

Emerging Themes from Workforce Development Month 2021

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https://doi.org/10.29338/wc2021-07

Workforce Development Month, celebrated each September, focuses on what workers need to be successful in an evolving economy. Lawmakers, researchers, and practitioners acknowledge National Workforce Development Month to help uplift challenges within the industry. Many Americans face barriers in securing and maintaining quality employment, and the COVID-19 pandemic has only exacerbated these challenges. In August 2021, the <u>national unemployment rate</u> remained elevated compared to pre-pandemic levels. The number of workers who are <u>long-term unemployed</u> (unemployed for 27 weeks or more) has nearly doubled since August 2020. Black and Hispanic workers and workers with no more than a high school degree are all experiencing <u>higher unemployment rates</u> than the national average.

The Center for Workforce and Economic Opportunity (CWEO) at the Federal Reserve Bank of Atlanta focuses on workforce development to serve part of our dual mandate to secure maximum employment in the economy. We also hope to be a partner in creating an economy that works for everyone, providing jobs that lead to economic mobility and resilience for workers in the Sixth District and beyond.

To kick off Workforce Development Month this year, the Federal Reserve Bank of Atlanta, WorkingNation, the Federal Reserve Bank of Kansas City, the Federal Reserve Bank of Philadelphia, and Fed Communities hosted a Twitter chat focused on ways the field can #InvestInWork. This chat fostered a broad conversation with policymakers, practitioners, workforce organizations, and economic development intermediaries that brought attention and focus on key issues surrounding effective workforce development strategies and approaches. During the discussion, we focused on these five issues and related questions:

- 1. We know there are systemic barriers to equitable workforce outcomes, with gender, race, and age bias among them. How do we remove these barriers to ensure a meaningful recovery for all?
- 2. Cost can prevent people from getting the skills and training needed to compete in today's job market. How do we make access to programs and tools more affordable?

- 3. Wraparound services can open the door to opportunity. How do we better coordinate policy and services to eliminate barriers, such as lack of childcare and the digital divide?
- 4. Job quality, career advancement, and mobility must be addressed. What role can employers and public-private partnerships play in improving job and career outcomes?
- 5. We need to hear and value workers' voices. How do we put the worker experiences at the center of our programs, research, and policy?

These prompts led to a deep conversation about important, persistent, and emerging themes that can help guide programs, policy, and research. Collaboration, the strongest emerging theme, included working between employers, other safety net services, and public-private partnerships. Working to create better policy through better data and incorporating and centering worker voice in policy and program design was also an important area of discussion. Finally, almost 300 thought leaders engaged in the chat elevated recommendations for supporting the workforce development sector through promoting leading practices around skills-based hiring and mobility, job quality, and professional development for job coaches.

Details of the Twitter chat can be found by searching the hashtag #InvestInWork. You will see responses to individual questions and threads of discussion around key issues and proposed solutions. The three through lines of discussion—collaboration, improving policy and emerging practices—are included here. While these summaries represent only a sliver of how the system and individual leaders can better #InvestInWork, they are a start to help focus thinking as we emerge from Workforce Month and continue working to improve policy, programs, and economic conditions for low- to moderate-income workers.

Collaboration. Creating connections between stakeholders was consistently mentioned throughout the discussion. In many instances, identifying key stakeholders was seen as the first step in creating partnerships. Employers were identified as consumers of talent and as investors. Shared risk agreements used to inform and fund workforce development were considered progress in reducing cost barriers and improving job quality. Workers would also benefit from increased partnerships between education and support services, such as childcare, transportation, and housing. These services were established as important needs, but closing the gap for broadband access was recognized as just as valuable for workers. In the discussion surrounding cost barriers, those living expenses were noted as equally important as affordable training. Suggestions to engage multiple stakeholders included "earn and learn" or paid apprenticeship models.

Improving Policy. Collaboration includes a more efficient design and use of policy and funding to improve outcomes for workers and local economies. Stronger policy connections to wrap around services through flexible funding structures that offer guidance to local workforce boards could create sustainable advancements. Collecting and analyzing better data was also reinforced as a need within the workforce system. Strategies to improve data collection included using a carrot-stick model that required industry partners to report data as a condition to receiving funding or partnerships.

In addition to using data to redesign workforce policy, including worker voice arose as a necessary part of progress for the community. Growth in this area should include listening to a diverse set of worker groups based on race, age, gender, immigration status. Connections between policies that support other aspects of a worker's life were considered integral to creating a system that works for all workers.

Emerging Practices. Leading practices that workforce professionals currently emphasize focus on skills. Throughout the conversation, professionals talked about the need to focus on skills of workers gained through nontraditional methods. There was a recognition that old models no longer fit our economy and that a shift from the "learn to earn to retire" mindset to one of lifelong learning to support ongoing earnings over the course of a career is needed.

The switch to a skills-based marketplace is a cultural change where employers, educators, and coaches must embrace and uplift workers' abilities. Actionable recommendations included increasing the use of "earn and learn" models, removing unnecessary degree requirements, adding more paid apprenticeships, and utilizing public-private partnerships to share risk and improve outcomes.

How is CWEO centering this discussion in our work? Engaging with the workforce community through this Twitter chat provided valuable insights into the system's needs. The Center for Workforce and Economic Opportunity is proud to be a part of initiatives already seeking to use many of these strategies. Talent Finance is working to understand best practices among industry-led public-private partnerships to build a successful workforce. Workforce Realigned is spotlighting funding solutions for training that helps build stronger career pathways with shared risk for workers and employers. The Rework America Alliance has partnered with communities and their workforce boards, education and training providers, coaches, and employers to help implement skills-based practices to create a stronger and more equitable workforce.

Goals for the coming year include furthering these key efforts and investing in ways we can capture worker voices and learn from their experiences in the labor market to improve and expand our understanding of current and persistent labor market challenges and enhance our impact in the field. Moving forward, we aim to engage in projects that more consistently incorporate workers' voices, make use of new and existing data sources, bridge partnerships between stakeholders, and ultimately show the value of the workforce development industry for our economy.