Workforce Development: How to Build a More Expansive and Inclusive Worker Pipeline

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Pilicy Not Politics

WORKFORCE DEVELOPMENT: How to Build a More Expansive and Inclusive Worker Pipeline

Featuring SHRM 2022 Talent Trends Report



- Over 9 in 10 organizations have had **difficulty recruiting** for full-time regular positions in the last 12 months, up 23 percentage points from six years ago.
- Nearly 2 in 5 organizations report that the positions they've hired for in the last 12 months have **required new skills**.
- Despite the potential for **remote work and upskilling/reskilling** to expand employers' access to talent, the percentage of employers who have expanded their geographic search region when recruiting has increased *only 2 percentage points* (from 34% to 36%) and the percentage who are training existing employees to take on hard-to-fill positions has increased *only 1 percentage point* (from 42% to 43%) in the last six years.
- 56% of organizations use pre-employment assessments to gauge applicants' knowledge, skills, and abilities during the hiring process. While 78% say these assessments have improved the quality of their organization's hires, 36% also say these assessments have increased their time-to-fill, a critical metric in the current talent market.
- Of HR professionals whose organizations offer **educational assistance**, only 30% say their organization takes advantage of Section 127 of the Internal Revenue Code, which allows employers to offer up to \$5,250 in educational assistance as a tax-free benefit to employees. 1 in 3 are unsure.

Importance of Investment Into Workforce Development

- Employers and government have a *dual role* to play in the education and training of employees to help them become better-qualified for jobs at all skill levels.
- In addition, equipping valuable yet vulnerable populations with the skills they need to become gainfully employed will:
 - Improve their quality of life;
 - Grow the U.S. pool of skilled talent; and
 - Increase the earning potential of the U.S. workforce.





Good Workforce Development Policy

To help close the skills gap and improve individual prosperity, employers and government should adopt practices and policies that support efforts to:

- Hire;
- Educate and train individuals for the modern workplace; and
- Utilize non-traditional talent pools.

Work-Based Learning

SHRM supports public policies that foster expanded work-based learning opportunities, including apprenticeships, skills-based hiring and enhanced instruction of employability skills in K-12 education.

Untapped Talent

SHRM supports policy initiatives that promote hiring from under-utilized talent pools, such as the formerly incarcerated, older workers, individuals with disabilities and veterans.

Education Assistance

SHRM believes employer-provided education assistance should be expanded to include student loan repayment and an increased monetary limit. **SEED** State Exchange on Employment & Disability Advancing Policy for a More Inclusive Workforce

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SEED State Exchange on Employment & Disability Advancing Policy for a More Inclusive Workforce

Rachel McGreevy State Exchange on Employment & Disability (SEED) State Outreach Advisor Concepts, Inc.

Introducing SEED – Your Resource

SEED is a unique state-federal collaboration that helps states advance a more inclusive, equitable workforce and increase employment opportunity for all workers.

- ✓ WIG Partner State Policy Assistance Resource
- ✓ Disability employment policy and subject-matter expertise
- Targeted policy analysis and assistance to state and local policymakers (research, state gap analyses, draft legislation)
- Tools and resources designed to assist state policymakers in crafting and sponsoring effective policies
- Sample policy options that states can customize and advance within their own legislatures
- Access to meaningful data on disability employment and related issues
- Connections to federal agencies

State as a Model Employer of People with Disabilities

As model employers, state governments can play a significant role in advancing the recruitment, hiring, retention, and promotion of people with disabilities in the state workforce.

Key Components/ Policies, Practices and Procedures

✓ Infrastructures

Diversity, Equity, Inclusion, and Accessibility Strategic Plans (Affirmative Action Plans)

What gets measured and reporting and what has consequences gets done

Alternative and Fast-Track Hiring Authorities

✓ Retention Policies

Accessible Information and Communication Technology

Disability Awareness Training of State Personnel



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DOL.gov/agencies/odep/state-policy

Older Workers – WHY hire them?

Aging Workforce

Rich in Human Skills

- 34% of the workforce is 50+
- Average life expectancy is 78.2 (and growing)
- By 2032, adults 65+ will outnumber children 18 and under
- Millennials have begun to 12 AAKP^{IN 40}

- Older workers seen as performing the same as or better than their younger counterparts on 7 of 10 most important soft skills
- Younger brains are faster, older brains have more context & judgment
- Organizational tenure highly correlated with firm performance

Age Diversity Dividend

- Higher productivity per employee
- Greater diversity of ideas, knowledge, and skillsets
- Improved workforce continuity, stability, and retention of intellectual capital
- Increased likelihood of innovation

Workforce Stability

- Older workers exhibit greater steadiness and fewer errors
- 42% of workers 18 49 found staying motivated during the pandemic difficult compared with only 20% of workers 50+
- Older workers = lower turnover

Older Workers - WHAT is their experience?

Age Discrimination

Long-Term Unemployed

- 62% of workers 50+ saw or experienced age discrimination at work
- 93% reported it was common
- 17% said they were the recipient of negative comments about their age at work

- Older job seekers 55+ make up more of the long-term unemployed than younger workers – 53% vs 43%
- Older workers who are displaced take about twice as long to return to work as younger workers, and only 41% recover their former earnings

Intersectionality

- During the pandemic, job loss for older Black (20%) and Hispanic women (23%) was higher than for older White (13%) and Asian women (14%)
- Resumes of older women get far fewer callbacks than those of older men or those of younger workers
- Older LGBTQ workers (71%), Black workers (77%), Women (64%), and Hispanic workers (61%) experience higher rates of age discrimination than older White men (59%)

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Older Workers - HOW can the public sector help?

Promote Age-Inclusive Employer Policies

- Equal access to upskilling opportunities
- Paid leave and other support for caregivers
- Flexible work arrangements
- Intergenerational ERGs
- Flexible retention policies

Promote the Value of Older Workers

- National Employer Older Workers Week – last week of September
- Workforce development partnerships
- Community Colleges
- Chambers of Commerce

State-Level Legislation

- Both Connecticut (SB56) and Delaware (SB211) prohibit employers from asking agerelated questions in the initial application
- New Jersey (AB681) prohibits governmental employers from requiring retirement at a certain age
- Oregon (SB1155) targets older workers for workforce development and services

Sign the AARP Pledge

- In August, Colorado became the first state to sign the AARP Employer Pledge as an employer!
- Learn more at <u>www.aarp.org/employe</u> <u>rpledge</u>

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