American Workforce Policy Advisory Board Meeting Minutes

June 26, 2020

The American Workforce Policy Advisory Board ("the Board") convened its sixth meeting at 1:00 p.m. (EDT) on June 26, 2020 at the White House in Washington, D.C. In accordance with the provisions of Public Law 92–463, the meeting was open to the public from 1:00 p.m. to 2:27 p.m. (EDT) via video livestream on YouTube. Selected slides from the <u>Discussion Slides</u> displayed at the meeting have been incorporated into the minutes.

Board members present:

- 1. Ivanka Trump, Advisor to the President, White House (Co-chair)
- 2. Wilbur Ross, Secretary, U.S. Department of Commerce (Co-chair)
- 3. Jay Box, President, Kentucky Community and Technical College System
- 4. Marillyn Hewson, Executive Chairman, Lockheed Martin
- 5. Eric Holcomb, Governor, Indiana
- 6. Michael Piwowar, Executive Director, Milken Institute
- 7. Scott Pulsipher, President, Western Governors University
- 8. Kim Reynolds, Governor, Iowa
- 9. Ginni Rometty, Executive Chairman, IBM
- 10. Scott Sanders, Executive Director, National Association of State Workforce Agencies
- 11. Sebastian Thrun, Founder, President, and Executive Chairman, Udacity
- 12. Marianne Wanamaker, Professor, University of Tennessee

Members not in attendance:

- 1. Walter Bumphus, President and CEO, American Association of Community Colleges
- 2. Jim Clark, CEO, Boys & Girls Clubs of America
- 3. Tim Cook, CEO, Apple
- 4. Tom Donohue, CEO, U.S. Chamber of Commerce
- 5. Barbara Humpton, CEO, Siemens USA
- 6. Al Kelly, Chairman and CEO, Visa
- 7. Vi Lyles, Mayor, Charlotte, North Carolina
- 8. Sean McGarvey, President, North America's Building and Trades Unions
- 9. Doug McMillon, President and CEO, Walmart

- 10. Craig Menear, Chairman and CEO, Home Depot
- 11. Julie Sweet, CEO, Accenture
- 12. Johnny C. Taylor, Jr., President and CEO, Society for Human Resource Management (SHRM)
- 13. Jay Timmons, CEO, National Association of Manufacturers
- 14. Sheree Utash, President, WSU Tech

National Council for the American Worker Guests

Eugene Scalia, Secretary of Labor (National Council co-chair)

Brooke Rollins, Assistant to the President and Acting Director of the Domestic Policy Council (National Council co-chair)

Russell Vought, Acting Director, Office of Management and Budget

Chris Liddell, Assistant to the President and Deputy Chief of Staff for Policy Coordination

Betsy DeVos, Secretary, U.S. Department of Education

Jovita Carranza, Administrator, U.S. Small Business Administration

William Beach, Commissioner, U.S. Bureau of Labor Statistics

I. WELCOME

Remarks by Ms. Trump

Ms. Trump welcomed the board members and guests to the White House for the sixth meeting of the American Workforce Policy Advisory Board. She noted that over the past year, the Board has met across the country and brought forth a series of recommendations to ensure all Americans are prepared for the jobs of today and tomorrow. She highlighted the presence of guests at the board meeting, leaders from the federal government who sit on the National Council for the American Worker ("the Council"), which is responsible for implementing the Board's recommendations.

Ms. Trump, who is also co-chair of the Council, noted that the Council is excited to report on its progress. She described the Council's efforts to expand apprenticeships in new and emerging fields and expand data collection to fill a major gap in information about metropolitan area labor demand.

Ms. Trump commented that the Council heard how board member companies across the country are adopting a modernized recruitment and hiring process. She announced that the federal government is taking steps to lead by example. She announced that following the meeting, the President would be signing an executive order (Executive Order 13932) directing federal agencies to begin hiring based on skills and competencies, rather than outdated degree requirements.

Ms. Trump recognized the rapid economic and social changes brought about by the COVID-19 pandemic but highlighted that the Board's focus on preparing American workers for the changing nature of work and the future of automation has remained constant. She noted the Board's May 2020 <u>Call to Action</u> in response to the changes brought about by the COVID-19 pandemic.

Ms. Trump articulated the beliefs underpinning the work of the Board and the Council, which included:

- Providing Americans with multiple pathways to education and career success, such as short-term credentials, associates degrees, on-the-job training, bachelors and masters programs, and apprenticeships;
- Increasing the availability of high-quality and transparent data to show the private sector return on investment to training, workforce development, and the ability of individuals to make informed choices about their educations and their careers;
- Modernizing the way employers recruit, hire, and train their employees so they can attract and
 retain workers with the skills needed to fill specific jobs and ensure that Americans with those skills
 are no longer overlooked; and
- Employers investing in their workers' education and training is not just the right thing to do, but is also good, smart business.

