

Building a Skilled Workforce for a Stronger Southern Economy: Opportunities for Arkansas

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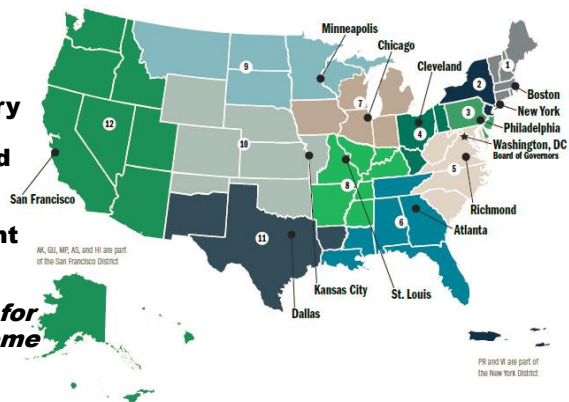
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The Federal Reserve is the central bank of the United States. It is responsible for monetary policy, supervision and regulation of banks, and payment systems. There is also a Community Development function aimed at *promoting economic resilience and mobility for low- and moderate-income and underserved individuals and communities.*



WHY A SKILLS AGENDA?

- **99% of all jobs created post-recession require more than a high school education (Source Georgetown University)**
- **The demand for middle-skill jobs is stronger than the demand for low- and high-skill jobs**
- **As college tuition costs continue to rise and the workforce continues to age, middle-skill jobs offer many people the opportunity to obtain some education beyond high school (e.g., a certification or associate degree) to improve their economic well-being without incurring the cost of a college education.**

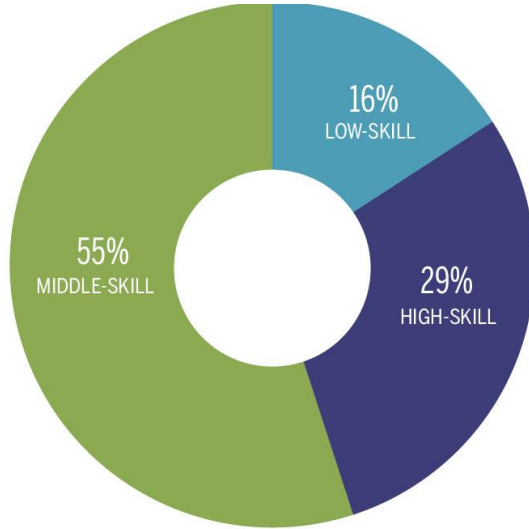


Today we will...

- ✓ **Review NSC's [Building a Skilled Workforce for a Stronger Southern Economy Report](#)**
- ✓ **Discuss [policy recommendations](#)**
- ✓ **Answer your [questions](#)**



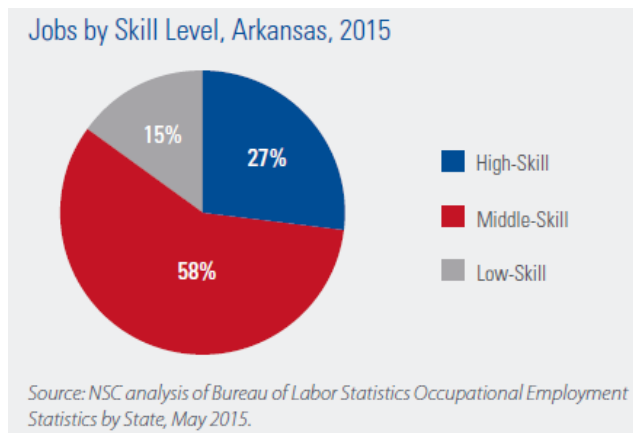
**Most jobs
in the
South are
middle-skill
jobs.**



