

Western Governors University (WGU) was built by states to complement and supplement state systems of higher education and bring innovative, adaptable, and accessible educational opportunities to adults seeking a postsecondary pathway to opportunity. As a result, WGU helps state and local economies thrive by providing working adults with flexible, online, competency-based higher education.

Employers appreciate that WGU's competency-based model aligns with workforce needs by adapting programs to meet industry demands. Hundreds of companies have partnered with WGU as the educational provider for their employees, and most WGU alums complete their degrees in under two-and-a-half years with minimal debt.<sup>1</sup>

Unfortunately, the current higher education system is a barrier between our nation's talent and its needs rather than a bridge. At the same time, the labor force is desperately short of teachers, nurses, and workers in other critical professions. Too many credentials are not arming learners with the enduring and professional skills they need to succeed in the workplace.

The shortage of skilled workers has resulted in a skills gap crisis, costing the U.S. economy \$13 billion every month.<sup>5</sup> For many companies, job seekers' training and experience do not match employers' needs.<sup>6</sup> Almost 60% of employers cannot fill a job vacancy within 12 weeks because of this skills gap,<sup>7</sup> and 46% of surveyed employees believe that their current skillset will be irrelevant by 2024.<sup>8</sup> In addition to declining profits, the crisis contributes to rising inflation and increased supply chain issues.<sup>9</sup>

U.S. Chamber of Commerce President and CEO Suzanne Clark declared that "the worker shortage is real—and it's getting worse by the day." <sup>10</sup> To address the current worker shortage and anticipate future workforce needs, it is vital to expand access to workforce training in high-demand fields

## Policy Recommendations and Examples

Policymakers are instrumental in increasing access to higher education and workforce training programs to help state and local economies flourish. This is accomplished by encouraging greater alignment between higher education and the labor market. Additionally, policymakers can advocate for legislation that facilitates new professional opportunities, which allow learners to apply their knowledge and experience directly in a rapidly changing workforce.

State policymakers can create a thriving workforce by leveraging higher education to support working learners in the following ways:

Alleviate financial concerns. For many working adults, higher education needs to be more affordable. Lowering the cost of a degree will increase access for these learners. Still, regardless of what learners pay for a credential, higher education institutions and policymakers will do them a great disservice if that credential fails to provide opportunities that translate into economic and social mobility. States can adjust existing financial aid programs or use state funds and leverage federal funds to support learners in degree and nondegree credential programs.

- Missouri's Fast Track Workforce Incentive Grant encourages adults to pursue certificates, degrees, or industry-recognized credentials in highneed areas by covering tuition and fees after other state and federal student aid programs.<sup>11</sup>
- Colorado's Opportunity Now Grant accelerates education and industry collaboration to unlock economic mobility for Coloradans. The grant accomplishes this by creating and expanding innovative talent and development initiatives that meet the state's workforce needs.<sup>12</sup>

Increase access to digital learning. About 55% of surveyed middle-aged adults expressed a preference for attending an online college, highlighting the value of accessible digital learning. However, the lack of broadband and affordable technology presents a significant obstacle to education and employment opportunities for those who need access to it. 14 States can use federal broadband funding to identify and address digital barriers to expanding affordable broadband to those who need access the most. 15

- States can deploy their own data collection to answer identified policy questions. Vermont annually surveys and maps the availability of high-speed internet throughout the state, <sup>16</sup> and Georgia's Achieving Connectivity Everywhere (ACE) Act allows the state to pilot more precise mapping of broadband access. <sup>17</sup>
- Montgomery Connects is a digital equity program in Maryland designed to expand access at the county level. Montgomery Connects recently received \$22.6 million in federal and state grants to provide computers, broadband services, and technology training for lowincome residents.<sup>18</sup>

Develop public and private partnerships to address workforce opportunities. Building partnerships and designating funding to develop and scale solutions for in-demand programs can help ensure that individuals' employment pursuits and states' workforce goals are met. Working adults need access to quick, efficient, high-quality workforce solutions, especially in newer, quickly changing occupations and future-facing careers. WGU partners with several states to train, reskill, and upskill these workers.

- Idaho Launch is an online career and training research hub that addresses workforce issues.<sup>19</sup> Idaho Launch also offers training funds for Idahoans who intend to work in Idaho, covering about 75%–100% of training costs.<sup>20</sup>
- The city of Brownsville, Texas, was ranked the worst connected in the United States in 2014, where 44.8% of households lacked internet access. The city partnered with Lit Communities to construct middle and last-mile networks to address the growing digital divide through the BTX Fiber initiative. BTX Fiber promotes competition using an openaccess model that will not only make the internet more accessible but also more affordable to Brownsville residents, increasing workforce opportunities in Texas.<sup>21</sup>

**Create alternative pathways.** Earn-while-you-learn apprenticeships, short-term programs, microcredentials, and competency-based education provide flexible options for learners to upgrade their skills.

- lowa's Teacher and Paraeducator Registered Apprenticeship Program
  provides a no-cost opportunity for existing paraeducators to earn a
  bachelor's degree while learning and working in the classroom.<sup>22</sup>
  WGU is partnered with more than 60 primarily rural school districts in
  lowa as an education provider for this program.
- New Mexico's Grow Your Own Teachers program offers scholarships and a pathway for school employees to become fully licensed classroom teachers.<sup>23</sup>

## Conclusion

With ongoing economic changes, policymakers must respond quickly to address the impending workforce crisis. Policies that enable access, incentivize institutions to improve the relevancy of credentials, and focus on reducing costs can build an education system that makes opportunity work for everyone.

WGU and other institutions demonstrate what is possible when higher education is clear about its purpose and exclusively focused on delivering value to students. WGU is unique, but its success in serving students does not need to be.<sup>24</sup> WGU's competency-based model of higher education reveals what is possible when an institution makes innovation core to its culture and holds itself accountable for delivering solid outcomes. Policymakers must collectively work toward reinvigorating higher education's promise of economic mobility by expanding access to workforce training. In doing so, policymakers and higher education institutions can better address the nation's labor shortage by advocating for innovation and accountability in higher education.

## **About WGU**

Established in 1997 by 19 U.S. governors with a mission to expand access to high-quality, affordable higher education, online, nonprofit WGU now serves more than 130,000 students nationwide and has more than 287,000 graduates in all 50 states. Driving innovation as the nation's leading competency-based university, WGU has been recognized by the White House, state leaders, employers, and students as a model that works in postsecondary education. In just 25 years, the university has become a leading influence in changing the lives of individuals and families while training the workforce needed in today's rapidly evolving economy. WGU is accredited by the Northwest Commission on Colleges and Universities, has been named one of Fast Company's Most Innovative Companies, and has been featured on NPR, NBC Nightly News and CNN and in The New York Times. Learn more at wgu.edu and wgu.edu/advocate.

Please contact the WGU Public Policy Office at PublicPolicy@wgu.edu for more information.

## References

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