

**A Brief to the White House
Summit on Community Colleges**

How to Create
High-Impact Partnerships
for Jobs & Economic
Vitality in the U.S.

A Call to Action for Employers
and Community College Boards



Submitted by:

The following group of leaders representing business, philanthropy, community colleges, and leadership organizations, are joining together to submit this call to action:

Mary Gershwin, P.h.D.
President, Business Champions, Inc., Colorado

Elizabeth Abraham
CEO, Top Tool Company, Minnesota

Erick Ajax
Vice President, E.J. Ajax & Sons, Minnesota

Julian L. Alssid
Executive Director, Workforce Strategy Center,
New York

Mary Andringa
President/CEO Vermeer Corporation, Iowa

Sarita E. Brown
President, Excelencia in Education, DC

Ron Bullock
Chairman, Bison Gear and Engineering
Corporation, Illinois

Barbara Dyer
President, The Hitachi Foundation, DC

Phyllis Eisen
President, The Eisen Group, DC

Evelyn Ganzglass
Director, Workforce Development, CLASP, DC

Robert Giloth
Vice President, Center for Family Economic
Success, Annie E. Casey Foundation, Maryland

Earl Hale
Olympia, Washington

Kristin Hedger
Vice President, Killdeer Mountain Manufacturing,
North Dakota

Christine Johnson, Ph.D.
Chancellor, Spokane Community
Colleges, Washington

Kellie Johnson
President and CEO,
ACE Clearwater Enterprises, California

Alan R. Jones
Corporate Vice President, Human Resources
& Public Safety, UC Health, Ohio

Dennis Jones
President, National Center for Higher
Education Management Systems, Colorado

Donna M. Klein
CEO and Executive Chair,
Corporate Voices for Working Families, DC

Ann Knapp
Founding Board Member, Louisiana Community
and Technical College System, Louisiana

Jeannine M. La Prad
President and CEO, Corporation for a
Skilled Workforce, Michigan

Paul E. Lingenfelter
President, State Higher Education
Executive Officers, Colorado

Jack Litzenberg
Senior Program Officer, C. S. Mott Foundation,
Michigan

David A. Longanecker
President, Western Interstate Commission
for Higher Education, Colorado

Joe Loughrey
Indiana

John Mahoney
Senior Vice President, Chevron Energy Solutions

Dr. Michael B. McCall
Founding President & CEO, Kentucky Community
& Technical College System, Kentucky

Ron Montoya
Owner, Innov8 Solutions LLC., Colorado

Zackary T. Neumeyer
Chairman, Sage Hospitality, Colorado

Steven Ovel
Executive Director, Governmental Relations, Kirkwood
Community College, Iowa

Nan Poppe
Executive Director, Completion By Design, Oregon

Derek Redelman
Vice President, Education & Workforce Development
Indiana Chamber of Commerce, Indiana

Kristy Schloss
CEO and President, Schloss Engineered
Equipment, Inc., Colorado

Marc S. Schulman
President, The Eli's Cheesecake Company, Illinois

Whitney Smith
Program Manager, The Joyce Foundation, Illinois

Jack Stewart
President, California Manufacturers and
Technology Association, California

Pamela Tate
President and CEO, CAEL, Illinois

Van Ton-Quinlivan
Director of Workforce Development, Pacific Gas and
Electric Company (PG&E), California

Richard Voorhees
Principal, The Voorhees Group, Colorado

Inez Wildwood
Manager, Workforce Planning and Talent Development
at ALLETE & Chair, MN FastTRAC, a Shifting Gears
Initiative, Minnesota

Dr. Tony Zeiss
President, Central Piedmont Community College,
North Carolina

For more information and to join with us,
contact Mary.Gershwin@businesschampions.org



“NOW IS THE TIME TO BUILD A FIRMER, STRONGER FOUNDATION FOR GROWTH THAT WILL NOT ONLY WITHSTAND FUTURE ECONOMIC STORMS, BUT ONE THAT HELPS US THRIVE AND COMPETE IN A GLOBAL ECONOMY. IT’S TIME TO REFORM OUR COMMUNITY COLLEGES SO THAT THEY PROVIDE AMERICANS OF ALL AGES A CHANCE TO LEARN THE SKILLS AND KNOWLEDGE NECESSARY TO COMPETE FOR THE JOBS OF THE FUTURE.”

