

To: Gulf Coast Workforce Board Members

From: Rodney Bradshaw  
Mike Temple

Date: May 30, 2007

Subj: Board Meeting Materials for Tuesday, June 5, 2007

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, June 5, 2007**, in the second floor Conference Room A, 3555 Timmons, Houston.

**Chairman's and Committee Reports.** Chair Frank Thompson has legislative reports on activity in Washington and Austin. State legislation does not present any new significant challenges to our Board and Washington is still considering reauthorizing the Workforce Investment Act. The new Chair of our Audit/Monitoring Committee, Joe Garcia, will report on program and financial reviews of our system and contractors. Over the next few weeks, the committee will evaluate compliance and performance, as we near the end of the current contract period. The Board will consider action to renew contracts at our next meeting. Richard Shaw will present an update from the Education Committee. The Committee included a handout from the meeting with this Board package for your consideration and discussion. We will continue to mine data on school performance over the summer and plan to release the Board's Workforce Report Card in early Fall.

**Action Items.** Nominating Committee Chair John Hebert will present a recommendation to fill the Vice-Chair vacancy left open by the departure of Bill Morgan.

**Information.** The system performance report is included under this item. The State asked earlier that we concentrate on improving performance on five contracted measures. For the most part, our system has responded well to the request and indicators on all five measures are showing improvement. We want the Board's strategic measures to drive our system, but we have to meet the minimum compliance measures, regardless. We hope to soon achieve the compliance measures and refocus on the broader strategic measures. The last item under this section is recognition for our multi-contractor Placement Team. We will finish with the regional labor market report, included in the package.

We hope to see you Tuesday morning and remind you to mark your calendar for our August 7 meeting. The next meeting is particularly important as the Board will consider contract action to provide services for the next program year. Please call if you have any questions.



**TENTATIVE AGENDA**

**10:00 a.m. Tuesday, June 5, 2007**

H-GAC Conference Room A

3555 Timmons Lane, Second Floor, Houston, Texas 77027

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**1. Call to Order and Determination of Quorum**

**2. Adoption of Agenda**

**3. Public Comments**

**4. Minutes from April, 2007 meeting**

**5. Declarations of Conflict of Interest**

**6. Chairman's and Committee Reports**

- a. Audit & Monitoring
- b. Education

**7. Action**

- a. Nominations Committee: consider candidate to fill open Vice Chair position

**8. Information**

- a. System Performance
- b. Expenditure Report
- c. Recognition for Placement Team

**9. Labor Market Report**

**10. Adjourn**

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**MINUTES OF  
THE GULF COAST WORKFORCE DEVELOPMENT BOARD  
TUESDAY, APRIL 3, 2007**

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**MEMBERS PRESENT:**

Dula Abdu	Gerald Andrews	Todd Armstrong
Janell Baker	Elaine Barber	Ron Bourbeau
Carl Bowles	Charles Cook	Sal Esparza
Yvonne Estrada	Joe Garcia	Mark Guthrie
Barbara Hayley	John Hebert	Bobbie Henderson
Tracie Holub	Elsie Huang	Guy Robert Jackson
Ray Laughter	Steve Lufburrow	Carolyn Maxie
Raymond McNeel	Michael Nguyen	Don Nigbor
Linda O'Black	John Perry	Dale Pinson
Janice Ruley	Pam Sanders	Gloria Sanderson
Allene Schmitt	Frank Thompson	Evelyn Timmins
Frankie Watson	Sarah Wroblewski	

**H-GAC STAFF MEMBERS PRESENT**

Rodney Bradshaw  
Mike Temple  
David Baggerly  
Barbara Murphy  
Joel Wagher

Mr. Frank Thompson, Chair, called the meeting to order at approximately 10:00 a.m., on Tuesday, April 3, 2007, in the 2nd floor, H-GAC Conference Room A, at 3555 Timmons Lane, Houston, Texas. Mr. Thompson determined that a quorum was present.

**ADOPTION OF AGENDA**

Mr. Thompson asked for an adoption of the agenda as presented. A motion was made and seconded to adopt the agenda. The motion carried.

**PUBLIC COMMENT**

No one signed up for public comments.

## **MINUTES FROM FEBRUARY 6, 2007**

Mr. Thompson asked if there were any additions or corrections to the minutes for February 6, 2007. A motion was made and seconded to approve the minutes as presented. The motion carried.

## **DECLARATION OF CONFLICT OF INTEREST**

Pam Sanders declared a conflict of interest with item 7b.

## **CHAIRMAN'S REPORT**

### Audit & Monitoring

Mr. Bill Morgan explained that staff has made 51 year-to-date visits with 0 year-to-date follow-ups. Mr. Morgan explained that staff are visiting all The WorkSource offices to observe services to welfare recipients. The Board has not been meeting its performance goals, so we are providing technical assistance and frequent staff observations to contractors.

### Strategic Planning

Mr. Carl Bowles reported that when the Board adopted its Strategic Plan in 2002, it identified four key goals and a number of corresponding measures of performance for these goals. We now have four years of strategic performance data for most of our measures. In general, we are finding the performance targets we set for our region and for The WorkSource system are indeed challenging and in some cases we are not meeting them.

### ***Results***

More Competitive Employers – we use three measures as indicators of our success at improving the competitive position of our region's employers:

- Change in the region's real gross product
- Percentage of the region's employers who use The WorkSource (market share)
- Percentage of the region's employers using The WorkSource as repeat customers (customer loyalty)

Since 2002, both the percentage of employers using The WorkSource and the percentage of employers who are repeat customers of our system has grown steadily. The WorkSource has grown from 7,500 to 17,677, which corresponds to growth from 7% of

employers to 15% of all employers in the region. The number of repeat customers has increased from 2,701 to 8,262, a rise from 35% to 59% in customer loyalty. While the market share and customer loyalty measures have both increased dramatically, the growth for both of these measures are below the targets we set in 2002. Our plan was to increase market share by 2.7% each year reaching a total market share of 18% by 2006. We planned to achieve a customer loyalty rate of 69% by 2006.

A Better Educated Workforce – we used four measures as indicators of our success at improving the education level of the region's workforce:

- Percentage of the region's population holding an education credential
- Percentage of the region's population holding a post-secondary degree
- Percentage of those pursuing an education credential who earn one
- Percentage of resident customers pursuing an education credential who earn one

We want to see performance on all measures increase over time indicating more people are earning educational credentials, especially post-secondary credentials. We also hope the number of people earning education credentials grows at a faster rate than our population increases. Unfortunately, our measures indicate that neither is occurring. The percentage of the region's population holding an education credential, or a post-secondary degree slipped slightly (1%) since our 2002 benchmarks of 79% and 35% respectively. We missed our targets by 1%.

Both the state demographer, Steve Murdock and the Rice University sociologist, Stephen Kleinberg, noted our region and the state are at an important demographic crossroads. Many of our most skilled and educated workers are reaching retirement age. Many of the young people entering the workforce, by contrast, are not yet well educated. This trend is driven in part by the fact many entering the workforce come from groups traditionally with lower education levels than the population as a whole including African-Americans, Hispanics and immigrants. The Board took these challenges into account when setting goals for educational attainment. We thought the region should be able to slightly increase its overall skill levels (as measured by education credentials) even as diversity in the population increases. Unfortunately, it appears the region is struggling to maintain those 2002 levels.

A solution seems clear: we need more people successfully completing both secondary and post-secondary school. Our strategic plan measures both the proportion of people in the region pursuing an education credential who obtain one, and the proportion of our customers pursuing an education credential who obtain one. We are not making as much progress in our credentialing rates. The overall percentage of people in our region pursuing an education credential who earn one remains unchanged from our 2002 benchmark at 19%.

The percentage of our customers pursuing a credential who obtain one was 18% in 2006, compared to 17% in 2002. While this rate is below the goal we set for 2006, 19%, we are

pleased that the total number of customers receiving a credential has climbed steadily. This growth is due to a steady increase in the number of people receiving scholarships from The WorkSource. In 2002, 12,000 customers received a scholarship from us. In 2006, we awarded scholarships to more than 22,000 customers. In 2006, The WorkSource helped 1,900 more people obtain a credential than in 2002.

More and Better Jobs – we use four measures as indicators of our success at adding jobs in our region and getting people employed into those jobs:

- Number of net new jobs created
- Number of new jobs created as a result of The WorkSource partnering with other business organizations
- Percentage of the region's population employed (16 years and over)
- Percentage of resident customers employed after leaving The WorkSource

In 2003, we saw a loss of more than 8,000 jobs in our region. But, we have seen a positive number of net new jobs since then, adding almost 100,000 net new jobs in 2006.

The number of new jobs created as a result of The WorkSource partnering with other business organizations increased since our 2004 benchmark of 400 jobs to 850 new jobs in 2006. Our target was 1,000 jobs.

The percentage of the region's population employed (16 years and over) has hovered around 60%, decreasing slightly to 58% in 2005, and moved up in 2006 to 59%. Our target for 2006 was 60%.

The percentage of resident customers employed after leaving The WorkSource has been holding steady at 76% for three years. In 2006, this measurement represented over 273,500 employed former customers of The WorkSource. Our performance on this measure is much higher than our target of 65%. We recommend the Board consider raising the target for 2007 to 76% and for 2008 to 77%.

High Incomes – We use two measures as indicators of our success at increasing the income of residents in our region:

- Change in the region's per capita income
- Percentage of resident customers with earning gains of at least 10% after leaving The WorkSource

The percentage of resident customers with earning gains of at least 10% after leaving The WorkSource has increased steadily by 2% annually since our benchmark year in 2004. In 2006, 40% of our resident customers had at least a 10% increase in their annual income compared to 34% in 2004. While we have made progress on this goal, we are not yet meeting our target of 51%.

In 2004, 31% of our customers earned at least 20% more after leaving The WorkSource. That number jumped to 37% in 2006. Although it can be confusing to consider the percentage increase of a measure expressed as a percentage, our performance on this measure improved by 19% in those two years.

### ***Next Steps***

We believe overall the Board is making progress toward its goals. We make the following recommendations for the Board's measures targets, based on the Strategic Planning Committee's requests and our analysis of performance.

1. Raise the target for percentage of customers employed after leaving The WorkSource to 76% for 2007 and 77% for 2008.
2. Lower the target for percentage of customers with earning gains of at least 10 percent after leaving The WorkSource to 43% for 2007 and 45% for 2008.
3. Add measures requested by the committee, including targeted industry penetration rates and percentage of customers with earnings gains of at least 20 percent after leaving The WorkSource. Set a target for these measures for the 2008 performance year.
4. Obtain regional income data from outside consulting source to ensure timely data for regional gross product and adjusted real per capita income.
5. Support ongoing efforts by the Board's Education Committee to increase graduation rates.
6. Support ongoing efforts by the Board's Employer Services Committee to expand market share and working with economic development organizations to create more jobs.

### **ACTION**

#### **a. Report of Education Committee and consider a resolution supporting public discussion of Tough Choices or Tough Times Report**

Ms. Janell Baker explained that the Education Committee met on March 22, 2007. The Mission Statement was finalized and former Houston ISD Superintendent, Billy Reagan made a presentation. Dr. Reagan shared with the Committee his extensive research on the challenges facing our public education system. His research indicated many students are dropping out (up to 50%), and even those remaining in school and graduating are vastly unprepared to enter the workforce or pursue additional education and training. The Tough Choices or Tough Times Report was also discussed. The Texas Association of



Workforce Boards, (TAWB) passed a resolution urging political leaders, policymakers, educators and business people to read, discuss and debate the findings and recommendations of the report with the intent of creating a catalyst for educational transformation in Texas and the United States. TAWB has asked individual workforce boards to consider passing similar resolutions. The committee voted to draft such a resolution for the consideration of the full Board. A motion was made and seconded to pass the draft resolution in favor of widespread discussion and debate of the Tough Choices and Tough Times report and recommendation for the purpose of advancing efforts to make our education and training Institutions more effective in preparing our present and future workforces for a global economy. The motion passed.

b. Consider renewing contract with Learning Designs, Inc. for training and development of The WorkSource system not to exceed \$566,192

Ms. Barbara Murphy stated that in February 2005 the Board approved a three-year contract with Learning Designs, Inc. to develop and operate a system-wide professional development and training initiative for The WorkSource. We are currently in the second year of this contract and to date LDI has produced 15 customized courses for front line staff. Two courses are web-based and 13 are instructor-led courses. LDI conducted 60 classes (1,200 class seats) and 819 eLearning events this year. We have asked contractors to ensure that their staff take courses as necessary to build their skills for working with our customers. We have also asked contractors to have their staff obtain the first and second level certifications (Certified Workforce Professional and Certified Workforce Expert). We are pleased with LDI's performance during the past year and recommend renewing the LDI contract for a third year and increase the available funds by approximately 15% from \$492,749 to \$566,192. A motion was made and seconded to authorize staff to negotiate a third year contract with Learning Designs, inc. in an amount not to exceed \$566,192. The motion carried.

### System Performance

Mr. David Baggerly reviewed the System Performance measures for October 2006 – February 2007. The Board established measures for the Regional Workforce System and for The WorkSource. Regional Workforce System measures address how well our region is performing against our expectation. The WorkSource Measures address our immediate impact on our customers. Regional WorkSource System measures will be presented at the end of each calendar year.

### *For The WorkSource* More Competitive Employers –

Employers Receiving Services (Market Share) – we expect to provide services to 24, 300 employers this year which is 20% of the 121,343 employers identified for the Gulf Coast

area. Through February, we provided services to 9,158 employers. We should have served 10,125 employers by this time.

Employer Loyalty – our performance indicates our employer customers value our services and turn to us for additional services.

*More and Better Jobs –*

Customers employed by the 1<sup>st</sup> quarter after exit – performance on customers employed after exit is slightly below target. Through the two quarters, 127,681 of the 172,687 who existed were employed in the quarter after exit.

*Higher Real Incomes –*

Exiters with Earnings Gains of at least 10% - the percentage of exiters with earnings gains greater than 10% is slightly below target. Through two quarters, 75,842 of the 189,569 who exited has earnings gains of at least 10%.

*A Better Educated and Skilled Workforce –*

Customers pursuing an education credential that achieve one – Current performance exceeds the target at this time. Through February, 2,075 of the 5,530 customers pursuing an education credential achieve one.