Ms. Trump announced that the President would be signing an executive order continuing the National Council for the American Worker and the American Workforce Policy Advisory Board.

Ms. Trump then thanked the board members and the council guests for their service and their commitment.

Remarks by Secretary Ross

Secretary Ross commended the Board for calling a meeting in mid-May to address the abrupt changes and challenges facing American workers due to the pandemic.

Secretary Ross noted the economy's emergence from the greatest public health crisis in a century. He described his travels visiting companies and talking to executives, workers, trade groups, and community leaders over the past month. He noted the optimism he saw about the U.S. economy's near-and longer-term prospects. He also highlighted the improvements in recent economic indicators.

Secretary Ross remarked that since producing its Call to Action in investing in America's workers to expedite the economic recovery, the Board's four working groups have come together multiple times. He stated that at today's meeting, the working group co-chairs would share how they have expanded on that Call to Action.

The Board, he said, would discuss recommendations to expand access to broadband and encourage more employer training investments, and how the Board's recommendations are spurring action in the federal government and the private sector. He explained that Secretary Scalia, Office of Management and Budget acting Director Vought, and Bureau of Labor Statistics Commissioner Beach would share information about their work on implementing the Board's recommendations, along with requirements in the President's original executive order establishing the Council. The Board would, he said, also receive updates on the private sector-led workforce readiness campaign and on interoperable learning record pilot programs.

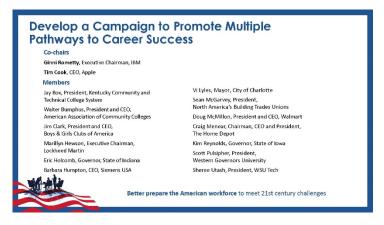
Secretary Ross thanked the Board for their abiding support for American workers.

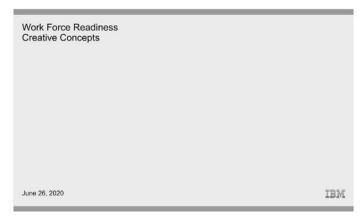
II. WORKING GROUP-LED DISCUSSIONS

Multiple Pathways to Career Success

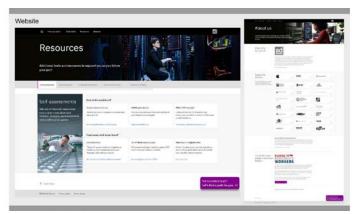
Ms. Trump asked Ms. Rometty to provide an update on the multiple pathways campaign.

(The following slides from the <u>Discussion slides</u> were displayed during this segment of the meeting.)

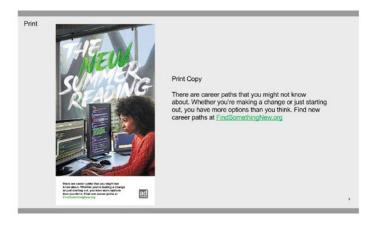














Remarks by Ms. Rometty

Ms. Rometty explained that the focus of the campaign remained on career pathways and the idea of hiring for skills first. Other elements of the campaign, she said, were being updated.

She reminded the Board that the campaign was first called "New Rules" and that it was for a different point in time. She said the new theme was "Find Something New." She said it was targeted at those who are out of work, those who must reskill, and those who are just looking for a new pathway. The latter, she noted, was the original starting point of the campaign. She described the campaign as more relevant than ever and as positive, inspiring, and hopeful, yet realistic. The campaign, she said, featured real people with real stories, who have moved to very different jobs.

She highlighted the importance of raising awareness of the pathways that are out there. She observed the campaign focused on jobs where there are job openings, noting examples from the campaign:

- A retail person who is now working in technology
- A person who joined the army at 17 and is now working in technology.
- A fitness instructor who is now doing welding.

Ms. Rometty described the partnership with the Ad Council and the contributions from IBM, Apple, and other board members. She stated that the campaign would be ready to launch in the middle of July with print, television, digital, and social media.

She noted that IBM has continued to develop the <u>website</u> accompanying the campaign. She stated that the website links to a large and growing number of resources. The website, she said, has been tested and the ratings have been positive.

Ms. Rometty commended Ms. Trump's leadership in the Administration's efforts on the campaign.

Ms. Rometty also commented about progress on two policy items. The first, she said, is the skills-first executive order that Ms. Trump previously mentioned. She noted that IBM supports it. She said it is a critical step in expanding opportunity for many Americans. The second was the <u>workforce preparation</u> grant program passed as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Ms. Rometty then commended the Department of Education for this program.

Ms. Rometty reflected that she has long talked about the idea of "new collar" jobs, not blue, not white, giving opportunity to people without 4-year degrees. She then commented on IBM's skills-first initiatives and highlighted the successes seen by IBM in this approach.

Ms. Rometty introduced Ms. Hewson to discuss some elements of Lockheed Martin's experiences.

