A DATA-DRIVEN PUBLIC WORKFORCE SYSTEM

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NEWARK WORKFORCE INVESTMENT BOARD

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In response to:
"Pathways and Partnerships: New Jersey's Blueprint for Talent Development"

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INTRODUCTION

In "Pathways and Partnerships: New Jersey's Blueprint for Talent Development," the State Employment and Training Commission (SETC) and the New Jersey Department of Labor and Workforce Development (NJLWD) urge local workforce development leaders and practitioners to "engage and challenge us…through an ongoing exchange of information" to strengthen New Jersey's economic competitiveness[1]. It is in this spirit that this report is respectfully submitted; connecting the vision outlined in NJ's Blueprint and the nation's Workforce Innovation and Opportunity Act (WIOA) with lessons learned from implementing data-driven performance management efforts at the Newark One-Stop Career Center (NOSCC).

The U.S. Department of Labor Employment and Training Administration (USDOLETA) set expectations[2] that state and local workforce agencies must utilize the analysis of integrated performance data to inform and continuously improve workforce investment strategies. Under WIOA, workforce development boards (WDBs) have oversight and policy setting authority over their local area's One-Stop. The One-Stop Operator can also set local policies, but ultimately workforce information systems and monitoring mechanisms are state-run and based on federal reporting requirements. Local areas will not—and arguably should not—make any significant changes in behavior without the State Department of Labor and State Workforce Board actively leading the effort and holding local stakeholders accountable as they shift to a data-driven management and customer service delivery model.

At the same time, the State Department of Labor and State Workforce Board cannot properly set a vision for a data-driven workforce system, and cannot build new data systems to effectively implement and sustain this vision, without One-Stop managers and staff engaged every step of the way. Throughout this process, the most important measure of success will be the *active use* of data for strategy setting, decision-making, and service delivery.

WIOA and the Data-Driven System

The reasons for fostering a data-driven system may seem obvious in today's data-centric world, but doubts and questions arise almost immediately when public administrators wish to go beyond introducing new tools and focus on actually developing a new way of doing business. To make significant changes often means shifting away from the very culture that established or defines the organization. Performance management in the public sector is notoriously difficult because many outcomes are hard to define (such as societal benefit) and are driven by many factors outside of government control[3]. However, data is still essential to proving an organization's success, attracting partners, and securing additional funding and investment.

[1] "Pathways and Partnerships, New Jersey's Blueprint for Talent Development" (June, 2015). http://www.njsetc.net/njsetc/planning/unified/documents/NJ%20Blueprint%20for%20Talent%20Development.pdf

[2] "Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)," Training and Employment Guidance Letter (TEGL) 4-15, USDOLETA, August 13, 2015.

[3] Francois Bouvard et al, "Better for less: Improving public sector performance on a tight budget," McKinsey & Company, July 2011, pg. 6.

Background: Newark Workforce Investment Board's (NWIB's) Workforce Innovation Fund Grant Project "Managing for Success"

The NWIB's Managing for Success Initiative, funded by the United States Department of Labor's Workforce Innovation Fund (WIF), was borne out of the idea that local WDBs need to understand what is happening in the local workforce investment area (LWIA) in order to drive the system, as required by the Workforce Investment Act (WIA) and now WIOA.

The original goal of the NWIB's WIF project was to use the grant funds to modernize the NOSCC by investing in technology, performance management, and customer service strategies. The vision was futuristic: system coordinators greeting customers when they walked into the One-Stop and recording their critical information directly into a state-of-the-art workforce database. The system would ultimately link customers to other key workforce systems, like the unemployment claims and wage database, so that NOSCC management staff could identify successful employment and training interventions. Then, the focus on strategic conversation during data-driven meetings for management staff, locally called "WorkStat," would help to share best practices and identify NOSCC's high-performing staff members to be recognized and rewarded for their effort. The hope was that staff recognition would eventually incentivize more staff members to implement best practices.

Simply stated, the NWIB's goals were to welcome customers, record their key data points, effectively connect them to resources and programs by using data to inform management decisions, discuss NOSCC's progress during regular performance review meetings, and identify and reward high-performing staff members from each workforce agency.

The analysis and recommendations outlined in this paper are based on the NWIB's efforts to implement the Managing for Success Initiative at the NOSCC, a careful review of research literature and DOL guidance,[4] and conversations with and guidance from national and local workforce development professionals and leaders.

> "Under WIOA, one-stop centers and their partners:
> - ...Participate in rigorous evaluations that support continuous improvement of one-stop centers by identifying which strategies work better for different populations;
> - Ensure that high-quality integrated data inform decisions made by policy makers, employers, and job seekers."
>
> **TEGL 4-15**
> **Vision for One-Stop System under WIOA**

[4] Bibliography in Appendix A.

