



ECONOMIC DEVELOPMENT
RESEARCH PARTNERS

*International Economic
Development Council*

THE FUTURE OF WORK AND INCLUSION



Executive Summary

Workforce trends in automation and digitalization, well under way before the covid-19 pandemic, accelerated quickly in its wake. These productivity improvements have reduced labor costs and shored up businesses' resiliency to withstand crises. They also are affecting the types of jobs available, and the skills needed for them, with a speed not imagined in early 2020.

The good news for workers is that these changes also present opportunities. As employment in highly automatable jobs declines, other occupations are growing, creating better-paying jobs that require higher levels of digital, communication and critical thinking skills.

Yet there is a gap to bridge between the ongoing displacement of highly automatable jobs – disproportionately held by Black and Latinx workers – and higher-skill jobs. Economic development organizations (EDOs), in partnership with workforce organizations, education and training providers, businesses and government, have important roles to play in ensuring that displaced workers of color are prepared to get the good jobs of today and the future.

This report begins with a closer look at the jobs and skills of the future, then explores trends in employment and automation and their impacts on communities of color. Five case studies highlight strategies in which EDOs are involved in preparing workers of color for or connecting them to good jobs. The case studies illustrate strategies that are driven by regional demand; collaborative; targeted at supporting worker training, education and networking; and that tap into and support EDOs' business relationships.

From the case studies, four “guideposts” are drawn that can help EDOs ensure everyone is able to engage in the future of work:

- Seek opportunities to address the needs of workers of color
- Prioritize regional demand, with an eye on the future
- Foster greater engagement between education/training providers and businesses
- Promote to regional businesses the value of investing in a diverse workforce

Intentionally focusing approaches on historically underrepresented populations promises not just to help those groups, but to have a broader impact on business competitiveness and a community's overall economic outcomes. Businesses continue to face challenges finding needed talent, and as long-standing racial disparities continue to prevent many workers from thriving, economic developers can't afford to leave any potential workers behind. Ensuring that a skilled and diverse talent pool is available is critical for EDOs to attract, retain and help businesses grow – in turn making their communities more resilient, competitive and equitable.

Case Study Overview

Sacramento Digital Upskill Program

- Created by the Greater Sacramento Economic Council in partnership with the Urban League, national digital-skills training organizations, and City of Sacramento CARES Act funds
- Nine-week training program offered disadvantaged/displaced workers, most of whom were people of color, to offer a certificate either in IT support or advanced data analytics on completion
- Provided income for participants during the training period; a computer and stipend for internet subscription; and other wraparound services to aid completion of the program

Dallas, Texas: Pathways in Technology Early College High School (P-TECH)

- Dallas Independent School District (serving majority Latinx students) partnered with the local community college system to allow students to earn up to 60 hours of tuition-free college credit and certifications while in high school
- Works with local employers who provide guidance on in-demand skills and offer practical experience through internships in pathways such as healthcare, STEM, and hospitality
- City economic development department helps connect local employers to the program

Minneapolis-St. Paul: ConnexMSP

- Aims to engage young workers of color during three key stages of their early career: while pursuing their education, during the campus recruiting and hiring process, and post-hire
- Connects students and young workers of color who have completed workforce readiness programs with employers who have invested in those programs to support recruitment and hiring
- Focuses on in-demand skills and jobs in the region's fastest-growing industries (e.g., technology and agriculture)

San Antonio: Project QUEST

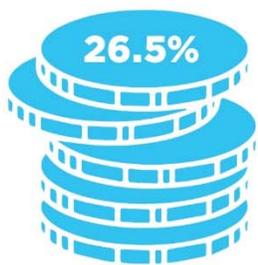
- Prepares low-income, primarily Latinx residents for locally in-demand careers (primarily in healthcare and IT)
- Pays 50 percent of participants' tuition at community colleges and training centers
- Case managers connect participants to wraparound services (e.g., assistance with transportation, childcare) and other support needed to keep students in their training programs, plus career coaching and support for the transition to employment

Employ Prince George's

- Funded through a network of workforce-related organizations that partner to increase the availability and access of career services to job seekers
- Created scholarships to cover 65 percent of tuition for online technology bootcamps, with a focus on Black and Latinx communities, women, and individuals from low-income households
- Local businesses contribute to a scholarship fund as an investment in their future workforce

THE FUTURE OF WORK AND INCLUSION

PEOPLE OF COLOR FACE WORKFORCE AND ECONOMIC CHALLENGES



The wage gap between Black and White workers was

26.5%

in 2019.

The net worth of a typical white family is nearly **ten times greater** than that of a Black family.

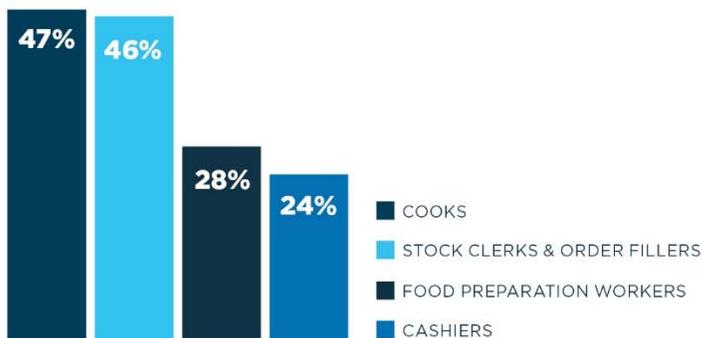


Workers of color were

MORE LIKELY

to lose jobs during the pandemic.

AUTOMATION AND OTHER ECONOMIC TRANSFORMATIONS ARE CREATING OPPORTUNITIES

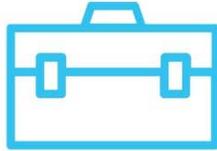


Black and Latinx workers are over-represented in low-paying, highly automatable jobs that are projected to have high rates (%) of **job displacement** due to automation by 2030.



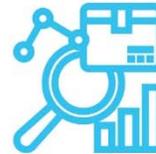
Workers with digital skills earn **higher wages** and are **less likely** to be displaced by automation.

TOP TEN SKILLS AND JOBS EXPECTED TO INCREASE IN DEMAND BY 2025



JOBS

- Data analysts and scientists
- AI and machine learning specialists
- Big data specialists
- Digital marketing and strategy specialists
- Process automation specialists
- Business development professionals
- Digital transformation specialists
- Information security analysts
- Software and applications developers
- Internet of things specialists



SKILLS

- Analytical thinking and innovation
- Active learning and learning strategies
- Complex problem-solving
- Critical thinking and analysis
- Creativity, originality, and initiative
- Leadership and social influence
- Technology use, monitoring and control
- Technology design and programming
- Resilience, stress tolerance, and flexibility
- Reasoning, problem-solving, and ideation

World Economic Forum 2020 future of jobs survey

GUIDEPOSTS FOR ECONOMIC DEVELOPMENT ORGANIZATIONS



SEEK OPPORTUNITIES TO ADDRESS THE NEEDS OF WORKERS OF COLOR

PRIORITIZE REGIONAL DEMAND, WITH AN EYE ON THE FUTURE



FOSTER GREATER ENGAGEMENT BETWEEN EDUCATION AND TRAINING PROVIDERS AND BUSINESSES

PROMOTE TO REGIONAL BUSINESSES THE VALUE IN INVESTING IN A DIVERSE WORKFORCE

