

*High Skills, High Wages: A Review and Analysis of Washington State's 10-year Strategic*

Plan for Workforce Development

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The state of Washington faces labor market changes that have had an effect on the demands needed from its workforce. A crucial concern among these changes is how the state will ensure these demands are met and the expectations of its workforce systems. In 1991, the state legislature assembled the Workforce Training & Education Coordinating Board (WTECB) to redesign the state's workforce system, and to help define what is expected of Washington's workforce as the nation, and the state, continue to compete in a global, knowledge-based economy. With changes such as technological advancement and a shift from farming to more non-farming occupations, new workforce systems and the accountability of these systems is paramount to the state's economic growth. The changes in systems and accountability responsibilities are the primary focus of the Workforce Board's mission. Whether it is integrating more career guidance counseling in Washington's K-12 system, or pioneering adult education programs, the Workforce Board is employing a more intuitive skills training that will fit the needs of the state's evolving economy.

With the Workforce Board being comprised of labor and business representatives, as well as major service providers, these groups help give a broader, more pertinent understanding of what skills Washington's labor market needs and what the workforce needs to do to acquire these skills. To meet these demands, the Workforce Board championed the state's strategic plan for workforce development, *High Skills, High, Wages (HSHW)*. *HSHW* combines evidence-based research with a plan

to prepare through postsecondary education and training programs to place Washingtonians into high-demand occupations.

Since its introduction in 1994, *HSHW* has seen its fair share of revisions to make it more relevant to the state's changing economy. The plan is designed to integrate the skills, practices, and direction Washington's workforce needs for advancement in the new labor market. In the last decade, *HSHW* has transitioned from its original focus on individual populations, their needs, and solutions to their workforce challenges, to a broader, all-inclusive paradigm. Marina Parr, WTECB's Communications Director, describes the new plan—drafted in 2012—as, “much slimmer and more high-visioning for [Washington's workforce] system.”<sup>1</sup> This new outlook fits the general consensus among the board that *HSHW* needs to be a more cohesive plan that interconnects Washington's education system to its workforce. The plan defines this approach as giving “multiple options for workers and students to advance...[and] have move ahead in their education, work experience, job skills, and lives” (Workforce Training & Education Coordinating Board [WTECB], 2012, p. 3). This idea is commonly referred to as the “multiple pathways” method, which means that traditional education and, “the acquisition of career or technical skills,” are happen concurrently, allowing individuals to relate what they learn in the classroom to the workplace environment (Perna, 2008, p. 47).

By strengthening these policies and practices, the Workforce Board aims to produce an effective, professional workforce that will meet the higher standards of

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<sup>1</sup> (personal communication email, November 7, 2014).

competitive, globalized economy. This review of the Washington's 10-year strategic workforce development plan, *High Skills, High Wages*, provides a conceptual understanding of how this plan is connecting the state's higher education system to its workforce and economy. The presumption of this review is that developing a workforce system that bridges postsecondary education to Washington employers, making employer engagement the focal feature of workforce education is the most effective practice for producing a highly competent workforce. Moreover, focusing more on certification and two-year associate's degrees as a more cost-effective and inclusive approach to prepare a broad range of residents that do not have access to four-year programs. Further, this paper posits that short-term education programs that prepare individuals for mid-level, high-demand occupations are more beneficial to the immediate future of Washington's economy. To coherently articulate these ideas, this paper will begin with an overview of Washington's projected workforce and economic climate issues, the objectives of the 2012 *HSHW* strategic plan, a comprehensive progress report of the plan's contributions to the state's workforce system thus far, and how these strategies are connected to contemporary workforce development concepts.

