



CTE's Role in the Future of Work and our Economic Recovery

August 27, 2020

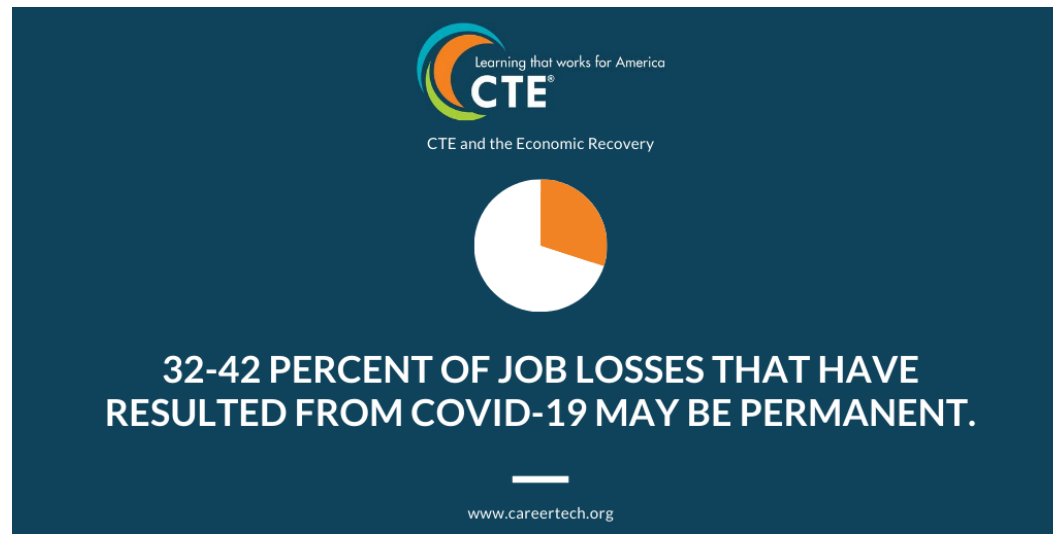
Speakers



- **Wendi Safstrom**, Executive Director, SHRM Foundation
- **Dr. Nicole Smith**, Research Professor and Chief Economist, Georgetown University Center on Education and the Workforce
- **Kate Kreamer**, Deputy Executive Director, Advance CTE

Early Impact of COVID-19

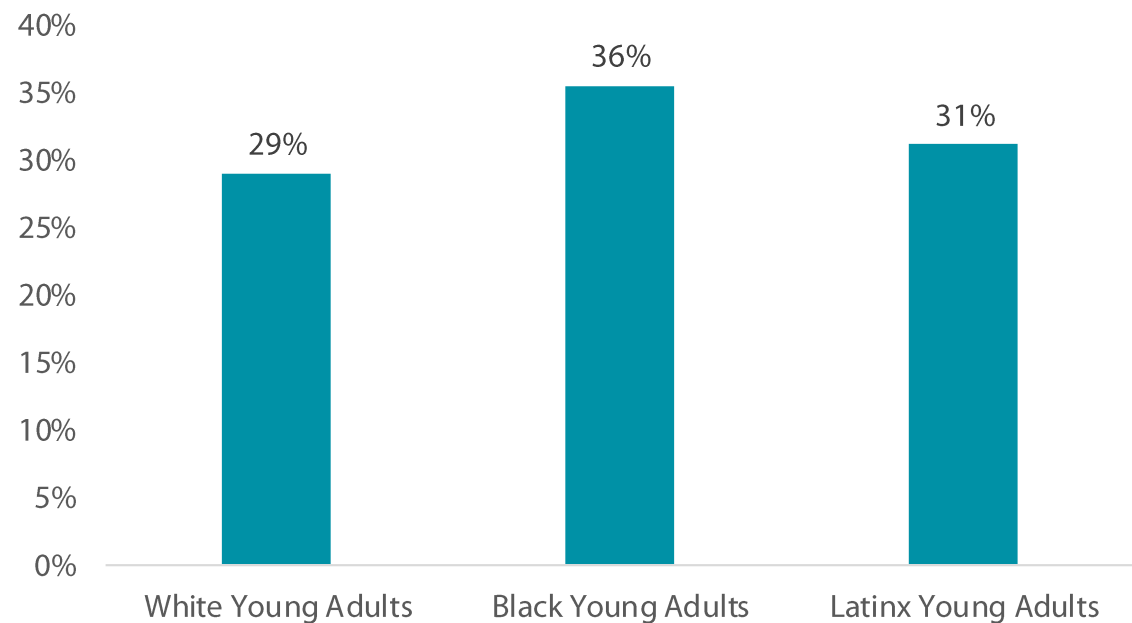
- Within the first three months of COVID-19 (coronavirus), over 40 million individuals filed for unemployment, with job losses reported in all sectors.
- As of July 2020, unemployment rate was holding at over 13 percent.



Impact on Young Adults

- Nearly 7.7 million young workers under the age of 30 were unemployed and three million dropped out of the labor force as of May 2020.
- The unemployment rate for teenagers aged 16-19 hit 31.9 percent in April 2020, the highest it has even been in over 70 years.

