



## Issues

# Workforce Development

## Better Skills, Better Jobs

Today's economy is constantly shifting and the pace of change is accelerating. We must prepare our current and future workforce with the education and training they need to successfully shift with it. Over the next decade, employers across the state will post 1.6 million job openings and, in order for Ohio families to benefit from those jobs, we must empower Ohioans with the skills they will need to thrive. Nearly two-thirds of those jobs will require some form of education or skills training beyond high school.

Right now, Ohio has more open jobs than people who can fill them. It's not for lack of trying – most people want very much to work. But if we don't chart a new path, by 2025, almost 2 million Ohioans will lack the training needed to fill current, evolving, and future jobs. This skills gap is hurting both employers and employees alike. Businesses need workers with the right skills, and workers need new opportunities to support their families with good-paying jobs that secure their foothold in the middle class.

College is one path to the middle class – but not the only path. Whether they are just starting a career or transferring skills to a new path later in life, all Ohioans should have the freedom to make the educational choices that are best for them – whether that means four years of college, a two-year degree, vocational school, apprenticeships, certifications, or some other more flexible form of skills training.

Strengthening Ohio’s workforce is perhaps the most pressing economic challenge we face as a state. The costs of inaction are high. Companies have made clear that they will grow and locate only where they are confident they can hire talented and skilled employees. Meanwhile, workers cannot risk spending their time and money on training or education that will not lead to a good-paying job. Without addressing the skills shortage, the full economic potential of our people and our communities will remain unfulfilled.

Our workforce development plan will ensure that every Ohioan has the skills they need to enter an increasingly competitive labor force and support themselves and their families. We will connect workers to training in our fastest-growing industries: health care, education, construction, advanced manufacturing, and computer systems. The Cordray-Sutton administration will close the skills gap in a way that makes sense for Ohio, building a workforce ready for the kinds of good-paying jobs that will be available today and tomorrow.

To restart Ohio’s job engine, the Cordray-Sutton Administration will:

## **Put Workers First**

For years, Ohio's workforce development efforts have emphasized employers rather than employees. We will reverse that approach. Instead of emphasizing flashy tax incentives solely focused on attracting out-of-state companies, the Cordray-Sutton administration will fashion tax incentives that are designed to develop a workforce equipped with the skills that employers need to grow their business and that will empower Ohio workers to excel. The first step to a stronger workforce begins by ensuring our workers have the skills they need to get and keep a good-paying job.

The good news is that Ohio already has a number of resources to help accomplish this goal – businesses, community organizations, and the state all want to see Ohioans succeed. But as our economy shifts, so must the way we tackle the problem. Rich Cordray and Betty Sutton believe we must tackle it by placing each worker – you – at the center of our efforts.

## **Refocus the Office of Workforce Transformation to support workers**

Since Governor Kasich created the Office of Workforce Transformation in 2012, the agency has focused its resources largely on identifying the needs of businesses. Six years later, we now know much more about those needs, so it's time to shift the focus to support our best resource: our people. It's not enough to identify our needs if we can't also help fill them – and our workers cannot get these jobs if they do not acquire the necessary skills. The Office of Workforce Transformation will adopt a "worker first" mission similar to other

successful programs around the country that focus on boosting workers' education and skills.

By refocusing the Office of Workforce Transformation, we will also coordinate the state's fragmented job training efforts. There are no less than fourteen agencies and programs run by the state of Ohio that touch on workforce development. Training providers like Ohio Technical Centers and OhioMeansJobs Centers typically operate in silos, making it difficult to communicate effectively about resources and results. We will organize our state agencies into an integrated, coherent system – led by the Office of Workforce Transformation. With a clear vision, the newly energized office will lead new efforts to bring creativity and flexibility to remove barriers that prevent workers from succeeding.

**Invest federal funds in workforce development programs for our fastest-growing industries.**

In the last budget, Ohio received almost \$328 million from the federal government through the Workforce Innovation and Opportunity Act (WIOA) to support workforce development programs. Most of these dollars flow to county-level programs, whose community connections to employers are critical. The Governor is able to direct almost \$50 million of those dollars to specific priorities. The Cordray-Sutton administration will ensure that Ohio's discretionary WIOA funds are used to directly support training programs for our fastest-growing industries and removing barriers to employment. A quarter of all new jobs that Ohio is projected to add before 2024, for example, are in

health care. Ohio's federal dollars will support programs preparing workers to enter careers in health care, education, construction, advanced manufacturing, and computer systems.

