

RETHINKING WORKFORCE DEVELOPMENT: REFLECTIONS OF A STATE COMMISSIONER OF LABOR

By Kevin P. McCabe

How does revamping workforce development systems happen? It happens because the people in charge collaborate with local experts, theoreticians, and other politicians. In this chapter former New Jersey Labor Commissioner Kevin P. McCabe presents a comprehensive overview in which he discusses his view of the reorganization of New Jersey workforce services. He argues that the New Jersey experience illustrates how collaboration and an openness to new technology can increase flexibility and help the working poor. This chapter serves as a broad overview of former Commissioner McCabe's informed insights and experiences in consolidating workforce development policy so that it becomes a state priority. For interested readers the specifics of the reorganization process are articulated in greater detail in a companion book, *Not Just Getting By: Implementing Innovative Thinking in Government and Workforce Development* (2005).

"The best welfare program in the world is a job" was a line often cited by Governor James E. McGreevey. In the new knowledge-based economy where downsizing and outsourcing are persistent threats, I would take the Governor's sentiments a step further: that the best welfare program is a good paying job. Raised in a blue-collar labor union household my father,

who was an electrician by trade and a foreman on the railroad, and my mother, who returned to paid work after raising five kids for twenty years, ensured that work was a given in our household. My parents got up early, worked hard, and provided for my siblings and me. It was not without its tough moments but my parents always persevered and now have retired successfully and spend their time babysitting for the grandchildren!

However, with job loss, dislocation, and most important, skills erosion all as modern facts of life today, it is less common to have the job trajectory that my parents did decades ago. I believe that consistency in today's job market has been replaced by vulnerability. Therefore, the Governor's sentiments really resonated with me when I was first appointed to office in January of 2002. Unfortunately, when I entered office I encountered a bureaucracy that did not subscribe to the market driven economic realities of today's economy. Rather, it was too often engaged in activities that were counterproductive to helping individuals achieve economic self-sufficiency. First, many individuals believed that welfare was a solution to poverty.¹ Second, the intrinsic structure of the bureaucracy too often penalized, rather than rewarded, those who wanted to work and/or obtain more education. Indeed, the system appeared to not help individuals, in particular low-wage workers, gain the tools and resources they needed to achieve economic self-sufficiency.

There needed to be a substantial change in the workforce delivery system. It was clear to many of us that the time had come for changes in the way New Jersey workforce services were conceptualized, prioritized, and delivered.² Central to this initiative was the promotion and support of a lifelong learning system that not only positioned workforce development as a major state priority but articulated the importance of providing training and education to *all* workers. Further, we recognized that workforce development indeed is economic development and does not end at job placement. As such in 2002–2004, New Jersey experienced the largest transfer of programs and funding sources from one or more agencies to another in its history.³ The purpose of this reorganization was quite simple—it sought to provide a seamless system to connect dislocated and low-wage workers with the social supports, job information, and educational opportunities to improve their lives. Implicit in this was the need for innovative programs that provide demand-driven training to low-wage workers. In consolidating and reorganizing workforce development, I argue that this paradigm shift serves to support new and innovative programs, such as using online learn-

ing to deliver skills training, that take into account the needs of the working poor and other constituent groups of the workforce system.

As the individual who was primarily responsible to shepherd this initiative, I experienced government change at three critical stages of development. First, I saw how the status quo was not meeting the needs of the citizenry. Second, I experienced the frustration of trying to move decades of government thinking into new directions. Third, we as a Department felt the sense of accomplishment knowing that change occurred for the good of those who needed it: the unemployed, the underemployed, the disadvantaged, and the despondent.

It is my goal to present an overall framework that I believe is effective in delivering education and training to our citizenry based on my experiences in the workforce development field. This section will be an honest portrayal of an almost two year exercise in understanding the nuances of a workforce system that is resistant to the basic notion that change can achieve the greater good. Following this chapter, I will return with Mary Gatta to analytically discuss a vision of workforce development based on each of our expertise in the field that will help low-wage workers attain the skills and education to improve their lives.

IDENTIFYING THE WORKFORCE CHALLENGE IN NEW JERSEY

It was clear that if we were to embark on this ambitious project we needed to get a clear understanding of how the New Jersey workforce system operated. In 2001 the New Jersey State Employment and Training Commission⁴ (SETC) issued the policy paper, *New Jersey in Transition: The Crisis of the Workforce*, which capsulated the State of New Jersey's workforce and its ability to address the needs of both workers and employers. Not surprisingly, the major finding of this report was that the workforce development system needed to be reorganized to better deliver services to the labor force and businesses. To reach this conclusion the report outlined the logic of the existing system, noting that education in New Jersey (and indeed the United States) is a triad consisting of the K to 12 system, the higher education system, and the workforce investment system. This third vector of the educational framework—the workforce investment system—comprises a varied constituency group including, among others, the adult population, incumbent workers, high school dropouts, welfare recipients, and immi-

grants. The key point was that while the K-12 and the higher education systems deliver educational services to the constituent groups of the workforce investment system, their primary mission was not workforce quality. This disjuncture proved alarming to the health of the state's workforce.

The report further noted that compounding this is that the workforce investment system, unlike the K-12 and higher education system, lacks the status, funding, public support, and priority at the state level. As key senior staff member told me:

The Labor Department is essentially a federal creation. [New Jersey Department of Labor] did a summary of all this, I remember it was more than 85 percent of Labor's money comes from the federal government and therefore by the very nature of what it does, unemployment insurance, workforce training, is not a state priority because it's not in the state budget.

Further complicating the matter is that numerous state departments and agencies share the responsibility for administering programs and services for the workforce investment system including State Departments of Labor, Education, Human Services, Community Affairs, and the State Commissions of Higher Education, Juvenile Justice, Commerce, and Economic Growth. These organizations each have distinctive funding streams, missions, staffs, performance measures, and structures despite the fact that they are serving constituency groups within the same population. The disparate workforce development programs and services within state government were unable to effectively meet the needs of the existing, future, and displaced workforce. Moreover, resources were underutilized due to the lack of coordination between the agencies. A high-level staff member in the New Jersey Department of Labor and Workforce Development graphically demonstrated this point.

[I learned that] that 30 percent of the welfare population can go to school for up to a year into occupational training before they went into a job. But because the welfare department was so concerned and driven by their participation rates anybody that was work ready they just put them into employment . . . as a result the program was highly underutilized.

Based on such findings the policy recommendation that emerged from the SETC's report was to transform the New Jersey Department of Labor into the New Jersey Department of Labor and Workforce Development. The proposed new department would be responsible for the integration of

the service delivery provided by all workforce funding streams.⁵ In the existing system, the workforce programs were spread among half a dozen departments and administered in over twenty separate divisions of those departments. The mission of this consolidated department would be to implement the policies developed under the broad authority of the Governor. Further, the report noted that even more important than consolidating programs into one department is to build a management infrastructure to develop strategies to ensure the smooth integration of these programs. The goal of this endeavor was to build a more unified workforce development system that views "workforce development no longer as an extension of social welfare policy, but as an essential part of a state's economic growth strategy" (Ganzglass, Jensen, Ridley, Simon, and Thompson, 2001).

This proved to be a daunting task, in which clear visions of workforce development were necessary. The following sections represent a broad overview of how this consolidation occurred and how the vision of workforce development was rethought to better attend to the needs of all workers.

