that's in that program will be measured because the whole ITA system is gonna be judged by their performance. It's not just the employment outcomes of the [WIA] student. It's the employment outcomes of everybody that was in that program. And, you know, a lot of those people take those classes or are in particular programs are taking them for different reasons. They may not all be taking them so they can get a job.

As this quotation illustrates, the WIA reporting requirements function in direct opposition to the broader community college mission of providing access to education for a wide array of students. In many instances, if community colleges are asked to choose between maintaining the ability to enroll the few WIA clients who actually receive ITAs and continuing to enroll a wide array of students in a wide array of programs, they will choose the latter. As a result, WIA greatly curtails the educational choice available to its clients, thereby violating another principle of a market-driven educational system.

Analyzing WIA in a Workforce Development Context

As discussed earlier in this article, there has been a growing emphasis on workforce development at community colleges. This approach to providing education envisions the business community as its primary customer; students are a distant second. This trend has occurred in part because of actions taken by states to improve their workforces and become more attentive to the needs of business in general, and because of the need for the entrepreneurial community college to sustain itself.

While workforce development preceded the implementation of WIA, WIA in many ways contributes to and advances the goals of workforce development. Thus, while it is difficult to untangle the individual effects of WIA and workforce development in certain states, it seems safe to say that when taken together, these policies have a cumulative effect on access to education for WIA clients. The following discussion of Florida and Illinois provides examples of the ways in which WIA, when combined with a strong workforce development context, can affect the mission and function of the community college.

Florida: Targeted occupations

Florida's workforce development system is among the most integrated in the nation. The state's recently enacted Workforce Innovation Act of 2000, which followed the passage of the federal WIA, merged state welfare-to-work and workforce development agencies and services. Currently, both welfare reform and WIA are administered by one agency, Workforce Florida Incorporated. This move to integrate agencies and streamline the provision of services clearly reflects the federal WIA, which called for the creation of one-stop career centers to reduce administrative hassles and implement one-line access to services.

Florida policy makers are very concerned with maintaining competition among training providers, which according to one legislator creates a "capacity for success." He elaborated: "Well, isn't that what we're in? The business of putting people to work. Isn't that our business? The business of training. The business of education. Aren't we in a business?"

Yet Florida does not provide a free-market environment in which these educational businesses can function. The market does not determine which types of education will flourish; the state does. Florida students cannot access training at a community college using WIA funds unless their chosen work is on the targeted occupations list. These lists are determined by an occupational forecasting conference that considers employment, job openings, program placement, and earnings data to determine a ranking of high-wage, high-demand occupations for each of Florida's twenty-four regions so that education and training can meet those needs. The lists are used to help identify vocational programs eligible for the state's performance-based incentive funding, and they are targeted for training by community colleges and local workforce investment boards. Therefore, if the regional labor market does not require workers for a specific job, individuals will not receive WIA dollars to be trained for it. According to a former legislative aide, the purpose of targeted occupations lists is to ensure that state and federal money is spent in ways that benefit the state economy:

> The Workforce Investment Act said, "You will have the right to choose." You can make some decisions about the career you want to get into. . . . The WIA choice issue [means] you have to fix your cost. . . . You get to decide what you want to be, say you want to be an airline pilot. . . . We don't know where you're going to get a job, and we're certainly not going to pay $25,000 to have you not get a job. The targeted occupations means our money is being put into your hands to be spent, and so we're going to put a condition on it—the condition is our workforce needs someone with those skills.

This approach to funding WIA education and training is in line with the state's increased emphasis on workforce education at community colleges in general and clearly limits the choices available to WIA clients. A dean of workforce development at one Florida community college, when asked whether there has been an increase in activity around workforce education at her school, said,

> Yes, since the state decided to fund us for those activities in a very focused way with the performance state funding. All of the new academic programs we've developed have in mind that kind of high-demand, high-wage focus.

