

**REINVENTING THE WORKFORCE: A NEW IMPERATIVE
FOR HIGHER EDUCATION**

by

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Unemployment in the United States continues to be a serious problem, even though some indicators are beginning to suggest an end to the Great Recession of the 21st Century. Among the ranks of the chronically unemployed, those who have been out of work for more than 6 months, the majority (51%) lack one advantage that will ensure their long-term employment: a college degree. The purpose of this study is to examine the role of higher education in employment, the radical changes that are projected for the American workforce, and, by extension, for the mission of institutions of higher education in America. Researchers will shift between national and Texas data to illustrate the aforementioned conditions and to propose steps that institutions of higher education can take to respond to the new imperative.

The connection between higher education and the nation's economic well-being has become an issue of national concern. Anthony Carnevale and Stephen Rose (2011) contended that "The United States has been underproducing college-going workers since 1980. Supply has failed to keep pace with growing demand, and as a result, income inequality has grown precipitously" (p. 1). Unemployment increasingly falls on the less educated: among those unemployed 16 weeks or more between 2008 and 2010, 58% had a high school degree or less and 16% had a bachelor's degree or more. In September 2011, 14% of those with less than a high school diploma were unemployed, whereas only 4.2 % of those with a bachelor's degree were. Further, the differential in unemployment between these two groups has widened steadily, from a gap of only 3.3% in 1970 to a gap of 9.8% in 2011 (U. S. Department of Labor, 2011).

Income inequality is borne out by the 2010 census data. Average family income by the householder's level of educational attainment varies widely. For those with a 9th-12th grade education, annual average income was \$40,499, and \$58,809 for those with a high school

diploma, more than \$108,000 for the bachelor's degree holder, and more than \$157,000 for the professional degree holder (U.S. Census Bureau, 2010).

The Bureau of Labor Statistics (BLS) projects a slowed population growth in the United States over the next several decades, from about 1% per year today to .3% by 2030 (Toossi, 2006). As a result, growth in the labor force will likewise decline to about .6% per year. The workforce will also show an increase in the percentage of Americans over 65 and a decrease in the number of younger Americans, ages 20-64. Further, the workforce will be much more diverse and composed increasingly of less educated minorities and immigrants. In Texas, however, the proportion of young workers is increasing due to the growth of the Hispanic population, and similar dynamics may affect other states.

Along with the changes in the labor force, many jobs will be eliminated or redefined. The redefinition will bring a shift from low-skilled jobs to knowledge-based jobs requiring sophisticated cognitive and problem-solving skills. Work will also change in its very nature, requiring multitasking and adaptability. Indeed, job security will depend increasingly upon an employee's adaptive academic skills. Knowledge jobs will grow faster than the projected growth of the labor force, by more than double. By 2018, 63% of jobs will require some postsecondary education, many of which formerly required no postsecondary education at all (U.S. Department of Labor, 2011). The proportion of jobs for unskilled workers will decrease from 12% of the labor force today to only 2%. Table 1 shows the educational status of the 2011 workforce both nationally and in Texas.

Table 1

Educational Preparation of 2011 Workforce

	National	Texas
No high school or GED	15.5%	19.4%
High school diploma or GED	30.1%	26.3%
Some college, no degree	19.5%	21.0%
AA degree or higher	34.8%	32.7%

Note: From *Community Colleges: New Expectations, Changing Outcomes*, by Roberts Jones. Presentation at Texas A&M University-Commerce on October 14, 2011. Reproduced with permission of the author.

In Texas, job growth will follow the national trends. Jobs for high school dropouts will increase from 1.9 million in 2008 to 2.3 million in 2018, whereas jobs for high school graduates will grow from 3.1 to 3.6 million in the same period (Jones, 2011). Jobs requiring a postsecondary education will grow at a faster pace, from 6.4 million to 7.7 million, in the same decade. By 2025, the projection for Texas is a deficit of 1.2 million additional bachelor's graduates above normal production.

In addition to the workforce education gap, several recent reports and studies have emphasized employers' dissatisfaction with college graduates' skills. Former Assistant Secretary of Labor Roberts Jones analyzed business expectations (2005) and highlighted graduates' deficiencies. He argued that business leaders seek employees competent in "basic academics (writing, math, science, technology, and global integration); application skills

(integrated and applied learning, critical thinking); and soft skills (teamwork, ethics, diversity, and lifelong learning preparation)” (p. 35). In a recent study by the Accrediting Council for Independent Colleges and Schools (2011), hiring decision-makers cited several gaps in the skills and knowledge of prospective employees.

Research conducted by Peter D. Hart Research Associates (2006) for the Association of American Colleges and Universities (AACU) revealed that business executives find graduates deficient in job readiness, specifically lacking in work ethic, commitment to the job, communication skills, and ability to work with others (p. 1). More recently, the Hart group (2008) interviewed a sample of 301 employers and reported results in the study, *How Should Colleges Assess and Improve Student Learning? Employers' Views of the Accountability Challenge*. Employers preferred real-world assessments, which showed application of learning, and considered multiple-choice assessments and college transcripts unhelpful. Employers favored faculty evaluations of internships and community-based work, followed by essays and portfolios, to help them evaluate graduates' readiness for the workplace.

Considering that over half of the long-term unemployed and more than 65% of the employed have not completed college, and employers require a workforce with college degrees, higher education in America is being called upon to facilitate a revolution in America's workforce. With such a significant portion of the adult workforce lacking baccalaureate degrees, the challenges for colleges and universities to meet this goal will be significant. Further, this large cohort of adult students will need a different set of skills. This study will emphasize the workforce needs and recommend the adjustments to programs that are needed to fulfill these needs.

To determine the most desirable baccalaureate programs for workforce preparation, the researchers plan to form a Delphi panel of published authorities on the American workforce and distinguished higher education leaders. Using information from the Hart Group research as well as Jones' findings, the researchers will develop a list of competencies that employers expect from college graduates. This list will be sent to the Delphi panel for ranking through a series of two to three rounds. The goal of the Delphi process is to achieve a consensus opinion by the completion of a third round of surveys. Consensus is determined by a narrow interquartile range and no significant differences between the ratings in the final two rounds. The resulting list of competencies should provide a national model of workforce skills needed by employers. Higher education institutions then should customize this model, based on local and regional needs, to obtain a framework for reconfiguring their baccalaureate programs. As a result, higher education will, appropriately, take the lead in reinventing the workforce.

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