TRANSITION TO STATE GOVERNMENT

McGreevey appointed my predecessor and one of my mentors, Albert Kroll to the position of Commissioner of Labor in January of 2002. I was appointed Deputy Commissioner and together we spearheaded the State Department of Labor's transition team.⁶ During this stage it was our task to interview the departmental leadership to learn about its ongoing projects and to prepare a report for the Governor. Our charge was not only to understand these points but also, and most important, determine how to interweave these projects with the priorities of the incoming McGreevey administration. Looking back it is ironic that while we confronted a number of complex issues and topics we barely recognized the need to review how the state was delivering "to work" activities⁷ and training to the unemployed and unskilled incumbent workers.

During the transition we received an education in the structure of the current One-Stop delivery system and the Workforce Investment Boards. The prior leadership of the State Department of Labor told us that since the inception of the Workforce Investment Act (WIA) of 1998 the Department severely lost oversight of the local Workforce Investment Boards

(WIBs). Indeed there was a lack of a coordinated and cohesive vision for the local One-Stop Career Centers, making it difficult to deliver services to individuals in ways that were effective. I equated them to sailboats without wind in the middle of a lake without a ripple of a wave.

As a matter of fact a senior member of the former department wished us “good luck at trying to get the WIBs to work with you. They are all driven by the local politicians. It is too political to deal with them.” At the end of his “brave manifestation” I immediately questioned him as to which organization funded the locals WIBs. He replied, “The State Department of Labor does, but that it really is just a pass through.” In our minds that was unacceptable and set the stage for what was to become the beginning of a culture change that was desperately needed to occur between the walls and minds of the New Jersey Department of Labor.

GETTING TO WORK: THE RIGHT PERSONNEL FOR THE RIGHT JOB

I have often said to many audiences that when we took office on January 15, 2002, “we did not just wake up and decide that we wanted to induce a multi-million dollar seismic shift that would register a nine on the bureaucratic Richter scale.” Such a decision, without developing a thoughtful and coherent blueprint, would have killed the idea before it ever begun. As such, the planning process was pivotal.

First and foremost was to sit down with Assistant Commissioners.⁸ As is the case with most new administrations personnel changes were requested of each department. We realized that the Department had a core of Assistant Commissioners and senior staff overseeing each of the program areas whose length of service collectively totaled roughly over 120 years. Of course there were changes that needed to be made, but that core group of Assistant Commissioners and senior staff were instrumental to the anticipated successful reorganizing of the Department. They provided a coherent history of the Department’s functions as well as detailed expert knowledge in key areas. As Kroll, the former Commissioner of Labor used to say to me when we disagreed on a certain personnel changes, “what do you know about disability insurance?” His point was that he and I certainly were far from experts in the minutia of the Department and needed the experience of those who “know.”

Reflecting on the course of this process, there were several critical peri-

ods that enabled us to reorganize workforce development. Addressing the personnel issues within the Department of was one of those critical periods. If we were to pursue this enormous task of reorganizing the workforce development system without first addressing our own problems we would have exposed our own flaws and been vulnerable to failure. Therefore, we reviewed our senior staff and began to make the proper adjustments.⁹ Inevitably there were some minor changes to the senior staff. However the real impact changes came within the program areas that directly affected the impending reorganization.

Growing up in an Irish Catholic family I was often told you do not bring the problems within the family to the outside. Simply put, we needed to reorganize our own house before we reorganized the workforce development system. While leadership through senior staff was in place, the way the Department was structured at certain points proved disconcerting. It was quite evident from the first few weeks some New Jersey Department of Labor divisions did not have the necessary staff to support what would be a difficult and contentious battle to reorganize workforce development services. We needed to significantly reorganize the current structure so that staffers were held accountable for work they were committed to and responsible for. To do so we reorganized the Department's structure so that the work was task specific with a clear understanding of each division's responsibilities. By shifting some other existing personnel and redrawing the organizational structure we opened up new placements and were able to bring in qualified individuals.

This was accomplished through various means. We felt that to ensure the viability of the reorganization of workforce development services we needed to recruit seasoned individuals who had served in the One-Stop Career Center locales and who had a clear understanding of the intricacies and the nuances of the day-to-day programs. We understood that to be able to sit at the table with our sister agencies we could not be outmaneuvered. We needed to have individuals who possessed specific expertise on local and state issues representing the Department of Labor. To that purpose we hired into the Department One-Stop Career Center staff to aid the reorganization process. In doing so we accomplished two goals. First, we had the top practitioners in the field working in the Department of Labor for the greater good of the clients in the state. Second, we were able to have those who knew best helping us navigate the bureaucratic waters that we feared could sink the reorganization during negotiations.

THE GLOBAL IS LOCAL: THE WORKFORCE INVESTMENT BOARDS

Once we placed key staff in place we knew it was important to get a handle on whether the WIBs were accomplishing their mandate and how we may assist them. While we were ensuring key staff was in place, we encountered another critical period during the important planning period. As I noted earlier, it was clearly articulated to us early during our transition meeting that the WIBs were autonomous and engineers of their own trains. While we were beginning to engage the Department leadership into the notion of consolidating the “to-work” activities, I worked closely with key senior staff of the Department to seriously grapple with ways to improve the manner the local WIBs delivered services to the client.¹⁰ We agreed that the local One-Stop Career Centers needed to become a truly integrated clearing-house of services, similar to the way WIA had intended. However, we first had to take care of our own internal issues before we could engage the external stakeholders, as the Department itself was fractured by its own silos. Indeed, since coming to Trenton,¹¹ I learned more words and catch-phrases than I needed to describe how bureaucracies function including: silos, boxes, out of the box, cultures, mindsets, and history. Quite frankly, I interpreted them as just weak synonyms for ineffectiveness, and saw it as just further evidence for rethinking workforce development systems.

One of our early concerns was that the workforce development system was not working as effectively as it should because individuals were not willing to address the issues of the WIBs because of local political reasons. I knew we were approaching an opportunity to address this issue. To do so, we conducted surveys of each WIB and “graded” them,¹² without prejudice, based on the criteria set forth by WIA. After months of surveying the local One-Stop Career Centers our most significant discovery was the absence of a uniform structure of a One-Stop Career Center in the state.¹³ In other words, although we agreed that there needed to be local flexibility in the planning of One-Stop Career Centers, we maintained that there needed to be a consistent blueprint to serve the needs of the local. After all, the One-Stops were the vehicles by which training was to be delivered throughout the state. It was our contention that whether an individual is seeking service in one of our northern urban areas or southern rural areas, the basic services should be available in all areas.

