



New Jersey State Employment and Training Commission

Dennis M. Bone, *Chairman*

Chris Christie, *Governor*

POLICY RESOLUTION: SETC #2016-11
SUBJECT: Industry-Valued Credentials

Background

In preparation to implement the Workforce Innovation and Opportunity Act (WIOA) of 2014, New Jersey adopted *Pathways and Partnerships: New Jersey's Blueprint for Talent Development* that includes seven policy goals and related strategic actions as a guide. Among those strategic actions is a focus on increasing the number of individuals in New Jersey who have earned an industry-valued post-secondary credential or degree. To support this goal, New Jersey is developing a list of industry-valued credentials based on extensive analysis of labor market data and based on extensive feedback from employers.

A credential is defined as a recognized degree, diploma, certificate or certification; awarded by an occupation. Industry-valued credentials will have the following characteristics:

- Valued and demanded by employers
- Portable – skills learned are transferable and provide broad opportunities
- Stackable – skills learned may lead to opportunities for continuous or advanced training and education
- Leads to higher wages, career advancement, and/or increased job security

The State will use this list to guide training investments across federal and state workforce programs. This list will also act as a consumer protection for those in search of training. Job seekers and those seeking career advancement can be assured that a credential is valid and recommended by knowledgeable employers, educators, and workforce professionals.

The Statewide Demand Occupations List still stands and will be maintained as required by New Jersey state law.

Process to Create and Recognize the Industry-Valued Credentials List

New Jersey will develop the industry-valued credential list on an annual basis using the following process. This effort is currently underway and a draft Industry-Valued Credentials list was released for public comment in March 2016. The final list for 2016-2017 will be released in May 2016 and will go into effect on July 1, 2016.

1. Analysis of Labor Market Data

Labor market analysts in the Department of Labor and Workforce Development (LWD) have initially identified credentials in demand by the seven major industry clusters in New Jersey. These are Advanced Manufacturing; Financial Services; Health Care; Life Sciences; Retail, Hospitality & Tourism; Technology; and Transportation, Logistics & Distribution. Credential information will also be included for the Utility and Construction industries. This research includes the review of New Jersey specific labor data and occupational employment projections. LWD has identified occupational employment trends by industry and wages, major employers, demand occupations, and demand degrees/certifications. LWD has also analyzed job-postings data to identify credentials and degrees that are included in employer's hiring efforts. Labor market analysts have also reviewed relevant labor market reports and analysis developed by established industry associations, universities and the federal government.

2. Feedback from Employers

The state's Talent Networks are being used to obtain feedback from employers and industry experts during the development of the industry-valued credentials list. Directors associated with our major industries reviewed and updated the draft credentials list prior to meetings with all Talent Network partners. Subsequently, ten industry-specific meetings were held with those partners to solicit additional employer feedback and create a preliminary list of industry-valued credentials. Among the topics discussed in the meetings were current credentials in demand, relevance of current labor market information, and the importance of credentials in the hiring process.

Expanded input from employers is being gathered through an on-line survey distributed by the LWD Office of Research and Information with the assistance of the Talent Networks and industry associations. The survey will be used to obtain direct feedback from employers on the value of various credentials and degrees.

3. Feedback from Stakeholders

In February, an initial list of industry-valued credentials and degrees was released for public comment. Educational institutions, workforce development boards, training providers and other stakeholders will be encouraged to provide feedback on the initial list.

4. Formal adoption of the list by the Credential Review Board

In accordance with state law, LWD's Center for Occupational Employment Information will create a Credential Review Board. This Board, made up of representatives from LWD, the Department of Education, the Office of the Secretary of Higher Education and the State Employment and Training Commission, will review the draft list, all available data and information and the feedback from employers and stakeholders. The Credential Review Board will establish the industry-valued credentials list. The Credential Review Board will make final recommendations and approve the list no later than May 2016. The adopted list will be published no later than May 31, 2016.

Process to Maintain and Update the Industry-Valued Credentials List

There will exist a need to update the list based on changes in an industry or the economy. In the first year following adoption of the list by the Credentials Review Board, the Board will be assembled at least once per quarter to review and update the existing list. Subsequently, the CRB will be assembled at least once every six months to review and update the existing list. Changes to the list may be initiated at any time by changing labor market conditions, a request by an employer or other responsible and authorized body, or by call of the CRB itself. A public comment period will be held for any proposed changes to the list prior to adoption by the CRB.

Goals

The State intends to create a workforce system valued by employers that also creates bridges for individuals to attain post-secondary credits. Our goal is to dedicate at least 80% of all federal and state funds spent on occupational training to programs that result in an industry-valued credential or degree. The five-year plan will proceed incrementally for each Local Area as follows:

State Fiscal Year 2017 (*July 1, 2016 through June 30, 2017*) – 50%

State Fiscal Year 2018 (*July 1, 2017 through June 30, 2018*) – 60%

State Fiscal Year 2019 (*July 1, 2018 through June 30, 2019*) – 70%

State Fiscal Year 2020 (*July 1, 2019 through June 30, 2020*) – 75%

State Fiscal Year 2021 (*July 1, 2020 through June 30, 2021*) – 80%

Resolution:

It is hereby resolved that the State Employment and Training Commission formally adopts the “Policy on Industry-Valued Credentials”. This policy takes immediate effect and will be included in the New Jersey Combined State Plan, 2016.

Commission Approved: March 29, 2016