

**STRATEGIC FIVE-YEAR
UNIFIED STATE PLAN
FOR NEW JERSEY'S
WORKFORCE INVESTMENT SYSTEM**

**STATE OF
NEW JERSEY**

for the period of

July 1, 1999 through June 30, 2004

Chapter One

UNIFIED STATE PLAN FOR NEW JERSEY'S WORKFORCE INVESTMENT SYSTEM

CHAPTER ONE

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MISSION AND VISION

Work has always been essential to the human experience. Historically, the nature of work has been determined by the nature of the economy. As a new millennium approaches, the nature of work, the workplace, the workforce and the economy are all rapidly changing in unprecedented ways. This dramatic transformation, the full implication of which is not fully known, requires the nation's workforce investment system to adapt. The current environment that necessitates change is characterized by the following:

- Technology is reshaping work and workplace skills, demanding lifelong learning and widening the earnings gap between those with skills and those without.
- Business is reinventing how it functions, creating high performance organizations, flattening layers of management and sharing decision-making with front-line employees.
- Skills such as problem solving, teamwork and communication are increasingly essential for success in the workplace.
- Students, workers and those seeking employment must be served by a system of lifelong learning that offers them the opportunity to continually enhance their skills to keep pace with the rapidity of changes in the skills sets demanded by the labor market.
- Linkages between economic development and the quality of the workforce are more critical in dealing with a work environment so heavily dependent on skills.

The job market now and into the foreseeable future is one where the most important resources workers have are their workplace skills and their ability to learn new skills. Most people will change jobs five to seven times during their careers and, given the pace of organizational and technological change, be asked to upgrade their job skills on a continuing basis. In such an environment, it is crucial that the workforce investment system adapt to this new reality.

Fragmentation in policy, planning and implementation of workforce investment programs cannot address the significant changes to the system. Therefore, in 1995, Governor Christine Todd Whitman responded to these changes in the labor force and the demands of the labor market by creating a statewide system of Workforce Investment Boards, stating:

New Jersey's skilled workforce is our strength as we compete in a world economy;

Investments in training and education foster high skill/high wage jobs, provide economic leadership for the State and offer a better standard of living for our citizens; and,

To remain competitive, New Jersey must develop a State-based and locally delivered strategy for the integrated education and job training system based on current and future State and local area labor market demands.

Executive Order No. 36, May 12, 1995¹

As New Jersey enters the 21st century, it faces an era of enormous change that in some ways is more profound than that of previous generations. Deep changes in the labor market have affected the skills demanded of the workforce, while reduced job security has put a premium on the ability of workers to adapt to these circumstances. New Jersey and the nation must rethink the way the workforce is trained to ensure that dislocations are kept to a minimum and that individuals can attain the quality of life they have come to expect.

New Jersey envisions a future where the employment, training and education systems are finely adapted to the demands of the labor market as defined by the present and evolving human resource needs of the business sector. Furthermore, the State is committed to ensuring that the opportunity to be a productive worker is extended to those members of society such as school drop-outs, welfare recipients, older workers, racial and ethnic minorities, veterans, individuals with disabilities and women, who are too often prevented from reaching their full potential. Achievement of these goals will require a sustained effort to transform the workforce investment system into one that has as its core mission the needs of employers and employees. It is to this end that New Jersey through the State Employment and Training Commission is committed to a Unified State Plan for New Jersey's Workforce Investment System.

¹ See Appendix 1

1.1 INTRODUCTION

New Jersey greeted the passage of the Workforce Investment Act (WIA) of 1998 with much enthusiasm because the language of WIA closely parallels the State's direction for workforce investment. Of particular interest to the State planners and policy-makers was the provision in Title V of the Act to allow for the development of a Unified State Plan that would encompass all the workforce investment programs attached to the One-Stop system. The development of such a plan is the logical extension of New Jersey's current planning and implementation efforts as noted throughout this chapter.

In the absence of federal guidelines to develop such a plan, and yet with the institutional desire to do so, New Jersey has elected to take an approach that clearly establishes a common planning framework for all workforce investment programs. This approach will set out a process for weaving programs and service delivery into a cohesive, integrated system. Chapter One of this plan can be seen as the introduction to each of the subsequent chapters that, for all intents and purposes, are the plans for the programs that feed into the One-Stop system under the Workforce Investment Act. Chapter One lays the groundwork to develop one set of policies, one plan, that not only addresses the needs of every funding stream, but also clearly guides and defines the kind of system envisioned in New Jersey. The subsequent chapters will make continued reference to Chapter One.

New Jersey has developed a set of beliefs and understandings that have long directed the course of its various workforce investment programs. Central to this belief system is the State's "culture of cooperation" where State agencies collaborate, partnerships are established between the State and localities, and the public and private sectors work together. It is clear that WIA gives New Jersey the opportunity to meet many of the coming challenges and further the efforts to streamline the workforce investment system. A skilled and educated workforce can only be created and maintained if workers and businesses have access to a lifelong employment, training and education system responsive to the needs of the labor market. Indeed, the economic winners and losers of the 21st century will be largely determined by whether a skilled and educated workforce is developed and nurtured.

The growing wage gap between low-skill and high-skill jobs bears testimony that the acquisition of skills by the workforce is central to the health of the economy and the life chances of individuals. A manufacturing economy that could support a relatively low-skilled workforce with high wages has been replaced by an economy, including modern manufacturing, where literacy and technical skills are more valued. Although the economy needs to produce a range of jobs that provide employment opportunities to workers with varying skill levels, advancement in most occupations will also require additional skills.

A modern, globally competitive and productive economy demands a workforce capable of learning new technologies, new organizational structures and the necessity of working cooperatively in a culturally diverse workplace. The rapid pace of change in these areas means that education cannot end with a certificate of proficiency or even a college degree, but must be integrated into the work-life of individuals. Therefore, employment, training and education

programs must occur in the schoolroom and the workplace; the job requirements in this labor market require that the training of workers be a continuous process.

An America that does not encourage all of its workers to meet their full potential will be an America where a vast inequality of income will dominate. At every level of the occupational hierarchy - computer programmer to secretary, graphics artists to mechanic - all workers need to maximize their skills. To put it plainly; productivity is the key to generating wealth; a skilled workforce is the key to productivity.