Remarks by Ms. Hewson

Ms. Hewson said that she would talk about a few things Lockheed Martin has done in the last few months in three areas:

- 1. Hiring and recruiting
- 2. Building the STEM pipeline and
- 3. Growing skills and technical skills

With respect to recruiting and hiring, she said that Lockheed Martin had kicked off some new approaches for veterans and military spouses. In April, they launched a hiring pathway for veterans. She described this as an accelerated pathway for veterans, particularly those most impacted by the high unemployment associated with the pandemic. She noted that Lockheed Martin is an essential business that has worked throughout the pandemic and the company continues to need additional workers.

She stated that Lockheed Martin is continuing programs and initiatives to build the STEM pipeline. She said they are focusing on students who may not have considered a STEM career or STEM opportunity. These programs and initiatives are to inspire people to consider STEM careers. She noted that many of these individuals are underrepresented and these programs and initiatives give them new opportunities.

With respect to Lockheed Martin's technical skills and skills building, she said Lockheed Martin launched a vocational scholarship program in January. She noted this initiative is part of a Pledge to the American Worker commitment. She said this was a first-of-its-kind program in the aerospace and defense industry. The program awards individual scholarships to help cover vocational training costs for individuals so that they can continue their opportunities in critical areas. The awardees do not need a 4-year degree. This, she said, is an opportunity for them to have a scholarship to cover training costs.

Data Transparency to Better Match American Workers with American Jobs

Ms. Trump introduced Mr. Pulsipher to provide an update on the Data Transparency working group. (The following slides from the <u>Discussion slides</u> were displayed during this segment of the meeting.)



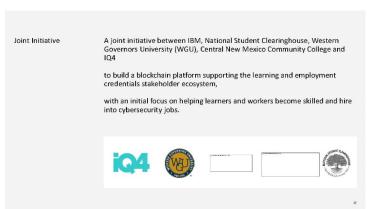


June 2020

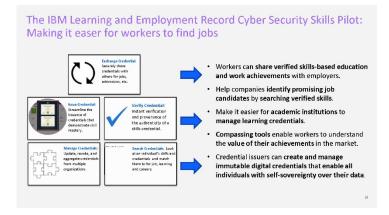
IBM CYBERSECURITY Career Journey

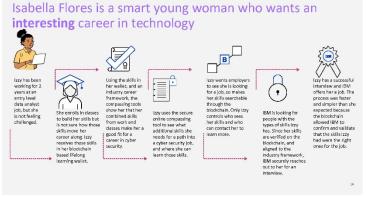
Helping Americans Get Jobs in Cybersecurity

A joint initiative between IBM, National Student Clearinghouse, Westerr Governors University (WGU), Central New Mexico Community College and IQ4



Alex Kaplan Global Leader, Blockchain for Industry Credentials Alex Kaplan@us.ibm.com





Remarks by Mr. Pulsipher

Mr. Pulsipher opened his remarks by emphasizing the value of digital connectivity and its importance as a prerequisite to accessing higher education and many job opportunities. He noted that the digital divide is highlighted in the Call to Action because it limits the development of the workforce and it amplifies inequality.

Mr. Pulsipher then turned his remarks to the "learning and employment record." He commented that this work is focused on a policy agenda designed to give every person in this country a pathway to opportunity and has been visionary in its embrace of the underlying technology needed to enable that future.

Mr. Pulsipher stated that the working group was changing the name from "interoperable learning record" (ILR) to "learning and employment record" (LER). He explained that the name was being changed to make the nomenclature more accessible and because a learning and employment record, or LER, is intuitive, pronounceable, digestible, and understandable. He suggested it could become part of the American lexicon of education, job searching, and hiring.

Mr. Pulsipher then described the LER and its potential to change the future of learning and work.

The purpose of the LER, he said, is to create transparency for every individual, so they can articulate their skills to both current and future employers regardless of whether they learned those skills on the job or at an institution of higher education, in the military, or in an apprenticeship. The record is owned by the individual and it follows them through their educational experiences, their employment, and their entrepreneurial journey. It is a lifelong record.

He provided an example of how the LER gives those individuals added resilience in times of turmoil, disruption, and changing circumstance. He said in normal times, 43 percent of college students transfer during their college careers. And those students will lose on average 40 percent of their credits. As we transition to LERs, nothing will be lost. And individual's skills and competencies belong to them and are universally and transparently recognizable by any institution or employer. He said that if skills are the currency of the future, the LER is the wallet.

Mr. Pulsipher noted that innovators have been working on developing and implementing technology for a skills-denominated future since the 1970s. He said the strides that have been taken over the past year by the Board have been unprecedented.

