

Big Shoulders, Big Challenges:

Preparing Chicago's Workforce for the New Economy

Executive Summary

Chicago's diverse economy and rich labor pool make the city a prime location for sustained economic growth, including the creation of good jobs and an exceptional quality of life for its residents. However, several converging economic and social factors will likely jeopardize Chicago's future ability to attract and retain businesses, if left unaddressed. Over the next 15 years, 41 percent of the city's labor force will retire. To remain viable in Chicago, businesses must be able to secure new, skilled workers. But 46 percent of Chicago's youth are not completing high school. High concentrations of prisoners, many who lack workforce experience, are returning to Chicago's communities. An increasing number of job seekers have limited basic skills and English proficiency. And, half of all people with disabilities in Chicago are unemployed. Only with attention and creativity aimed at developing the workforce skills of these populations can the city remain a global economic center.

This report documents the nearly \$283 million in federal, state, and city resources that supported workforce development programming in Chicago in fiscal year (FY) 2004. These services include adult basic education, English as a Second Language instruction, General Educational Development (GED) certificate preparation, job readiness workshops, career awareness and planning support, job placement assistance, vocational training, and employer services. In a separate analysis, we examined the amount of need-based financial aid and work study that students in Chicago accessed for postsecondary education.

The total amount of funding in FY 2004 clearly represents a significant investment in the preparation of Chicago's workforce. However, closer analysis shows that certain populations are not targeted for services or, if they are, it is with too few resources. Most notably, there is very little funding specifically to serve immigrants, refugees, seniors, veterans, and people who are homeless, despite the fact that all of these populations are projected to grow. We also found that certain communities have limited access to services compared to other communities, and that targeted capacity building is needed to address this inequity.

We hope this report will fuel a collective conversation among elected officials, city administrators, program providers, advocates, labor organizers, civic-minded business leaders, and other stakeholders about improving Chicago's workforce development opportunities, particularly for individuals who do not currently receive adequate services.

The report title, *Big Shoulders, Big Challenges*, alludes to Carl Sandburg's great Chicago poem that pays homage to the strong work ethic of the city's laborers. While that dedication, energy, and pride are still characteristic of Chicago's workers, economic forces have changed, and hard work is no longer enough to guarantee an income that will adequately support a family's basic needs. Many of our recommendations—developed from an analysis of the research findings as well as conversations with the report's advisory group and Chicago Jobs Council (CJC) organizational members—focus on access to education programs that build skills, award credentials, and lead to life-long learning opportunities. These same recommendations, if implemented, would benefit Chicago's business community as skilled workers are currently and will continue to be in demand.

Our recommendations are divided into two sections. First, in "Chicago Leads," we acknowledge Chicago's leadership, highlighting specific strategies and initiatives that show promise and should be continued, expanded, and improved. Then, in "Chicago Needs," we identify strategies and initiatives that Chicago should undertake in order to prepare the workforce for current and future economic realities. For these recommendations to be implemented, we will need to involve a broad and diverse set of stakeholders.

Recommendations for Improving Chicago's Workforce Development System

CHICAGO LEADS: Current Workforce Development Strategies that Should Be Continued and Expanded

- Ensure workforce development goals and strategies are incorporated in all city economic development plans
- Enhance TIF Works in order to better link job training to economic development
- Monitor and evaluate industry-focused Chicago Workforce Centers pilot
- Maintain a regional approach to workforce development planning and implementation
- Secure community-based access to one-stop employment services
- Increase the number of transitional jobs programs to reach more populations
- Extend Mayoral spotlight to the workforce needs of immigrants
- Grow Kid Start, Chicago's summer youth employment program

CHICAGO NEEDS: Targeted Interventions for Underserved Populations and Communities

- Align priorities set by the Chicago Workforce Board with the city and sister agency budgets
- Target certain communities for capacity building efforts
- Provide more dedicated employment services for people who are homeless
- Develop a comprehensive employment strategy for current and former public housing residents
- Intensify re-entry employment support for ex-offenders
- Reconnect recent high school dropouts to appropriate, competency-based programming
- Improve high school to community college transition
- Support bridge training programs targeted to working poor, disadvantaged job seekers, and immigrant students
- Offer supportive services for disadvantaged community college students