

## Work in Progress Episode 278 Andy Van Kleunen, National Skills Coalition CEO

Ramona Schindelheim, WorkingNation editor-in-chief:

You're listening to Work in Progress. I'm Ramona Schindelheim, editor-in-chief of WorkingNation. Work in Progress explores the rapidly changing workplace through conversations with innovators, educators and decision makers, people with solutions to today's workforce challenges. I'm here at Aspen Ideas Fest with Andy Van Kleunen, the founder and CEO of the National Skills Coalition. Andy, thanks for sitting down with me.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Ramona. Thank you. Thanks for inviting me to this geodesic dome in which to do this interview.

Ramona Schindelheim, WorkingNation editor-in-chief:

This is so cool. We are in the Buckminster Fuller Dome on the Aspen Meadows of Aspen Institute. It's pretty cool. It is pretty cool. I wish everybody could see it, so I'll have to take some pictures.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

There you go.

Ramona Schindelheim, WorkingNation editor-in-chief:

Yeah. You've been doing this for a long time now, and what is it, 20 years?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

23 coming up this October, yeah.

Ramona Schindelheim, WorkingNation editor-in-chief:

Yeah. And so you've been on the forefront of this talk about how skills are very important in the workforce. Where do you think we've come in those 23 years?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Well, in some ways some things never change. When we started National Skills Coalition, it was previously called the Workforce Alliance back in 2000. It was a reaction to things that were happening in federal policy at the time, including that there was kind of a bipartisan decision that training didn't matter for low income folks or folks who'd been laid off from their jobs and others, young people who were out of high school. And there were things like work requirements that were being put on folks who were receiving the new TANF, temporary Assistance for Needy Families. Now here 23 years later, we're still debating whether or not we're going to negotiate around work requirements for low income folks as a way to help them move into the workforce although we have a ton of experience and research that shows you that that's not the way to get folks into good jobs and careers.

So some things haven't changed, but otherwise, I feel like the dynamic around why it is that we as a country should be investing in working people and why we should be looking particularly at folks who are not in that traditional high school to college full-time pipeline, I think that's changed dramatically. I think there's bipartisan agreement. There's not a bipartisan agreement about what we should do about it or how much the federal government or state government should be investing in that, and that's something that we work on a lot at National Skills Coalition. But I do feel that because policy makers have heard from a lot of different folks, they've certainly have heard from community leaders, they've

heard from business leaders, they've heard from even education and workforce development experts who've kind of demonstrated where it is that these investments have real returns for people and for businesses and communities.

And I think they've just recognized that we have a labor market that is desperate for skilled people to fill a bunch of open jobs. Even coming out of recession, we still have shortages of skilled workers and really key industries. And now we're going to have a whole \$3 trillion worth of federal investment that's going to be going into communities to finally rebuild our infrastructure in a number of different ways, which is going to create even more skilled jobs. So I think everybody recognizes we've got a challenge and that we need to do something about it. Now it's just a matter of getting some consensus about what government can be doing in partnership with industry and education training providers to provide that.

Ramona Schindelheim, WorkingNation editor-in-chief:

So one of the things is 10.1 million open jobs. You don't need a college degree, you need the skills. And I'm often struck by the idea that employers are finally kind of saying that, and these are big employers. Obviously there are plenty of people in this country who don't have a college degree and it's not a requirement for their jobs, but we're talking about good jobs and jobs that are going to pay a family thriving wage. So how do we get employers to embrace that a little bit more because people are talking about it, but I still think it's not being acted on as much.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Well, I think private industry spends a tremendous amount on skills and training. North of \$600 billion a year in terms of private sector investment, about over 80% of that though goes to workers who already have a college degree or at least some kind of college experience. So it's not that the private sector doesn't understand that we need to be investing in training in order to stay ahead of the technological curve. Just a couple weeks ago, Accenture announced that they were going to retrain 80,000 workers in order to be able to better harness artificial intelligence, both in terms of their internal operations as well as what they're doing for their clients and how they're advising them.

