

### The Rework America Task Force and Eleven Large U.S. Employers Launch the Rework America Business Network to Expand and Strengthen America's Workforce

**NEW YORK – DECEMBER 5, 2018** – Today, Denis McDonough, senior principal at the Markle Foundation and chairperson of its Rework America Task Force, and Heidi Capozzi, senior vice president of human resources at The Boeing Company, announced the formation of the Rework America Business Network (The Network) with eleven founding members: Aon, Archer Daniels Midland Company (ADM), Boeing, Duke Energy, Kaiser Permanente, McKinsey & Company, Microsoft, Stanley Black & Decker, Walmart, Zurich Insurance and 21st Century Fox, along with Rework America Task Force member Workday, an expert adviser to the Network, and with support from Google.org. The Network will accelerate the development and adoption of innovative hiring and training practices so that U.S. companies can attract, develop and retain the talent they need while giving more Americans an opportunity to thrive in the digital economy. Capozzi will serve as the chairperson of the Network.

The Rework America Business Network member companies, which collectively employ approximately 2.2 million Americans, seek to deepen their talent pools of qualified candidates and expand opportunities for people of diverse backgrounds by recruiting and hiring with a focus on individuals' skills. Member companies also will seek to explore how companies can better utilize a skills-based approach when it comes to learning and development. This dual-focus on hiring and continuous learning is to ensure businesses have the talent needed to compete and win, and employees have the tools and support needed to continuously improve and upskill themselves throughout their careers. The Network will share effective practices and encourage more U.S. companies to adopt them, as well as collaborate on practical new approaches for hiring and training talent in a rapidly changing economy.

The Network will take concrete actions on areas that will benefit from cross-industry collaboration. Initial priority areas—to be expanded as progress is made—will include:

- Strengthening digital and data literacy skills, including developing common definitions of fundamental skills and corresponding credentials and pairing them with effective skills assessment approaches for use in hiring and promotion
- Developing a more inclusive definition of workforce readiness that values both education and skills proficiency, identifying effective methods for job-seekers to attain workforce readiness and expanding access to relevant training and education that supports it
- Fostering more connections between employers and the education and training community to better serve workers with effective programs and improved access to them

"Boeing is the global leader in aerospace thanks to the hard work, passion and innovation of generations of American workers. Our future success—and that of our customers and supplier partners—depends on having a workforce equipped with 21st-century skills, particularly in the area of digital literacy," said Heidi Capozzi, Boeing Senior Vice President of Human Resources and chair of the Rework America Business Network. "We are excited about the opportunity to share best practices with and learn from other innovative companies that are committed to advancing a skills-based approach to employment. In doing so, we hope to help American companies compete and win, and connect greater numbers of American workers with pathways to opportunity and success."

"U.S. employers are struggling to fill a record 7 million jobs, while there are millions of Americans who might be able to fill these jobs if given the opportunity for training and development. The member companies of the Rework America Business Network will work to bridge that gap, expand opportunities for all Americans and build a stronger workforce," said Denis McDonough, senior principal at the Markle Foundation and chairperson of its Rework America Task Force. "The Rework America Task Force is engaging a diverse coalition of leaders across the private, public, and non-profit sectors to modernize the U.S. labor market. The employers of the Rework America Business Network will play a critical role."

The U.S. labor market is undergoing a major upheaval. The nation's economic prosperity requires a labor market flexible enough to match the rapid pace of technological innovation and change, as jobs evolve, and new occupations emerge. In order to modernize the U.S. labor market, the Rework America Business Network is focusing on the further development and advancement of skills-based hiring and training practices, recruiting and hiring candidates, and investing in training incumbent workers with an emphasis on demonstrable skills. When employers better define the skills they need and expand the ways to train at every stage of a career, they expand opportunity for all Americans and build a stronger workforce for themselves.

"Traditional approaches to hiring and training are leaving jobs vacant and talented Americans excluded from the opportunities of the digital economy," said Zoë Baird, CEO and president of the Markle Foundation. "The Markle Foundation is encouraging and equipping businesses to open up opportunity for more people to get the skills needed for higher paying jobs and sustainable career paths through initiatives like the Rework America Task Force and now the Rework America Business Network."

