



Creating a Culture of Competitiveness...

The Future of Workforce Development in Texas

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INTRODUCTION

The Workforce Investment Act of 1998 created an integrated "one-stop" system of workforce investment and education services for adults, dislocated workers, and youth. The Act was a major transformation of federal programs that targeted adult and vocational rehabilitation programs.¹ Several years earlier, Texas consolidated workforce programs from various state agencies, which allowed all workforce services to be delivered through a statewide network overseen by 28 local workforce development boards and Workforce Solutions offices.² (See Appendix 1 for a directory of Texas workforce development boards).

The Texas Association of Workforce Boards (TAWB) is comprised of 27 of these local workforce development boards. TAWB's primary responsibility is to develop policy for workforce education and training to ensure that the state's emerging workforce will meet the needs of industry.

The majority of local workforce development board members represent various industries driving the Texas economy including manufacturing, banking, health care, transportation, finance, construction and other sectors. As the business and community leaders charged with preparing a skilled workforce, it is TAWB's duty, working in conjunction with local workforce development

boards, to identify trends and provide strategic direction on the workforce development needs of Texas employers.

Workforce boards in Texas have long-pursued the integration of workforce development, economic development, and education policy as essential components of regional growth. During this time, our country has undergone tremendous change in a growing and evolving world economy. For example, America is no longer the preeminent exporter of goods and services to the world. The U.S. Bureau of Economic Analysis, through the Department of Commerce, announced in August 2008 that total August exports of \$164.7 billion and imports of \$223.9 billion resulted in a goods and services deficit of \$59.1 billion.³ Moreover, many jobs have left our shores and other nations are moving to take the mantle as emerging world financial leaders. As a result, the integration strategy pursued alone while successful at times, will not position Texas to effectively compete in the global economy.

To maintain our ability to effectively compete in this global economy, Texas must make significant investments in the education and training of our future workforce. Consequently, TAWB formed an Education Committee in 2006 to review current education initiatives, to develop policy positions and to make recommendations to address the disconnect between education and employment. Our members met and continue to meet with education and industry leaders and organizations

and reviewed dozens of reports issued by both governmental and non-governmental entities regarding the state of education and workforce preparedness.

Some piece-meal efforts have been initiated over the last two decades to address the disconnect between the workforce skills demanded by the business community and the workforce skills being produced by our education system. In November 2007, The Governor's Commission for a College Ready Texas issued its report, which provided guidance to the State Board of Education on the alignment of the high school curriculum with college standards.⁴ Shortly thereafter, in January 2008, The Higher Education Coordinating Board adopted College Readiness Standards (CRS) in the areas of english/language arts, social sciences, mathematics and science to improve college readiness standards.⁵ Nonetheless, these efforts by the state to address this disconnect make clear the need for a unified and more sweeping plan of action.

WHY DO WE NEED EDUCATION REFORM?

The simple answer is that the nation's education system has fallen behind those of other countries and Texas' system lags behind the nation's. A report on the state of American Education, *Where We Stand: America's Schools in the 21st Century*, which aired on the Public Broadcasting System and other member stations in September 2008, compared the U.S. education system to those of other countries. Some statistics noted in the report were:

- 40% of our nation's high schools don't offer college prep classes.

- The U.S. Chamber of Commerce gives most states a C, D, or F in preparing students for the workplace.
- In 1970, the average college graduate earned about 45% more than a high school graduate. Today, it is 84%.
- In 1995, the United States ranked number one in the world in graduating students from college. In 2005, it ranked 15th.
- U.S. students rank 25th in math and 21st in science out of 30 developed countries, according to PISA (Program for International Student Assessment).
- As many as 50% of teachers in the U.S. leave the profession within their first five years.
- Students of high-performing teachers progress three times as fast as those with low-performing teachers.
- The United States pays teachers less, as a percentage of the country's GDP, than 25 other developed countries.⁶

The findings in this report are consistent with other research findings. In Texas, according to a recently released study by Education Week and the Editorial Projects in Education Research Center, the high school graduation rate for the 2002-03 school year was 66.8 percent, compared with the national average of 69.6 percent. Texas ranked 35th compared to other states.⁷ The report, *Diplomas Count: An Essential Guide to Graduation Policy and Rates* is a multiyear study being supported by the Bill and Melinda Gates Foundation.⁸

HOW DO WE SUPPORT AND PROMOTE EDUCATION REFORM?

