

FILLING THE "SKILLI

Filling The "Skills Gap"

An innovative program aims to retrain workers for high-demand "middle skill" jobs in manufacturing, clean energy, health care and other fields.

by [Lata Reddy, The Prudential Foundation](#)

Since 2003, the **Baltimore Center for Green Careers** in Baltimore, Maryland, has pruned unemployed and underemployed residents with the skills needed to recharge their careers in the fast-growing sectors of energy-efficiency and environmental remediation. Trainees learn how to install solar panels, retrofit buildings for energy efficiency or clean up brownfields and earn industry-recognized credentials along the way. Of the 475 graduates of the center's program to date – a number of whom are ex-offenders – more than 80 percent have stayed employed for more than a year while earnings have averaged between \$12 and \$16 an hour. The success of these workers – in family-sustaining jobs with livable wages that provide a shot at economic security – is the kind of outcome that we at **Prudential** strive to support.

Financial stability is built on quality employment, but the skills required for the 21st century workplace have changed dramatically as the world has shifted from an industrial-based to a knowledge-based economy. These changes are driving a widening gap between people looking for work and companies looking to hire, particularly for those from low-income, underserved communities. The opportunity gap is especially acute in so-called "middle-skill" positions – that require some type of training and education but less than a bachelor's degree. These jobs often offer good starting wages, opportunities for advancement and are an ideal gateway for workers aspiring to enter the middle class. Yet our colleagues and clients in industries ranging from banking to manufacturing and transportation to healthcare report millions of open "middle-skill" positions that they cannot fill for lack of adequately skilled candidates.

To help combat the skills gap facing American workers, companies and communities, we began investing in an organization – the **National Fund for Workforce Solutions** – that has been working to bring together businesses, workers, local and national funders, and community leaders to test and scale new approaches for connecting people to good jobs.

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Over the past 10 years, more than a dozen national funders and the Social Innovation Fund have invested in the National Fund. We invested in this collective approach because we believed a funder collaborative could help communities leverage national resources at the local level, build grantee capacity regionally and serve as a laboratory of innovation for the national workforce development field. Through this partnership, national funders have invested \$28 million un-

common strategy to create shared financial prosperity through better skills, workforce innovation and good jobs. These resources catalyzed initiatives in more than 35 communities and attracted \$315 million in additional investments from 700 local funders.

Part of what makes the National Fund's approach effective is the way it brings together local community and family foundations, United Ways, Workforce Investment Boards and economic development organizations to match the National Fund's investment four to one and to share successes, challenges and innovations with other communities.

Another aspect of the National Fund's strategy that is particularly effective is its focus on building "industry partnerships" to help ensure that the skills people are acquiring are exactly what's needed to fill a need and demand in the local community. Businesses help design the training programs, community college courses, and workforce systems that prepare these future workers. This approach has resulted in more than 2,000 businesses working together in almost 80 industry partnerships in 33 communities across 26 states. From healthcare to green technology, industry leaders are defining what skills their workforce needs, sharing those needs to education providers and community-based organizations, and then hiring the graduates of these programs. Closer loop between education and work is critical for a successful workforce ecosystem: education providers know their programs will result in employment, companies know candidates will have the right skills, and students know that they'll get the opportunity to work in a quality job at the end of the program.

The National Fund supports job training organizations like the Baltimore Center for Green Workforce by funding and engaging regional funder collaboratives such as CareerWorks, a collaborative in Newark, New Jersey – the home of our global headquarters for more than 140 years. CareerWorks, which we also support locally, has helped area residents enter the healthcare industry as Patient Care Technicians, Medical Assistants and other entry-level positions.



A student at the Baltimore Center for Green Careers learns how to install insulation. Photo courtesy of The Prudential Foundation

Elsewhere in the National Fund's 33 partner communities, manufacturers in Greensboro have banded together to launch a high school through college apprenticeship program; healthcare providers in Boston are building in-house programs to develop their entry-level workers; and funders in Minneapolis are working to improve Minnesota's workforce data system to identify performing programs. In total, these programs have helped 92,500 people—67,500 job seekers and 25,000 incumbent workers—learn new skills and access better jobs while also building the infrastructure that makes workforce systems more responsive to the needs of employers and workers.

We have invested more than \$3 million in the National Fund to date and this month, we announce an additional \$2 million to support communities in creating opportunity for all people. At Prudential, we believe that financial security should be within everyone's reach. It is this for

belief that gave our company a clear and distinct purpose: to provide affordable insurance t



the world, and serving thousands of different companies, we understand that each business; each region requires a different solution, but that successful practices also need to be stud; scaled. To help people build a strong financial future, we strive to invest in both local comm; committed to supporting workers and businesses but also building an infrastructure that c; accelerate the dissemination of successful efforts.

The National Fund provides an avenue for us to deepen and expand our impact, create mor; effective employment programs that meet industry needs and to seed innovative practices; generate good jobs. By bridging philanthropic, business and workforce leaders together, th; National Fund improves how communities, states and the federal government develop an u; utilized workforce, connect our neighbors to stable and quality employment, and ensure fir; security for more families.

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