Mr. Baggerly explained that in addition to the Board established measures there are measures contracted to the Board by the State. There are sixteen contracted measures and the State has identified concern with our performance on five of these measures.

- Claimants Reemployed within 10 weeks
- Job Openings Filled
- Market Share (Same as Board Measure - Employers Receiving Services)
- Participation Rate for all customers who are TANF recipients
- Participation Rate for customers who are two-parent TANF recipients

We have been working closely with our contractors to improve performance on these measures and are beginning to see positive results.

*Expenditure Report*

Mr. Rodney Bradshaw reviewed the Financial Status Report for two months ending February 28, 2007. Mr. Bradshaw explained that everything was on target and expenditures looked good.

**LABOR MARKET REPORT**

Mr. Joel Wagher explained Gulf Coast's region's over-the-year job growth for January was 4.2 percent or 99,100 jobs. The labor market is getting tighter and the strong job growth has dropped the region's unemployment rate over the year to 4.6 percent. Professional and Business Services are the two major job producers in the region. The thirteen county region's unemployment rate was 4.6%, down from 5.7% in January, 2006.

Mr. Bradshaw explained that we had visitors from the Atlanta Regional Workforce Board today.

Mr. Bradshaw announced that Carol Michener from Interfaith would be retiring.

**ADJOURN**

There was no further business to come before the Board, the meeting was adjourned.

Audit/Monitoring Committee  
Management Report Thru May, 2007

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Contractors Monitored	Year to Date Visits	Follow-ups	Year to Date Follow-ups
21	68	8	8

### Key Findings

- **Resident Service.** We are visiting all The WorkSource offices to observe services to welfare recipients. We have not been meeting our performance goals, so we are providing technical assistance and frequent staff observations to contractors. The contract managers are also participating in these reviews and their visits are not included in the chart above. Since we have started this intensive review, performance is improving overall.

We reviewed child care financial aid eligibility at Houston Works and ITEP offices. We have asked the contractors to establish a process to regularly check customer continuing eligibility for child care and other financial aid.

**Employer Service.** We conducted the second review of employer services. We interviewed staff in the field and at the central office. We found some improvement. The report will be issued this week.

- **Financial.** We have financial reviews of the major contractors. We have not found major problems from these reviews.
- **Other.** We performed the annual Risk Assessment of our contractors. The results of this assessment are used to schedule the monitoring visits by order of priority and frequency. We also completed the working details for the Repeat Findings Policy and Procedures.

## Education Committee Report

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### **May Meeting**

The Education Committee met on May 16, 2007 with the following members present: Committee Chair Don Nigbor, Richard Shaw, Janell Baker, Allene Schmitt, Charles Cook, Eileen Barber, and Rudy Espinosa.

#### **Review of Data**

The Committee reviewed preliminary reports that staff has assembled from data from the Texas Education Agency. The reports summarized the performance of individual high schools and school districts against two key Board measures – the ratio of graduates to total enrollment in grades 9-12 and the ratio of 12<sup>th</sup> graders to 9<sup>th</sup> graders. As they are used by the Board to measure performance on our strategic plan and in the annual workforce report, these are “snapshot” measures of a given year, and do not attempt to track individuals over time.

Staff noted that the school-level report needs to be refined, especially as the report relates to new schools, schools with wildly varying class sizes, and schools without 9<sup>th</sup> grades. These issues are much less of a problem in the data for school districts. In addition to asking that the staff continue work to refine the reports, committee members suggested that staff also look at following the senior class from 04-05 over their time in high school to get a sense of the percentage that graduate.

#### **Discussion of Strategies**

The Committee reviewed a list of strategies that have come up in discussion so far. The committee added several strategies to the brainstorming list, which is attached. The Committee next discussed how it might begin to prioritize the strategies in the list, particularly in light of the reports on schools and school districts in development. The Committee asked that staff look at the best schools and districts on the reports, and begin to identify strategies that these schools are using to improve the numbers of students who complete high school. The Committee also asked staff to research any predictors for future success in high school that could identify students needing interventions at an early age.

The Committee asked the staff to develop a plan to implement one strategy for which there is a widespread need, and for which the Board has the resources to implement directly: making better labor market information available to high school counselors, students, and parents. In addition, staff agreed to share with the committee a report on work readiness certification systems.

#### **Next Meeting**

Before adjourning, the committee agreed to meet next in early to mid-August, after the Board's August meeting.

## **Education Strategies for Consideration**

- Create Smaller Learning Communities
- Develop Alternative School Hours
- Provide Better Labor Market Information about Jobs and Education Needed
- Provide Better Foundation Skills in Math and Science
- Develop Interventions Aimed at Particular Social Groups
- Promote Credit Recovery
- Eliminate Middle Schools
- Provide a Lap Top for Every Child
- Promote skills-based career education
- Use More Charter Schools
- Pay Teachers for Performance
- Develop Year Round Education
- Use Longer School Days
- Document Expenditures per Graduate
- Improve Reading Levels
- Isolate 6<sup>th</sup> Grade
- Isolate 9<sup>th</sup> Grade
- Promote Use of Work-Ready Certifications
- Promote Parent Involvement
- Promote Mentoring



# A Survey of Selected Work Readiness Certificates

*By Norma Rey-Alicea and Geri Scott*

**PREPARED BY JOBS FOR THE FUTURE FOR  
SKILL UP RHODE ISLAND, A PROJECT OF UNITED WAY OF RHODE ISLAND**

**JANUARY 2007**



**JOBS FOR THE FUTURE**

CREATING STRATEGIES  
for Educational and Economic Opportunity

## About the Authors

NORMA REY-ALICEA is a project manager for JFF's Building Economic Opportunity Group. She conducts research for and provides technical assistance to the *Skill Up Rhode Island* and *Breaking Through* initiatives. She assists *Skill Up RI* in examining workforce partnerships from around the country that have successfully promoted employment with family-sustaining wages for low-income, unemployed, or underemployed individuals while creating a skilled, highly productive, and stable workforce for employers. Her work with *Breaking Through* focuses on supporting peer learning among community colleges committed to advancing low-literate, low-income adults into higher education.

GERI SCOTT brings more than 25 years of experience with the workforce development system to Jobs for the Future, where she is a member of the Building Economic Opportunity Group. Ms. Scott has worked with a broad range of workforce development programs in Massachusetts and nationally. She has written a number of guides for building the capacity of the workforce development system to address human resource development needs, including *Community Health Worker Advancement: A Research Summary*; *Reinventing Workforce Development: Lessons from Boston's Community Approach*; and *Private Employers and Public Benefits*.

Disclaimer: The data collected, recommendations, and opinions expressed in this report are the work of the authors and do not represent those of the United Way of Rhode Island.



JOBS FOR THE FUTURE seeks to accelerate the educational and economic advancement of youth and adults struggling in today's economy. JFF partners with leaders in education, business, government, and communities around the nation to: strengthen opportunities for youth to succeed in postsecondary learning and high-skill careers; increase opportunities for low-income individuals to move into family-supporting careers; and meet the growing economic demand for knowledgeable and skilled workers.

Jobs for the Future  
88 Broad Street  
Boston, MA 02110  
617.728.4446  
[www.jff.org](http://www.jff.org)



# A Survey of Selected Work Readiness Certificates

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# A Survey of Selected Work Readiness Certificates

## Introduction

The United Way of Rhode Island asked Jobs for the Future to prepare a scan of work readiness certificates that have emerged throughout the United States in recent years. Like many other states, Rhode Island finds itself challenged by employers who are demanding “work-ready” job candidates and significant numbers of residents who have trouble getting a job due to lack of educational and professional credentials. While individual education and training programs have developed their own work readiness and outcome standards, there is no standard definition, accepted across the spectrum of programs funded by workforce development, vocational rehabilitation, and adult and higher education, to certify that an individual has the basic employability skills sought by Rhode Island employers.

The state’s policymakers and service providers—including the Governor’s Workforce Board, the Department of Labor and Training, the Department of Adult Education, and numerous nonprofit agencies—have become increasingly intrigued by the myriad work readiness certificates that are in use or being developed nationwide. Their interest centers on the idea that such certificates have the potential to increase the “employability” of residents who lack a postsecondary credential.

In today’s information-based economy, the labor market is almost unrecognizable compared to just a few decades ago. With the exception of some niche sectors, Rhode Island job seekers have watched the state’s long tradition in manufacturing decline steadily. On the other hand, employment opportunities are growing in health care and social assistance; educational services; construction; accommodation and food services; retail trade; finance, insurance, and real estate; and professional and business services (Rhode Island Department of Labor and Training, Labor Market Information Unit n.d.).

In this new labor market, too many job seekers find their lack of a high school or higher credential a formidable barrier to accessing, retaining, and succeeding in family-sustaining jobs in these growing industries. In 2000, only 27.8 percent of Rhode Island residents age 25 and over had a high school or equivalent diploma as their highest level of educational attainment (U.S. Census Bureau n.d.). In addition, the disparities in educational attainment among the state’s communities in that same year are alarming. For example, 37 percent of Hopkinton residents age 25+ had a high school or equivalent diploma as their highest level of educational attainment, compared to 15 percent in East Greenwich. In Central Falls, 51 percent of residents age 25+ lacked a high school diploma in 2000, and 24 percent had less than a ninth-grade education (Rhode Island Department of Labor and Training, Labor Market Information Unit 2005).

Given these figures, and the urgent need for unemployed and underemployed residents to find sustainable employment, a diverse group of Rhode Island stakeholders has become interested in offering these residents an alternative credential. There are several approaches that could be considered for this goal, including adult diploma programs, GEDs, high school drop-out recovery programs, union apprenticeships, and alternative paths to post-secondary education, which help adults obtain credentials that are clearly linked in the research to earnings and career success. These all involve considerable public investment, time commitment, and skill building on the part of the job seeker. Work readiness certificates, on the other hand, appear to offer a low-cost, rapid turn-around credential that might provide a competitive edge in the job market.

For their part, employers of all sizes across industries and geographic boundaries are calling for individuals who are “work-ready.” Standards for what constitutes a “work-

ready” individual vary, but employers generally use this term to describe someone who possesses a baseline of hard skills (e.g., reading and math proficiency, computer literacy, using office equipment) and soft skills (e.g., customer service, problem solving, reliability, cultural competence, leadership, teamwork). In many cases, employers view this combination of skills as transferable from one position to another, across industries. In response to this call, work readiness certificates are intended to serve as signals to employers that a person has the basic skills needed to perform, at minimum, entry-level work across sectors.

Work readiness certificates come in many different forms, each with its own purposes, target populations, and competencies assessed. Some programs focus more on hard or soft skills, but the most prominent models incorporate both. Some target low-literate adults, who lack the kinds of credentials commonly accepted by employers as representative of a certain level of educational or professional preparation (e.g., high school or college diploma, steady work history, apprenticeship training). Others cover a range of people, from youth entering the job market to adults seeking to move up a career ladder. Some work readiness certificates are acquired by completing a training program that culminates in certification testing. Others can be acquired solely by passing a test that measures a specified set of employability competencies. In some cases, work readiness certification programs are managed by state agencies and conducted only in that state (e.g., WAGE Certificate Program), while others lead to credentials that are designed to be portable across state lines (e.g., National Work Readiness Credential).

This report summarizes five of the nation’s many work readiness certificates, which are representative of the diverse range of such initiatives in terms of target population, certification requirements, geography, and other factors:

**WAGE Certificate Program:** The Workforce Alliance for Growth in the Economy provides a job readiness program developed for the state of Arkansas. The state’s Department of Adult Education manages WAGE’s work-based program, which prepares individuals for acquiring employability, industrial, or clerical certificates. The program is open to people new to the labor market and to incumbent workers who assess above a 6.0 and below a 12.9 grade level equivalency on the Test of Basic Adult Education. Local advisory committees throughout Arkansas set their own requirements for WAGE’s employability certificate. To receive this certificate, participants must achieve specific levels on the TABE and the program’s own assessments, demonstrating their proficiency in a range of hard and soft skills tied to WAGE’s work readiness curriculum. Several states have studied Arkansas’s certification program in modeling their own workforce education programs.

**Workforce Skills Certification System:** CASAS (Comprehensive Adult Student Assessment System) offers the Workforce Skills Certification System (WSCS) for both incumbent workers and new entrants to the workforce. A Workforce Skills Certificate is linked to a high school skill level (ready to pass the GED). Industry groups, communities, and states can use the wide array of CASAS tools to create standardized workforce readiness credentials that document job seekers’ academic and soft skills. Workforce Skills Certificates are awarded to individuals who perform satisfactorily on two assessments: the standardized literacy tests for the Certification Assessment Battery and the work-based, portfolio project soft skills assessment, known as the Certification Assessment Portfolio.

**Work Certified Program:** Work Certified is a pre-employment basic and soft skills training course managed by Florida’s Workforce Development Board of the Treasure Coast. While it originated in Florida, the program has expanded to other states, including Illinois, Pennsylvania, and Texas. The program’s target population is individuals with at least a sixth-grade reading level who are seeking entry- to intermediate-level employment. Trainees who complete the curriculum and pass the final comprehensive exam receive “employee certification.”

**WorkKeys Career Readiness Certification:** A product of ACT, Inc., WorkKeys is a job skills assessment system that offers Career Readiness Certificates to individuals who achieve adequate scores on three tests of core work competencies. It has assessed individuals ranging

from those seeking entry-level employment to those who wish to advance into supervisory positions. Many licensed providers recommend that test takers have at least a ninth-grade education to perform well on WorkKeys. WorkKeys has been implemented for years in various states (e.g., Kentucky, Indiana, Louisiana); it is arguably the most widely recognized work readiness certification model in the country, and has been widely adopted by employers.

**National Work Readiness Credential:** The National Work Readiness Credential (WRC) is awarded to test takers who pass a computer-based assessment consisting of four modules that test for nine critical work readiness skills. The reading level of the assessment is estimated at fifth-grade equivalency. The WRC focuses exclusively on entry-level skills. It has been field tested in several states, including Rhode Island. Endorsed by the U.S. Chamber of Commerce, this credential has received widespread public attention and has often been com-

pared to WorkKeys with an expanded soft skills assessment. Employment-related outcomes are not available for this model, which has not been fully implemented. The National Work Readiness Council is the certifying body.

The report concludes with a brief discussion of the comparative attributes of the five certificates. This analysis highlights the benefits and costs associated with each, as well as issues that stakeholders should consider in determining which approaches would most benefit their state's unique demographics, economy, and political landscape.