These consistent findings, along with employer complaints about skill levels, led TAWB to make some specific observations and recommendations regarding the future of workforce education and training in Texas. Below are four basic goals we believe are vital to the future of workforce development.

TAWB expects an education system that:

- sets and meets high achievement levels for our youth in the K-12 system;
- provides our youth with the knowledge and skills foundations that will enable them to achieve their career aspirations and a high quality of life;
- meets the needs of Texas employers; and
- ensures Texas' ability to compete in the global marketplace.

TAWB believes that our educators and the education system have the hardest jobs in America. As employers, parents, and observers of the system, we expect much from everyone involved, yet neither we nor the education system are fully engaged as agents of change. We can no longer afford not to be.

Texas' talent pool is increasingly under stress. A dropout rate of greater than 30% is hardly an acceptable rate of return on our investment in education and has severe economic implications for the state and its residents. Additionally, employers increasingly complain

about the skill levels of those who do graduate. Hence, the biggest challenges we face today are preparing the next generation of our workforce who are now in grade school, and to make sure that those in secondary education who need remedial attention receive that remediation before they graduate from high school.

For those children, we must close the education and skills gaps by promoting desired actions and outcomes in order for them to one day graduate from high school with the skills and preparation necessary to continue their postsecondary education or enter the workforce, thus ensuring our global competitiveness and quality of life. Therefore, we must ensure that curriculum aligns with the needs of employers and we must make immediate and wise investments in our human capital. A continued Band-Aid approach will not serve us well in either the short or long term.

REFORM

If Texas were a country, it would rank tenth worldwide for Gross Domestic Product, ahead of Russia, India and Brazil.⁹ To ensure that Texas continues to grow, we must think of both students and teachers as being part of a talent supply pool. We know that the consumers of that talent supply, Texas employers, want ready, accessible, dependable and skilled workers who are interested in available jobs. Texas employers also want an affordable talent supply system that offers quality and has the flexibility to anticipate and adapt to employer needs. Additionally, they want the talent supply system to provide consistent assessment, certification, and credentialing to students prior to their exit from the system; **and notably, Texas employers want the system preparing the talent supply to be evaluated on a continuous basis rather than every five or ten years.** As a result, it makes sense that the consumers of the talent supply drive the reform of the talent supply system.

In early 2007, TAWB identified a blueprint for education reform in *Tough Choices or Tough Times*, a report released by the New Commission on the Skills of the American Workforce.¹⁰ The recommendations in this report outline the necessary components of a system that will produce a high school graduate with ready skills to either enter the workforce or pursue higher education. The report further emphasizes that what is needed is a new system and asserts that "...the problem is not with our educators...it is with the system in which they work."¹¹ According to the Commission, we are living in a world in which:

"... a very high level of preparation in reading, writing, speaking, mathematics, science, literature, history, and the arts will be an indispensable foundation...The best employers the world over will be looking for the most competent, most creative, and the most innovative people on the face of the earth and will be willing to pay them top dollar for their services...Those countries that produce the most important new products and services can capture a premium in world markets that will enable them to pay high wages to their citizens."¹²

Tough Choices or Tough Times lays a foundation for reform that is thoughtful, comprehensive, and provocative. Three of the recommendations from the report are:

- > ***Assume that we will do the job right the first time and create a set of Board Examinations that meet international standards to measure student performance.*** The standards used to measure student performance must, at a minimum, integrate rigorous international standards as a benchmark. We are part of the global economy and

need to measure our performance on relevant global benchmarks.

- > ***Recruit from the top-third of high school students for the next generation of teachers.*** We must make teaching a first choice for more of our best college graduates. Texas hires upwards of 20,000 teachers every year because so many teachers leave the profession in their first years of teaching. We must adequately prepare, mentor, and support our new teachers.
- > ***Create high-performance schools and districts by changing the governance, financing, organization and management of the current system.*** There are many models of successful education programs. Still, we must strengthen the metrics, measurements, and rewards that will drive a culture of change.