BEGINNING WITH THE END IN MIND

Implementing a data-driven system allows local managers and leaders, as well as the job seekers they serve, to make informed decisions, and to be held accountable for performance—to the state and federal governments, and ultimately to the public. Currently, the case management system and data collection efforts are largely designed to meet just the goals of individual program and federal government accountability. The current design does not encourage the proactive use of data in everyday workforce investment decision-making and long-term strategy development to empower local managers and job seekers and hold the workforce system accountable.

Performance accountability begins and ends with clarity around the desired outcomes. Without a consensus on how these desired outcomes are to be defined and quantified in the case management system, workforce staff and senior leadership will be left with little more than a hunch with regards to whether or not they are meeting their performance goals.

To meet these targets, a data-driven performance management system requires the ability to monitor progress and affect some degree of change in *real time*, by taking advantage of the available data. Based on the WIF team's analysis, in order to have a successful system consensus and clarity must exist around the logic and customer processes that undergird the workforce programs being evaluated in real time. Once the logic models or process maps are articulated and justified, key performance indicators need to be identified so they can eventually be quantified. This involves teasing out key variables, actions, and milestones and converting them into well-defined data elements and performance indicators tracked in the case management system.

Recommendation Identify key variables, actions, and milestones for each workforce program business process, and convert them into well-defined data elements and performance indicators that can be easily tracked in the case management system.

Building this consensus is especially difficult in a One-Stop setting, with multiple state and city/county agencies with similar (though not identical) missions, and different populations, terminologies, state and federal regulations, and ways of doing business. Based on related conversations during the WIF project, the consensus building process will take time and will require a diversity of workforce professionals across functions, programs, organizational levels, regions, and populations served. The agenda and template the WIF team used to begin this conversation in Newark can be found in Appendix B. Many of the potential metrics discussed were either not tracked consistently or not tracked at all in the case management systems. The template and discussion focused on six key metric groupings:

1. Customer demographics
2. Job seeker service interventions (i.e. development of individual employment plan)
3. Job seeker outcomes
4. Continuous quality improvement (i.e. customer satisfaction)
5. Organizational effectiveness (i.e. staff engagement / participation in One-Stop meetings)
6. Business services

WIOA may bridge some of these gaps because of its requirement that all programs[5] use the same reporting framework. At the very least, the new workforce law provides the incentive for states and local areas to make strides towards ensuring these common reporting templates translate into a common understanding of data collection and quality. Separate case management systems and processes pose a big challenge to this work as much will have to be done to agree on analogous data elements and definitions to quantify progress as customers work through the system.

Recommendation Balance arguments for compliance in reporting and accountability with the actual empowerment of local managers and staff to better serve their customers.

With WIOA's reporting requirements as an impetus for reforming and updating data systems, it will be important for local and state workforce development professionals to balance arguments for compliance in reporting and accountability with the actual empowerment of local managers and staff to *better serve* their customers. This shift in behavior will undoubtedly yield better outcomes for their customers, and consequently improve performance measures. Continuous improvement is another stated rationale, and while the need is self-evident, it is also intangible. As new efforts are rolled out, the SETC and NJLWD should consider using the primary rationale of better serving customers and effecting better outcomes for job seekers and businesses.

Recommendation Track the use of the data by managers and staff to measure the success of the new data systems and reports, and to determine the importance and relevancy of the selected metrics.

As new measures are designed and field-tested—specifically those designed to assess "system effectiveness," "inform service delivery," and "enhance program management,"[6]— careful attention should be placed on the metrics that managers are monitoring to assess their progress toward the stated goals. If the end goal is ultimately data *use*, then the actual use of the data by managers and staff is the most important metric to measure as the new system is built out. This can be tracked through regular surveying and close monitoring of reports that are downloaded and requested by local managers and staff

[5] Includes Title I Adult, Title I Dislocated Worker, Title I Youth, Title II Adult Education, Title III Wagner-Peyser, and Title IV Vocational Rehabilitation.

[6] "Pathways and Partnerships: New Jersey's Blueprint for Talent Development," adopted by NJ State Employment and Training Commission June 16, 2015.

UNDERSTANDING THE CUSTOMER PROCESS

Business Process Reviews

Each agency in the public workforce system, and each One-Stop, uses different approaches and intervention strategies to help job seekers remove barriers, gain skills, and find and retain employment. Even within an agency, many counselors approach their work differently because of unique professional strengths, use of available resources, and customer needs. Without some level of standardization of tracking key milestones (such as initial assessments, individual employment plans, etc.) it will be very difficult to design a performance management system that can monitor progress and inform real time decision-making.