– PRESIDENT BARACK OBAMA

The leaders who join together in submitting this brief share a common sense of urgency. It is time to move from analyzing America’s skilled workforce problem to implementing solutions.

Over the last decade, countless reports and commissions have examined the condition of the American workforce, changing demographics, growing global competition, and skills required in the new economy. We know what’s wrong: If current trends continue, our workforce will be less educated in 2020 than it is today.

We also know that America’s workforce challenges can be solved. Realizing the full potential of our best workforce development tool- community colleges- is essential. Working together, leaders from community colleges and the business community must deliberately build partnerships that prepare Americans for high value jobs, expand opportunities for degrees, and encourage entrepreneurial capacity.

Now it is time for action. Based on what works, this brief calls two key groups of leaders to step forward to make improvements on a scale large enough to make a difference.

Employers and leaders from the business community can make a difference by

- Investing in individuals and workers
- Partnering with community colleges to strengthen program relevance and performance
- Making community colleges a focus of corporate philanthropy and corporate social responsibility efforts
- Taking the lead in advocacy for public policies to strengthen community colleges

Community college boards can make a difference by

- Making workforce development a top priority
- Planning for success and measuring results
- Following the money: Ensuring incentives align with intended outcomes
- Using data-based decision making
- Working effectively with the college president to build the workforce development and partnership agenda

Business Champions, Inc. thanks Lumina Foundation for Education and The Joyce Foundation for their generous support of our work.

In support of rebuilding the capacity and competitiveness of America's workforce,

President Obama has called for an additional five million community college graduates by 2020. Partnerships between employers and community colleges can and must play a critical role in meeting this goal.

The reasons behind the need for action are clear and compelling:

The American Workforce is falling behind.

If current trends continue, our workforce will be less educated in 2020 than it is today. Among older adults – those between the ages of 55 and 64 – the United States ranks first with the highest percentage of postsecondary degree holders of all developed countries. However, among young adults, aged 24 to 35, the U.S. ranks twelfth. This has real consequences for economic vitality: Job losses in the recession have hit low-skilled workers the hardest. In May, the unemployment rate for individuals with less than a high school education was 15%. For people with an associate degree, it was 7%.

Employers are demanding more practical skills and education.

The Business Roundtable reports that even in the midst of recession, 61 percent of employers say it is difficult to find qualified workers to fill vacancies at their companies.

It's not just about four-year degrees:

Industry-based certifications, two-year credentials, and apprenticeship programs in high-demand fields play an important role.

A recent report by the President's Council of Economic Advisors finds that "occupations that require only an associate's degree or postsecondary vocational award are actually projected to grow slightly faster than occupations requiring a bachelor's degree or more."



Fixing K-12 is not enough: Millions of adults must upgrade skills and earn credentials. An estimated 65% of the American Workforce in 2020 is beyond the reach of our K-12 system today and school reform will not fully impact the labor force for many years. Over the next 10 years, a total of about 30 million young people will graduate from high school in the US, many of whom will attend college – meanwhile, *there are 60 million Americans already in the workforce who have no credentials after high school.*

Moving to solutions: America’s workforce development problems can be solved. However, business-as-usual will not work. Realizing the full potential of America’s best workforce development tool – community colleges- is essential. Community college leaders, employers and leaders from the business community must become much more deliberate about working in partnership to build skills, degrees and entrepreneurial capacity.

Based on analysis of what’s working, this brief presents a call to action to the nation’s employers, business leaders and community college boards to make improvements on a scale large enough to make a difference.

A Call to Action: Employers and Business Community Leaders

More than any other group, employers and leaders from the business community are uniquely positioned to play a key leadership role in building America's skilled workforce through deliberate and strategic partnerships with community colleges. Business can take action for results in four key ways:

1

Invest in individuals and workers

Employers must make employee acquisition of career technical skills and credentials a priority—and a possibility—for millions of working adults.

