

Adult Education, Workforce Skills

Chamber Study Identifies Needs, Evaluates Programs

By Candace Gwaltney

The challenge: Indiana must better prepare its workforce. The consequences if the challenge is not met: Growing Indiana's economy by attracting and maintaining knowledge-based jobs may be in danger.

If the first step to remedying a problem is identification of relevant focus, the latest report from the Indiana Chamber Foundation should help the state prepare for progress. The study, *Indiana's Adult Education and Workforce Skills Performance Report*, released in February reveals the state lags behind in its adult education levels as it transitions from an industrial to a knowledge-based economy.

Conducted by the National Center for Higher Education Management Systems (NCHEMS), the performance report identifies 931,366 Hoosier adults (ages 18 to 64) who have at least one basic challenge and are in need of adult education and training. Those individuals include adults who have not completed high school, speak little or no English, and/or are in families that earn less than a living wage (twice the level of poverty).

"One in three working Hoosiers have skills that are deficient for what we need for 21st century jobs," asserts Mark Lawrance, Indiana Chamber senior vice president for foundation and operations.

The report outlines major challenges the state faces as policymakers strive to strengthen the workforce, measures Indiana's current performance on meeting those challenges, and identifies the benefits to individuals and the state as a result. Data examines Indiana as a whole and in comparison to other states. Regional information for the state is also available.

Among key findings in the report:

- Since 2000, more adults are struggling to earn a living wage (twice the level of poverty), representing 16.5% of all adults 18 to 64 years old
- Indiana ranks 41st compared to other states in the percentage of working-age adults with an associate's degree or higher
- More Hoosier students attend college directly out of high school than the national average, but low participation rates of non-traditional-aged adults continue to lag, suggesting college is increasingly out of reach as adults get older
- Indiana has fewer employees in high-skill and high-wage jobs than the U.S. average

"(The case) for Indiana and for most states is that there's a large segment of the adult population that tends to be ignored in terms of providing educational opportunities to better their position in the workforce and to get better jobs," explains Patrick Kelly, director of NCHEMS National Information Center.

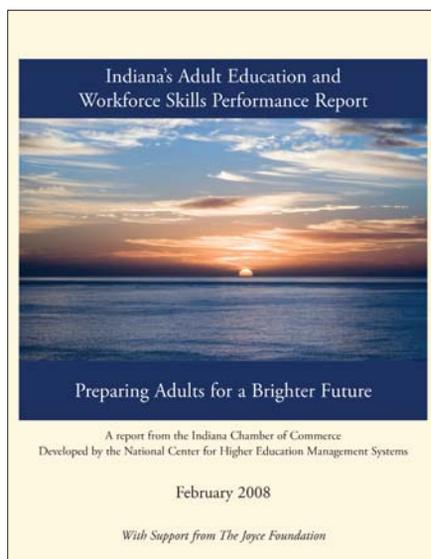
Oftentimes education policy is focused on K-12 education and traditional college students. Increasingly, the adult population that did not receive an education earlier in life cannot be ignored, Kelly asserts.

"What we are finding in Indiana and nationally is that our ability to compete globally with countries that are rapidly surpassing us in educational attainment depends largely on our ability to get some of these non-traditional adults back into the education system," he relates.

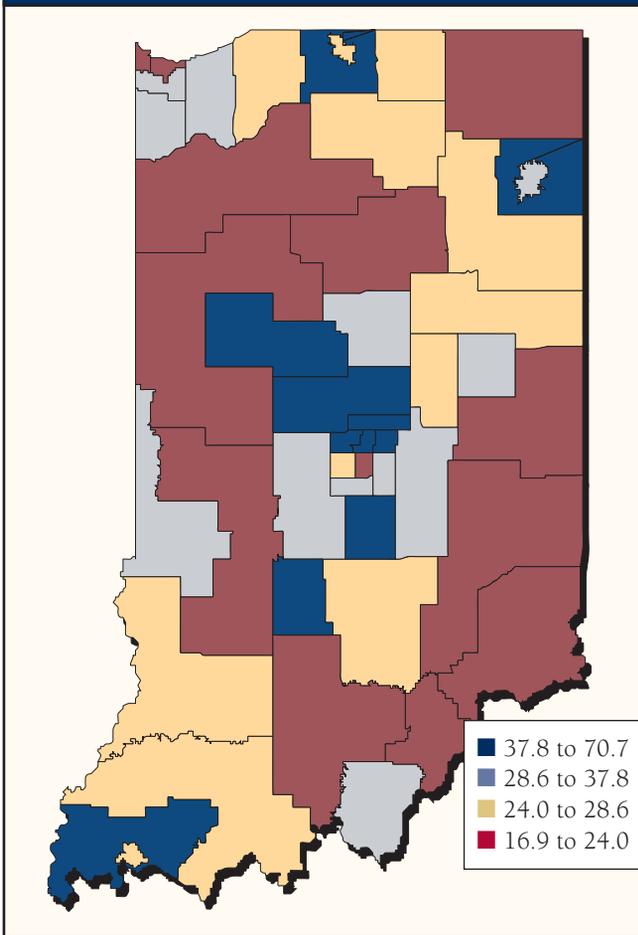
The state does well in rewarding workers who have earned a high school diploma, which in part is "still relative to reliance on manufacturing-type jobs." Those positions are at risk, Kelly asserts. Residents with postsecondary degrees earn less than the national median salaries, so Indiana's ability to attract more high-skill, high-wage jobs is critical, he adds.

