

TWO CITIES: TWO PATHS

How Regional Development Can Achieve Long-Term Workforce Outcomes



Cleveland is an iconic “Rust Belt” city—often portrayed as a once-mighty city now in terminal decline—whereas Charlotte is an icon of the “New South”—typically held out as an example of robust urban growth and success—and yet a comparison is useful in understanding the impact of workforce development on economic success. Here is their story:

CLEVELAND

The prominent metropolitan policy scholar Bruce Katz argues that an “innovation ecosystem” is what is driving the modern urban economy. He identifies some common components for these ecosystems to thrive, including large anchor institutions (e.g., major businesses, universities, and hospitals), advanced research centers, informed public leadership, and robust workforce development.[1]

Cleveland does well on many of these factors. With the Cleveland Clinic and Case Western Reserve University to draw upon, a regional banking center, and several Fortune 500 companies, Cleveland’s economy is growing, and unemployment remains low. Yet, in other critical areas, Cleveland continues to fall short, with wide-spread childhood poverty, underperforming public schools, and poor workforce development.[2,3,4]

Critics have pointed out that while Cleveland has focused on economic development, the efforts have lacked a comprehensive approach, with the three organizations that steer much of the local economic development putting together a Cleveland-area retention and expansion council only as of January of 2018.[5] As the three priorities identified by the Fund for Our Economic Future report make clear, it is not just job creation that Cleveland needs, but stronger efforts to prepare workers for those jobs and ways of connecting workers to employers.[6]

WHY ARE SOME
CITIES CONTINUING
TO DECLINE WHILE
OTHERS ARE
THRIVING?





**BETWEEN 2006 AND 2016,
CLEVELAND'S OVERALL NUMBER OF
PEOPLE EMPLOYED DROPPED BY
1.8%.**

**CHARLOTTE'S
JOB NUMBERS GREW BY
16.4% .**

INVEST IN WORKERS

Another way to think about these challenges is that Cleveland has been investing in institutions, but not in people. Cleveland has world-class sports arenas, museums, large universities, convention centers, but has not invested similarly in educating and preparing people to achieve in the workplace. The Fund for Our Economic Future cites a “persistent disconnect between the expressed demand for workers and preparation of job seekers.”[7]

An unprepared workforce means lost opportunities, most especially for the workers, but also for the larger community. When major corporations gather proposals from cities to host new headquarters or major offices, they want to know that they will be able to staff that facility with people qualified to work.

JOBS & GROWTH

Perhaps the most telling statistic for Cleveland is to look at population growth. For people to decide to move to a new city, there must be jobs available to them. Between 2010 and 2017, Cleveland's population shrank by 2.8%.

Charlotte grew by 16.8% in the same period. [8]

Not only did Charlotte grow, but it also reduced unemployment by an astonishing amount. In January of 2010, as the nation began to recover from the 2008 recession, Charlotte's unemployment rate was 12.9%.

By June of 2018, it was only 3.9%.[9] Between 2006 and 2016, Cleveland's overall number of people employed dropped by 1.8%, while Charlotte's job numbers grew by 16.4%.[10]

Charlotte's metropolitan area—like Cleveland's—has some major assets for its innovation ecosystem, including numerous large financial and banking institutions, several private universities, and a major biotechnology research center. Why are they seeing such different outcomes?



UNIFIED EFFORTS

While Cleveland has suffered from discordance among local and regional interests, Charlotte has benefited from a coordinated effort at the state, regional, and local levels to develop a workforce to meet employers' needs.

In 2014 Governor Pat McCrory launched a statewide initiative, NCWorks, to "promote one consistent, cohesive strategy for workforce development across North Carolina." [11] The initiative reached out to work with the state's Community College system, the Commission on Workforce Development, and businesses throughout the state. The effort continues across administrations, with Governor Roy Cooper's NC Job Ready program, which focuses on providing a strong educational base for every North Carolinian, employer-led job training, replicating innovative best practices arising in North Carolina, and providing funds to help community college students complete their studies when faced with unexpected emergencies. [12, 13]

In addition to state-wide initiatives, Charlotte's political and business leaders have their own efforts, with regional partnerships helping coordinate and share information among numerous localized workforce development agencies and programs. [14]

“ THE STORY OF THESE CITIES—BOTH GOOD AND BAD—PROVIDES AN INSTRUCTIVE LESSON ON HOW MUNICIPALITIES CAN BEST PREPARE THEIR PRESENT AND FUTURE WORKFORCE AROUND SECTORS THAT WILL DRIVE THEIR LONG-TERM SUCCESS.

**GARY A. OFFICER
PRESIDENT & CEO
SSAI**



ALWAYS IMPROVING

Such focused efforts appear to have paid off well for Charlotte, with Charlotte having fewer difficulties in hiring than other parts of the state. [15] Yet, even with Charlotte's success, there is room for improvement. For example, what Charlotte employers (and most other North Carolina employers) cite as their biggest difficulties in hiring is instructive. With all the recent focus on STEM industries, computing jobs, and technical skills, it would be reasonable to expect that technical skills or training pose the biggest barrier to employment.

But what Charlotte-area employers report as their primary difficulty is basic employability. Employers report that applicants have limited experience or understanding of basic concepts like work ethic, professionalism, and the importance of reliability—all of which are ideas and skills which can be taught. [16]

The fact that North Carolina is conducting these on-going employer surveys—providing crucial feedback to both employers and workforce development efforts—only increases the ability for workforce development programs to succeed. The cities are not pointing to their current growth and saying “good enough,” but continuing to plan and invest in the systems that develop capable workers, and to work with businesses across the state to make sure employers play their part in the communities' successes.

A ROADMAP & HOPE

What we can derive from this, our own tale of two cities, is a message of hope and a direction for the future. Cleveland has many assets, but it still struggles with how to get its residents back to work, now that large-scale manufacturing is gone for good. Charlotte's success gives Cleveland a proven pathway to follow, providing models for good state and regional cooperation as well as sustained workforce development efforts. Most of all, Charlotte shows us that it is a continuing process, not a quick set of big-ticket investments in the city, but a long-term investment in people that leads to prosperity and economic growth.

Senior Service America, Inc. (SSAI) is the largest and most experienced workforce development organization dedicated exclusively to the 50+ community.

SSAI has launched an affiliated nonprofit organization called Senior Service America Community Partners (SSA-CP) to innovate new approaches, advance best practices, and tackle the challenge of bringing underserved Americans of all ages into the workforce.

Learn more about SSAI, SSA-CP, and our innovative approach to workforce development at www.seniorserviceamerica.org



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