What we need to change is we need to get industry to start to invest in some of the folks that they're entry levels because those are skilled jobs as well. And what we have found even through recent research that we've done with the Federal Reserve Bank of Atlanta, is that those jobs are becoming increasingly skilled, becoming increasingly digital. 92% of the jobs hosted today have some either explicit or implicit digital skill requirement. That's basically every job in the economy. We are not investing in every worker to be able to be ready for all of those jobs. And so I think industry needs to take that seriously and start to think about how to invest in their entry level and mid-level workers to help keep them ahead of the curve. And then government needs to do its part to make sure that we're building a pipeline of folks who can move into those jobs.

And we're helping people transition from jobs that might have no digital skill requirement to the growing number of ones that do because if we do, at relatively small cost we could increase their wages by as much as 45%. So there's a real opportunity there is going to require a public and private joint effort to make it happen.

Ramona Schindelheim, WorkingNation editor-in-chief:

And the numbers bear out that bringing somebody in new for a job is much more costly than upskilling someone when industry embraces that even more. So the infrastructure bill offers a very ripe opportunity for that because there's so many different jobs. As you said, most of them have a technical

or a digital component, but there's construction, there's IT, there's cybersecurity, another big one, and also green economy jobs. So what would you like the government to do to get people to connect it because they created this program, they're giving money, what do you want them to do?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

There's some things that I think the Biden administration attempted to do, which it wasn't able to complete. So what they got right this time was that if we want to rebuild our nation's infrastructure, we need to both have a whole host of capital investments and then we need to have some accompanying investments in human capital, workforce development, workforce training, expanding access to community colleges for both traditional and non-traditional students.

Unfortunately, we got the capital money through, but all the other investments in people that sat in that build back better act that never got across the finish line. So now we have to solve for what we didn't accomplish the first time around. So for one, what I think we need to do is we need to take a look at all of our existing workforce and higher ed programs and figure out how it is that we can ramp them up as quickly as possible. So that means when we're reauthorizing... And I'm sure everybody who listens to your podcast knows what the Workforce Innovation and Opportunity Act is, as we all are, right? There's a whole set of things that we need to do to make training a more fundamental and required part of the services that folks are getting through that system, and we have some ideas around that. We need to make higher education funding more flexible, make higher ed work for working people. We have a set of proposals around that.

And even on this key part of the infrastructure law, which is expanding broadband access to take digital equity seriously that it's not just broadband and devices, very important, but we also need to make sure that folks have the digital skills to take advantage of that. And states are making decisions now about how to spend their broadband money and we're working with many of them to make sure that there's a clear digital skills strategy as part of how it is that they're thinking to roll that out. Those are things that we can do just on the existing education and training front.

On getting people to work more effectively together, we know that workforce development works best when you have multiple employer in the same industry sitting down with community colleges and high schools and community-based training providers and unions and others. And they're kind of coming up collectively with a strategy about what we're going to do, not just to fill current openings, but the openings that we anticipate as this industry evolves over time. Public policy can be incredibly powerful in creating those partnerships. And again, that is something that we've been advocating for at National Skills Coalition for quite a while. And I think that there's real opportunity both with some of the federal money that's coming out of say the commerce department that's starting to invest in these kinds of partnerships, but also what is available to states [inaudible 00:08:28] we owe a dollars in other places where that should be the default way that is that we're kind of setting up workforce development strategies, including for a lot of these infrastructure jobs that we're developing.

We need to take the non-training part of the solution pretty seriously too. We work a lot on training, but we also recognize that a working mom who is trying to move into a new job, particularly maybe an infrastructure job, a construction job in an industry that has not typically hired a lot of women, particularly women of color, there's a whole set of things that we need to do around childcare support services, career counseling, peer mentoring, transportation. These are all kind of non-training kind of things. But if we don't do that as a government or as public policy, there's a lot of folks who are going to get investments in their skills, but there may not actually realize a realized career at the end of all that.