For example, in Newark some Jersey Jobs Club and WIA counselors favor group orientations to initiate the process while others prefer individual meetings at the start. There is no uniform method of tracking these two approaches, which makes analysis of their relative efficacy difficult, if not impossible. Similarly, there is little to no uniformity regarding the development of individual employment plans, both in process and in how the activity is recorded in the case management system. Many counselors indicated that the most helpful approach is relying on the comments and counseling notes sections of the system to document customer plans and the services rendered. The information in these fields, being entirely text based, cannot be aggregated and therefore cannot be used in analysis or performance monitoring.

Data collection and analysis must be aligned with the actual business processes that guide customers from orientation to enrollment to service delivery, as well as the short- and long-term outcomes of the intervention. A data-driven system will hinge on its ability to track key milestones between enrollment and the desired outcomes. However, if there are very different processes across local areas for similar workforce programs, including how these processes are tracked in the system, monitoring their progress and creating performance dashboards at the state-level will be next to impossible, at worst, and unreliable, at best. To successfully monitor and assess efforts, the recommended first action is to have individual One-Stops and agencies map out current business processes for all key workforce programs.

Recommendation Individual One-Stops and agencies map out current business processes for all key workforce programs.

After business process reviews are completed statewide, common (or more accurately, analogous) milestones can begin to be identified,[7] even if they are not exactly the same intervention or activity. This would allow flexibility across programs and some degree of discretion at the local level, without having so many variances across programs and local areas that progress cannot be accurately or meaningfully tracked, aggregated, and compared statewide.[8]

[7] "Milestones" refers to key activities and services rendered on the path from enrollment to outcomes.
[8] Depending on the findings of these business process reviews, it may be decided that for certain programs a more rigid, standardized process will be needed.

Recommendation Identify common or analogous milestones across workforce programs, and determine the best place to input this information in the system (outside of open text like the "comments" section).

Actionable Data

The most important factors for jobseeker success in the labor market are likely the background, efforts and abilities of the job seekers themselves. This does not absolve public workforce organizations of their responsibility from weak performance, but it is essential that this truth be accounted for when defining data elements to track and benchmark performance.

In Newark, the WIF team often felt that key performance indicators that would help managers track performance were met with ambivalence, manifested in phrases like "We get who we get," "We can't force the customers," "This is a customer choice model," and "What can we really do about it?" This does not necessarily mean these indicators were not worth tracking, only that they may not have been right for performance benchmarking. Questions about performance data should focus on solutions—what, if anything, can be done to see the trend move in a positive direction?

Recommendation Focus questions about performance that come from data analysis on solutions and best practices.

WorkStat, the data-driven performance management meetings for management staff spearheaded by the WIF Team, provided key examples of data-driven and solution-oriented decision-making. For example, one WorkStat analysis found that only a fraction of job seekers that took the Test for Adult Basic Education (TABE) to enroll into job training actually enrolled in a program. The three main "drop-off" points that were analyzed were the:

- Percentage of job seekers that did not initially meet the local required TABE scores[9];
- Percentage of those that failed and did not take a refresher course and re-test; and the
- Percentage of those that ultimately met the required TABE scores but did not enroll in training.

The WorkStat conversation quickly turned to which of these "drop-offs" the managers and staff believed were most controllable—not strictly the areas with the highest rates. The group decided that while there may not be many actions that counselors can take to compel customers to come back to the office or to force them to take the refresher course after failing, perhaps they could do more to boost the scores for job seekers' initial test—by offering and promoting a "pre" refresher course conveniently housed at the NOSCC[10].

This solution was not necessarily what the WIF data team would have predicted at the onset of the WorkStat meeting. However, the focus on action-oriented, decision-making further underscored the need to pay close attention to the relationship between the customer process and the collected data. Furthermore, the importance of finding actionable variables (factors that can be quantified and directly influenced by managerial and staff action)

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[9] Generally, a score of 8 (at an 8th grade level) is used for both Reading and Math.

[10] Part of the calculus of this decision was that many of those that initially fail the TABE test do not return likely because of embarrassment and/or fear that they will fail again.

and soliciting local input was paramount for benchmarking and analysis. In fact, identifying these actionable variables in Newark was only successfully done when data was reviewed in WorkStat meetings—as opposed to attempting to identify prior to data aggregation and analysis via conversations and surveys. Very often, it is difficult for practitioners and managers to sit and imagine a list of metrics that will enlighten and aid in decision-making. The WIF team found the most effective way to do this was to cast a wide net, use judgment to focus on a narrowed, manageable set of data given the time constraints of the meeting, and then sit back and listen to what specific elements generated strategic conversation and facilitated the most problem-solving.