Today, our administrators and teachers endure a system that should drive subject matter mastery, but instead drives errant behavior and test taking techniques, neither of which tightly align and link student achievement to workforce preparedness and economic competitiveness. We must establish more effective metrics and measurements that encourage student completion of high academic achievement and work-readiness standards.

PREPARED YOUTH AND THE 21ST CENTURY WORKER, THE K-8 CHALLENGE

A ready talent supply depends upon the successful two-phase development of that talent, the Prepared Youth and the 21st Century Worker. In order for the Prepared Youth to move from high school graduation to post-secondary education, TAWB believes that defined competencies, skills

and character traits are necessary in the development of the Prepared Youth. Further, TAWB believes that it is imperative that:

Grades K through 8 are the central focus of education and workforce development. We must stop focusing on high school graduation as the start and end point for the training of our emerging workforce.

For instance, the determinants of the success of our youth are mostly set by the time a student reaches high school. Going to school every day is a student's formal introduction to responsibility, punctuality and commitment, as well as to the foundations of knowledge. We must therefore understand and recognize that the services provided by our education partners serving the K-12 school age population are the most important talent supply components in the state.

In May 1990, Lynn Martin, Secretary of Labor, formed the Secretary's Commission on Achieving Necessary Skills (SCANS). The Commission was asked to examine the demands of the workplace and determine whether our young people were capable of meeting those demands. Specifically, the Commission was directed to advise the Secretary on the level of skills required to enter employment.¹³ As a result, the Commission defined competencies necessary for employment.

Below is a brief outline of those five **SCANS** competencies, which TAWB believes a *Prepared Youth* must have, the skills foundations that must be taught to address those competencies, and the character traits the *Prepared Youth* must exhibit. Together, these form the blueprint for the development of the 21st Century Worker.

- **Competencies**

1. Resources – ability to allocate time, money, materials, space and staff
2. Interpersonal Skills – ability to work on teams, teach others, serve customers, and lead, negotiate and work with people from diverse backgrounds
3. Information – ability to acquire and evaluate data, organize and maintain files, interpret and communicate data, and use computers to process information
4. Systems – ability to understand social, organizational and technological systems, monitor and correct performance, and design and improve systems
5. Technology – ability to select equipment and tools, apply technology to tasks, and maintain and troubleshoot technologies¹⁴

- **Skills**

1. Basic Skills – proficiency in reading, writing, arithmetic and mathematics, and speaking and listening
2. Thinking Skills – ability to think creatively, make decisions, solve problems, reason, and know how to learn
3. Personal Qualities – individual responsibility, self-esteem, sociability, self-management, and integrity¹⁵

In 1999, employers and educators working on the City of San Antonio's Better Jobs initiative formed the Employer Education Council (ECC) to improve the quality of education and the workforce. The committee's work culminated in the identification of six character traits required for success in the workplace. Together with the SCANS competencies, Workforce Solutions Alamo and

TAWB adopted the following character traits as foundations for a Prepared Youth:¹⁶

• **Character Traits**

1. Dependability
2. Respect
3. Integrity
4. Caring
5. Fairness
6. Civic Responsibility¹⁷

The SCANS competencies, together with the skills and character traits described above form the foundations of a Prepared Youth and the 21st Century Worker. Will Texas be able to produce a workforce with these skills?

COMPETITIVE TEXAS CURRICULUM STANDARDS

To support the development of a *Prepared Youth*, we recommend that all current and future curriculum offerings meet what TAWB defines as the Competitive Texas Curriculum Standards (CTC). The CTC Standards are those courses, methods of preparation, job training and career exploration internships and opportunities that equip students in middle and high school with the skills and competencies necessary to earn a high school diploma, to achieve proficiency as measured by the National Assessment of Educational Progress examination, and to have the necessary skills and preparation to continue their post secondary education and pursue a career of their choice. The adoption of the following CTCS components should be part of the middle school experience:

CTCS Components
<ul style="list-style-type: none">• Middle school students should prepare career preparation plans that outline career goals and the educational requirements necessary to achieve them. The plans would be reviewed and revised annually. This would encourage career exploration and preparation.• Middle school students should take a class that advises them on career opportunities, and complete a thesis or similar project as part of the middle school CTC standards in order to use and integrate skills necessary for Prepared Youth achievement.• Education systems need to increase opportunities for middle school students to earn credits that can be applied toward high school graduation requirements.• Educators and community partners should develop regional graduation requirements to meet regional education and workforce needs.• Career and technical education needs to be a core component of the middle and high school curriculum.• Continuous improvement processes as they relate to curricula and educational programs should be employed at the state, regional and local levels in order to promptly anticipate change and implement appropriate strategies.