1.1.1 Planning and Policy Development – New Jersey has established the State Employment and Training Commission as the State Workforce Investment Board. The State Employment and Training Commission (SETC) was established by state statute in 1989, clearly before the December 1997 deadline prescribed by WIA. The purpose of the SETC is:

To develop and assist in the implementation of a State employment and training policy with the goal of creating a coherent, integrated system of employment and training programs and services which, in concert with the efforts of the private sector, will provide each citizen of the State with equal access to the learning opportunities needed to attain and maintain high levels of productivity and earning power.²

The State Employment and Training Commission was established to meet the challenge of developing a world class workforce investment system for New Jersey. The bipartisan Commission is the nation's first Human Resource Investment Council established by State legislation. The SETC accomplishes its purpose by sustaining a public-private partnership that seeks to eliminate the parochialism that limits the capacity of government to be creative and responsive to the demands of the 21st century. Four Cabinet officers, representing the Departments of Community Affairs, Education, Human Services and Labor are Commission members as are representatives from the State Assembly and Senate. The Commission on Commerce and Economic Growth and the Commission on Higher Education also participate on the SETC. These public officials join with other Commission members from the private sector, community-based organizations, unions and the general public to develop New Jersey's workforce policy agenda. A member from the business community chairs the Commission. The improvement of the employment, training and education system requires this level of participation because developing workforce policies is beyond the scope of any single agency of government or constituency in the private sector.

The SETC serves as the State Job Training Coordinating Council required under the Job Training Partnership Act as a part of its duties. The statutory responsibilities of the Commission are broad and easily encompass the functions of the State Workforce Investment Board called for in the Workforce Investment Act.

Through the SETC, participating workforce investment agencies have established a strong planning process with the private sector. Such an effort is required because the policy issues are so complex and interrelated that they require all stakeholders in the workforce investment system to work in concert to shape the future of worker learning and business productivity.

2 PL 1989, c. 293, s.8, Appendix 2

In close collaboration with its partners, the SETC has served as the catalyst in defining these broad goals of the workforce investment system:

- Create a strategy for lifelong learning that makes it possible to continuously upgrade skills and meet the demands of the changing workplace to ensure a high quality of life for all New Jerseyans.
- Provide students, workers and others seeking employment with the ability to obtain good jobs at good wages.
- Create a statewide School-to-Career system that moves students to employment and enables all students to meet the challenges of the future labor market, linking schools closely with the employer community to provide relevant school-based and career-based experiences.
- Develop a welfare-to-work system, offering comprehensive services, which leads to economic self-sufficiency.
- Provide strategies that can strengthen the capacity of the workforce investment system to offer high quality, effective and valued services to mature and older workers.
- Furnish businesses with programs to improve the quality of the workforce to meet the challenge of the global economy.
- Assist all employers in transforming their sites into workplaces that maximize the skill and earning potentials of their workers.
- Assure that the workforce investment system is closely tied to economic development efforts.
- Create a One-Stop Career Center system that offers universal access, customer choice and integration of services to meet the needs of individuals and businesses.
- Secure equal opportunity for obtaining skills for all citizens, including the economically disadvantaged, persons with disabilities, those for whom English is not the primary language, women, displaced homemakers, and racial and ethnic minorities.
- Provide up-to-date information on local, state and national labor market conditions and occupational outlooks to ensure that the public can make informed choices.
- Create a system that is accountable at the state, local and service provider levels through the establishment of real performance measures that are meaningful to both job seekers and employers.
- Involve local partners to ensure that local dynamics are represented in the State vision.

The SETC assists in maintaining a close link between agencies through all of its various committees and work groups. Interagency work groups make state level workforce investment policy decisions. Through the SETC, state officials meet on a regular basis with Workforce Investment Board (WIB) Directors to develop policies and resolve any outstanding problems. With the passage of WIA, a Core Planning Group was established consisting of a representative from each of the State's workforce investment agencies, Workforce Investment Board Directors, Service Delivery Area (SDA) Directors, unions, the private sector and community-based organizations to develop this Unified State Plan. Groups similar to this have been meeting in some form since the creation of the Commission to discuss key policy issues, offer guidance on the development of the State's strategy for workforce investment and resolve implementation issues. It is this process of consensus building that is the hallmark of New Jersey's approach to decision making on all workforce issues.

1.2 CORE PRINCIPLES

The SETC is an example of how government and the private sector can effectively work together to achieve a common purpose: improving the quality of the workforce and getting people to work. To accomplish this goal, the SETC has developed six core principles that serve as the foundation of New Jersey's workforce investment policies.

1.2.1 First, a successful workforce investment system must be consumer-based and market-driven and, therefore, relevant to the needs of students, workers and those seeking employment, and the employer community. This requires institutions and agencies involved in employment, training and education programs to be guided by the demands of the labor market. It is the primary task of such programs to bridge the skill gap that separates individuals from jobs and employers from productive employees. Such a system must ensure that the labor exchange process efficiently and effectively facilitate the match of workers and jobs.

1.2.2 Second, the workforce investment system must be performance driven and outcome based -- it must be accountable. Therefore, the true measures of success of the workforce investment system must include, but not be limited to, the consistency of employment and the wages paid to the graduates of programs. The purpose of the workforce investment system is to enhance citizens' standards of living by providing employers with productive workers. While certain other outcomes may well result - for example, improved self-esteem for customers - good jobs at good wages are the most important outcomes.

1.2.3 Third, attainment of fundamental levels of literacy and basic skills lies at the heart of the workforce investment system. Creating a seamless web linking literacy programs to occupational educational programs that lead to employment is a crucial priority for the workforce investment system.

1.2.4 Fourth, there must be full utilization of all potential workers. The changes in the demographics of the workforce necessitate changes in the way people are educated. The current and future workforce will be comprised of increased numbers of racial and ethnic minorities, single parents, persons with disabilities, the economically disadvantaged, non-English speakers,

immigrants and women. The system must be fully accessible to these populations by integrating their special needs and concerns into workforce investment services. This will require the development of specific strategies to eliminate barriers to employment.

1.2.5 Fifth, employers and workers must be involved in governance at all levels of the system and in defining the outcomes to be achieved. Decision-making structures at all levels of the system must be redesigned based on the needs of employers and job seekers so that those needs are the foundation of the delivery system.

