

SUPPORTING STATEMENT
WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT
(WIRED) INITIATIVE EVALUATION

A. Justification

1. Circumstances that Necessitate Data Collection

- a. In 2006, the Department of Labor (DOL) began sponsoring the Workforce Innovation in Regional Economic Development (WIRED) Initiative, a demonstration to identify strategies to further integrate workforce and economic development systems with education at the regional level – where companies, workers, researchers, entrepreneurs and governments can come together to create a competitive advantage.
 - (1) The initiative provides regions with funding and ongoing technical assistance and support from a cadre of experts to implement a transformational approach to their workforce and economic development systems. It focuses on those regions which have economies based on manufacturing or other trade-impacted industries or those which recently have been impacted by hurricanes and other natural disasters.
 - (2) The WIRED Initiative will take place over the course of five years, with three rounds of grants awarded to regions across the country. Each round provided individual grant awards to state Governors for 13 geographically dispersed regions, including some regions that cross state lines, for a total of 39 regions.
 - (3) DOL expects that regions participating in the WIRED Initiative will be empowered to implement ground-breaking strategies that will result in their workforce investment systems becoming a key to their regional economic development strategies. Through the WIRED model, regions integrate economic and workforce development activities and demonstrate that talent development can drive economic transformation in regional economies across the United States. The ultimate goal of the WIRED Initiative is to expand employment and advancement opportunities for American workers and catalyze the creation of high-skill and high-wage jobs.
 - (4) The WIRED Initiative evaluation, sponsored by the Employment and Training Administration (ETA) of the DOL, was designed to provide a comprehensive understanding of the implementation and cumulative effects of WIRED strategies on the regions, in particular, transformations in their regional economic and workforce investment systems.
 - (5) The evaluation focuses on three critical aspects of regional transformation:
 - 1) alliance-building across geographic and professional boundaries, along

with development of a regional identity; 2) specific organizational and programmatic strategies, in terms of partners, governance, co-investment, and specific business development and workforce investment initiatives; and 3) measurable progress toward sustainable economic transformation, as indicated by outcome metrics related to regional economic well-being and workforce preparedness.

- (6) Data collection for the evaluation will take place during three rounds of site visits to regions participating in the initiative. The first round of data collection was approved by OMB on May 2, 2007 under OMB No. 1205-0436. This information collection request addresses data gathering that would occur during a follow-up round of site visits.
- (7) The first round site visits previously approved by OMB focus on compiling data about: 1) regional labor markets, within which there are expected to be different opportunities and skill mixes for future employment in high growth industry areas; 2) education systems, K-12 as well as post-secondary, with differing leadership, challenges, specialties and linkages with the workforce investment system; 3) business communities, with changing characteristics and opportunities, including major shocks or dislocations resulting from natural disasters or national policy decisions (as in the case of military downsizing); 4) the social, cultural and political environments; and 5) the dynamics that foster and promote innovation, entrepreneurship and development of research ideas and inventions.
- (8) Those site visits as well as the proposed follow-up site visits will identify the roster of partners and the nature of their roles in moving the collaborative partnerships and transformation strategies forward. In addition, site visitors will inquire about developing opportunities, such as new venture capital and new markets for products, workforce investment and advancement constraints (e.g., skills shortages, new competition, and shutdowns of manufacturing plants or major workplaces), experiences within the region's economic sector as well as opportunities in new and/or expanding industries.

b. The follow-up round of data collection is necessary to observe and gather information about the evolution of regional collaborative strategies and partnerships, the resultant changes in workforce development, economic development and related education systems, and the changing employment and advancement opportunities for workers within these regions.

- (1) The primary purpose of the evaluation is to provide a comprehensive understanding of the implementation and cumulative effects of WIRED strategies on the regions.
- (2) Secondly, the evaluation will provide a cumulative understanding of the initiative over time, from the first round of grantees through the third, with

analysis of systematic patterns across regions that can be discerned and lessons that can be gleaned from regional experiences.