We believe the integration of these components into our K-8 curriculum model would address the fundamental issue that Texas employers want addressed: the graduation of youth with the academic skills and preparation to enter college or the workforce. Youth who have undergone a rigorous and relevant curriculum will be college and workforce ready. More importantly, they will have choices as they consider their career options.

FORMING A COMPACT

Today, while there are many fine administrators and teachers working within our school systems, this is not the case across the state and economic disparities among our population continue to affect student achievement. As our population continues to increase and those disparities continue to grow, we must better plan for our economic future by investing wisely in the workers of tomorrow. In addition, we must move quickly to address the disparities and embrace a business approach to education. Our economic viability depends upon it.

Our economic viability also depends on the courage and commitment to real reform. Serious and responsible stakeholders must have a seat at the table, including our driver industries such as biotechnology, energy, aerospace, information technology, health care and sciences, finance, defense, and manufacturing. Therefore, TAWB recommends that:

School boards partner with advisory boards, comprised of community members representing workforce development boards, economic development professionals, and industry leaders. The advisory boards will advise on matters relating to appropriate

curriculum, regional talent needs, and emerging economic trends.

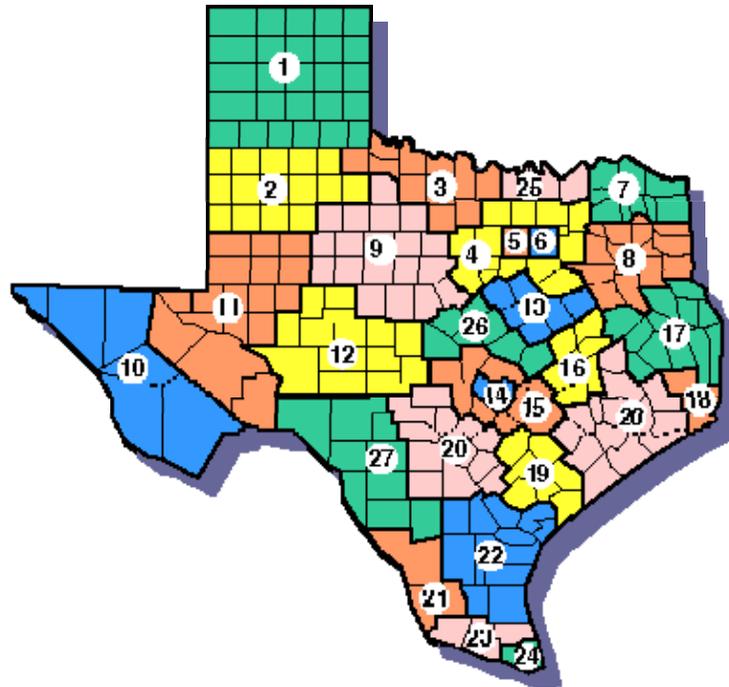
The members of both the school boards and advisory boards must form a “**Compact**” similar in scope to the *Boston Compact, a collaborative school improvement agreement between all stakeholders* whereby the public/private partners agree to specific commitments in support of Compact goals. The Compact would develop measures that define a world-class workforce, determine strategies for achieving the desired outcomes, and stipulate how success would be measured.

CONCLUSION

It is absolutely imperative that all partners and stakeholders work together to grow and improve Texas’ talent supply. Our youth in grades 1-6 today will be ready to enter college and join the workforce in the next 6-12 years. Their preparedness, and the preparedness of those now in secondary school will certainly be a determining factor as to whether Texas will, at a minimum, sustain its current level of economic growth. Our driver industries need the best and brightest employees in order to continue to be leaders in their respective industries as well as grow the Texas economy. Yet, none of this will happen unless all partners, stakeholders and legislators move responsibly and immediately to thoughtful and comprehensive reform.