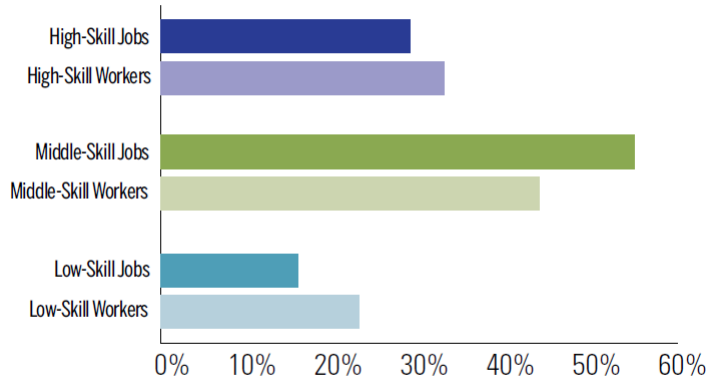
Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics



Most jobs in Arkansas are middle-skill jobs



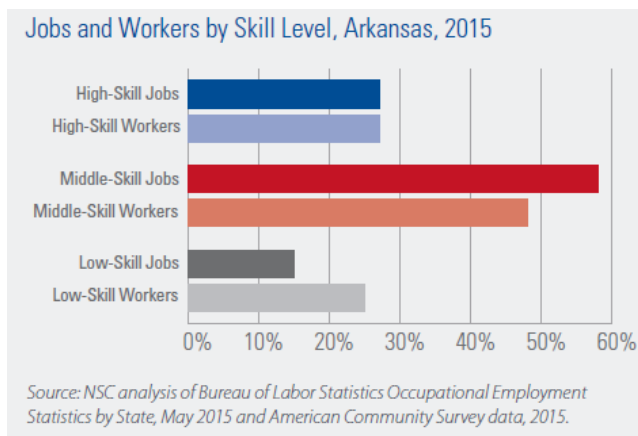
MOST SOUTHERN JOBS ARE MIDDLE-SKILL JOBS, BUT NOT ENOUGH WORKERS ARE TRAINED TO THE MIDDLE-SKILL LEVEL



Source: NSC Analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015 and American Community Survey data, 2015.



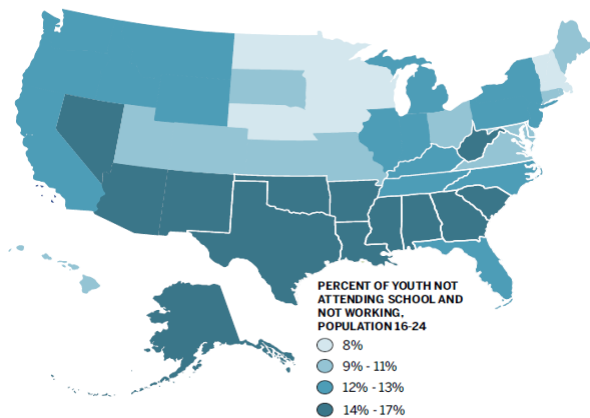
Arkansas must close its middle-skill gap to remain competitive



“If each of the South’s graduating high school students were to stay in the region and train for open jobs that require postsecondary education or training, there would STILL be unfilled positions.”



SOUTHERN STATES LEAD IN THE SHARE OF YOUTH 16 TO 24 YEARS NOT ATTENDING SCHOOL OR WORKING



National KIDS COUNT

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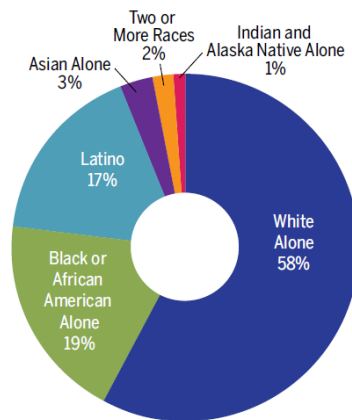
Tackling barriers to work

- ✓ **Poverty**
- ✓ **Lack of access to transportation**
- ✓ **Insufficient child care**
- ✓ **Criminal records**



A skilled and thriving economy must be an *inclusive* economy

MORE THAN 4 IN 10 SOUTHERNERS ARE PEOPLE OF COLOR



Source: U.S. Census Bureau (Population); 2015 ERS County Typology Codes. USDA Economic Research Service using data from Bureau of Economic Analysis and U.S. Census Bureau (Metro/Nonmetro).



