

Putting the Workforce at the Center of Economic Development: Leaders from across Illinois call for Investment in Skills

Illinois is at a crossroads. Without an integrated vision for workforce and economic development (and investments to support it), the skills crisis in the adult workforce will limit economic prosperity for Illinois' families, businesses, and communities. *Illinois Works for the Future* (IWF) is a statewide campaign to promote integrated workforce, education, and economic development strategies that produce skilled workers, strong businesses, good jobs, and thriving communities. The goal is that Illinois succeeds at both competing in the global economy and ending poverty.

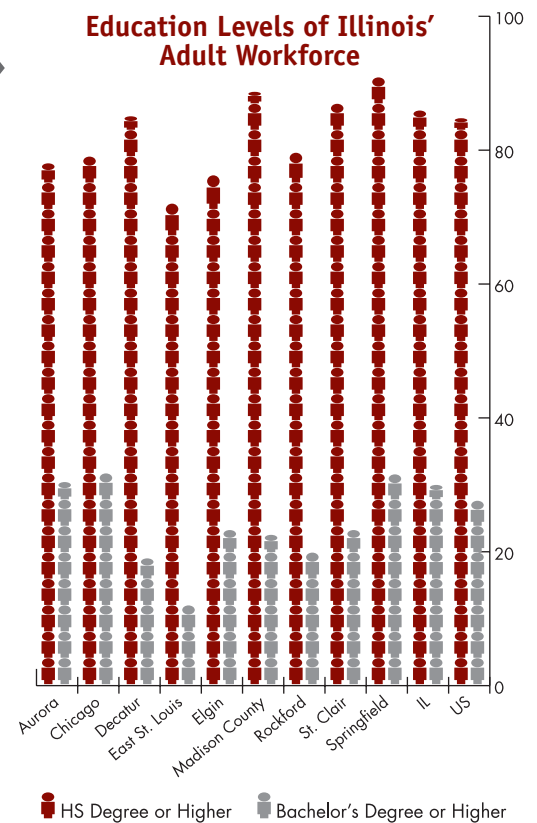
Education and skills should be the centerpiece of Illinois' economic development strategy. This vision depends on *both* strong state policy *and* involvement of local leaders from communities across the state.

Together IWF leadership and local leaders in Rockford, Aurora, Decatur, Springfield, and Southwestern Illinois conducted a series of community forums to strategize about meeting the education and skills challenges now and into the future. In recent years the Chicago region has launched new and innovative workforce and economic development initiatives—the creation of the Chicago Workforce Investment Council and the inclusion of human capital priorities in the Chicago Metropolitan Agency for Planning's GoTo 2040 plan. To build on these, IWF intentionally focused outside of Chicago in order to build an inclusive statewide picture of workforce and economic development—gathering ideas and input from over 250 community members.

The recession was an important backdrop to every community forum, as were the major reductions in public funding (state and federal) for a range of workforce and training services. Each forum opened with an overview of local workforce and economic development conditions in which local leaders highlighted the employment sectors, unemployment rates, skills of the workforce, poverty, and other challenges. Most communities rely on a diverse industry base, with health care, manufacturing, and transportation-related business noted as important sectors across forums. Challenges varied, with the Rockford area facing one of the highest unemployment rates in the state and increasing poverty rates in other communities. All of the areas had higher rates of poverty than the state as a whole and most had lower rates of post-secondary educational attainment. A quick snapshot of basic demographic data shows that rates of high school completion may be higher in communities outside of Chicago, but in most the adult workforce has a lower rate of attainment of post-secondary training or education.

Nearly **two million** working age adults in Illinois have only a high school degree or less. At the same time, by 2018 64% of jobs in Illinois will require post-secondary training beyond high school.¹ Because two thirds of the future workforce is already working, reducing the future skills gap requires a focus on adults and not just the K-12 system.²

Education Levels of Illinois' Adult Workforce



Adult workers 25 years or older, U.S. Census Bureau, 2005-2009 American Community Survey

¹ Anthony P. Carnevale, Nicole Smith and Jeff Strohl, *Help Wanted: Projects of Jobs and Education Requirements through 2018*, Georgetown University Center on Education and the Workforce, June 2010.

² *Illinois' Forgotten Middle Skill Jobs*, National Skills Coalition, October 2010.

Illinois Works for the Future is a statewide campaign with over 120 endorsers and led by the Chicago Jobs Council. Together, private and public partners across the state work to promote integrated workforce and economic development strategies.