Recommendation Present data to key stakeholders across all workforce programs and at all levels in review meetings, and identify the variables that generate strategic conversation and facilitate the solution-oriented decisions.

IMPLEMENTATION: DATA COLLECTION & DATA QUALITY

The quality of the data collected is reliant upon staff and managers having clarity about what should be entered, how the information entered is related to program outcomes, and how the information will be used for management purposes and evaluations. Good metrics consistently capture key points and tell a story.

There is also a need for prudence with regards to what data *needs* to be collected. "Do you want me to enter data, or do you want me to serve customers?" was a commonly heard question in conversations about data entry during the WIF project. Data entry and proper case management *are* of course crucial to serving customers, but this pushback exemplifies the need for balance. Entering client information into the system (and into additional internal spreadsheets, detailed below) can be a time-consuming endeavor. Often the labor is divided in a way to reflect this challenge; for example, Management Information Systems (MIS) or other staff doing more of the entry to allow counselors to focus on customer service. As part of the business process reviews, the number of hours currently spent on recordkeeping and data entry should be catalogued in order to inform of a more ideal distribution of hours and division of labor.

Recommendation Catalog and analyze the number of hours currently spent on recordkeeping and data entry to inform data entry roles and responsibilities.

Data Entry and Training

Once key elements and common milestones across programs have been identified for use in performance management via the business process reviews, it is critical that the required data entry is communicated consistently at <u>all</u> levels, and is reinforced through dedicated training and on-going quality control.

Recommendation Communicate the required data entry consistently at all levels, with dedicated training and on-going quality control.

When analyzing local workforce data to assess performance in Newark, the WIF team continually came across different approaches counselors and interviewers took when entering "common" steps and activities in the case management system as customers received various services to develop and reach their employment goals. It is important for counselors to use the case management system in a way that benefits their ability to serve the client—but too much discretion leads to an abundance of data that cannot be accurately aggregated and analyzed. When asked about where and when they received direction on data entry, many staff indicated that they had not recently, or in some instances never, received formal training or instruction on what and where information should be entered into the system, excepting on a few very recent programs.

Current data entry training is irregular and usually focused on new programs and initiatives, not on ensuring clarity regarding current best practice and requirements. Most training relies on an informal "train-the-trainer" model but without follow-up, it is hard to know the level of understanding and actual training that comes after—short of measuring poor data collection, which is hard to quantify and assess.[11]

Clear direction around data entry, and comfort among front-line staff using the database(s) of record, are paramount to successful performance management and continuous improvement efforts. When the WIF team discussed enhanced data collection and analysis efforts with front-line staff in Newark many expressed skepticism about how this new information would truly benefit the organization. It is critical that a streamlined and improved system of data collection rest upon a firm understanding—among front-line staff as well as managers and directors—of the relationship between the data being inputted and the way that data will be used for strategy setting, resource allocation, and ensuring that the stated objectives of each program, agency, and One-Stop are being met. A "compliance" mindset, to enter data simply to be in compliance, will at best, lead to a satisfactory quality of data collected. However, a firm understanding of the relationship between entered activities and outcomes ensures that as business processes evolve and certain activities change, staff will be in the best position to adapt and come to management with solutions to protect the sustainability of the performance management system over time. Challenges related to data entry proposed by front-line staff should be taken seriously when developing the new system, new business processes, and as updates need to happen to stay current and effective.

> "Center staff are routinely trained and are keenly aware as to how their particular function supports and contributes to the overall vision of the local board."
>
> **TEGL 4-15**
> **Vision for One-Stop System under WIOA**

Recommendation Ensure a firm understanding of the relationship between data being imputed and the way data will be used among front-line staff, managers, and directors.

Some degree of data training should be given to all staff at least once a year. Reports and data that are heavily used among local and state senior management should be shared with managers and front-line staff. This transparency will bring local staff into the process and allow them to see how the data they input locally is used and interpreted. Surveys should be used after training to assess the degree to which front-line practitioners are informed and comfortable, as well as their thoughts regarding the training. Setting up trainings with an exit exam or final culminating exercise can also ensure that staff members are equipped with the proper knowledge. Due to the difficulty in sending a preponderance of staff members to Trenton for training that may span more than one day, regionalized training sessions at a centrally located One-Stop or other venue should be considered.

[11] More in-depth analysis regarding data quality in America's One-Stop Operating System (AOSOS), based on the measures reviewed through the WIF project, can be found in Appendix C.

Recommendation Train staff at least once a year on data entry, survey staff for feedback, and disseminate reports and data used by the senior leadership with managers and front-line staff.