Bold vision requires bold action and both are necessary in order to realize a measurable and concrete impact on our children, communities and emerging economies. Texas will not yield the “best” if Texans do not cultivate the best. This is the most pressing challenge for our future. There is no more time to lose.

APPENDIX 1 - LOCAL WORKFORCE DEVELOPMENT BOARDS IN TEXAS



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| 1. Panhandle | 15. Rural Capital |
| 2. South Plains | 16. Brazos Valley |
| 3. North Texas | 17. Deep East Texas |
| 4. North Central | 18. South East Texas |
| 5. Tarrant County | 19. Golden Crescent |
| 6. Dallas | 20. Alamo |
| 7. North East | 21. South Texas |
| 8. East Texas | 22. Coastal Bend |
| 9. West Central | 23. Lower Rio Grande Valley |
| 10. Upper Rio Grande | 24. Cameron County |
| 11. Permian Basin | 25. Texoma |
| 12. Concho Valley | 26. Central Texas |
| 13. Heart of Texas | 27. Middle Rio Grande |
| 14. Capital Area | 28. Gulf Coast |

- ¹ "Workforce Investment Act Information." Work in Texas.com. Texas Workforce Commission. 14 Oct. 2008 <<http://www.twc.state.tx.us/boards/wia/twxia.html>>.
- ² "Workforce Investment Act Information." Work in Texas.com. Texas Workforce Commission. 14 Oct. 2008 <<http://www.twc.state.tx.us/boards/wia/twxia.html>>.
- ³ "Bureau of Economic Analysis, International Economic Accounts." U.S. Department of Commerce Bureau of Economic Analysis. 10 Oct. 2008. U.S. Department of Commerce. 23 Oct. 2008 <<http://www.bea.gov/newsreleases/international/trade/tradnewsrelease.htm>>.
- ⁴ "The Report of the Commission for a College Ready Texas." Commission for a College Ready Texas. 10 Oct. 2008 <<http://www.collegereadytexas.org/index.html>>.
- ⁵ "Texas College Readiness Standards." College Readiness (HB 1) Implementation. Texas Higher Education Coordinating Board. 12 Oct. 2008 <<http://www.theccb.state.tx.us/collegereadiness/tcrs.cfm>>.
- ⁶ Haggerty, Rebecca, and Molly K. Raskin. "Where We Stand, America's Schools in the 21st Century." PBS. WNET/13, New York. 15 Sept. 2008.
- ⁷ Adler, Karen. "Texas Behind Others in Grads." 6 June 2008. San Antonio Express News. 14 Oct. 2008 <http://www.mysanantonio.com/news/mysa062106_01b_grad_rates_120299f_html14858.html>.
- ⁸ "Diplomas Count, An Essential Guide to Graduation Policy and Rates." 22 June 2006. Education Week. <<http://www.edweek.org/ew/toc/2006/06/22/index.html>>.
- ⁹ "Fiscal Notes, A Monthly Review of the Texas Economy from the Office of Susan Combs, Texas Comptroller of Public Accounts." Windows on State Government. June 2007. Texas Comptroller of Public Accounts. 15 Oct. 2008 <http://www.window.state.tx.us/comptrol/fnotes/fn0706/other_country-1.html>.
- ¹⁰ "Tough Choices or Tough Times." The New Commission on the Skills of the American Workforce. 2007. National Center on Education and the Economy. <<http://www.skillscommission.org/executive.htm>>.
- ¹¹ Ibid xxi.
- ¹² Ibid at xix.
- ¹³ "What Work Requires of Schools, A SCANS Report for America 2000, The Secretary's Commission on Achieving Necessary Skills." U.S. Department of Labor Employment and Training Administration. June 1991. U.S. Department of Labor. 5 Mar. 2008 <<http://wdr.doleta.gov/scans/whatwork/>>.
- ¹⁴ Ibid.
- ¹⁵ Ibid.
- ¹⁶ "ECC Character Traits." Prepared Youth. Workforce Solutions - Alamo. 2 Nov. 2008 <<http://www.alamoworksource.org/youth/preparedyouth.asp>>.
- ¹⁷ Ibid.