To address this we spent many months meeting with each individual WIB directors, local leadership, and appropriate staff. The purpose of these

meetings was to begin serious relationship building and developing an open, honest, and ongoing dialogue with the WIBs. In addition, it allowed us to set our agenda and to collaboratively implement the changes that were necessary to create a better system that truly served the clients. Paramount on our list was the true integration of the local One-Stop Career Centers. From the data we reviewed and the personal trips we made to the Centers we discovered that it was a fractured system. It was frustrating for us to imagine how a twenty-year employee and father of two who had just been laid off from the local plant would have to go to several different locations just to obtain the training he needed and deserved to get back into the job market. Or how a single working poor mother who only wanted to improve her abilities to strengthen and promote herself would have to get on two different busses to go to multiple "One" Stop Career Centers to try to get access to education and training. Indeed, the term "One Stop" in certain parts of the state was actually an embarrassing oxymoron not serving individuals needs.¹⁴

After we began meeting with the WIBs and local leadership I realized that these meetings were becoming like a therapy session. It was almost like a cleansing process that forced us to not only articulate our concerns with their performance but it was the first time that we heard what the department was doing wrong. This points to the importance of open communication and dialogue in policy formation. During these meetings we agreed to review and address their concerns as well as work with them on issues that they felt they could not address alone. Not only did we agree in theory but for the first time we mandated that both parties collaborate to construct goals and objectives which were to be completed by an aggressive, yet realistic timetable. (It was clear that we wanted this done sooner rather than later.) This allowed us to develop credibility with the locals that together we could actually produce a change for the right reasons—those that were for the good of the client. Over a two year period we not only truly integrated the One-Stop Career Centers¹⁵ but we worked with them to open within the One-Stop Career Centers other important amenities such as child drop-off centers, literacy labs, business resource centers, and a card scan system for tracking clients.

To be clear, this did not become a utopia. As long as government exists there will always be differences and disagreements. However, the fact that there were discussions taking place at all was a victory unto itself. Once again, we had to build credibility within the WIB community to develop real and lasting relationships. Even though we did not want to hear about

the local domain and the political issues with this process we never forgot Tip O'Neill's basic, yet profound, statement: "All politics are local."

LEADERSHIP

There is no stronger attribute or more powerful component of government than leadership. I define a leader as the person who is willing to take a risk to try to affect change and accept the consequences of their actions whether they are good or bad. Two different quotes about leadership have encapsulated my leadership strategy throughout my career. The first was often recited by Governor McGreevey as he noted, "I don't need to be liked. I just want to be to be respected." Quite simply, leaders often have to make the unpopular decisions. In addition, an "old school" labor leader who was not afraid to speak his mind, usually peppered with several four letter words, offered this piece of advice on being a leader. He told me that "If the person in front of you doesn't move, go the f*** around them."

The need for leadership at the highest levels of government was evidenced in discussions I had with former senior staff from previous administrations. A former Commissioner of another department told us that there was quite a history of trying to locate all the "to work" activities under the auspices of the New Jersey Department of Labor. He told us that even though conceptually he thought the idea made practical sense he indicated that it never really registered on the state's radar screen. When we questioned him as to why, he replied with just one word: leadership, or more aptly, a lack thereof. He told us that for the past twenty years while people talked about consolidating workforce development programs, he knew that if there was not a clear mandate from the Governor, on record, in a public forum then the bureaucratic structure would never let it happen. At that moment it dawned on me that we speak about the bureaucracy almost as if we were talking about a creature in a horror film. A faceless beast, that if one is left vulnerable, it will eat you up without remorse. To slay this beast it will not take a knight on a white horse or a superhero but someone willing to demonstrate leadership.

Yet one does not need just one leader, but a collaborative group that is willing to work together to move forward an initiative. To that purpose I found that there are three individuals that that were instrumental to the development, the evolution, and the inevitable success of the reorganiza-

tion of the workforce development system. I label them as the visionary, the general, and the champion for rethinking the way we deliver services to the most important constituency in the state: the worker. I believe that such individuals are vital to move decades-old bureaucracies and essentially change the way a state delivers its workforce training.

The three individuals I am referring to are SETC Chairman John Heldrich,¹⁶ whom I call the "visionary"; former Commissioner of Labor Albert Kroll,¹⁷ whom I term the "general"; and Governor James E. McGreevey, whom I refer to as the "champion." These leaders shared a common goal that emerged from the various positions and perspectives of their lives. They represented business, the public sector, and the political leadership. Indeed, I would argue that for this to be successful one must assemble a team consisting of individuals who represents each of these components. A single individual could not make this happen alone; collaborative leadership is necessary.

The visionary is able to present a large blueprint that moves individuals' thinking beyond the confines of traditional understanding. This needs to be someone who is senior level and well respected, so that he/she can excite the passions in others. The general is the individual who is able to effectively bring together the key stakeholders, interpret the plan into a practical fashion, and mobilize others to execute the plan. Finally, the champion is the public face for the policy change. He/she must be a well-known figure who is able to provide the issue with high level of visibility. The champion, as a powerful opinion leader, brings credibility to the project with his/her stamp of approval. In addition, this "trifecta" of leaders also shared common traits that were essential to the success of reorganizing a state workforce development system. Each possessed a genuine passion for improving the economic self-sufficiency of others, and shared a common vision on how to achieve it. Also, each had a personal investment and commitment to see the reorganization of the workforce development system to its completion. Finally, each valued the expertise not only of each other but also that of individuals inside and outside of the state bureaucracy and turned to them for advice and support throughout this process.

PUBLIC FORUMS AND A MANDATE

When we discussed with others that the Governor was in agreement with the reorganization there was strong skepticism from inside and outside

state government. Our sister agencies did not blink an eye and the public stakeholders did not waste their energy preparing to mount an opposition campaign. However, three critical periods occurred that served to demonstrate the state's commitment, and perhaps most important, each event was executed in the public arena.

At this point we had the necessary personnel in place and had met with the Governor's staff to ensure they understood what we were trying to accomplish. During this period, the SETC was preparing for its annual One-Stop Career Conference.¹⁵ For weeks the Executive Director had asked me to petition the Governor's office to have the conference placed on his schedule and for him to address the audience. Since all the principal partners and members of the WIBs and One-Stop community participated in this conference we believed that it would be the right time to launch the "trial balloon." It seemed quite simple, but strategic—just have the Governor include in his speech a statement alluding to the need to restructure and rethink the way we deliver workforce services. We were able to persuade the Governor's Office of this idea and secure the Governor for the conference. Simultaneously, two other important moments were taking shape.

The Chair of the State Senate Labor Committee asked the Department for our priorities for the upcoming year and to present them at a public hearing. Of course, this was our opportunity to present to the Committee our idea to reorganize workforce development services and, with the support and encouragement of the Governor's office, we would have our sister agencies with us to present a united front. We worked with both the staff of the committee and the Governor's office to educate all the interested parties. During this same period we met with key stakeholders in the labor movement, business, and education to gain momentum and to demonstrate public strength in preparation for the hearing.

Perhaps one of the most politically astute moves occurred during the testimony provided by key leaders, including Henry Plotkin, the Executive Director of the SETC; Heldrich; and Kroll at the Senate Labor Committee hearing. The Senate Committee asked us to set forth a timetable when a preliminary plan of the reorganization would be completed. Keenly, Kroll replied "by the end of the calendar year." This translated into a forty-five day time period. The Chairman of the Committee was taken by surprise at the aggressive response set forth by the Department. More important, it put our sister agencies and our own staff on notice.

This set the tone that the time for dialogue was over, and it was now time to begin to act.

Meanwhile, we were developing another key support group as we were preparing for the conferences and the hearings, that of the Governor's staff. While it is necessary to have the Governor and his Chief Operating Officers committed, I found it was equally important to mobilize the Governor's policy and message staff. They were intrigued that the Governor, who was raised in a working-class town and household, would be tackling issues pertaining to the needs of everyday workers. Bringing in the "middle" level staff was significant as we were now gaining more strength in broadening the circle in the Governor's office.

