



Texas Association of
Community Colleges



Texas Success Center

BUILDING A STRONGER TEXAS WORKFORCE TOGETHER

A REPORT ON TACC'S REGIONAL
WORKFORCE & EDUCATION PARTNERSHIP ROUNDTABLES

An aerial photograph of a city skyline, featuring several tall skyscrapers and a river in the foreground. A large, semi-transparent blue diagonal shape overlays the right side of the image, serving as a background for the table of contents.

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Executive Summary

In 2022, Texas was awarded the Governor’s Cup for the 10th year in row highlighting the state’s prowess in capital investment and job creation while Chief Executive Officers ranked Texas number one for business the 18th year in a row. The Texas economy is dynamic, creates job opportunities, and continues to expand in different regions around the state.

Despite these positive indicators, college attainment rates and historic numbers of unfilled jobs, among other challenges, drove the leadership at the Texas Association of Community Colleges (TACC) to assess the current state of the labor market, the current and future workforce challenges facing employers, and the actions that our colleges and partners must take together to drive student success. There is a strong commitment to support and drive efforts to meet the goals in our state’s higher education strategic plan, **Building a Talent Strong Texas**.

To address these objectives, TACC launched their Regional Workforce and Education Partnership agenda in the Spring of 2022, initiated through six regional partnership meetings in each TACC region to address the following primary objectives:

- Inform policies and practices needed to enhance education and workforce development outcomes that align with current and future demand.
- Use business insights to inform education and training policies & practices while looking to strengthen academic and post-credential student supports and expand work-based learning opportunities.
- Inform actions that close skills gaps and deliver critical education and workforce training needed by incumbent & displaced workers in need of reskilling or upskilling for success.
- Inform strategies and key actions that enhance the integration of key workforce demand skills and programs in the Texas Success Center’s Pathway work with colleges.

The meetings started in Longview and included El Paso, Waco, Dallas, Houston, and concluded in Corpus Christi on April 28, 2022. Joining TACC at each meeting as co-hosts were a local workforce board, a college, and a local chamber of commerce or economic development corporation. The meetings featured roundtable discussions with employers representing key industry sectors, college leaders, industry and association leaders, and other key stakeholders.

TACC and the local college presidents heard from stakeholders in the regions about the broad

range of unfilled jobs, critical skills gaps facing the region’s employers, the importance of more effective talent development pipelines, and the need to make sure students graduate ready for success. Employers were struggling to fill hundreds of thousands of good paying middle skill jobs. Successful models, strategies, and actions that should be considered as we move forward together were discussed.

TACC heard directly from business and industry leaders that the workforce challenges facing employers are acute, sustained, have reduced productivity, and will continue unless we together take bold new action. We heard how action must be taken to assist employers with their worker challenges and help the Texas workforce seize opportunities timely in order to continue to grow jobs in Texas. Together, we must bring solutions that mirror and meet the challenges presented by our partners. Texas community colleges must continue and expand efforts to work in partnership to provide students the education and training programs that convey skills aligned with current and future needs of Texas employers.

The dynamic Texas economy is diverse, and that diversity is evident across regions and in terms of key industry sectors in each region. Yet, many issues employers are facing are similar. During the roundtables, local leaders consistently conveyed the need to close talent gaps, build more accelerated short-term programs, deliver more transparent and efficient career pathways, and improve student outcomes. Roundtable stakeholders noted the need to work in collaboration to close these skills gaps and stressed that we must also raise student awareness, innovate, and focus on student outcomes as we move forward to sustain and grow our economy. As a recommendation, employers suggested finding ways to scale these promising strategies more efficiently to effectively respond to the education and workforce challenges facing our communities.

Texas is the fastest growing state in the union, yet education and economic outcomes across race and ethnic groups have not been equitable. Between 2010-2020, Texas population dramatically increased by four million people and 50% of that population change was driven by growth in the number of Hispanic Texans. Workforce and educational leaders, knowing that our systems have historically underserved Hispanics, recognized the need for intentional solutions that close post-secondary education achievement gaps and result in a more inclusive economy.

Employers and industry leaders consistently conveyed the need to build a workforce that is more work ready and meets the broad needs of Texas employers. College leaders agree that it

is important to launch new creative ways to build more nimble, aligned, and effective education and training strategies including expanding work-based learning opportunities through more sustained public-private partnerships to support these objectives.

This report reflects on the insights and counsel of business and local leaders in regions across our state. It presents actions to work in partnership to improve student outcomes while addressing critical employer workforce needs.

The following are an interconnected, but not exhaustive, set of initial recommended actions that can be taken to innovate and meet the challenges facing employers, students, and the workforce.