Mr. Pulsipher then outlined the LER pilot programs that Western Governors University (WGU) is contributing to:

- IBM-led pilot. This pilot matches learners with careers in cyber security. Ms. Rometty added that this
 pilot proves the portability of the LER between the employer, the individual, and multiple academic
 sites.
- Salesforce-led pilot. In this pilot, Salesforce is opening a skills library to allow Dignity Health to view validated achievements and credentials for their nursing candidates.
- Walmart-led pilot. This pilot is to prove the interoperability of the LER through Workday Inc. The
 pilot first pushes verified credential data to Walmart. Walmart is able, for the first time, to have
 transparency into the skills of its massive workforce. The WGU reverses the process by pushing
 badges that represent the skills data verified by Walmart over to the WGU system, thus,
 demonstrating the potential connectivity between academic institutions and employers.

Mr. Pulsipher also noted that these pilots rely on block-chain technology.

Remarks by Governor Holcomb

Governor Holcomb, who co-chairs the working group with Mr. Pulsipher, then provided an update on the overall working group activities

Governor Holcomb outlined the Digital Infrastructure Principles that the working group has focused on developing:

- 1. Increasing access to educational and employment opportunities for Americans in both rural and urban areas
- 2. Increasing coordination and cooperation across government sectors (local, state, federal, and tribal); that is, creating cooperation that is in place and working so that we are not waiting on

- one another, but working together, like an orchestra. This effort, he noted, includes the regulatory environment.
- 3. Seeking partnerships; that is, cultivating opportunities with the various levels and branches of government and with the private sector
- 4. Developing and disseminating accurate data
- 5. Expanding the technological infrastructure

As an example, Governor Holcomb described the Indiana Next Level Connections program.

VOTE

In the absence of objections, the Board approved the Data Transparency Working Group's statement of principles.

(See "Digital Infrastructure Principles" for the text of the principles.)

Ms. Trump then introduced U.S. Secretary of Labor, Eugene Scalia, to speak about the Administration's apprenticeship initiatives.

Remarks by Secretary Scalia

Secretary Scalia outlined recent employment statistics and noted recent progress in adding jobs. He noted that they are mindful that there are going to be more workers who need to be retrained, to develop new skills, and to go into new jobs as the U.S. economy continues to come out of this challenge.

He remarked that from the early days of this administration, there has been great focus on workforce development and training. He noted that early on there was a taskforce on apprenticeship expansion that recommended a streamlined, industry-led, and employer-driven apprenticeship program that develops and recognizes high-quality, competency-based apprenticeships.

He stated that the Department of Labor acted on that recommendation through a <u>rule</u> adopted in early March concerning <u>Industry Recognized Apprenticeship Programs</u> (IRAP).

He described the concept as three-pronged:

- Businesses are effective in helping with training because they understand where the needs are and where they will be.
- Apprenticeships are especially valuable because in an apprenticeship there is a job and there is an
 expectation of a future job.
- Apprenticeship programs are less established in industries where there is job growth, like health care, cybersecurity, and advanced manufacturing.

He said the concept of the IRAP rule is to increase the availability of high-quality apprenticeship programs in sectors where apprenticeship opportunities are not widespread. Accrediting bodies—Standards Recognition Entities (SREs)—are at the center of the program. The Department of Labor he said, recognizes the SRE. The SRE, in turn, can recognize specific companies' apprenticeship programs. That is, it indicates that a program is a good, respected, recognized apprenticeship program that is training workers for that company and for other companies as well.

He noted SREs can be community colleges, trade associations, or leading businesses. Secretary Scalia said they welcome the Advisory Board, companies, trade associations, labor unions, and community colleges in promoting this alternative apprenticeship model that will recognize programs that already exist and encourage more.

Secretary Scalia closed by thanking the Board for the work they have done and welcomed the Board's support and collaboration going forward.

Ms. Trump noted the program builds upon the feedback she has heard from people about wanting portable, stackable credential programs that match the in-demand jobs. Hopefully, she said, we can start to build these systems of apprenticeships in industries where they did not exist before. She thanked Secretary Scalia for his passion and leadership on this issue.

Modernize Candidate Recruitment and Training Practices

Ms. Trump introduced Mr. Sanders to provide and update on the Modernizing Candidate Recruitment Working Group.

(The following slides from the <u>Discussion slides</u> were displayed during this segment of the meeting.)





Remarks by Mr. Sanders

Mr. Sanders noted that he was providing the update on behalf of the Working Group's co-chairs, Johnny Taylor of SHRM and Al Kelly of Visa.

He noted that prior to the pandemic, this working group prepared a report that would help employers tackle the skills gap by modernizing how they recruit, select, and train talent to fill critical skills gaps in their own workforces. He stated that he would provide an update on that report ("Leading Practices: Modernizing Candidate Recruitment Hiring and Training,"), but noted that it is an evolving document that will be refined to be as effective as possible at proactively addressing the short- and long-term needs of businesses during the post-pandemic recovery.