**Offer more apprenticeships and create Lifelong Learning and Training Accounts (LLTAs).**

To get and keep a good-paying job, workers must first acquire some post-secondary credential and then continue to upgrade their skills over time. For many workers, vocational training offers a viable path into a new career – without the crushing debt of four years of college. Apprentices are paid for their time spent on the job, accumulate almost no debt, and earn solid middle-class wages after completing their program. They create life-long attachments to the companies and communities where they put down roots. We will build a strong workforce by partnering with our public universities, community colleges, labor unions, and manufacturers to provide more industrial apprenticeships.

Workers also need training throughout their careers to adapt to trends we cannot yet anticipate. As their circumstances shift, they will need our help not once, but several times, as they translate their skills to shift from one career to the next. In Ohio, we will create Lifelong Learning and Training Accounts (LLTAs) that will encourage workers to invest in their own education and training. The accounts would follow workers from job to job, regularly preparing them for their first career – and every career that comes after.

## **Continue and build on the work of the Office of Opportunities for New Americans.**

Governor Kasich did the right thing when he recently created the Office of Opportunities for New Americans to help legal immigrants successfully integrate into Ohio's economic life. We will fully embrace the new Office and bolster its efforts to link new Ohioans with opportunities for training and jobs, as well as providing appropriate recognition and credit for training and education obtained elsewhere around the world. It is the right thing to do, and it is in line with our Ohio values.

## **Remove or limit barriers to employment like non-compete clauses.**

Ohio workers are often asked to sign non-compete clauses in employment contracts that restrict their rights to pursue new career opportunities. It is not only workers in skilled or high-level positions who are affected: over 1 in six workers are currently covered by non-compete agreements, even those that may be quite inappropriate. And in recent years, these clauses have also become more common in low-wage, low-skilled professions like cashiers, janitors, and hair stylists – workers that largely lack specialized skills or knowledge of trade secrets.

Non-compete clauses keep businesses from hiring the workers they need and keep workers from taking the jobs they want and for which they are trained and experienced. They can hurt families by forcing Ohioans to move and take jobs out of state or can force them into taking lower-paying jobs that do not build on their skills and employment backgrounds. For many vulnerable

workers, just the threat of legal action is enough to scare them into limiting their career mobility, and Ohio has some of the harshest legal rules in the nation in this area. We will work to insert occupation-specific exemptions or limitations upon non-compete clauses that are based on geographic or temporal or substantive skill-based restrictions, this removing a significant barrier to job mobility and continued employment for a growing number of Ohio workers.

### **Help Our Employers Help Their Workers**

The economic priorities of Republican leaders in Columbus do not include nearly enough support for the small business owners and entrepreneurs who hire most of Ohio's workforce. We provide plenty of subsidies to some of the largest corporations with the best lobbyists, but we don't provide the same level of support for the small businesses that are responsible for most of Ohio's net job creation. Those priorities will change under the Cordray-Sutton administration. We will build an economy where local Ohio companies – and their workers – are prioritized for success and growth.

### **Adopt skills-based hiring practices.**

We should value workers for their ability to do the work, not the number of degrees they have. The State of Ohio will set an example as the first major employer to adopt skills-based hiring practices. Over 52,000 Ohioans work in agencies or commissions under the control of the Governor. Hundreds of

thousands more work for companies that have contractual relationships with the state government. The Cordray-Sutton administration will make it a priority, wherever possible, to value skills over credentials when hiring new employees and entering new contracts. In the process, Ohio will deepen the talent pool, increase diversity in the workplace, decrease the time it takes to fill open positions, and increase retention rates.

### **Appoint a Small Business Chief.**

For first-time business owners, navigating the maze of state and local permits and regulations can be very daunting. The Small Business Chief and his or her team will provide 24/7 help to new business owners trying to make sense of the regulations, licensing, and all the other responsibilities of being an employer. The office will help business owners find financial help by connecting them with the right services and funding sources. They will also eliminate unnecessary red tape that gets in the way of growing small businesses and creating new jobs. The Small Business Chief will identify relevant programs for minority- and women-owned businesses and provide tools to help them navigate through the challenges they face. In short, the Ohio Small Business Chief will have an open door and serve as a ready resource for employers, leaving them more freedom to expand and create good-paying jobs.

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