### **Tomorrow's Workforce and Economic Climate**

#### *Workforce*

The future of Washington's workforce faces plenty of challenges. Factors such as migration, ethnic diversity, and age will all have an effect on the state's workforce climate. Additionally, Washington's population growth is slowing, making it difficult to

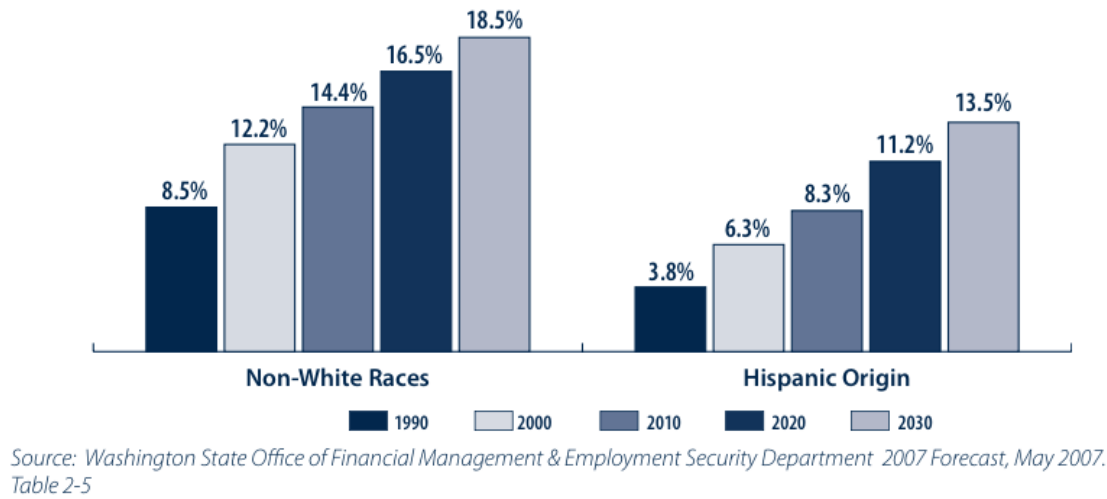
keep up with the continuing increase in occupation opportunities that require higher skill levels.

**Migration.** In the coming decades, Washington's population growth is projected to only increase by 1 percent per year between 2020 and 2030, when in previous decades, the average growth was around 2.5 percent per year. This statistic brings concern as to how the workforce will be able to supply the increasing amount of job openings in high-demand sectors if the population is not fit to do so. A major trend the state has seen due to slower population growth is an increase of in-migration. Residents from other states are routinely entering Washington with higher levels of education and filling the vacancies in the jobs that the states workforce is unable to fill. On another note, however, there is a steady increase in international migration to Washington as well. With international immigrant populations projected to increase, especially immigrants from Latin America (see Figure 1), there will be growing concern about the educational prosperity of these groups who are historically underprepared for high-skilled job sectors (Holzer & Stoll, 2007; Perna, 2008; Carnevale).

**Age.** Another contributing factor to the climate of Washington's future workforce is age. The fastest growing age group in the workforce population between 2005 and 2030 will be those over the age of 65. Because of this, there are two major issues. First, is the possible increase in retirement numbers, meaning there will be more jobs being vacated than filled, which will be difficult to compensate for with an already depleted workforce. Second, is the fact that a significant demographic in the workforce

might not be prepared for the new technologically advanced occupations, thus, requiring additional, or continuing, education.

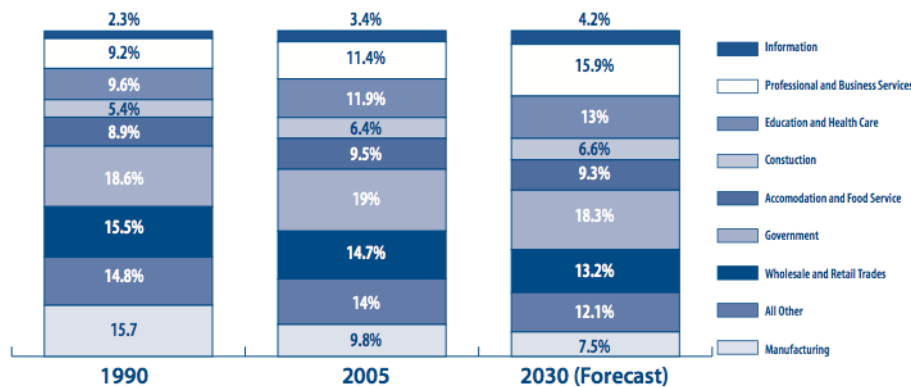
**Figure 1:** Labor Force Composition by Race



