

SUMMMER 2025

Forging What's Next: Workforce Leaders on Innovation and Impact



EXECUTIVE SUMMARY

The National Association of Workforce Boards (NAWB) hosted a series of listening sessions over the first four months of 2025 to explore how workforce development organizations are adapting to a rapidly changing environment influenced by new technologies, economic shifts, and evolving labor market needs. These conversations involved hundreds of leaders and produced a wealth of input that now informs the path forward.

The input captured provides ideas about how to increase reach and impact across the workforce system. In some cases, existing strategies are sound, but leaders are looking for ways to increase efficiency or effectiveness. In other cases, new approaches are called for. Across the conversations, leaders showed a deep desire to unlock greater impact. Themes included:

- Leveraging AI to alleviate administrative burdens, increase programmatic customization, and scale research and analysis
- Building scalable systems and partnerships to support job seekers with greater personalization in career guidance and wrap around support based on principles of human-centered design
- Advancing business partnerships by embracing the role of talent broker for local industries, including facilitating relationships with education entities and collaborations to support retention
- Building capacity for innovation and reimaging the revenue models of workforce development boards to equip them to better meet the growing needs of local communities

NAWB is committed to driving this work forward in partnership with our members and stakeholders across the workforce ecosystem. Our vision goes beyond sharing best practices. Our role is to identify, scale, and help to build a system that can sustain the most effective innovations, and continue to keep pace with the changing economy over time. Our shared goal remains clear: *empower individuals to build meaningful careers, support businesses in finding qualified talent, and promote economic vitality in communities nationwide.*

INTRODUCTION & APPROACH

Workforce development organizations are facing a landscape that is constantly changing, including the economy, workforce trends, technology, and sources of funding, just to name a few of the evolving issues.

In response, the National Association of Workforce Boards (NAWB) convened a sequence of listening sessions to more deeply understand how organizations are responding and how we might work together to leverage opportunities within the current climate.

Three of these events occurred during The Forum, our annual gathering in Washington, DC. The fourth was a virtual conversation designed to process the input received. They were rich discussions that generated thousands of comments from hundreds of leaders. Below is a brief description of each:

1. **Board Chair and Executive Director Working Session.** A pre-session to The Forum for leaders to discuss leading through uncertainty, innovation, and risk. There were 120 attendees.
2. **Together. Forward. Change.** A plenary session that leveraged technology to ask all participants a series of open-ended questions about innovation, systems change, technology, and impact. Open to all 1,300 attendees at The Forum.
3. **Regional Breakfasts.** Town Hall-style discussions where attendees of The Forum were divided into geographical regions to explore relevant opportunities and challenges.
4. **Board Chair and Executive Director Working Session: Reconvened.** This group gathered virtually after The Forum to address unanswered questions from the event and began to translate ideas into action.

Our goal is to facilitate an ongoing conversation that builds on shared understanding to co-create priorities and action. Ultimately, our vision is to help our neighbors secure good jobs and career paths, and ensure businesses have the talent they need to grow so that communities can thrive. This brief captures insights from leaders of the workforce community that will fuel the path ahead.

PRIORITIES

LEVERAGING AI

Artificial Intelligence (AI) emerged as the trend that leaders believed had the greatest potential to increase operational efficiency and better meet the needs of jobseekers. There was widespread interest in using AI to alleviate administrative burdens, specifically to automate systems and processes related to tracking and reporting. Leaders were optimistic about the opportunity to use AI to save staff time, allowing for more one-on-one time with customers.

Multiple ideas surfaced related to improving the experience of jobseekers. These included increasing access, such as through the development of 24-hour interactive registration processes, as well as enabling personalized career navigation and more robust job matching systems. Related to training, AI is already being leveraged to support programs that ensure alignment between employer needs and training content. Virtual reality tools are becoming more popular in career discovery and, increasingly, expanding training experiences.

There is also interest in leveraging AI to support research and analysis. AI can be deployed to manage large data sets and generate insights about jobseekers, the local job market, and emerging trends. Listening session attendees noted the impact of AI on the future of work and the need to continue to track its influence on broader issues related to the workforce and the economy.

