



**Memorandum**

To: Members of the Special Committee on Strengthening Wisconsin Families  
 From: Charity Eleson, Executive Director, Wisconsin Council on Children & Families  
 Re: Workforce Recommendations  
 Date: December 22, 2006

**How to Create a Competitive Advantage for Wisconsin’s Families and Employers**

One key to a strong family is family-supporting work. Children living in households where parents are qualified for and have access to jobs that pay a decent wage and include basic benefits have a much better chance of thriving. They’re more likely to succeed in school, get along with their peers, and become contributing members of their communities.

Fortunately, Wisconsin is currently experiencing relatively robust job creation, a diversifying economy, and employers who are actively seeking more workers with strong basic and mid-level skills (technical diploma or associate degree level). We also know that a large portion (77 percent) of the job openings over the next ten years in Wisconsin will be in this basic and mid-level skill range, requiring less than a four-year college degree. These are not all low-level service-sector positions, with many openings forecasted in key industries, including well-paying jobs in construction, health care and manufacturing.

<b>Education/Wages Connection<sup>i</sup></b>	
<b>Level of Education</b>	<b>Wages</b>
Dropout	\$9.66
High School	12.98
Some College-No Degree	12.22
Associates Degree	16.19
4-Year Degree and Higher	22.03

Unfortunately, a large portion of Wisconsin’s workforce lack basic skills and are unprepared for the kinds of jobs being created in our economy today that can support a family. (Almost 16 percent of Wisconsinites 16 and older – over 570,000 residents – lack a high school diploma or GED, and aren’t enrolled in school.) For example, many workers lack basic computer literacy, basic writing and math skills, and for a growing number of Wisconsin workers, English language skills. This skill shortage will only grow as

baby boomers begin to retire in large numbers, and as the number of non-English speaking residents grows.

When residents *are* able to obtain post-GED or post-high school credentials and enhance their skills, we know there is a significant payoff in the labor market. The table above indicates that while gaining a GED carries with it some wage gains (by opening up a number of low-quality job opportunities), it is the *mid-level* skill and credential obtainment (associate degree level) that holds so much promise for many Wisconsin workers. It is at this level where jobs often include benefits, and where there is often room to move up a career ladder.

A significant and growing body of research from around the nation supports this notion. An example is research that took place in Washington State where higher education officials there studied the educational and work outcomes of low-skilled adults entering their community colleges.<sup>ii</sup> Their findings support the idea that there is a level of education and skill attainment that carries with it significant payoff over time for workers – and is relatively achievable for most adult students. They labeled this level of education, (about one-year of post-secondary study leading to a post-GED credential) as the “*tipping point*” for their low-skilled adults.

Importantly, they took this information and re-evaluated their higher education policies, putting more emphasis within their basic education and post-secondary programs on moving more adults through the system and to the level considered the economic tipping point.

A key economic question today for most states, including Wisconsin, is how to move more working-age residents currently with low skills into and through post-secondary programs to that tipping point that is so much more likely to lead to family-supporting jobs, and that is likely to provide our employers with the skilled labor they increasingly need in order to stay competitive and viable. Below are opportunities policy-makers could examine that would increase both access to and worker qualifications for postsecondary education.

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### Goal: To Get More Students into and Through Associate Degree and Technical Diploma Programs to Reach Their “Tipping Point”

Many adults are not academically prepared for the wide array of technical diploma and vocational associate degree programs available at the state’s technical colleges. A high percentage requires adult basic education before they are able to enter these programs that carry such a large labor-market payoff. Unfortunately, the outcomes associated with ABE as traditionally offered are often poor. Retention and completion rates for those in these programs are often low, and transition rates (of those completing the basic skills offerings and then moving on to subsequent, for-credit and degree granting programs) are even lower. (Unfortunately, we don’t have the most relevant state data because the WTCS currently only tracks completion and transition numbers for those who have listed college as a goal, resulting in not very useful figures.)

A number of other states have made efforts to improve the outcomes associated with their adult basic education offerings by redesigning how the courses are offered and by focusing on what students do after ABE, and we can learn a great deal from their experiences. These efforts generally include four main characteristics, (1) a focus on acceleration, (2) contextualizing of coursework, (3) fostering transitions, (4) and enhanced student supports.

For many working adults who have to take adult basic education offerings before moving on to the certificate or degree program that can pay off for them in the end, it simply is too long of a road. There are several points at which these students drop out and off the radar screen (leading to the workforce term “leaky pipeline”). Several states have tried to accelerate their offerings to meet this challenge, either by allowing students to simultaneously be enrolled in basic education and degree program coursework, or by simultaneously offering the basic courses with any remedial coursework that might also have to be completed, or by contextualizing the basic offerings themselves.

Contextualizing refers to actually designing the basic skill offerings – reading, writing, math, or language skills – into a work context instead of the traditional family and citizen context done in most basic courses. Washington State has been especially productive at doing this, with their I-BEST program (Integrated Basic Education and Skills Training) becoming a model for states around the nation.<sup>iii</sup> In that program, basic literacy and specific job skills training are integrated and taught in the classroom simultaneously. The results have been dramatic there, with students five times more likely to earn college credits and 15 times more likely to complete job skills training than those in the traditional setting. The work-focus appears to increase student motivation dramatically. On most campuses, including in Wisconsin, vocational staff and basic education staff are highly siloed, with little interaction between or integration of the two.

