



# Education and Workforce Development in the Early 21st Century Labor Market

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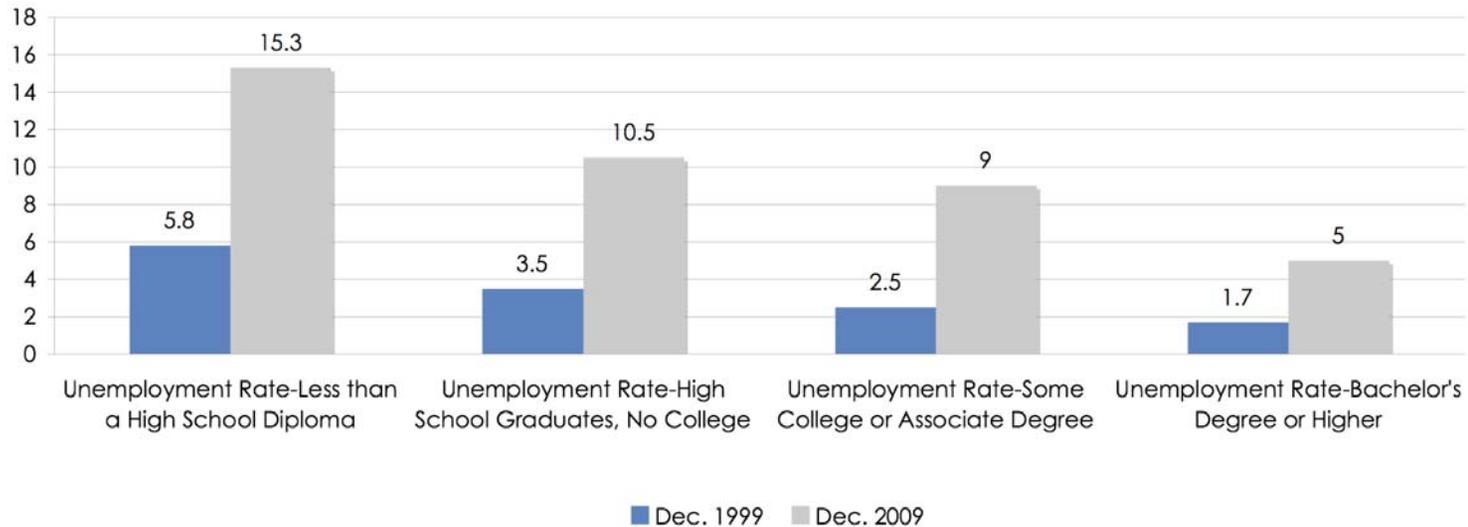
## The Katrina of Recessions

- The nation's longest recession; will take years to recover
- Highest official unemployment rate in 30 years
- Over 17 million officially unemployed; millions more discouraged or underemployed
- 8.5 million jobs lost since December 2007
- Longest average length of unemployment in 62 years
- 11 million more workers today than in 2000, but the same number of jobs

## High Unemployment at All Levels of Education

Those with more formal education experience lower levels of unemployment, but the unemployment rate has risen significantly for each group as compared to 10 years ago.

The Unemployment Rate by Education Level



Source: U.S. Census Bureau, Current Population Survey, December 2009; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program, December 2009.

## New Realities of Work in the 21st Century Economy

### Mid to Late 20th Century

- Permanent
- Stable Economy
- Loyalty
- “One and Done” Education
- Defined Benefit Pension
- “Early” Retirement
- Safety Net for Most