Unemployment Rate for Young Adults





What does this mean for Career Technical Education?

<https://careertech.org/advocate>

- CTE's Vital Role in Economic Recovery [Video](#)
- Fact sheets:
 - [Secondary CTE and Economic Recovery](#)
 - [Postsecondary CTE and Economic Recovery](#)
- A [guide](#) on how to use these assets including talking points.



A photograph of a large, historic stone building with multiple spires and a prominent clock tower, likely a university building, set against a dark blue twilight sky. The building is illuminated from below, and the foreground shows a paved path and some trees.

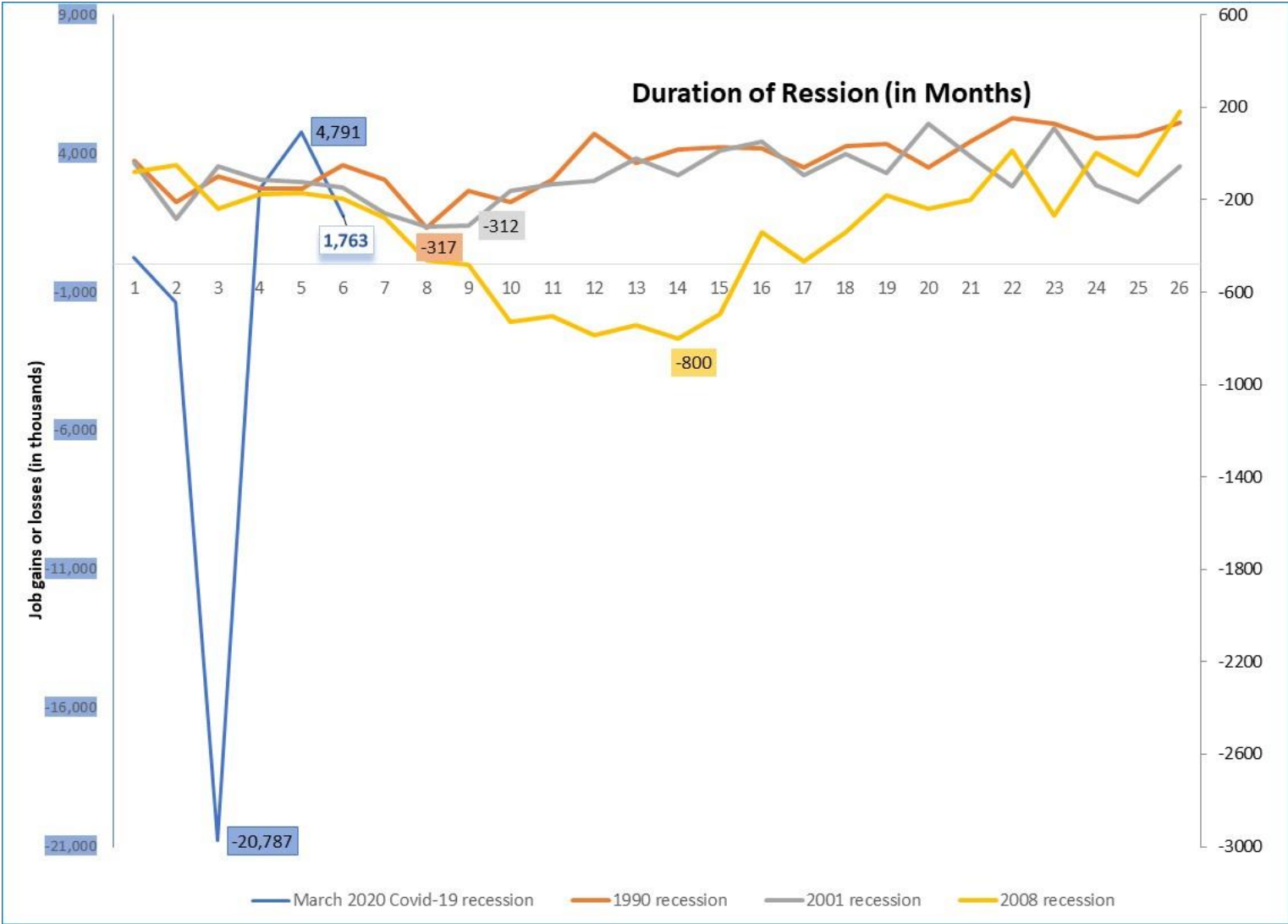
Jobs and Education in the Post Covid19 Economic Recovery