"When finding and developing talent, employers often rely too heavily on individuals' degrees, past job titles, and subjective evaluation," said Jacqui Canney, EVP, Global People Division, Walmart Inc. "We have an opportunity, across industries, to create common definitions of core skills-based competencies that are designed to empower employees, while creating a more inclusive and qualified workforce that is more prepared for the future."

A skills-based approach to hiring and promoting creates a more equitable job market that "screens in" for skills rather than "screening out" those that lack traditional credentials like four-year degrees, a barrier which can disproportionately affect adults returning to the workforce or changing jobs, people of color, veterans and the economically disadvantaged.

Skills-based employment practices help businesses strengthen their workforce in many ways, for example:

- Deepening the talent pool: evaluating candidates based on skills unlocks opportunity for the 7 in 10 Americans who do not have a four-year degree<sup>1</sup>.
- Increasing diversity: a focus on skills can result in 30% more qualified candidates from diverse backgrounds.<sup>2</sup>
- Reducing time to hire: removing degree requirements can decrease time to hire by 2-12 days<sup>3</sup>, a significant reduction on the average of 24 days<sup>4</sup>.
- Improving retention: training to build skills can result in a 50% improvement in retention rate<sup>5</sup>.

The rapid advance of technology is also prompting companies to expand training options to help their employees keep pace with the changing nature of their work and the skills required. American workers are eager to grow their skills: nearly 90% of Americans surveyed agree they need to continually train and learn and nearly half say they have taken a class or training in the past year in order to learn, maintain or improve their job skills.<sup>6</sup> Rework America Business Network member companies will explore effective ways to support the continuous learning needed in today's workplace.

The Markle Foundation will operate and support the Rework America Business Network, which has also received generous funding support from Rework America Task Force members Boeing, Microsoft, Walmart, Workday, and from Google.org.

The Network is one element of the Rework America Task Force's efforts to define and advance policies and practices among employers, educators, policymakers, technologists and workers themselves so that all are better equipped to anticipate, adapt to and harness for good the rapid pace of technological change transforming our economy. The Task Force also collaborates with Skillful, a Markle Initiative, and its Skillful State Network, a collaboration among 20 state governors to accelerate the development and deployment of effective skills-based practices to transform their labor markets.

*Find more information on the <u>Rework America Business Network</u> and the <u>Rework America</u> <u>Task Force</u>.* 

*For media inquiries, please contact Alex Lacter, Edelman for The Markle Foundation, 206.268.2290, <u>alex.lacter@edelman.com</u>* 

<sup>&</sup>lt;sup>1</sup> U.S. Census Data, 2014, American adults over 25 years old.

<sup>&</sup>lt;sup>2</sup> TalentSonar Outcomes Data, <u>TalentSonar.com</u> (Accessed January, 2018)

<sup>&</sup>lt;sup>3</sup> Burning Glass Time-to-Fill Data by Occupation and Industry, cited in "<u>Dismissed by Degrees</u>" (pg. 11) authored by Harvard Business School.

<sup>&</sup>lt;sup>4</sup> "10 HR & Recruiting Stats", <u>Glassdoor</u>

<sup>&</sup>lt;sup>5</sup> "<u>Dismissed by Degrees</u>" (pgs. 28, 29) authored by Harvard Business School.

<sup>&</sup>lt;sup>6</sup> Markle/Pew Survey, <u>The State of American Jobs</u>

#### About the Rework America Task Force

The Rework America Task Force seeks to transform America's outdated labor market so that all Americans – especially the nearly 70% without a college degree – have opportunities to thrive in the digital economy. This coalition of diverse leaders from technology, business, labor, education and the public sector is committed to developing bold, practical, non-partisan solutions to building a skills-based labor market that works for all Americans and supports the competitiveness of the American economy. The Task Force will define and advance policies and practices among employers, educators, policymakers, technologists and workers themselves so that all are better equipped to anticipate, adapt to and harness for good the rapid pace of technological change transforming our economy. By establishing clear, accessible paths to quality jobs and lifelong training in the digital economy, the Task Force is working to enable the dignity of work for all Americans.