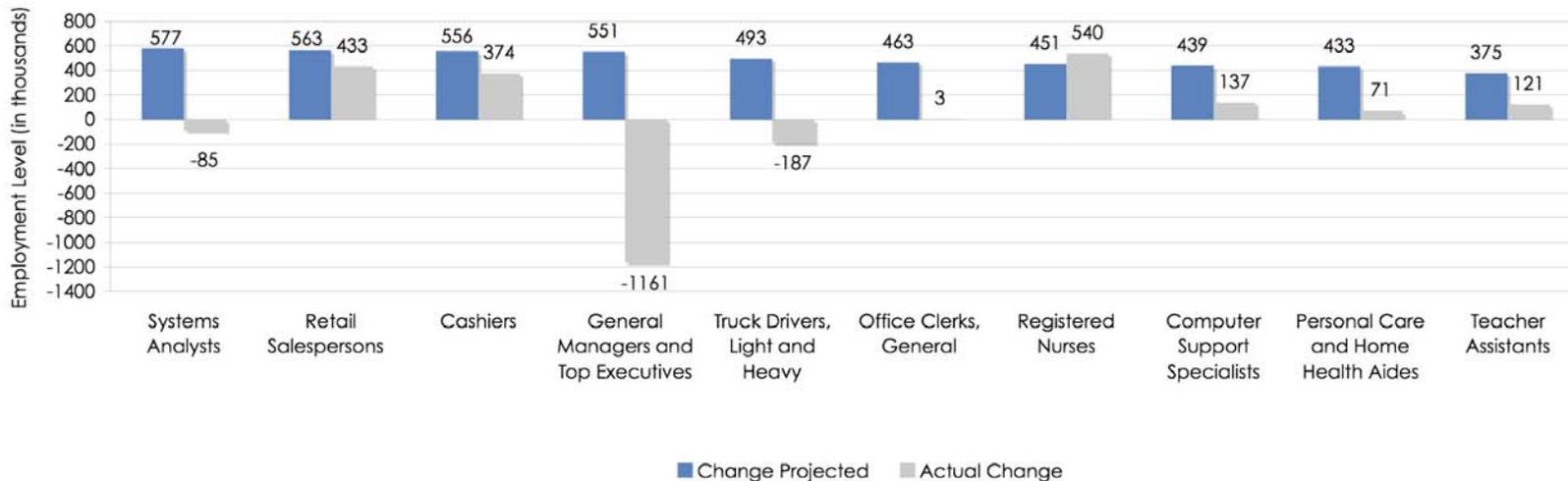
### Early 21st Century

- Temporary/Contingent
- Volatile Economy
- Ambiguity/Disaffection
- Lifelong Learning
- Defined Contribution
- “Never” Retire
- Safety Net for Fewer

## Caution: Predicting Job Growth is Difficult

Predicting which occupations will experience the **largest growth** is very difficult. While some occupations met or came close to expectations, many of these predictions were off by a long shot. Job growth depends largely on macroeconomic trends and industry growth, which are difficult to forecast and can be derailed by an economic downturn.

Occupations Projected to Experience the Largest Job Growth from 1998-2008, Against Actual Growth to 2008

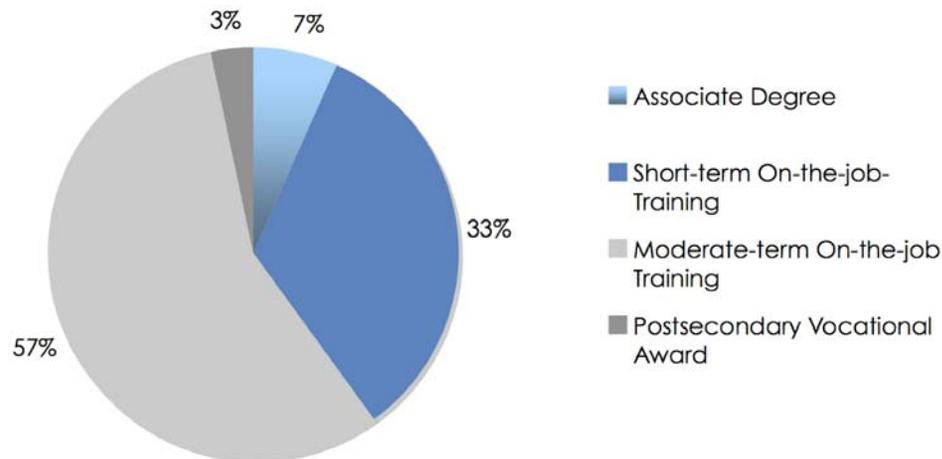


Source: U.S. Bureau of Labor Statistics, Employment Projections Program, Employment Projections 1998-2008, news release, November 30, 1999.

## Will Most Jobs Expected to Grow Require Education and Training Beyond High School, but Not a Four-Year Degree?

The occupations with the largest **projected growth** require a wide range of education and skill levels, indicating opportunities for job seekers at various skill and education levels.

**Most Significant Source of Postsecondary Education Required for the 30 Occupations with the Largest Employment Growth Projected, 2008-2018**