The current version, he said, includes a collection of best practices featuring a series of illustrated cases from industry-leaders and human resources experts who use modern practices to recruit, hire, and train their workforces. Some practices being adopted are:

- Developing and providing customized training opportunities for employees so they can maximize the time and effort spent learning and training to gain skills that are most applicable to them;
- Developing personalized training formats, such as in-house training, credentialing, degree programs, and job rotations that offer employees the flexibility to learn when and how it is most suitable for them;
- Using metrics in order to evaluate the effectiveness of any organizational intervention for recruitment, hiring, and training; by leveraging data and analytics, companies can produce concrete evidence on return on investment, as well as identifying areas for improvement.;
- Communicating information on the desired competencies and qualifications needed for students, candidates, and employees to stay current and inform people of relevant and applied methods that best prepare Americans for future job opportunities.

Mr. Sanders explained that the goals of this report are to identify and promote the best practices for expanding employment opportunities and making them more equitable through the recruitment and hiring process. In addition, he said, they view this report as a resource to help expedite America's economic recovery, post-pandemic, by urging innovative practices in the recruitment, selection and training of talent.

Mr. Sanders noted that in response to the Board's Call to Action, the report was updated to better contextualize the information in light of the pandemic and to put in new case studies that reflect the new realities of operating in a COVID-19 economy.

Mr. Sanders then turned to the Working Group's prior recommendations focused on identifying people who are out of the workforce and linking them with opportunities in their region of the country. He recalled that in September the Working Group invited the Bureau of Labor Statistics (BLS) staff to discuss the current capabilities and the data available through the Job Openings and Labor Turnover Survey (JOLTS). After hearing the presentation, the Working Group recommended the production of more granular JOLTS data. Mr. Sanders noted that BLS has delivered on that recommendation.

Mr. Sanders thanked BLS for their efforts regarding data and urged the Board to continue its advocacy to make these new data available on a regular and ongoing basis. Mr. Sanders then introduced BLS Commissioner Beach.

Remarks by Commissioner Beach

(The following slides from the <u>Discussion slides</u> were displayed during this segment of the meeting.)

New JOLTS Product Labor Dynamics Estimates at the MSA Level

- AWPAB asked BLS to produce MSA JOLTS estimates in Fall of 2019.
- JOLTS estimates for the 18 largest MSAs were published on June 16, 2020, three months ahead of schedule.
- These 18 MSAs contain 38 percent of the US labor force, and each MSA contains at least 1.5 million workers.
- This is a demonstration, proof of concept project. These data run from February 2001 through December 2019.

JOLTS MSA Research Estimates -Rates

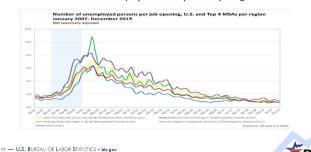
MSA by Census Regions

RESION	MSA	JOB OPEN IN SS RATES			HIRE'S RATES			TOTAL SEPARATIONS RATES			
REGION	MSA	Dec. 2018	Dec. 2019	OTYC	Det. 2018	Dec. 2019	OTYC	Dec. 2018	Det. 2019	OTYC	
National-NSA		4.3	3.8	-0.5	2.8	2.9	0.1	3.5	3.6		
South	Atlanta-Sandy Springs-Roswell, GA	4.6	4.4	-0.2	3.5	4.0	0.5	3.3	3.8	- (
	Dalls s-Fort Worth-Arlington, TX	4.5	3.8	-0.7	3.6	3.3	-0.3	3.8	3.5	- 4	
	Houston-The Woodlands-Sugar Land, TX	5.2	3.9	-13	3.7	3.4	0.3	3.4	3.1	- (
	Miami-Fort Lauderdale-West Palm Beach, R.	3.1	3.4	-0.4	3.4	3.5	0.1	2.8	3.0	- (
	Washington-Arlington-Akxandria, DC-VA-MD-WV	4.6	4.7	0.3	3.0	3.5	0.5	2.6	2.9		
Northeast	A mer York-A merank-Jersoy City, NY-NJ-PA	3.7	3.9	0.2	2.5	2.7	5.0	2.5	2.7	- 1	
	Phila delphia-Camden-Wilmington, PA-NI-DE-MD	3.7	3.4	-0.3			-0.1	2.4	2.5		
	Bastan-Cambridge-Nashua, MA-NH NECTA	4,6	3.7	-0.7	2.7	2.7	0.0		2.5	- (
Midwest	Chicago-Naperville-Eigh, IL-IN-WI	4.5	4.2	-0.3	3.8	3.5	-0.3	4.0	2.5	- 9	
	Detrait-Warren-Dearborn, MI	4.6	4.4	-8.2	3.5	3.1	-0.4	3.3	3.2	- 4	
	Minneapalis-St. Paul-Bioomington, MN-WI	4.9	3.8	-11	3.1	3.0	-0.1	3.8	3.0	- 4	
	Denver-Aurora-Lakewood, CO	4.0	3.8	-B.2	2.9	3.0	0.1	3.0	3.4		
	Los Angeles-Lang Beach-Anaheim, CA	3.3	4.0	0.7	3.1	3.3	0.7	2.7	3.0		
	Phoenis-Mess-Scottsdale, AZ	4.3	4.0	9.7	4.2	3.5	-0.7	3.3	3.0	- 0	
West	Riverside-San Bernarding-Ontario, CA	3.9	3.9	0.0	3.5	3.5	0.0	3.0	3.2		
	San Diago-Carbbad, CA	3.9	3.7	-0.2	3.2	3.7	0.0	3.0	3.5	- (
	San Francisco-Oakland-Hayward, CA	3.8	3.9	0.1	2.9	3.0	0.1	2.8	3.0		
	Seattle-Tacoma-Bellevue, WA	3.6	3.3	-0.3	2.7	2.6	-0.1	2.6	2.8	- (
MAX		5.2	4.7	0.7	4.2	4.0	0.5	4.0	3.8		
MIN		3.3	3.3	-13	2.5	2.8	-0.7	2.4	2.5	1	



