



TECHNOLOGY DISPLACED WORKERS IN PANDEMIC, RETRAINING MUST EXPAND

A Conversation with Tamar Jacoby

Tamar Jacoby is president of Opportunity America, a Washington-based nonprofit that promotes economic mobility and is focused on workforce education and training. The organization's forthcoming survey of community college administrators explores their workforce programs and employer relationships. Jacoby discusses the pandemic, worker mobility and job training.

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Q. What is the future of work? Is the American dream still attainable?

The American dream has been under scrutiny for a while. There's a lot of debate about economic mobility—has it shrunk or decelerated in the last decades? We don't know for sure. What we do know is that technology has been transforming the economy.

We all talk about the future of work. The automation and business restructuring we call the "future of work" has been with us since the 1950s and gathering steam in recent years. But the pandemic sharply accelerated it [workplace change]. Someone summed it up well during the first lockdown [in April 2020]: "Things about the future of work that we thought would take a decade happened in a week during the pandemic."

Some companies automated to replace people who weren't coming to work for safety reasons. Others automated because it was an opportunity to do something more cheaply—to use a machine instead of a worker.

Some of the workers who lost jobs will find new positions; others won't. Some of this will sort itself out, like the supply-chain problems [affecting manufacturing]. But the important long-term trend is the accelerating future of work, and it will have a disproportionate impact on low- and middle-income Americans.

The jobs at the bottom of the skills ladder are more likely to involve routine tasks, so they are more likely to be transformed or eliminated by automation. Automation will also create jobs, maybe as many [as are lost], maybe not. But either way, many workers will have to learn new skills to keep their old jobs or get new jobs.

Q. You've done a lot of work recently looking at community colleges. What role are they playing educating students on their way to four-year universities while providing workforce education and skills training?

Community colleges are like a Swiss Army knife; they do lots of different things. Many students who are intimidated by a four-year school or can't afford a four-year school or don't have the grades for a four-year school go to community college. If they make the right choices and work hard, they eventually transfer to a four-year college and get a bachelor's degree. And it's a much cheaper bachelor's degree because community colleges are much cheaper than four-year schools.

The challenge is that the graduation rate at community colleges nationwide is below 40 percent. The transfer rate is even worse—80 percent of community college students show up saying they want a bachelor's degree, but only 15 percent make it. We need to do better; we need to improve these graduation rates. But we also need better options for students who probably aren't going to get a four-year degree.

That's what some of the other tools on the Swiss Army knife are for—preparing learners for the workforce. Some people don't need or want degrees. What they're looking for are certifications. Think of a certified nursing assistant. A certified nursing assistant doesn't necessarily need a degree. He or she can get a good job with a certification.

Most community colleges have a separate, stand-alone division devoted to serving learners who don't need or want degrees. It's called the noncredit division, and it accounts for more than one-third of all community college students nationwide. But many people have never even heard of it. That's why it's sometimes called the "hidden college."

Almost every community college has both a credit division and a noncredit division, and on some campuses, they're like two separate institutions. The side that's preparing people for transfer is one kind of institution, and it's very distinct from the noncredit side. A noncredit student might need just eight or 12 weeks to complete a certified nursing assistant program. These students don't have to take any English or history, and they leave with a certification rather than a degree.

When the manufacturing worker loses his job at age 32, he needs to go someplace to learn a new skill for a new job. And often the perfect place is a community college.

Q. It seems that especially in the pandemic, skills training is increasingly important, right?

Yes, and community college noncredit programs are ideally suited to provide that training for two reasons. First, the noncredit side doesn't need faculty approval or an accreditor's approval to launch a course. So, if I'm Tamar's Widget Co., and I show up at the college and say, "I need welders. Can you train some welders?" The credit side is going to say, "Come back in two years. We need to get program approval; we need to run it by our accreditor. We probably need to run it by the state."

The noncredit side is going to say, "Yesterday? Tomorrow? How many people? What kind of welding?" They're much more flexible and adaptable and close to the labor market, and that's obviously good for students and employers and, by extension, the economy.

Second, the noncredit side of the college can make courses as short or long as they need to be, and it doesn't have all those other requirements—English, history, social studies. So, it's ideal for students in a hurry to get back to the labor market.

The challenge is that most noncredit programs aren't accredited, so some people worry about quality control. What the colleges will tell you is, "We have market discipline." If students weren't taking the programs and employers weren't hiring the graduates, these programs wouldn't exist. I think that's true to a large extent, but we don't yet have the data to prove it.

Q. How do community colleges in Texas compare with those in the rest of the nation?

Texas is doing some really interesting things. In many ways, it's on the cutting edge of innovation.

It's a very centralized system. That's both good and bad. But it can help with quality control and also make it easier for noncredit students who come back to college later in life to get credit for what they learned in a noncredit program.

Most courses taught anywhere in the state are in one of two central course catalogs. There's a state course catalog for academic courses and a state course catalog for workforce courses.

So, the basic construction safety course at Brazosport College is mostly the same as the construction safety course at San Jacinto College. That makes it easier for students who start their education in one place to finish someplace else.

Even more important, when the unemployed construction helper comes back to college at age 30 to get an industrial construction management degree, he's much more likely to be able to leverage what he learned in the basic safety course for college credit.

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Texas also provides funding for the programs or program components in that central catalog, whether they're on the credit or noncredit side. Most states provide little if any funding for noncredit programs.

A second great innovation is at Texas State Technical College. It is one of the best two-year institutions in the country, and it has a really interesting financial model.

Most community colleges get funded on the basis of “butts in seats.” How many students do you have, and how many hours have they put in? At Texas State Technical, the college gets reimbursed based on what graduates earn—how much more than the minimum wage. The subsidy is geared to outcomes as opposed to inputs. That should be a model for the nation.

Q. What's the future of the American worker and what can we do to make it better?

Automation and the accompanying business restructuring are coming at us at a million miles per hour. And there's a big debate—there has been for many decades—about whether that's going to be a good thing or a bad thing.

Some people are apocalyptic—they say it's going to destroy all the jobs. Other people take a more hopeful view. They anticipate creative destruction. Some jobs will be lost, but other jobs will take their place.

I fall on the creative destruction side of the debate. But even in the best scenario, less-skilled people will have the hardest time. Their jobs are more likely to be routinized and more likely to be changed or eliminated by automation, and the answer for people in that situation will be training.

The future will not be kind to low-skilled Americans unless they get skills. Workforce training is going to become more and more important. More people will need it.