The new programs developed by the community colleges are intended specifically to serve the needs of the high-skills/high-wages industry—businesses such as Cisco Systems and Lucent Technology. Fewer programs are created to train people for less high-tech jobs because those jobs are not on the targeted occupations list. And since they are not on the targeted list, the colleges do not receive extra funding to train people for them. The free choice that is the hallmark of a market-driven educational model is not present under WIA. Many times, the training offered is short term and nondegree because that is what is required for the targeted occupation. Since the research clearly shows higher economic returns for degree and certificate-bearing programs (Kane and Rouse 1999), the student consumer is generally not well served by the existing types of programs. Instead, the customer that benefits here is the business community, which in Florida's economy in particular sustains a demand for a supply of workers willing to work for low wages.

Illinois: The symbolic effect of WIA in the workforce development context

In Illinois, the combination of existing workforce development efforts and the implementation of WIA appear to have transformed some community colleges from primarily transfer institutions to those that embrace workforce development as a primary mission that is equally if not more important than the academic mission. According to a career center director, at the colleges, "Business and industry services are taking an increasingly important role, and we are consciously supporting that and promoting that. . . . I think we're seeing a much more comprehensive college now."

WIA reporting requirements function in direct opposition to the broader community college mission of providing access to education for a wide array of students.

While WIA's training vouchers are not used at Illinois community colleges often enough to effect much change, individuals at several community colleges indicated that WIA has a rather strong symbolic effect. "The federal dollars, if you look at our total budget, it becomes only 6 percent, but I think the important part of the federal dollars is that it is kind of a lightning rod," said the vice president for workforce development at one college. "We can say, 'Hey, we need to do something differently, or here is a population we need to reach out to.' "

Illustrating the symbolic power that WIA can wield, the college reorganized its organizational structure, moving workforce development to a more prominent place in the hierarchy of the structure of the college. In the past, oversight of workforce development was housed in a dean's level position; since WIA, workforce development is overseen by an associate vice president of workforce development, who oversees all workforce development efforts, including degree and certificate programs, adult education and literacy, welfare-to-work programs, the business training institute, and all contract training. Enrollment trends at the college reflect this shift in emphasis: During the years following the implementation of WIA (1999 on), the college has seen an increase in the number of students in vocational and occupational skills programs (approximately 32 percent in fall 2001, up from 24 percent in 1999), although very few of them have been WIA clients. In contrast, the number of students in the general associate's degree (nontransfer) program has declined during that same period of time (from 25 percent to 14 percent).

Other aspects of WIA also appear to have increased the focus on the needs of the business community. For example, the required presence of members of the business community on the local workforce investment boards brought them into contact with community college administrators. As a result, business representatives have attempted to impress on the community colleges their need for more certificate and short-term training—a need most often met in Illinois by private training providers. Thus, the colleges are aware that either they can meet the needs of local industry to gain more students or local industry will continue to ignore them. As one business leader in Illinois put it, "I have no pressing need to work with community colleges."

Discussion and Implications

WIA is being implemented within the context of a broader, business-friendly workforce development environment in the community college. While our data are far from conclusive on this point, our research certainly suggests that the employment sector has emerged as the primary customer of WIA and of community colleges in general. Moreover, this fact creates systematic and chronic tension with the free-market, consumer-driven rhetoric that describes WIA in official federal- and state-level documents, ensuring that there is considerable distance between the free-market rhetoric of WIA and its implementation on the ground.

In this article, we have identified several mechanisms through which this orientation plays out in the implementation of WIA and results in a reduction in educational access. First, the work-first philosophy creates a number of barriers to education and training, resulting in a sharp decrease in both the quantity and the quality of education and training available to WIA clients. Moreover, WIA's accountability measures focus on job placement and earnings, resulting in pressure for one-stop career centers to cream their clients and enroll only those clients who are likely to produce positive results on these outcome measures. WIA's accountability measures have negative effects on community colleges as well. Because all approved educational vendors must collect extensive outcome data, many community colleges have opted out of the WIA system either due to lack of resources needed to collect the data or because the outcome measures are viewed as unfair.