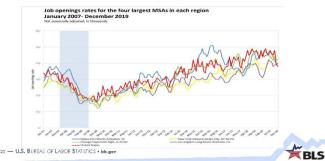
JOLTS MSA Research Estimates

MSAs Unemployed Persons per Job Openings



JOLTS MSA Research Estimates





Commissioner Beach thanked the Board for asking BLS to do this project.

Looking at the metropolitan area, he said, makes perfectly good sense. If you are trying to put people into jobs you are going to have to have labor demand. JOLTS is the only data product that captures labor demand and until now it has only been produced at the national level.

Commissioner Beach stated that on June 16, 2020, BLS announced new JOLTS data—estimates of job openings, hiring, and separations for the largest 18 metropolitan statistical areas (MSAs) in the United States. These 18 MSAs, he said, contain 38 percent of all workers in the labor force.

He noted that these are official data, but they are demonstration data. They are experimental until BLS gets a regular process put in place, which requires a little bit of additional funding.

Commissioner Beach highlighted that the new data showed amazing variation among the biggest MSAs, which suggests questions to him as a data user, such as:

- Why is there variation?
- Which part of the economy is recovering fastest?
- Which part of the economy is growing?
- Why is it growing?
- Are we making the investments correctly?
- Are we doing the right things on foreign trade?

He recalled a recent discussion about these data at HUD that led to questions about zoning and land use regulations. He noted that for a regulation, such as occupational licensing, certain areas do more than others. Could that be the reason that there are these variations? Is it an income distributional thing? Is it transportation infrastructure? Now for the first time ever, he said, you will be able to connect those kinds of data, such as occupational data, zoning data, and health data to labor demand data.

Commissioner Beach closed by thanking the President for recommending funding for this project in the FY2021 budget, noting that with that funding, BLS would be able to expand staffing and expand the number of MSAs in the dataset.

Ms. Trump thanked Commissioner Beach and then introduced Office of Management and Budget Acting Director Russell Vought to discuss the Executive Order the President would sign following the meeting.

Remarks by Mr. Vought

Acting Director Vought remarked that the President is going to take a major step forward at the end of this meeting in ending the bias against skills-based hiring in the federal government. The Executive Order (Executive Order 13932), he said, will primarily do three things.

- It will end the mandatory education requirement for hiring unless, as the statute requires, that degree is necessary to perform that position's duty.
- It will also no longer require 2- or 4-year degrees to be a qualifying certification to do a job.
- It will end the ability for candidates to self-certify as they go through the process.

He commented that this will benefit future employees and federal agencies.

Multiple Pathways to Career Success (continued)

Ms. Trump then returned to Ms. Rometty to share some of the additional work items from the Multiple Pathways Working Group.

Remarks by Ms. Rometty

Ms. Rometty noted the working group wanted to highlight an important component of the supply chain of creating skills: educational institutions. Ms. Rometty introduced Mr. Box and Mr. Thrun to discuss the workstream related to the education system.

Remarks by Mr. Box

Mr. Box opened by noting the importance of public-private partnerships and that it is critical for educators to reach out to business and industry.

Mr. Box remarked that four years ago, the Kentucky Community and Technical College system partnered with the Kentucky Chamber to bring together the Kentucky Chamber Business-Education Roundtable to identify the skill sets that are necessary for future workers. Then the Kentucky Community and Technical College revised academic plans to meet those skill sets. This, he said, has morphed during this pandemic into "Restart Kentucky." The Chamber identifies job openings from companies and the college matches them with the skills that are necessary to fill those jobs and has a link for individuals to come to the college to get those skill sets.

Remarks by Mr. Thrun

Mr. Thrun remarked that the pandemic crisis has accelerated an already existing trend towards digitalization and described how his company has addressed this through non-traditional training opportunities where they team with companies like Uber, Facebook, IBM, Microsoft, and many others to provide technical training to individuals who would like to move their careers forward.