On the other side of the age spectrum, there too is rising concern over residents between the ages of 16-24 and their contribution to Washington’s future workforce. The future challenges facing this group are their ability to participate in the workforce and retention. Standardized test scores from the Washington Assessment of Student Learning (WASL) revealed that, “about half of 10<sup>th</sup> graders meet the math standards and 40 percent meet the science standards” (WTECB, 2008, p. 5), which can suggest that this age group will have low participation in the jobs for the new knowledge-based economy. Experts claim that having a basic, conceptual understanding of math and sciences increases an individual’s likelihood and opportunity—acquiring certification or receiving an associate’s degree—to participate in the technology-focused, knowledge-based economy (Carnevale, 2012).

In summary, the characteristics of Washington's future workforce (aging population, ethnic diversity, gender, etc.) will shape how the state conducts its workforce preparation and outreach. With an increase of groups that are historically underrepresented in high-demand jobs (health care, engineering, technology), extra efforts will be needed to educate, and utilize, these groups to help Washington compete in a global economy, as well as aid in the growth of Washington's own economy.

**Figure 2:** Distribution of Washington Employment by Industry, Past and Projected



Source: Washington State Office of Financial Management & Employment Security Department, 2008 Long-Term Economic and Labor Force Forecast, April 2008.

### Economy

The globalization of the nation's economy has added impetus to the demand of a higher skilled workforce (Grubb & Lazerson, 2007; Perna, 2008). In Washington, "employers report a shortage of job applicants with the skills required for the contemporary work place" (WTECB, 2008, p. 10), which is obstructing the state's economic growth. The trend of skills needed in Washington's labor market show that it is, and will continue to be, increasingly technology driven. Particularly, the economy is looking for competencies in health care, software publishing, professional and business services (engineering, computer systems, and programming), and information

technology (see Figure 2). For these careers, all require some form of certification or postsecondary experience, making it even more important for Washington to educate its workforce, giving it the skills and certifications it needs to compete in the knowledge-based, global economy.

### **High Skills, High Wages: 2012 Revision**

As previously mentioned, *HSHW* has a newly updated plan that is a simpler, yet more expansive in order to engage a wide variety of stakeholders and audiences. A major explanation for its revision is because the goals set by the 2008 plan were not immediately attainable (WTECB, 2013). The updated plan has helped “stretch goals” that are important for the Workforce Board to attain. With the updated plan, the foundation of *HSHW* falls on three goals: (1) Multiple pathways for first careers, (2) multiple pathways for employers and workers, and (3) improving the efficiency, transparency, and performance of Washington’s workforce system.

Regardless of its revisions, the *HSHW* model continues to be the same by addressing the workforce system as a whole rather than addressing individual populations. The first goal is targeting the youth and setting them up for access to postsecondary education. Within the goal, *HSHW* includes an objective for reaching this goal by enhancing career guidance for students. Not only does this include providing career guidance at an earlier age, but it also includes involving parents and guardians. This objective parallels Harry Holzer’s notion that, “improved career and college counseling could help students better understand the academic requirements for future education and jobs, and help students make the ‘right’ decisions about their education

