

Diverse Cross-Sector Workforce Leaders Join Together to Transform America's Labor Market to a 21st Century, Skills-Driven Model

Partnership of leaders of business, technology, labor, academic and policy communities, will work with America's employers, workers, job seekers, and educators in urgent effort to disrupt the labor market and provide good jobs.

New York, NY, September 27, 2017 – Stepping up to the challenge of including all Americans in the opportunities of the digital economy, the Markle Foundation announced today the formation of the Rework America Task Force (Rework America), a coalition of influential leaders with diverse backgrounds and experience who have joined together in service of modernizing the nation's outdated labor market and unlocking economic opportunity for American job seekers, workers, and businesses.

Rework America is chaired by Denis McDonough, former White House Chief of Staff to President Barack Obama, and includes members from some of the world's leading organizations and institutions — including Siemens USA, Microsoft Corp., IBM, Princeton University, Hearsay Systems, the Walmart Foundation and Coursera. The Markle Foundation Advisory Board — chaired by Zoë Baird, CEO and President of the Markle Foundation; with vice chairs Mitch Daniels, former Governor of Indiana and current President of Purdue University, and Penny Pritzker, Chairman, PSP Capital and Pritzker Realty Group; and members James Manyika, Senior Partner, McKinsey & Company; Dr. Rajiv Shah, President of the Rockefeller Foundation; Brad Smith, Microsoft President and Chief Legal Officer; and Lisa Garcia Quiroz, Chief Diversity Officer & Senior Vice President, Time Warner, Inc. — will work closely with Rework America, providing counsel and feedback.

The goal of Rework America is to fix America's broken labor market. Across the country, six-million-plus jobs are unfilled because employers can't find skilled workers, yet millions of Americans with in-demand skills, or job seekers who are capable of getting those skills, are unemployed or underemployed. Rework America seeks comprehensive reform toward a skills-based labor market which includes training workers over the course of their lives in the skills that employers need to compete in the 21st-century economy.

The task force will seek to use the same digital technology that is disrupting the economy today to rewire the labor market; connecting relevant stakeholders, trainers and educators, and bringing new clarity and transparency to the job-search process so workers develop in-demand skills. Rework America will highlight successful existing training programs and deploy new training experiments to create practical solutions that will transform America's labor market from one based largely on traditional credentials, such as degrees and work history, to one rooted in the skills valued in the digital economy.

"Too many Americans are being left behind by the changes brought about by globalization and technology," said Zoë Baird, CEO and President of the Markle Foundation. "Workers deserve good jobs, solid career paths, and income growth. At the same time, American businesses deserve a skilled workforce, ready for the new, digital economy. The system wasn't going to change on its own, so we've brought together some of the boldest leaders of all perspectives to tackle this challenge head-on.

"Redesigning the labor market is an ambitious challenge, but we have revolutionary tools at our disposal – digital technologies that have emerged as powerful, transformative forces in our economy," Zoë Baird added. "'Big Data' and 'artificial intelligence' aren't buzzwords. They have already had a profound effect on how we do business, and we believe that they can have an equally large impact on how we train workers, and how we connect Americans with opportunity."

"The digital transformation we are living through today is historic, and our response needs to be equally as historic," said Judy Marks, CEO, Siemens USA, and a Rework America member. "A labor market that was designed in the 20th century to prioritize four-year degrees and work histories is no longer sufficient to keep up with the fast-changing skills necessary to perform the digital jobs of the 21st century. We need to use technology to better align the skills of our workforce to the needs of employers, helping all stakeholders rethink, retool, and revitalize the ways we connect job seekers to open positions. This work is vital for our future, and that's why I am eager to join the Rework America Task Force."

Rework America builds on the success of the Markle Foundation's Skillful initiative, which is transforming businesses as well as the lives of job seekers and workers in Colorado. Established in 2016 as a partnership between Governor John Hickenlooper and the state of Colorado, LinkedIn, and others, Skillful provides data, tools, and resources that enable businesses to define the exact skills they seek, and turn those insights into a skills-based hiring process that allows workers to demonstrate and articulate the skills that they can bring to an organization. Recently, Microsoft invested more than \$25 million in Markle to expand Skillful's model in Colorado, expand to another state, and support Rework America.

Rework America's cross-sector, non-partisan approach will focus on systems integration – pulling together, and leveraging currently-existing resources in a more effective manner in order to create new tools and business models to better serve the entire labor ecosystem. The task force will consist of small groups, drawing on each member's expertise. The task force will deliver its recommendations to key stakeholders and create a path from idea to feedback, to policy and action.

"The current labor market fails job seekers, workers, and businesses," said Denis McDonough, Chair of the Rework America Task Force. "Many workers have the skills employers are looking for to fill open positions, but don't know it because too many job listings are written in a way that excludes qualified job seekers rather than attracting them. They use credentials like a four-year degree as a proxy instead of listing the actual skills needed to work a job – which is a problem, since nearly seven in 10 Americans don't have a four-year degree but many have the relevant skills. And our research has found that a middle skilled worker in Colorado could apply for substantially more jobs – and with a \$7,000 higher average salary – if jobs with credential gaps reflected today's workforce as opposed to requirements for a college degree.

"The Rework America Task Force is ideally suited to help rethink and redesign the American labor market to benefit us all," Denis McDonough added. "This is a group of proven leaders who have come together to serve as an incubator for fresh ideas, inform state and national-level policy discussions, and develop real-world solutions to build a smarter, modern labor market – over both the short-term and long-term."

The Rework America Task Force is supported, to date, by Carnegie Corporation; the Markle Foundation, Microsoft Philanthropies, the Pritzker Traubert Foundation, and the Rockefeller Brothers Fund.

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About Markle

The Markle Foundation works to realize the potential of information technology as a breakthrough tool for some of the nation's most challenging problems. Working as an operating foundation, Markle has participated in partnerships to create policy and technology architecture that has enabled improvements in healthcare, national security, and access to the Internet. Markle's priority today is to provide Americans with access to good jobs and enable people to prepare for today's rapidly changing digital economy, as articulated in its book Memory.com/Markle-Fdn and @ReworkAmerica on Twitter.

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