



# New Jersey State Employment and Training Commission

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Dennis M. Bone, *Chairman*

Chris Christie, *Governor*

## **POLICY RESOLUTION: SETC #2012-01**

### **SUBJECT: Balanced Scorecard: Performance Accountability Model**

Adoption of the Balanced Scorecard as the framework for performance standards for New Jersey's workforce investment system, in order to measure and improve system efficiency and effectiveness and increase performance accountability and transparency. (*NJSA 34:15C-8 Establishment of performance standards for evaluating the workforce investment system*)

#### ***Purpose:***

The State Employment and Training Commission (SETC) is committed to establishing performance accountability for the workforce investment system, encouraging continuous improvement in system performance, enabling improved analysis and evaluation of workforce programs and services and ensuring transparency of program outcomes.

Through the development and implementation of revised and expanded performance metrics, the SETC and the NJ Department of Labor and Workforce Development (LWD) will provide the measures to inform policy decisions and target workforce investments to yield the best employment outcomes for employers and job seekers in New Jersey. Such metrics may include, but are not limited to: Universal Registration/Dual Enrollment, Employer Market Penetration and measures as identified by the Performance Committee.

#### ***Background:***

The LWD Division of Labor Planning & Analysis, in partnership with the SETC, has created a Balanced Scorecard: Performance Accountability Model. These new metrics go beyond the federally-required Common Performance Measures, to benchmark and measure the system more holistically and provide more in-depth data that can be used by the SETC in its oversight function.

The metrics focus on both efficiency and effectiveness, and are grouped into four areas:

#### **Efficiency:**

- Service / Flow
- Financial

#### **Effectiveness:**

- Skills and Employment Outcomes
- Customer Satisfaction

*Resolution:*

It is hereby resolved that the State Employment and Training Commission formally adopts the Balanced Scorecard as the performance accountability model for New Jersey's workforce investment system, to provide accountability, measure continuous improvement, enable detailed analysis and evaluation efforts and ensure transparency for the workforce investment system.

Furthermore, the Commission resolves that the current WIA Common Measures will continue to be reported as required, and will be used as the local performance measures for purposes of *N.J.A.C. 12:42-3, Local Workforce Investment Areas and Local Workforce Investment Boards: Performance, Technical Assistance, Corrective Actions and Penalties* until such time as the Commission resolves to expand the required local performance measures.

Attachments: Balanced Scorecard: Performance Accountability Model; NJ Stat. 34:15C-8;

Approved: September 11, 2012

# Balanced Scorecard: Performance Accountability Model

## Workforce System Efficiency

**Service / Flow**

- Individuals / Employers Served
- Characteristics of Individuals Served (% with significant barriers to employment)
- Market Penetration – Key Industries

## Workforce System Effectiveness

Skills Outcomes	Employment Outcomes
Credential / Degree Attainment	Job Placement
Increase in Skill Levels	Retention
	Average Earnings
	Job Fill Rate

Return on Investment

**Financial/Compliance**

- Total Expended / Obligated
- Cost per Participant
- Compliance with Funders' Requirements

**Customer Satisfaction**

- Employer Satisfaction
- Jobseeker Satisfaction

Leading



Lagging



9 of 29 DOCUMENTS

LexisNexis (TM) New Jersey Annotated Statutes

\*\*\* THIS SECTION IS CURRENT THROUGH NEW JERSEY 214TH LEGISLATURE \*\*\*  
2ND ANNUAL SESSION (P.L. 2011 CHAPTER 46 AND JR 3)  
STATE CONSTITUTION CURRENT THROUGH THE NOVEMBER, 2010 ELECTION  
ANNOTATIONS CURRENT THROUGH APRIL 12, 2011.

TITLE 34. LABOR AND WORKERS' COMPENSATION  
CHAPTER 15C. STATE EMPLOYMENT AND TRAINING COMMISSION

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*N.J. Stat. § 34:15C-8 (2011)*

**§ 34:15C-8. Establishment of performance standards for evaluating workforce investment system**

a. The commission shall establish quantifiable performance standards for evaluating the workforce investment system, and guidelines for procedures to encourage and enforce compliance with those standards. The commission shall establish the standards and procedures in conjunction with any department or commission which funds or administers workforce investment programs.

The standards shall be designed to measure the success of the system in assisting the individuals it serves to attain and maintain high levels of productivity and earning power, through preparation for employment in occupations with significant opportunities for career advancement. The standards shall take into account the specific needs and characteristics of the target populations.

b. Each workforce investment program, including any program funded or established pursuant to the Workforce Investment Act of 1998, Pub. L. 105-220 (29 U.S.C. s. 2901 et seq.), the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Pub.L.105-332 (20 U.S.C. s. 2301 et seq.), or the State Workforce Development Partnership Program, P.L.1992, c.43 (C.34:15D-1 et seq.), is hereby deemed to be subject to the performance standards and guidelines established pursuant to subsection a. of this section. The performance standards for the program shall be based on factors including, but not limited to:

(1) The percentage of trainees who are placed, following completion of the program, in employment in the occupation for which they are trained or who are enrolled for further education or training, if those enrollments are a goal of the program;

(2) The success of the program in sustaining or increasing the trainees' levels of earnings, based on the wage levels upon placement in employment, and the trainees' retention in employment; and

(3) (Deleted by amendment, P.L.2005, c.354.)

(4) The success of the program in facilitating the remedial instruction which the program is required to make available to trainees under standards established pursuant to section 14 of this act.

## N.J. Stat. § 34:15C-8

In establishing performance standards, the commission shall not use criteria which may adversely affect the assessment of a program because of any emphasis the program may have on long-term occupational training and instruction.

The commission shall establish dates by which each department administering workforce investment programs shall adopt the standards and guidelines for use in the planning, budgeting and administration of those programs.

The standards shall apply to a program which is State or federally funded except to the extent that application of the standards would prevent the program from receiving the federal funding.

**HISTORY:** L. 1989, c. 293, § 11; amended 2005, c. 354, § 10, eff. Jan. 12, 2006.

**NOTES:**

Cross References:

Duties of commission, see *34:15C-6*.