1.2.6 Sixth, the system must provide access to lifelong learning. The One-Stop system in New Jersey must be a fully integrated system that provides comprehensive services to those most in need, but also provides the link between any individual and the full array of New Jersey's education, employment and training opportunities.

1.3 NEW JERSEY'S ECONOMIC ENVIRONMENT

1.3.1 Trends - Over the next five years, employment in New Jersey, like the nation, will continue to expand, but at a somewhat slower rate than the red-hot pace of the last two years. The State's employment growth will continue to be led by the service sector. Within the service sector, two industries -- business and health services -- are projected to dominate. Together, these two industries are expected to account for almost half of the State's net employment growth.

State of New Jersey Occupations With The Greatest Employment* 1996-2006

Occupation	1996	2006	Change:1996-2006		Annual Average Job Openings		
	Number	Number	Number	Pct.	Total	New Jobs	Replacements
Systems Analysts	21,900	45,900	24,000	109.4	2,550	2,400	150
Home Health Aides	18,500	32,500	14,000	75.7	1,650	1,400	250
Cashiers	87,800	100,200	12,400	14.2	5,070	1,240	3,830
Salespersons, Retail	113,500	125,800	12,400	10.9	4,840	1,240	3,600
Nursing Aides & Orderlies	39,800	50,400	10,600	26.6	1,600	1,060	540
Nurse: RN,Pract'r,Midwife,Prof'l	63,700	72,800	9,100	14.6	1,790	910	880
General Mgrs & Top Execs	72,400	81,200	8,800	12.2	2,420	890	1,540
Adjustment Clerks	19,300	28,000	8,600	44.7	980	870	120
Reception/Information Clerks	32,500	41,000	8,500	26.2	1,450	850	600
Marketing/Sales Supervisors	71,200	79,600	8,400	11.8	1,980	840	1,140

State of New Jersey
Occupations With The Greatest Percentage Growth*
1996-2006

Occupation	1996-2006				Annual Average Job Openings		
	1996	2006	Change:1996-2006		Total	New Jobs	Replacements
	Number	Number	Number	Pct.			
Systems Analysts	21,900	45,900	24,000	109.4	2,550	2,400	150
Computer Engineers	6,400	12,300	5,900	91.7	630	590	40
Medical Assistants	6,600	11,600	5,000	76.5	630	500	130
Home Health Aides	18,500	32,500	14,000	75.7	1,650	1,400	250
Customer Service Reps	6,900	10,800	3,800	55.3	520	380	140
Securities/Financial, Sales	13,700	20,500	6,800	49.4	800	680	130
Engineer, Math, Nat Sci Mgrs	14,900	21,000	6,100	41.0	930	610	320
Dealer, Casino	7,700	10,800	3,100	40.8	490	310	170
Bill & Account Collectors	11,700	16,300	4,600	39.6	700	460	240
Dental Assistants	7,700	10,700	3,000	38.7	490	300	190

*Notes: *1996 Employment of 5,000+.*
Totals may not add across due to rounding. Employment is rounded to nearest hundred. Percent changes based on unrounded data. Job openings are rounded to the nearest ten.

Prepared by: N.J. Department of Labor
Labor Market & Demographic Research
Occupational and Demographic Research
September 1998

Two components within business services, personnel supply services (i.e., temporary help services) and computer and data processing services, dominate this industry. Because of especially strong growth, particularly in computer and data processing services, these two industries together are expected to account for about three out of every five new jobs in business services in the next decade. The employment gains in computer and data processing services reflect the proliferation of computer applications throughout the economy. The demand for data processing services will remain strong even after the resolution of the Y2K problem. The growth in personnel supply services is due mainly to continued efforts by business to reduce costs and improve flexibility, often by outsourcing operations once done in-house or by adjusting temporary staff to changing market demand.

Health services should continue to be a significant source of employment gains. Future growth in health services employment, though slower than in the past, is still expected to outpace the

overall projected State growth rate. A number of factors, both positive and negative, will influence the health care industry. Cost containment will continue to dampen growth while an aging population and rising incomes suggest increased demand for health services and employment gains. Continued technological advances should permit new and innovative ways of providing treatment.

Within health services, major shifts, already under way, will continue. Employment growth is projected to shift from hospitals to facilities that provide treatment on an outpatient basis. Employment in traditional hospitals will probably remain flat or decrease while employment in nursing and personal care facilities is projected to increase. Hospitals are countering this trend by taking over outpatient facilities. As a result, hospital employment may increase but the growth will not be in the traditional hospital setting.

A significant employment boom is expected in the Atlantic City hotel/casino industry as the tunnel becomes a reality and paves the way for another round of casino development. This growth spurt follows relatively stable employment over the better part of this decade. This boom in large part is contingent on Atlantic City transforming itself into a "destination" vacation resort. Should any neighboring state legalize gambling, Atlantic City's success in appealing to vacationers and conventioners rather than daytrippers will become more critical. A casino-boom in Atlantic City, of course, would impact industries related to the casino industry and employment growth in neighboring counties.

In addition to the service sector, retail trade is expected to add several thousand new jobs with more than half occurring in eating and drinking establishments and food stores. The remaining private service-producing industries of transportation/communications/utilities, wholesale trade, and finance/insurance/real estate are all expected to have positive but smaller growth.

Within the goods-producing industries, construction should expand payrolls in response to needs for new housing, business and infrastructure investments. Only payrolls in manufacturing, among the major economic sectors, can be expected to continue to decline but at a somewhat slower rate than in the past. Most factory losses will be concentrated in electrical equipment, industrial machinery, and apparel and textile products.

New Jersey does have economic development needs that need to be addressed if the State is to take full advantage of its prime location in the middle of the Boston to Washington, DC megalopolis. This location affords easy access to many of the nation's largest and richest markets. The State's infrastructure, particularly its transportation network, will require significant investment if New Jersey is to maintain its competitiveness. Of even greater importance in a highly competitive work economy that places ever-increasing emphasis on skills, productivity, and overall economic efficiency, is investment in the training and education of the State's workforce. This is critical not only for students readying themselves for the world of work and welfare clients and dislocated workers who may have few or obsolete skills, but for those with jobs who will need to constantly upgrade their skills in a world where lifelong learning is a necessity. If New Jersey is to continue as a high-income state, then its workforce must have the skills to achieve the productivity and growth that will ensure the State a

prosperous future. Hence, the high priority New Jersey has placed on the successful implementation of the Workforce Investment Act.