When examining WIA within the broader context of a workforce development environment, we have uncovered additional implementation factors that can affect access to education. In some states, tying WIA funding to targeted occupation lists greatly reduces clients' choice of education. And in other states, the mere presence of WIA seems to have a symbolic effect, moving community colleges closer to a workforce-centered philosophy than they might have been otherwise.

Despite the rhetoric that suggests that WIA is a market-driven policy fueled by the needs of both WIA clients and the business sector, our analysis clearly shows that several assumptions of a market-driven educational policy are violated in both the design and the implementation of this policy. This is true because several elements of the formal policy undercut free-market philosophy. The work-first approach to providing services to WIA clients reduces their access to education and training of any type, and accountability measures limit the types of clients who will receive education, as well as the type of education they will receive. In fact, WIA does possess the two elements of what is generally considered a market-driven educational model—that is, an emphasis on the customer and the provision of information so that customers can make informed choices. However, accountability structures designed to provide this information actually work at cross-purposes, undercutting the ability and the willingness of both one-stop career centers and community colleges to serve the needs of at least one of their primary customers—WIA clients. Under this model, institutional autonomy is constrained rather than increased, and the competition that is supposed to lead to an improvement in quality according to the market model is reduced.

The free choice that is the hallmark of a market-driven educational model is not present under WIA.

Moreover, the policy reflects and exists within an environment that clearly favors the needs of one particular customer—the business community. However, there are elements of WIA that thwart the influence of the business community as well. Again, the presence of what are broadly perceived to be onerous reporting requirements discourage community colleges from offering a wide array of education and training options to WIA clients. As a result, the training needs of the business community may not be fully met either.

What effects do such factors have on access to education and training, especially for disadvantaged populations? Some of our data help us to begin to answer that question. Clearly, the educational options available to the other named customer of the policy—that is, WIA clients—are being diminished in significant ways. Operating in a business-friendly, workforce-development context, WIA strongly encourages both one-stop career centers and community colleges to pay very close attention to ensuring that they can achieve success as measured by specific outcome measures. Since most times, the outcomes are employment and earnings measures and because barriers to employment and earnings are not taken into account, there is a pervasive and significant incentive to serve only those who have the most likelihood of succeeding. Barriers to access exist both at the entry point to WIA, the one-stop career centers, and at community colleges as well. As a result, the hardest to serve—that is, those with low literacy rates, spotty employment histories, women (especially those with young children), even the handicapped—may not receive the same kind of access to education and training as do the more advantaged. Because our data are descriptive of the implementation of these policies and it is too early to thoroughly assess the comprehensive impact of WIA on enrollment, we do not have the ability to say with certainty that this policy is having an adverse effect on access to education for the disadvantaged. But there are clear signs pointing in that direction that require careful attention.

It is important to point out that the type of education available to WIA clients is shifting as well. There is nothing inherently wrong with developing education and training programs designed to address the needs of the labor market; community colleges have been doing so for years and in fact have prided themselves on their close connection to the business world. However, when the only education available to WIA clients is that which suits the needs of local employers, student choice will be severely constricted despite the free-market philosophy that would, in theory, provide the customer with more choices rather than fewer. And again, it is important to note that this lack of flexibility has the most serious ramifications for those students who most need flexibility—students with young children, transportation barriers, or remedial educational needs. The free choice that is the hallmark of a market-driven educational model is not present under WIA, at least for WIA clients.

Conclusion

Despite the rhetoric that surrounds WIA, it is difficult to characterize this piece of federal policy as market driven, except insofar as it encourages community colleges to respond to the needs of one particular customer, the business community. As community colleges face increased pressures from multiple sources to become more business focused, it will continue to be important to develop a better understanding of how these institutions respond to local, state, and federal factors affecting the training and education available to all WIA clients, particularly high-risk clients. Our data suggest that, overall, as the ties between community colleges and the business sector have tightened, the influence of the workforce development model has increased. Business-friendly training and education has increased as access to credit-bearing, degree-granting education has decreased, as has the autonomy of many who seek education and training in general. Although it is still early in the life of WIA, our analyses suggest that the market-driven, customer-focused rhetoric that surrounds WIA is not reflected in either the details of formal policy or the implementation of the policy.

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