

Future of Work Task Force Plan of Action for 2019

Policy areas for further exploration

11/20/2018

WTECB

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FUTURE OF WORK TASK FORCE

Members

Alternates

Staff

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Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

Contents

FUTURE OF WORK TASK FORCE	1
Executive summary:	3
<i>TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING</i>	3
Key Findings	3
<i>TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING</i>	3
Recommendations	3
<i>TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING</i>	3
Introduction	3
Background	3
Overview of Project Goals	5
Approach	6
Methods/Process	6
Findings and Recommendations	6
Discussion and Policy Implications	8
<i>TO BE WRITTEN FOLLOWING 12/17 TASK FORCE MEETING</i>	8
Next Steps	9
<i>TO BE WRITTEN FOLLOWING 12/17 TASK FORCE MEETING</i>	9

Executive summary:

TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING

Key Findings

TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING

Strengths

Weaknesses

Recommendations

TO BE WRITTEN PRIOR TO 12/17 TASK FORCE MEETING

Introduction

We are now immersed in what many are referring to as the 4th industrial revolution; a transformative period of seismic changes affecting the way business, the workforce and government interact with each other. This revolution is spawning remarkable technical achievements, which are in turn affecting profound and sometimes little-understood change in the way we live, work and interact. These technological innovations have the potential to impact nearly every aspect of personal and professional life, ranging from ubiquitous mobile supercomputing, autonomous vehicles and the internet of things to genetic editing, artificial intelligence and big data.

While the impact of these technology-driven changes upon the global economy cannot be understated, perhaps the more important issues are the broader societal implications of the shifting relationships and mutual obligations between business, labor and the government. The social contract which was drawn up in the wake of the first industrial revolution has become less and less relevant as the modern, mobile, globalized marketplace extends beyond its original parameters. As policy makers grapple with how to best anticipate and adapt to this ambiguous new world, they need to be reminded that that public policies, rather than technology itself, should be the focal point of the deliberation over whom technology will enrich and whom it will leave behind.

Background

In this context, Washington's Legislature recognized the necessity of directly addressing the evolving nature of our economy and established the Future of Work (FOW) Task Force in April 2018. Made up of legislators, business and labor leaders, the 16-member Task Force (TF) is charged with developing a set of policy recommendations for the Legislature and Governor that, if enacted, would establish the conditions for Washington's businesses and workers to

Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

prosper together in the current and projected future economy. In the simplest terms, the FOWTF is responsible for “future proofing” the state’s workforce by taking into account current and anticipated changes in technology, demographics, the economy and other external factors.

As laid out in the legislative mandate, these recommendations fall into three primary categories, or buckets.

1. Establish **Collaborative Applied Research** opportunities between education institutions and businesses. This allows instructional staff and students to learn about new technology while at the same time helping companies adopt this technology.
2. **Support a talent development pipeline and lifelong learning structure**, from K-12 through retirement, for all workers and industries:
 - Washington's young people will navigate careers and workplaces of the future.
 - Workers keep their skills up-to-date or retrain for new careers when needed.
 - Education and training credentials are portable, transferable, and cost and time efficient.
 - Instructional staff keep pace with changes in their disciplines and related occupations.
3. Enable **Sustainable Industry Sector Partnerships**, so employers and workers can collaborate to support their sector's growth. Support consortia of multiple employers within an industry to convene to identify common skill gaps and other issues, and work together with their workers and the public sector to find solutions.

The TF is required to present an initial set of recommendations and a plan of action to the legislature by December 31, 2018 with a final report of recommendations due by December 31, 2019.

Other duties and responsibilities bestowed upon the TF include:

- Create policies capable of responding to rapid changes in technology, workplace practices, environmental and security issues, and global interdependence.
- Develop an inventory of current and future trends and factors projected to drive transformation of business and work over the next 25 years.
- Compile research and promising practice information from state, national and international sources, and develop case examples when possible.
- Gather input from employers and workers from the major industrial sectors of Washington, ensuring every region of the state is consulted.

Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

- Identify relevant metrics and recommend a possible dashboard for tracking the state's success addressing the future of work issues.
- Include analysis of what data sets are readily available and what new data should be collected and by whom.
- Consult with public and non-profit organizations that support business or the workforce on how to effectively support business and workforce development in a transformational environment.

Task Force Members:

Business	Legislature	Labor
Amy Anderson	Sen. Maralyn Chase	Annette Bernhardt
Machelle Johnson	Rep. Vandana Slatter	Marcus Courtney
Lisa Perry	TBD	Lynne Dodson
Richard Rhodes	TBD	Joe Kendo
Mark Smith		Rebecca Smith
Jack Chen		Stan Sorscher

Task Force Meetings:

2018

1. October 8, 2018
2. October 29, 2018
3. November 26, 2018
4. December 17, 2018

2019

1. TBD
2. TBD
3. TBD
4. TBD

Overview of Project Goals

Develop a set of policy recommendations for the Governor and Legislature that, if enacted, would establish the conditions for Washington's business and workers to prosper together in the current and projected future economy.

By December 31, 2018 deliver to the legislature:

An initial set of recommendations the TF will explore for development, a research and design proposal and the plan and methods to be used by the TF to develop a final set of recommendations.

By December 31, 2019 final report due to Governor and Legislature that:

Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

Describes Task Force activities.