1.3.2 Implications - Not surprisingly, since all major industries except manufacturing are expected to expand over the next five years, long-term employment growth in New Jersey will occur across a wide range of occupations. In fact, all major occupational groups³ are projected to increase which provides employment opportunities for individuals at varying skill levels to obtain employment. The largest gains are expected in professional and technical occupations, where 36 percent of all new jobs will be added, followed by service occupations⁴, where 25 percent of all new jobs will occur. These two major occupational groups will together account for better than three out of every five new jobs.

In addition, faster than average employment growth is projected for executive, administrative, and managerial; marketing and sales; and the very small category of landscaping and animal care occupations. In spite of relatively fast growth, only slightly more than one out of five new jobs are expected to be added in these three major groups combined. Slow growth is projected for administrative support and clerical; production, craft and repair; and operators, fabricators, laborers. The modest employment gains in clerical and administrative support occupations reflect changing technology, which has reduced the need for many clerical and secretarial workers. Expected continuing declines in manufacturing account for only modest growth in production, craft, and repair occupations, and operators, fabricators, laborers.

The growth patterns described above clearly show that the most growth will occur in two very diverse occupational groups. The majority of occupations in the professional and technical category require at least an associate's degree, with four of the top five job gainers - system analysts, elementary school teachers, computer programmers and computer engineers - requiring a bachelor's degree.

Many of the service occupations have minimal training requirements including the top five job gainers - home health aides, nursing aides and orderlies, food preparation workers, guards and child care workers.

The total number of job openings by occupation - not just openings resulting from employment growth - are the best indicators of employment opportunities. Job openings, even more than new jobs, are available at a full range of skill levels. Approximately two-thirds of job openings (employment opportunities) result from the need to replace workers who retire or leave an occupation for any number of reasons. While professional and technical occupations, for example, account for 36 percent of total new jobs by occupation, they account for only 23

3 The major occupational groups are executive, administrative, managerial; professional and technical; marketing and sales; administrative support, clerical; service; landscaping and animal care; production, craft and repair; operators, fabricators and laborers.

4 Service occupations are not directly related to service industries. For example, service occupations, such as waiters and waitresses, janitors and cleaners, flight attendants, and guards are employed in industries outside the service sector. On the other hand, workers in occupations from all major groups, not just the service occupations, staff the service sector industries.

percent of total job openings. On the other hand, clerical and administrative support occupations, which have slow growth but a high replacement need, account for less than 10 percent of New Jersey's total occupational employment gain but 16 percent of total job openings.

Because of replacement needs, employment opportunities even exist in declining occupations, such as typists and sewing machine operators (garment).

The five occupations having the most annual job openings are, in order: cashiers, retail salespersons, waiters and waitresses, general office clerks and food preparation workers. While skill requirements for these positions are minimal, certain basic skills are essential for all occupations. The ability to read and write, effective listening, problem solving, computer literacy, and the ability to function effectively as part of a team are all skills on which a premium is now placed. People lacking these skills are at a serious disadvantage in today's competitive job market.

In general, skill levels for all occupations are increasing, due to the global economy and the necessity of maintaining a competitive edge. A lifelong commitment to learning new skills and upgrading old ones is not an option but a necessity in the 21st century.

1.4 DEVELOPMENT OF A DEMAND SIDE WORKFORCE INVESTMENT SYSTEM

At the direction of the Governor, New Jersey has joined with the National Governors' Association (NGA) and a number of other states to develop a demand side strategy that will be used as the policy foundation for the implementation of the Workforce Investment Act. As the above analysis on the labor market indicates, New Jersey has developed a sophisticated understanding about the fundamentals of the State's economy. The ability to "look over the next hill" at changes in technology, service delivery, manufacturing processes and organizational forms will influence the skill sets needed by workers.

The work with the National Governors' Association has initially resulted in the formulation of an overall policy framework that will guide New Jersey during the implementation of WIA. Three broad initiatives suggested by the collaboration with NGA that emphasize demand side work centered strategies are as follows:

- **Promoting inter-firm cooperation** by helping to build new institutions that provide opportunities for employers to organize collectively in advancing their common human resource development objectives;
- **Building a skill-centered system** that uses skills and competencies as a common language among employers, workers, and training providers, focuses on the workplace as the relevant domain for learning, and makes the system more responsive to employer needs; and
- **Creating new linkages between the supply and the demand side of the labor** that cast states as proactive catalysts for creating a new marketplace for employers and education and training organizations.

These initiatives are congruent by the overall thrust of WIA which calls for an employment and training model that emphasizes “placement, then train” rather than on “train, then place” which typified JTPA. The State has already implemented this model in its Work First New Jersey welfare reform effort.

Additionally, New Jersey has or will take the following steps:

- The SETC has formed a Workforce Quality Committee chaired by a representative from AT&T to develop a demand side strategy for the State.
- New Jersey’s Commission on Science and Technology has begun to work with the SETC to plan a report on the skill sets that will be required by the private sector over the next decade. It is anticipated that a conference on this topic will take place within the next six months. Major New Jersey high tech companies are members of the Commission on Science and Technology including those from the pharmaceutical, telecommunications, and data processing industries.
- Prosperity New Jersey is a private sector-led Commission appointed by the Governor to play the lead role in New Jersey’s economic development efforts. That Commission has formed a Workforce Committee chaired by the CEO of Bell Atlantic New Jersey to assure that workforce issues are closely integrated into the State’s economic development strategy.
- The SETC has contracted with an economist to do a pilot study that matches the labor market demand in a WIA area to the training courses offered by major training vendors including the Vocational High School, the County College, proprietary schools and community-based organizations. The framework created by this study will eventually be used by Workforce Investment Boards to develop policies that match labor market demand to training priorities.
- New Jersey is the recipient of a federal grant to explore the issues around developing job retention strategies. This initiative is currently setting up focus groups with employers about how best to integrate workplace learning into the workday. And, while the emphasis of these particular focus groups is the welfare population, the lessons learned will be applied to other groups as well. A statewide conference on this topic is also planned.

