FOR IMMEDIATE RELEASE April 24, 2015

FACT SHEET: Administration Announces New Commitments in Support of President Obama's Upskill Initiative to Empower Workers with Education and Training

100 employers commit to help millions of front-line workers climb up the career ladder and earn higher wages

Today, at the White House Upskill Summit, Vice President Biden and Administration officials will announce new steps to help realize the full potential of America's workforce by empowering workers with the education and training they need to develop new skills and earn higher wages. Over 100 leading employers, who employ more than 5 million workers, are making concrete commitments to empower front-line workers across their businesses, in partnership with 30 national labor unions, and accelerated by new innovative data and tools. During his State of the Union address earlier this year, the President launched a new Upskill Initiative, calling on businesses to help workers of all ages earn a shot at better, higher-paying jobs, even if they do not have a higher education. The commitments being announced today already represent significant action and progress since the President's January call to action.

As part of this Summit, the companies, unions and tech innovators are announcing that new tools and opportunities that will be made available to millions of front-line workers to get ahead in their careers:

- 100 leading employers are answering the President's call to action and announcing new commitments to provide opportunities for their front-line workers to get ahead by expanding access to apprenticeships and on-the-job training; increasing uptake of training opportunities by making them cheaper, easier, and faster; and clarifying what skills workers need to get ahead within their companies. The President and Vice President are challenging other employers to follow their lead.
- 30 national and local labor unions and major foundations are also working with employers to expand access to best-practice training strategies like apprenticeships, and by targeting small businesses and industries like retail and hospitality where there is an opportunity to help millions of low wage workers earn a reward for better skills.
- New data tools for workers and employers: To accelerate these efforts, the private sector and tech leaders are inspiring innovation and developing efficient tools that

disseminate best practices for employers and workers, so that more can follow those who are leading the way.

When all Americans have the opportunity to master new skills, contribute their full talents to our economy, and be rewarded for it, our businesses, our families and our communities thrive. The President has laid out an agenda designed to increase wages for workers across the country, through steps that range from providing tax relief to working families, increasing the minimum wage, improving access to higher education and investing in areas that support well-paying jobs like infrastructure, research and clean energy. The Upskill Initiative is a public-private effort that is a critical part of that agenda, meant to create clear pathways for the over 20 million workers in front-line jobs who may too often lack the opportunity to progress into higher-paying jobs.

Developing the skills and abilities of these workers, and empowering them to contribute more at work, presents a significant opportunity to improve their wages and to increase the productivity and competitiveness of employers. Front-line workers are too often stuck because of three primary challenges: lack of access to training, which is often focused on workers who are already highly skilled; low uptake of training where it is available, due to limited awareness as well as difficulties in finding the time and money needed to take advantage of it; and a lack of clear information on pathways to promotions, which makes it hard for low wage workers to take the steps needed to advance.

Today's *White House Upskill Summit* brings together employers, labor unions, foundations, educators, workforce leaders, non-profits and technologists who are committing to take action in the next year to enable more front-line workers to realize their full potential at work and advance into better paying jobs. The summit is also an opportunity to build on Vice President Biden's comprehensive <u>report</u> released last summer that lays out successful strategies to train our nation's workforce and widen the path to the middle class for more hard-working Americans.

A new White House report is also available <u>here</u> that includes new data on trends in employer training investments and highlights best practices and employer case studies. <u>Click here</u> to learn more about the Upskill commitments being announced today, which are summarized below.

To join these employers, unions, and technologists, share what you are doing to support the Upskill Initiative at Wh.gov.

Employers including 30 of the Fortune 500 and many small businesses are leading the way by taking steps within their own companies to end dead-end jobs, and enable workers to earn more over time.

Over 100 employers across the country, employing more than 5 million workers, are expanding access to on-the-job training and launching registered apprenticeship training programs, increasing uptake of these programs by making participation easier, cheaper, and faster, and clarifying career pathways for workers who want to get ahead.

More on-the-job training and apprenticeship opportunities, the "gold-standard of upskilling" that help workers get ahead, without having to leave their jobs to go back to school full-time.