- **Build transparent career pathways and enhance student awareness:** Work together to improve transparency, raise awareness, and enhance student selection of the multiple and transparent career education pathways to good paying jobs across Texas industry sectors.
- **Expand short-term credentials of value:** Increase the availability of high-demand, short-term education and training that results in credentials of value to strengthen the workforce and better meet the workforce needs of Texas employers.
- **Improve college and career/work readiness:** Increase work-based learning opportunities and expand early college models offering mentoring and work-based learning to improve college and work readiness.
- **Strengthen education and business partnerships:** Build and scale education and industry partnerships to strengthen regional workforce and education development ecosystems in support of a more competitive Texas workforce.
- **Improve college access and college completion:** Bolster efforts to increase student college completion success rates for all groups to meet statewide Building a Talent Strong Texas goals and address the workforce needs of Texas employers.

The challenges presented at the regional roundtables have forced us to look deep as we strive to find ways to improve opportunity for our students. The opportunities being created must be secured by more skilled and credentialed Texas workers. We must act together in very purposeful ways. The recommendation actions presented are a starting point for how we work in partnership to meet the needs of employers, improve student outcomes, build stronger regional economies, a stronger Texas workforce, and a more prosperous future.



Introduction

A Post-Pandemic Economy

The Texas economy has had record level job creation in the first quarter of 2022. Yet, in Texas like the rest of the nation, the numbers could have been significantly higher. The Texas economy has been strengthening but has growth opportunities that must be secured.

In the past two years, the economy has been turned upside down like never before as a result of the pandemic, leaving the country with a nationwide workforce shortage. While the economy recovers and Texas job growth measured a healthy 5.9% annual rate of growth, the declining unemployment rate (4.3% in April 2022), accelerated retirements in 2021, and other factors have served to tighten the available labor force. While workers have exited the labor market for a variety of factors, including new workplace expectations and lack of available childcare, others are leaving for the millions of other readily available jobs. As worker priorities have shifted, employers, especially in rural communities, are finding it difficult to find needed talent.

The number of unfilled jobs in March 2022 reached a new historic high of over 11.5 million and little changed from the last quarter of 2021 where unfilled jobs averaged 11.1 million across the country. The Bureau of Labor Statistics (BLS) reports that there were more than 1 million unfilled jobs in Texas on the last business day in both March and April 2022. These unfilled jobs, opportunities not seized, serve to illustrate the complexities of the challenges facing our economy and the need for stronger and purposeful partnerships.

To address these objectives, the Texas Association of Community Colleges (TACC) launched their Regional Workforce and Education Partnership agenda in the Spring of 2022, initiated through six regional partnership meetings in each TACC region to address the following objectives, among others:

- Inform policies and practices needed to **enhance education and workforce development** outcomes that align with current and future demand.
- Use **business insights to inform education & training policies** and practice while looking to strengthen academic and post-credential student supports and expand work-based learning opportunities.
- Inform actions that **close skills gaps and deliver critical education and workforce training** needed by incumbent & displaced workers in need of reskilling or upskilling for success.
- Inform strategies and key actions that **enhance the integration of key workforce demand skills & programs** in the Texas Success Center's Career Pathway work with colleges.

The Regional Roundtables

The meetings started in Longview and included El Paso, Waco, Dallas, Houston, and concluded in Corpus Christi on April 28, 2022. Joining TACC at each meeting as co-hosts were a local workforce board, a college, and a local chamber of commerce or economic development corporation. The meetings featured roundtable discussions with employers representing key industry sectors, college leaders, industry and association leaders, and other key stakeholders.

Participants in the regions heard from economists, distinguished panels of CEOs, and each other as they discussed the shared challenges their businesses face in the Spring 2022 economy. Employers at the roundtables shared talent sourcing and other issues, offered insights, and offered recommend actions through open discussions and a live poll, which TACC collected for further analysis.

TACC and the local college presidents heard from stakeholders in the regions about the broad range of unfilled jobs, critical skills gaps facing the region’s employers, the importance of more effective talent development pipelines, and the need to make sure students graduate ready for success. Successful models, strategies, and actions that should be considered as we move forward together were discussed.

The insights, concerns, strategies, and solutions offered by regional leaders were extensive and those mentioned in this report **represent some, but not all, of what was heard**. The following are a sample of those ideas:

- Continue, sustain, and build on efforts to better connect employers with our educators and build more aligned and effective workforce development systems.
 - Strengthen employer partnerships to build stronger curriculum, provide greater access to the workplace, and validate labor market demand data.
- Develop, promote, and scale more short-term credentials that deliver valued skills and meet current and future employer need.
- Build stronger career awareness capabilities to raise students, and parents, understanding about high-demand career opportunities, needed skills, and the different program options to obtain valued credentials.
 - Start early and build awareness about all opportunities, learning options, and pathways as students continue, stop, and reenter their learning journeys.

