



# Building a 21st-Century Workforce

## Working Together to Meet Today's Skills Development Challenges

Our fast-changing knowledge-based economy has created unprecedented challenges for employers and workers alike. Employers increasingly need workers with a broad range of information technology (IT) skills. These skills will become even more important as we continue to retool major sectors of our economy, such as healthcare, transportation and energy.

Microsoft has long been committed to working with policymakers, industry leaders, educators and other stakeholders to ensure that every student, job seeker, and displaced or underemployed worker has access to education and training in basic technology and computing skills.

Much more can be done, especially at a time when millions of workers are seeking retraining or employment assistance. With proper planning and appropriate investments by government and the business community, we can help ensure that workers remain employable and employers remain competitive in the global economy.

At Microsoft, our approach to addressing education and workforce development needs is built around partnerships. We are working with governments, businesses, educators, NGOs, and labor and local community leaders to develop scalable, sustainable solutions. These efforts focus on meeting the needs of people at all stages of the workforce continuum—students entering the workforce, unemployed and underemployed workers, and employed workers who need help gaining new skills to ensure their future employability.

### Students Entering the Workforce

It may come as a surprise that many students graduating from high school and college today do not have the digital literacy skills and aptitude for lifelong learning necessary to function successfully in the workplace. Employers, policymakers and educators must work together to ensure that our primary and secondary education systems are providing a solid foundation in technology and lifelong learning skills.

Employers have an important role to play, such as providing information that can help students choose careers that better align with their interests and strengths and that will be viable into the future. Employers can also help make students more job-ready by providing opportunities for firsthand, real-world experience through internships and mentoring opportunities, and by supporting strong training and industry-recognized certification programs.

#### Recommendations:

- Businesses—particularly those in IT-intensive sectors—are in the best position to help identify jobs and careers that will be in demand 5, 10 and 15 years down the road. The private sector should take the lead in identifying these trends and then making that career information available to students, educators, school counselors, governments and others in the workforce ecosystem.
- Microsoft, our partners and other companies can work individually and together to expand internship and

mentoring opportunities—both on site and through “virtual internships” via online labs and classrooms.

- The private sector, in collaboration with the education community and policymakers, can help expand IT skills development for educators and enhance academic curricula to include lifelong learning and other relevant 21st-century skills for students in high schools, vocational schools and community colleges.

## Unemployed and Underemployed Workers

In today’s challenging economic environment, a growing number of people are unable to secure or hold onto full-time, family-wage jobs. Their skills are either no longer relevant for existing job roles or insufficient for newly created positions. In many cases, these people have been laid off from old-economy jobs that will likely never come back.

The unemployed and underemployed need access to training in 21st-century skills, including IT-related capabilities such as collaboration, research and data analysis. We need to make “digital literacy” part of the workforce development nomenclature. Indeed, IT should be considered a core skill—in line with traditional literacy and numeracy.

### Recommendations:

- In the upcoming congressional reauthorization of the U.S. Workforce Investment Act, policymakers can draw on the experience of the private sector and build on their current investments in workforce training and development to create more effective workforce development solutions.
- Policymakers have the opportunity to consider a streamlined approach to delivering re-employment services that consolidates local workforce development boards into a regional system and makes greater use of one-stop online portals to education and training resources.
- Employers, policymakers and other stakeholders need to work together to develop more robust career information systems that provide comprehensive, easy-to-access information about job openings and future job opportunities and that match job seekers with local career coaches and mentors.
- Policymakers and educators should recognize and encourage private sector and other investments in IT curriculum libraries, free curriculum repositories and other high-quality, up-to-date training resources.
- Policymakers can adopt more flexible rules for the use of public funds for job-skills training—such as allowing wider use of training offered by private sector vendors or industry/business associations.
- IT industry leaders and other stakeholders can encourage entrepreneurship through programs that help business startups get off the ground.



## Workers Falling Behind the Skills Curve

In almost every sector of the economy, workers who are not learning new skills will become less employable and less able to advance in their careers. It is in the interest of employers as well as workers that on-the-job skills training be readily available to help employees master new skills.

There are many societal benefits to investing in on-the-job skills training to help workers learn and master new skills, including reduced spending on taxpayer-funded unemployment programs and social services, fewer home foreclosures and increased tax revenue.

### Recommendations:

- Employers should invest more in ongoing training for their employees and make that training as effective and accessible as possible. By taking advantage of technology—such as online training services—employers can offer skills training that enables workers to learn anytime, anywhere. To help ensure that workers are getting relevant, up-to-date training, employers can help to identify core IT skill needs in the ever-changing workplace.
- Policymakers should consider providing tax incentives that encourage workers and employers to invest in skills training on an ongoing basis. Lifelong Learning Accounts are one option.
- Policymakers should consider offering an earned-income training grant to encourage education or skills training for lower-income workers seeking to move up the economic ladder.
- To encourage investment by employers in ongoing skills training for workers, policymakers can provide financial support for certification and competency programs and encourage greater use of “degree equivalent” credentials.