# WAGE Certificate Program

<b>Summary</b>	<p>The Arkansas Workforce Alliance for Growth in the Economy, a statewide workforce education program, provides a work-based certification program that trains job seekers and workers lacking basic skills in acquiring employability, industrial, or clerical certificates. Adult education programs in Arkansas can become WAGE-certified centers that deliver the program's work readiness curriculum and assessments.</p>
<b>Certifying body</b>	<p>Arkansas Adult Education manages WAGE's certificate program. WAGE is a state-certified, community-based, workforce development program whose mission is to improve the basic skills of Arkansas residents who are unemployed or underemployed. The alliance is a partnership among local employers, employment agencies, educators, industrial development organizations, and city government.</p>
<b>Target population</b>	<p>Individuals who assess above a 6.0 and below a 12.9 grade level equivalency on the TABE reading, math, and language subtests are eligible to participate. The target population includes:</p> <ul style="list-style-type: none"><li>• Adults seeking pre-employment training (to enter or reenter the workforce) for entry-level jobs; and</li><li>• Incumbent workers seeking to upgrade their employment-related skill levels.</li></ul>
<b>Testing locations and sites</b>	<p><b>Location</b></p> <p>Certified WAGE centers are located <i>only</i> in various Arkansas counties. Each center has its own director/coordinator.</p> <p><b>Sites</b></p> <p>WAGE certified centers typically include adult education centers, community colleges, and One-Stop Centers. Instruction takes place at these sites and at worksites.</p>
<b>Work readiness curriculum</b>	<p>Students take the TABE to identify their skill level and determine their placement within the PLATO Web Learning Network. The network's capabilities for tracking and monitoring student progress make it particularly helpful to educators in customizing instruction and managing student information.</p> <p>Instruction takes place at local adult education programs or at the worksite. Lessons are contextualized for work settings and tailored to individual learning needs. Curricula for both pre-employment and incumbent worker training are designed to address the competencies identified through employer surveys and literacy task analyses conducted by WAGE-certified centers. WAGE staff members often collect materials from their business partners for instructors to use as "functional hooks." The PLATO Learning Network also delivers supplementary instruction to participants in desired skill areas.</p> <p>Students can attend class at WAGE center computer labs or can opt for distance learning to accommodate personal circumstances (e.g., work hours, transportation issues, child care needs). Distance learning has been a particularly convenient option for working adults attempting to balance PLATO Learning Network activities with family and job responsibilities.</p> <p>WAGE curriculum and certification standards are aligned with TABE standards.</p>
<b>Competencies assessed, scoring process, and test format</b>	<p><b>Competencies assessed</b></p> <p>The program assesses for 112 basic skills competencies, based on SCANS research and Arkansas employer feedback (provided through local WAGE Alliance advisory committees). WAGE advisory committees determine the skills required to obtain most entry-level jobs in the communities they represent. In Union County, for example, WAGE received feedback from employers that "performing whole number operations" and "using common knowledge for safety" are critical skills for entry-level work. Basic computer literacy is also an important component of the program.</p> <p><b>Scoring process</b></p> <p>Because the WAGE program utilizes various assessments, some are scored by computer, while others are manually scored by instructors.</p> <p><b>Test format</b></p> <p>WAGE students must complete several assessments to receive an employability certificate:</p> <ul style="list-style-type: none"><li>• TABE, a multiple-choice exam available on line or in paper-and-pencil format;</li><li>• WAGE test, a paper-and-pencil test of WAGE's 112 basic skills competencies (an electronic version is in development); and</li><li>• The PC assessment, which is computer-based.</li></ul>

## Certification process

Authorization of training/test administrators

An adult education program must complete the following steps to become a WAGE-certified center:

- Form an alliance of at least six local businesses;
- Visit other WAGE centers;
- Complete training in Literacy Task Analysis (LTA) and functional hooks;
- Conduct six LTAs on businesses in the community;
- Acquire Memoranda of Agreement from alliance members, stating that they will give added consideration to job and promotion candidates who are WAGE-certified, given that all other candidate qualifications are equal; permit adult educators to perform LTAs on critical entry-level jobs within their companies; and assist with providing instructional materials and classroom space when needed;
- Present start-up documentation for approval before the state WAGE advisory committee (the state WAGE coordinator serves on this committee).

Certified WAGE centers hold a voting position on the state WAGE advisory committee.

Certification for students

WAGE offers three kinds of certificates issued by the Arkansas Department of Workforce Education: employability, industrial, and clerical.

**Employability certificate:** Local WAGE advisory committees set their own local standards for employability certification depending on employer needs. Each committee, half of whose members are local business representatives, determines the competencies and grade-level equivalency standards required for the employability certificate. For example, following the policy set by its local advisory committee, the WAGE Program in Union County requires that students:

- Achieve 9.5 reading, math, and language arts levels on the TABE;
- Complete 15 hours of pre-employment training; and
- Score a minimum of 85 percent on PC skills, life and job skills, and pre-employment assessments.

One-Stop Center officials serving on this local committee refer job seekers in need of TABE testing and basic skills training to WAGE. They may also provide classroom space, support services, and job search and placement services.

Individuals who do not meet program requirements are encouraged to receive basic skills instruction through adult education services to advance them to the levels that qualify them for program participation.

**Industrial certificate and clerical certificate:** The program's industrial and clerical certificates have additional requirements set by WAGE's state advisory committee. To earn an industrial certificate, among other requirements, a student must score at least a 12.9 in reading, math, and language on the TABE and perform satisfactorily on several tests, including the state WAGE and computer literacy tests, and the WAGE-approved spatial and mechanical test. These certificates are recognized statewide.

## Cost

The WAGE program is included in the Arkansas state budget for adult education. It is free to participants. Training to become a WAGE-certified center and certifying personnel to conduct literacy task analyses are provided by the state at no charge to local programs. In some areas, One-Stop Centers and community colleges provide in-kind support (e.g., classroom space), with businesses making occasional financial contributions.

In general, staff salaries are the main cost to adult education programs in becoming certified WAGE centers (e.g., salary for a center coordinator who conducts literacy task analyses and promotes the program). Additional costs can include computers and software (e.g., PLATO, Teknimedia for computer literacy, AZTEC, other software for teaching basic skills). The state pays for the LTA/functional hooks training, which is set up through the WAGE state coordinator's office at the Arkansas Department of Workforce Education.

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**Employment-  
related outcomes**

2004-2005 WAGE program outcomes include:

- 3,046 total students served;
- 944 entered the workforce while in WAGE (31 percent); 893 entered the workforce post-WAGE (29 percent);
- 128 were promoted or received a raise post-WAGE;
- 134 business partners, including El Dorado Chemical Company, Cooper Rubber and Tire, and Pacific MDF in Arkansas hired WAGE certificate holders.

In addition, the WAGE program at the One-Stop Center in Conway reported the following outcomes for WAGE program participants in 2003:

- For every 12 hours of work completed on PLATO, students advanced at least one grade level.
- 40 percent of students who completed a minimum of 12 hours of instruction earned a certificate.
- 82 students obtained certificates.
- 147 began employment during the program.
- 43 entered post-secondary institutions.

Some employers have provided incentives for WAGE participation or certification, including:

- Increase in hourly wages;
- Release time for classes; and
- Sign-on bonuses.

In addition, WAGE completion can be accepted as meeting a prerequisite for next-level workplace training.

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**Contact  
information**

Nancy K. Sparks, State WAGE Coordinator  
Arkansas Department of Workforce Education  
Three Capitol Mall, Rm. 303  
Little Rock, AR 72201-1083  
Phone: (501) 682-1815  
Fax: (501) 682-1706  
E-mail: [nancy.k.sparks@arkansas.gov](mailto:nancy.k.sparks@arkansas.gov)

Patricia Bates  
WAGE Coordinator and Director of Adult Education  
South Arkansas Community College  
Phone: (870) 862-8131, ext. 182  
E-mail: [pbates@southark.edu](mailto:pbates@southark.edu)

<http://dwe.arkansas.gov/AdultEd/WAGE.html>

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# Workforce Skills Certification System

<b>Summary</b>	<p>The Workforce Skills Certification System, a product of the Comprehensive Adult Student Assessment System, measures student achievement in the areas of academic skills, occupational knowledge, and work experience, as well as in learning gains. WSCS provides a set of tools for states, communities, and industry groups to customize workforce readiness credentials that document both academic and soft skills.</p>
<b>Certifying body</b>	<p>CASAS, a California-based nonprofit, offers the Workforce Skills Certification System, the nation's most widely used system for assessing adult basic reading, math, listening, writing, and speaking skills in functional life and work skills contexts. CASAS is the only assessment system of its kind developed for both native and non-native English speakers and has been approved by the U.S. Department of Education and U.S. Department of Labor. The CASAS system integrates assessment, curriculum, instruction, and data reporting.</p>
<b>Target population</b>	<p>Target populations:</p> <ul style="list-style-type: none"><li>• Youth and adults, including those entering the workforce, transitioning to work, incumbent workers, and dislocated workers; and</li><li>• Individuals who function at a high school skill level (ready to pass the GED).</li></ul> <p>CASAS offers assessments and instructional resources to help individuals who function below a high school skill level to advance to a level that qualifies them to receive a Workforce Skills Certificate. CASAS Skill Level Descriptors for ABE and ESL describe what individuals can do, starting at a pre-beginning/beginning literacy level (i.e., a person who can provide very basic personal identification in written form, such as on job applications, and who can handle routine entry-level jobs that require only basic written communication), up to an advanced secondary level. As students advance in proficiency levels, they can earn "Statements of Attainment" that benchmark their progress. These validate a student's competencies and pre-certification learning gains for employers and training providers.</p>
<b>Testing locations and sites</b>	<p><b>Locations</b></p> <p>WSCS pilot projects are operating in California (Sacramento-LEED), Connecticut (Department of Education grant initiative), Oregon (Portland-area Workforce Investment Board), and Washington (South Seattle Community College, Department of Workforce Development).</p> <p><b>Sites</b></p> <p>WSCS can be part of a statewide strategy or may be used by individual service providers trained by CASAS. The CASAS Workforce Skills Certificate is administered and awarded at a local, regional, or state level by organizations including chambers of commerce, business associations, workforce investment boards, and educational institutions (e.g., high schools, community colleges) or by programs such as VABE and VESL programs. Organizations may contract with CASAS to provide assessment scoring and issuing of certificates.</p>
<b>Work readiness curriculum</b>	<p>CASAS provides a framework that programs can use to build, modify, or enrich their own curricula for work readiness. Programs that administer WSCS create curricula tailored to learners' needs, based on WSCS Competencies (a subset of the CASAS competencies), learner assessment results (appraisal, pre-test), program goals, and industry content.</p> <p>CASAS Quick Search software provides curriculum support with an easy-to-use database of more than 2,000 commercially available print, audio, visual, and computer-related instructional materials appropriate for use with adults and youth. Users can locate and sort instructional resources based on CASAS competency, program area (e.g., ABE, ESL), skill level, publisher, or title.</p>



**Competencies assessed, scoring process, and test format**

***Competencies assessed***

Using employer-validated tools, WSCS measures and certifies the work readiness of individuals at levels identified by employers as necessary for entry-level employment and career advancement (equivalent to adult secondary level). WSCS is aligned with the CASAS competencies, SCANS, and O\*NET (the U.S. Department of Labor's Occupational Information Network, a comprehensive database of job characteristics and worker attributes). Certification levels for each component were established through employer input and performance data from CASAS assessments administered to adults and youth.

WSCS includes two primary components:

- The **Certification Assessment Battery** measures skills in reading, math, problem solving, and critical thinking, with applied performance in the context of four industry groups: banking, construction, health, and high-tech/telecommunications. While the CAB assesses through questions written in these industry contexts, the student need not have experience in those fields to perform well on the assessment.
- The **Certification Assessment Portfolio** combines project-based learning and worksite performance ratings to measure a student's ability to integrate work readiness skills—team skills, customer service, project development and presentation—while developing and completing a work-based portfolio project.

CASAS offers an optional alternative soft skills assessment in partnership with Learning Resources, Inc. Using video-based simulations, the LRI Work Readiness System measures communication, problem solving, critical thinking, teamwork, and customer service skills. At the discretion of a local program, the LRI assessment can be used in lieu of the CAP (or as a standalone soft skills assessment) to certify individuals not enrolled in a portfolio-based/training program.

A WSCS basic technology assessment is under development.

***Scoring process***

CASAS Skill Level Descriptors define performance in employment and adult life skill contexts by providing descriptions of adults' general, job-related ability in reading, mathematics, oral communication, and writing. The WSCS reading and math assessments use the CASAS scale. Other WSCS components employ standardized scoring rubrics to measure learner performance of workplace and soft skills. Agencies may choose to score locally or contract with CASAS for scoring services.

***Test format***

WSCS incorporates a variety of testing formats, including multiple choice, written response, performance-based simulation, and project-based portfolio development.

**Certification process**

***Authorization of WSCS administrators***

All WSCS assessors must be trained by CASAS. Training may be offered in the customer's community, at the annual CASAS National Summer Institute in San Diego, California, or at CASAS.

***Certification for students***

To earn a Workforce Skills Certificate, a student must:

- Successfully complete the multiple assessments of the Certification Assessment Battery; and
- Achieve a Level 3 ("Proficient") on all of the competencies assessed through the Certification Assessment Portfolio.

Administration of the Certification Assessment Battery and the Certification Assessment Portfolio may take place at the culmination of a work-readiness program or as a standalone activity. If the assessment is administered as a standalone activity, the LRI Work Readiness System is used in lieu of the CAP. Agencies are encouraged to monitor learners' progress during the course of a program, using appropriate CASAS pre/post-tests, and to administer the Workforce Skills Certificate CAB when warranted by an individual's assessment results.