- Together, build stronger messaging and more effective marketing strategies to get the job done.
- Expand work-based learning opportunities, including internships, clinicals, and apprenticeships to improve college, work readiness, and get students on a viable career path.
- Create and improve college access for economically disadvantaged and underrepresented groups
 - Efforts must result in inclusive growth and closing of college attainment gaps among racial and ethnic groups.
 - Together, focus on populations such as those with disabilities, ex-offenders, and other groups where achievement and employments gaps need to be closed.
- Work to expand guided and career pathways efforts with a focus on integrating more certificate programs.
- Continue to expand dual credit, and programs like P-TECH, with a particular focus on valued career & technical education that leads to good paying jobs.
- There is a need to continue these important conversations to address these issues, our work together must continue and expand to truly solve problems.
- Reform hiring practices to prioritize skills based on actual job requirements and amend traditional job posting qualifications in order to close skills gaps and fill jobs.

This report summarizes key areas of stakeholder discussion at these regional convenings and findings from the live employer polls conducted during the roundtables. The report is organized to include select regional perspectives, includes major themes conveyed during the roundtables, and details some of the topical area findings in each region. Also presented are initial actions that can be taken to address key issues identified at the roundtables.

The Regional Partnership Meeting Roundtables

The regional roundtables featured local leaders including representatives of key industry sectors. Participant highlights indicate:

- More than **350** business, industry, college leaders, and other stakeholders attended the events.
- Approximately **90** distinct companies representing key industries in each region informed the conversations.
- **40** community colleges were represented including Chancellors, Presidents, Chief Academic Officers, Workforce executives, & Pathway Leaders. The colleges were joined by other education institutions and training providers.
- **20** Chamber, Economic Development Corporations, and Workforce Solutions Board organizations were represented by their Presidents, CEOs, and other leaders in highlighting the region's workforce and economic situation.

Central Texas (Waco)



Tuesday, April 19th

Partners: McLennan Community College, WFS for the Heart of Texas, Greater Waco Chamber of Commerce

Attendance:

- Total: 54 attendees
- Companies Represented: 15
- Colleges Represented: 6 (incl. TSTC)
- EDCs, WFDs, & Chambers: 4

East Texas (Longview)



Thursday, March 10th

Partners: Kilgore College, Tyler Junior College, Kilgore EDC, Longview EDC, WFS East Texas

Attendance:

- Total: 82 attendees
- Companies Represented: 16
- Colleges Represented: 9
- EDCs, WFDs, & Chambers: 8

North Texas (Dallas)



Monday, April 25th

Partners: Dallas College, Dallas Regional Chamber, WFS Greater Dallas

Attendance:

- Total: 47 attendees
- Companies Represented: 10
- Colleges Represented: 5
- EDCs, WFDs, & Chambers: 2

Southeast Texas (Houston)



Thursday, April 21st

Partners: Houston Community College, Greater Houston Partnership, WFS Gulf Coast

Attendance:

- Total: 38 attendees
- Companies Represented: 12
- Colleges Represented: 9 (incl. Lamar & Texas A&M)
- EDCs, WFDs, & Chambers: 2

South Texas (Corpus Christi)



Thursday, April 28th

Partners: Del Mar College, Corpus Christi Regional EDC, WFS of the Coastal Bend

Attendance:

- Total: 48 attendees
- Companies Represented: 12
- Colleges Represented: 7
- EDCs, WFDs, & Chambers: 2

West Texas (El Paso)



Thursday, March 24th

Partners: El Paso Community College, El Paso Chamber of Commerce, WFS Borderplex

Attendance:

- Total: 83 attendees
- Companies Represented: 18
- Colleges Represented: 4
- EDCs, WFDs, & Chambers: 2



Roundtable Reflections

The regional roundtables brought employers, educators, workforce leaders, and economic development professionals together in an examination of ways to advance regional partnerships to address key education and workforce development issues. The discussions have mobilized select local partners and their efforts at sustaining momentum resulting from the roundtables are well underway.

TACC supports those efforts and in this report suggests areas of collaboration and action that will be key to meeting the education, workforce development, and economic development objectives heard in the regions. While each region shared unique insights relative to their own demographics, labor market situation, and industry mix, below are “Regional Roundtable Themes” that reflect the urgency of the labor market situation and other related factors. These general themes are followed by “Regional Roundtable Summaries.”

