



April 16, 2020

Members of the House Jobs & Economic Development Finance Division:

Thank you for taking this important – and perhaps unprecedented— opportunity to discuss the future needs of workforce development in our state. The Minnesota Chamber of Commerce, the state’s largest business organization, appreciates the opportunity to share the perspective of the more than 6,300 businesses and more than half a million employees we represent throughout Minnesota.

Minnesota’s highly skilled, talented and reliable workforce has been a competitive economic advantage for generations. That being said, a little more than a month ago, we were sounding the alarm to legislators about the massive shift in our state’s demographics and impending 317,000 worker shortage – and how the need for greater numbers of skilled workers would be accelerating. Today, we’re facing record unemployment, with the immediate needs of a post-COVID-19 crisis response – rapid rehiring, nimble retraining, and swift upskilling - at the forefront of workforce development discussions.

Despite these changed circumstances, a fundamental certainty remains: for Minnesota to continue to have the world class, skilled workforce that is a cornerstone of our competitive business climate, systemic reforms and innovations must be implemented to ensure effective workforce development and education programs and curriculum are successfully delivered at every level to all job seekers and students. **To enhance the state’s global economic competitiveness and ensure our economic recovery, there must be a strong alignment of education and workforce development with employer needs.**

Too often, publicly funded workforce programs are difficult for employers to utilize and aren’t responsive to their needs; oftentimes the business community is left out of the planning and development of those programs or, even worse, feedback is disregarded – despite their role in funding these programs. Today we are getting a firsthand look at just how critical, and effective, public and private sector partnerships are to ensuring a future for business that improves the lives of all Minnesotans.

To produce certificates and degrees in areas of greatest demand, postsecondary institutions and workforce programs need to more closely track and adapt to changes in the labor market and workforce needs. Work-based learning and career pathway resources should be expanded with data-driven efforts detailing workforce supply and demand projections, along with tracking the outcomes of workforce programs including projected shortage areas, high-growth employment sectors, and significant skills gaps by industry sector.

Finally, we’d be remiss if we didn’t also take the opportunity to recommend that legislators seek to align K-12 and postsecondary education standards and systems, promote “future ready” options for students that foster and encourage career exploration and hands-on training opportunities, and reduce



remediation and utilize prior learning on the front end. Together, the K-12 system and postsecondary institutions must identify common thresholds for career or college readiness and assess student progress toward those thresholds. Dual-credit postsecondary enrollment options should be promoted to all students including postsecondary enrollment options, early college, concurrent enrollment, advanced placement, international baccalaureate, career and technical education, and college-level examination placement.

Thank you for the opportunity to provide this testimony. We hope that as these critical discussions continue, there will be a renewed focus on ensuring the business community's perspective on the future needs of workforce development in our state is sought and employer needs are considered.

Sincerely,

Lauryn Schothorst

Director, Workplace Management and Workforce Development Policy
Minnesota Chamber of Commerce