Data and Technology

Separate from AI, data and technology represent a critical opportunity for the workforce system. Ideas emerged about the importance of improving the current systems for tracking outcomes and analytics, suggesting standardization and centralized digital platforms to generate actionable data. Information can be used to drive strategy and decision making and to communicate the impact of workforce boards to public and private stakeholders.

CENTERING JOB SEEKERS

Paramount in the philosophy of serving jobseekers was the ability to provide personalized guidance and career navigation. Services should be skills-focused with opportunities for flexible training and, where possible, centered on removing barriers to engagement.

Dialogue explored the issue of how to incorporate the principles of human-centered design when building scalable systems that meet the needs of jobseekers. The two imperatives – 1) ensuring jobseekers receive customized service, and 2) working at scale – did not emerge as a tradeoff but an opportunity. There were multiple suggestions to co-create systems and programs with customers to ensure their needs and preferences are met.

Other recommendations included embedding workforce services in libraries and health centers and providing mobile units in local communities to create a more integrated, accessible support system for jobseekers, and increasing labor force participation. It is imperative to have a balance between providing virtual, tech-enabled access and ensuring pathways for those who may not have digital access.

Providing a range of support services was a consistent theme. We know that jobseekers served by the public workforce system often have complex challenges, including food insecurity, housing instability, a history of justice involvement, or disabilities. A focus on behavioral and mental health was called for both in workforce development, and, as a follow up, extended onboarding strategies in the workplace. Integrated wraparound support, such as access to childcare and transportation, was also recognized as a critical part of workforce development.

Partnerships surfaced as an essential strategy throughout all the discussions. Collaboration with community organizations, advocates, and caretakers was seen as a path to increasing reach and success.

Workforce Strategies

Not surprisingly, skills-based hiring, apprenticeships, and career pathing were named among the most effective workforce programs. Leaders stressed the importance of engaging customers in the design of programs and ensuring that business needs are met seamlessly to ensure scalability and success over the long term.

ADVANCING BUSINESS PARTNERSHIPS

Impact is achieved when business hires and promotes talent. Therefore, the workforce system must also be designed to meet the needs of employers. Deepening partnerships are at the heart of advancing this work. Sector partnerships are a long-standing strategy and are perennially among the most successful within local workforce ecosystems. In integrated alliances, workforce boards can serve as brokers for talent for local industries.

Leaders also talked about the importance of facilitating partnerships between businesses and education or training entities, as well as creating collaborations with local employers to retain their current workforce.

There is a clear desire to expand relationships with businesses to increase both reach and impact. Leaders detailed multiple opportunities for optimizing business engagement, including:

- Increasing agility to match the speed of business
- Working from real-time labor market data
- Catalyzing incentives for employer engagement
- Aligning the talent pipeline
- Creating customized training programs

In many cases, these ideas would require a change to current systems or processes outside the control of workforce boards. There is a need to work closely with public and private partners to build the necessary infrastructure and relationships to operationalize this vision.

Expanding collaboration with business includes developing new ways of tracking and reporting outcomes. Many of the current benchmarks used to describe the impact of the workforce system describe the experience of the jobseeker, such as the number of people trained, job mobility, and increased income. There is an interest in increasing emphasis on measures that show benefit to the business community such as data that show improved time to hire, cost to hire, or job fit.

Red Tape

Policy and regulation were named as barriers to agility, speed, and impact. The limits of current systems were identified as a reason to consider alternative sources of funding and new partners. There is widespread agreement that administrative requirements can get in the way of service delivery due to capacity constraints. Solutions require interventions at the systems level, which include changes at the legislative and regulatory levels, pointing to the critical role of public policy advocacy.

PROMOTING INNOVATION

In this moment, workforce board leaders are working to embrace the opportunity for increased service to jobseekers and deeper engagement with business while simultaneously navigating a time of significant uncertainty and change. Each of these challenges requires innovation in how workforce boards meet their missions. Top of mind is the need to diversify revenue.