The following provides a snapshot of the conversations.

Regional Roundtable Themes

Employers have been adding jobs, communities have been winning site selection competitions, and the general feeling in regions is that the economy is strong. Before the pandemic, our nation’s education system was already being challenged in its ability to keep pace with rapidly changing occupations, integration of technology, and accelerating workplace changes in general. The roundtables confirmed these challenges continue. We consistently heard that we are facing a case of supply not meeting demand across growing occupations and across key industries, but with a multitude of factors causing the gap.

Employers at the roundtables are struggling to find workers with specific skills and credentials and active job seekers lack those qualifications. A common theme emerged that this lack of knowledge and skills can be found in new entrants into the workforce, displaced workers, and incumbent workers seeking career advancement. The effects of workforce shortages have been profound and are affecting business productivity for both large and small business owners in urban and rural communities. More accelerated, short-term credentials were noted as a solution while the need to also build completions across different credentials and degree levels were noted.

Raising student awareness about these in-demand occupations and more effectively providing students multiple entry points with greater and more equitable access to a broad range of credentials was consistently discussed across regions. Student completion rates, college attainment disparities, and the overall need to improve student outcomes were noted at the meetings.

It was also evident across regions that there is a growing disconnect between employer and worker expectations about the workplace and that these must be aligned to improve the labor market situation.

The following represent some of the general themes heard across regions.

Employers have jobs, cannot find workers

There were more than 1 million unfilled jobs in Texas on the last business day of both March & April 2022 and employers are feeling the effects of the tight labor market. A large number of these were good paying, middle skills jobs. While demand for all skill levels remains high, employers are finding it most challenging to fill middle skill jobs. This is not for a lack of applicants in some regions, but for a lack of properly skilled applicants. This need is prevalent across industries and includes transportation, finance, energy, health care, professional & business services, manufacturing, technology, and other industries. In an environment where automation and technology continue to advance rapidly, more middle skill jobs require technical training and industry-specific certifications, the demand for short-term education and training delivering needed skills and credentials was communicated as a solution across regions.



89% of employers at the regional roundtables indicated that hiring new workers is increasingly difficult.

The effects of worker shortages on Texas businesses have been adverse

Nationally, there were almost two unfilled jobs for every job seeker during March 2022. Across regions we heard that the demand for skilled workers has contributed to an unprecedented rate of resignations, as skilled workers have more options than ever before. Turnover is also unusually high in low skill positions. For employers, it has been difficult even to get people in the door once they have been hired.



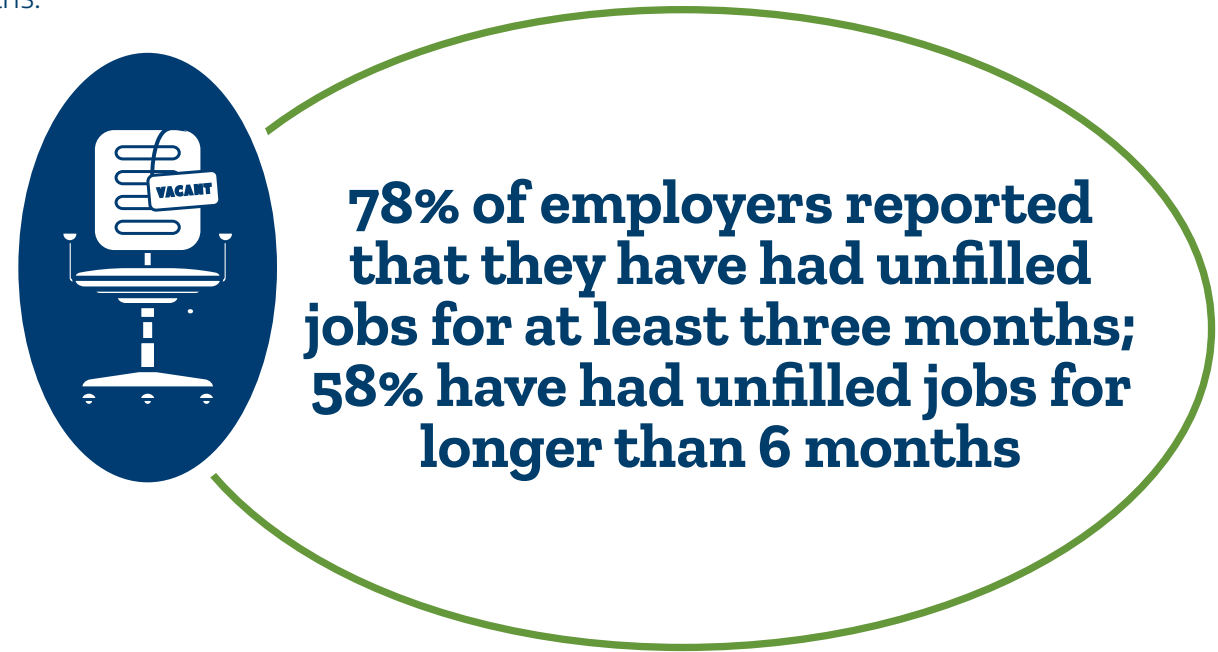
76% of roundtable participants reported that the lack of qualified workers has led to reduced productivity, while 14% have had to turn down business