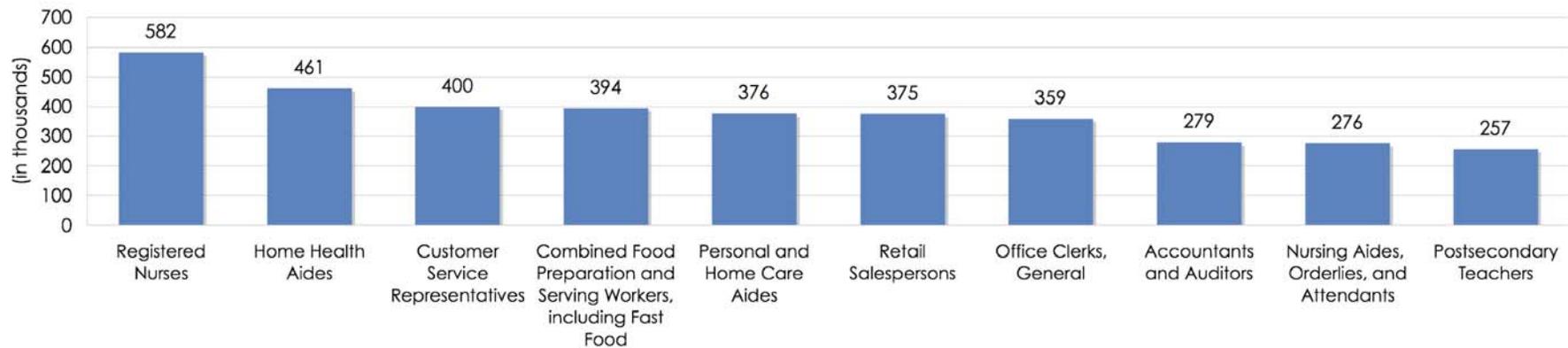


Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.

## Where are the Big Job Opportunities in the Near Future?

Occupations predicted for the largest job growth are ones that already **comprise** a major source of employment. Occupations such as nurses, home health aides, retail salespersons, and office clerks cannot be outsourced to other countries.

Ten Occupations with the Largest Projected Growth, 2008-2018



Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.

## Are Green Jobs and Training the Next Big Thing?

- Most “green jobs” are **traditional jobs** with a “green” component
- Competing and confusing credentials
- Amateur and experienced providers entering the training “Gold Rush”
- Huge disparity in training quality
- Online training is the new frontier

*Source: Jennifer Lenahan-Cleary, “Going Green: Ensuring Success for Green Job Training Programs and Participants,” presented at the U.S. Department of Employment and Training Administration Heartland Conference, April 7-9, 2010.*

## The Green Job Education and Training Landscape is Not Unique

Growing interest from students and job seekers and government funding have fostered...

**Trend #1: “Crowding at the Bottom”**

**Trend #2: Weak Connections between Job Market & Related Training**

**Trend #3: Lack of Career Ladder Transparency**

**Trend #4: Aggressive Recruiting especially for Online Courses**

## What's in Demand? Cross-Cutting Knowledge, Skills, and Abilities

- Critical Thinking and Problem Solving - making decisions, solving problems, and taking action
- Effective Communication - the ability to synthesize and transmit your ideas both in written and oral formats
- Collaboration and Team Building - the ability to work effectively with others, including those with diverse groups and with opposing points of view
- Creativity and Innovation - the ability to see what's not there and making something happen
- Math/Science/Engineering/Technology Skills

## Paradigm Evolution in Education and Workforce Development

### Prevailing Paradigms

- Access (1960s+)
- Quality/Competitiveness (1970s and 1980s+)
- Graduation/Attainment (1990s+)
- Learning, Alignment, Labor Market Outcomes (2000+)

### Dominant Strategies

- Funding Formulas; Financial Aid; Institutional Growth
- Standards/Assessments K-12
- Policy Development, Reporting
- Skills & Abilities, Performance Accountability

## Aligning Higher Education with Economic and Labor Market Goals

- Several states are developing comprehensive education strategies that redefine the role of education to include being accountable for aligning with — and helping drive — economic prosperity as well as economic opportunity. These states are...
  - Using labor market intelligence about employer needs,
  - Reforming curriculum to reflect the requirements of the global economy,
  - Measuring the success of education on students' employment outcomes and the ability of postsecondary education to serve the region's employers, and
  - Modifying funding formulas to incent or reward progress toward strategic goals.

*Sources: National Governors Association (NGA) Center for Best Practices, "New Ground for State Economic Policy: Holding Higher Education Accountable for Meeting State Needs in a Knowledge-Based, Innovation Economy" (draft). Maria Heidkamp, "Initiative Strategies to Realign Postsecondary Education Outcomes with State Economic Development Goals," presented at the NGA Center for Best Practices' institute, Increasing Postsecondary Credential Attainment by Adults, March 2010.*

## New Goals and Strategies for Educational Institutions and Policymakers

- Link higher education and workforce development with economic development
- Bolster workforce preparation strategies — standards, curriculum reform, experiential learning
- Incent lifelong learning opportunities (Pell Grant, UI Reform)

## New Goals and Strategies for Educational Institutions and Policymakers

- Develop better labor market intelligence (Talent Networks/Sector Strategies)
- Create culture of accountability, informed choice, and consumer protection — Consumer Report Card, Voluntary Framework for Accountability
- Allocate resources based on performance

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