Then a simple phone call to my office provided another significant benchmark. The Governor's Deputy Chief of Staff called me to inform us that the Governor's office wanted to do a "Workforce Summit." He asked for the Department to partner with the State Employment and Training Commission and an academic research organization to design and implement a summit that would include academia, labor unions, businesses (large and small), elected leaders, state officials, community based organizations, and nonprofits. To us there could not have been a better message to send than that these issues were being brought to the policy forefront. This time the Governor was not just going to mention the initiative in a speech before a particular constituency in a hotel meeting room. Indeed, the whole conference was focused on what we had been discussing and preparing for over the past year. The Governor announced, with the press present and in front of over five hundred people, that the Department of Labor would not only serve as the lead agency for all of the workforce programs but to underscore these efforts, the Department would be renamed at the conclusion of the reorganization to the Department of Labor and Workforce Development. Now we had to get to work.

REORGANIZATION

Even though there was a tremendous amount of work and sweat equity that went into the preparation to reorganize workforce development services, the hard part was about to begin. There are three key components that guided the entire reorganization—a flexible structure, communication, and planning. Although these three concepts may appear to be quite simple, they were both important to its success.

As I noted earlier leadership plays a key role in formulating and maintaining a solid structure. We needed to develop a working committee consisting of individuals representing the three participating state departments (Labor, Education, and Human Services) that would facilitate the creation of the new workforce development system. The main objective of this committee was to create a reorganization plan that would be submitted to the Governor for him to deliver to the legislature. The structure of the committee needed to be designed so it forced the parties to confront each other, to meet specific deadlines and hold individual agencies accountable. As such, it required collaboration and communication. The New Jersey Department of Labor was to take the lead on this endeavor. This was an essential point because it demonstrated an “employment and skills development” mindset that would guide policy and programs.

The structure of this committee consisted of decisionmakers that could make strong recommendations to their respective Commissioners, along with the Attorney General’s office. I was asked to spearhead this committee and felt this was an opportunity for the Department to effect the substantial change needed to provide what we had prepared for, without interference from the bureaucracy itself. The Governor’s mandate and the structure we created helped to emasculate the bureaucracy that for years had stood for the status quo.

A main objective of this committee was to build partnerships across bureaucratic divides. In reality, this translated into a considerable amount of work, most notably, reviewing and interpreting the legal regulations, personnel responsibilities, existing educational vendors, fiscal issues, and legislative requirements. Our mandate was to not only review this data but to improve the existing system. Out of these dialogues came three important principles that guided the reorganization of workforce services—the need for flexibility, communication, and planning.

Flexibility

The previous workforce system was not flexible for the unemployed worker, the low-wage worker, or the employer. I contend that flexibility is imperative to delivering services to all constituent groups. While the word “flexibility” is used often in state government it is seldom sufficiently conceptualized. We toss the word “flexibility” around in state government chambers readily and yet it has become empty rhetoric. Flexibility is an essential part of daily life for the employer and the employee. For example,

we had discussions with a business owner who told us that he actually had to hire a staff member to track the grants that he received from the state. Even more disconcerting is that since unemployment insurance was not originally part of the One-Stop System,¹⁹ when an individual picked up his/her check, there was not a seamless way for she/he to simultaneously attain job market information or training. The old system saw unemployment offices while we envisioned career centers.

In order to make the system more flexible we recommended that all "to work" programs be consolidated into the One-Stop Career System. This allowed for individuals (either dislocated workers, low-wage workers, and employers) to connect with jobs, education, and training. Central to this is the idea that the system must evolve with the demands of the ever-changing economy. To accomplish this, it is necessary to understand the demographics of local areas both in terms of the labor force composition and the demand of the employment sector. In this way the workforce system can respond to the needs of both labor force members and employers.

Flexibility then is directly tied to effective responsiveness to both workers and employers. Online learning programs, along with other innovative forms of education and training help to improve flexibility by providing not only opportunities as to where and when individuals can take classes but also greater customer choice in the types of training available. If the public sector collaborates with educational vendors, employers, and community colleges the available training opportunities online will outpace the courses that are available in traditional classroom settings. By using distance learning methods we can provide greater access to a variety of skills training programs to larger numbers of workers. In addition, we can better respond to the changing economy as we can create more individualized employment plans that are better tied to demand jobs in the local area. So we can bring the best training programs to individuals regardless of location.

Communication

Throughout this process I have alluded to collaborations. Let me be frank, the fiefdoms endemic to state government, along with a lack of understanding of organizational histories and the need to maintain external relationships with stakeholders, make communication and collaboration a difficult venture and, indeed, made this process labor intensive. It is important to reiterate that change (good or bad) is extremely difficult. Interestingly, the reason for the difficulty is because those who have a vested

interest become complacent and comfortable with a system they know, and are concerned about losing their place with what they perceive to be an unknown. Therefore, it was important that we constructed a marketing plan aimed at not just selling this idea to the stakeholders but, in fact, build relationships to develop credibility. For years the Department was perceived as the state's largest public insurance company, so the idea of a bureaucracy of this nature taking the lead on an innovative idea was foreign to those that were part of the old system.

The initial step then was to develop open communication with the various stakeholders and interested parties. This was accomplished by first communicating a clear vision of the end goal to all the interested parties. We needed to ensure that the stakeholders would have a real voice in restructuring the workforce system. In doing so, they needed to feel ownership of the process. We held a series of meetings at the State Department with the three agencies and all the relevant stakeholders to ascertain their needs and concerns regarding the workforce system. Most important, it was an opportunity for the groups to share their concerns and issues, and for us to collaboratively work to resolve them.

In addition to open communication with key agencies and stakeholders, we also have to develop communication with legislators, the press, and non-traditional alliances such as the business and education associations. These collaborations were important because as we were trying to reinvent a better form of workforce services, at the same time we were trying to reinvent the image of the Department. This was important because we needed to develop credibility in the workforce development system, so that individuals would avail themselves of it.

Planning

When I first embarked on the reorganization I failed to recognize what was to be the most important component of the entire process—planning. I am not referring to the planning of the internal and political tactics to mobilize will. I am referring to the underrated local planning that was initiated and implemented by the SETC. When the SETC Executive Director approached me about this concept I told him that planning would be his domain and then did not give much thought to the subject. However, my nonchalance toward planning was short-lived. I soon recognized that in order for a planning process to be taken seriously, top leadership must endorse it. As I alluded to earlier, I recalled that it was in fact the mandate

from Kroll and I that we finally forced the locals to immediately address the issue of designing true "One" Stop Career Centers. In other words, we committed the support necessary to ensure that the planning process would be a priority for the remainder of the reorganization.

After gaining a better understanding of this issue it was an easy decision for us when the SETC suggested that the planning process begin with a retreat. The retreat would include all the relevant staff of each local WIBs. There would be a two-way dialogue between the state and the locals. By now I would imagine that the reader is saying to himself/herself that in state government all you have are a series of meetings, retreats, and summits. This is true. However, it was these venues that served as the impetus to promote and force communication and flexibility.

I used to say at our meeting with the local WIBs that "the minute the planning process ceases to continue is the minute the reorganization ceases to work." My point was that this initiative was not going to end the moment we introduced the reorganization or when the Governor signed the legislation. In fact, I would maintain that the reason that most initiatives, primarily in workforce development, fail is due to the overall lack of vision, communication, and flexibility necessary to succeed.