Fostering more transitions is important given what is known about the labor market payoff, or lack thereof, for those students who do not advance to any training beyond their GED. One brief example here is Kentucky, which took on as a state goal, to increase the number of those transitioning beyond their GED. While they have not yet achieved their goal of 40 percent, they have improved dramatically, from 12 percent originally to 22 percent in 2004. Several other states have established this as a goal as well.

Lastly, in order to move more low-skilled adults into and through post-secondary offerings, there must be enhanced student supports available to them. (In the form of academic and career counseling, informing of the availability of other key social supports, mentoring, and so on.) Arkansas took the step of using TANF funds to place counselors at the eleven college campuses involved in their efforts to meet the unique needs of adult learners.<sup>iv</sup> And Illinois has implemented the Illinois Student Success Grant, which is targeted funding to provide the student services needed by economically disadvantaged and academically at-risk students at their community and technical colleges.<sup>v</sup>

These four elements should be mingled in a comprehensive strategy to increase the numbers of low-skilled adults, both those currently participating in the state's workforce programs such as W-2 and WIA, and those who are not, who get into and complete post-secondary programs. Doing so will help employers meet their workforce needs and will help our workers provide for themselves and their families for the long-term, as they move into higher-quality jobs. Below are three changes to current policy that could start us down this road.

### **Recommended Policy Changes for 2007**

1. Require the WTCS to track the numbers of students getting the GED or HSED that then transition into degree-granting programs such as associate degree and technical diploma programs (using the number of all students gaining the GED or HSED, not merely those who have stated college completion or obtaining that credential as a goal). Report back to the legislature annually on these numbers.
2. Using the transition data described above, set annual improvement goals for the numbers GED and HSED completers making that transition at our technical colleges.
3. Require the WTCS to reexamine the current admissions policy that a GED or HSED is required for entry into nearly all degree and diploma programming. After devising a list of diploma and degree programs whose actual trainings and coursework completion are deemed to not be contingent upon first having the GED or HSED, allow students to be dual enrolled in both those and basic education courses (shortening the amount of time required to complete both).

## Goal: To Make Financial Aid More Accessible to Working Adults

The working-age adults who do enroll in courses at our technical colleges, and who are seeking to obtain a technical diploma or associates degree face a number of unique challenges. They are often balancing their school commitments with work and parenting. In fact, financial constraints, family commitments, work commitments, or academic conflicts often force these students to drop down to one course at a time. (Academic conflicts can include inconvenient class time, insufficient course offerings, the need to build confidence in academic ability, or demanding classes for which a student believes an additional class would undermine their ability to achieve academic success.)

For any of a number of reasons, working adults often find themselves enrolled in a single course (typically three credits). When they do so, they are no longer enrolled at least half time (typically six credits) and Wisconsin's primary financial aid options – for example, the Wisconsin Higher Education Grant – are not available to them.

Other states have recognized how their financial aid tools do not match up with the needs and experiences of adult learners and have taken steps to remedy the situation. A good example is what Illinois has done with its Monetary Award Program (MAP), expanding access to this, their chief financial aid tool for post-secondary schooling to those attending less than half time.

Administrators there have told us they believe it has had a significant impact on keeping adults in the system and enrolled at times when they would otherwise have dropped out of a program entirely. Fortunately, their program has been in place for a number of years and there have been thorough evaluations of it and the students served by the change.<sup>vi</sup> For example, one major question early on was who was going to be served by the expansion, working adults or young traditional students who want to dabble in every course under the sun—slowly. The profile of students served has alleviated those concerns, as the average impacted MAP recipient is working 28 hours per week, is 30 years old, and is low-income.<sup>vii</sup> Their expansion of MAP awards has clearly targeted the low-skilled adult working population it was meant to reach.

### **Recommended Policy Change for 2007**

1. Expand access to state financial aid tools (such as the Wisconsin Higher Education Grant) to Technical College students attending on a less than half time basis.

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<sup>i</sup> *Back to Basics: Strengthening Adult Basic Education in Wisconsin*, a forthcoming publication from the Center on Wisconsin Strategy (COWS), from COWS analysis of Current Population Survey ORG data.

<sup>ii</sup> For a description of the Washington State research and findings, see *Building Pathways to Success for Low-Skill Adult Students: Lessons for Community College Policy and Practice From a Longitudinal Student Tracking Study*, available at: <http://ccrc.tc.columbia.edu/Publication.asp?UID=288>

<sup>iii</sup> *I-BEST: A Program Integrating Adult Basic Education and Workforce Training*, available at: [http://www.sbctc.ctc.edu/docs/data/research\\_reports/resh\\_05-2\\_i-best.pdf](http://www.sbctc.ctc.edu/docs/data/research_reports/resh_05-2_i-best.pdf)

<sup>iv</sup> A fuller discussion of the Arkansas Career Pathway program is available at: [http://www.goodfaithfund.org/pdf/pub\\_pp/pp\\_v27\\_6\\_06.pdf](http://www.goodfaithfund.org/pdf/pub_pp/pp_v27_6_06.pdf)

<sup>v</sup> For a description of the Illinois Student Success Grant program, as well as other similar efforts, see *Investing in Success: Educational Support for Illinois Community College Students*, available at: <http://www.womenemployed.org/docs/SupportServicesReport.pdf>

<sup>vi</sup> See *Monetary Award Program Evaluation: Characteristics, Persistence, and Academic Success of MAP Recipients*, available at: [http://www.collegezone.com/media/2005\\_MAP\\_Evaluation.pdf](http://www.collegezone.com/media/2005_MAP_Evaluation.pdf)