# Reinventing New England's Response to the Challenge of the Workplace

Cathy E. Minehan, President
Federal Reserve Bank of Boston

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I want to thank Jack Hoy and the New England Board of Higher Education for the opportunity to address this important conference on higher education and workforce development in New England. There is no more critical issue to New England's growth than the quality of its work force. The region has a tradition of prospering as a result, not of its raw materials, which are less abundant than those of other regions, but of its stock of skilled entrepreneurial workers. With the advent of what we can only term the "knowledge" economy of the 90s and the new century, this regional advantage can only be more important. New England's world recognized leadership has depended on the region's success in providing education to those whose occupations involve "thinking for a living." Now, and for the foreseeable future, leadership will depend on providing access to thinking skills for a far wider group in the population.

I have no doubt that when this conference was first conceived, the critical issue to be addressed was whether the region could possibly supply enough skilled workers to meet the demand of growing, thriving

businesses. This is particularly the case for high-tech workers, whether in service or manufacturing, but was beginning to impact even lower skilled, entry-level jobs. Unemployment rates in New England have hit record lows, and we have begun to hear that businesses could expand even faster if only more skilled workers were available. Things hadn't developed into a bubble situation like the late 80s, when the loss of manufacturing jobs was completely obscured by the growth in construction employment, and overbuilding sewed the seeds of the difficult recession in the early 90s. No, New England job growth has been based on broad range of service, construction, and even manufacturing industries--healthy because of its diversity, but also straining to bring in the skills needed to keep the region's industries competitive.

Now, however, the prospects for continued strong growth, both nationally and regionally, seem challenged. International currency and debt crises threaten the region's export businesses, and surveys show that business confidence, especially among manufacturers, has declined. Credit spreads have widened, posing a threat to some of a reduction in business financing. This is not to say all is doom and

gloom. The U.S. and New England economies remain sound. In the aggregate they have been operating beyond most estimates of potential for some time. A cooling breeze was needed, but the risk that this breeze could turn into something stronger seems to have grown a bit in recent weeks.

So what does this increased risk of slower growth mean for the region's work force? Does it mean that supply will come back into balance with demand and we can just go home now? Or does it mean that we must work even harder to ensure the quality of our work force meets current and future needs? At the risk of disappointing those who suddenly saw themselves free for a day in Boston, I would argue the latter.

In the economy of the past, slowing growth, or recessions, meant job destruction surpassed job creation in the aggregate, and unemployment rose. As growth picked up, however, job creation dominated and the unemployed returned to work, mostly, I imagine, to the same jobs in the same industries. In this new knowledge-based economy, however, the combination of competitive pressures and technological change may mean that the worker whose job is destroyed

in a downturn may not find that job recreated or his services needed, when growth picks up. New England's job markets are going through more than "cyclical buffeting;" they are experiencing significant structural change. In every area, from manufacturing to services to construction, businesses have to be smarter, more technically proficient, more efficient, and more effective about what they do. They cannot afford to retain the workers of the past during a downturn, or to rehire them when strong growth resumes. Rather, I believe the premium on high skills will grow no matter where we are in the business cycle. Thus, the challenge to work force development remains, and even grows, particularly as we recognize that the last to be hired in our current economy--the unskilled, those coming off welfare--will likely be the first affected by slowing growth. The development needs of these and other workers will be extensive, but we must find a way of meeting them if we are to be successful both economically and socially.

New England boasts an enormous array of world-class colleges and universities, and in every state considerable resources are focused on improving elementary and secondary education. Yet we are also

aware that in every state there is concern about the ability of public education to meet the standards needed in the workplace. Moreover, there is also a sense that portions of the working age population remain disconnected from both education and the working world. Yet this is a time when skilled workers are ever increasingly more important. How can we ensure the educational opportunities right here on our doorstep, work to the advantage of both New England's citizens and its businesses. This is the heart of the work force development challenge.

Now I can't hope to provide a full answer to this question. That is what the experts we have on the program today will have to do--and it is a daunting challenge in and of itself. What I would like to do, however, is to reflect on a program about which I have some knowledge of in my role as the chairman of the Boston Private Industry Council, and suggest that perhaps some elements reflected in that program might be useful in broader work force development.