<b>Cost</b>	<b>Training required to implement WSCS</b>	
	On-site training, for up to 25 people or Training at CASAS National Summer Institute, held every June in San Diego, CA	\$3,000
	<b>Certification Assessment Battery:</b>	
	Test Administration Manual (available for banking, construction, health, and high-tech/telecommunications)	\$75
	Reading and Math, per set of 25 (reusable) (used for all industry groups)	\$240
	Critical Thinking/Problem Solving, per set of 25 (consumable) (available for banking, construction, health, and high-tech/telecommunications)	\$115
	Applied Performance Assessment Forms, per pad of 50 (available for health and high-tech/telecommunications)	\$5
	<b>Certification Assessment Portfolio:</b>	
	CAP Teacher's Guide	\$75
	CAP Student's Guide, one per student	\$20
	Worksite Performance Rating Package, per set of 25	\$50
	WSCS Answer Sheets, per set of 100	\$40
	<b>Software</b>	
	CASAS Quick Search CD and Manual (multi-user packs available)	\$55
	<b>Optional additional costs</b>	
	<ul style="list-style-type: none"> <li>• LRI Work Readiness System Soft Skills Assessment Fees available upon request; contact Learning Resources, Inc.</li> <li>• CASAS Appraisals and Pre/Post-Tests Fees available upon request (<i>Employability Competency System, Workforce Learning Systems</i>)</li> </ul>	
<b>Employment-related outcomes</b>	CASAS does not track employment-related outcomes. Agencies administer WSCS and evaluate outcomes locally.	
<b>Contact information</b>	<p>Jane Egüez, Program Director CASAS Program Development 5151 Murphy Canyon Rd., Suite 220 San Diego, CA 92123-4339 Phone: (800) 255-1036, ext. 125 Fax: (858) 292-2910 E-mail: <a href="mailto:jeguez@casas.org">jeguez@casas.org</a></p> <p>Melissa Dayton, Workforce Program Specialist CASAS 42 Faulkner Drive Guilford, CT 06437 Phone: (203) 453-8788 Fax: (858) 292-2910 E-mail: <a href="mailto:mdayton@casas.org">mdayton@casas.org</a> <a href="http://www.casas.org">www.casas.org</a></p>	

# Work Certified Program

<b>Summary</b>	Work Certified is a pre-employment, basic and soft skills training program, leading to a certificate of work readiness ("employee certification").
<b>Certifying body</b>	Workforce Development Board of the Treasure Coast, Florida. Entities that purchase the Work Certified program are authorized by the Treasure Coast WDB to become certifying agents.
<b>Target population</b>	<p>Individuals seeking entry-level to intermediate-level employment including:</p> <ul style="list-style-type: none"><li>• Youth over age 15</li><li>• Unemployed and underemployed individuals</li><li>• Incumbent workers referred by employers for additional training</li><li>• Workers changing industries</li><li>• Individuals reentering the labor market</li><li>• GED students</li><li>• High school students and graduates</li><li>• College students</li><li>• Ex-offenders (participating in reentry programs)</li><li>• Individuals with advanced ESOL level</li><li>• TANF clients with a sixth- to eighth-grade reading level who are preparing for work</li></ul> <p>Treasure Coast highly recommends that program participants have at least a sixth-grade reading level to complete the curriculum in the stipulated timeframe.</p>
<b>Testing locations and sites</b>	<p><b><i>Locations</i></b></p> <p>The Work Certified program is used in Florida, Illinois, Michigan, Texas, Pennsylvania, and Massachusetts (Greater New Bedford WIB).</p> <p><b><i>Training and testing sites</i></b></p> <p>The Work Certified program may be purchased by state agencies for system-wide implementation or by individual agencies as training/testing sites. Those that purchase the program become certifying agents who administer the program locally; they select staff to be trained as instructors and trainers to train their customers. Training is conducted by these "Work Certified specialists" at sites including businesses, One-Stop Centers, community colleges, public high schools, and community organizations. Sites must be able to provide at least three days per week of access to computer labs for training. Among others, juvenile justice programs, housing authority programs, training, and trade organizations use the program.</p>

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### Work readiness curriculum

The program provides a 90-hour curriculum (generally covered in 3 weeks of training) in 9 modules, which can also be taught separately:

- Reading Comprehension (9 hours)
- Business Tools (computers plus, 12 hours)
- Pre-employment (6 hours)
- Customer Service (12 hours)
- Business Writing (9 hours)
- Job Skills I (work maturity, 12 hours)
- Job Skills II (employability and advanced work maturity, 2 hours)
- Business Math (12 hours)
- General Business Knowledge (6 hours)

Waiver exams are available for 5 of the 9 modules but are not recommended. The Customer Service, Job Skills I, Job Skills II, and General Business Knowledge modules are required of all participants. The curriculum is being translated into Spanish and pilot program outcomes will determine whether Work Certified will also administer the final certification exam—the “comprehensive exam”—in Spanish.

In addition to teaching basic and soft skills, Work Certified teaches participants about their roles in the workplace. Participants acquire team-building, leadership, and self-esteem-building skills through their interactions with classmates and trainers. Trainers employ a variety of teaching methods and tools (e.g., role-playing, case studies, worksheets). Businesses provide many of the examples and exercises used in Work Certified’s curriculum.

Work Certified recommends a two-hour student orientation at least one week prior to the first class to: present a program overview and participation guidelines; make logistical arrangements, including transportation and child care for students; and conduct pre-assessment tests (in reading comprehension, business writing, and business math).

The Workforce Development Board of the Treasure Coast requires its participants to meet certain criteria (e.g., seeking employment, enrolled in a GED course or have a high school diploma/equivalency, attending an orientation to take the pre-assessment tests in reading, math and business writing). Other regions may set additional requirements for admitting students.

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### Competencies assessed, scoring process, and test format

#### *Competencies assessed*

The program is based on fifty competencies that are presented as the knowledge, skills, and behaviors needed to attain and succeed in the average entry-level job. This includes five “universal competencies” in attendance, timeliness, “proper grooming,” interpersonal skills with teachers, and interpersonal skills with classmates.

Florida Atlantic University validated the program’s exam questions. The National Skills Standards Board helped to guide program development and implementation, including competency standards.

#### *Scoring process*

Test takers must score at least 80 percent on the 75-question final comprehensive exam. The computer immediately scores the online exam and tracks how the student performed in each module. Pen-and-paper exams, scored by proctors, can also be used. Turnaround time for manual scoring is generally a few days.

#### *Test format*

The final comprehensive exam contains 75 multiple-choice questions and has no time limit. Work Certified utilizes online testing, although pen-and-paper tests are available if needed. Certified proctors, not training instructors, administer the final exam. Sites select a staff member, such as a receptionist or a case manager, to serve as proctor.

By the end of 2006, Work Certified will launch a Web site through which students will be able to take pre-assessments and module quizzes on line as well.

In addition to serving as a testing mechanism, the Learning Management System created by Dynamic Works Institute will facilitate program management and staff operations by allowing students to register on line and by tracking student transcripts and progress.

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### Certification process

Work Certified requires instructors and trainers to be certified in order to administer the certification to job seekers.

#### *Authorization of training/test administrators*

- **Instructor certification:** The Treasure Coast WDB trains individuals referred by employers and other agencies to become certified program trainers. They must take a 30-hour course that reviews all 9 modules and score a minimum of 90 percent on the instructor certification test. Instructors maintain their certification only if they attend an annual meeting to review program changes and pass an annual test with a minimum score of 90 percent.
- **Trainer certification:** Trainers of instructors must be certified. The process for becoming a certified trainer includes having instructor certification; passing a process test; experience teaching the program at least twice; and attending train-the-trainer sessions.

#### *Certification for students*

- **Employee certification:** To qualify to take the final comprehensive exam, students must demonstrate mastery of 50 competencies by completing class assignments and activities and passing all module quizzes with a minimum 80 percent score during 105 training hours (90 hours of onsite training, plus 15 hours of outside assignments). Once these requirements are met, a person must dress professionally to take the final comprehensive exam, pass it with a minimum score of 80 percent, and complete a program evaluation. Students may take the final exam up to three times to qualify for certification.

Treasure Coast recommends the following procedure for retaking the final exam:

*Fail on first attempt*—Instructors should provide refresher instruction, focusing on areas of weakness.

*Fail on second attempt*—Students may take the exam a third time, but it is strongly recommended that they retake the training instead. This recommendation is based on instructor feedback and program outcomes that demonstrate that 90 percent of students who fail a second time fail again on the third attempt.

*Fail on third attempt*—Students must retake the training.

The Work Certified Program reports that students who do not become certified, but apply the skills they learned through the program, still succeed in the workplace. In follow-up success stories, a few of these students have been employed and moved up career ladders to become first-line supervisors.

Work Certified's standard credential comes in the form of a wallet-sized card. The front of the card displays Work Certified's logo and the certified individual's name, while the reverse side lists the nine training modules completed by the card holder, the certifying agent's logo and telephone number, and Work Certified's Web address. The back can be customized to also carry the logo and phone number of the local certifying agent. When the Learning Management System is in place, students who receive certification will be able to print their module certificates from a computer.

Those who do not earn cards but complete the program receive a "certificate of completion" for each module they pass.

With the exception of certification requirements, Work Certified allows for significant flexibility in how the program is administered locally. Treasure Coast signs memoranda of understanding with program partners (e.g., One-Stop Centers) to help certified individuals find jobs and to track their success in the workplace. One-Stop staff then reports these results to the WDB to validate performance.

While it is not mandated, local certifying agents generally report program outcomes (e.g., employment and retention rates of program graduates) to the Treasure Coast WDB. When the Learning Management System is in place, it will track Work Certified program enrollment, completion, and certification data.

<b>Cost</b>	<p>The WDB of the Treasure Coast authorizes WIBs and other organizations to become certifying agents who provide Work Certified instruction and testing. In most cases, the program is offered cost-free to students. (In some instances, certifying agents charge for their services.)</p> <p>Local certifying agents may purchase one of the following three kinds of membership. Membership status may be changed on each anniversary date.</p> <p><b>Basic Membership fee:</b> \$5,000 for one year</p> <ul style="list-style-type: none"> <li>• Limited Help Desk/Technical Assistance by e-mail or telephone for three months; limited to six sessions (includes advice, planning assistance, direction, questions and answers); response time immediate to five business days</li> <li>• One program audit during training for implementation year only; no audit included in subsequent years</li> <li>• Reports on certification tests completed and results</li> <li>• Updates to curriculum or program</li> <li>• Use of the national logo</li> </ul> <p><b>Bronze Membership fee:</b> \$10,000 for one year</p> <ul style="list-style-type: none"> <li>• Limited Help Desk/Technical Assistance by e-mail or telephone for six months; limited to twelve sessions (includes advice, planning assistance, direction, questions and answers); response time immediate to five business days</li> <li>• One program audit annually, during teacher training in the initial year and through video in subsequent years</li> <li>• Reports on certification tests completed and results</li> <li>• Updates to curriculum or program</li> <li>• Use of the national logo</li> </ul> <p><b>Gold Membership fee:</b> \$15,000 for one year</p> <ul style="list-style-type: none"> <li>• Unlimited Help Desk/Technical Assistance by e-mail or telephone for one year; sessions include advice, planning assistance, direction, questions and answers; response time immediate to five business days</li> <li>• One on-site technical assistance visit (travel costs to be reimbursed)</li> <li>• One program audit annually, during teacher training in the initial year and through video in subsequent years</li> <li>• Direct access through the Internet to reports on certification tests completed and results</li> <li>• Updates to curriculum or program</li> <li>• Use of the national logo</li> <li>• Board listed on the Work Certified website as a "Gold" site</li> </ul> <p>The following optional programs and resources are also offered:</p> <ul style="list-style-type: none"> <li>• Overview presentations to board and One-Stop staff: \$750 plus travel (special arrangements can be made for multiple presentations)</li> <li>• Northstar Workbook Transparencies</li> <li>• Marketing programs that include buttons for One-Stop staff</li> </ul>
<b>Employment-related outcomes</b>	<p>The Work Certified Program reports that as of 2006:</p> <ul style="list-style-type: none"> <li>• It has trained and certified over 3,000 students throughout the United States. Roughly 83 percent of these students passed the certification exam.</li> <li>• 92 percent of its graduates find jobs within 30 days after graduation.</li> <li>• 86 percent are still employed after 6 months.</li> <li>• 32 percent of program graduates have been promoted.</li> <li>• More than 50 businesses (including banking, manufacturing, boating, food, aircraft, furniture, plastics, architecture, universities, and printing companies) have endorsed the program, some of whom offer higher starting wages to program graduates.</li> </ul>

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**Contact  
information**

John Krackowski, Business Services Director  
Workforce Development Board of the Treasure Coast  
9350 South U.S. Highway #1  
Port St. Lucie, FL 34952  
Phone: (772) 335-3030, ext. \*831  
Fax: (772) 335-0677  
E-mail: [jkrack@tcjobs.org](mailto:jkrack@tcjobs.org)

Lisa Holland Smith, Business Services Manager  
Workforce Development Board of the Treasure Coast  
9350 South U.S. Highway #1  
Port St. Lucie, FL 34952  
Phone: (772) 335-3030, ext. \*829  
Fax: (772) 335-0677  
E-mail: [lsmith@tcjobs.org](mailto:lsmith@tcjobs.org)  
[www.workcertified.org](http://www.workcertified.org)  
[www.tcjobs.org](http://www.tcjobs.org)  
[www.dynamicinstitute.com](http://www.dynamicinstitute.com)

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# WorkKeys Career Readiness Certification

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## Summary

WorkKeys is a job skills assessment system that offers paper-and-pencil and computerized tests of selected work competencies required to earn its Career Readiness Certificate.

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## Certifying body

ACT, Inc., a nonprofit, provides more than a hundred assessment, research, information, and program management services in the broad areas of education and workforce development. The organization is well known for its college entrance exam.

Used in many states, WorkKeys is ACT's job skills assessment system. It offers three main kinds of services:

- **Workplace skills assessments**, *three of which are the basis for career readiness certification*. ACT authorizes sites to become licensed providers of WorkKeys assessments for a fee.
- **Job analysis services**, *including two types of profiling services to employers*. WorkKeys authorizes *job profiling* of specific jobs at specific companies. This process identifies the competencies and WorkKeys skills levels deemed necessary for an individual to perform successfully in a specific job. Companies using WorkKeys for hiring decisions complete a profile of specific jobs to comply with employment law. They have the legal right to request that job seekers achieve certain WorkKeys scores before receiving a job application. Those who do not profile specific jobs can require certification (just as they can require drug testing and interviews), but they cannot mandate specific scores before providing a job seeker with a job application.

WorkKeys' Work Readiness Profile is based on a review of nearly 13,000 profiled jobs nationwide. WorkKeys also compiles *occupational profiles* that represent the average skill level required for entry into an occupation (as opposed to qualifications for a specific job). ACT has compiled more than 1,200 occupational profiles from its database of individual job profiles. These profiles can be used for career counseling and as one of several components in an employer's hiring process (in compliance with the EEOC).