The roadmap to southern skill-building

1. Use workforce development strategies, such as **sector partnerships** and **work-based learning** as economic development tools
2. **Invest in communities** to implement high-quality workforce development strategies at the local level
3. Establish **job-driven financial aid** programs available to a wide range of students
4. Form **middle-skill training pathways** and include comprehensive **supportive services**
5. Create **state data systems** that provide accountability



The vehicles for implementing the roadmap

- ✓ Set a **bold goal** for increasing the number of skilled adults
- ✓ Create a cross-agency **“Skills Cabinet”**



1. Use workforce development strategies, such as sector partnerships and work-based learning, as economic development tools capable of meeting industry needs



**Work-based learning state example:
South Carolina**

- ✓ **Apprenticeship Carolina: state apprenticeship intermediary**
- ✓ **Works in tandem with economic development efforts**
- ✓ **In 10 years:**
 - ✓ **Programs increased from 90 to over 900**
 - ✓ **Active apprentices increased from 800 to 15,000**



Sector Partnership state example: Georgia

- ✓ **HDCI Metro Atlanta: sector partnership**
- ✓ **Works in healthcare, IT, transportation and logistics**
- ✓ **Since 2017:**
 - ✓ **Convened over 30 employers, academic institutions, economic developers**
 - ✓ **Healthcare group has employer and partner councils**

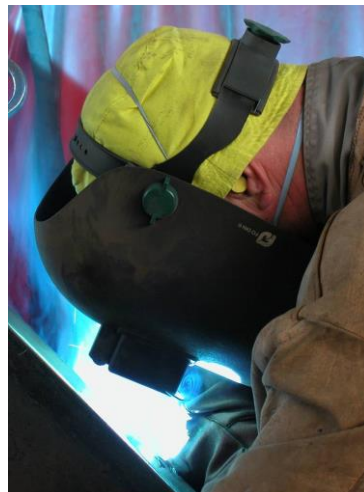

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2. Invest in communities to implement high-quality workforce development strategies at the local level




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Investment state examples: Maryland and Tennessee

- ✓ **Both MD and TN using state funds to build sector partnerships**
- ✓ **Appropriate \$8 million and \$10 million respectively**
- ✓ **MD and TN also provide technical assistance to local areas**



3. Establish job-driven financial aid programs that are available to a wide range of students.



Financial Aid state example: Tennessee Reconnect

- ✓ **Community college effectively free for all Tennesseans regardless of age**
 - ✓ **Last-dollar scholarship**
- ✓ **Born out of Tennessee's postsecondary attainment goal**
- ✓ **Statewide recruitment and enrollment**
- ✓ **Program has already shattered expectations**



Financial Aid state example: Virginia New Economy Workforce Grant

- ✓ **First-come, first serve grant funding for noncredit training that leads to a credential in high-demand field**
- ✓ **Helped increase credential holders from roughly 1500 to 4200**
- ✓ **Awards increased from \$5 million to \$7.5 million**



4. Form middle-skill training pathways and include comprehensive supportive services that enable completion



**Career Pathways state example:
Arkansas Career Pathways**

- ✓ **Prompted by high poverty rates and low attainment**
- ✓ **Provides tuition assistance and wraparound support services for low-income parents**
- ✓ **Funded with Temporary Assistance for Needy Families dollars**
- ✓ **ROI: \$1.79 for every \$1 spent**



5. Create state data systems that provide accountability on how training programs are helping residents with diverse needs get skilled jobs.



**Data systems state example:
Mississippi**

- ✓ **System can conduct skills gap analyses and produce information on college access and completion**
- ✓ **Data has been used to help attract businesses**



Set a **bold goal** for increasing the number of skilled adults



Create a cross-agency “Skills Cabinet”



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Contact Information



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