

Want better economy? Fill skills gap

By: [Penny Pritzker](#)

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The United States faces a daunting workforce challenge. But it's also a dramatic opportunity. As our country continues its slow climb out of a recession, we're suffering from a paradox: Unemployment remains high, yet many businesses report that they can't find the workers they need.

One problem is that we have a skills gap. And it's large and growing. While millions of Americans are actively looking for work, the reality is that many lack the skills needed to fill current openings. The U.S. could be three million skilled workers short as soon as next year.

Driving this trend is the combination of a changing economy and an aging workforce. Our economy's fastest-growing sectors include high-tech manufacturing, health care and new energy. Yet many in the skilled trades either lack these skills, or are retiring without a younger generation trained to fill their open slots.

As a result, too many Americans remain out of work and too many U.S. industries are on the brink of a skills crisis.

The good news is that tackling the skills challenge head on provides a significant opportunity for America to answer President Barack Obama's call to "win the future" — and ensure our country has the best trained, best prepared workforce in the world.

The first step is to identify what works.

In Germany, for example, roughly 90 percent of their large companies participate in vocational training programs that start when students are as young as 15. These students not only have the opportunity to get hands-on training and industry apprenticeships, they are largely hired by the companies for full-time employment after graduating.

For the U.S. to "[out-innovate and out-educate](#)" the rest of the world, we have to understand how countries like Germany are able to connect education to economically relevant training. And how we can do it better.

The second step is to forge public-private partnerships that can begin to address the skills gap.

Unless businesses and educational institutions — including high schools, four-year colleges and community colleges — work together, it will be impossible to [provide training](#) that's accessible, affordable and meets workforce demands.

Schools and colleges need to understand how to provide students with the skills and credentials that employers need. Employers need to help our education sector provide training that makes it easier to hire and retain adequately skilled workers.

As a businesswoman and education advocate, I have spent much of my life working to improve America's economic competitiveness — and put the American Dream within

reach for more people.

These experiences have given me a firsthand understanding of how businesses, educational institutions, and government can work together to ensure America's economy is growing in the present and competitive in the future.

I'm now involved with one approach called Skills for America's Future. This non-partisan initiative of the Aspen Institute works to connect employers with community colleges and train thousands of students for the jobs of today and tomorrow.

Yet more must be done. That's why I was with the president Wednesday at Northern Virginia Community College, when he talked about how we take on the skills gap in a specific area of our economy—manufacturing. Manufacturers employ more than 12 million Americans doing what Americans do best — making things, building things, transforming raw materials into finished products.

But recent studies show that companies cannot find people with the skills required for today's advanced manufacturing workplaces. For example, there were more than 228,000 open manufacturing jobs in March.

So Skills for America's Future has joined forces with the National Association of Manufacturers to give students the training and industry credentials needed to get hired in today's advanced manufacturing workplace and help make America's manufacturing companies more innovative and marketable.

Closing the skills gap will not be easy. But everyone can feel the benefits. American workers will have the ability to find and stay in good jobs. Employers will be able to identify applicants trained with the right skills on the front end. Our economy will be stronger and more competitive long term.

Only creative and meaningful partnerships can get the job done. It's going to take U.S. businesses, educational institutions and government all [working together](#) to create a more competitive America and help students achieve the right skills for an ever-changing economy.

A robust economy is one that can supply the right people with the right skills at the right time. Innovative partnerships make this happen — and ensure better news for America's economic future in the century to come.

Penny Pritzker is chairman of the board of TransUnion and is the chairman and chief executive officer of Pritzker Realty Group. She now serves as chair of Skills for America's Future and on the President's Council for Jobs and Competitiveness. She served on the President's Economic Recovery Advisory Board.