Shadow Databases

Due to limitations in the current case management systems, many managers and staff have come to rely on independent spreadsheets and internal databases, or "shadow databases," to store and more easily access important information. This means entering the same data multiple times for compliance and record-keeping purposes, reducing productivity and accessibility, and increasing the opportunity for errors. An important step in the development of a new case management system (and a data-driven system that actively uses it) will be a full surveying of these shadow databases, to inform what information is lacking in access and most in-demand among managers and staff.

The primary example in Newark is the need to independently track placement and benchmark information for Individual Training Accounts (ITAs). Placement, arguably the most emphasized measure (often perceived as synonymous with overall performance), relies on data that does not become available until the following quarter after a customer exits the system, with a data lag of one to three months depending on when in the calendar year the customer exits. For a training provider to prove that a placement has been made to receive the contingent payment for reaching that benchmark, customers or employers need to submit paystubs—a far more timely way to measure the outcome versus waiting for the quarter after exit to end. Keeping track of these milestones, especially employment, is important internally for both financial accounting and political purposes[12]. However, because America's One-Stop Operating System (AOSOS) was not designed to create reports or to track accounting, the One-Stop Operator relies on shadow databases to fill in the gaps. Any new case management system should factor in the need to essentially replace local shadow databases and other internal spreadsheets and recordkeeping by having the same capability— strengthening data collection and increasing productivity and data use.

Recommendation Conduct a comprehensive review of internal spreadsheets managers and staff use outside of the case management systems to uncover current gaps in data collection and reporting capacity. Design the new system to effectively replace the need for most outside record keeping.

[12] The number of jobs saved, created, or filled are generally perceived to be the most important indicators of performance to the public in the workforce and economic development space.

Automating Entry and Connecting Systems

> "...Data entry staff are trained and understand the importance of data validation, data collection processes, and the importance of accurate reporting."
>
> **TEGL 4-15**
> **Vision for One-Stop System under WIOA**

Automating data entry, whenever possible, by pulling relevant data from other data systems or from elsewhere within a single case management system is another way to increase productivity and improve data quality. One example of data that should be automatically completed are the data fields related to a provider service, such as a training program. The related NAICS and O*NET codes for the training currently have to be entered manually, as opposed to being automatic once the service ID is entered. Also, information related to the outcomes, such as credential attainment, should be entered automatically once a customer completes the training program—if credential attainment is part of that training program. As of now, information regarding the actual credentials received, including the examination body and its length before needing renewal/recertification, is not stored in AOSOS and is often blank or out-of-date in NJ Training Opportunities (NJTOPPS). As NJLWD and the SETC move to a focus on in-demand *credentials*, it is imperative that better data is collected regarding the credentials each service offers.[13]

<u>Recommendation</u> Automate data entry to increase productivity and improve data quality.

NJTOPPS is one of several databases that are integral to monitoring customer progress and outcomes that is not connected to the case management systems. Connecting workforce data systems was a primary objective of the WIF project, and with the exception of Jobs4Jersey (J4J) pushing data into AOSOS, none of the relevant systems are connected in a meaningful way. However, the J4J-AOSOS relationship proves a cautionary tale; while the information fed into AOSOS is valuable for case managers, the redundant profiles that are created due to J4J not requiring a Social Security Number produces confusion and significantly harms data quality.[14]

The most important database to meaningfully connect with a new case management system or database of record is LOOPS, the unemployment insurance database. LOOPS is currently utilized by NJLWD to track outcomes, but there is a wealth of other information that is missing for use in performance analysis, and because of security concerns and federal regulations, the wage information that is collected for federal reporting cannot be accessed by local areas for analysis. More information regarding federal and state UI data-sharing policies is detailed in Appendix D.

Beyond wages, information that is currently collected in LOOPS, but not "pushed" to

[13] In the Initial Application Instruction Booklet for training providers, information regarding credentials is <u>not</u> required information. http://lwd.state.nj.us/labor/forms_pdfs/coei/SAU/TP_Initial_Instructions.pdf

[14] If a new J4J customer sets up an account with an SSN, that data will be pushed to the corresponding AOSOS profile if one exists based on the SSN. If the new J4J customer does not include their SSN, a separate profile will be made in AOSOS, even if that customer may already have an existing AOSOS profile.

AOSOS includes the industry (NAICS code), the employer name, and the weeks worked in each quarter. Additional elements that should be considered for inclusion in the unemployment insurance database are the hours worked (to determine part-time/full-time status) and the O*NET code for occupation. The O*NET code is especially important, as it would allow for sophisticated analyses with regards to the gaps between labor market supply and demand for skills, competencies, and work experience. Ideally, this information would be aggregated and available for analysis for not just outcomes post-intervention, but to understand the work history of customers prior to the intervention, to truly measure pathways into careers and track wage growth.