And then finally, we just need to take equity seriously. The president was right to put that into his executive order, that we're going to take a look at racial equity and underserved communities and how

it is that we implement these policies. But now we actually need to start collecting the information about whether or not we're doing a good job of that or not. So how are we getting more folks into these programs? How are we getting employers to feel like they have reason to be hiring people that they've not hired in the past? And then how do we start collecting information disaggregated by race and gender and zip code and educational status to figure out who benefited from these federal investments and who is it that we still need to do better by? And that's information that NSC members and allies can then use to go back to state and local governments and say, "Look, we're not quite achieving what we thought we were going to achieve through this 3 trillion investment. So what can we do more to make sure that our future workforce looks like all of America?"

Ramona Schindelheim, WorkingNation editor-in-chief:

The idea that K-12 is where you should start with this career advancement, it's been around for a couple of years. People have talked about it, but I hear a lot more talk about it now that you don't start thinking about your career at 9th grade or 10th grade. Start thinking about it earlier. Look at the possibilities. So would you love to see some of that money go into those state and local education?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

I think career and technical education in our secondary system, we certainly need to take more seriously. I think career awareness in our primary school system, I think this would also be useful. Even here at this conference that we've both been attending, there's been a lot of talk about how it is that we can democratize wealth and things like that. And so there's a whole idea about financial literacy at an early age being really important. I think career literacy at an early age is important too, so that nobody is taking it for granted, that if I complete this 12 years of school, that there's a good job waiting for me at the end of it, right? That there's going to be a set of things that I'm going to have to do and a set of things I'm going to have to ask from the institution where I'm going to school and other places where I'm going to be looking for education and training down the line.

I think everybody would benefit greatly from that. And I think working adults would benefit from that too. I mean, we're all going to change jobs and it's a very volatile labor market. And so I think any way that we can bring other resources to help people understand what jobs may be going away because of technology, what new jobs are being created and how so many jobs are being transformed by technology and where do I fit within and where's my career moving forward, that's not something that people are just going to figure out on their own. We need to have professionals who can help people pick through some of that information to chart a good path forward.

Ramona Schindelheim, WorkingNation editor-in-chief:

Yeah, I'd love to see local media and national media embrace this story more myself as a journalist since I was 19. I still don't think it's part of the conversation that our people are having. So I do think a lot of working adults don't know there are opportunities out there. And we see them here. There's a lot of great organizations that are creating programs and putting people to work. They could put in so many more to work if people knew that that opportunity was there and there was a demand for it.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Absolutely. I split my time between Philadelphia and Washington, DC. I don't watch as much local TV on Washington, but I watch a fair amount of local TV in Philly. We cover a lot of really difficult things in a lot of our communities in Philadelphia, violence and poverty and things like that. We do not do a lot to kind of cover where it is that folks could be finding an economic path forward there in the city of

Philadelphia. We just had to rebuild I-95, something blew up underneath it a couple weeks ago. What have been an opportunity was like, "Wow, look at all these amazing construction workers in the space of two weeks took this 8-lane highway. Now at least it's partially back to work now as they kind of rebuild it permanently." But how is it that you couldn't figure out how to use that as an opportunity to say like, "This is actually a career that you, living here in North Philadelphia, could be doing. We need to do a better job of connecting you to that."

I mean, there's opportunities there. There's issues. We cover the downsides of what happens with poverty in Philadelphia. We cover some of the success stories when we have great workforces that actually achieve something, but we never talk about how we can connect the two of them together. And I agree with you, there's all kinds of opportunities there to do that.

Ramona Schindelheim, WorkingNation editor-in-chief:

It's my one person mission now to make that happen.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Great. I'm there with you, Ramona. I'll work with you on it.

Ramona Schindelheim, WorkingNation editor-in-chief:

I want to swing back toward the employer side now on hiring, on skills-based hiring. We have talked a lot over the last year about the no more need for a college education for a good paying job. A college education has been a screening process when there's 500 people applying for a job. So they say, "Okay, well if you don't have a college degree, we're not going to talk to you." So maybe that's down to now 50 people. What can an employer do to assess skills? How can they measure what you can do and what you have learned?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

It's a great question. Particularly, we work with a lot of smaller and medium-sized companies. So the companies that have been announcing that they're going to do skills-based hiring, these are the big ones, right? They have huge HR departments. They have all the internal research and how it is that they could try to make some of those assessments. I'm trying to think about the person who's running like a 50 person machine shop. How are they going to... Now they may not be hiring using a college degree, but there's a lot of other similar sized companies that have. Why have companies done that? Because it's easy. I mean, they might have heard of the institution. But otherwise they have no understanding about what it is, what content, what skills and experience that person brings by having that bachelor's degree.

