Promoting Workforce Readiness For Urban Growth

Building a Job-Ready Workforce During a Time of High Unemployment Panel

Reinventing Older Communities Conference

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The Problem: Labor Market Outcomes Are Low In Many of Our Nation’s Urban Areas…

Labor Market Outcomes in Philadelphia for High School Graduates Age 25 and Older: 2009

<table>
<thead>
<tr>
<th></th>
<th>Metro Area</th>
<th>Central City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Force Participation Rate</td>
<td>59.2</td>
<td>55.7</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>10.0</td>
<td>12.3</td>
</tr>
</tbody>
</table>

... But Improve with Educational Attainment

Unemployment Rates in Philadelphia for Adults Age 25 and Older: 2009

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Metro Area</th>
<th>Central City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than high school</td>
<td>13.3</td>
<td>18.1</td>
</tr>
<tr>
<td>High school graduate</td>
<td>10.0</td>
<td>12.3</td>
</tr>
<tr>
<td>Some college/associate's</td>
<td>10.0</td>
<td>10.3</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>4.8</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Educational Attainment is Associated With Economic Vitality and Growth

Annual Salary Increases with Educational Attainment

Educational Attainment Is A Reasonable Proxy For Workforce Readiness

• No consistent definition of “workforce readiness”
• With higher levels of educational attainment:
  – Unemployment rates decline
  – Earnings increase
  – Employer dissatisfaction declines
• Demand for college-educated workers is growing

Metro areas with high educational attainment =
• “hubs for professional services and scientific/technical industries” (*The State of Metropolitan America, 2010*)
Low Attainment in Many Large Cities and For Demographic Groups Overrepresented in Cities

• Variation in percentage of adults with at least a bachelor’s degree:
  – 46.8% of adults in Washington DC
  – 14.7% of adults in Bakersfield, CA

• Gap in attainment between cities with highest and lowest attainment has grown

Gaps in attainment across groups:
• Lower attainment for Blacks and Hispanics than Whites in all 100 largest metro areas
• Other educational outcomes lower for Blacks and Hispanics than Whites
Challenges Limit Improvements in Educational Attainment, Especially in Many Urban Areas

• For all students:
  – Many forces limit each step in attainment process

• Residential segregation often translates into disparities in resources available to promote educational attainment
  – Better-funded schools
  – Disparities increasing over time

• Many benefits of educational attainment
  ➔ Efforts to improve attainment must continue
But – Challenges of “College for All” Strategy

Six-Year Bachelor’s Degree Completion Rates for First-Time Students Enrolling in Four-Year Institutions in 2002

<table>
<thead>
<tr>
<th>Group</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Men</td>
<td>57.3</td>
</tr>
<tr>
<td>White Women</td>
<td>62.5</td>
</tr>
<tr>
<td>Black Men</td>
<td>34.0</td>
</tr>
<tr>
<td>Black Women</td>
<td>44.2</td>
</tr>
<tr>
<td>Hispanic Men</td>
<td>44.1</td>
</tr>
<tr>
<td>Hispanic Women</td>
<td>52.5</td>
</tr>
<tr>
<td>Asian Men</td>
<td>64.0</td>
</tr>
<tr>
<td>Asian Women</td>
<td>69.8</td>
</tr>
</tbody>
</table>

Growing Demand For Workers With At Least SOME Postsecondary Education

By 2018, about two-thirds of all employment will require some college education or better. Source: Authors' analysis of March CPS data, various years; Center on Education and the Workforce forecast of educational demand to 2018.

Business Leaders Are Calling for Improved Workforce Readiness

Business leaders:

• Report that college degree is not required for economic and social prosperity
• BUT, are critical of basic and interpersonal skills of all workers, regardless of educational attainment

Recent reports note the “mismatch” between the skills of workers and the requirements of available jobs

• Degrees for What Jobs? National Governor’s Association (2011)
• Getting ahead, staying ahead: Helping America’s workforce succeed in the 21st century, Business Roundtable (2009)
Recommendations For Improving Workforce Readiness

1. Provide range of high-quality educational opportunities that recognize that not all will earn college degrees
2. Develop mechanisms that enable students to choose to participate in different pathways without ‘tracking’
3. Ensure that all have the knowledge required to choose the most appropriate pathway
4. Recognize that both generic and specific skills are required for jobs and careers in metro America
5. Develop mechanisms that support meaningful collaboration between education providers and employers
6. Provide the supports and structures so that students successfully complete educational programs
7. Use public policy to improve linkages between education and employment

(Preparing Today’s Students for Tomorrow’s Jobs in Metropolitan America)
Conclusion

“An investment in knowledge pays the best interest.”
Benjamin Franklin