- Companies big and small, like IBM, Zurich Insurance, CVS, Daetwyler, Stober Drives and Optimax, are committing to start or expand apprenticeships in new industries as far-ranging as information technology, insurance, healthcare and advanced manufacturing.
- Fortune 500 companies like Gap Inc., Capital One, McDonalds and Walmart are
 expanding partnerships with online educational organizations like LearnUp,
 Udacity and Cengage Learning to enable millions of front-line workers to earn
 credentials and develop the skills required for more senior roles.
- Employers of all sizes including Pepsico, PG&E and Metaphase Technologies are setting internal goals to staff a certain percentage of their management and supervisory jobs from their front-line workforce, and leveraging on-the-job training programs to help meet those targets; others, like Orange Research are setting a goal for the percent of working hours that will be devoted to training.

Increasing uptake of training programs by building awareness and making it easier, cheaper and faster for front-line workers to benefit from these opportunities.

- Companies across industries, such as Grifols and Partners HealthCare, are
 increasing uptake of tuition benefits by partnering with competency-based online
 programs, like College for America at Southern New Hampshire University, so tens
 of thousands of employees can use their benefits online to complete an accredited
 degree for free or close to free, and at their own pace.
- Small businesses like R&R Transportation are providing employees with the
 necessary time and financial support to increase the number of workers with skills
 certifications; others, like Beth Israel Deaconess Medical Center are focusing on
 making training more of a company priority by talking about it more with
 employees.

 Businesses like Discover and Amali Restaurant are testing how financial incentives can drive upward career mobility and accelerated job progression for employees.

Clarifying pathways to a promotion by articulating the skills better-paying jobs require, and providing self-assessments for workers to figure out how far away they are from having those skills today:

- Businesses like Memorial Sloan Kettering Cancer Center are launching initiatives including talent management frameworks that will provide employees with a clear understanding of what differentiates success at each organizational level
- Companies like **Kaiser Permanente** and **Bank of America** are launching new online career portals that will provide employees and managers with tools, resources and training for skill enhancement and career development.
- Major employers like AXA are making online gaming tools available to their employees to identify their strengths and develop a more granular understanding of their skills needs.

Employers are also working in partnership with government, unions, and philanthropy to expand the use of strategies like apprenticeships in new and growing fields.

- The Department of Labor's Wage and Hour division is clarifying common employer misperceptions that may lead employers to be less likely to offer training to employees. DOL is publishing a new "mythbuster" document that stipulates how employers can more specifically determine when they are and when they are not required to compensate employees for voluntary training.
- 30 major employers are working with the **Department of Labor** to launch a new employer-to-employer outreach program called **LEADERs** (Leaders of Excellence in Registered Apprenticeship Development, Education, and Research) that helps business leaders learn from other businesses how to launch a successful Registered Apprenticeship program. Later this year, the Department of Labor will bring together major employers on expanding the use of Registered Apprenticeship to strengthen U.S. companies while providing workers with pathways to the middle class and beyond.
- Focusing on the healthcare industry in particular, SEIU and AFSCME, together with their local unions and employer partners including Temple University Health System, Kaiser Permanente, Addus Healthcare, and the League of Voluntary

Hospitals and Homes of New York, are joining together to create 1,700 apprenticeships for advanced home care aides, community health workers, and medical coders throughout six states.

- Labor management partnerships like BEST Corp. Hospitality Training Center,
 District 1199C Training & Upgrading Fund, SEIU Healthcare NW Training
 Partnership and 1199SEIU Bill Michelson Home Care Education Fund, and unions
 like IBEW Local Union 43, the Carpenters' District Council of Greater St. Louis
 and Vicinity, and UAW, are committing to expanding access to registered
 apprenticeship and pre-apprenticeship programs.
- Labor leaders such as local affiliates of SEIU and AFL-CIO, non-profits like
 Goodwill and industry groups such as the Western Association of Food Chains are
 focusing on expanding access to training and credentials in industries like retail and
 hospitality that employ millions of front-line workers.
- Foundations like Goldman Sachs 10,000 Small Businesses are providing small business owners with a business education that promotes front-line talent development

The private sector and tech leaders are spurring innovation and developing tools that disseminate best practices for employers and workers, so that more can follow those who are leading the way.