### About the Markle Foundation

The Markle Foundation works to realize the potential of technology to achieve breakthroughs in addressing some of the nation's most pressing issues. Markle challenges itself and diverse partners to deploy their varied expertise to identify solutions and achieve systemic change. Today as advanced technology and automation change the very nature of work, Markle's priority is advancing solutions towards a skills-based labor market that will enable Americans to transition to the opportunities of the digital economy. Markle's workforce initiatives include <u>Skillful</u> and the <u>Rework America Task</u> <u>Force</u>. They follow Markle's success in creating the policy and technology architecture that has enabled improvements in healthcare, national security, and access to the Internet. For more information, visit <u>markle.org</u>, follow <u>@MarkleFdn</u> and <u>@ReworkAmerica</u> on Twitter, and read our book, <u>America's Moment</u>.

### **Markle Foundation and Network Member Quotes**

## Denis McDonough, Markle Foundation Senior Principal and chairperson of its Rework America Task Force:

"U.S. employers are struggling to fill a record 7 million jobs, while there are millions of Americans who might be able to fill these jobs if given the opportunity for training and development. The member companies of the Rework America Business Network will work to bridge that gap, expand opportunities for all Americans and build a stronger workforce. The Rework America Task Force is engaging a diverse coalition of leaders across the private, public, and non-profit sectors to modernize the U.S. labor market. The employers of the Rework America Business Network will play a critical role."

### Zoë Baird, Markle Foundation CEO and President:

"Traditional approaches to hiring and training are leaving jobs vacant and talented Americans excluded from the opportunities of the digital economy. The Markle Foundation is encouraging and equipping businesses to open up opportunity for more people to get the skills needed for higher paying jobs and sustainable career paths through initiatives like the Rework America Task Force and now the Rework America Business Network."

# Heidi Capozzi, Boeing Senior Vice President of Human Resources and chair of the Rework America Business Network:

"Boeing is the global leader in aerospace thanks to the hard work, passion and innovation of generations of American workers. Our future success—and that of our customers and supplier partners—depends on having a workforce equipped with 21st-century skills, particularly in the area of digital literacy. We are excited about the opportunity to share best practices with and learn from other innovative companies that are committed to advancing a skills-based approach to employment. In doing so, we hope to help American companies compete and win, and connect greater numbers of American workers with pathways to opportunity and success."

### Jacqui Canney, Walmart Inc. Executive Vice President, Global People Division:

"When finding and developing talent, employers often rely too heavily on individuals' degrees, past job titles, and subjective evaluation. We have an opportunity, across industries, to create common definitions of core skills-based competencies that are designed to empower employees, while creating a more inclusive and qualified workforce that is more prepared for the future."

### Chuck Edward, Microsoft Corporate Vice President, Head of Global Talent Acquisition:

"Digital technology is rapidly transforming our economy and therefore we must evolve the ways that we train and educate workers. We are proud to partner with the Rework America Business Network member companies to collaborate on solutions that will allow us to build a stronger skill-based talent pool and expand opportunities so everyone can better compete."

### Michael D'Ambrose, Archer Daniels Midland Chief Human Resources Officer:

"The challenge of expanding the talent pool available to U.S. employers isn't one that can be effectively addressed by individual companies acting alone. A multi-stakeholder coalition like the Rework America Business Network — or Together We Grow, which focuses on the agriculture and food sectors — is the only way to ensure that we address both the root causes of the talent shortage and the practical, day-to-day barriers that can prevent individuals from participating fully in the 21st century U.S. workforce."

### Bryan Hancock, McKinsey and Company Partner and Global Leader of the Talent Practice:

"We're seeing an accelerating skills shift today, where demand for technological, social and higher cognitive abilities continues to grow. Employers need to be laser-focused on skills, whether that's retraining and redeploying their existing workforce, or ensuring that training programs are faster and targeted to provide the specific skills required for available jobs."

### Brian Little, Zurich North America Head of Human Resources:

"Zurich is excited to be a founding member of the Rework America Business Network (RABN). The RABN's objectives strongly align with Zurich's focus on sustainability of the workforce via re-training and education for changing skill-set needs. We look forward to utilizing our growing experience with Insurance and Cyber Apprentices to bring scale and structure to needed skills-based talent development."