These initiatives all reflect the State’s understanding that there is a new economy in America and New Jersey and that the workforce investment system must adapt to that economy. The commitment to a demand side perspective is grounded in both meeting employers workforce needs and in creating workplaces that employ skilled workers. New Jersey will never win the battle as low wage/low skilled economy – Malaysia and others will win that one every time. Rather, the vision that New Jersey will follow is one that grasps the opportunities of the new economy by adapting WIA to its logic.

A demand side strategy will require a change in the way labor market information is defined and gathered. When New Jersey sought to implement a One-Stop system, labor market information was clarified to include any information an individual or employer might need in order to match the right person with the right job. This incorporates information on childcare, transportation and other supportive services. As an extension of this thinking, the State and WIB areas will need to have a source for labor market information that includes, at the least:

- Employment Statistics as defined under the Workforce Investment Act,
- Data on projected demand occupations,
- Relevant, competency-based skills training,
- Success of training providers, and
- Short term changes in the state, regional or local economic conditions.

Labor market information will be clearly connected to planning efforts at the state and local levels; therefore, it must be timely as well as accurate. The Office of Labor, Planning and Analysis within the New Jersey Department of Labor will, in consultation with the State Employment and Training Commission, its partners and the local boards, be responsible for gathering this information and making it available to the Commission, its members and Workforce Investment Boards.

1.5 DELIVERY OF SERVICES IN A ONE-STOP SYSTEM

New Jersey's One-Stop Career Center system is designed to fundamentally change the way workforce investment services are delivered and is the arena in which the core principles of the Plan are implemented. One-Stop Career Centers integrate services, provide for customer choice and universal access and are performance driven. New Jersey's One-Stop system was designed from the outset to fully integrate all workforce investment programs and services available at the state and local levels. The direction of the One-Stop system is guided by interagency decision-making at the state and local levels.

New Jersey's One-Stop Career Centers are best understood as a system within which all workforce investment and related programs function as if they were a single entity. Hence, while the physical location of programs matters, it is their connectivity to each other and adherence to common procedures that truly makes access easier for the customer. And, while there will be at least one core center that provides comprehensive services for all programs established in each workforce area, the hallmark of a successful One-Stop Career Center system is the degree to which those services are delivered in a holistic manner. New Jersey policy calls for the integration, and, where appropriate, consolidation, of workforce investment and related programs through strong interagency collaboration resulting in a seamless delivery of services and the reduction of unnecessary program duplication. The combination of using the most advanced technology to provide information and the development of a common management structure among agencies with disparate funding sources to deliver services are the key ingredients to a successful One-Stop system.

All potential workforce investment services and all possible workforce investment programs are part of New Jersey's One-Stop system, including those defined by the Workforce Investment Act

of 1998, but also those included in the enabling legislation for the State Employment and Training Commission, New Jersey Administrative Code 34:15 B & C. By identifying all workforce investment programs and services as part of the One-Stop system, New Jersey has taken the first step toward defining a universally accessible system that is organized on the basis of services rather than by fragmented programs and duplicative efforts.

The specific programs that currently comprise New Jersey's One-Stop system are:

Adult Education and Literacy
Community Service Employment for Older Americans
Community Services Block Grant
Employment and Training programs authorized under JTPA
Employment and Training programs authorized under Title V of the Older Americans' Act
Employment Service and all Wagner-Peyser activities
Food Stamp Employment and Training
Food Stamp Workfare
Housing and Urban Development
National and Community Service
New Jersey Workforce Development Partnership Program
Post-secondary Vocational Education
Secondary Vocational Education
TANF and Welfare-to-Work
Trade Adjustment Assistance and NAFTA
Unemployment Compensation
Veterans' Employment Services
Vocational Rehabilitation programs authorized under Title IV of the Workforce Investment Act

It should be understood that New Jersey's One-Stop effort is predicated on the idea of putting the "customer first." This means that the delivery of workforce investment services must be adapted to the needs of its customers, rather than to those of the agencies that deliver services. In this sense, New Jersey is following the road already forged by the best firms in the private sector that have transformed the workplace and the marketplace. The One-Stop system provides service deliverers a way to collaborate and create value for their customers in a connected environment.

1.6 STRATEGIES FOR THE FUTURE

New Jersey has identified a set of specific tasks that must be undertaken in the coming months in order to move toward its vision. These tasks are designed to further the implementation of the One-Stop system and the overall workforce investment strategy of the State, and to move the system closer to fulfillment of the core principles. The tasks are listed below each of the corresponding principles.

1.6.1 A successful workforce investment system must be consumer-based and market-driven:

- In the next 6 months the WIA Core Planning Group will identify the specific goals of New Jersey's demand-side strategy and how employment and training funds will be used

to meet those goals. All employment and training funds including those authorized under Title I of the WIA, Secondary, Post-secondary Vocational, Trade Adjustment, Vocational Rehabilitation, Welfare Reform (TANF) and the Workforce Development Partnership Program will support the goals of the demand-side strategy.

- Working with the Heldrich Center for Workforce Development at Rutgers University and a statewide coalition of colleges and universities, New Jersey has developed a broad-based curriculum to educate front line One-Stop staff about the creative use of labor market information. This training will begin in 1999.
- Prior to the submission of this edition of New Jersey's Unified State Plan, a team charged with the operational responsibility for each of the WIA partners was formed. The purpose of these teams is to ensure that each of the Chapters of the plan was fully consistent with the principles and policies described in Chapter One and to develop the next steps in development and implementation of a Unified State Plan.

1.6.2 The workforce investment system must be performance driven and outcome based:

- The State will establish the operating system that will allow for the collection of necessary administrative data to support the Consumer Guide on Service Providers and the State's overall Performance Management System. In the next 18 months, New Jersey will put in place a system to incorporate performance information on each of New Jersey's One-Stop partners at the state, local and service provider levels. The vendor evaluation and performance management system will be based on the proposed model developed by the Heldrich Center for Workforce Development. A demonstration can be seen at <http://heldrich.rutgers.edu/skillsnet>.
- The State's performance measures must also be geared primarily to the needs of employers and employee customers and address the needs of all workforce investment agencies. Performance measures must reflect outcomes such as earnings and job retention, but will be established to reflect skills attainment. It is critical that New Jersey develops one uniform policy regarding performance measures so that those measures can be used interchangeably across agencies and funding streams.
- Information generated by the National Skills Standards Board (NSSB) will be used to establish measures and levels of skill attainment.
- The Consumer Guide will be developed so that information can be obtained according to specific population and demographic characteristics. Regulations are already in place requiring data for use in tracking customers of the workforce investment system.
- Memoranda of Understanding will be developed by state programs and agencies to facilitate the gathering of performance data.
- There must be continuous improvement. Local areas must implement a joint labor-management continuous improvement process using established principles of quality

assurance to ensure that performance goals are translated into meaningful improvements throughout the system.