- c. The WIRED Initiative is authorized under P.L. 82-414 (1952), Immigration and Nationality Act (INA), as amended, Title IV: American Competitiveness and Workforce Improvement Act, Section 414(b)(s)(2) Use of Fees For Job Training. The evaluation is being conducted under section 172 of the Workforce Investment Act.
- d. There are no legal or administrative requirements that necessitate this collection of data.

2. Purpose and Application of the Data

- a. The requested data collection consists of on-site unstructured interviews.
- b. Data will be collected by staff from Berkeley Policy Associates, the University of California - San Diego, Public Policy Associates, and W.E. Upjohn Institute for Employment Research, who will be specifically trained in the WIRED data collection procedures by the contractors responsible for the evaluation.
- c. The collected data will be used to describe the WIRED regions' changing designs, philosophical underpinnings, collaborative strategies and partnerships, staffing, implementation progress and challenges, and lessons learned.
- d. In addition, the analysis of data collected through these unstructured interviews will shed light on the evolution of the WIRED Initiative over time.
- e. DOL will use the results of the evaluation to design future programs and policies for expanding employment and career advancement opportunities for American workers and catalyzing the creation of high-skill, high-wage job opportunities.

3. Use of Information Technology to Reduce Burden

- a. The unstructured interviews will be conducted in person, on-site. Using unstructured protocols allows site visitors to follow the interviewee's lead during in-person interviews. This wouldn't be possible if a list of fixed questions were used. This also is not possible if automated, technological-based collection techniques, such as a web-based survey, are used. On-site, in-person interviews allow interviewers to establish rapport with respondents and produce visual cues for interpreting responses that may require further probing or clarification. Such interviews also allow the interviewers to directly observe the context and environment of the initiative. For example, the effects of economic downturns on the region, the interactions and collaboration between project partners during meetings, and the interface between instructors and students during training activities cannot be captured over the telephone or internet.

4. Efforts to Identify Duplication

There are no special circumstances.

8. Summary of Public Comments and Efforts to Consult with Persons Outside the Agency

DOL published a notice in the *Federal Register* on March 31, 2008 in accordance with the Paperwork Reduction Act of 1995 soliciting comments on this data collection.

Two sets of comments were received. One was from a concerned taxpayer, who expressed concern about the need for training for nurses, truck drivers and other occupations experiencing shortages of workers, thereby leading to increased need for foreign workers to enter the country under various federal programs.

The second set of comments was received from the Assistant Commissioner of New Jersey’s Department of Labor and Workforce Development. These comments recognized that the proposed data collection “is necessary and practical” and suggested that an automated process would be easier for participants and enhance overall participation. Further, the cost of the data collection was considered appropriate so long as a high percentage of participants complete the planned interviews. However, the unstructured interviews are geared specifically and somewhat uniquely for each category of respondent and are not consistent across the range of stakeholders expected to be interviewed. They thus allow for divergence in any area that the respondent wishes to expand on or supplement with additional information of relevance to the evaluation. The evaluation team members expect to achieve a high response rate, either while on site due to extensive advance preparation and scheduling, or through follow-up conversations in the event that some stakeholders are unavailable during the scheduled site visits.

Prior to each round of site visits, and as part of the preparation for the visits, the evaluation teams will consult with a range of stakeholders in each region to target only the individuals and organizations that are key partners in the WIRED initiatives, thereby minimizing the burden on individuals to be interviewed on site. In addition, the researchers will continue ongoing efforts to pursue additional sources of data, including administrative data pertaining to each region, in an effort to ensure that data which is readily available can be accessed, thereby reducing imposition on those to be interviewed on site.

9. Payments to Respondents

. There will be no payments to respondents for the unstructured interviews.