- **Workforce training resources**, *offered through hundreds of WorkKeys partner sites and over 200 ACT Centers nationwide*.

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## Target population

The target population for the Career Readiness Certificate is a broad range of people, such as:

- High school students; and
- Adults seeking employment or currently employed.

The Career Readiness Certificate is presented as a credential that confirms to employers that an individual possesses the basic workplace skills required for "common jobs." However, WorkKeys has assessed and been utilized by individuals ranging from those seeking entry-level employment to those wishing to advance into supervisory positions. Companies can use WorkKeys for hiring, training development (to identify skill gaps and provide appropriate training), or promotions decisions.

ACT reports that WorkKeys assessments are accessible to individuals with low- through college-level literacy, although many licensed providers recommend that test takers have at least a ninth-grade level of education to perform well.

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**Testing locations and sites**
***Testing locations***

As of May 2006, Career Readiness Certificates were deployed in 11 states: Indiana (20,000+ certificates awarded); Louisiana (9,000+ certificates); Virginia (5,000+ certificates); Kentucky (5,000+ certificates); Oklahoma (600+ certificates); Missouri; North Carolina; Alabama; Tennessee; New Mexico; and South Carolina. Implementation of the CRC is in progress in several other states, including Washington, Nevada, West Virginia, Iowa, Kansas, Ohio, Colorado, Georgia, and Arizona. Several states (California, New York, Vermont, Florida) and Washington, DC, have expressed interest in implementing it.

***Testing sites***

The right to become a licensed provider of WorkKeys assessments may be purchased from ACT by states for system-wide implementation or by individual organizations, such as workforce development providers and educational institutions. Tests for the CRC may be taken at hundreds of WorkKeys partner sites, including One-Stop Centers, adult education facilities, community colleges, and technical centers. They may also be taken at the 200+ ACT centers throughout the United States.

**Competencies assessed, scoring process, and test format**
***Competencies assessed***

The Career Readiness Certificate is based on three assessments, each with its own skill ranges measured by WorkKeys:

- Reading for Information (WorkKeys assesses at skill levels 3-7)
- Applied Mathematics (assesses at skill levels 3-7)
- Locating Information (assesses at skill levels 3-6)

While employers/organizations most commonly use Reading for Information, Applied Mathematics, and Locating Information, they can also opt to use six other kinds of WorkKeys assessments:

- Applied Technology (assesses at skill levels 3-6)
- Writing (1-5)
- Business Writing (1-5)
- Teamwork (3-6)
- Observation (3-6)
- Listening (1-5)

WorkKeys assessments cover foundational workplace skills based on the SCANS (Secretary's Commission on Achieving Necessary Skills) competencies of the U.S. Department of Labor.

ACT also offers a Readiness assessment for low literacy populations to assess the appropriateness of using the WorkKeys assessments. The WorkKeys Readiness assessment is a self-scored screening instrument for the two most often used WorkKeys assessments: Applied Mathematics and Reading for Information. Because most WorkKeys tests require basic reading skills, it can be used as a screening tool to help determine whether examinees are ready to take WorkKeys tests or should be advised to pursue further training first.

***Scoring process***

There are nine skill levels for each WorkKeys workplace skill (1 being the lowest skill level, and 9 the highest). WorkKeys measures performance only within the range that employers stipulate for each assessed skill. For example, examinees taking the Applied Mathematics assessment are assessed only for skill levels 3-7, the range of math skill levels needed for 85 percent of all jobs. Likewise, WorkKeys assesses examinees for skill levels 3-6 in Locating Information, the locating information skills needed for 85 percent of all jobs. Examinees are scored on this numerical scale by computer or by licensed centers that use paper-and-pencil tests.

***Test format***

Testing is modular. Each assessment has its own time limit (range from 30 to 60 minutes). All assessments are available in paper-and-pencil format, although the Reading for Information, Applied Mathematics, Locating Information, Business Writing, and Applied Technology assessments may also be taken on computer. Audio or video is used to conduct the writing, teamwork, observation, and listening assessments. Reading for Information, Applied Mathematics, Applied Technology, and Locating Information assessments are also available in Spanish.

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### Certification process

#### *Authorization of test administrators*

Educational institutions, One-Stop Centers, businesses, and other organizations may purchase the right to become licensed providers of WorkKeys assessments.

ACT advises that states or others interested in implementing WorkKeys contact a representative to learn more about how to become a licensed provider. Because there are many options for implementation, a WorkKeys representative visits interested states and organizations, free of charge, to present the options that would best fit their unique needs.

#### *Certification for test takers*

The CRC is based on three WorkKeys assessments: Applied Mathematics, Locating Information, and Reading for Information. It is awarded at three levels: Gold, Silver, and Bronze. Most participating states have adopted this three-tiered credential system.

A **Gold certificate** demonstrates that a person has the skills required for 90 percent of the jobs profiled in the WorkKeys national database and represents a Level 5 on the WorkKeys scale for Reading for Information, Locating Information, and Applied Mathematics.

A **Silver certificate** demonstrates that a person has the skills required for 65 percent of the jobs profiled in the WorkKeys national database and represents a Level 4 on the WorkKeys scale for Reading for Information, Locating Information, and Applied Mathematics.

A **Bronze certificate** demonstrates that a person has the skills required for 30 percent of jobs profiled in the WorkKeys national database and represents a Level 3 on the WorkKeys scale for Reading for Information, Locating Information, and Applied Mathematics.

WorkKeys' paper certificates indicate an individual's level of achievement, assessment scores, and other text or graphics (e.g., seals), as determined by the licensed administrator. On the reverse side of the certificate, WorkKeys provides information on its national workforce development system; what its scores mean and what skill proficiencies they represent; and which organizations endorse the certification.

Most participating states, such as Virginia and North Carolina, refer to the WorkKeys certificate as the Career Readiness Certificate, but a few have their own certification names and/or levels including:

- Kentucky Employability Certificate: Gold and Silver levels
- Louisiana's Work-Ready! Certificate: Gold, Silver, and Bronze levels
- Indiana WorkKeys Certificate: Gold and Blue levels

Those who do not meet the requirements for earning a certificate are referred to remedial training providers with the tools to help address skills gaps identified by WorkKeys assessments. WorkKeys sells "Targets for Instruction," manuals designed to help educators and trainers develop curricula and instructional strategies for the WorkKeys skills areas. In addition, ACT endorses two publishers whose instructional materials meet ACT's standards for WorkKeys training curricula: Worldwide Interactive Network and KeyTrain. Clients may purchase licenses to use the WorkKeys curriculum of these vendors.

Worldwide Interactive Network's WorkKeys curriculum identifies skill gaps and guides training decisions to improve WorkKeys scores and upgrade skill levels. Career Solutions, WIN's workplace literacy curriculum, covers the nine skills and proficiency areas encompassed by WorkKeys tests. Career Solutions consists of 53 competency-based courses that target critical career and life skills. It includes five levels of Career Readiness/Work Habits that address such soft skills as self-management, cooperation and respect, and interpersonal interaction. The interactive curriculum provides courseware in print, CD-ROM, or online format, and can be used in classrooms or for distance learning.

KeyTrain was designed specifically for WorkKeys. It includes targeted, self-paced instruction, pre- and post-assessments, a complete learning management system, and a job profiles database. KeyTrain offers over 20,000 pages of lessons and a natural-voice soundtrack reads instructional material. The learning management system allows staff to track learner progress and print reports. KeyTrain is available on CD-ROM, in print, and over the Internet. KeyTrain Beginning Skills addresses lower skills (pre-WorkKeys), including a diagnostic tool for an extensive set of curricula. It is available in Spanish.

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<b>Cost</b>	<p>The WorkKeys system is priced at one rate for government and educators, and at another rate for employers. WorkKeys representatives make presentations to states, educators, and employers about implementation options and their respective costs.</p> <p>ACT estimates that the cost of implementing a WorkKeys CRC for Rhode Island would include a fee of \$12 per person assessed (\$4 for each of the assessments in Reading for Information, Applied Mathematics, and Locating Information) and a one-time licensing fee of \$100 to each provider site to score computer-based tests. KeyTrain and Worldwide Interactive Network have separate licensing fees for WorkKeys instructional materials.</p> <p>Additional costs vary by state, which may set their own fee structures for CRC delivery. Some states charge \$45 per person assessed (e.g., to community colleges) to cover assessment fees, licensing fees, and overhead. Some states assume the cost of the test for selected employers and job seekers through state Adult Education funds or other grants. In Virginia, WIA funds are used through the One Stops. Indiana requires all One Stops to administer WorkKeys to WIA One-Stop participants and funds it through Reed Act funds. Michigan and Illinois administer WorkKeys reading and mathematics assessments to all eleventh-graders. Beginning in 2007-08, tenth to twelfth graders in Kentucky who plan to enter the workforce directly after high school can choose to take WorkKeys assessments. The Kentucky Department of Education will pay for their initial testing fees, and certificates will be issued in collaboration with the Department of Workforce Development. WorkKeys scores will be recorded on students' transcripts.</p>
<b>Employment-related outcomes</b>	<p>WorkKeys showcases its success stories in a "Case Studies" section of its Web site (<a href="http://www.act.org/workkeys/case/index.html">www.act.org/workkeys/case/index.html</a>). These case studies report outcomes for individual states, including: helping employers to find and retain qualified workers and to pinpoint employee skills; assisting individuals in achieving their career goals; building community partnerships; and helping schools to meet the requirements of No Child Left Behind legislation.</p>
<b>Contact information</b>	<p>David Sweaney, Senior WorkKeys Consultant            ACT, Inc.            2351 College Station Rd., #2001            Athens, GA 30605            Phone: (706) 546-8866            Email: <a href="mailto:david.sweaney@act.org">david.sweaney@act.org</a>            WorkKeys Support: (800) 967-5539  <a href="http://www.act.org/workkeys/index.html">www.act.org/workkeys/index.html</a>  <a href="http://www.workkeys.com">www.workkeys.com</a></p>

# National Work Readiness Credential

<b>Summary</b>	The National Work Readiness Credential (WRC) will be awarded to test takers who pass a computer-based assessment of nine critical work readiness skills organized into four modules. The assessment focuses exclusively on entry-level skills. The credential is being designed to be a national, portable certification of work readiness. Its full launch will begin in January 2007.
<b>Certifying body</b>	The National Work Readiness Council is a nonprofit formed by the credential's development partners—the District of Columbia, the states of Florida, New Jersey, New York, Washington, and Rhode Island, and JA Worldwide (merger of Junior Achievement Inc. and Junior International). The council will oversee and manage the certification process. The Institute for a Competitive Workforce of the U.S. Chamber of Commerce supports the development of the credential and markets it to employers.
<b>Target population</b>	<p>The National Work Readiness Credential was designed for:</p> <ul style="list-style-type: none"><li>• Job seekers with relatively low literacy (reading level of the exam is estimated at fifth-grade equivalency) and numeracy skills. Candidates for the credential include both native and non-native English speakers.</li><li>• Individuals who want to signal to employers that they have the skills needed for the average entry-level job, defined by the National Work Readiness Council as a non-supervisory, non-professional position for which one does not need technical training beyond on-the-job training. The credential is most appropriate for individuals entering the workforce for the first time, those returning to the workforce after some time away, and those transitioning from one industry to another.</li></ul>
<b>Testing locations and sites</b>	<p><b>Testing locations</b></p> <p>Certification will be available in Florida, New Jersey, New York, Rhode Island, Washington State, and Washington, DC. It has been field tested in each of these locations, as well as in Los Angeles and San Francisco, California; Louisville, Kentucky; Cleveland, Ohio; and Midland, Texas.</p> <p>There will be a “soft” launch of the National Work Readiness Credential in approximately 50 sites around the nation, during which it is estimated that 10,000 individuals will take the assessment. As of August 2006, the National Work Readiness Council accepted applications from businesses and organizations interested in participating in this launch. In December 2006, the council will accept site applications for the credential's full launch, scheduled for January 2007. Soft launch sites will not need to reapply for the full launch.</p> <p>For more information on becoming an assessment site for the credential and an online application, go to: <a href="http://www.castleworldwide.com/nwrc/asp/nwrc_site_application.asp">www.castleworldwide.com/nwrc/asp/nwrc_site_application.asp</a>.</p> <p><b>Testing sites</b></p> <p>Individual businesses, organizations, and states can deliver National Work Readiness Credential assessments.</p> <p>Initially, the credential will be administered through the One-Stop Centers in the founding states and Washington, DC. Since assessments will be available through a Web-based delivery system via a secure server, assessment sites can include businesses, community colleges, One-Stop Centers, adult learning centers, community-based organizations, workforce training centers, union-sponsored programs, testing centers, junior achievement offices, and high schools.</p>

<b>Competencies assessed, scoring process, and test format</b>	<p data-bbox="332 197 573 237"><i><b>Competencies assessed</b></i></p> <p data-bbox="332 237 1417 342">The National Work Readiness Credential bases its competencies on the nationally validated Equipped for the Future applied learning standards. The certification assessment consists of four modules that assess for nine skills considered critical to successfully completing entry-level tasks and responsibilities:</p> <ul data-bbox="332 342 1417 514" style="list-style-type: none"><li data-bbox="332 342 1417 405">• Situational judgment (cooperate with others, resolve conflicts and negotiate, observe critically, solve problems and make decisions, and take responsibility for learning) (60-minute time limit)</li><li data-bbox="332 405 1417 441">• Reading with understanding (45-minute time limit)</li><li data-bbox="332 441 1417 476">• Using math to solve problems (45-minute time limit)</li><li data-bbox="332 476 1417 514">• Oral language (listen actively and speak so others can understand) (30-minute time limit)</li></ul> <p data-bbox="332 531 496 571"><i><b>Scoring process</b></i></p> <p data-bbox="332 571 1417 665">Scoring for the credential is not numerical. Those assessed either pass or not, indicating whether an individual is “work ready” or “needs more skill development to be work ready.” To be deemed “work ready” and receive the credential, one must pass all four modules.</p> <p data-bbox="332 682 459 722"><i><b>Test format</b></i></p> <p data-bbox="332 722 1417 968">The assessment is computer-based. Candidates are allotted a total of three hours to complete all four modules. The modules may be completed separately or all together, but all four assessment modules must be taken for the first time within a thirty-day period. Candidates have up to one year to pass all four modules and receive the certificate. The assessment has a multiple-choice format, with the exception of the Oral Language Test, which uses technology to provide a valid surrogate for a face-to-face oral proficiency interview. The OLT tests for English-language speaking and listening skills. Trained evaluators score recorded responses to assess competency in the skills “listen actively” and “speak so others can understand.”</p> <p data-bbox="332 984 1417 1068">In June 2006, the National Work Readiness Council contracted with CASTLE Worldwide, one of the country’s leading certification and licensure companies, to deliver the assessments through its secure, web-based system.</p>
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**Certification  
process**

***Authorization of test administrators***

Businesses or organizations may apply online to become an assessment site for the National Work Readiness Credential. The National Work Readiness Council reserves the right to approve all sites for assessment delivery.