Recommendation Include new data elements to the unemployment insurance database: hours worked (to determine part-time/full-time status) and the O*Net code for occupation.

IMPLEMENTATION: DATA ANALYSIS & REPORTING

Data Analysis

When data is coming from all different sources, sometimes it can be overwhelming and daunting. The ultimate goal of tracking all the data is to both make sense and make use of the information. This process will require regular communication and collaboration between those on the data analysis side and local One-Stop managers and staff.

Analysis should be done by a designated person or team. The analysis and reporting capacity will determine how deep a data-driven system can be developed. Analysts choose the right methods and do the analysis accurately to draw insights from massive datasets. The analytical capacity of an organization is also supported by non-analytical staff, and ultimately a data-driven system rests on local managers and staff actively using and discussing the data. Qualitative input from non-analytical staff is especially important when developing key metrics and identifying the right questions to ask through data analysis and program evaluation.

Recommendation Designate specific teams and persons to conduct analyses at the state and local levels.

The types of analyses that the WIF data team has conducted includes One-Stop customer demographics analysis, with a comparison of Newark's labor force and unemployed population statistics; an analysis on TABE testing processes and main milestone points as well as test takers' overall score levels; a survey analysis cataloging and quantifying ten common employment barriers facing Newark One-Stop job seekers and the accessibility and effectiveness of resources to remove the barriers; and labor market information analysis on regional in-demand occupations, their education requirements, average wage levels, and projected growth rate. The labor market analysis also led the WIF team to evaluate training program performance outcomes on top ranked training occupations. More importantly, as a strategy to foster a data-driven system, the labor market analyses have also facilitated board level strategic planning on partnership building and new training program development. These are just a few examples of the types of analyses that can be conducted at a local One-Stop utilizing tracked data.

Reporting

The impetus behind the Newark WIB applying for the Workforce Innovation Fund grant was the dissatisfaction of the performance information readily available to help the WDB drive policy and fulfil its legislated One-Stop oversight responsibilities. The current reporting capacity in AOSOS and the case management system for the Division of Vocational Rehabilitation (AWARE) simply do not allow for the easy aggregation of identifying who the public workforce system customers are, what services they receive, and the outcomes as a result of those services.

The new WIOA reporting templates and guidelines offer the state and every local area the opportunity to reevaluate and update their current collection efforts. These changes should lead to better reporting capacity as well, particularly with regards to customer profiles as they enter the system, and what their outcomes in employment and education are. However, WIOA reporting requirements focus much less on how customers get from enrollment to outcomes. This customer process information is far more valuable to managers trying to monitor performance while fundable services are being rendered, as opposed to several months after someone has already left the system when there is no recourse for action. Ideally, reporting capacity in the case management system(s) would reflect both the milestones and outcomes of the (standardized) business processes for each key workforce program, and the metrics that local managers and One-Stops are measured against during annual performance reviews.

Local program managers and staff absolutely must provide regular feedback as new reports are created and tested in the field. This will undoubtedly require ongoing managerial training. Comprehensive performance management requires a sophisticated set of skills that need to be developed and nurtured over time. This includes, but is not limited to: the interpretation of performance and budget data and reports; the interpretation of labor market information; the proper division and delegation of labor related to data collection; quality control measures; and the implementation of performance reviews for individuals and job units.

As new dashboards and reports are implemented, managers and relevant staff should be surveyed about the usefulness of the reported information in programmatic decision-making, and the frequency of the report downloads should be tracked. Both sources of information will help NJLWD and the SETC gauge the effectiveness of these efforts, and inform the content of future reporting and analysis.

<u>Recommendation</u> Local program managers and staff should provide give regular feedback as new reports are created and tested in the field, and local data use and report downloads should be tracked as performance measures.

One of the most salient organizational capacity issues that has been observed and communicated through focus groups at the Newark One-Stop is the need for more middle management, particularly over specific job units or programs. Under current managerial workloads performance management efforts are likely not possible—and the upfront work required to implement a strong data-driven system will be time-consuming. NJLWD should consider assessing the feasibility of new leadership opportunities under the current civil service framework and budget.

<u>Recommendation</u> Assess feasibility of new mid-level management positions, including those specifically tasked with data collection oversight and analysis.

MOVING FORWARD

New and updated data systems will be required to fully realize the vision outlined in this paper and aligned with WIOA and New Jersey's Blueprint for Talent Development. The majority of the aforementioned recommendations, however, should take place *before* the development of any new systems. These actions will provide invaluable information and build the consensus needed to develop a Request for Proposal catered to New Jersey's needs, and ensure the sustainability of the new system(s).