Additional information on the State's plan for evaluation of the workforce investment system can be found in section 1.7 of this chapter.

1.6.3 Attainment of fundamental levels of literacy and basic skills lies at the heart of the workforce investment system:

- In the next year a team of state and local experts in the field of adult education and literacy will develop a strategy for the provision of literacy services in New Jersey based on the wealth of information generated by the State Employment and Training Commission's Literacy Task Force. The strategy will include identification of service priorities such as basic skills, family literacy, English as a Second Language, as well as target populations including welfare recipients, and will coordinate the use of all available literacy funds.
- Consistent with the logic of WIA and New Jersey's Work First legislation, the basic model of work then train will be used as a point of departure for developing a triage process and establishing priority for services. Hence, workplace literacy initiatives, including English as a Second Language will be given high priority.
- Based on the recommendations of the Task Force on Adult Literacy, the State Legislature introduced and passed a bill to create a State Council for Adult Literacy Education Services. Pending the Governor's signature, the Council will be established within the SETC and charged with developing a broad-based statewide adult literacy plan which is integrated with the overall workforce investment plan.

1.6.4 There must be full utilization of all potential workers:

- New Jersey recognizes that there must be greater emphasis on and attention to increasing the statewide knowledge base about employment retention and advancement strategies, and on learning how best to help individuals, particularly those recently on welfare, sustain their attachment to and advancement in the labor market. The New Jersey Department of Human Services (DHS) has received a grant from the US Department of Health and Human Services to design a targeted employment retention and advancement strategy for the Work First New Jersey (WFNJ) welfare reform initiative. The Department of Human Services, in partnership with the New Jersey Department of Labor and the State Employment and Training Commission, will use the grant funds to support a one-day statewide conference and three regional forums, as well as to acquire technical expertise. Through the forums, New Jersey seeks to bring together hundreds of stakeholders (clients, professionals, employers, and local program operators) to discuss employment retention and advancement needs, develop a more targeted policy focus, actively work on employment retention issues and career advancement problems, and begin to remove employment retention barriers for WFNJ participants.

- The State Employment and Training Commission has generated a number of reports that focus on the workforce needs of specific populations. Those reports include the following:

A Unified State Plan for New Jersey's Workforce Readiness System established the framework for all workforce investment programs in the State of New Jersey. The SETC has taken a leadership role in developing a significant number of workforce investment policy initiatives.

Leveling the Playing Field: Removing Barriers for Women in New Jersey's Employment and Training Programs. This report, developed by the Gender Equity Task Force, identifies barriers to the full participation of females and offers recommendations to remove those barriers. The eight recommendations detail specific steps for state and local agencies to ensure that equity and fairness are an integral part of the workforce investment system.

Adult Literacy in New Jersey: Meeting the Challenge of the 21st Century. This report was developed in conjunction with the release of the National Adult Literacy Survey (NALS) report. The NALS report and the corresponding State Adult Literacy Report (SALS) outline the severity of the literacy problem at the state and national levels and clearly links literacy to earnings. Report recommendations are aimed at revitalizing programs and policies of the adult education and literacy systems and making them more relevant to the needs of today's families and workforce.

Opportunity for All: Final Recommendations of the Work Group on Persons with Disabilities. The Work Group on Persons with Disabilities was formed to expand the conversation among public officials, advocates, parents, customers, and practitioners concerning philosophical and policy differences. The report defines the appropriate role of the employment, training, and education system and includes recommendations for restructuring the workforce investment system to better meet the needs of persons with disabilities. The focus of the recommendations is on the connection and coordination of programs needed to improve the system.

Youth at Work: Making it in the Global Economy. The At-Risk Youth Task Force of the SETC concluded that a generation of young people is facing under-employment or unemployment as a result of the increased skill demands of the global economy. The recommendations in this report focus on the need to move toward an educational experience that offers students the chance to engage in a number of opportunities, including college, Tech-Prep, apprenticeship, or school-to-career initiatives. Additionally, the report urges that social service supports, like the nationally recognized School Based Youth Services Program, be expanded.

Standing Corrected: Education and the Rehabilitation of Criminal Offenders. This report, developed by the Corrections Education Task Force, identifies strategies in the occupational education delivery system within the correctional institutions and explains

how to link these programs to the world of work. There are 37 recommendations in all, addressing issues of administration, inter-governmental cooperation, program development, juveniles, females, and transitions.

The Literacy Connection: Improving Adult Literacy in New Jersey. This report describes the existing delivery system and highlights strategies to improve it. The report calls for state adult providers to enhance accountability, expand the use of technology, coordinate across state and local entities, expand staff development, link school and workplace learning experiences, provide access to the world of work, expand gender awareness, and develop links between providers within the criminal justice system and those in the education system.

Balancing the Equation: A Report on Gender Equity in Education. This report focuses on the barriers to eliminating sex bias in the educational system. It is a companion document to the previous report, ***Leveling the Playing Field***, that addressed the broader issues of equity and fairness within the workforce investment system. This report identified eight barriers and 31 recommendations that address non-traditional occupational programs.

Linking Education and the Workplace: An Imperative for New Jersey's Economic Future. This report provides recommendations designed to ensure a strong, mutually beneficial relationship between the educational system and the needs of the evolving state labor market. The recommendations address four broad areas:

- Connection activities and oversight under the auspices of Workforce Investment Boards;
- Certification requirements, pre-service and in-service training for educators;
- Expansion of the curriculum to accommodate different learning styles; and,
- Institution of a strategy for providing all learners access to technology that will facilitate learning.