To become certified, a site must:

- Provide delivery of the assessment in an environment conducive to testing, such as a training facility, conference room, or other area dedicated to this purpose, with appropriate equipment
- Be able to meet all technical requirements (hardware, software, connectivity)
- Be able to meet all other physical site requirements
- Be handicap accessible, with appropriate restroom facilities and a water fountain. Sites must also be able to provide accommodations to individuals with disabilities.
- Train at least two individuals to serve as proctors. (There must be one proctor per exam room for up to twelve candidates. If there are more than twelve candidates per room, an additional proctor is required for each group of twelve test takers. Proctors must be at least 18 years old and trained by CASTLE Worldwide.)
- Submit a \$300 certification fee, plus \$25 per proctor trained. Each site will be billed upon acceptance of the site application, completed trial run, and completed proctor training. Sites must be recertified if they change their delivery system, have hardware or software changes, fail to meet quality performance criteria, or if there are five or more reports of complaints from test takers within a six-month period. There is a \$300 recertification fee.

***Certification for test takers***

Candidates receive their results no later than three weeks after completing the fourth test. Those who pass all four modules of the assessment (“work ready”) within one year will be awarded the credential.

Individuals who do not pass one or more of the modules receive a diagnostic report identifying areas in need of improvement and are referred to an appropriate education and training provider for skill development. Workforce preparation programs may use *Getting Ready for the Work Readiness Credential* for guidance on the skills and knowledge necessary to meet the standard for work readiness defined by the WRC. This guide:

- Explains the National Work Readiness Credential Profile;
- Describes the Equipped for the Future skills, with a focus on how the skills are linked to entry-level tasks, and to a specific level of performance associated with those tasks;
- Provides specific steps to help job seekers improve their proficiency in relevant EFF skills linked to entry-level tasks; and
- Provides links to curriculum and teaching materials.

There is no limit to the number of times an individual may retake the assessment, although there is an additional charge for each retake. Retakes of the same assessment component have a minimum 25-day waiting period to allow for receipt of scores and further candidate preparation.

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<b>Cost</b>	<p>The following are the costs of implementing the National Work Readiness Credential:</p> <p><b>Per Candidate Credentialing/Testing Fees</b></p> <ul style="list-style-type: none"> <li>• All four assessment components (first-time and retake candidates): \$65</li> <li>• Oral Language assessment (per retake): \$25</li> <li>• Situational Judgment assessment (per retake): \$15</li> <li>• Math assessment (per retake): \$15</li> <li>• Reading assessment (per retake): \$15</li> </ul> <p>States interested in purchasing a license to deliver a large number of WRC assessments should contact the executive director of the National Work Readiness Council to negotiate a discounted price.</p> <p><b>Site Certification Fees</b></p> <ul style="list-style-type: none"> <li>• Certification fee per site (e.g., One-Stop Center, adult learning center): \$300</li> <li>• Training fee per exam proctor: \$25</li> </ul> <p>States may employ different strategies for funding the credential. They may elect to cover all the costs of the assessments or site certification. They may also decide to fund education and training programs to prepare test takers or to fund evaluation. In New York, for example, the state Department of Labor has agreed to purchase a license to cover the fee for all test takers.</p>
<b>Employment-related outcomes</b>	<p>The purpose of the National Work Readiness Credential is to help business by reducing the costs of hiring, training, and turnover. Because the credential has not yet been implemented, there are no outcomes to report.</p>
<b>Contact information</b>	<p>Louis Soares, Executive Director National Work Readiness Council Phone: (202) 463-5525 Fax: (202) 887-3424</p> <p>Dale Coachman, Program Coordinator Institute for a Competitive Workforce U.S. Chamber of Commerce Phone: (202) 463-5581 E-mail: dcoachman@uschamber.com www.workreadiness.com</p>

## Discussion

Rhode Island has joined the ranks of states seeking to improve employment outcomes for low-skilled adults by certifying that they possess the basic skills sought by employers in entry-level jobs. The large number of job readiness curricula and certificates adopted by states, WIBs, and others in the last decade bear witness to the difficulty of coming to a common understanding of precisely what skills—at what skill levels—will make a difference to employers in their hiring decisions and to job seekers in the quality of jobs they obtain.

A number of credentials are already in wide use in Rhode Island, as elsewhere. These include:

- *Occupational licenses issued by states or professional accreditation boards, for jobs such as nursing, teaching, cosmetology, and barbering.* Rhode Island licenses approximately 150 occupations, from accountants to professional wrestlers. Individuals must have a license to be employed in licensed occupations.
- *Professional skill certificates issued by professional associations, such as the Automotive Service Excellence certificates awarded based on experience and standardized tests results.* Employers generally pay a premium in the form of bonuses or higher wages for workers with these certificates.
- *Union apprenticeship programs,* most often in construction, transportation, and manufacturing.
- *Academic credentials,* including high school diplomas, GEDs, and college degrees. On average, incomes increase as the level of academic credential increases.

States are looking at work readiness certificates because all of the widely recognized credentials in that list are either are out of reach for the very low-skilled residents served by state-funded programs or no longer offer a competitive edge in the labor market for the unemployed. This is particularly true for the high school diploma and GED. While it is true that people with these diplomas earn more than do high school dropouts, incomes for individuals in all three educational categories are falling further behind incomes for individuals with college credentials.

Evidence is very thin that work readiness certificates make a difference to job seekers in terms of the length of their job search, the wages they are offered, or their retention on the job. Without this kind of evidence, it is diffi-

cult to argue that these certificates can give job seekers without a high school or equivalent degree any advantage in the job market. By the same token, Jobs for the Future's research has found little to indicate that employers deem most work readiness certificates to be important aids in the hiring process.

Nevertheless, Jobs for the Future's scan of the five work readiness certificates in this report has found that they represent a tool to help set uniform program standards. At minimum, they have helped to develop a common vocabulary for the kinds of qualifications that employers consider integral to entry-level work. If they can leverage the support of a wide range of stakeholders invested in Rhode Island's workforce development system, work readiness certificates may also have the potential to improve the employment outcomes of Rhode Island's low-income, unemployed, and underemployed residents.

A number of criteria should guide states, workforce boards, and others that are considering a work readiness certificate:

- Does the certificate offer a meaningful guide to matching applicant skills to the entry-level requirements of the local labor market?
- Do employers value the certificate?
- Will state sponsorship add value to the workforce system?
- Is the cost worth the benefit?

### Matching Skills to Labor Market Requirements

As with much of the country, the Rhode Island economy is undergoing structural changes. The service economy, with jobs in health care, retail trade, financial services, and tourism/hospitality, is supplanting manufacturing and production jobs. With this shift comes an increase in the educational requirements for well-paying jobs, defined as jobs that pay at least 150 percent of the state's minimum wage.

As mentioned, employers tend to use the high school diploma as a proxy for the literacy and "soft skills" (e.g., attendance, interpersonal skills, ability to learn) that they are seeking in entry-level jobs. In order to better satisfy employer needs, all of the work readiness certificates reviewed here are based on extensive research on identifying employers' expectations for entry-level workers.



However, researchers associated with these various credentials have come to different conclusions about the level of skill needed for success in the entry-level workforce (see Table 1).

Both Work Certified and the National Work Readiness Credential are designed to provide access to a certificate for individuals with relatively low literacy levels but who can demonstrate mastery of the soft skills that employers generally associate with “someone willing to work.” A significant number of high-vacancy-rate jobs identified in Rhode Island’s 2005 Job Vacancy Survey, including home health aides, hotel housekeepers, and security guards, fall into this category. However, median wages for these jobs tend to be less than 150 percent of the state’s minimum wage.

All three remaining certificates require high school level literacy skills. Better paying jobs, such as customer service representatives or clerical positions, or jobs for which the employer provides on-the-job-training, tend to require higher literacy skills. A certificate with high school level literacy cut offs may prove more attractive to a larger number of employers, but it will exclude a significant number of entry-level job seekers. Should a statewide certification process become widely accepted, these job seekers might be put at an even greater disadvantage in the job market than they currently experience.

Offering documentation of soft skills may be an asset in the entry-level job market for low-skilled job seekers. The 2005 Skills Gap Report—*A Survey of the American Manufacturing Workforce* from the National Association of Manufacturers and Deloitte Consulting, LLP—illustrates employers’ increasing emphasis on soft skills as integral to workplace success, mostly anecdotal even in a sector traditionally known for its hard skills require-

ments. When asked which types of skills their employees would need more of over the next three years, 53 percent of the survey’s respondents selected “strong basic employability skills” (e.g., attendance, timeliness, work ethic), tied with “technical skills” at number one. And while 51 percent selected “reading/writing/communications,” a close 47 percent ranked “ability to work in a team” third on the list (Eisen, Jasinowski, and Kleinert 2005).

However, the idea that a test can measure soft skills reliably is widely debated. In addition, many employers have pointed to the difference between being able to identify the “correct” answer on a test and practicing a particular behavior (e.g., timeliness) on the job.

Of the five certificates reviewed in this report, all provide some measure of soft skills. WorkKeys provides the least thorough soft skills assessment and does not focus on such topics as attendance or work ethic. The National Work Readiness Credential proposes the most extensive soft skills assessment on conflict resolution, personal responsibility, and problem solving. The Workforce Skills Certification System requires a multi-person critique of a portfolio presentation of work readiness skills—a thorough but time-consuming process that could be difficult to administer on a large scale. Work Certified offers a Q&A test of soft skills, including such topics as attendance, personal grooming, and interpersonal skills, geared to a customized job readiness curriculum that applicants must complete. WAGE offers a paper-and-pencil test of “life and job skills,” also geared to its job readiness curriculum.

**Table 1. Comparison of Selected Certificate Success Criteria**

	WAGE	WSCS	Work Certified	WorkKeys	WRC
<b>Literacy</b>	Varies by county (Grade 9.5 in Union County, Arkansas)	High school	Grade 6-8	Grade 9 (according to feedback from licensed providers)	Grade 5
<b>Soft skills</b>	SCANS	portfolio	National Skills Standards Board	Teamwork, Observation, Listening	Situational Judgment
<b>Computer literacy</b>	Yes	No	Yes	No	No
<b>Other</b>			General Business	Locating Information	Oral Language

**Table 2. Comparison of Selected Certificate Outcome Data**

	WAGE	WSCS	Work Certified	WorkKeys	WRC
<b>Job Placement</b>	60%	NA	92%	NA	NA
<b>Placement Wage</b>	NA	NA	NA	NA	NA
<b>Job Retention</b>	NA	NA	86%	NA	NA
<b>Promotions</b>	7%	NA	32%	NA	NA

NA = Not available

### Customer Value Estimate

In choosing a particular work readiness certificate, Rhode Island should be guided by its perceived value to two primary customers (employers and job seekers):

- Is the presence or absence of a certificate likely to influence the hiring decisions of employers with good jobs?
- Are workers who have achieved a certificate likely to feature it in their job search process?

Unfortunately, statistically significant data on these questions are hard to come by. Moreover, the value that employers and certified individuals themselves ascribe to work readiness credentials (i.e., their “currency”) depends largely on the employment opportunities that such credentials can create. From our review, we have seen little to indicate that work readiness certificates provide an appreciable edge in the labor market.

One way to assess whether employers place a real value on work readiness certificates is to see whether they affect hiring decisions, as measured by hiring preferences, sign-on bonuses, or higher starting pay rates. Another measure of the value to employers of a work readiness certificate is if certificate holders perform better in the workplace, as measured by longer-term outcomes, such as job retention and advancement for job seekers. Programs that can prove that their certificates have not only resulted in job placement but also in job retention can make a good case that they can deliver a compelling return on investment.

Only some certificates track or make public their outcome data. The National Work Readiness Credential is still in the pilot implementation stage and does not yet have outcomes to report. CASAS does not track job outcomes for the Workforce Skills Certification System, and the available data on WorkKeys is mostly anecdotal. Self-reported data from two certificate programs linked to job

readiness curricula show some effect on placement and retention (see Table 2). However, it is difficult to draw conclusions without data from control or comparison groups.

Proponents of work readiness certification highlight that their programs were developed with employer feedback or participation. For any certification program, it is possible to find at least one employer who reports benefiting from work readiness training and certificates. For example:

#### WorkKeys

- **Reduced turnover:** In a six-month period in 2004, 73 employees left Bradner Village, a health care center and retirement community in Indiana. In the same six-month period in 2005, after WorkKeys was implemented, 46 staff members left. Turnover reduced by 37 percent.
- A 96 percent **training cost reduction** because WorkKeys has helped Bradner to identify candidates likely to succeed in the CNA training.
- **Time savings for Bradner’s HR department.** While identifying qualified applicants used to take the HR manager approximately eight hours, it now takes approximately two (a 75 percent time savings). In addition, 95 percent of interviewed candidates are offered jobs—a 55 percent improvement in identifying qualified applicants.

#### WAGE

- Employers in El Dorado, Arkansas, signed memoranda of understanding giving added consideration for jobs and promotions to WAGE certified candidates.
- Some employers in Arkansas waive entrance tests for job applicants with the WAGE industrial certificate.

## Work Certified

- The Work Certified “employee certificate” is preferred, but not required, for entry-level positions at Big Five Tours and Expeditions, a luxury tour company with 15+ employees.
- The one Work Certified hire has been with Big Five since August 2003.
- The company’s help wanted ads for entry-level positions (e.g., receptionist) mention a preference for Work Certified program graduates. This preference is based on Work Certified’s certificate holders having a better understanding of company operations, a more positive attitude on the job, and higher levels of reading, writing, and math skills than those who have not participated.