Clarifying the desired outcomes across workforce programs should be the first priority. With outcomes identified (and agreed upon), the current business processes intended to lead up to those outcomes can be mapped at each of the local areas. After business process reviews are completed statewide, common or analogous milestones across workforce programs can be identified. The final step would be to then identify the best place to input this information in the system. A frank assessment of current data entry and reporting practice—including spreadsheets used outside of the standard systems, familiarity with NJLWD-sanctioned best practice, and local reporting needs—will diagnose the current gaps in system functionality and organizational capacity.

Local manager and staff participation is **critical** to realizing a truly data-driven system. Continuous engagement is required to understand the realities on the ground regarding business processes, data collection, and the active use of data in decision-making and program evaluation locally. If new data systems and ways of doing business take this understanding into account, New Jersey's workforce system will be well-positioned to adjust and monitor progress as it navigates new economic challenges and capitalizes on workforce opportunities statewide.

RECOMMENDATIONS

1. Identify key variables, actions, and milestones for each workforce program business process, and convert them into well-defined data elements and performance indicators that can be easily tracked in the case management system.

2. Balance arguments for compliance in reporting and accountability with the actual empowerment of local managers and staff to better serve their customers.

3. Track the use of the data by managers and staff to measure the success of the new data systems and reports, and to determine the importance and relevancy of the selected metrics.

4. Individual One-Stops and agencies map out current business processes for all key workforce programs.

5. Identify common or analogous milestones across workforce programs, and determine the best place to input this information in the system (outside of open text like the "comments" section).

6. Focus questions about performance that come from data analysis on solutions and best practices.

7. Present data to key stakeholders across all workforce programs and at all levels in review meetings, and identify the variables that generate strategic conversation and facilitate the most solution-oriented decisions.

8. Catalog and analyze the number of hours currently spent on recordkeeping and data entry to inform data entry roles and responsibilities.

9. Communicate the required data entry consistently at all levels, with dedicated training and on-going quality control.

10. Ensure a firm understanding of the relationship between data being imputed and the way data will be used among front-line staff, managers, and directors.

11. Train staff at least once a year on data entry, survey staff for feedback, and disseminate reports and data used by the senior leadership with managers and front-line staff.

12. Conduct a comprehensive review of internal spreadsheets managers and staff use outside of the case management systems to uncover current gaps in data collection and reporting capacity. Design the new system to effectively replace the need for most outside record keeping.

13. Automate data entry to increase productivity and improve data quality.

14. Include new data elements to the unemployment insurance database: hours worked (to determine part-time/full-time status) and the O*Net code for occupation.

15. Designate specific teams and persons to conduct analyses at the state and local levels.

16. Local program managers and staff should provide give regular feedback as new reports are created and tested in the field, and local data use and report downloads should be tracked as performance measures.

17. Assess feasibility of new mid-level management positions, including those specifically tasked with data collection oversight and analysis.

APPENDICES

Appendix A: Bibliography

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Appendix B: Newark One-Stop Career Center WorkStat Working Session and Structure

NOSCC Meeting Agenda
Initial WorkStat Structure Meeting
July 24, 2014

WorkStat Working Session with System Leadership (2:30pm – 4pm)

Meeting Purpose: To begin initial conversations around the purpose, outcomes, and key indicators of those outcomes that will be reviewed during NOSCC WorkStat meetings in the months and years ahead. This will be a facilitated process with the NOSCC leadership designed to begin conversations around the WorkStat structure and content.

Agenda:

1. ***Starting with the end in mind: Common Measures and Collective Impact***

2. ***What are the indicators that the NOSCC controls that may lead to increased Common Measures (Entered employment, retention, average wage)?***

    a. ***Demographics of customers across NOSCC programs***
    b. ***Service milestones and a customer's progression through the system***
    c. ***Quality and relevancy of services***
    d. ***Service outcomes***
    e. ***Organizational effectiveness and partner building***

3. ***Are Common Measures all the NOSCC cares about? What about collective impact in the community?***
    a. ***What are those indicators that the NOSCC may have control over?***

4. ***Compare and discuss our thinking to other system measures/indicators***

Potential WorkStat Measures

Purpose of Customer Demographic WorkStat measures:

- *Understand volume and difference between universal access and Common Measure customers*
- *Understand what products/services should be offered where*
- *Side note: in an ideal state, the Universal Access Customers, WIA Enrolled/Common Measure Pool, and the Newark Community demographics should look the same.*

Table 1: Customer Demographics							
	Customer not in programs^	***Wagner-Peyser ES****	***Intensive / Training Services****	***DVRS****	***Youth***	***NOSCC***	***Re-entry***
# in System							
% Change in reporting period							
% Female/Male							
Average Age							
Race/Ethnicity Breakdown							
Low Income (y/n)							
Veteran Status (y/n)							
Disabilities (y/n)							
Ex-offenders (y/n)							
Low-literacy (y/n)							
Educational Attainment							
Others barriers							