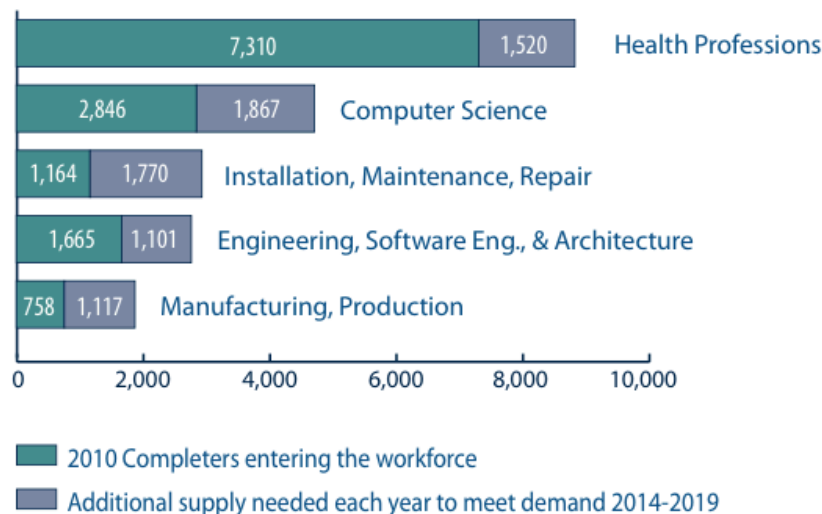


and career pathways” (Perna, 2008, p. 266). The first goal also aims at improving student access to postsecondary education, and retention. *HSHW* plans to incorporate several objectives that coordinate with multiple pathways for postsecondary education and joining the workforce. A key component of *HSHW* is that it does not take the “college for all approach.” The plan understands that not all individuals need to take the traditional college route, and counsel individuals to seek alternate forms of postsecondary education. *HSHW* has the intension of increasing non-traditional opportunities to obtain certificates and degrees, as well as bridging work experiences to the classroom. The objective is to bring employers into the classroom and students to workspaces in order for them to get a more hands-on experience with the material they are learning. This is argued by Ronald Ferguson asking “for stronger connections between schools and employers, recommending employers work with schools to integrate career education into academic programing throughout the educational pipeline” (Perna, 2008, p. 268).

With the first goal of *HSHW* focusing on K-12 students’ and providing the scaffolding for them to make informed decisions about their futures, “the second goal is to develop multiple pathways that increase employer engagement in education and workforce training, and better connect workers with high-wage careers and life-long learning” (WTECB, 2012). The second goal highlights the creation of partnerships with different employers in order to generate more employer engagement in the state’s education system, stimulate job creation and life long learning, and get the unemployed Washingtonians back into the workforce. Not only is it important to get individuals

working, it is also important to get individuals working in high-demand fields in the globalized economy. Figure 3 demonstrates what *HSHW* projects for the upcoming years in employer demand, which aligns with the occupations highlighted in the previous section about tomorrow's workforce and economic climate. There is a clear connection between the first and second goals of *HSHW*, in that it stresses more individuals *need* to have some form of postsecondary education for the knowledge-based economy. However, a possible concern with the high-demand occupation projections is that a majority of these fields do require a higher level of education. *HSHW* is pushing for "postsecondary education for all," but it needs to keep in mind the type of jobs that will be in demand for the future. Additionally, the second goal wants to improve on job search and placement for individuals that are unemployed. This is crucial because it would speed up the process of skilled and qualified workers to enter the workforce via one-year certification programs and two-year associate's degrees. This could also prove valuable for recent graduates who often times find it difficult to find a job in their specific field.

**Figure 3:** High Employer Demand Occupations; 2010 Supply Compared to 2014-2019 Demand



*Source: Workforce Training and Education Coordinating Board, High Skills, High Wages, Washington's 10-year strategic plan for workforce development, 2012*

The third and final goal of the plan, “is to improve the efficiency, transparency, and performance of Washington’s workforce system and to ensure all aspects and components of the system work together effectively to meet the needs of both job seekers and employers” (WTECB, 2012, p. 13). This goal focuses much more on the policy and accountability aspect of the state’s workforce development system. WTECB initiated this goal to make sure the first and second goal remain on track. By holding the entire plan’s goals accountable, *HSHW* can be altered in the future if need be, because as long as this plan pushes for individuals to pursue occupation-based certifications, the plan must be designed to consider the malleability of the current labor market (Carnevale, 2012). Accountability will be seen through annual progress reports, which will combine strict federal and state requirements to determine the effectiveness of *HSHW* and the measured performance outcomes of the 16 workforce programs the board oversees to ascertain a return on investment to tax payers. WTECB has recently released their annual 2013 annual progress report after being amended in 2012.

