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Building A New Skilled Talent Decade

Recently I spoke at a forum on my White Paper, “Job Shock: Moving Beyond the COVID-19 Employment Meltdown to a New Skilled Talent Decade,” at the Cliff Dwellers Club in Chicago. My presentation and responses to it can be viewed on YouTube at <https://youtu.be/gnLBrOiMSYA>. In my remarks, I pointed out that history was now repeating itself as workplace technology change is again shifting education and skills requirements.

PAST LABOR HISTORY

During the first decades of the 20th century, a titanic shift in the U.S. economy destabilized society. An industrial revolution triggered by spread of electricity and the growth of factories and offices required workers with at least a basic education in reading and mathematics. Many violently opposed the expansion of public education. Who needs a universal school system? Why educate children, women, and immigrants? You will only cause anarchy by giving them dangerous ideas! Anyway, these people are not trainable. We need them for cheap labor in our factories or on our farms!

As this debate raged across America, more people were persuaded that the expansion of education would benefit society. Starting at the regional and state levels, enlightened community leaders spearheaded the expansion of compulsory tax-supported primary and secondary education. By 1918, all of the then 48 states mandated this standard of public schooling backed by tough truancy laws. The United States was the first nation to attempt to provide a general education to all its citizens. It was a major contributor to the rise of the United States as a world power.

A NEW SKILLED JOB ERA

Another major industrial revolution began in the 1970s as computers and information technology began to be adopted in workplaces. By the beginning of the 21st century, personal computers, smartphones and the internet were everywhere. Automaton has eliminated many low-skill jobs and increased the demand for workers with higher math and reading skills and specialized career training. The seminal 1983 report, “A Nation at Risk,” raised the first red flag that the U.S. education-to-employment system had become obsolete and warned that America needed to provide more students and workers with enhanced education and training for higher-skilled/higher-wage jobs.

However, continuing national testing by the U.S. Department of Education commonly known as the Nation’s Report Card reports low levels of proficiency in math and reading particularly at the 12th-grade-level. Moreover, the COVID-19 pandemic has caused learning losses of up to a year particularly among lower-income students.

These deficiencies in our education-to employment system plus the 130 million American adults who the Barbara Bush foundation reported read at the 8th-grade-level or less is building into a severe shortage of skilled labor. Surveys of employers are consistently reporting difficulties in finding qualified people to fill open positions. A September National Federation of Independent

Business survey found that 51 percent of owners had job openings they could not fill. the third consecutive month in which record highs for unfilled jobs had been reached. Moreover, 62 percent of small employers seeking to hire had few or no qualified applicants. In July and August, the U.S. Bureau of Labor Statistics reported over 10 million job openings. The Federal Reserve Bank of Atlanta projected that the high number of unfilled jobs is costing U.S. businesses to lose \$738 billion in revenue annually.

Commenting on this analysis in the Job Shock White Paper, Kevin Hollenbeck, the former Chief Economist at the W.E. Upjohn Institute on Labor Research agrees that the shortage of skilled labor “is a structural not a cyclical issue. It will not go away unless there is a change in the status quo.”

CAN WE DO IT AGAIN?

As the COVID-19 epidemic has severely disrupted schooling at all levels and caused labor market turmoil, there is the potential for forming broad coalitions to reform our nation’s education-to-employment pipeline. Parents and students are more aware of the importance of good educational preparation for the future, and many businesses are fighting for their very survival.

At present although the number of vacant jobs is high, there are millions of Americans who are unemployed or underemployed who do not precisely match the skills or experience companies are seeking for their open jobs and who therefore are excluded for consideration for them. A September Harvard/Accenture report estimates that there are over 27 million Americans whom they term “hidden workers.”

Our “Job Shock” research clearly shows that Regional Talent Innovation Networks (RETAINs) as public-private partnership hubs can effectively prepare more people for the higher-skilled/higher-wage jobs that are vacant across the United States. Their success hinges upon mobilizing a diversity of partners to engage in meaningful collaboration to close skills-jobs gaps. Cross sector coordination is key. The current barriers between businesses and educational institutions need to be broken down to allow the development of up-to-date career preparation options.

America has a long history of community civic engagement. Enlightened local leaders have periodically stepped forward to bolster our republic during times of crisis. Community engagement is again essential to move the United States forward into a new skilled talent decade.

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