TOGETHER, ILLINOIS COMMUNITIES CALL FOR STATE-LEVEL POLICY LEADERS TO FOCUS ON: (1) WORKFORCE, EDUCATION AND ECONOMIC DEVELOPMENT INTEGRATION; (2) EDUCATION PATHWAYS FOR LOW-SKILLED ADULTS; (3) ENGAGEMENT OF LOCAL EMPLOYERS; AND (4) STRATEGIC INVESTMENTS:³

Workforce leaders collaborate regionally to promote integration locally

The River Valley Workforce Investment Board in North Aurora established an economic development committee made up of key workforce and economic development leaders across the three-county, LWIA region. The committee serves as a regional hub and is designed to share resources and coordinate workforce and economic development services. Current efforts include creating a matrix of the area's employment and training programs, using a cluster analysis from the Chicago Metropolitan Agency for Planning to align workforce and economic development strategies, and hosting a Green Expo designed to promote employment opportunities in the green sector.

> Theme 1: Local workforce services benefit from improved connection to economic development and education systems.

In every community, multiple organizations form the local network for providing workforce and economic development services—these include workforce investment boards, community colleges, chambers of commerce, economic development councils, and community-based organizations. Coordination was noted as a strategy to strengthen local infrastructure, and every forum highlighted examples of local initiatives that connected education, business, and workforce development interests. Communities viewed communication and coordination as a top strategy to: improve the quality of training services; be more efficient with limited resources; and reach underserved people and businesses. In at least one forum there was recognition that major training, education, and business institutions have strong partnerships, but broader community participation could further strengthen coordination and communication.

> Theme 2: Workforce development services are the on-ramp for the least skilled adults to career and education pathways.

At every forum, the need for improved education pathways was identified and participants recognized that meeting the demand for skilled workers requires more than the development of quality training programs. Communities identified the unique role that the workforce development system and community-based providers play to meet the needs of lower skilled individuals who are beyond the reach of the K-12 education system. At several forums the needs of individuals with barriers to employment was a theme, at another it was the demand for English language services, and at another the need to connect out-of-school youth to training and employment. Forum participants were familiar with the challenges to providing effective services—from performance measures of the Workforce Investment Act driving service delivery to lack of public transportation to get to training programs—but they identified important strategies needed to prepare adults and get them onto career and education pathways. These include transitional jobs, social enterprise, integrated basic education with occupational skills, and focusing on teaching skills that are transferable across occupations.⁴ Because communities recognize that workforce development services are important across the life continuum, the unique role of the workforce development system as the connection to further education and career pathways was identified as critical.

Paid work experience provides both training and work experience to low-skilled individuals

YouthBuild Rockford provides out-of-school youth with academic education, vocational training, job placement, and follow-up support. Low-income youth work full time for six to twenty-four months for their GED or high school diplomas while learning job skills by building affordable housing for homeless and low-income people.

In southwestern Illinois, the Madison County Employment and Training Department's community garden project started in 2008, and was able to expand with federal stimulus funding. The program not only provided needed paid work experience for disadvantaged youth, it also served as the "reward" for participation in a GED/High School credit recovery program. Additionally, it provides adults with paid work experience who assist with supervision duties. Now in its fourth year, the project has seen a significant expansion in the garden; has incorporated a type of recycling to find resources to create raised beds, flower gardens/beds, and a patio; and assists with other community clean up and maintenance projects.

³ After each forum a report summarized the findings and included recommendations for action by local stakeholders (reports can be found at <http://ilworks4future.org/learn-the-issues/campaign-publications/>).

⁴ For more information: www.heartlandalliance.org/ntjn (transitional jobs); www.se-alliance.org (social enterprise); wire.cjc.net/w/images/1/17/Bridge_Program_one-pager.pdf or www.shifting-gears.org/illinois/61-state-progress-illinois-.html (bridge programs).

Employers contribute to workforce services in communities across the state

Richland Community College (RCC) in Decatur has developed strong employer partnerships. Area employers such as Archer Daniels Midland and Caterpillar work closely with RCC on its training curriculum to ensure that programs provide the skills people need to secure jobs in Decatur.

The Greater Springfield Chamber of Commerce co-leads the Continuum of Learning (COL) with the Sangamon County Community Foundation and the United Way of Central Illinois in Springfield. The COL works to ensure that adults, post-secondary learners, and those in the K-12 system receive the workforce development services they need to succeed in the workforce.

The Chicago Workforce Investment Council, chaired by the Mayor and governed by a 13-member board of business CEO's and civic leaders, monitors over \$300 million of public investment in education and workforce training and coordinates resources to support the overall health of the city's economy.

> Theme 3: Local workforce initiatives—coordinated with local economic development strategies—aid business creation and retention, but need more support.

