



How Helping Businesses and Workers Engage in Shared Skill Development Can Reduce Inequality and Strengthen the U.S. Economy

Nichola J. Lowe, University of Minnesota, Twin Cities

America's economy desperately needs more skilled workers – but what does that mean? Too many observers treat “skill” and higher education as the same thing. But they are not the same, and a narrow association of skill with higher education condemns the country to increasing inequality. A broad reframing of what we mean by skill could validate the knowledge less educated workers contribute to the workforce and strengthen interventions in support of higher wages, better working conditions, and greater economic opportunity.

Skill Development through Collaborations between Workers and Employers

To begin reframing skill, first we must expand what we mean by skill, who can possess it, and whose responsibility it is to develop. Today skill is presumed to be an individual attribute and is often reduced to something to be bought, sold, and evaluated on the open market. Instead, skill should be treated as a social capacity – a resource shared among workers and between workers and employers. Responsibility for skill development should be widely shared and include efforts by employers to create supportive learning environments. If skills are successfully nurtured, they could replenish the economy's resources for problem-solving, productivity and innovation.

This reframing requires shifting the focus of discussions about skill from the individual to the job. Workers and their advocates should be encouraged to evaluate whether work environments offer opportunities for skill development. Ideally, work-related pathways for skill development and career advancement based on new skills should become easily accessible and frequently used. To realize this ideal, Americans must take a critical look at how work is organized and managed, and reassess how work-based learning gets valued, rewarded, and advanced over time. We must also be skeptical about business claims that a “skills-mismatch” prevents them from finding qualified job candidates. Employers will need to make continuous investments in worker training to help boost skills and resolve ever-evolving skill gaps.

Reframing “Skill” in Business Schools, Advocacy, and Public Discussions

To support a sea-change in how skill development happens at work, business schools and business development organizations should extend their support beyond large, technology-intensive corporations that already benefit from robust human resource management systems to reach smaller firms in low-technology industries. At the same time, social justice organizations, including labor unions, should tether demands for living wages to stronger support for skill development and deployment – not only to boost skills training for low-wage workers, but also to link worker training to advances in worker rights. In addition, there are many ways public educational institutions could extend skill development opportunities to workers at the bottom of

the labor market. The U.S. has a far-reaching workforce infrastructure, including over 1100 publically-funded community and technical colleges, many of which have already established strong industry partnerships that enjoy bi-partisan political support. With further resources these institutions can strengthen their labor market reach, not simply by providing employers the skills they claim to need, but rather by empowering employers to become more active in continuously upgrading employee skills and discovering new solutions for industries and regions.

Successful Apprenticeship and Community College Programs in North Carolina

To increase access to quality jobs for those with fewer economic and educational opportunities, the state of North Carolina has become a pioneer in fashioning apprenticeships, work-based learning opportunities sponsored by public high schools and community colleges.

- One prominent example is Apprenticeship 2000, a 20-year partnership that allows Charlotte-Mecklenburg high school students to earn credits at Piedmont Community College while spending a portion of their workweek at a company, where they earn respectable wages and learn on the job.
- In North Carolina's bio-manufacturing industry, colleges have helped large manufacturers strengthen and out-source routine training protocols to local community colleges. This frees up resources for large employers to invest in firm-specific training and extends internal advancement opportunities to frontline and entry-level workers. General-use training modules allow displaced workers from declining industries to gain footholds in high-growth bio-manufacturing. Overall, this system enhances community college offerings while helping firms attract and retained badly needed skilled workers.

The Way Forward in North Carolina and Beyond

With apprenticeship gaining strong bi-partisan support both regionally and nationally, North Carolina and other states should ensure that growing numbers of apprenticeships include underserved and low-income populations. For North Carolina, this means keeping pace with neighboring states that offer modest tax credits to businesses that sponsor student apprentices through work-based learning and on-the-job mentoring. Apprenticeship financing could also be added to North Carolina's standard business recruitment toolkit, reinforcing the state's historic decision to make customized training and workforce development a cornerstone for industrial recruitment.

Unfortunately, recent budget cuts in North Carolina have made it harder for leaders of skill development programs to support and advocate on behalf of job seekers with less education. To be sure, North Carolina and other states need high quality, affordable, and widely accessible public education. At the same time, states also need to think about how to protect and extend the capacities of schools, community colleges, and colleges to leverage their expertise in vocational education and training, building stronger ties to employers in the process. Strengthening such mutually beneficial ties can help employers strengthen internal pathways for worker skill development and support shared prosperity through upward mobility in entire states and regions.

Read more in Nichola Lowe, *Reskilling Urban Manufacturing*, (2015) or Natasha Iskander and Nichola Lowe, *The Politics of Skill*, (2012).

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