August 27, 2020

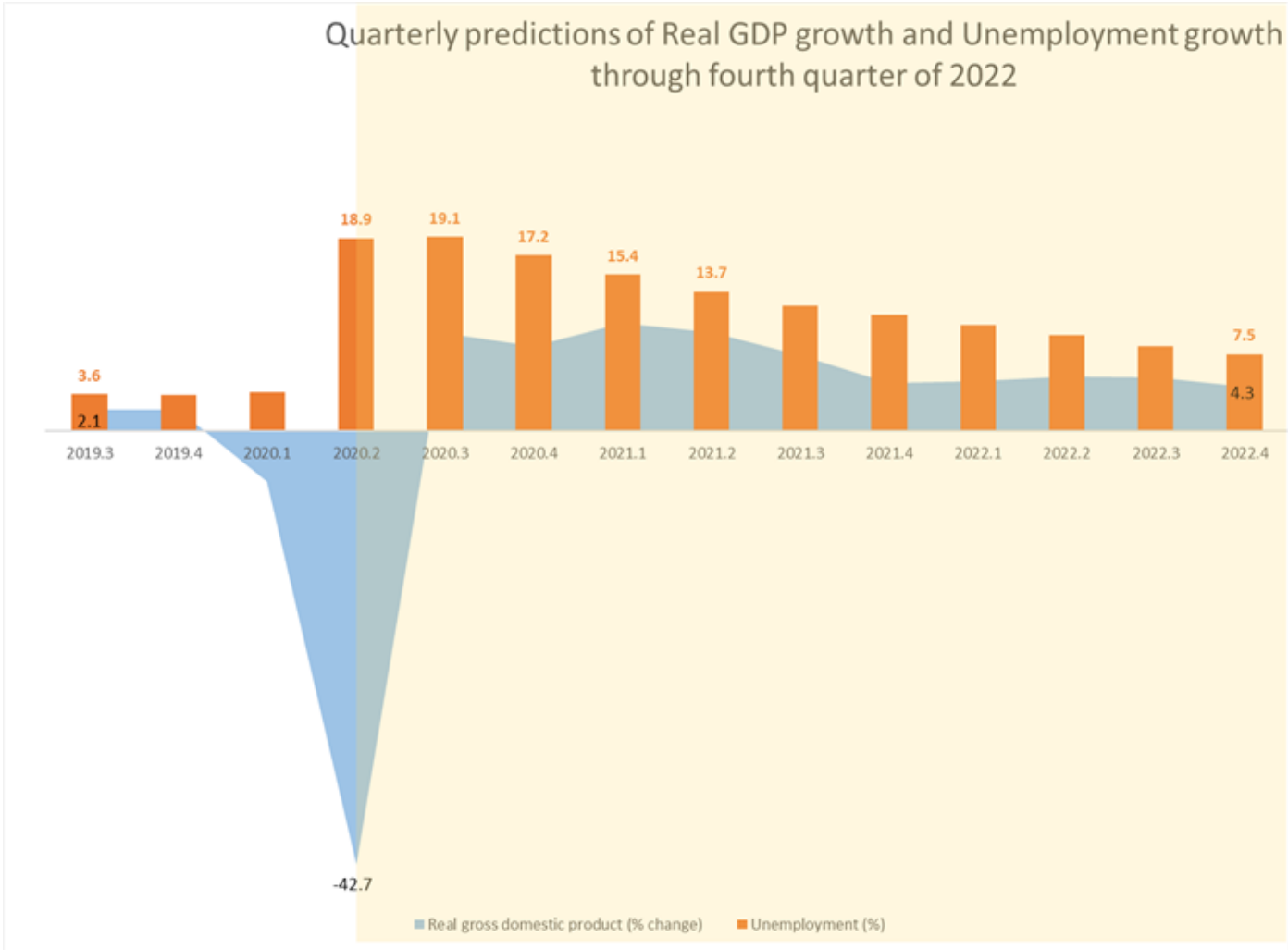
Nicole Smith
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Job losses during the three most recent recessions lasted between 11 and 21 months.



Unemployment is predicted to return to the long-rate by 2022



Source: Georgetown University Center on Education and the Workforce analysis of IHS Markit, Forecast Summary.



Leisure and Hospitality's disproportionately lost jobs during the recession

<i>2020 job losses by industry sector</i>	<i>Proportion of job losses</i>	<i>Proportion of jobs</i>
Natural resources	0.2%	0.5%
Construction	5%	5%
Manufacturing	6%	9%
Wholesale and retail trade services	12%	14%
Transportation and utilities services	3%	4%
Information services	1%	2%
Financial services	1%	6%
Professional and business services	11%	14%
Private education services	2%	2%
Healthcare services	10%	14%
Leisure and hospitality services	37%	10%
Personal services	6%	4%
Government and public education services	5%	15%

