



Workforce Development for a New Century

Vision Statement and Concept Paper

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Workforce Development for a New Century

Workforce development is a recent concept in our country, about a decade old. It has grown out of a twentieth century tradition of employment and training programs dating back to the 1930's. The twentieth century backdrop for these programs was one where the U.S. was the dominant economic power for most of the century. Our economy was manufacturing based, relying on massive quantities of low-skilled workers. During this period, most workers could look forward to long-term employment with one or relatively few employers. Despite an increasing use of technology, many jobs could be held for long periods of time with basic education and short-term on-the-job training.

Employment and training programs were born out of the "New Deal" era of the 1930's. They grew in number throughout the remainder of the century to address a number of economic challenges facing the nation including: ensuring employment opportunities during cycles of economic decline; addressing worker and skill shortages in industries critical for national security; assisting workers during times of economic transition to upgrade skills; addressing the challenges of international technological competition; and addressing the needs of on-going social and economic development. These programs included services for the unemployed, economically disadvantaged adults and youth, welfare recipients, the disabled, veterans, new immigrants, older workers, and dislocated workers. During this period, the philosophy of most job training programs was to give program participants training for a "job" which in many cases would last a life-time.

A number of problems emerged with the many job training and employment programs of the twentieth century. These include a lack of coordination among the federal, state, and local agencies that administered the programs; no strong connection or link to the economic engines of local communities; lack of a comprehensive vision, planning or unified system to align programs to local economies; and, the creation of inefficient federal and state administrative "silos" siphoning-off resources to local communities, inhibiting their ability to address their workforce needs.

In the mid 1990's the concept of "workforce development" emerged from the existing employment and training "system." Since that time, the concept has been evolving to address the challenges of the twenty-first century knowledge economy. These new challenges include preparing a workforce for a globally competitive knowledge economy where new technologies will drive rapid and on-going change; future jobs will have higher skill and education requirements; since many of these new jobs don't even exist today, life-long learning will be essential for professional development; most people will have multiple jobs and careers over their lifetime; and, projected skill shortages over the next 25 years of tens of millions of workers with critical shortages of engineers, scientists, nurses, technicians, technologists, and teachers.

The twenty-first century brings new economic realities of global competition sparked by innovation, new technologies, accelerating change, and higher skills and abilities to compete in the global talent pool. To be relevant in this century, national, state, and local workforce development systems must:

- **Focus on the quantity, quality and economic alignment of the entire workforce.** “Workforce development” differs from “job training” by this broader more comprehensive definition. Do we have enough workers to meet the needs of our economy; do they have the right skills for a 21st century knowledge economy; and does the skill set of our workforce align with the emerging jobs of today and tomorrow? Workforce development also deals with the entire spectrum of the workforce. Entrant workers: those young people transitioning from our educational system into the workforce. Do they have enough education, training, and skills for the future jobs? Transitional workers: those individuals transitioning in and out of the workforce at any given time. Do they need to upgrade their skills with additional education and training? Incumbent workers: those workers currently employed. Life-long learning and professional development will be essential elements to keep the skill set of workers aligned with new technologies and business processes.
- **Be community centered, focusing on the needs of the regional economy and business.** Economies are regional, they do not confine themselves to political boundaries. Workforce systems must operate over areas defined by economic boundaries. They must also retain their local character and oversight by those community leaders who reside in the region. State and federal government must continue to play a support role providing funding, policy and strategic guidance, and technical assistance.
- **Research and educate.** Workforce boards and systems must continue to research global, national, and regional economic and workforce trends. They must take a leadership role in communicating and educating the community on those trends. They must also develop strategic plans for their regions and communities and promote investment in those strategic priorities.
- **Convene and partner.** In conjunction with their strategic planning process, workforce boards must build a culture of collaboration and partnership among the major stakeholders in their communities and regions to attract resources and convene key leaders to address workforce development issues.
- **Mobilize resources to address workforce needs.** Every state, region, or community has a unique set of workforce quantity and quality, and economic alignment needs to be competitive in the new economy. Local workforce boards and systems must mobilize diverse resources to address those needs. The federal and state government should support local workforce development efforts by: providing adequate funding to support the workforce system; eliminating redundant funding silos and bureaucracies; and maximizing funding to local workforce boards. Currently, many states operate dozens of workforce programs through multiple state administrative agencies. The federal government should reward states that maximize funding to local workforce boards and sanction states that do not. These programs and funding should be under the authority of local workforce boards to address local and regional workforce needs. Local workforce boards should also seek additional funding from local government, private charities, and public/private partnerships.

As our nation, states, and local communities wrestle with the challenges of a twenty-first century global “knowledge” economy, the quantity, quality, and economic alignment of our workforce will be a critical factor for economic prosperity. An effective “workforce development system” must emerge from the existing patchwork of job training programs to address these challenges. The new system must focus on the workforce needs of local economies with business as the primary customer. The system should be locally led with adequate support and resources from federal and state government. Bold new thinking and drastic shifts in current public policy will be necessary to realize this vision.