Presents a set of recommendations.

Includes a recommendation for research and activities the TF would complete if it were to continue beyond sunset date of June 30, 2020.

Key Considerations:

Underserved Populations and Communities of Washington

The TF will prioritize developing recommendations with consideration for impact on underserved and disadvantaged populations.

Approach

Methods/Process

Research for this phase of the project focused on stakeholder input and analysis of data and reports as the primary vehicles for developing recommendations to the legislature.

Stakeholder Engagement

DESCRIBE INTENTIONS

Research

Findings and Recommendations

The TF has agreed upon the following areas to be the focus of the Plan of Action for 2019.

- 1) Retraining, reskilling and upskilling of workers benefits both businesses and employees to mitigate the effects of technological and other business disruptions, but it is inconsistently applied across the economy. Incumbent worker training can help avert worker dislocation and accelerate re-employment of laid-off workers, but it is rarely used for this purpose.

Key issues to be addressed through policy recommendations:

- a. What policies or incentives could provide a positive cost-benefit ratio so that incumbent worker training is mutually beneficial for both workers and businesses?
- b. What policies can be developed or improved to help avert lay-offs or accelerate re-employment?
- c. Registered apprenticeship programs and other “earn and models” are proven to return on employer, worker, and taxpayer investments. Can we develop internal apprenticeship programs for incumbent workers or other models that are workplace-based, and sustain earnings during training periods?
- d. What information about jobs, occupations, skills, competencies, credentials or other resources would be valuable and more easily accessible to workers seeking new position or new skills?

Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

- e. What policies could be developed or improved that would help ensure that traditionally underserved and underemployed populations (i.e., low-wage workers, former incarcerates, people of color, people with disabilities, immigrants and refugees, older workers) can benefit equitably from incumbent worker training?

Items for further study:

- 2) The rise of non-traditional employment relationships, independent contracting and the gig economy has resulted in many workers earning wages but often inconsistently and without benefits and other supports.

Key issues to be addressed through policy recommendations:

- a) What policies can be developed or improved that would provide 1099 workers access to better economic security (livable income levels), including worker benefits and services afforded to many W2 workers?
- b) Can current service structures, such as WorkSource, be modified to serve the on-demand workforce towards higher earnings and benefit levels?
- c) Are there policy levers that might encourage businesses to modify on-demand hiring practices towards greater economic stability for contingent workers?

Items for further study:

- 3) Periods of self-employment and business ownership are becoming more prevalent for many workers, sometimes by choice, but often not. Washington is among the easiest places to open a business, but has had a higher than national average failure rate of business start-ups.

Key issues to be addressed through policy recommendations:

- a) What policies can be developed or improved to support entrepreneurs and self-employed individuals that lead to success, prosperity and new job creation?

Items for further study:

- 4) Many in-demand jobs have low wage levels, minimal advancement opportunities, inconsistent and unpredictable schedules, and few benefits.

Key issues to be addressed through policy recommendations:

- a) Can these jobs become stepping stones to better career opportunities? What strategies might help ensure that every worker can access a path to livable-wage employment?
- b) How can employers of low-wage workers be incented to participate in economic growth strategies for their workers?
- c) What enabling framework can be established to promote the creation of “high quality” jobs?

Items for further study:

- 5) Many businesses outside of King County do not have access to research, engineering, fabrication, testing and modeling, or even capital to invent or adopt new technologies to remain competitive. They also find it difficult to recruit new workers who have the technological skills to aid with innovation at their firms.

Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

Key issues to be addressed through policy recommendations:

- a) What strategies might be implemented that would support businesses and their workers in the invention and adoption of new technologies?
- b) What policies or incentives can be developed or improved that would motivate businesses to invest in innovation and increased productivity, while retaining their workforce?
- c) Collaborative Applied Research supports business innovation and competitiveness, while exposing faculty, students and workers to emerging technologies through higher education-business partnership and collaboration. This model is widely used in other countries and in a few other states, and can be examined for replicability in Washington.
- d) What other opportunities can be developed or enhanced that brings together businesses and higher education to develop and collaborate on new technologies and help educators update their technology skills and knowledge?

Items for further study:

- 6) Partnerships of businesses, workers and the public sector can accelerate the identification of and solution-finding for specific workforce development problems in a community or within an industry sector. WA has invested in numerous pilots and demonstrations where such partnerships have proven successful, but not sustainable.

Key issues to be addressed through policy recommendations:

- a) How might we learn from WA's historical investments, and from other states and countries to establish "best practice" guidelines for effective partnerships, and a policy mechanism that ensures this strategy is utilized across the state, with appropriate performance accountability?
- b) What "best practices" from existing public-private partnerships can be replicated or created across the state that benefit workers and businesses in every region?

Items for further study:

- 7) Rural economies face a different set of issues regarding economic and workforce development than urban areas.

Key issues to be addressed through policy recommendations:

- a) What policies and programs exist or could be improved upon that help rural regions prosper, and develop and retain a skilled workforce and generate attractive jobs?

Items for further study:

Additional draft recommendations for further study:

Discussion and Policy Implications

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Future of Work Task Force Initial Set of Policy Area Recommendations

Draft 11/20/18

Next Steps

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- Promising directions/ setting the agenda for long term action.
- Plan and methods to be used by the TF to develop a final set of recommendations.

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