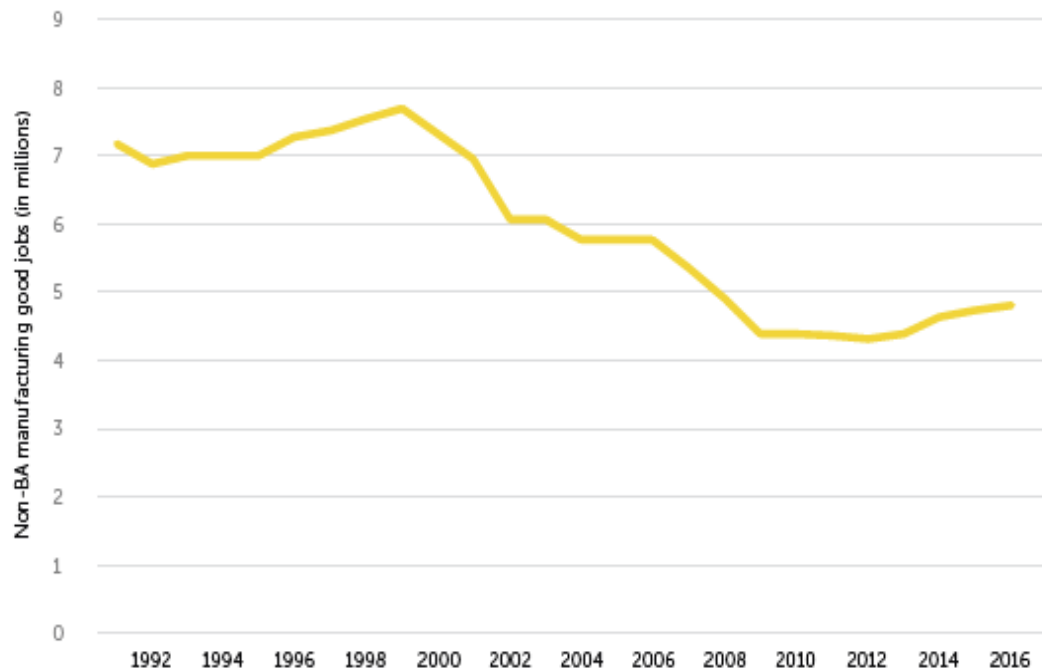
Source: Georgetown University Center on Education and the Workforce analysis of US Bureau of Labor Statistics Employment Situation Summary, 2020.

Note: Columns may not add up to 100 percent due to rounding.



The decline of the manufacturing economy has led to the rise of the college economy

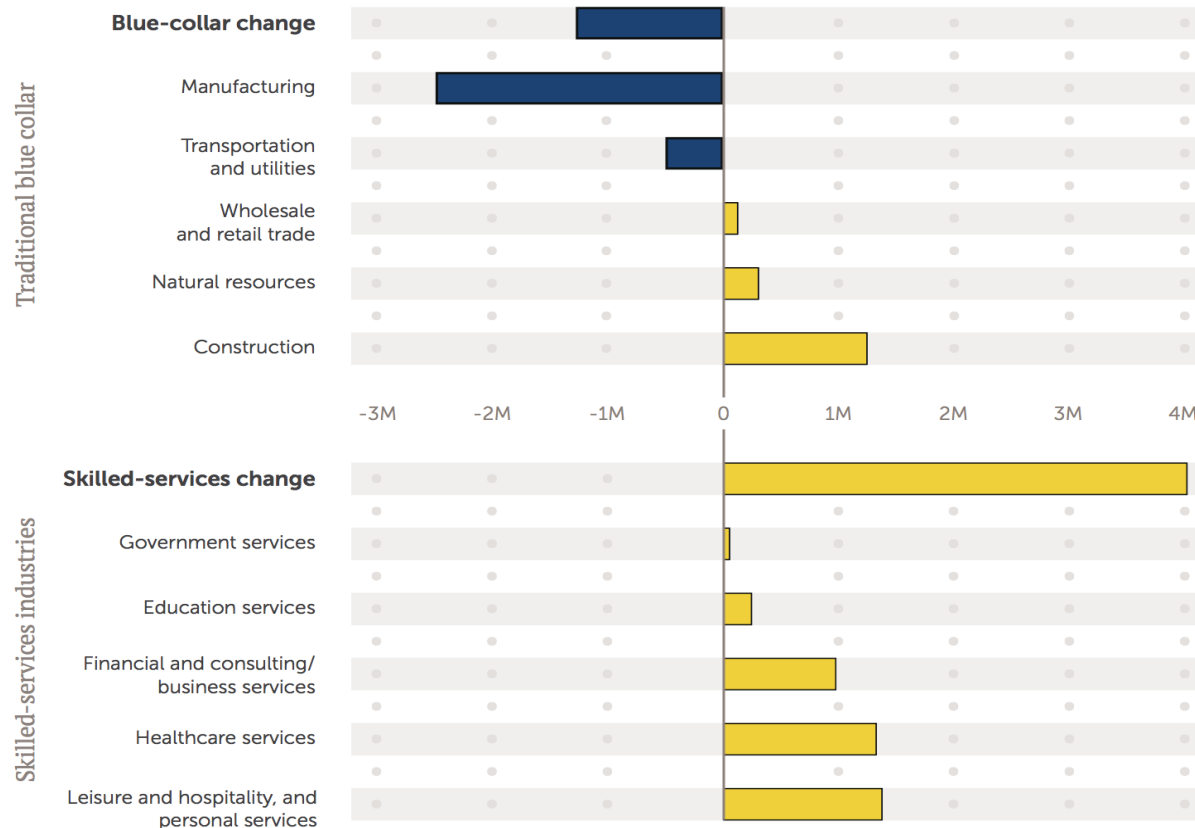
Globalization, automation, upskilling, and a shift to skilled services have made postsecondary education and training the dominant pathway to good jobs.



Source: Georgetown University Center on Education and the Workforce analysis of data from the US Census Bureau and Bureau of Labor Statistics, Current Population Survey, 1992–2017.