Steps to achieve this include:

- Clearly communicating the skills and credentials required, and assessing for these skills, during the hiring process
- Integrating educational goals into annual job performance reviews
- Communicating how employees can use skill development to advance in their careers and with the company
- Providing on-site skills-training advisement and mentorship opportunities
- Offering employee flextime for training and education
- Offering job sharing
- Providing training and education on site
- Partnering with educational institutions to offer classes on-site
- Reimbursing some or all tuition and fees
- Supporting the cost of prior learning assessment so employees do not have to take courses in areas they already know
- Setting up College Savings or Lifelong Learning Accounts as payroll deduction benefit
- Offering a college loan forgiveness program
- Celebrating completion of degrees, certifications or classes
- Tying salary and/or wage increases to education level

The United Technologies Corporation (UTC) Employee Scholar Program

The UTC Employee Scholar Program provides support to help employees gain skills and earn valuable degrees and credentials.

Results:

- More than 30,000 degrees have been earned in over 50 countries since 1996.
- Twenty five percent of degrees earned are associate's degrees that enable career mobility.
- Program participants are two times more likely to be promoted.
- Program participants are 33% less likely to voluntarily leave.
- Employees are exposed to the latest business and technological thinking to bring a steady stream of ideas back to UTC to fuel product and customer innovations.
- The program design allows employees to build on their education by earning degrees at subsequent levels.

Key Innovations:

The program helps workers overcome barriers of time and money that prevent many working adults from pursuing education and training:

- Tuition, books and fees paid by UTC directly to the school.
- Participants receive up to three hours of paid time off per week for studies.
- Although employees are allowed to study any field of their choosing, nearly 90% choose a field that relates to either their current job or a career path available within UTC. The most common areas of study are business, engineering and technical fields.
- No repayment is required should employees leave.
- The program is available to eligible laid off employees for one to four years after they have been laid off.



2 Partner with community colleges to strengthen program relevance and performance

Increasingly, employers are getting involved in curriculum and program development, bringing expertise and resources to strengthen outcomes.

Examples include:

- **Address skilled workforce shortages.** Cincinnati hospitals have created a sustainable regional collaborative with local colleges to build a new pipeline of skilled employees. Working together, the hospitals provide faculty, fund laboratories, co-construct curriculum, remove barriers with tuition advancement and payment for non-credit classes, and support student retention. Over the past five years, over 2,600 health care workers have earned certificates and degrees directly tied to regional employer demand.
- **Partner to produce skilled workers.** PG&E's PowerPathway™ program has partnered with local 2- and 4-year colleges to build California's capacity to produce the skilled workers needed by the energy and utility industry. The PowerPathway model—a collaboration between the educational and workforce investment systems, labor, and industry—is guided by industry-driven need while focusing on strengthening career pathways in underserved communities. PG&E's role in each partnership varies, and may include informing curriculum, faculty train-the-trainer programs, technical assistance, co-delivery of classroom instruction, program management, student field visits, in-kind donations of equipment, program funding, employment, and/or enlistment of additional employers to advise and hire.
- **Actively participate on community college career and technical advisory councils to ensure programs remain relevant to employer needs.** For example, small and mid-sized solar energy companies in Aurora, Colorado guided certificate program faculty in developing an applied math course and hands-on experiences for students in a new solar technology certificate program at Community College of Aurora. With these additional skills, program completers met employer needs and were hired by local companies.
- **Strengthen college-career connections.** Employers and community colleges are partnering around internship programs, career awareness programs and mentoring programs. For example, after 12 weeks of coursework, the M-Powered Program in Minnesota links students with paid internships in manufacturing.
- **Build entrepreneurship and small business.** Houston Community College has developed a dynamic partnership to promote the birth of new businesses. The partnership between HCC and Newspring has resulted in the creation of the NW College Center for Entrepreneurship, a thriving center that offers business development classes, workshops, seminars and an exciting Business Plan Competition. Students not only gain the critically needed skills and confidence to start their business, but the competition winners receive prize money to finance their business and introduction to investors.
- **Tackle basic skill development** in areas such as English as a Second Language, reading, writing, and communication. For example, in Colorado, Morgan Community College and Cargill's partnership serves more than 200 people each year and creates pathways to advancement and degrees for immigrant workers.