Planning inherently forces nontraditional or reluctant partners to sit down and to communicate with each other. More important, it forces these entities to sometimes enter brutally honest discussions that they would not even entertain before. Collaborative planning tears down the walls of ignorance and opens doors to the hallways of progressive and productive thinking. We discovered that the locals, albeit reluctant to allow the state to suggest ideas that encroached on their turf, needed guidance and best practices from the state and their colleagues.

What is exciting about this planning process is that it provides for flexibility with regard to the local and regional economic markets. Thereby a region and/or state will not be caught flat-footed when inevitability, as we have historically seen, the local economic markets change. For example, as the manufacturing base of many cities eroded there was a lack of infrastructure and long-term planning to fill the economic void that was left behind. The recent expansion of Atlantic City's gaming and hotel industry all but dictates that the local multi-county training programs incorporate the gaming and hospitality industry. The public sector needs to be cognizant of such issues as specific industries become anchors of the local economic region.

As is evident, planning must not only serve as a short-term fix but, in fact, it must be the long-term connection bringing together all the relevant

partners to ensure that the workforce development system is not caught behind the market driven economy. The planning process is an evolving process. During this evolution, as I have witnessed firsthand, planning was the catalyst for both communication and the construct of a flexible, rationale local plan.

Conclusion: Reorganizing for the Worker

As I demonstrated, workforce development theory and practice must be a coherent system. Throughout the process of reorganizing workforce development we developed several practices that I believe will best serve workforce development in the twenty-first century. We were aware that “simply” reorganizing the state’s workforce services would not serve as the end solution to workforce training’s ills. However, what may be most important was recognizing that we could no longer accept the status quo if we wish to sustain a strong workforce and economy. It is my contention that if it were not for the administration’s priority, along with the insistence and perseverance of the leadership, the online learning program for single working poor mothers would neither have been successful nor even contemplated as a pilot program. The State’s commitment to organizing workforce development services in ways that are flexible and focus on the needs of workers was able to bring to the forefront the challenges that working poor women (among other groups) confront in attaining skills and education and forced us to develop programs to address them. This was evidenced through the communication with key stakeholder groups, as we had to confront the realization that simply being employed does not guarantee self-sufficiency. In today’s socioeconomic climate the public sector’s complacency will only continue to enable dependency. Government must take an active role to assist in promoting financial independence. I have often spoke of the need for collaboration, and I believe that it is just as important to understand that collaboration also has to be developed between government and the individual. However, it is our job, as appointed policy officials, not to turn a blind eye to the barriers that confront low-wage earners in our community. Indeed, it is by acknowledging them and addressing them head-on that we can affect positive change.

NOTES

1. It is important to note that I believe that welfare policy is critical to help provide individuals with the social supports and assistance that they need to support themselves and their dependents.

2. This is not intended to be an endorsement of the particular way that New Jersey reorganized, but instead as a first-hand insider account that can be treated as a case study of New Jersey's experience in reorganizing its workforce development system to better attend to the education and training needs of all workers.

3. New Jersey is not the only state in which such a reorganization of workforce development occurred. Other states such as Michigan, Indiana, Louisiana, Pennsylvania, and Utah have engaged in similar reorganizations. See Ganzglass, Jensen, Ridley, Simon, and Thompson (2001) for an extended discussion.

4. The State Employment and Training Commission was established by state legislation in 1989 to be a bipartisan Commission to address the needs of meeting the challenge of the workforce investment system for New Jersey. More recently, the SETC has been designated the State Workforce Investment Board through the federal Workforce Investment Act.

5. Even though the SETC report recommended that all five of the state departments be consolidated, the actual reorganization consisted of only three departments.

6. The transition team is the committee selected by the Governor-elect's office to undertake all reviews and recommendations pertaining to the daily functions of a state department to the Governor.

7. The "to work" activities include all the programs that have been earmarked for training, continuing education, postsecondary, and adult education.

8. In the organization chart in the Department of Labor an Assistant Commissioner oversees the daily operations of a particular program area within the Department and reports directly to the Deputy Commissioner.

9. It is interesting to note that simultaneously we were also engaged in other high profile issues. One of those initiatives I refer to as my "Class A minor league training" to what would eventually be the major leagues with the "to work" reorganization. For many years the department oversaw the daily operations of boiler vessels and asbestos licensing and enforcement. Under a previous administration those operations were transferred to another state department and we planned to have them returned to the New Jersey Department of Labor.

When we first entered into discussions with our sister agency I sat in on the initial meeting and allowed some of our appropriate senior staff the ability to negotiate, make decisions, and report back to me. After a few months we signed an interagency agreement and assumed the responsibilities the New Jersey Department of Labor once had. However, after a few weeks our staff uncovered that we had assumed these responsibilities without the knowledge that there were over six thousand boiler vessels that were unaccounted for in the entire state. This meant that there were six thousand boilers in stores, laundromats, schools, buildings, and tenements that either had not been inspected or that there was no record of any inspection. Essentially neither our staff nor our sister agency provided me with this key information, and I realized I needed to be more proactive and create a struc-

ture that would have forced both entities to either divulge the appropriate information or force us to ask the appropriate questions. From that point on we put in a structure for both external and internal meetings that would hopefully diminish the chances of repeat occurrence that took place during these negotiations.

10. Client is defined as the individual worker and the employer.

11. The state capital of New Jersey, where the state offices are located.

12. The grading consisted of meeting the goals and measurables set forth in the federal legislation.

13. It is important to note that there are eighteen WIB's throughout the state of New Jersey. There are three WIBs that have combined counties and there are two cities that have their own.

14. An example of this hodgepodge was a county that had in one city, two different One-Stop Career Centers. They had a county and municipal One-Stop both of which were within blocks of each other.

15. During the writing of this book there were continued successful openings of truly integrated One-Stop Career Centers in various parts of the state.

16. A former long-time executive at Johnson & Johnson Pharmaceutical, who has advocated for workforce development policies for decades in New Jersey.

17. Before being appointed Commissioner of the Department of Labor, Albert Kroll was a labor attorney practicing for thirty years.

18. The One-Stop Career Conference is an annual conference that showcases employment and training programs throughout the state and brought awareness of key workforce development state initiatives.

19. A mandated part of the reorganization was the inclusion of unemployment insurance in the One-Stop System.

CONCLUDING REMARKS: DEVELOPING AN AGENDA FOR WORKFORCE DEVELOPMENT AND LOW-WAGE WORKERS

Policymakers and policy researchers can collaborate to develop and implement workforce development agendas that attend to the needs of low-wage workers. In this concluding chapter we share a conversation in which former Commissioner McCabe and I suggest a comprehensive agenda of workforce development and demonstrate the important perspectives social scientists and policymakers bring to bear in these discussions.

Mary Gatta: Kevin, one of the interesting things that drew me to the New Jersey online learning project was that it created a training program for individuals who typically fall through the cracks of our workforce system. These are low-wage workers, and—as we saw in the demographics—these women earned about \$18,000 a year. So that made them slightly above minimum wage workers. This program attended to the fact that simply working and making minimum wage or slightly above it, is not enough to get by. It acknowledged that you have to invest in your human capital, but you have to do it in a way that attends to workers' needs.