There is very little indication that employers ask for most of these certificates. In fact, when Jobs for the Future contacted some companies cited by certificate programs as endorsing their credentials, HR representatives had to be reminded of the certificate or had hired only one person with the certificate. When probed, they agreed that the certificate seemed to do a good job at documenting job readiness, but they declined to make it a hiring criterion or to give preference—financial or otherwise—to certificate holders. Anecdotal evidence based on Jobs for the Future’s experience with a number of workforce development programs across the country seems to indicate that WorkKeys is the certificate most widely used and recognized by employers.

## State Sponsorship of Work Readiness Certificates

States that adopt certification systems generally adopt two approaches: one credential may become a uniform exit standard from all pre-employment or adult literacy programs; or the state offers assistance in training staff and employer outreach for locally selected certificates.

Some states, like Arkansas, have developed their own certificates to guide all workforce development service providers in setting completion standards. This offers the state an opportunity to “brand” its programs to employers as having recognizably high standards, regardless of which local program awards the certificate. The certificate is, however, only branded in the home state.

Some certificates, like Work Certified, have been developed by entrepreneurial service providers such as Workforce Investment Boards. These certificates have the

advantage of being customized to the workforce development system, and they generally have built in follow-up systems to track outcomes, which adds to their value as management tools for the workforce development system. The certifying body, however, does not have name recognition outside of its region. Nor do local WIBs have the technical resources for curriculum design or test construction and validation that national certifying bodies can offer.

Three of the certificates reviewed here are offered by a national certifying body: Comprehensive Adult Student Assessment System has developed the Workforce Skills Certification System; ACT offers WorkKeys; and the National Work Readiness Council is introducing the National Work Readiness Credential. National certification bodies offer certificates that are validated and have some name recognition in multiple states and jurisdictions, which may increase their perceived value with job seekers and with employers.

Rather than endorsing a single certificate, many states, including California, Florida, and Washington, promote work readiness certificates in general and encourage service providers to view them as complementary to one another. This approach avoids the risks in promoting a credential that may not meet the needs of a particular labor market, while offering employers and service providers a recognizable documentation of certificate-holder skills. The downside is that the range of skills reflected in different certificates may not be an improvement over the status quo in reducing confusion and assuring employers of the relevance of program outcomes to their needs. Why not just market the state’s workforce development services directly, rather than investing?

Choosing a single credential for statewide adoption also carries both risks and benefits. A single credential is easier to market and easier for state agencies to monitor and promote. However, it carries the risk of missing the mark in choosing the most appropriate certificate. Certificates with high literacy standards may exclude a significant proportion of the population intended to benefit from them; those with lower literacy standards may not satisfy employers with jobs that offer good wages and advancement opportunities. And the success of soft skills certification in improving job placement outcomes is poorly documented.

Jobs for the Future’s research did not find any independent reports or studies that demonstrated the ability of any certificate to attract new jobs to the state or to increase

the wages or job placement rates of low-skilled/low income individuals. We did find testimonials from WIB staff, state administrators, and program operators on the value of having a common vocabulary and standard outcome measures across programs with diverse missions, such as adult literacy, workforce training, and vocational rehabilitation. These testimonials applied especially to the Workforce Skills Certification System, which provides a set of tools to document achievement at levels ranging from pre-literate to college, and provides a database of instructional materials and resources linked to specific competency outcomes.

### Assessing Costs and Benefits

States interested in administering certificates should be realistic about the capacity of the organizations that would be responsible for implementing the certification process. Do they have the staff, technology, and administrative capacity they will need to implement the program with the high standards needed for it to be credible to employers and to job seekers? Successful certification programs must do many things, such as offering job readiness training, applying high outcome standards uniformly, referring unsuccessful candidates to further training, marketing the certificate to employers, orienting certificate holders on how to use the certificate as a job search aid, communicating with WIBs and other organizations, and tracking program data. Few of the financially strapped community organizations that are the primary delivery arms of state training programs have the

resources to provide staff development training, retool their curricula to align with the certificate outcome standards, purchase the assessment tools, and so forth. State resources will be necessary for these tasks if quality standards are to be achieved.

Employer buy-in is also essential. Persistent and sustained promotion of any certificate adopted statewide will be necessary to engage employers and maintain their interest in it. In this case, promotion means more than a marketing campaign, although statewide marketing to employers will be important. The state should also follow up with employers who have hired certificate holders to ascertain their satisfaction and continued willingness to use the certificate in hiring decisions. The state will need a tracking system to document the benefits of the certificate to employers, and it must be able to use this data in ongoing marketing. Since benefits to employers will be in cost-savings through more efficient hiring processes and reduced turnover, the state will need to develop a methodology to collect data on streamlined hiring decisions and improved job retention of certificate holders. The state also should adopt a continuous improvement monitoring process that uses outcome data to analyze where the certificate program needs assistance to maintain the high quality needed to remain credible to employers.

Implementing a certification program carries significant costs for licensing, staff training, and testing materials (see Table 3). Over and above the thousands of dollars in

**Table 3. Selected Certification Program Costs**

	WAGE	Workforce Skills Certification System	Work Certified	WorkKeys	National Work Readiness Credential
Membership/ license fee	NA	none	Package fee of \$5,000-\$15,000 per year, plus marketing materials and presentation fees	\$100/site	\$300/site
Staff training	NA	\$3,000/25 people		NA	\$25/proctor
Test administration	NA	\$360/25 tests		\$12	\$65/person
Software	NA	\$55		NA	None
Other	NA	Teacher Guide \$7 Student Guide \$20 Test Manual \$75		Fees negotiated with state	
NA = Not available					

software, staff training, and licensing fees charged by most programs (with the exception of the National Work Readiness Credential, which does not expect to set such fees), there is a test fee of anywhere from \$12 to \$65 for each person tested. According to a 2005 report to the Colorado Workforce Development Council prepared by Susan Blansett and Mary Gershwin, other states looking

at this question have estimated costs of \$1 million to \$5 million over a five-year period for marketing, staffing, evaluation and test administration. Any state considering the adoption of a statewide credentialing system should weigh the expected value of the certificate against these costs, and determine if the funds might be better invested in marketing, monitoring, and improving existing workforce development programs.

## Recommendations

Based on research into various certificate programs and Jobs for the Future's experience with workforce development programs, we have found little to suggest that work readiness certificates of any kind lead to long term improvements in the earnings or career advancement of low-skilled job seekers comparable to the impact of a high school diploma or post secondary education. If a state is nevertheless interested in a rapid turn-around credential for low-skilled job seekers, we suggest several criteria to guide decisions on implementing a statewide work readiness credential.

### ***Ensure that the credentials are valued and used by employers.***

Are both large and small employers asking for a credential other than a high school diploma/GED? It may be useful to seek commitments from supportive employers that they will use certificates in hiring decisions in order to demonstrate to job seekers that the credential is valuable. Some job ads state a preference for applicants with a particular certificate. At the same time, it is important that certificate-holders are informed about how to promote their certificate. Some programs report that certificate-holders fail to inform prospective employers that they are certified, undermining the value of providing the resource.

### ***Commit to marketing and quality monitoring.***

The value of the certificate will depend on its name recognition and its association with quality. Prepare to spend resources on marketing the credential and in documenting its value to employers and job seekers.

### ***Leverage the participation and support of a diverse group of stakeholders.***

Employers, community-based organizations, the K-12 system, community colleges, and the One-Stop Centers should be engaged in adopting the system to enhance, not replace, current outcome standards. The broader the uptake of a credential across the workforce development and education systems, the more likely it is to be embraced by job seekers and employers.

### ***Select a credentialing system that is easy to administer and implement.***

Determine whether you want a stand-alone test that can be administered to anyone who walks into a One-Stop Center or community agency looking for a job, or by a job readiness program with a curriculum that helps program operators across the state apply uniform outcome standards.

### ***Use your target population as your guide for the kind of certificate you endorse.***

Who are you targeting and for what? Low-literacy residents? Entry-level jobs, jobs with career advancement potential? Do the employers you are targeting care more about literacy or soft skills?

### ***Adopt a system that accommodates the accessibility needs of underserved populations.***

An Internet-based system provides better accessibility and flexibility. Most systems are moving in this direction but only WorkKeys and the National Work Readiness Credential are fully computerized for both test administration and scoring.

### ***Analyze testing instruments for terminology and bias.***

Certificates that document standards such as "personal hygiene," which is part of Work Certified, may sound demeaning to some job seekers, who might be reluctant to use them. Similarly, one of the sample exercises used in Work Certified's curriculum presents a scenario that places loyalty to employer ahead of loyalty to colleagues—a forced choice that may not reflect realistic workplace expectations.

### ***If a statewide system is adopted, invest in building the capacity of the organizations that will implement it.***

All certification systems require an investment in training staff members who are using the system, a cost that should be borne at the state level to assure that agencies take advantage of the training. Further, the state needs to invest in an oversight system to ensure that trainers/teachers perform well and meet program standards.

***Include a well-planned evaluation system that provides cost/benefit data.***

An outcome tracking system that is accessible across state agencies should be developed so that the K-12 system, higher education, community-based organizations and One-Stop Centers report comparable outcomes, including the value to employers. The accountability system of Florida's Workforce Development Board of the Treasure Coast could serve as a model.

***Allocate significant financial resources to implement the system statewide.***

Most states report minimal employer support for employer-fee-based systems, and assigning test costs to participants, particularly low-income participants, will minimize their interest in the certificate. Thus, the state must identify resources from among the sponsoring state systems to support space needs, marketing, staffing, test administration, oversight, and evaluation.



# References

## Interviews

Jobs for the Future thanks the following individuals who generously shared their experiences and insight from the field through interviews in person and by phone.

Loretta Ball, Office Manager, CSI Marine, Florida

Christopher (Kip) Bergstrom, Executive Director, Rhode Island Economic Policy Council

Sheila Boyington, President, Thinking Media, Tennessee

Victoria Choitz, Senior Policy Analyst, FutureWorks, Massachusetts

Melissa Dayton, CASAS State Certified Trainer and Workforce Program Specialist, Connecticut

Andrea Dolney, Program Coordinator, CASAS

Jane Egüez, Director, Program Development, CASAS

Cindy Fiorella, Dean of Community, Workforce and Economic Development, Owensboro Community and Technical College, Kentucky

Keith Hensley, Dean of Workforce Development and Executive Director of the Center for Business and Professional Development, Holyoke Community College, Massachusetts

Lisa Holland-Smith, Business Services Manager, Workforce Development Board of the Treasure Coast, Florida

LaTasha Jordan, Director of Market Development, Indiana Department of Workforce Development

M.J. Klemme, WorkKeys Support

John Krackowski, Business Services Director, Workforce Development Board of the Treasure Coast, Florida

Mishy Lesser, Vice President for Policy and Communications, Commonwealth Corporation, Massachusetts

Mary Lewis, WorkKeys Support

Diane Lindsey, National Sales Manager, Worldwide Interactive Network, Spartanburg, South Carolina

Louis “Mac” McGinty, Associate Vice President, Business Development and Corporate Training, Thomas Nelson Community College, Virginia

Deborah Raver, Human Resources Manager, Bradner Village, Indiana

Ed Sensi, Communications Director, Big Five Tours and Expeditions, Florida

Gail Shrum, Coordinator, Arkansas County WAGE Program, Workforce Alliance for Growth in the Economy

Sondra Stein, Consultant, National Work Readiness Council

David Sweaney, Senior WorkKeys Consultant

Judy Titzel, Consultant, Rhode Island Economic Policy Council

Ray Wofford, Adult Education and WAGE Instructor, Arkansas County Adult Education

## Web sites

ACT, Inc.: [www.act.org](http://www.act.org)

Arkansas State Government: [www.arkansas.gov](http://www.arkansas.gov)

Comprehensive Adult Student Assessment System: [www.casas.org](http://www.casas.org)

CASTLE Worldwide, Inc.: [www.castleworldwide.com](http://www.castleworldwide.com)

Dynamic Works Institute: [www.dynamicinstitute.com](http://www.dynamicinstitute.com)

Junior Achievement/JA Worldwide: [www.ja.org](http://www.ja.org)

KeyTrain/SAI Interactive, Inc.: [www.keytrain.com](http://www.keytrain.com)

Workforce Development Board of the Treasure Coast: [www.tcjobs.org](http://www.tcjobs.org)

U.S. Chamber of Commerce: [www.uschamber.com](http://www.uschamber.com)

Work Certified: [www.workcertified.org](http://www.workcertified.org)

WorkKeys/ACT, Inc.: [www.workkeys.com](http://www.workkeys.com)

National Work Readiness Council: [www.workreadiness.com](http://www.workreadiness.com)



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Jobs for the Future  
88 Broad Street  
Boston, MA 02110  
617.728.4446  
[www.jff.org](http://www.jff.org)

**Texas Workforce Commission  
Governmental Relations  
Board Weekly 80<sup>th</sup> Legislative Update  
Tuesday, May 29, 2007**

Yesterday was the 140th day and the last day of the 80<sup>th</sup> Regular Session of the Texas Legislature. The House and Senate have adjourned Sine die. *The 81<sup>st</sup> Legislature will convene in a regular session on January 13, 2009 at 12:00 p.m.*

**Brief highlights**

Board Contracting Advertising, Career Schools, Child Care and TANF TWC initiatives were sent to the Governor.

**Appropriations**

Final adoption of the Conference Committee Report on House Bill 1 ("the budget") came in the House late on Sunday and in the Senate early Monday. The House voted just after 10:00 pm by 114 to 35, with the Speaker not voting. The Senate voted just after 12:30am by 26 to 5. The budget will now go the Comptroller and the Governor for final approval.

The report reflects funding for all three of Texas Workforce Commission's exceptional items:

- The Skills Development grant for customized employer training program will be expanded to \$50 million;
- Project RIO will be expanded to serve 1/2 of the estimated parole population; and
- The Career Schools program will have additional funds and FTEs reflecting recent growth in the industry.

Additionally, the agency's Capital Budget was adjusted to fully fund planned projects.

**Bills of Interest** – The following are some bills of interest to TWC with action. For bill status click on <http://www.capitol.state.tx.us/BillLookup/BillNumber.aspx>

**HB 48 by Rep. Chavez**

Relating to distributions from the employment and training investment holding fund. The bill was **sent to the Governor**.