^Customers with "local office visit" as a service code but not part of program performance pool
**Customers fit in each category when they enter the denominator of the program's key performance measures*

Purpose of Service Intervention Measures:

- *Understand throughput of system*
- *Identify service delivery bottlenecks*
- *Inform staff resource allocation*
- *Understand the types, volume, and relevancy of services delivered*

Table 2: Service Interventions and Outcomes							
Measure	***Customer not in programs^***	***Wagner-Peyser ES***	***Intensive/ Training Services***	***DVRS***	***Youth***	***NOSCC***	***Re-entry***
# of customers receiving enrollment/orientation							
# of customers receiving assessment services							
# of customers developing IEP							
# of customers completing IEP							
Others? (likely agency-level)							
Jobseeker Service Outcomes							
Training Completions							
Certificates/Credentials							
Placements in Employment							

Retention							
Average Wage							
Others?							
Continuous Quality Improvement Measures*							
Average time between services							
Average number of services delivered per customer							
Average time between first service to completion of IEP							
# of participants who have gone 60+ days without core/intensive services provided							
# of soft exits per month							
Customer satisfaction							
Dual / multiple enrollments?							

^Customers with "local office visit" as a service code but not part of program performance pool
**We recognize that not all measures apply equally across all programs. These data points are not necessarily for comparison across programs, but to benchmark and measure progress.*

Purpose of Organizational Effectiveness Measures:

- *Measure and understand engagement and participation in shared activities (including this Org. Dev. Initiative.*
- *Measure professional development needs and how much was provided*
- *Benchmark and measure growth in partner building efforts, leveraged resources, and in-kind*
- *Understand other indicators of continuous improvement*

Table 3: Organizational Effectiveness Measures

Measure	***Wagner-Peyser ES***	***Intensive/ Training Services***	***DVRS***	***Youth***	***NOSCC***
Staff Engagement/Participation (meeting attendance/feedback provided in form of survey/focus group, etc.)					
# of dollars leveraged/in-kind					
Professional Development Needs (NYC has a specific process for requesting services)					
Professional Development Provided (# of training hours)					
Others?					
Employer/Business penetration measures					
Number of return business customers					
Number of new business customers					
Others?					

Appendix C: Metric Feasibility Analysis Final Report

Attached.

Appendix D: Unemployment Insurance Data Federal and State Policies

The federal UI law (20 CFR 603.4 and 20 CFR 603.5) prevents the sharing of "any unemployment claimant information which reveals the name or any identifying particular about any individual or any past or present employer or employing unit, or which could foreseeably be combined with other publicly available information to reveal any such particulars." Each state UI law must be consistent with federal provisions on UI sharing, but with the authorization of state law and as stated in the subpart of 603.5 of federal UI law, certain exceptions are allowed. Among them include public officials and agents or contractors of a public official.

State legislation change is often needed to allow the data-sharing to happen, especially to entities defined as an agent or contractor of public official. Similar changes have happened in the states of New York and Rhode Island. New York State Law §537 was amended in 2013 to enhance NYSDOL's ability to share UI data with qualified entities for certain authorized purposes. Such changes allowed government agencies, including State University of New York (SUNY) and City University of New York (CUNY), or agents or contractors of these agencies to receive and use UI data for evaluating program effectiveness, improving the quality or delivery of program services, and other similar uses.[15]

Similarly, House Bill 5701 of Rhode Island in 2013 amended General Laws in Chapter 28-42 entitled "Employment Security – General Provisions" to allow Rhode Island State Department's designated research partners to use UI data for the purpose of its workforce data quality and workforce innovation fund initiatives, with an approved data-sharing agreement between the two parties to ensure data security and confidentiality. Providence Plan[16], which houses a comprehensive database (DataHUB) and supports Workforce Data Quality Initiative in Rhode Island, drove for the change to happen. The whole process took more than two years and heavily involved the legal team of the organization.

New Jersey would need to push for a similar change in order for local areas, like the NWIB, to be in a position to receive the data needed to make decisions and evaluate programs locally. Advocates at all levels of state government would have to work together to see this change come to fruition. It is, however, a transition that would thrust New Jersey into the 21st century world of open data and data-driven systems of decision making.

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[15] More details can be found here: "Data Sharing under Labor Law §537," Division of Research and Statistics, NYDOL. http://labor.ny.gov/data-sharing/PDFs/nysdol-ui-data-sharing-presentation.pdf

[16] http://provplan.org