

Executive Summary

Unprepared and Unaware

Upskilling the Workforce for a Decade of Uncertainty

America is currently experiencing a dynamic shift in employment for many working-age adults. As companies automate basic retail and manufacturing jobs, they eliminate many of the low-skill jobs available to adults with low levels of education. But technological advancements also create new positions, many requiring education after high school. These *middle-skill jobs*, demanding more than a high school credential but less than a college degree, will continue to emerge at the same time low-skill jobs go away. Adult workers who raise their education levels to qualify for these jobs will be better prepared to benefit from the new labor market. Adults who do not raise their skills may not.

The question for state leaders isn't whether there will be sufficient jobs in the future but whether there will be enough skilled workers to fill them. States will need to invest as always in helping low-skilled adults earn diplomas, but also in helping them keep up with technological advancements in the job market. Otherwise, they will become increasingly vulnerable to job loss,

low pay and poor health outcomes. And their children will likely become low-skilled as well, creating a costly, multi-generational challenge for states and businesses.

A shortage of sufficiently trained workers makes it difficult for businesses to fill important jobs, so they will have to make greater investments in training their employees. Low-skilled adults are costly for states too, as they earn less and pay less in taxes. They are less likely to vote or volunteer for civic projects. States hoping to strengthen the chances for vulnerable workers to get and retain good jobs — or qualify for jobs that businesses need to fill — will have to provide effective adult education programs. Their efforts will require creativity and resourcefulness.

States hoping to strengthen the chances of vulnerable workers getting and retaining good jobs — or qualifying for jobs that businesses need to fill — will have to provide effective adult education programs.

The 2014 reauthorization of the federal Workforce Innovation and Opportunity Act provides state leaders a clear roadmap for preparing undereducated adults for a better future. WIOA strengthens accountability standards and requires states to coordinate statewide and local efforts to address regional workforce needs. The legislation calls for a stronger focus on workers' needs and challenges states to implement best instructional practices in adult education. It also requires that states adopt Integrated Education and Training Programs, often led by separate instructors to help adults improve basic skills and earn a high school diploma while they prepare for specific occupations and work toward industry credentials. The legislation stipulates that states incorporate six core programs — and allows them to incorporate up to 11 partner programs — into their state WIOA plans. One of these is Perkins V, or the Strengthening Career and Technical Education for the 21st Century Act. CTE programs prepare adults for middle-skill jobs by providing the advanced, industry-specific technical skills needed to fill such positions.

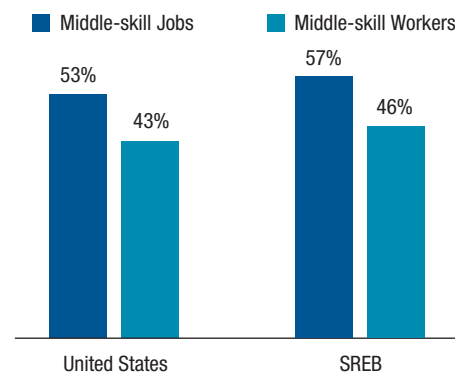
In improving adult education programs, states are also faced with decreased funding and enrollments. Funding for these programs fell sharply during the recession and has not fully recovered. States will need to bolster program funding and provide support services if they hope to enroll more adults in education programs. Industry investment could also help states enroll more adults and ensure that they earn credentials that can lead to employment.

The efforts that states make to help adults train for stable employment will improve outcomes for their children as well, leading to a healthier economy both now and in the long term. What can states do to help more adults — and their children — reach a middle-skills level?

1. Adopt the College and Career Readiness Standards for Adult Education to establish consistent learning expectations and foster partnerships with other education providers.
2. Use instructional practices and materials and implementation methods known to be successful.
3. Provide teachers adequate training and professional development opportunities.
4. Align CTE and integrative training education course offerings with specific workforce needs, focusing on skills, not tasks.
5. Require adult education performance measures that are both quantitative and qualitative.

SREB states need to be innovative and bold in preparing the current and future generation for ever-changing workforce demands. SREB is committed to supporting these efforts with data and policy analysis, to help states make informed decisions to improve adult education programs and ensure the livelihoods of their most vulnerable adults and *their* children.

Middle-skills Gap



Across the United States, the percentage point gap between U.S. adults trained to a middle-skills level and jobs available to them in 2015 was 10 points. The gap ranged from 8 to 14 points across SREB states. Today over half of American jobs are held by adults who have no education beyond high school, yet over 66 percent of the estimated job growth by 2026 will be in jobs for people who have at least some postsecondary education. Low-skilled adults will likely be underemployed, or out of work altogether, if states don't act quickly to raise the skill levels of their adults.

Sources: National Skills Coalition (2015) and The Bureau of Labor Statistics (2016)

See the full report, *Unprepared and Unaware: Upskilling the Workforce for a Decade of Uncertainty*, SREB, 2019 at sreb.org. This report was prepared by Meagan Crowe, policy analyst, under the direction of Jeff Gagne, director of policy analysis, and Joan Lord, vice president of education data, policy research and programs.