3 Make community colleges a focus of corporate philanthropy and corporate social responsibility efforts.

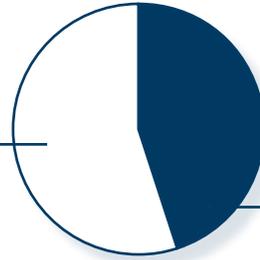
Although corporate philanthropy contributes more than \$4.3 billion annually to higher education, nearly all of that support is directed at four-year colleges and universities. Community colleges serve more than forty-five percent of all students enrolled in higher education, yet they receive less than two percent of corporate contributions to higher education.⁷

2% Is Not Enough:

Corporate Philanthropy Lags in Support for Community Colleges

Where do America's students attend higher education?

55%
Universities
and 4 Year
Colleges



45%
Community
Colleges

Where does America's corporate philanthropy invest in higher education?

98%
Universities
and 4 Year
Colleges



**Less than
2%**
in Community
Colleges



Models of corporate philanthropic leadership and investment in community colleges are emerging: While much work remains to be done, examples of effective corporate philanthropic initiatives in support of community colleges are now emerging. For example:

- The Hitachi Foundation partnered with the Robert Wood Johnson Foundation, with additional support from the U.S. Department of Labor, in a \$15.8 million development and demonstration project yielding more highly skilled, better prepared, and credentialed front line workers for health and health care employers in seventeen sites across the country. Through the “Jobs to Careers Initiative” educational institutions -- primarily community colleges -- and employers partner and transform the way frontline employers are trained, rewarded, and advanced. The independent evaluation is demonstrating cost-effectiveness, with high completion and significant advancement/wage gain rates with extremely high retention in positions often subject to high turnover.ⁱⁱ

- The Walmart Foundation is providing a total of over \$12 million in grants for six national workforce and student success initiatives in community colleges throughout the U.S., including “Breaking Through,” the Walmart Workforce and Economic Opportunity Initiative with the American Association of Community Colleges, and the Walmart Brighter Futures Project with the League for Innovation in the Community College, to name a few.
- The North Carolina Glaxo-Smith-Kline Foundation is funding a \$490,000 grant to expand the “Breaking Through” initiative in North Carolina, which builds community college capacity to help low-skilled, low-income adults succeed in community college programs and in the labor market.

While these examples are encouraging, corporate philanthropic efforts must be expanded to become a critical driver in supporting community college efforts to build a skilled workforce.

The Goldman Sachs 10,000 Small Businesses initiative provides funding to community colleges across the nation to work with national program partners to deliver a practical business and management education to small business owners. Goldman will be giving \$200 million to the colleges and other educational partners and \$300 million to Community Development Financial Institutions for capital for small businesses. Recognizing that community colleges are the engines that drive economic development, Goldman Sachs has launched the program at LaGuardia Community College, Los Angeles City College and the Long Beach Community College District, and will expand to communities across the country.



“ONE OF THE MOST POWERFUL WAYS TO MOVE A SYSTEM IS TO BE VERY DELIBERATE IN CHOOSING AND EVALUATING PRESIDENTS AND GIVING THE ECONOMIC DEVELOPMENT ROLE ITS RIGHTFUL PLACE AS A TOP PRIORITY FOR COLLEGE LEADERSHIP.”

– SCOTT THISS, CHAIR, MINNESOTA SYSTEM OF COLLEGES AND UNIVERSITIES

4

Take the lead in changing public policies to increase support for community colleges.

One of the most powerful commitments employers and business leaders can make to strengthen community colleges is to use their influence, credibility and knowledge as leaders in the community in support of improved outcomes, stronger partnerships and effective policy.