The growth of good jobs in skilled-services industries has offset losses in traditional blue-collar industries

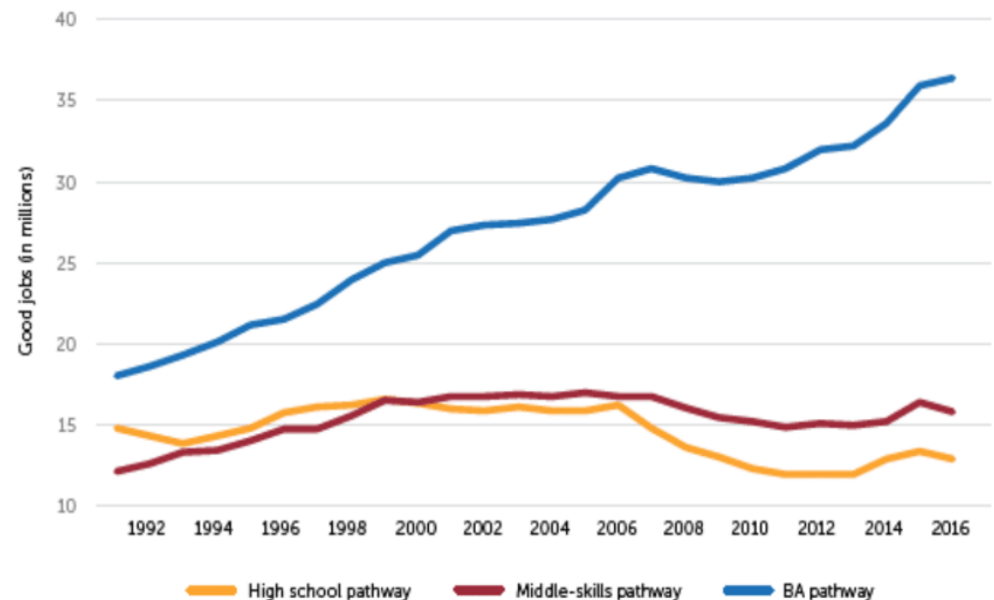


Source: Georgetown University Center on Education and the Workforce analysis of *Current Population Survey Annual Social and Economic Supplement (March)*, 1992-2016.



The middle-skills pathway has grown substantially

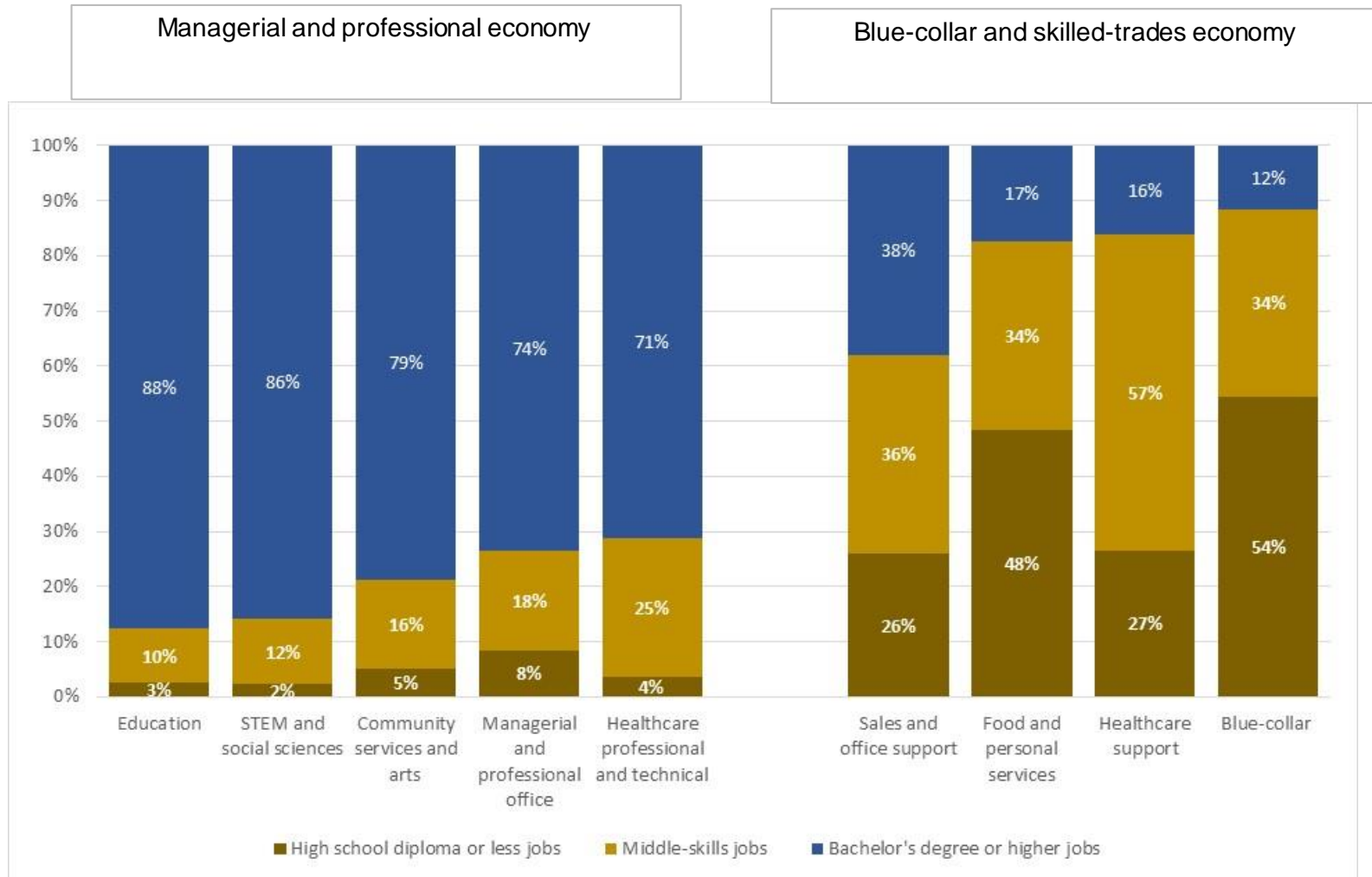
- All of the growth of net new jobs in the non-BA economy has been in middle-skills jobs.
- There are 16 million good jobs for workers on the middle-skills pathway, accounting for 24 percent of all good jobs.
- Good jobs for workers with associate's degrees grew by 83 percent between 1991 and 2016.



