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Middle-skill jobs - made in Indiana

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There's been much hand-wringing by policymakers and pundits about the U.S. turning into an "hourglass economy" -- where the job market offers good opportunities for those with advanced degrees, menial positions for those lacking education beyond high school, and not much in between.

The middle-class shrinks like the narrow portion of the hourglass, caught between a highly-educated elite and a struggling service sector.

It's a grim outlook -- but one that fortunately doesn't appear to be true.

A few weeks ago, a consortium of human capital-focused organizations (Skills2Compete, the National Skills Coalition, and Indiana Institute for Working Families) released a report, "Indiana's Forgotten Middle-Skill Jobs." As the title suggests, it draws attention to the fact that the majority of Hoosier job openings through 2016 will be in the "middle skill" category -- requiring more than high school but less than a four-year college degree.

In Indiana, manufacturing and logistics jobs make up the largest percentage of these middle-skill jobs -- nearly 40 percent -- while accounting for one of every five total jobs.

This means that thousands of job openings in the manufacturing and logistics fields will require advanced technical skills beyond high school -- challenging and good-paying careers for young Hoosiers who are willing to keep learning after getting their high school diplomas. These jobs will make up a vibrant middle class, defying the hourglass theory.

The findings in "Indiana's Forgotten Middle-Skill Jobs" are mirrored by the Department of Workforce Development's "Hoosier Hot 50 Jobs" released last month. The manufacturing and logistics industries are well-represented, with seven jobs on the list -- from industrial engineers (earning more than \$69,000 a year on average) to skilled metal fabricators (earning nearly \$60,000 annually). Other manufacturing and logistics occupations, like engineering technicians and planning/routing associates, also fall into the middle-skill category with strong growth projections and better-than-average wages.

But while 55 percent of Hoosier jobs are in this middle-skill category, we face a shortage of workers with the training necessary to take on these positions. Over the next decade, projections suggest that more than 10,000 job openings in Indiana may go unfilled for lack of qualified applicants.

The need is especially critical in manufacturing and logistics. Nationally, manufacturing shows the largest gap between open positions and actual new hires in 2010, as employers struggle to find workers with the education to operate and troubleshoot complex robotic systems, anticipate supply chain needs and work as a team in today's highly computerized factories. Conexus Indiana, the state's manufacturing and logistics initiative, and Ivy Tech Community College, hear a similar refrain from our partners across the state -- the private sector is gearing up, but human capital is the missing link.

Today, Indiana ranks

No. 1 among states in per capita manufacturing employment, and ninth in logistics employment. But as these jobs continue to evolve and demand high-tech skills, we must raise the bar for our workforce or see these lofty rankings begin to slip.

In response, Conexus and Ivy Tech are working together to translate industry input into useful training programs and promote them to young Hoosiers. As evidenced by collaborations with the national

Manufacturing Institute on workforce credentials, and Ivy Tech's recognition at the White House Community College Summit last month, Indiana is seen as a leader in building industry-academic partnerships.

Reports like "Indiana's Forgotten Middle-Skill Jobs" and lists like the "Hoosier Hot 50 Jobs" reiterate that revitalizing the state's workforce pipeline for manufacturing and logistics is a critical economic development priority. Pro-growth tax and trade policies and infrastructure investment pale in comparison to the importance of a skilled and productive workforce.

Promoting career-oriented training beyond high school means meeting the middle-skill needs of industries like manufacturing and logistics -- and preserving Indiana's middle class.
