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New Jersey Business
& Industry Association
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Center for Economic Research
& Workforce Solutions

The Future of Work in NJ: INDUSTRY SERIES STUDY

PROFESSIONAL & BUSINESS SERVICES

Table of Contents

THE FUTURE OF WORK IN NJ:
Study Introduction & Background

Challenges in the Garden State

There are many programs and partnerships forming around New Jersey that are working to address the changing dynamics of human employment. However, they are currently operating in silos with **little inter-connectivity** among regional stakeholders to expand these initiatives throughout the state.

Often, stakeholders (including businesses, government, and academia) see each other as **competitors instead of partners.**

The **opportunity for collaboration is immense** and the outcome of sincere statewide partnerships will aid New Jersey in configuring a leading innovation economy with a strong workforce pipeline.

As the changing dynamics of the workforce unfold, it is imperative that the business community, academia, and government work together to ensure the skills needed for the jobs of tomorrow are embedded within K-16 education throughout the state today.

Challenges in the Garden State Cont.

According to NJBIA's 2020 Business Outlook Survey, **6-in-10 businesses have difficulty locating** technical/middle skilled (63%) and professional/highly skilled (62%) **talent to fill their job openings**. Additionally, 81% of New Jersey companies are likely to recruit talent from community colleges, while 75% are likely to recruit from four-year institutions. Meanwhile, 75% of businesses only recruit talent from New Jersey's postsecondary institutions.

Disappointingly, only **26%** of New Jersey's businesses **are engaged with their local community college or four-year institution.** When asked why they are not engaged, nearly **50%** of New Jersey businesses said they **either don't know who to contact, how to best participate, or they are unaware of available opportunities** to engage with postsecondary institutions. This is a major obstacle for New Jersey's future workforce pipeline.

Given that New Jersey businesses are looking to the state's postsecondary institutions to fill their workforce needs, it is imperative that postsecondary institutions understand the skills desired by employers to ensure a properly educated workforce pipeline that will provide employees with valuable, employable skills and supply employers with relevant talent.

Connecting the Dots:
Bridging the Gap between Business & Academia

Workforce development and excellence in workforce skills are issues that **are embedded into** NJBIA's and Focus NJ's **vision for New Jersey.**

In 2018, NJBIA released a study titled **"The Education Equation: Strategies for Retaining and Attracting New Jersey's Future Workforce."** The study, which was a deliverable from NJBIA's Postsecondary Education Task Force, **was a "Phase 1 deep dive" into** researching and analyzing **factors that affect New Jersey's workforce pipeline.**

The task force, which included 100 prominent members from academia, state education and labor departments, businesses, and young adults, worked to build a framework that **sought to better prepare, preserve, and place New Jersey's future workforce.** The group made 13 recommendations to ensure New Jersey's workforce and the state's education programs are aligned with the needs of the private sector.

Our Study

NJBIA and Focus NJ have made it a priority to identify and understand how New Jersey's industries and the jobs they provide are advancing into the future. As such, the duo has embarked on a **"Phase 2 deep dive"** into a statewide, seven-industry study to gather insights from New Jersey business and industry **to identify the changing dynamics, opportunities, challenges, and emerging skill sets.**

Our goal is to work collaboratively with academia to ensure the skills needed for the jobs of tomorrow are embedded within programs at the state's postsecondary institutions.

NJBIA & Focus NJ conducted targeted industry outreach in the following formats: focus groups, an online survey, and personal communication via in-person, phone and/or email.   Businesses located within New Jersey that employ 10 or more individuals were targeted in our outreach efforts. Business and industry leaders such as Presidents, CEOS, COOs, CFOs, and HR/Workforce executives were invited to participate in the study. In total, 250 New Jersey businesses participated in the NJBIA/Focus NJ Industry Series-Future of Work study.

The information provided in this slide deck is a synopsis of key findings/overarching themes and **are direct responses from leading industry experts** that were provided via our industry-specific research approach.

THE FUTURE OF WORK IN NJ:
Professional & Business Services Findings

Changing Industry Dynamics & Emerging Trends

The adoption of technology platforms is likely to represent the largest change in business & professional services industry.

- Prior to COIVD-19, many business & professional services, especially small-and mid-size businesses, had not been highly impacted by the emergence of new technologies and artificial intelligence. However, the industry was forced to adopt a rapid digital transformation as a result of the pandemic.

- Advancement in technologies is allowing the industry to expand products and services to provide added value to clientele.

- Advancements in software and platforms is also making outsourcing for HR, payroll, benefits, and time management support simpler.

- In addition, there is a growing focus on data analytics to identify process improvements to enhance efficiency.

Changing Industry Dynamics & Emerging Trends Cont.

Advancements in technology have resulted in the **elimination of geographic boundaries** for many professional and business services. Technological and business systems are evolving rapidly, but organizations are having **trouble maintaining financial viability**. Greater competition and tighter margins are resulting in **mergers and acquisitions** as key leaders begin to retire.

Industry Opportunities

- The adoption of **modern, user-friendly platforms** that enhance clientele experience.

- **Online meetings/conferences** allow for an expanded clientele base and make scheduling meetings more convenient than ever before.

- The use of **data analytics** to improve processes and efficiency.

- The opportunity for **mergers and acquisitions** to stimulate growth, increase market share, and to gain a competitive advantage in the market.

Industry Challenges

- Business & professional services are often the first expenses to be cut (where applicable) during economic downturns.

- **Constantly changing software and new technologies** make modernization difficult to manage.

- Maintaining privacy of confidential information from **security breaches and hackers**.

- An **extremely competitive job market** due to a shortage of qualified talent, i.e. "there's a war for talent."

- **Out-of-state companies** that provide the same or similar services at cheaper costs.

- **Bureaucracy, regulations, and excessive fees** are burdensome.

Preparing the Workforce Pipeline for the Jobs of the Future

The future of the business & professional services industry lies in working hand-in-hand with technology as the use of platforms and online conferences increase in popularity. While the adoption of technology may result in low-skill job loss, the jobs that will emerge will be high-skill professional careers. Like other industries, **workers must embrace the emerging technologies** in order to stay relevant in the field.

Preparing the Workforce Pipeline for the Jobs of the Future

To prepare the professional & business services workforce pipeline for the jobs of the future, students must gain knowledge and master skill sets in the following areas:

Hard Skills
1. Data Analytics
2. Cybersecurity & Information Technology
3. Digital Marketing & Content Creation
4. AI Platforms & Application Integration
5. Ubiquitous Connectivity & Tracking
6. Accounting & Auditing

Essential Career Attributes *(previously referred to as Soft Skills)*
1. Customer Service Skills
2. Communication Skills
3. Decision Making Skills
4. Adaptability/Flexibility
5. Persistence
6. Motivation
7. Self-Awareness

In-Focus:
Adding Context to a New Skill Set

Data Analytics

Data analytics, also known as data analysis, is the process of inspecting, cleaning, and modeling raw data to uncover patterns and useful insights. The insights generated aid in the formation of conclusions and support decision making.

Tying it all Together:
Ideas to Guide the Future of Work in NJ

- **Change the societal misconception that a four-year degree is needed** to have a successful career.

- Promote the notion that it **takes time to develop an expertise**.

- **Create internships and apprenticeships** and promote them as viable ways to learn on the job.

- **Promote the key role that certificates and credentials play in preparing workers** for careers in the Professional & Business Services industry.

- **Incorporate certificates and credentialing into degree programs** so students can gain industry-desired, hard skill sets and have the documentation to prove it.

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Sourcing for the data presented in the introduction slides can be found by clicking here.