Source: Georgetown University Center on Education and the Workforce analysis of data from the US Census Bureau and Bureau of Labor Statistics, Current Population Survey, 1992–2017.



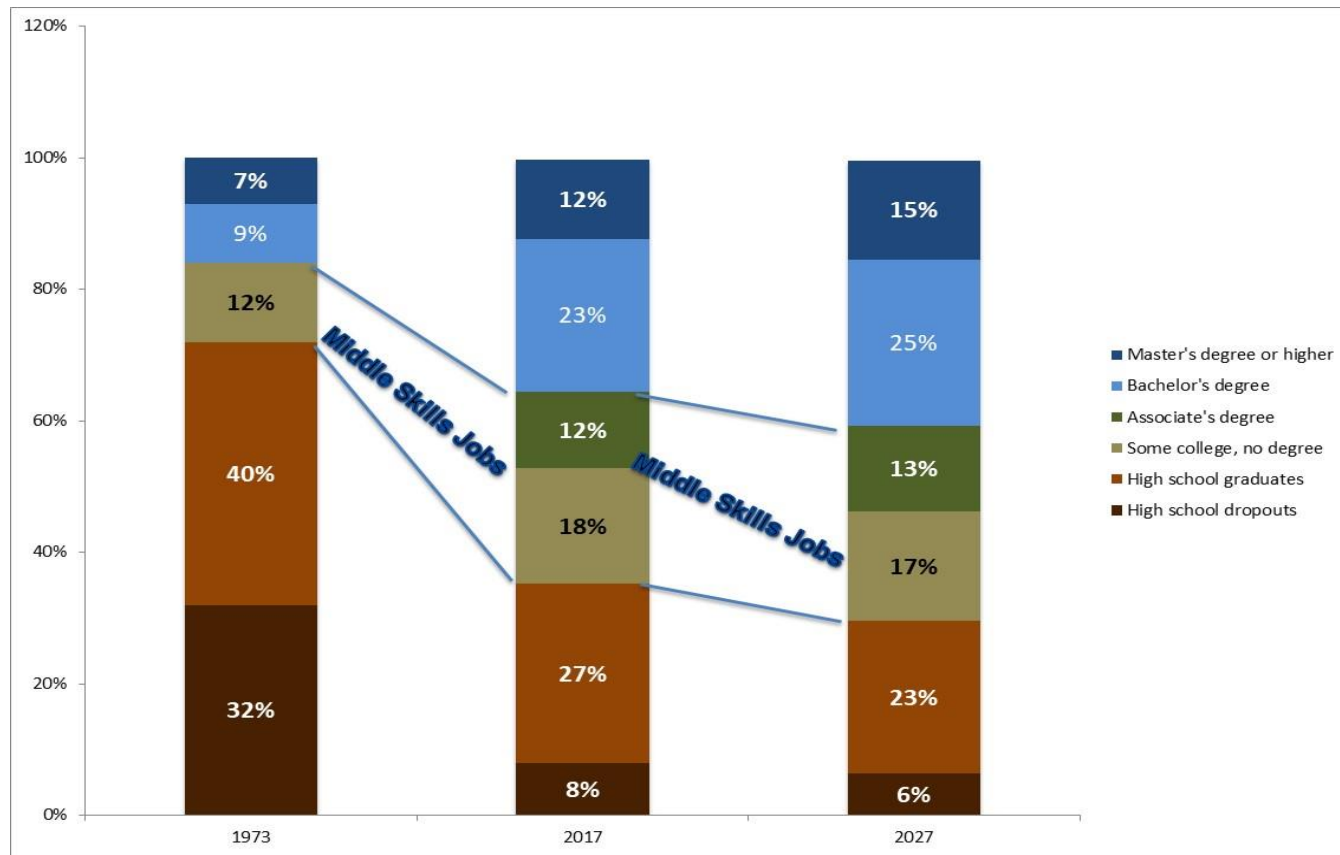
A tale of two economies



Source: Analysis of March CPS data, various years. Georgetown University Center on Education and the Workforce projections of jobs and education, through 2027.
 Note: The data in this table represent the “flow” of jobs. Job flow includes newly-created jobs and job openings caused by workers permanently leaving the workforce.