10. Confidentiality

- a. Respondents will not be promised confidentiality but interviewers will advise them that opinions and impressions they provide during the interviews will be used only to describe the general trends and directions of strategic planning, implementation, collaboration and partnership development within their respective regions and across regions. Individual respondents will not be identified in study reports except with their express permission. The information they provide will not be released unless required by the Freedom of Information Act or necessary for litigation or legal proceedings.
- b. The researchers will protect the identity of the respondents in the following ways:
 - While on site: Except for focus group sessions, respondents do not participate in interviews with other respondents. Site visit researchers do not repeat something said in one interview to another respondent in another interview.
 - After the site visit: Researchers do not discuss either the information obtained or their opinions of it with people outside of the research team.
 - In reports: In order to honor their assurances to each respondent, the site visit researchers do not attribute observations or comments to specific individuals nor reference their names, titles, or organizational affiliations in the written report.

Data will be collected by Berkeley Policy Associates, the University of California - San Diego, Public Policy Associates, and W.E. Upjohn Institute for Employment Research, the evaluators of the initiative. Under the evaluation contracts, site visit researchers will be trained in all aspects of collecting data for a large implementation study and their use of proper procedures will be monitored throughout the data collection period. All interviewers will be trained in confidentiality policy and security safeguards.

- c. All workstations used for the implementation analysis will be part of the local area network (LAN) at the researchers' facilities. Data stored on network drives is protected using the security mechanisms available through the network operating system used on their primary network servers. These networks are protected from unauthorized external access through the networks' firewalls. These firewalls reside between the networks and the communications lines over which their Internet traffic flows.
- d. Access to all network features such as software, files, printers, Internet, E-mail and other peripherals is controlled by user ID and password.

11. Sensitive Data Items

- There are no sensitive data items to be asked of respondents.

12. Estimate of Hour Burden

a. Approximately 3,200 individuals will be interviewed. Of these, approximately 43% will be from the private sector (i.e. business or other for-profit and not-for-profit institutions.) The balance will be from the public sector (i.e. state, local, or tribal government representatives.) The unstructured interviews will be conducted according to the following table.

Year	Group of Regions	Number of Respondents	Average Time per Response (min)	Annual Burden (hrs)
2008	Generation I	800	45	600
2009	Generation I	800	45	1,800
	Generation II	800	45	
	Generation III	800	45	
Two-Year Total		3,200		2,400

Number of respondents: **In 2008: approximately 344 in the private sector and 456 in the government sector; in 2009: approximately 1,032 in the private sector and 1,368 in the government sector.**

b. The cost to regional representatives to participate in the unstructured interviews, based on an annual average salary of \$75,000 per representative, is approximately \$129,600. The total burden cost varies per year, according to the following table

Year	Group of Regions	Annual Burden (hrs)	Average Cost per Hour	Annual Burden Cost
2008	Generation I	600	\$36	\$21,600
2009	Generation I	600	36	64,800
	Generation II	600	36	
	Generation III	600	36	
Two-Year Total		2,400		\$86,400

13. Reporting Cost

There are no projected cost burdens for reporting.

14. Estimate of Cost to the Federal Government

- Contractor costs associated with the data collection are estimated to be \$306,000 in 2008 and \$710,109 in 2009.

- . These figures were estimated as the sum of the anticipated direct labor; fringe and burden on direct labor; other direct costs including computers, telephone, reproduction, shipping, mail, travel and per diem; general and administrative costs, and contractor fee.

15. Changes in Burden

- . There are no changes in reporting burden. This information collection request is a new submission.

16. Publication Plans and Project Schedule

- a. The proposed interviews will be conducted in 2008 and 2009. Interim reports which will incorporate data collected from these sources will be published in 2009, with final reports published in 2010.

17. Expiration Date

bb
The requested expiration date for the data collection is three years after OMB approval.

cc
We do not seek approval not to display the expiration date.

18. Exceptions to Certification Statement

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We do not request any exceptions to the certification statement in Item 19 of OMB 83-I.