Business leaders can take action that will make a difference by:

Using employer-driven influence: Participate in delivering messages to critical leadership groups, including policy makers and educators. Business leaders who deal with workforce issues on a daily basis are uniquely qualified to educate policy makers, elected officials, educators, and other key leaders about the skilled workforce challenge, its cost to employers, and the connection between education after high school and economic competitiveness. The following strategies are useful ways for employers and business leaders to use their influence:

- Become a resource for reports and editorial boards. Publish op-eds.
- Give speeches to a wide range of policy forums at the state and national level where expertise and insight from business leaders is essential (such as the National Council of State Legislators, Trustee Associations, and meetings of philanthropy).
- Testify before public policy making groups at the city, state and federal level.
- Provide leadership on Chamber of Commerce education and workforce development committees.
- Get involved in recruiting, selecting, and supporting outstanding college presidents.

Using convening power to build coalitions and bring diverse partners to the table. Business leaders can use their convening power to bring diverse groups together to focus on shared goals that cannot be solved by one group working alone. For example, as a part of the Community Education Coalition in Columbus, Indiana, leaders from business, manufacturing, healthcare, and have partnered for many years with

elected government officials, economic development, superintendents, chancellors and leaders of regional university campuses. Working with this coalition, Cummins Inc's consideration of Southern Indiana as the location for a new plant was used to build support and momentum to do something significant to better align education with the skill and knowledge needs of employers in eleven counties in Southeastern Indiana. A campaign to strengthen the manufacturing workforce and the pipeline for skills entitled *Dream It Do It* was introduced as part of this effort and created enough buzz that the effort attracted over \$38 million in financial support. Conexus Indiana was created, in part, to use *Dream It Do It* to spread this effort across the state. Joe Loughrey, retired President and Chief Operating Officer of Cummins Inc., was involved in both efforts and notes six key strategies that make a difference in building coalitions:

- Focus on results that make communities better places to live, work, and invest.
- Don't go it alone: Deploy deliberate strategies to involve small business as well as larger firms.
- Use your influence to bring educational institutions together to improve outcomes. Work across the range of institutions and providers in your region.
- Create "champions" in high schools that build links between teachers, counselors, parents, students, higher education, and employers.
- Share best practices across champions and employers.
- Insist on development and use of success metrics that hold institutions accountable for results.

Serving in policy making roles and encouraging corporate participation on boards and commissions.

A growing cadre of business leaders is moving from working to influence public policy to serving in strategic positions, particularly at the regional and state levels, where they participate in setting public policy. These "Business Champions" are serving as trustees on state level community college boards and higher education boards, as members of commissions of higher education, as members of state-level workforce boards, and on state economic development commissions.

A Call to Action: Community College Boards

As employers and business leaders get more involved in workforce development, they must link with strong faculty and administrators to build effective partnerships with community colleges. Community college boards must stand fully behind this important work. The board must create the conditions in which partnerships can thrive by taking action in five critical areas:

1 Make workforce development and student achievement a top priority.
The board sets the context for productive workforce development alliances by making workforce development and student success a top priority for the college president. Setting this priority provides focus and a basis for recognition of achievements, responsibility, and accountability. Leading community college boards call for high impact change such that:

- **Individuals** who enroll in education and training programs gain the skills and credentials that are in demand. In return, individuals are better equipped to get and keep good jobs, advance in their current jobs, or create successful small businesses.
- **Employers** get skilled workers.
- **Communities and regions** develop the skilled workforce capacity required to attract, produce and retain good jobs, while contributing to the future positive impact that comes with the growth of successful small businesses.
- **Success is sustainable.** Ensure that when the budget trade-offs occur, workforce programs that prepare students for good jobs— and may be more costly to deliver because of the labs and technology required — are not eliminated.



2 Plan for success and measure results.

To move from vision to action, boards must make wise and strategic use of their policy making authority. Policies that worked in the 1990's may no longer be relevant. Boards must examine existing incentives and identify policies that need to change to make workforce development outcomes a priority. Action steps include:

Establish measurable goals related to workforce development results, such as:

- Increase the number of students who (1) **complete degrees and credentials** in programs with high value in the local/regional labor market; (2) **get and keep jobs** in their field and who advance in the workplace; (3) **transfer to four year programs**.
- Meet the workforce development needs of employers in key sectors who offer high value jobs, and are willing to partner with the college to develop programs.

Ensure employer engagement is a core feature of the college process for program planning and that it is responsive, flexible and of a high quality. Ensure employers act as strategic partners to shape and develop relevant curriculum and program design.