Paving the way

As a follow-up to the Indiana Chamber Foundation's *A Demand-Side Strategy to Meet Indiana's Workforce Basic Skills Challenge* study released in early 2005, the *Performance Report* offers more comprehensive information than any previous effort, Lawrance explains. That study launched the foundation's efforts in workforce development through Ready Indiana (www.readyindiana.org),



Percent of Population Age 25-64 With an Associate Degree or Higher, 2006



and the updated report provides a better analysis of Indiana's performance and how much the state has to improve.

"We are working really hard to get this information out to thought leaders, policy makers and the general public," Lawrance says.

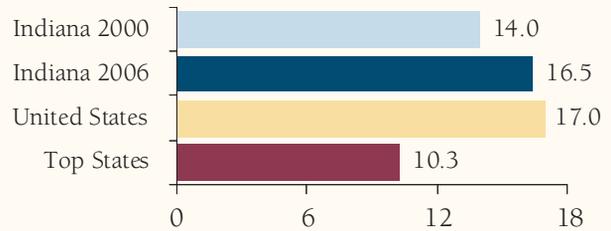
Indiana is emerging as a national leader in analyzing adult education and workforce skills.

"It is entirely unique – there's not a report like it that really isolates this particular issue," Kelly says. Other states have addressed policy and some measures of accountability, but none are as concise and focused on this issue, he explains.

What's even more unique is how the development of this *Performance Report* incorporated leaders from various segments of government and the business community to talk about these issues, Kelly expresses. "It's a huge struggle in nearly all states to get the right folks about the table."

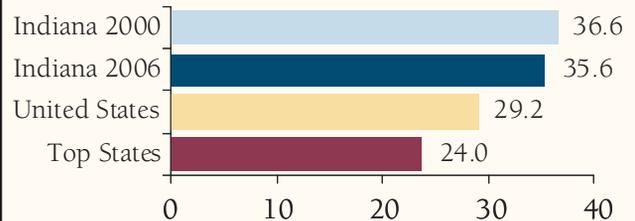
The *Performance Report* was a collaborative effort with many key agencies providing data and insight, Lawrance says. The Chamber actively worked with those involved with the delivery of services. The data team consisted of leaders from the Indiana Department of Education, Indiana Department of Workforce Development, Ivy Tech Community College, Indiana

High School Diploma or Less in Families Not Earning a Living Wage (%)

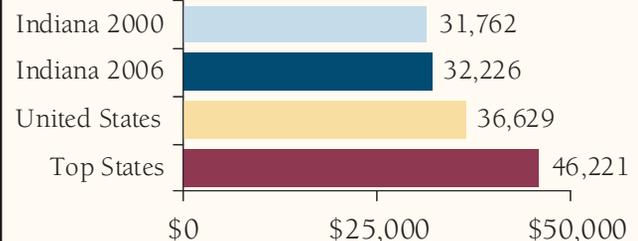


High School Diploma But No College (%)

Age 25-64



Personal Income Per Capita



Commission for Higher Education, Indiana Economic Development Corporation and the Office of Governor Mitch Daniels.

A feasibility study is also underway to examine the return on investment of relevant Indiana workforce development programs. The study will measure outcomes such as wage gains, certifications and people who left the welfare program and found a job, Lawrance says.

Progress will be tracked with information published in an updated version of the *Performance Report* within the next two years, he adds.

INFORMATION LINK

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The full report is available online at www.indianachamber.com/adulteducation