**HB 550 by Rep. Dukes**

Relating to the eligibility of certain victims of family violence for unemployment compensation. The bill was **sent to the Governor**.

**HB 1188 by Rep. Morrison**

Relating to the Texas emerging technology fund. The bill was **sent to the Governor**.

**HB 1629 by Rep. Chavez**

Relating to the transfer of adult education and literacy programs from the Texas Education Agency to the Texas Workforce Commission. The bill was **left pending**.

**HB 2029 by Rep. Deshotel**

Relating to block grant funding for certain workforce training and employment programs and functions by the Texas Workforce Commission. The committee report was **sent to Calendars**.

**HB 2371 by Rep. Morrison**

Relating to hearings regarding cease and desist orders against certain persons operating a career school or college without proper authority. The bill was **sent to the Governor**.

**HB 2405**

Relating to paying the costs incurred by a state agency that is deployed by the governor to respond to a natural disaster or other emergency. The bill was **referred to the Transportation & Homeland Security Committee**.

**HB 3074 by Rep Creighton**

Relating to advertising of entities that contract with local workforce development boards. The bill was **sent to the Governor**.

**HB 3139 by Rep. Menendez**

Relating to criminal history checks for state employees, applicants for state employment, and certain other persons who may perform work for the state. The bill was **left pending**.

**HB 3825 by Rep. Morrison**

Relating to unemployment compensation information confidentiality, and providing penalties. The bill was **left pending**.

**HB 4065**

Relating to the establishment by the Texas Workforce Commission of a pilot program to provide grants for the construction of certain facilities for job training and employment services. The bill was **sent to the Governor**.

**SB 142 by Sen. Zaffirini**

Relating to the eligibility of certain victims of family violence for unemployment compensation. The bill was **removed from the local & uncontested calendar**.

**SB 310 by Sen. Van de Putte**

Relating to the Texas Veterans Commission's authority to make performance incentive awards for providing services to veterans. S.B. 310 authorizes the TVC to grant a performance incentive award to certain individuals or organizations. The bill was **sent to the Governor**.

**SB 311 by Sen. Van de Putte**

Relating to reemployment rights of certain members of the National Guard. S.B. 311 allows Texas employees to retain their jobs while serving in the national guard of another state. The bill was **sent to the Governor**.

**SB 486 by Sen. Shapiro**

Relating to the Texas emerging technology fund. SB 486 enables additional investment vehicles such as equity, debt instruments, and grants to be used to provide awards. The bill was **referred to the Economic Development Committee**.

**SB 589 by Sen. Nelson**

Relating to TANF employment programs and participation in those programs by certain parents who are not TANF recipients. The bill was **sent to the Governor**.

**SB 679 by Sen. Williams**

Relating to the use of certain surplus revenue in the unemployment compensation fund. The bill was **signed by the Governor and was effective immediately on May 4, 2007**.

**SB 1096 by Sen. Janek**

Relating to mandatory participation in certain TANF employment programs by certain persons. The bill was **referred to the Human Services Committee**.

**SB 1152 by Sen. Carona**

Relating to an exclusion from unemployment compensation chargebacks for certain employers of continuously employed part-time employees. The bill was **placed on the General State Calendar**.

**SB 1619 by Sen. Lucio**

Relating to unemployment compensation information confidentiality, and providing penalties. The bill was **sent to the Governor**.

**SB 1628 by Sen. Uresti**

Relating to advertising of entities that contract with local workforce development boards. The bill was **referred to the Business & Commerce Committee**.

**SJR 48 by Sen. Ogden**

Proposing a constitutional amendment to limit the time during which a person who holds an appointive position that is subject to senate confirmation on a multimember state board or commission continues to perform the duties of the office after the expiration of the person's term of office. The resolution was **left pending**.

**SJR 49 by Sen. Jackson**

Proposing a constitutional amendment limiting the service of certain officeholders after the expiration of the person's term of office. (This proposed constitutional amendment would be submitted to the voters at the November 6, 2007 election.) The committee report was **sent to Calendars**.

**GULF COAST WORKFORCE BOARD**  
**SYSTEM PERFORMANCE**  
**OCTOBER 2006 – APRIL 2007**

**BOARD MEASURES**

The Board established measures for the Regional Workforce System and for The WorkSource. Regional Workforce System measures address how well our region is performing against our expectations. The WorkSource measures address our immediate impact on our customers.

We will present Regional Workforce System measures at the end of each calendar year. Performance on The WorkSource measures are presented below.

**BOARD GOAL: More Competitive Employers**

MEASURE	ANNUAL TARGET	CURRENT PERFORMANCE	PERFORMANCE LAST YEAR
<b>For The WorkSource</b>			
<u>Employers Receiving Services</u> (Market Share) We expect to provide services to 24,300 employers this year which is 20% of the 121,343 employers identified for the Gulf Coast area. Through May, we provided services to about 16,000 employers. We are on target for meeting this measure.	20%	13.0%	15.2%
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and turn to us for additional services.	61%	69.0%	58.7%

**BOARD GOAL: More and Better Jobs**

SYSTEM MEASURE	ANNUAL TARGET	CURRENT PERFORMANCE	PERFORMANCE LAST YEAR
<b>For The WorkSource</b>			
<u>New jobs created</u>	1,200	814	1,225
<u>Customers employed by the 1st Qtr after exit</u> Performance on customers employed after exit is on target. Through the two quarters, 224,764 of the 296,181 who exited were employed in the quarter after exit.	76%	75.8%	76.4%

**BOARD GOAL: Higher Real Incomes**

SYSTEM MEASURE	ANNUAL TARGET	CURRENT PERFORMANCE	PERFORMANCE LAST YEAR
<b>For The WorkSource</b>			
<u>Exiters with Earnings Gains of at least 10%</u> The percent of exiters with earnings gains greater than 10% is slightly below target. Through two quarters, 113,768 of the 286,503 who exited had earnings gains of at least 10%.	41%	39.7%	39.7%

**BOARD GOAL: A Better Educated and Skilled Workforce**

SYSTEM MEASURE	ANNUAL TARGET	CURRENT PERFORMANCE	PERFORMANCE LAST YEAR
<b>For The WorkSource</b>			
<u>Customers pursuing education credential that achieve one</u> Current performance exceeds the target at this time. Through April, 2,279 of the 6,910 customers pursuing an education credential achieved one.	19%	32.9%	13%

**CONTRACTED MEASURES**

In addition to the Board established measures there are measures contracted to the Board by the state. There are sixteen contracted measures. The state has identified concern with our performance on three of these measures.

- Claimants Reemployed within 10 weeks. The target for this measure is 20%. We are currently at 18.3%. This is an improvement over last year's performance which was 15.4%.
- Job Openings Filled. The target for this measure is 38.5%. We are currently at 25%. This is an improvement over last year's performance which was 23.6%. We continue to strive to fill a significant number of job openings in a tight labor market.
- Participation Rate for customers who are two-parent TANF recipients. The target for this measure is 74%. We have been meeting the target for this measure on a monthly basis for the last few months but are still behind on the year-to-date performance (69.34%). We expect to meet the year-to-date target by the end of July.

We continue to work closely with our contractors to improve performance on these measures and are seeing some positive results.



**GULF COAST WORKFORCE DEVELOPMENT BOARD**  
**FINANCIAL STATUS REPORT**  
For the Four Months Ended April 30, 2007

	<b>ANNUAL BUDGET</b>	<b>BUDGET YEAR TO DATE</b>	<b>ACTUAL YEAR TO DATE</b>	<b>DOLLAR VARIANCE</b>
<b>WORKFORCE REVENUES</b>				
WORKFORCE REVENUES	205,793,511	68,597,837	70,146,127	(1,548,290)
<b>WORKFORCE EXPENDITURES</b>				
BOARD ADMINISTRATION	4,942,218	1,647,406	1,413,877	233,529
EMPLOYER SERVICES	7,250,000	2,416,667	2,365,602	51,065
RESIDENT SERVICES	191,901,293	63,967,098	65,918,534	(1,951,436)
OFFICE OPERATIONS	68,342,346	22,780,782	21,872,086	908,696
FINANCIAL AID	123,558,947	41,186,316	44,046,448	(2,860,132)
RESEARCH & DEMONSTRATION	1,700,000	566,667	448,114	118,553
<i><b>TOTAL WORKFORCE EXPENDITURES</b></i>	<b>205,793,511</b>	<b>68,597,837</b>	<b>70,146,127</b>	<b>-1,548,290</b>

**VARIANCE ANALYSIS**

Note: "Budget Year to Date" column reflects straight-line estimate of expenditures for the twelve-month period, assuming equal expenditures every month in order to fully expend the budget in a year.

## The WorkSource Best Practices in Resident Service

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### Background

Periodically we recognize good work going on in The WorkSource system by highlighting excellence in serving customers and implementing the Board's mission, vision and values. Today we would like to recognize our multi-contractor Placement Team for its work with claimants.

### Placing Claimants

The Placement Team began work in July 2006 with twelve staff from the four office operations contractors. Stephen Moore, the team's leader, fosters a competitive work environment where team members learn from each other. Individual team members are assigned to work with UI Claimants residing in specific zip codes. The team call their assigned customers within a day or two after the customer has applied for UI.

- The work has helped to increase the number of unemployment insurance claimants placed in jobs within 10 weeks after lay-off from 10% in June 2006 to 18.3% in April 2007.
- The team discovers hiring trends and share this real-time labor market information with the Employer Service Division and board staff. We are able to identify shortages and respond more quickly to the needs of business.
- The team began providing a two-day internship for Employment Counselors to teach them tips and techniques for using the system's job bank WorkinTexas.com to find better job matches to place customers in jobs more quickly. About sixty Employment Counselors have completed the internship since it began in October last year. Employment Counselors who have participated in the internship tell us they've learnedhas been positive.

We appreciate all the team members for their work. We also appreciate the contractors for their cooperation in providing some of their most knowledgeable employees to serve on the team to help The WorkSource customers return to work more quickly.



## GULF COAST REGION EMPLOYMENT TRENDS

JUNE 2007

APRIL 2007 DATA

**Job growth out performs the nation and state.** The Gulf Coast Region's<sup>1</sup> over-the-year job growth for April was 3.5 percent, or 84,900 jobs. This was over twice the nation's rate of growth of 1.4 percent and over a full percentage point above Texas's growth rate of 2.4 percent. Last year at this time, the over-the-year increase for April 2006 was 3.7 percent, or 86,000 jobs. Current monthly estimates show peak growth in October 2006 at 4.8 percent, or 112,800 jobs. Since October, the over-the-year job growth has been slowing. The Houston-Sugar Land-Baytown Metropolitan Statistical Area's (MSA) annual job growth for 2006 was 97,400, better than 2005's 58,800 jobs.

**Unemployment rate the lowest since the early 1980's.** The stronger job growth has dropped the region's unemployment rate to 3.8 percent, its lowest level for the month of April in this time series, which dates back to 1990 (Chart 1). Some old data series show that one would have to go back to the early 1980's to see a lower unemployment rate for April. Last April, the unemployment rate was 5.0 percent. Another sign of a tight labor market is the drop in initial claims for unemployment benefits. Total Initial Claims in April were 12,021, the lowest for the month of April in this time series, which started in 2000.

**Area's current job count could be underreported.** The Texas Workforce Commission recently released fourth quarter employment numbers based on employers' tax records. The comprehensive data revealed an increase of 18,000 more jobs than the original monthly estimates reported for the time period of October to December 2006. The increased job count could show up in future revisions.

**Professional & Business Services adding jobs.** The data on the next page, Table 1, shows the levels of employment for the current month, month ago, and year ago for the Gulf Coast Region. Professional & Business Services and Construction, up 14,500 and 11,200 jobs respectively from April 2006, are the two major job producers in the region. Last year at this time, Professional & Business Services was up 19,300 jobs, peaking in June with an over-the-year increase of 23,300 jobs. Government added 9,900 jobs from April 2006. Information was the only super-sector to lose jobs, down 300 jobs since April 2006.

The thirteen county region's unemployment rate was 3.8%, down from 5.0% in April 2006.

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<sup>1</sup> The Houston- Sugar Land-Baytown MSA is the only geographic area with monthly job count data in the Gulf Coast Region. Houston-Sugar Land- Baytown MSA includes the following counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller  
Source – U. S. Department of Labor, BLS and Texas Workforce Commission

Table 1

**Houston-Sugar Land-Baytown MSA**

Industry	Apr-07	Mar-07	Apr-06	NET CHANGE FROM		% Chg. Apr-06 TO Apr-07
				Mar-07 TO Apr-07	Apr-06 TO Apr-07	
Total Nonfarm	2,504,600	2,501,800	2,419,700	2,800	84,900	3.5%
NATURAL RESOURCES & MINING	81,900	81,800	74,700	100	7,200	9.6%
CONSTRUCTION	188,900	189,400	177,700	-500	11,200	6.3%
MANUFACTURING	223,400	225,100	219,500	-1,700	3,900	1.8%
DURABLE GOODS	142,600	143,400	138,600	-800	4,000	2.9%
NONDURABLE GOODS	80,800	81,700	80,900	-900	-100	-0.1%
TRADE, TRANSP., & UTILITIES	504,400	503,500	493,800	900	10,600	2.1%
WHOLESALE TRADE	131,600	131,400	127,500	200	4,100	3.2%
RETAIL TRADE	252,800	251,900	248,500	900	4,300	1.7%
TRANSP, WAREHOUSING, & UTIL	120,000	120,200	117,800	-200	2,200	1.9%
INFORMATION	35,400	35,200	35,700	200	-300	-0.8%
FINANCIAL ACTIVITIES	142,000	141,800	139,300	200	2,700	1.9%
PROFESSIONAL & BUSINESS SERV.	364,600	364,300	350,100	300	14,500	4.1%
EDUCATION & HEALTH SERV.	279,800	279,600	270,400	200	9,400	3.5%
LEISURE & HOSPITALITY	225,500	222,900	215,300	2,600	10,200	4.7%
OTHER SERV.	98,400	98,900	92,800	-500	5,600	6.0%
TOTAL GOVERNMENT	360,300	359,300	350,400	1,000	9,900	2.8%
FEDERAL	28,100	27,900	27,800	200	300	1.1%
STATE	72,300	72,100	70,000	200	2,300	3.3%
LOCAL	259,900	259,300	252,600	600	7,300	2.9%

Chart 1

**Houston MSA: Unemployment Rate for the month of April**