The needs of communities and the responsive, expanding vision of workforce boards require business models with robust capitalization. Many boards have established nonprofit arms to increase their ability to accept different types of funding. Building on the foundational federal WIOA funding, boards are expanding their resources in the following ways:

1. Additional federal sources: Supplemental Nutrition Program Education and Training (SNAP E&T), Social Security Ticket to Work, transportation dollars
2. State funding: Temporary Assistance for Needy Families (TANF), economic development, bond funding, new state legislation
3. Local, county, and regional systems: local departments, council of governments, regional commissions, community college systems
4. Philanthropic grants: private foundations and corporations
5. Business development: brokering business needs, customized partnerships and sponsorships with employers
6. Fee for service: charging employers for events, monetizing facilities and amenities, strategies to finance talent opportunities

The network will continue to advocate for, and maximize results from, federal investments even as those dollars are leveraged to expand scope and impact.

How workforce boards are perceived by policymakers and the public is important to conversations about federal investment. Training has been a focal point in the ongoing public policy debate because of legislative proposals that would require boards to spend a significant percentage of federal funds on training.

Leaders underscore that the roles and goals of workforce boards extend far beyond training. Their imperative is to ensure the success of the workforce system by connecting businesses with trainers to ensure curricula is relevant to business needs or by supporting the infrastructure for skills-based hiring that facilitates connection between employers and qualified talent. Workforce boards facilitate outcomes at scale and over time; their focus goes far above and beyond training individuals. To this end, the need to better communicate the role and impact of workforce boards consistently emerged as an imperative, locally and nationally.

Momentum around innovation was evident in each of the listening sessions. There is a shared interest in leaning into a culture of curiosity and learning across the country to accelerate the development of new ideas.

Comments referenced an appetite for increased experimentation, testing, and sharing information across the network. Leaders are interested in finding ways to leverage data and technology to inform advancements. Recommended focus areas span the range of programs, processes, and systems, recognizing that we need to be working at each of these levels to achieve our shared vision.

Federal Workforce Funding

Workforce boards were created by federal legislation and supported by federal investment. NAWB and the network will continue to advocate for these critical resources, shepherd them responsibly, and use them to leverage additional dollars. Federal funding remains a foundational part of the system, even as boards work to expand their scope.

CALL TO ACTION

Each of these objectives can be best achieved by working together. Reflecting on the listening sessions, every room had palpable energy generated from shared goals and insight. NAWB is committed to harnessing that momentum.

For projects already underway, we will create opportunities for more organizations to be involved. New working groups are being created to address some of the additional issues. Additionally, we will work to connect areas where capacity building efforts can be aligned across multiple interests. We believe that strengthening the priorities identified here will accelerate work and outcomes in a variety of workforce strategies, such as skills-based hiring or apprenticeships.

Our philosophy will be to include and surpass. We will include the very best of what we have built and learned in the past, while working together to surpass what we have done before to rise to today's challenges and meet our mission to serve jobseekers, businesses, and communities. We look forward to continuing to work with you to shape the next chapter of our nation's public workforce system.

ACKNOWLEDGEMENTS

The content in this report was generated at ten listening sessions. Nine were held at NAWB's annual convening, The Forum 2025, and one was a follow up virtual convening with board chairs and CEOs of workforce boards. Each session was supported by colleagues dedicated to advancing the public workforce system. We want to acknowledge their partnership and ongoing support of NAWB and the national network of workforce boards.

Many thanks to Jennifer Wilson and Laurie Larrea for capturing notes from the in-person Board Chair and Executive Director Working Session in Washington, D.C. on March 29, 2025.

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Finally, NAWB extends our ongoing gratitude and partnership to our members and allies, including the almost 1,300 attendees at The Forum 2025 - workforce board staff, business leaders who serve on local boards, board members, and allies - and participants in the virtual follow-up session for workforce board CEOs and Board Chairs. We appreciate your partnership and insight and look forward to taking the next steps together.

ABOUT NAWB

The National Association of Workforce Boards (NAWB) is the leading voice for the nation's 570+ workforce development boards—key players in every community helping people find jobs and businesses grow.

At the local and state levels, workforce boards connect businesses, jobseekers, and educators—three groups that need to work together to match the right talent with the right opportunities. NAWB also partners with economic development organizations, local officials, and community leaders to respond to the changing needs of local economies.

At the national level, NAWB works to ensure that federal investments in workforce development deliver real impact: a skilled, competitive workforce and thriving businesses. We advocate for smart public policies, promote the value of workforce boards, and build partnerships that strengthen communities and drive economic opportunity across the country.