Ms. Trump commented that the Board had heard from students firsthand during a Zoom call prior to the May meeting. She then introduced Mr. Piwowar to provide an update from the working group on Measuring and Encouraging Employer-led Training Investments.

Measure and Encourage Employer-led Training Investments

(The following slides from the Discussion slides were displayed during this segment of the meeting.)



Essential Data to Measure Employer-Provided Training*

- 1. Incidence of employer-provided training
 - a. Share of workers receiving training
 - b. Share of employers providing training
 - c. By industry and employer size
- 2. Intensity of employer training
 - a. \$ spent per worker annually
 - b. Employee hours dedicated
 - c. Employer assessments of training impact
- 3. Financial metrics of firms, and their relationship with employer-provided training investments
- 4. Demographics of workers trained (worker type, occupation, geography, salary, educational attainment, age, gender, tenure, etc.)

Key Principles for Data Collection

- Essential data elements should be collected in conjunction with measures of firm technology investments, including investments in robotics and artificial intelligence.
- Skill-based training investment data should be collected at least every other year from a nationally representative sample.
- Survey results, tabulated by industry, worker education level, size of firm, etc., should be disseminated for ready access.

Employer-Provided Training Data Collection Recommendations

Short-Run Strategy

- Expand the Census Bureau's Annual Business Survey or Capital Expenditures Survey to capture prevalence of and expenditures on employer-provided training among firms.
- 2. Expand the Bureau of Labor Statistics's National Compensation Survey to capture incidence of employer-provided training among workers.

Long Rur

- 1. Introduce a new employer-provided training survey to capture key data elements.
- Optimize new survey sampling to maximize complementarities with U.S. Census Bureau products and ensure long-run view of training investments.

Recommendations for Lifelong Learning Opportunities

Since publishing its Call-to-Action, the Advisory Board has been deliberating further on the barriers and paths to workforce development recommendations. It reached immediate consensus in three areas to guide public and private sector efforts in creating successful lifelong learning opportunities.

- 1. Modernize the federal student financial aid system
- 2. Expand employer-provided education assistance to support employees
- 3. Encourage repatriation of strategic supply chains in underserved communities



Remarks by Mr. Piwowar

Mr. Piwowar began by acknowledging the working group's co-chair, Ms. Humpton, who was unable to attend the meeting. He also recognized fellow board members, Mr. Taylor and Ms. Wanamaker, and their respective teams at the Society for Human Resource Management and the University of Tennessee for their contributions to the working group's efforts.

He remarked that training is a strategic decision for firms and a source of competitive advantage. He recalled that at the September 2019 meeting, the working group presented, and the Board adopted, a specific recommendation for data that ought to be prioritized in national data collection efforts. Today, he said, they are pleased to present a report and a set of four recommendations on that exact topic.

Mr. Piwowar then introduced Ms. Wanamaker to present the report (Report on America's Workforce-Based Training Data Infrastructure) and new working group recommendations.

Remarks by Ms. Wanamaker

Ms. Wanamaker stated that skills-based training, at all ages, is going to be a critical component of meeting workforce needs. She noted that when she was at the Council of Economic Advisers, she was surprised to find that some of the estimates of employer-provided training were from surveys taken in the 1990s. That, she said, is how bad the data are. You cannot make good public policy, she said, if you do not know how training is being accomplished outside of traditional degree and certificate programs.

Ms. Wanamaker noted that at previous meetings the Board had approved recommendations that define skills-based training and the essential data elements to collect in the effort. Today, she said, the working group is putting forward some additional guidelines for this collection effort. The report, she said, expands on the vision and develops the key things the working group wants to measure and the way it recommends they be measured.

She emphasized that the data will be more informative if they are collected alongside firm investments in technology, in particular, potentially labor-saving technology. She noted that a key public policy question is how workers, technology, and skills-based training are working together in the labor market. A key principle, thus, is that the key data elements need to be captured in such a way that they can be matched to measures of firm technology investments, for example investments in robotics and artificial intelligence. This principle, she noted, narrows the current federal vehicles that can be expanded to meet the working group's vision.

Ms. Wanamaker pointed out that the working group recommends that the data should be:

- Measured every 2 years to provide frequent up-to-date information on employee behavior,
- Captured in a nationally representative sample, and
- Large enough that the data can be disseminated by industry, geography, and firm size.

Ms. Wanamaker then listed the proposed recommendations. Short-run recommendations include:

- The Census Bureau should expand one of two current surveys to ask employers about their training efforts to give us a quick measure of prevalence and the dollars going into those training efforts.
- The Bureau of Labor Statistics should add employer-provided training to the benefits measured in the National Compensation Survey.