3 Follow the money and ensure incentives align with intended outcomes.

The board should use its authority to ensure fiscal policy supports workforce development results and effective partnerships:

- Advocate at the state level for aggressive performance funding that offers incentives for workforce and job placement outcomes—not funding based solely on number of enrollments.
- Ensure that institutional funding formulas reward student success, labor market and economic development outcomes, and college efficiency. Support efficiency measures, such as assessment for prior learning, so students do not have to take courses when they already have competency and knowledge.

4 Use data-based decision making.

Community college boards should provide leadership to ensure data systems support high-quality decision making:

Charge the college to conduct annual surveys to assess employer satisfaction.

Work with state and federal policy makers to support development of systems that enable colleges to

- Track and monitor progression, completion, employment and wage outcomes of all students (including students enrolled in part time, adult basic education, and non-credit programs).
- Create a job placement score card; measure against current performance and desired goals.
- Ask for and use data that tracks cost per completion, not solely cost per enrollment.

Ensure the college uses labor market data, input from employers, and needs of small business to make decisions before investing in new programs.

5 Work effectively with the college president to build the workforce development and partnership agenda.

Board leadership must support strong leadership from the president with action in three key areas:

- **Make a commitment to solving community problems.** Some boards talk about community needs but are reluctant to charge college leadership to take on solutions to community issues such as workforce development. Instead of acting in the interests of the community, these boards focus on the narrow successes and achievements of the college.

Boards should charge the president to work to make the college a relevant problem solver in the community.

- **Reinforce the workforce development and partnership priority in the presidential recruitment and evaluation process.** When evaluating the performance and progress of the president and college for continuous improvement, boards should include completion, job placement, and workforce metrics.

- **Help the president with external connections.** Particularly in the first years of leadership, the board must actively support the president to elicit and inspire the thinking of key business leaders in a shared vision for workforce development. The board can do this in concrete ways by introducing the president to key leaders, participating in key community forums, and working behind the scenes to help forge new alliances.
- **Reinforce high expectations for employer partners.** Employers who join with the college in workforce development efforts should be expected to make significant investments. It is unrealistic to expect the college to respond to all the requests for workforce partnerships. The board should ask about the commitments partners are bringing to the table and be a resource to assist in building new commitments.
- **Stick around when the road gets rough.** Inevitably, even the most diplomatic and skilled of presidents will ruffle feathers when leading important change initiatives. The board can contribute to the strength and integrity of the college's commitment to workforce alliances by standing firmly together and beside the president on contentious issues. Occasionally, such an explicit demonstration of support will be critical to moving the workforce development mission forward.

Conclusion

When employers, business leaders and community college boards join forces, they have the power to be instrumental in solving America's workforce development problems. Today, in many communities, good work is under way. But it is not enough. Across the country, employers, business leaders and community college boards must move from analysis of our workforce development challenges to a sustained, deliberate, and strategic commitment to implementing solutions. By joining together for results, we will leverage our combined capacity to change "what is" to "what can be."

¹ http://www.cae.org/content/pdf/VSE_2009_Press_Release.pdf. According to VSE 2009, of the \$4.62 billion in corporate giving to higher education, community colleges received \$50 million.

² For more information see "Community Colleges Get To Work: Adopting Work-Based Learning in Partnership with Health Care Employers" at http://www.jobs2careers.org/J2C_CommunityColleges_080510.pdf





About Business Champions, Inc

Business Champions, Inc. builds the skills of our workforce by mobilizing the influence of business leaders to stimulate new thinking, strengthen political will, and reform systems so that more Americans earn valuable degrees and credentials after high school. A national network of exemplary organizations and leaders, Business Champions, Inc. leverages the power of business leadership to build a skilled and credentialed workforce, creating greater opportunities for workers, companies and communities in the United States.

For more information:

www.businesschampions.org or email Mary.Gershwin@businesschampions.org

Acknowledgements

The content of this report was prepared by Mary Gershwin, President of Business Champions, Inc. in collaboration with partners and advisors.

This document is available at <http://www.businesschampions.org>
Reproduction is authorized and encouraged. Please cite the source.