



34th Wisconsin Family Impact Seminar
November 4, 2015

Training Today's Youth for Tomorrow's Jobs

Executive Summary

Will Wisconsin have the workers it needs for tomorrow's jobs? Older workers are retiring, and one of six young people today lack strong connections to school or work. By 2020, nearly two-thirds of jobs are expected to require some postsecondary education. How can Wisconsin prepare today's youth who are unlikely to get a four-year degree for the jobs needed in tomorrow's economy?

The Family Impact Seminars view policy issues through the lens of both research and family impact. Cutting-edge research demonstrates that effective workforce training can help youth transition into a successful work and family life, while producing the skills employers need. The briefing report summarized here reviews what makes youth workforce training effective, which research-based programs teach occupational and employability skills, and how cost-effective apprenticeships are for training workers in the nation's fastest-growing occupations.

Trends in labor force supply and demand

Daniel Sullivan, Executive Vice President and Director of Research at the Federal Reserve Bank of Chicago, reviewed long-running trends in the labor force. Sullivan predicted that employers may face difficulties in finding the workers they need in the future. When "help wanted" signs go up, this signals a need to train workers. The U.S. labor force is projected to grow more slowly in the coming years. The labor force participation of young workers is down a good deal, due in part to rising school attendance. This means the future labor force will be older and better educated. Post-secondary education is still a good investment for workers and for society. The personal return on investment pays off, particularly for relatively younger workers who have more time to recoup the costs. Society also benefits because education contributes to labor force participation. For workers 25 years and older, less than 10% of the workforce is comprised of high school dropouts and 40% is college graduates. Moreover, workers with some post-secondary education are more likely to be working than those with only a high school degree.

What types of jobs will grow in the future? Industries expected to grow fastest in both the United States and Wisconsin are construction; education and health; and business and professional services. Industries expected to grow faster in Wisconsin than in the United States are natural resources and manufacturing. The manufacturing sector appears to be stabilizing, but employment may still go up because the workforce tends to be older. The least growth is likely to be in middle-wage occupations with more growth in those that are low-wage and high-wage. The types of jobs that will grow in the future are difficult to predict. However, there is less uncertainty that routine jobs are declining, particularly those that can be outsourced or done by a machine. The jobs in highest demand in the last couple decades have required both math and social skills. In tomorrow's workforce, hard and soft skills are likely to be increasingly important.

What research says about youth workforce training

Burt Barnow, an Endowed Chair in Public Service and Economics at the George Washington University, has 40 years of experience evaluating workforce training programs. Barnow provides guidance for policymakers on how workforce training can improve the job prospects of youth and help ensure the success of Wisconsin's economy. He offers several strategies for increasing the odds that youth training programs will be effective and an efficient investment of taxpayer dollars.

To train youth for jobs, Barnow says employers need to be part of the woodwork. Employers can provide youth with on-the-job training and ensure that training meets the demand for jobs, now and in the future. Training is more effective when youth learn both hard and soft skills, and when remedial and occupational skills are taught together in the same classroom. Completing training can be challenging, especially for low-skill and low-income youth. Youth who face financial challenges can benefit from a stipend that is tied to high performance expectations. Holding youth to high expectations works well when matched with high support from program and professional staff.

Using research to build better public policy for families

The Wisconsin Family Impact Seminars are an initiative of the University of Wisconsin-Madison Chancellor's Office and School of Human Ecology, with financial support from Phyllis M. Northway.

Apprenticeships help youth develop the skills needed by today's employers

Robert Lerman, Emeritus Professor of Economics at American University and Institute Fellow at the Urban Institute, overviewed apprenticeships. Apprenticeships are a cost-effective training program that combine serious work-based learning and classroom instruction at very modest cost to government. Apprentices are employees, so they earn while they learn with close guidance by mentors. For youth who have trouble entering and staying in the labor force, apprenticeships provide an incentive to work hard learning skills that lead to careers that pay well.

In surveys, nearly all employers believed that apprenticeships helped them meet their skill demands, and 3 in 4 reported improved productivity. For taxpayers, by the time former apprentices reach age 65, each dollar invested yields a remarkable return of \$23 in benefits. South Carolina expanded its Registered Apprenticeship Program at modest cost, and Wisconsin is one of only a few states that operate a youth apprenticeship program. In 2014-15, the Wisconsin Youth Apprenticeship Program reached 2,500 high school juniors and seniors in one of its 10 career clusters. The lowest student enrollments that have room for growth were in STEM (science, technology, engineering, and math); architecture and construction; information technology (IT); and arts, A/V technology, and communications.

Viewing youth workforce development through the family impact lens

It is hard to think of youth without thinking about their families. Wisconsin youth are growing up in a new world. The population is aging and jobs are changing. The future of the Badger State will depend now more than ever on how well prepared the next generation is to become productive workers and committed family members. If society is able to provide youth with occupational and employability skills, they will be prepared to step into jobs a sound economy demands. If those jobs provide a steady income, young people will be willing to commit to marriage and the family life that a strong society requires.

As older workers retire faster than they are being replaced, Wisconsin is faced with the challenge of providing opportunities for all its youth to achieve workforce success. Some young people will face more barriers than others – those who have mental health and addiction issues, those who are parents, and those with criminal convictions. Policies that support youth in surmounting barriers to workforce success are likely to pay a solid return on investment. Youth who achieve economic success will contribute to a sound economy. Youth who achieve success in family life will raise responsible children who become productive workers and committed family members. The success of one generation leads to the success of the next. ●

Seminar Presenters and Moderator

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The briefing report and video/audio of the presentations are available on our website at www.wisfamilyimpact.org.

Since 1993, the Wisconsin Family Impact Seminars have connected state policymakers with objective, high-quality research on timely issues such as early brain development, jobs, evidence-based budgeting, foster care, growing the state economy, corrections programs, long-term care, prisoner reentry, health care, workforce development, and preparing youth for workforce success. The seminars aim to (a) build greater respect for and use of research in policy decisions; (b) encourage policymakers to examine policies and programs through the lens of family impacts; and (c) provide neutral, nonpartisan opportunities for legislators to engage in open dialogue for fostering relationships and finding common ground.

Check out our website (www.wisfamilyimpact.org) for audio and video of 95 speakers, 34 briefing reports, and other resources from previous seminars. The information in this summary was taken from the briefing report and Daniel Sullivan's presentation. The full report, as well as the speakers' presentations, can be downloaded from our website. Hard copies of the report and handouts are available to state legislators at no charge by contacting Heidi Normandin, Associate Director of the Family Impact Seminars, at (608) 263-2353 or hjnorman@wisc.edu.