Automation and AI have heightened the demand for skills and education in the new economy.



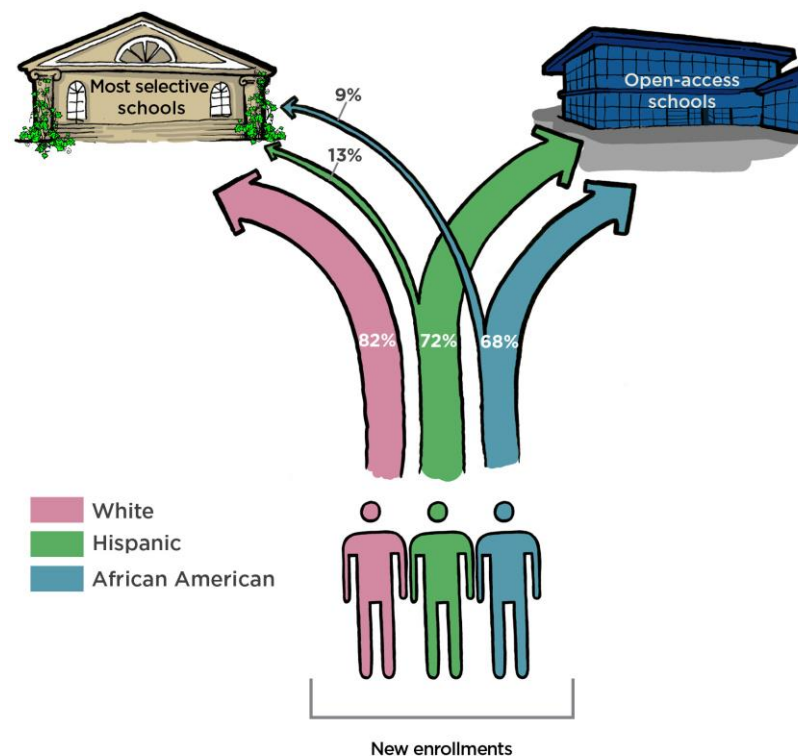
Source: Analysis of March CPS data, various years. Georgetown University Center on Education and the Workforce projections of jobs and education, through 2027.

Note: In 1973, the education variable was identified as years of schooling. Because BAs were much more prevalent than AA degrees at the time, we chose to include BA degrees and higher in the analysis to the exclusion of AAs for that year only.



The vast majority of white freshmen are going to the 468 most selective four-year colleges.

Figure 2. Between 1995 and 2009, 82 percent of new white freshman enrollments were at the 468 most selective four-year colleges, compared to 13 percent for Hispanics and 9 percent for African Americans; 68 percent of new African-American freshman enrollments and 72 percent of new Hispanic freshman enrollments were at open-access two- and four-year colleges, compared to no growth for whites.

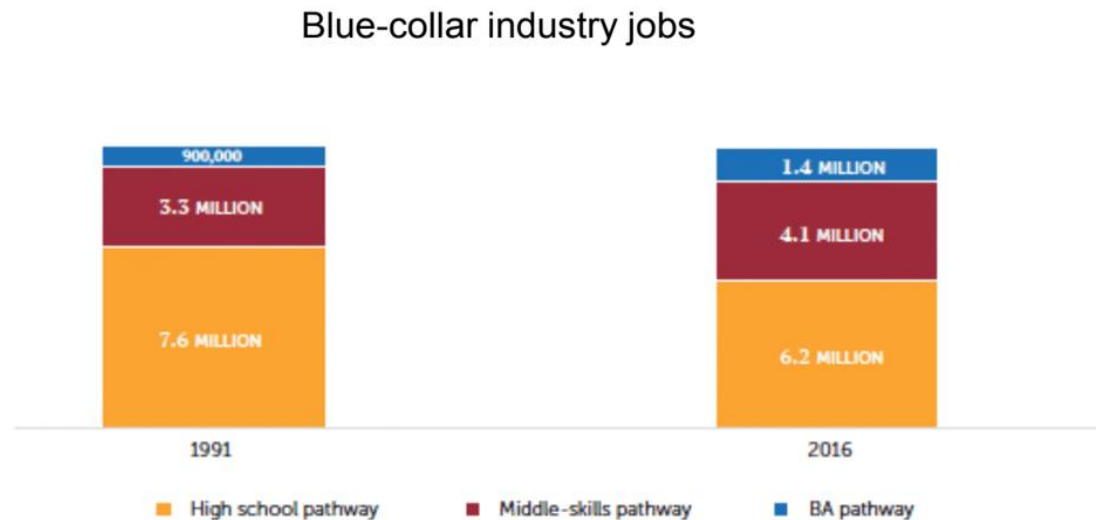


SOURCE: Georgetown University Center on Education and the Workforce analysis of IPEDS data; various years.