### **HSHW: 2013 Progress Report**

With the 2012 revision of *HSHW*, the WTECB has released the first annual progress report that demonstrates the intentions to fulfill its revised goals. The 2013 progress report outlines the three main goals of *HSHW* and describing what the plan has initiated to eventually reach each goal. Because this is the first progress report, some of

the goals have already had plans initiated and other goals have taken the first “tentative” steps towards reaching their objective.

A characteristic of the first goal was to focus on students and prepare the future leaders of Washington State. Within this objective, improving the quality of career and education counseling for both students and parents is chief to achieving the desired results. One of the outcome of this focus has seen is The Office of the Superintendent of Public Instruction (OSPI) is having a greater presence in providing student guidance at an earlier age. They have recently launched Career Guidance Washington, which provides lessons and activities, professional development, and technical support for counselors and teachers to better assist students. The Workforce Board has also included the Career and Technical Educational Plan created by OSPI, which “included a number of recommendations to expand career education, exploration, and planning in Washington” (WTECB, 2013, p. 2). This plan aims at assisting students K-12 with career education, exploration, and planning. Keeping a close tie with multiple pathways, *HSHW* has created initiatives to establish a better relationship between the workforce and education. This is crucial for students who know they do not want to follow the traditional college route. The Core Plus Aerospace and Manufacturing Curriculum is another great example in which students have the opportunity to work and develop universal manufacturing core skills. These core skills range from welding, machining, composites, electronics, quality assurance, hydraulic systems, manufacturing tools, and more. There are 4 middle schools and over 15 high schools in Washington State that can give students the opportunity to work and train through an online curriculum. Microsoft

also provides a similar program called IT Academy where students, teachers, and staff at high schools have the opportunity to earn certifications in Word, Excel, Access, Project, and other, “advanced topics, including programming, Web development, and database development” (WTECB, 2013, p. 5).

Again, *HSHW* focuses on student access and retention. A prime example for this objective is the Building Bridges grant program. This program awards state grant dollars to other developed programs to reduce dropout rates. The Building Bridges program helps, “school-community partnerships prevent students from dropping out of high school, intervening before they do, and reengaging students who have left school” (WTECB, 2013, p. 8). As the 2012 plan has demonstrated with their first goal, they aim at helping a diverse student population by providing multiple pathways. Not every individual is the same, so Washington State as a whole would benefit more by providing multiple options to students. By providing options, students will be able to pick and choose what they prefer to do after high school.

Moving forward to the second goal, *HSHW* needs to also create multiple pathways for the current workforce population. A major issue for the workforce population is the people who are unemployed and unable to find a job. The second goal has a greater emphasis to, “improve job search and placement services for unemployed and underemployed workers” (WTECB, 2013, p. 15). There is one initiative launched by the Employment Security Department (ESD) that aims at addressing this issue. ESD has launched Training Academy in an effort to help individuals with employment counseling, business services, and customer flow. ESD has begun to establish an extensive

connection with *HSHW* to also assist individuals who have been unemployed for a long time. As previously mentioned, the revamped *HSHW* plan has initiatives that have barely begun. ESD is collaborating with the *HSHW* plans to further expand the “Back2Work Now” program. This program was initially put in place in King County to address the long-term unemployment that individuals were facing during the most recent recession. The “Back2Work Now” pilot program was able to provide, “an intensive job-club structure, a LinkedIn group, and more than 30 engaged employers who offered mock interviews and advice, as well as jobs” (WTECB, 2013, p. 17). The pilot program was found to be successful and has then been initiated in *HSHW* for future use. The next progress report will be able to demonstrate if a program such as “Back2Work Now” will be beneficial for the State of Washington.