- Recognizing and supporting employers that are upskilling: The Aspen Institute is coordinating a business-led UpSkill America campaign in partnership with the Council for Adult and Experiential Learning, the HR Policy Association, the National Fund for Workforce Solutions, Business Leaders United for Workforce Partnerships, the Committee for Economic Development of The Conference Board, the Bay Area Council, and the Small Business Majority. This coalition will work to recognize leading employers that provide expanded career opportunities for their workers, promote the widespread adoption of business policies and practices that increase economic opportunity for frontline workers, and cultivate public-private education and workforce development efforts that support and advance these initiatives.
- <u>Innovation that helps facilitate upskilling</u>: **XPRIZE** is promoting innovation by announcing its commitment to design an incentivized prize competition aimed at spurring innovation and accelerating the rate of positive change in upskilling among American workers.

- Tools for workers that are trying to get ahead: Glass Door is launching an *On-the-Job Training Finder*, an interactive, map-based tool to help job seekers easily search job opportunities, such as apprenticeships and trainee positions, in which they can learn new skills to advance their career while getting paid. LinkedIn is committing to help employers identify mentors for front-line workers by engaging interested senior employees in aspirational roles.
- Best practice resources for employers: Deloitte Consulting and The Aspen Institute are launching *A Guide to Upskilling America's Frontline Workers* that aims to deliver a structured resource to help businesses strengthen existing or jumpstart new upskilling initiatives. The National Institute for Metalworking Skills (NIMS) will develop a Registered Apprenticeship Blueprint to help companies expedite implementation of customized apprenticeships that meet their talent needs.

The Upskill initiative builds on the Administration's agenda to support job-driven training:

- Proposed Rules for Reforming our Federal Workforce System. Last July, the
 President signed into law the Workforce Innovation and Opportunity Act (WIOA)

 the most significant reform to our Federal workforce system in nearly 20 years.
 Last week, we issued proposed rules implementing WIOA that will move our
 entire system to be more job-driven. The law will also increase opportunities for
 work-based learning, including on-the-job training and Registered
 Apprenticeships.
- <u>Vice-President Biden's Job-Driven Training Review</u>. The President's Upskill
 Initiative builds on the job-driven training review that the President asked the
 Vice President to lead in the 2013 State of the Union. Amongst other findings, the
 Vice President's review identified employer training for front-line workers as an
 area in need of more job-driven training strategies to meet business needs and
 provide more workers with a path to the middle class.
- American Apprenticeship Grants Competition. Last year, the Department of Labor launched a \$100 million competition to spur partnerships to expand apprenticeships into high-growth fields like information technology, advanced manufacturing, and healthcare. The deadline for this application is April 30, 2015, and more information is available at the Grants.gov application page.
- \$100 million in New Federal Investments to Train and Connect More Workers to a Good Job in Technology and Other In-Demand Fields. The Administration is launching a \$100 million H-1B grant competition by the Department of Labor to support innovative approaches to training and successfully employing low-skill

individuals with barriers to training and employment including those with child care responsibilities, people with disabilities, disconnected youth, and limited English proficient workers, among others.

- <u>Launching a New \$25 Million Competition for an Online Skills Academy that Will Leverage Technology to Offer Free and Open Online Courses of Study, helping students earn credentials online through participating accredited institutions, and will expand access to curricula designed to speed the time to credit and completion.</u>
- <u>FY16 Budget Proposals to Expand Access to Quality Training and Career Advancement Opportunities.</u> The President's Budget includes measures that support upskilling through:
 - o *American Technical Training Fund* would award \$200 million in new competitive grants to support the development, operation and expansion of innovative, evidence-based job training programs in high-demand fields that provide a path to the middle class for low-income individuals. This could replicate successful models like Tennessee's Applied Technology Centers whose graduates have impressive employment rates.
 - Oubling American Apprenticeships over Five Years: The President is calling on Congress to launch a \$2 billion Apprenticeship Training Fund for states and regions to adopt comprehensive strategies ranging from economic incentives to stronger links to technical colleges to double the number of registered apprentices in America over the next five years.
 - Updating Licensing Requirements: The Budget proposes a \$15 million increase for grants to States and partnerships of States for the purpose of identifying, exploring, and addressing areas where occupational licensing requirements create an unnecessary barrier to labor market entry or labor mobility and where interstate portability of licenses can support economic growth and improve economic opportunity.

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