Blue-collar industries transformed as the economy demanded upskilling

- Blue-collar jobs now make up 21 percent of employment and 18 percent of good jobs.
- Blue-collar industries added 800,000 jobs for middle-skills workers and 500,000 jobs for workers with a BA or higher.



Source: Georgetown University Center on Education and the Workforce analysis of data from the US Census Bureau and Bureau of Labor Statistics, Current Population Survey, 1992–2017.

Note: Blue-collar industries include manufacturing, transportation and utilities, wholesale and retail trade, natural resources, and construction.



Industries and occupations for non-BA good jobs

Top five industries				
Industry	Number of non-BA good jobs	Share of non-BA good jobs	Share of non-BA workers with good jobs	Median earnings
Natural resources	20,000	26%	75%	\$80,000
Transportation and utilities	9,000	12%	74%	\$69,000
Construction	8,000	10%	52%	\$56,000
Public administration	7,000	10%	57%	\$58,000
Manufacturing	5,000	7%	58%	\$72,000

Top five occupations				
Occupation	Number of non-BA good jobs	Share of non-BA good jobs	Share of non-BA workers with good jobs	Median earnings
Construction and extraction	15,000	19%	68%	\$65,000
Transportation and material moving	9,000	12%	58%	\$63,000
Office and administrative support	8,000	11%	33%	\$58,000
Installation, maintenance, and repair	8,000	10%	65%	\$70,000
Management	8,000	11%	56%	\$69,000



Which industries are winning?

- Online retailers

Shares in big tech companies like Amazon, Microsoft, Apple, Netflix and Alphabet have led the market mainly because they've been doing well amid the coronavirus epidemic and their earnings are growing.

- Workspace solutions

Zoom, Teams, Citrix are king

- Retail sales: Supermarkets
- Manufacturing: PPE, hand sanitizers, Liquor store
- Janitorial services
- Big Pharm/Healthcare



Conclusion

- The increasing costs of college education creates unequal access to educational attainment
- There are a wide array of career pathways for workers without BA's to enter the middle class
- Promote access to good jobs by strengthening the connections between school and work
- Encourage transparency of the economic value of non-BA college programs for students to make better decisions





WENDI SAFSTROM
EXECUTIVE DIRECTOR, SHRM FOUNDATION

Purpose

Elevate and empower HR as a social force.

Vision

A world of work that works for all.

Mission

Mobilizing the power of HR and the generosity of donors to lead positive social change impacting work, workers and the workplace.



Three Types of Training Were Examined in the Survey



**Skills Training &
Development**



**Compliance
Training**



**Onboarding
Training**



Executive Summary

How are employers training and developing their workforce?





Four Different Types of Skills Training or Development Categories Were Presented to Participants



Initial Skills Training

**Job Maintenance
Training**

Up-Skilling Training

**Employee
Development**



What resources do employers have to up-skill their employees?

Educational Partners



42% of employers work with educational partners to up-skill its employees

Skill-Based Grants



Only **29%** of employers work with local or federal government to obtain skill-based training grants

Training Budget



55% of HR Professionals had a training budget last year
35% of those budgets have increased since last year



How has COVID-19 impacted Educational Institutions & Needs?

Enrollment



72% of educational institutions anticipate a massive decrease in enrollment for degree-granting programs

Reskilling Needs



51% of employers are diverting development programs to reskilling and upskilling for their existing and furloughed workers.

Development Focus



84% of employers are seeking virtual skills development that leads to some form of career enhancement or yields outcomes like certification or licensure.



How has COVID-19 impacted Educational Institutions & Needs?



Project management

Virtual offerings driving enhanced AGILE development



Data sciences

Large growth in data sciences programming for profit



Trauma-infused training

Referent crisis management programs have become the response to COVID-19



Team Dynamics

The redefining of team and people management is aiding growth in educational offerings



What does it all mean?

Inclusion

Industry leaders spend nearly **triple per employee** on inclusion.

Information

Industry leaders leverage data-driven decision making **fourteen times** more effectively.

Innovation

Industry leaders spend nearly **twelve percent more** on R&D.

Integration

Industry leaders are already **exploring human machine interfaces** as part of the employee experience.

Questions?

Please contact:

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SHRM Foundation

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BETTER WORKPLACES
BETTER WORLD™



Appendix





Demographic Information of Participants and Organizational Characteristics

72% MEAN AGE
CAUCASIAN 42

61% Privately
owned
for-profit 40%
Multinational
organizations





Weighting Information

The dataset was weighted by company size & company industry to be representative of US companies

Company Size

1-49 employees
50-99 employees
100-249 employees
250-499 employees
500-999 employees
1,000-2,499 employees
2,500-4,999 employees
5,000-9,999 employees
10,000 + employees

Company Industry

Agriculture, Forestry, Fishing, and Hunting	Manufacturing
Construction	Mining, Quarrying, and Oil & Gas Extraction
Education & Health Services	Professional and Business Services
Financial Activities	Public Administration
Information	Transportation & Utilities
Leisure & Hospitality	Wholesale & Retail