Small employers who are using the degree now are going to continue to use it. Why? Because it's easy and they don't have the capacity to come up with any other way to do it. So what should we be doing with public policy? There are other folks who can work on it. There are other people in that industry, other intermediaries that can work with local employers to come up with ways that we can kind of assess both the skills of an individual worker based on their particular path of education and work experience, but also there is actually research that we can do that says that there's a set of things that we can learn about people who have worked from this group of occupations. You wouldn't think that that provides a set of skills that translates to this one, but we actually can actually show through big data analysis that there is actually some interesting stuff we can find there too.

So I think there's both a research component, but there's just a capacity working with local employers component. And I think public policy could be a huge part of trying to make that available to local employers to do that as well, even as the big ones are also working on it. Maybe they've got lessons that they could be sharing with some of the smaller employers as well.

Ramona Schindelheim, WorkingNation editor-in-chief:

I like that answer. Hopefully somebody is hearing this and is putting that all together in their community. So you've announced that you... Personal news, that you are going to be leaving your role. So what next for you?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Well, that part I don't know so much. I mean, what I do know is this has been a really incredible professional and personal experience for me to be running this organization for almost 25 years. If you go back into the two years before I actually was working for, it's going to be about 25 years by the end of it. I think the work is incredibly important. And even just the conversation that we've had and conversations that you have with people all over the place, this is a set of issues that I think is both desperately needed from both a worker and business perspective that people need to pay attention to. It's actually one in an era when we have such political division that there's actually a set of issues that we can actually get Democrats and Republicans to agree on. We just need to get them to agree to make it a priority now. Not to co-sponsor a bill, but then not to get it across the finish line or not to invest in it. We need to do all of that. But I think there's incredible work there and I've truly enjoyed it.

I've met a lot of really great folks in this field over time, and there's really good new leadership. I want to give some other folks a chance to run this organization, National Skills Coalition, which I've just loved being a part of with a really great team of staff and leadership. But I also recognize that the labor market that I'm working in today was not the labor market that I was working in 20 years ago when we started the organization. And there's going to be a whole set of changes that are going to be accelerating and we need new minds and new leaders and new strong advocacy voices to kind of engage some of those issues as well. So my key goal right now is to make sure we've got a good handoff to the new leadership at National Skills Coalition. There'll be plenty of things for me out there, but maybe I'll get a chance. Maybe we'll talk more about that because I would love to. I just think there's other value it can bring down the road on some of these issues as well.

Ramona Schindelheim, WorkingNation editor-in-chief:

And I will ask you one final question. Are you optimistic that we are going to solve this problem? Actually, maybe it's not a problem. Maybe it's an opportunity. Are we going to take advantage of this opportunity?

Andy Van Kleunen, National Skills Coalition Founder and CEO:

If we mean by solution that we will have a perfect match between labor supply and labor demand in this country, I don't know if we'll ever get there. But if the problem is that we can get folks to stop fighting about the small details and recognize that they agree on 80 to 90% of what is needed, which is we need to invest in folks who are currently in jobs if they're ever going to advance and we need to have a public and private partnership in that, that not everybody needs a college degree, I think there is agreement across the aisle on those kinds of things. And for that, I'm greatly hopeful that we have the building blocks of I think could be some real political solutions on that. We just need to get some things across

the finish line. So I'm looking forward to seeing what National Skills Coalition helps in that way in the years ahead.

Ramona Schindelheim, WorkingNation editor-in-chief:

Andy, thank you for sitting down and talking to me.

Andy Van Kleunen, National Skills Coalition Founder and CEO:

Thanks, Ramona. It's been great. Appreciate it.

Ramona Schindelheim, WorkingNation editor-in-chief:

And I've been speaking with Andy Van Kleunen, founder and CEO of the National Skills Coalition. I'm Ramona Schindelheim, editor-in-Chief of WorkingNation. Thank you for listening.