Kevin McCabe: The reason why we got involved—and I say we because we need to give credit where credit is due—my predecessor, Al Kroll, jumped on this early because he saw it as an opportunity. We knew that we

needed to get the reorganization of workforce services done, but this project actually worked well because it was easy to fit in, even though we were reorganizing. Secondly, and perhaps most importantly, is that my predecessor came from a working poor family out of Philadelphia, and he saw this as an opportunity that he would have liked to have for his working mother. For myself, I would think, the two of us agree that philosophically we thought that this was the right thing to do. It was the right thing to do for people that needed it most.

Mary Gatta: I think related to that is there needs to be passion and commitment on part of the individuals who are implementing the policies and delivering the services.

Kevin McCabe: Passion and commitment all too often gets lost in government and bureaucracy. In this case we were committed about being passionate about the reorganization and the online learning program. We knew that the reorganization needed to get done. As I've said a million times, and I'll say it again, this was not the idea of Kevin McCabe or Al Kroll. This was an idea that went back twenty years. In interviews and conversations that we had it was illustrated to us that people agreed it was not only the right thing to do, it was the most sensible thing to do. We had an antiquated system that wasn't flexible and wasn't meeting the needs of modern twenty-first century workforce development. The online learning program is a modern twenty-first century workforce program. So the two of them blend well, it just made logical sense.

And you need to be committed to a passion when you're dealing in a bureaucracy. If you don't the bureaucracy will eat you up. And this is not to speak ill of anybody, but I just think it's inherent in the system. So you need to show a dedication and perseverance. We were very clear on what our priorities were. We knew that the reorganization was going to be a priority and out of the reorganization came the online learning program. We were committed to getting it done, and we did.

Mary Gatta: What is important is that if you don't get somebody in the top leadership to get excited about it, it doesn't work. So, and that speaks to what you say, you have this bureaucracy, but you need to have somebody who's able to move initiatives forward within the bureaucracy.

Kevin McCabe: If you look back historically at the nation's past initiatives spearheaded by our past leaders, if they didn't have a passion or commit-

ment these great initiatives that took place would not have. Documents such as our Declaration of Independence or our Constitution may never have been written. The successes that Abraham Lincoln accomplished, Teddy Roosevelt, FDR, JFK, and the man on the moon, you can go on and on—and they each had a passion and commitment to an initiative that they wanted to see get done. Now clearly I'm not comparing what we did to any of those initiatives, but this gets back to the argument: if you have leadership that's passionately committed to an issue it will get done regardless of any obstacles.

Mary Gatta: Related to that it's not just leadership at the government end, but there really is a role for academia within the public sector.

Kevin McCabe: We utilized the Center for Women and Work to be the oversight for the online learning program. And the rationale for that is that you want those who know, and those with the expertise, like yourself, to assist. On any major initiative if you do not utilize the resources afforded to you, you are only hurting yourself and the client you are trying to serve. I think an outgrowth of the partnership that we developed between the Department of Labor and academia allowed us to develop a broader coalition, because other entities saw for the first time in a long time—and this is what people told me in the Department who have been there for twenty, twenty-five years—that the Department of Labor was able to take the lead on a major initiative. In doing so those other entities—stakeholders if you will—saw that we were willing to work with academia, which is a nontraditional partner. Therefore, we were able to build up credibility with other interested parties who historically held a suspicious eye toward the Department.

Mary Gatta: Well, historically there has been a distrust of the government from academia and vice versa. And I think there's some disdain on both ends. So to me what is really important is that in this example we were able to collaborate and form coalitions, and each entity maintained its perspectives. No one was subsumed in somebody else's perspectives.

Kevin McCabe: Identity and identifying an individual's issues are very important.

Mary Gatta: And respect. I think respect is important too in this. Respect helped to ensure that everybody was able to—or each entity was able to—

maintain its identity and its mission. For example, the Center for Women and Work's mission, as an academic entity, is to inform policies, it's not to institute them and it's not to run training programs. In informing policies we bring a perspective into workforce development that takes into account gender and women's experiences. So if we can feed that into policy, that's something that's important.

Kevin McCabe: Maybe because it's relying on each other's strong points and each other's resources. But allowing entities to continue to maintain their own identities was very important. That's why when we brought in the stakeholders we created a forum that allowed them to formulate, process, and then articulate what their concerns were going to be. Actually it was rather seamless. It was not as contentious as I thought it would've been.

Mary Gatta: A strong point that I think academia brings is a perspective that is much broader than assuming that everything can be pigeonholed in one category. What was significant about the online project was that it acknowledged that women face many demands on their lives. They have their paid shift in the workforce and then their unpaid shift at home. In addition, many of them are working multiple jobs and face childcare demands. So it brought in some of the language and thinking of academia right into the public sector.

Kevin McCabe: Well, I think what we had with the original five WIBs that piloted the online project was a package that needed to be organized. I think what you did Mary was provide the oversight and gave us the recommendations that we could utilize. You provided the best practices. I think that's imperative as we look to move this onto a larger national stage. Other states, institutions, and entities want to know the pitfalls. They certainly don't want to step in a pothole that we already stepped in and bruised an ankle. So if you bring this to them they're going to be reassured that those with the expertise helped craft the model.

Mary Gatta: There are then real ways that academia and government can work together. Building on what you said, it's recognizing that each has its own expertise. But I think one of the challenges that still exist is that there are many myths about academic researchers in the public sector. Often individuals think that research is separate from practice. And that is not the case. There is a lot of good research that is grounded in lives that can be applied to policies and programs. I think part of what still is a barrier in

coalitions is that academics aren't always willing to package their research in a way that it can be user-friendly, and policymakers still sometimes see academia as separate from reality.

Kevin McCabe: I think there is strong hesitation in government to take huge risks. I think academia can serve as a supplement to government and provide trial and error. Academia can assist government by serving as oversight and finding solutions to any problem that may exist during the planning and implementation on any initiative.

Mary Gatta: It is the importance of creating and maintaining partnerships.

Kevin McCabe: I believe it's a process. Partnerships breed collaborations and collaborations breed relationships. Someone just recently told me "Do you know how you really know when you can build a relationship? When you have to work together." And that's how you build relationships. Sometimes they don't always work, but I think you'll find, instead of just the cocktail party banter or the political shtick, it's about actually having to roll up your sleeves and getting into the nuts and bolts of any issue and trying to find solutions to problems jointly.

Mary Gatta: I think that assessment is accurate Kevin. Each partner then not only brings its resources to the table, but as you get to know the entities you develop respect and an understanding of other perspectives. I think that's really critical. It is similar to breaking down any stereotype; you then gain experience and knowledge. I think that there is great potential for a partnership between academia and government on this initiative and other workforce initiatives.

Kevin McCabe: Absolutely. I don't know if the rigid nature of government can keep up with the rapid changes and trends that are taking place in the private sector of the economy. I'm not convinced it can. I think there are changes that need to be made, and academia can do a much better job of keeping up with the trends. Let me give you another example of a collaboration we fostered. We petitioned the SETC and the John J. Heldrich Center at Rutgers University to do a "demand side survey." Our goal was to survey nine employment sectors and hundreds of employers statewide to determine what skills were going to be necessary in five years time. We understood that for New Jersey to remain competitive economically we needed to be ahead of the curve. I do not believe that we, the Department, could have undertaken this task without the collaboration of both academia and the private sector.