In the reoccurring theme of providing multiple pathways to the aspiring workforce, the second goal strives to provide an educational pathway for adults who may want to pursue postsecondary education. One incentive that may persuade individuals to go back to school is the Opportunity Grant Program, which provides, “financial aid and support to low-income workforce education students studying high-wage, high-demand career pathways” (WTECB, 2013, p. 15). This grant is very significant because it provides assistance to individuals who are seeking careers in growing demand fields that require high-level skills. Another popular program that is well supported by all community colleges and technical colleges in Washington is Integrated Basic Education and Skills Training (I-BEST) that places a focus on high-demand employment opportunities. I-BEST works by providing classrooms with two instructors, one for

“professional and technical content” and another for basic skills. I-BEST is intended get students through school faster than usual and able to join the workforce. The basic skills instructor is able to provide general subject materials while the professional instructor is better able to connect the classroom setting with the real world. I-BEST has proven to be very beneficial, but has been seen to be more costly because of the additional instructor per classroom.

Lastly, we have the initiatives set out for the third goal of accountability. Through this final goal, the Workforce Board and *HSHW* created performance management system for the new generation (WTECB, 2013). An annual performance accountability report was developed to make sure all aspects and goals of *HSHW* were being met. This annual report allows the WTECB, as well as general public to follow the status of the *HSHW* plan. This is important because it will allow the WTECB to revise *HSHW*, such as in 2012, to better align with the future goals. Statewide indicators will also be put in place for the educational portion of *HSHW*. The indicators would range from the K-12 spectrum measuring, “kindergarten readiness, fourth grade reading, eighth grade math, high school completion, postsecondary remedial courses taking, and employment and postsecondary rates after high school completion” (WTECB, 2013, p. 18).

## **Discussion**

The core of *HSHW* is its focus on both occupational training, and performance accountability workforce development programs. For education and occupational training, we see that *HSHW* is putting a strong emphasis being more involved in the K-12 system with enacting more career guidance counseling for students and offering

multiple pathways for students to explore their career options. This objective is closely tied to what Ronald Ferguson believes saying, “the implementation of multiple pathways is purported...to lead to a wider range of possible postsecondary opportunities for students” (Perna, 2008, p. 47). Further, the plan’s focus on retention and how educating students about alternative options for obtaining postsecondary credentials such as one-year certificates and two-year associate’s degrees. Current literature highlights the growing interest and practicality of endorsing these types of programs over four-year programs. This practicality is expressed by Thomas Bailey and Clive R. Belfield (2012) who postulate that, “certificate programs are shorter and have higher completion rates,” and that they, “yield higher net returns for a given earnings gain because they require less time out of the labor market” (Perna, 2008, p. 133).

Along with the practicality and cost effectiveness of certification programs, the Workforce Board and *HSHW* also follow the model that partnerships and collaborations increase accountability of programs (Perna, 2008; Carnevale, 2012). As mentioned earlier, the I-BEST program has become one of the most nationally recognized adult education programs (Perna, 2008; Wachen, Jenkins, & Van Noy, 2010), and was developed by The State Board for Community and Technical Colleges, along with the WTECB. The collaboration of government boards and fostering relationships with local employers led to greater oversight by all participating groups, ensuring the programs stability, consistency, and cost efficiency.

## **Conclusion**



Without a coherent vision and plan for workforce development systems, or even a defined, rigorous accountability process, a state cannot identify what is needed to prepare an effective workforce. The continuing expansion of a globalized economy is demanding for countries and regions to researching their workforce challenges and finding the best models and methods to solve these issues (Grubb, 2006; Perna, 2008). As mentioned previously, the first edition of *High Skills, High Wages* was published in 1994, and the current edition of the plan embodies all of the changes that need to be made for the development of Washington's future workforce. This new edition gives a broader, more holistic view of the responsibilities of the state's workforce systems. With the multiple pathways model, *HSHW* is helping Washingtonians become educated about the dynamism of postsecondary education, along with the rewards of pursuing postsecondary certifications. Through strict accountability measures and establishing partnerships among Washington businesses and educational institutions, *HSHW*, as described by Parr, is the "guiding 'north star' document that...has kept Washington focused on helping workforce participants at all levels move forward, get educated, and get jobs", to increase Washington's competitive edge in the global economy.

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