There are five SETC active, ongoing workforce investment policy initiatives. The topics are these:

- Workforce Quality
- Unified State Plan
- Public Sector Planning
- General Planning
- Evaluation

The specific recommendations in each of these reports regarding program operations will be reviewed by the Core Planning Group to ensure appropriate implementation of these policies. The goal of these reports was to direct the use of program funds and by incorporating this work

into the Unified State Plan, much as they are in the attached Title I and Vocational Education Plans, they will direct all workforce investment services.⁵

1.6.5 Employers and workers must be involved in governance at all levels of the system and in defining the outcomes to be achieved:

- New Jersey will seek changes to State law that will increase SETC membership. These additions will meet the State WIB requirements under WIA, but more importantly will broaden the SETC's membership to include representatives from relevant employer groups.
- Town meetings involving membership from various groups have been and will continue to be convened on a regular basis to share insights of the stakeholders, obtain feedback and direction for future efforts, and evaluate the level of satisfaction of the consumer groups or satisfaction of needs. These collaborative efforts, involving the SETC and local WIBs, will be used to assess current and projected needs and link them to strategies for the system.

1.6.6 The system must provide access to lifelong learning:

- New Jersey's system will develop career-based learning strategies that combine entry-level jobs with learning to create career pathways and upward mobility. Our demand focus will encourage quick connections to the labor force that get people into jobs quickly and provide post-employment training tightly linked to employer needs. The current system that focuses on entry level jobs will be refocused to include lifelong and continuous learning in response to the needs of workers and employers.
- Under the direction of the Governor, New Jersey has developed a “virtual university” that includes a list of all workforce investment training available through distance learning at the 47 public and private universities and colleges in New Jersey.

1.7 EVALUATION OF THE SYSTEM

In a unified, One-Stop system that fully incorporates all partners, a responsible state must establish an evaluation and performance management system that cuts across all programs and sets a common set of standards for all workforce investment activities, regardless of funding stream or agency affiliation. The State Employment and Training Commission formed an Evaluation Committee more than three years ago to begin looking at how such a system might be established. The Evaluation Committee offers guidance to the SETC and state agencies regarding various evaluation projects for specific workforce investment programs, however the concept of establishing system-wide indicators has been its most complex and time consuming task.

⁵ See Appendix 3

As part of this task, the State Employment and Training Commission contracted with the Heldrich Center for Workforce Development to create a comprehensive vendor evaluation and performance management system. A model for that system can be found at <http://heldrich.rutgers.edu/skillsnet>. Skillsnet will allow customers, policymakers and administrators, employers, and training providers to access the performance management and vendor evaluation system in a user-friendly manner. The internet-based system was designed to meet three specific requirements set out in the Workforce Investment Act: 1) setting performance goals, 2) making information available to job seekers, and 3) establishing a process for determining eligible providers. The model proposed by the Heldrich Center is a powerful tool to deliver high quality information.

Information to be provided through Skillsnet will include progress measures of completion rate for training services for adults and skills attainment for youth and adults. Customer satisfaction measures for adults, youth, recipients of public assistance, out-of-school youth, individuals with disabilities, displaced homemakers, older individuals, dislocated workers, and employers will be included. Finally, the outcome measures of placement in employment, retention and earnings will also be included.

One of the most important features of this evaluation tool is that the information will be drawn from across all workforce investment programs. The data described above will be supplemented by descriptive information about each institution and training program. Appendix 4 contains a sample of the information that will be available through this new system.

In addition, New Jersey will establish performance goals for the One-Stop system that will be tied to the local operating protocols and to the Memoranda of Understanding between the WIBs and their One-Stop Partners. Utilizing the One-Stop system customer satisfaction indicators developed and piloted by Rowan University, the State will continue to measure customer satisfaction with the One-Stop system.

The State will continue to discuss and develop a system-wide evaluation process that is based on real outcome measures, customer satisfaction and continuous improvement. As an initial step, a crosswalk of indicators has been developed for WIA Title I and Perkins Vocational Education funding.

CORE INDICATORS CROSS-WALK

<i>Performance Indicator</i>	<i>WIA Title I Adult Ages 21+</i>	<i>WIA Title I Youth Ages 19-21</i>	<i>WIA Title I Youth Ages 4-18</i>	<i>WIA Title II-Adult Education</i>	<i>Perkins Voc Ed</i>
Placement in Employment	Entry into unsubsidized employment	Entry into Unsubsidized employment	Placement in employment	Placement in unsubsidized employment	Placement in employment
Retention in Employment	Retention in unsubsidized employment 6 months after entry into employment	Retention in unsubsidized employment 6 months after entry into the employment	Retention in employment	Retention in unsubsidized employment or career advancement	Retention in employment

Earnings	Earnings received in unsubsidized employment 6 months after entry into the employment	Earnings received in unsubsidized employment 6 months after entry into the employment			
Secondary school diploma or equivalent	Attainment of a recognized credential relating to achievement or a secondary school diploma or its recognized equivalent... by participants who enter unsubsidized employment	Attainment of a recognized credential relating to achievement of a secondary school diploma or its recognized equivalent...by participants who enter postsecondary education, advanced training, or unsubsidized employment	Attainment of secondary school diplomas and their recognized equivalents	Receipt of a secondary school diploma or its recognized equivalent	Student attainment of a secondary school diploma or its recognized equivalent
Occupational Skill Attainment	Attainment of occupational skills by participants who enter unsubsidized employment	Attainment of occupational skills by participants who enter postsecondary education, advanced training, or unsubsidized employment	Attainment, as appropriate, of work readiness or occupational skills		Student attainment of challenging State established vocational and technical skill proficiencies; student attainment of a proficiency credential in conjunction with a secondary school diploma
Academic Skills Attainment					Student attainment of challenging State established academic proficiencies
Basic Skills Attainment			Attainment of basic skills	Demonstrated improvements in literacy skills levels in reading, writing, and speaking the English language, numeracy, problem solving, English language acquisition, and other literacy skills	
Postsecondary Education			Placement and retention in postsecondary education or advanced training, military service, or qualified apprenticeships	Placement in, retention in, or completion of postsecondary education, training	Placement, retention, completion of postsecondary ed/ advanced training; placement in military service; attainment of a postsecondary degree or credential

Nontraditional Employment					Student participation in and completion of vocational and technical education programs that lead to nontraditional training and employment
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This cross-walk will serve as a model for linking all workforce investment programs to common indicators.