Every forum presented overwhelming evidence of active and engaged businesses and economic developers in local workforce and education initiatives led by the public systems. Participants were quick to identify many gaps in business development services—including the lack of resources for small business, start-up companies, and entrepreneurs—as contributing to challenges in local economic development strategies. But, developing the skills of the local workforce was identified as a key strategy to attract local business, and participants discussed the improvement of workforce training services as a top priority. At least two forums highlighted existing business and education partnerships in order to ensure that schools are preparing students for work. Other forums noted that the public workforce system and community colleges have regular connections to the business community, including creating training programs customized for business. A major gap identified was that local economic developers and business leaders expressed confusion about the vision for

state economic development investments and its relation to workforce strategies and the lack of flexibility from the state for local areas to utilize workforce development dollars in the manner most needed by each region.

> Theme 4: Effective investment strategies are the key to local, successful workforce innovation

Every forum identified funding challenges. “Flexibility”, “sustainability” and the general fiscal climate in public resources were the most common points of discussion. Despite current budget realities, stakeholders voiced the need for increased investments in workforce programs due to its critical role in economic development. Restrictions in some public workforce programs limit the ability to: invest in strategies that work; leverage private resources; and respond quickly to employer needs. Most communities described challenges to accessing competitive funding. Multiple reasons were cited, but most were related to capacity issues of smaller population areas.

Community leaders put recommendations for flexible funding into action

To begin to address a need raised in the Rockford Community Forum, the Community Foundation of Northern Illinois and the Boone and Winnebago Counties Workforce Investment Board created a flexible funding stream for workforce development services in Rockford with seed money from a private endowment.

The City of Chicago pools a variety of funding streams, including Community Development Block Grant, Community Services Block Grant, and city corporate funds, to supplement WIA funding and to implement innovative workforce services for individuals with criminal records, youth, and low-skilled adults.

ILLINOIS WORKS FOR THE FUTURE: MAKE THE SKILLS OF THE ADULT WORKFORCE ILLINOIS' NUMBER ONE ECONOMIC DEVELOPMENT PRIORITY

IWF calls for the state of Illinois to elevate investment in the skills of the adult workforce to the top of the state's economic development priorities. As learned through these forums, stakeholders in communities across Illinois support the priority and are ready partners to advance it.

In addition to the immediate implementation of the 21st Century Workforce Development Fund,⁵ concrete steps in three areas—career pathways, coordination, and capacity—can be taken to advance the vision.

> Career Pathways: *Develop career pathways for low-skilled adults*

- Identify strategies for low-skilled adult learners and include them in state-level policy-making discussions, including: the Learning Exchanges; priorities of the P-20 Council; and involve stakeholders outside of the traditional education system in these efforts.
- Invest in “earn and learn” programs including: implementing the transitional jobs recommendations of the Commission on the Elimination of Poverty and the Illinois Emergency Development Act (HB 2927).
- Expand “bridge” educational programs to prepare adults with limited basic skills to enter and succeed in credit-bearing education and training leading to career-path employment.

> Coordination: *Further advance the integration of workforce development and economic development policy and strategy*

- Align Illinois economic development investments with the development of qualified workers through Learning Exchanges, Programs of Study, and other pathways to college and career readiness. Focus these investments on skills that are in demand—that require more than a high school diploma, but less than a four-year degree.
- Appoint local leaders to state-level advisory committees that are part of career pathways development (i.e. Programs of Study and the Learning Exchange). Prioritize the invitation of workforce stakeholders that serve individuals outside of traditional education system.
- Leverage the 21st Century Workforce Development Fund Advisory Committee members in aligning economic development and workforce investments.

> Capacity: *Support innovation in communities and regions with smaller populations, so that they can be competitive for state, federal, and private workforce funding opportunities*

- Increase funding for the Job Training and Economic Development Program and make changes to allow community colleges in smaller communities to apply.
- Provide technical assistance to local partnerships to improve their ability to bid for state and federal competitive workforce funding, including using Illinois ResourceNet as a model and making planning grants to small communities.
- Fund regional collaborative efforts that include leadership from economic and workforce development stakeholders in small and mid-sized community areas.
- Direct resources to the 21st Century Workforce Development Fund to support local capacity building, program development, and technical assistance activities.

Communities across Illinois are poised to advance skill-building strategies to support local employers and provide opportunities for their local workforce. Local leaders are weighing in with concrete ideas that are successful in their communities. Now state-level leadership must translate local innovation into state-level strategies that are critical to building the skilled workforce that Illinois' economy needs for the future.

⁵ “Investing in a 21st Century Workforce” at ilworks4future.org/learn-the-issues/ and find the authorizing legislation at: <http://ilga.gov/legislation/publicacts/96/PDF/096-0771.pdf>



For more information about the
**Illinois Works for the
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