The program I am referring to is the School-to-Career effort the PIC has sponsored for the last five years or so. This effort links the classroom with internships in particular business areas--medical technology, or financial services for example--and redesigns the high

school curriculum to take advantage of these real world learning experiences. We have seen that students learn the relevance of biology, or geometry, in a much more hands-on way when they see what they've learned the day before in action in the workplace. The interdisciplinary knowledge required for success at the workplace encourages teachers to work in teams. Many Boston high schools are now creating smaller learning communities within the large District high schools and calling them career pathways. This has the natural outcome of increasing attention on the individual student. Teachers become aware of workplace needs, often through summer programs and on-site visits, and can adjust curricula to the standards of employers. Supervisors in the workplace play a key role, and our School-to-Career efforts have expanded to provide evaluation tools to help them as well.

Now School-to-Career is not cheap--the PIC employs some 40-50 staff whose job is to ensure the connection between the school, the student, and the employer is strong and beneficial to all. But it does work to create a more highly skilled work force. How do we know this? Just take the New England Medical Center, which over the last

several years has employed over 50 School-to-Career students in various technical jobs at the hospital. All these students--without exception--have gone on to college or university training. These are largely minority, inner-city students of Boston public high schools. Their peers have less than a 50 percent rate of post high school education over the same period. Yet somehow each and every one of the New England Medical Center students has gone on to college. They have seen the connection between education and work, and they have also seen that higher skills equate with better jobs and higher income. We also now have statistical evidence that School-to-Career students are absent less frequently, get better grades, and at least hold their own on the challenging new standardized tests being introduced into the Boston public schools. Finally, while this program had been originally conceived as one that would have a large concentration of Hispanic and African-American students, now we see many Asian applicants. It seems the word has gotten around that School-to-Career is the way to higher education.

Now, some would argue that School-to-Career runs a risk of "dumbing-down" the high school experience with a focus on technical

education rather than the liberal arts. This does not seem to us to be the correct view. Rather, I believe, School-to-Career lends relevance to the educational experience and responds to the need of many to have a hands-on experience as well as an intellectual one. Moreover, the income earned in the process is a powerful incentive as well; employers will not continue a student if he or she is not learning, and performing on the job.

What does this program have to do with higher education and work force development more broadly? Let me suggest that both high school and college students would benefit from a closer linkage between the classroom and the workplace, and not just in community colleges, but in revered houses of learning as well. The application of lessons learned at the workplace could lend relevance and direction to college education. How many parents bemoan the return of college graduates to the home with no clear sense of career direction? How many employers find recent college graduates relatively clueless on how to apply their education to solving the challenges of the modern workplace? And how many students who must work to pay the increasing cost of a college education would be far better off if that

work were linked to his or her educational experience, rather than simply waiting tables at a campus restaurant? Finally, while I have a deep belief in the value of a strong liberal arts education for the undergraduate, I also believe the thinking, writing, and analytical skills developed in a liberal arts curriculum can be enhanced, not detracted from, by application in the world of work.

I would argue that to better prepare the New England work force of the future, higher education must be more open to applied learning strategies in the college classroom and extending the classroom to the workplace and the community. This could be pursued proactively in several ways. First, in the admissions process. Colleges and universities could be urged to give positive recognition to work-based learning and other School-to-Career activities for their high-school applicants. Second, schools of education could train new teachers in the use of the workplace as a learning experience. And finally, professors could be urged to visit workplaces to develop lessons for the college classroom and strategies to extend teaching to the workplace.

In sum, business cycles are a fact of life, but the need to increase the quality and quantity of New England's work force will, I think,

remain and become more important regardless of where we might be in the cycle. We must work to ensure that all the graduates of our high schools and colleges can successfully enter that work force, if New England is to continue to grow and thrive. Your speakers today will obviously add more depth to the definition of this problem, and provide an array of solutions. As you consider these, I hope you will also consider the School-to-Career concepts we have found to be so useful here in Boston.