1.8 CAPACITY BUILDING ACROSS THE SYSTEM

Since the introduction of the One-stop system and Workforce Investment Boards, the State has been developing a broad capacity building initiative. Two beneficiaries of recent capacity building efforts have been front line workers in the One-Stop system and WIB members. About a year ago, New Jersey entered into a special partnership with The Heldrich Center for Workforce Development at Rutgers University to raise the quality of capacity building efforts to a new level. The Heldrich Center has formed an alliance with the higher education community to deliver capacity building services to the entire workforce investment system. This arrangement, where state government, the higher education community and locally managed Workforce Investment Boards have joined together in common purpose to improve the capacity of the workforce investment system is unique.

It is clear to policy-makers in New Jersey that a dramatic culture change must take place throughout the workforce investment system for WIA to succeed. Utilizing the Heldrich Center, the Higher Education Alliance and other appropriate agencies, New Jersey will focus on the following areas of capacity building.

- **Workforce Investment Boards** - To organize and train their board members, develop mandated strategic plans, conduct necessary labor market research, and incorporate performance outcomes and consumer satisfaction measures into their business process.
- **Labor Exchange System** - To provide Internet based training on America’s Jobs Bank and America’s Talent Bank, internet-based that assist workers in finding jobs and job seekers in finding employment.
- **One-Stop Career Center Staff** - To design and help implement a comprehensive curriculum aimed at strengthening the capacity of front-line workers to deliver customer focused services.

Additionally, the State and the Heldrich Center will produce specific training for the Workforce Investment Act to educate the various stakeholders about its potential to improve the quality of the workforce and the workplace. A series of Primers is being developed to educate various

constituents of the workforce investment system about WIA. These groups include local elected official, educators, community- and faith-based organizations and the general public.

1.9 NEW JERSEY'S EVOLUTIONARY PROCESS

New Jersey has long discussed the need for a unified operational plan that would better integrate the delivery of services at the local level and allow for maximum coordination of different workforce investment resources. It has been the goal to coordinate planning as much as possible at the state level and encourage coordination at the local level. In fact, much of the operational progress of the One-Stop system has been made at the local level under the leadership of the WIBs and their One-Stop teams.

While One-Stop system operations have moved ahead through local collaboration, statewide bimonthly One-Stop Technical Assistance sessions, and state guidance, the State must now turn attention to state level integration and collaboration. In the absence of federal guidance to create a truly unified operational plan, New Jersey has chosen to outline a course for itself that will establish one set of state policies that will govern the use of all workforce investment resources. This outline will evolve into a single unified plan that will satisfy the requirements established by various funding streams.

New Jersey seeks to establish a system based on needs and services, not based on a patchwork of program mandates. The State stands ready to adopt policies governing education, employment and training services that will hold true for each agency and its related program funds. Much of this has been said before in various ways and the broad policy framework articulated through the SETC is obvious in each of the subsequent chapters of this plan. The State has taken many steps toward a unified workforce investment system and has in place several elements required under the Workforce Investment Act of 1998. The remaining operational issues related to Title I will be in transition over the coming year. Some of the requirements under Title I, such as the Consumer's Guide, are being developed so that they will be relevant to the entire system not merely to one segment of the population.

Under the leadership of the Commission's Chair and the Commissioner of the Department of Labor, a Cabinet-level group, comprised of the Commissioners and Executive Directors of the workforce investment agencies represented on the SETC, has been formed. This group will meet regularly to discuss policy initiatives and actions that require the direct involvement of the Cabinet officials and/or the Governor. The chief function of this group will be to ensure that the goals and objectives agreed to in the State Plan are appropriately implemented, thereby reinforcing the leadership and authority of the SETC to serve as the policy-making body for the workforce investment system. This linking of the SETC's policy making and oversight role with the operational role of the relevant state agencies is the next logical step in New Jersey's efforts to streamline workforce investment activities. This Introduction has guided not only the plans contained in the subsequent chapters, but also the planned activities of Unemployment Insurance, Trade Adjustment Assistance and NAFTA, Food Stamp Employment and Training, Food Stamp Workfare, Veterans Employment Services, Work First New Jersey and New Jersey's Workforce Development Program.

New Jersey's operational planning efforts over the next eighteen months will be guided by the core principles stated earlier in this document and by the strategic tasks outlined in the next section. The governance structure for the planning process will be under the leadership of the Cabinet-level group, comprised of the Commissioners and Executive Directors of the workforce investment agencies represented on the SETC. This group will meet regularly to discuss policy initiatives and actions that require the direct involvement of the Cabinet officials and/or the Governor. The chief function of this group will be to ensure that the goals and objectives agreed to in the State Plan and subsequent documents are appropriately implemented.

The SETC has a legislative mandate to draw on the resources of all workforce investment agencies and jointly plan for the optimum use of those resources in providing a high-quality workforce investment system that meets the needs of all those in need of assistance. Private sector leadership has been key to the SETC's efforts thus far and will continue to be into the future. The SETC is expanding its Core Planning Group to include local elected officials and additional private sector and private, non-profit representatives. This group will serve as an ongoing WIA implementation team to monitor day-to-day implementation, guide One-Stop activities and generally oversee the continual changes to the workforce investment system. Barriers to integration and collaboration will be raised before this group and will either be resolved or will be brought to the attention of the Cabinet-level group.

As the State's Workforce Investment Board, the State Employment and Training Commission will take the lead role in ensuring that the planning and implementation of the Workforce Investment Act is accomplished in an inclusive manner. This means that the private sector will play a major role in working with state and local public officials to fashion a workforce investment system that meet the needs of its customers. Major policy recommendations developed by the Core Planning Group and endorsed by the Cabinet will be sent to the SETC to the Governor for endorsement. It is vital to this process that the policy recommendations developed by the SETC and its partners and endorsed at the gubernatorial level be reflected throughout the workforce investment system.

This plan charts the strategic direction that embodies New Jersey's vision for workforce investment. It provides the roadmap for the development of local plans that address local needs. It also provides the foundation for a partnership between the State and localities as well as between the public and private sectors. In the next six months New Jersey will develop the full comprehensive five-year WIA plan and initiate the process of local WIB planning.

This Unified State Plan is a "living document" and, as such, will evolve over the coming five years as New Jersey moves closer to its vision of a truly unified system.