Mary Gatta: That is the job of researchers—to document trends and understand what's going on.

Kevin McCabe: Government, specifically the individuals charged with promoting economic opportunities and job growth throughout the state, would probably do themselves a favor by relying on research on workforce development. That should be a natural.

Mary Gatta: To that point I think part of the job of researchers is then to make sure that research is relevant, up to date, and is produced in a usable fashion. Further, researchers need to disseminate their findings to as broad of an audience as possible. In doing so it helps share best practices throughout the country.

Kevin McCabe: Absolutely. In fact, I think the online learning model we utilized in New Jersey should serve as the template nationally. Other states can utilize the model and shape it for their own local issues. As the gap between the rich and the poor continues to widen and as the middle class is getting squeezed, single working poor mothers are grappling with the day-to-day issues that most of us have a tough time comprehending. We recognized this in New Jersey. Hopefully it will allow other states to gain a full perspective of what these individuals are going through and how to develop training programs that will work within their daily lives. Simply put, the online program provides for an innovative and flexible opportunity that helps to address the issues in the twenty-first century society that we live in.

Mary Gatta: I think it's important to know why we picked single working poor mothers. The choice was strategic on two accounts. First, it was because they typically face all the education and work barriers, so if it works with this group it will more than likely work for other groups. You can make that argument. And the other is they are the fastest growing group in poverty.

Kevin McCabe: We as a nation can ill afford to lose any constituency of our society through the existing cracks of our economic foundation. As you have said, single working mothers are the fastest growing segment of poverty. Therefore, to me it just makes sound fiscal sense to provide relatively inexpensive solutions, such as workforce development training, and specifically, the online learning program. These short-term opportunities seem to be more beneficial in the long-term than a woman caring for two chil-

dren who is on public assistance and costing all of us considerable more in dollars and cents. I also believe, generally speaking, that individuals would rather take advantage of an opportunity to improve themselves and their families as opposed to relying on federal assistance. Simply put, based on my own experiences growing up in a working/middle-class household, I firmly believe a good paying job and skills training allows one to develop a sense of dignity for themselves and their children.

Mary Gatta: Kevin, your point is well taken. You have often suggested investing in the workforce is a significant way to address issues of poverty. To do that you have said that states must frame workforce development as a core economic development strategy. To facilitate this the public sector needs to provide a seamless workforce delivery system, and we must align all workforce programs in a consolidated organization that establishes collaborations with welfare programs, educational entities, community-based programs, labor unions, and other related programs.

Kevin McCabe: I cannot stress it enough that workforce development has to be a state and national priority. Workforce development and retraining is not a “sexy” issue. The way you make it sexy is to have it relate directly to individuals—to help individuals achieve self-sufficiency so that businesses have access to a skilled workforce. There must be a basic understanding that government is willing to commit the resources and all the necessary elements to make sure that if you are laid off, if you are trying to improve your quality of life by improving your status at your current job, if you are seeking training and education, or if you are looking at getting over social hurdles, the resources will be available to the individual.

Mary Gatta: And it’s understanding, too, that education—specifically, access to education—needs to be democratized so that everyone can take advantage. And that is what is really promising about the online option. It is a way to really democratize access across many different variables: class, gender, race, disability, age, etc.

Kevin McCabe: The infrastructure of the old workforce system was so convoluted and complex. You know in New Jersey we talked about over twenty different funding sources in five different agencies, and three of them the major ones—Human Services, Education, and Labor, which for the most part were all providing the same services. This would remind one of a very bad DNA sample if you looked at it on paper. What was even more frustrating, and became a convincing argument for us, in addition to

being confusing, complex, and convoluted, the system was not flexible. Our system of government and the foundation by which we are going to be providing training has to be as flexible as the global economy.

Mary Gatta: Kevin, let us talk about flexibility in workforce development. There is much research that the labor market continually is changing. With those changes, the skills demanded of workers continue to increase. We know that life-long learning is critical to maintaining and increasing one's earnings and one's career advancement and that is true at all levels. There is a lot of good research that demonstrates this. A high school education is not enough to compete. For many jobs, including those in the service sector you need to know how to interface with technology. So I understand how the work and economy is flexible. The challenge becomes how do you create workforce development systems that also are flexible. Your discussion earlier is heartening because it showed how we could move years of bureaucratic thinking and structures.

Kevin McCabe: You need to tear down barriers, and leadership needs to be creative and innovative in how achieve that goal. What was significant to that point was we framed the issues as collaborations between the employer and the employee. This gets back to my earlier point that I made about undertaking a "demand side study" of identifying future skill needs. Once again I cannot reiterate this point enough: we need to understand all facets of our economy. Therefore it begins by recognizing the future trends and directions that the market will be dictating. And as a result we need to make sure our nation's workforce is as prepared and responsive as is needed.

Mary Gatta: So really then we need to think about the workforce development system as a comprehensive system that has different vectors that do different things, but through the basic structure it really must connect people and organizations to resources that they need.

Kevin McCabe: Right. So it will connect you to training if you need training. It will connect you to jobs if you need a job. It will connect you to skilled workers if you need to fill labor demands. It will direct you to human service agencies if you have substance dependency issues. It is a holistic approach and that was our goal when we truly co-located the One-Stop Career Centers in New Jersey.

Mary Gatta: So you maintain that the One-Stop Career system has the infrastructure to make this work. These are integrated centers where indi-

viduals can access job training and education, along with labor market information, and other services they may need—access to food stamps, childcare, and other social and economic supports.

Kevin McCabe: The One-Stop Career system provides a critical framework. Currently, I do not believe that there is a silver bullet to cure the workforce system. However, I would contend that the programs you mention are all there, yet for a considerable amount of time they had existed separately. The most significant barrier was trying to restructure the bureaucracy within the workforce development system. That is to say, getting the mindset of these different entities to think for the common goal was not an easy task. As I talked about in the previous chapter, this took a lot of work and sweat equity. There needs to be a common vision and commitment at all levels of government to make this happen.

Mary Gatta: Part and parcel to this commitment is not just to be willing to rethink the bureaucratic structures of state government but also to recognize incumbent workers as a group that must be included in the workforce development schema. In regard to low-wage workers we need to develop flexible systems to provide them with education and training, along with work and educational supports that will help them achieve economic self-sufficiency. There are growing groups of individuals who are low-wage workers who not only cannot afford education and training but also have no idea how to go about getting it. There is a significant role for the public sector to play.

Kevin McCabe: Right. Once you create a centralized clearinghouse for employment and training resources that is really just a first step, albeit a large step! You then need to develop a strategy to connect individuals to the resources and, eventually, employers.

Mary Gatta: That is very true, and you need to be flexible in your approach. What was exciting about the online pilot project was that it used technology to find ways to provide women with training and education that attend to the experiences of their lives. By bringing the training to them, be it in their home or their workplace, women were able to take advantage of it in ways that better integrated education with their family and work lives.

Kevin McCabe: To that I think that workforce development is really about economic development. It is providing education and training that is tied

to local business needs that individuals can access at different points in their lives. For it to be successful there needs to be not only the educational and job resources available but also the support systems available—childcare, transportation, income supports (such as Earned Income Tax Credit), among others. So we need to begin to bring services to low-wage workers.