Long-run recommendations include:

 The statistical agencies should implement a new training module. The module would be a paired employee-employer survey. On the employer side, the survey would take a current survey from the Census Bureau that is already asking the key questions around technology. The second module will ask about skill-based training investments. • Link the data produced by this survey to the overall federal data infrastructure to enable researchers to follow workers throughout their careers, no matter where they are employed, and explore how these investments are paying off.

Ms. Wanamaker noted the Census Bureau has successfully employed a partnership model in the past, in which the Bureau partnered with nonprofits and outside academics to design a survey and then to amplify the results. She explained that she on her own has been looking for partners for the current effort and that interested parties could contact her, the Census Bureau, or BLS.

Remarks by Mr. Piwowar

Mr. Piwowar commended Ms. Wanamaker for a thorough report and for targeted, thoughtful, specific, and needed recommendations.

Mr. Piwowar then presented three more working group recommendations following from the Call to Action goal to remove obstacles to the modernization of American education and training to accelerate reskilling and facilitate innovation in workforce development. These are:

- Modernize the federal student financial aid system. The working group recommends the federal
 government allow federal Title 4 and other student financial aid for high quality, short term, marketaligned credential programs that stack into lifelong opportunities.
- Expand employer-provided educational assistance to support employees. The working group
 recommends that both the size of the cap and the scope of the benefit should be adjusted to ensure
 that all Americans can benefit from employers' tax advantaged tuition investments. Specifically, he
 said that the working group came to consensus in three areas:
 - Congress should consider increases to the cap, which has not been increased in over 40 years, in line with necessary education and training expenditures.
 - Expanding 26 U.S. Code § 127. Educational assistance programs to include loan repayment and modern educational purchases of laptops and other benefits as types of employee benefits that should be considered.
 - The scope of the benefits should be modernized to give greater flexibility to employees pursuing lifelong learning opportunities outside the traditional educational model.
- Encourage the repatriating of strategic industries specifically in underserved communities. The
 working group, he said, believes that we must enable a domestic value chain that promotes job and
 workforce development in key manufacturing sectors for underserved communities, repatriating
 strategic supply chains in geographic areas where the prospects of optimizing employment labor
 pools is high.

He remarked that targeting Opportunity Zones, is a quick way to identify prospects for optimizing employment for untapped labor pools. This approach, he remarked, builds on the work of the Modernizing Candidate Recruitment and Training Practices Group.

He said the working group continued to discuss other areas to guide efforts in creating successful lifelong learning efforts

As an aside, Mr. Piwowar mentioned progress on a previous recommendation adopted by the Board, that is, creating an Opportunity Zone workforce development playbook. He announced that 2 days prior, the Milken Institute released a 45-page guide, or playbook, for state and local government officials to learn more about best practices.

Following a question from a board member about whether there was additional information on the industries associated with the repatriating supply chains recommendation, Mr. Piwowar commented that the working group did not have consensus on particular industries and that there were different views over what is strategic. If companies are going to be doing that anyway, he said, there are easy ways in the Opportunity Zone legislation to provide additional incentives to have those supply chains come back to the areas where the workforce could benefit the most.

Ms. Trump remarked that there would be a U.S. government plan to identify specific industries that are critical.

Ms. Trump thanked Mr. Piwowar, Ms. Wanamaker, and their teams.

Vote

Ms. Trump then called for a vote on the recommendations.

(See "<u>Training Data Infrastructure Recommendations</u>" and "<u>Lifelong Learning Recommendations</u>" for the text of the recommendations)

Approved.

I. DISCUSSION, FINAL ANNOUNCEMENTS, AND ADJOURNMENT

Ms. Trump then opened the floor for questions from the Board or the Council guests in the room.

Secretary of Education DeVos commented that a number of the Board recommendations were aligned with efforts that they have been trying to advance. She highlighted the <u>Reimagining Workforce</u> <u>Preparation Grant petition</u> that was noted earlier in the meeting.

Ms. Trump thanked the Board for their work. She reiterated that the President would be signing an executive order to extend the lifespan of the Board (<u>Executive Order 13931</u>).

The meeting adjourned at 2:27 p.m. (EDT).

II. MATERIALS PROVIDED TO THE BOARD MEMBERS

The following materials were provided to the board members at the meeting:

- 1. Agenda
- 2. Discussion Slides
- 3. Call to Action
- 4. Industry-Recognized Apprenticeship Program (IRAP) General Fact Sheet
- 5. IRAP Standards Recognition Entity Fact Sheet
- 6. Digital Infrastructure Principles

- 7. Report on Leading Practices in Recruitment, Hiring, and Training
- 8. Report on America's Workforce-Based Training Data Infrastructure
- 9. <u>Training Data Infrastructure Recommendations</u>
- 10. Lifelong Learning Recommendations
- 11. Text of Executive Order on Modernizing and Reforming the Assessment and Hiring of Federal Job Candidates (Executive Order 13932)

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Sabrina L. Montes, Designated Federal Official Office of the Director Bureau of Economic Analysis U.S. Department of Commerce

Date