



## **Response to Critics: What Job Training Teaches National Association of Workforce Boards: Present Day Solutions**

Yet another critic surfaced in an op-ed piece to the [Wall Street Journal](#) around the “failures of job training programs”. The author takes us through a history of various government programs ending in a reiteration of recent criticisms of the Workforce Investment Act (WIA). The op-ed points out that credentials are “just something HR people care about”, and offers no solutions to getting people back to work, other than eliminating all federal employment and job training programs. Is it sound advice to eliminate a system that, over the past two years, assisted 8.5 million job seekers, finding more than *half* (4.3 million) jobs during that time? If WIA is such a waste, why have over 90 Chambers of Commerce and business organizations to date, representing over 60,000 businesses, [signed a letter of support for reauthorization of the WIA](#)? NAWB proposes that we move from history to present day and examine what the actual job creators—companies in America—have to say about the workforce investment system, credentialing and skills, and the need for job training.

### ***Job Creators’ Present Day Realities: Credentials & Workplace Skills***

[CBS recently interviewed](#) Caterpillar’s CEO Doug Oberhelman about what it’s going to take to get businesses to start hiring workers again. With 132,000 employees worldwide (59,000 in the U.S.), Oberhelman said that Congress needs to check the politics at the door and start paying attention. He has plans to expand eight of his plants, but is having major challenges in being able to create those jobs. He says that his workforce requires technical skills, and in spite of a flooded job market, his company spends an extraordinary amount of time training and retraining its workers because they don’t have the right set of skills to grow jobs and his company.

U.S. Regional President and CEO Eric Spiegel, of German engineering conglomerate Siemens, recently told the [Financial Times](#) that much of America’s employment problem isn’t because of a lack of jobs, but because there are too few qualified workers. Currently, Siemens, whose 15 divisions in industry, energy and healthcare employed around 405,000 U.S. workers last year, has around 3,200 job vacancies, and Spiegel says that filling them has been no easy task. Even with 13.9 million Americans currently unemployed, the high unemployment rate has not given companies an endless number of candidates. In the manufacturing sector, for example, the number of those employed has gone down but the number of jobs available has risen to 230,000 today from 98,000 in 2009, the Financial Times reports.

Spiegel and Oberhelman aren’t alone; a recent study by the employment agency [Manpower](#) finds that 52 percent of American companies said they are experiencing difficulty finding employees qualified enough to fill positions, compared to only 14 percent in 2010.

This month, the [Brookings Institute released an analysis](#) of the gap between the supply and demand for educated workers, and its relationship to unemployment, particularly for the 100 largest metropolitan areas in the United States. A key finding in the report indicates that the years of education demanded by the average U.S. job grew slowly but steadily from 2005 to 2009 and slightly outpaced growth in educated labor supply during the recession. Metro areas with larger “education gaps”—shortages of educated workers relative to employer demand—had consistently higher unemployment rates than other metro areas from 2005 to 2011.

Add to these trends, the growing unemployment rate of youth in America, and it’s a recipe for economic disaster. Summer 2011 was the worst summer on record for teens and young adults looking for work. During the typical summertime peak of youth employment, the share of young

people with a job was just 48.8 percent, according to the [Bureau of Labor Statistics](#). This represents the lowest July rate since the Bureau began collecting such data, in 1948. No wonder so many youth are giving up.

The answer lies not in eliminating WIA, but investing in credentialing and training that America's job creators need to grow and thrive.

### ***Present Day Solution: Grow and Work Our Way Out***

Currently, the WIA authorizes nearly 550+ local **business-led** workforce investments boards (WIBs) that cover all fifty states, Puerto Rico, and the U.S. Territories to oversee and coordinate services through a network of 3,000 One-Stop Career Centers. **Over 12,000 businesses** across America volunteer their time and energy to coordinate and develop workforce strategies that leverage funding and resources within their local communities—that's 12,000 job creators that have the pulse on the employment and training needs within their unique markets to raise skill levels, match skills with jobs, reduce hiring time and invest in the future workforce to meet the global demands of companies that make the economy tick.

We propose that America must *grow* our way out. *Work* our way out. Despite our many great problems, America's economic potential is still unmatched. The only antidote for our debt disease is economic growth, powered by increasing the skills of America's labor force and putting it back to work. A skilled labor force helps America's business maximize its productivity. Investing in job training *is* an investment in debt reduction; in an increasingly competitive world, we must invest in our American workforce, promote lifelong learning, and equip job seekers to find jobs and *produce* for our economy.

### ***WIA: Workforce Investment Works***

In order to protect taxpayers in these lean times, WIBs have done more and more with less and less. Since 2008, enrollment in WIA programs has increased by 234% while funding has remained virtually unchanged. Imagine how much worse the employment picture in America would be if these millions of unemployed Americans didn't have the tools they needed to get back to work. In spite of being hamstrung by strict guidelines, inherent silos, and lack of coordination, WIBs across the country have led by innovation and example.

The investment in employment growth is common sense considering the budget plight our nation confronts. The best "social program" ever invented isn't a program at all. It's a job. The more people work, the less they rely on taxpayer-funded social services.

Most Americans agree that while the debt is a problem, unemployment is a far *greater* problem. We must invest our resources accordingly; prioritizing needs over wants and make the same hard choices that families make in their own budgets. Our organization understands the magnitude of the America's deficit problem. We have a responsibility to offer solutions, not just criticize other proposals.

At the National Association of Workforce Boards, we are committed to accountability and responsibly protecting taxpayer dollars. As local **business-led** boards we are concerned about investing wisely, and will continue to make the system more efficient. This is the balanced, common sense approach American workers deserve. Give Americans the chance to work, and they'll provide the economic power this country needs to overcome its debt challenge.

It seems to us that Americans want Washington to put jobs first. We think the workforce system has proven to advance that agenda. Learn more about how investing in federal employment and training programs is good business with compelling stories told by companies, job seekers, laid off workers, youth, and incumbent workers about how the system has impacted their lives at [www.WorkforceInvestmentWorks.com](http://www.WorkforceInvestmentWorks.com).