Mary Gatta: And in terms of technology now there are a lot of moments. So, if you want to be on top of things, it is about taking advantage of technology. I think that technology is most interesting in that it can increase flexibility. But the fact that the Internet can decrease barriers and can be used creatively for workforce development is what is interesting about the relationship between workforce development and technology. The fact that you can do training on a computer, you're providing training on the technology that is changing the work and skills needed.

Kevin McCabe: Right, and we're doing that now for those who are in their twenties, thirties, forties, whomever. But if children in grade school don't encounter this as soon as they possibly can we will lose our competitive edge as a nation. I didn't have that training in grade school on computers. I don't know if you did but we really didn't.

Mary Gatta: We were the Commodore #64 computer generation.

Kevin McCabe: Yeah, the Commodores! You know, I had some computer training in grammar school, it was so basic, so rudimentary. Plus I never saw another computer until high school. So, if we don't start prioritizing as soon as these kids learn to read and understand basic math, we then need to get them on a computer or we are really going to put ourselves at a global disadvantage.

Mary Gatta: And of course what we are saying is that we cannot wait until an individual gets to the job to provide them with training. A career education system that addresses the entire pipeline needs to be incorporated within our education system.

Kevin McCabe: Nationally there needs to be a program that ties the workforce investment system to the middle school system. In New Jersey we have seen certain districts, in particular in the urban areas, where the drop-out rate is at its highest after the ninth grade. We need to build better career systems within the public school system. Guidance counselors, teachers, and parents need to be aware of what are the growing jobs in the

local economy and what are the pathways to get those jobs. In addition they all need to be aware of other noncollege career opportunities that are also afforded high school graduates, such as a developing a construction trade skill.

Mary Gatta: This again points to the importance of information on the market and a clear role for academia. We need to know what are the demand skills and the cutting edge ways to provide that training.

Kevin McCabe: It is imperative that government partners with as many stakeholders to begin to understand and formulate a clear working document that encompasses all the components of our economy. In developing the programs, government needs to be realistic to the daily issues that one faces, especially low-wage workers. I would contend that if you had an executive or mid-level manager who lost their job, they would be more inclined to successfully obtain another position because they have access to social networks, resources, and expertise. I think we take for granted the basic things that low-wage workers may not be able to do—develop a resume, participate in an interview, and other job readiness and life skills.

Mary Gatta: And there is maybe a role for the federal sector. The federal sector should provide resources for research that continually assess the demand skills. This data will help to better keep our training on target with the economy. It needs to be driven by good research about skills in demand. You do not have to look any farther than this alarming statistic. Sixty percent of the new jobs will require skills possessed by only 20 percent of the young people entering the labor market, unless we change the way that education and training systems operate (O'Leary, 2005).

Kevin McCabe: Our leadership in Washington needs to prioritize workforce development as a major issue as we did in New Jersey. The United States must be a high-wage and high-skill economy and must not compete at the lower end. Workers need to be trained continuously on the emerging technologies.

Mary Gatta: On the topic of the federal government, what role do you see them playing in helping low-wage workers secure self-sufficiency? WIA provides an opening to include low-wage workers in the federal employment and training dialogue, as it directs small amounts of training dollars to low-wage workers, and created the One-Stop System that is available to everyone. However, as we know, low-wage workers rarely take advantage

of One-Stop Career Services because of the myriad of reasons we referenced earlier in the book. How do you suggest to engage the federal sector?

Kevin McCabe: I think it is the opposite of what you said. I think the federal government needs to engage the states and all the relevant partners. Similar to what we did in New Jersey, I believe that the federal government should call upon all Commissioners, Executive Staff, WIB Chairs, and WIB Directors for a workforce summit to develop a flexible working structure. And if there was such an opportunity, you would have to seek the input of the business coalitions (large and small businesses), community groups, educational entities, labor unions, academia and other key groups to develop a best practice for constructing a working flexible delivery system and mandate that state's utilize the suggestions. I believe that although WIA does provide for an outline, I think it needs to be taken a step further. As I noted throughout my discussion the bureaucratic structure is an obstacle. There needs to be a reappraisal of it. For example, although it is important, it just cannot be about performance numbers. I would contend that the long-term success of our economy should be treated as priority as you would any other crisis.

Mary Gatta: Are you suggesting that it is not a priority of the federal government?

Kevin McCabe: Not only do I do not believe that it is a priority of the current administration, I do not believe that it has been a core priority of any administration for the past two decades. By that I mean you cannot convince the American people and/or State Commissioners of Labor that it is a priority when training programs have been cut and hundreds of thousands of jobs have been exported overseas. Based on my conversations with CEOs in the pharmaceutical industry, after environmental issues the single most important element for them in deciding whether or not to maintain their business in the state is the assurance that there will be a qualified workforce for them to hire and train for their own specific purposes.

Mary Gatta: Clearly then not only must workforce development be a state priority, it needs to be a federal priority. For the past few years training programs have been characterized by this divestment of responsibility from the federal government to the states. Are you suggesting that this trend needs to be reversed?

Kevin McCabe: Not necessarily. If I were the Secretary of the United States Department of Labor I would look at, as I alluded to before, bringing

together key partners to highlight best practices in the states. When New Jersey engaged in this process we did not just sit there and mandate changes for changes sake. We studied relevant research, we engaged in a two-way dialogue with the locals, and we studied what other states were doing. Let me just say this. I believe that if we did not make it a priority we would still be facing the same disjointed issues that we faced when we took office. Workforce training programs are seriously underfunded, and I maintain that workforce training as a whole has fallen off the nation's radar screen.

Mary Gatta: What then is the most important role than the federal government can play?

Kevin McCabe: Lead. Once again leading does not mean just mandating. I cannot stress that enough. The United States Department of Labor should be leading by first recognizing workforce development is a priority. Second, they must be willing to take the necessary steps to engage the states to understand the issues facing the economy and workers. Third, they must devise a comprehensive blueprint that will serve as a foundation, yet is flexible enough for each state to adapt to its own economic base. This is not an option Mary, it is a necessity for the long term security of this nation's economic viability and position in a rapidly changing global economy. Perhaps we can call this program "No Worker Left Behind" . . . except we would actually fund this program!

FINAL THOUGHTS

At no time in American history has the possession of skills and education been so necessary for individual's economic self-sufficiency and national competitiveness. Investing in the skills development of our current and future workforce is critical to our survival. As such throughout this book it has been demonstrated that workforce development is indeed economic development. This is achieved through both large and small steps. The online learning project for single working poor mothers that New Jersey piloted has now been institutionalized within its One-Stop Career system. In addition, several other states have begun similar pilot programs in order to provide training to groups of workers who previously did not have such access. It is important to note that the goal of such programs is not to replace classroom-based learning, but instead to provide alternatives for

individuals who face barriers to traditional learning venues. Such programs empower individuals and provide them with the opportunities to improve their lives. Of course, a major point that needs to be stressed is that innovative programs do not just exist in a vacuum. We must make workforce development a federal and state priority throughout this country. In doing so we must invest the resources and the research to keep it cutting edge and tied to the economy market demands.

What workforce development really comes down to is improving individuals' lives. As I noted in the Preface to this book, I still recall the struggles that so many working poor single mothers faced working in the restaurants on the Jersey shore, as they tried to improve their lives. It is apparent that, from the perspective of fairness and economic necessity, workforce development must be transformed so that all workers have the opportunity to reach their full potential.