Employers across regions are experiencing some of their highest employee turnover rates on record. As a result, across the regions 76% of roundtable participants reported that the lack of qualified workers has led to reduced productivity, while 14% have had to turn down business.

The loss of productivity due to worker shortages has far-reaching effects for the economy at large and for individual businesses. When competition is high, a downturn in productivity can be catastrophic for a local business. The president of a regional economic development corporation highlighted that a determining factor in whether new businesses decide to invest in a region continues to be skilled labor availability. Simultaneously, small businesses across Texas are struggling to compete with larger employers and those in other sectors who are often able to pay higher wages and offer more flexibility. These are issues that must be addressed if regions are going to sustain their economic expansion.

We must find new ways to close talent gaps and expand availability of short-term credentials

While there are more job openings in the state than unemployed Texans, workers are facing challenges as well. Texas trails the country in the rate of degreed workers, and millions of Texans are stuck in low-wage jobs as they do not have skills or credentials that align with current job openings. Across the regional roundtables, 78% of employers reported that they have had unfilled jobs for at least three months; 58% have had unfilled jobs for longer than 6 months.



The need to build the skills and credentials of the general workforce is high on the list of priorities for participants. The urgency to innovate and find new ways to accelerate skills development resulting in valued credentials was seen as key as we amend the workforce development ecosystem. The skills challenges are prevalent in technology fields, skilled trades, health care and other occupations. While all employers indicated a need to increase all types of credentials (short-term certificates, associates, and baccalaureate degrees) to meet critical workforce needs, 60% indicated that need could be best met through short-term programs that can be completed in 6 months or less.

The challenges are also found in general work readiness across communities. The need to reskill and upskill displaced and underrepresented groups was also discussed as vital to closing gaps.

Expanding upskilling of the incumbent workforce was a recommended action to address the general lack of a workforce with the right skills and to account for shifting occupation requirements once unskilled individuals are hired.

We must make career pathways more transparent

Moreover, we heard across regions that there is a disconnect between employers, education systems, and the workforce. Students often do not know what job opportunities exist in their communities. If they are aware of the opportunities, they do not have a clear pathway, or understanding of different learning pathways, to get into those jobs.

Employers and colleges agree that students and incumbent workers alike need to be shown clear career trajectories. They need to understand exactly what kind of credential will get them a job, what salary they can expect in their field, and how they can grow their career within an industry. Employers spoke of their willingness to invest in their businesses by continually educating and upskilling the employees they do have who have been proven to be good workers and who already understand the company's culture. The need to expand work-based learning like internships and apprenticeships as a component was consistently highlighted, as necessary.

The necessity to effectively communicate and have stronger messaging with a focus not only on students, but their parents and counselors was an area needing significant improvement and a common theme. It was clear that there is a general understanding that we must devise more comprehensive and effective strategies to "grow our own" workforce to fill these growing middle-skill living wage jobs.

Shifting workforce priorities must be understood

Across regions, the growing disconnect between employer and worker expectation was a common theme that is impacting hiring. There was a general realization that sourcing strategies must not only account for employer needs, but reflect a better understanding of workers', especially younger workers', expectations. The modern workforce has different priorities when it comes to work, and these factors will prove important in firms successfully sourcing highly skilled talent. Post-pandemic, workers are prioritizing flexibility over wages, though with the competitive market, they are empowered to ask for both. The need for companies to remain competitive has heightened the resolve to be a destination employer and make the cultural changes in line with their overall corporate workforce goals.

We must build stronger education and employer partnerships to be successful

There is an essential need to work in partnership to meet the myriad of challenges presented across regions. The importance of collaboration and integration of efforts was seen as critical if we are to achieve desired workforce development outcomes. It was recommended that we more effectively scale promising education and industry collaboration models. The necessity to work together to raise awareness, build programs and their alignment to employer needs while improving student outcomes was discussed across regions. Working together to build the capacity of colleges to address the broad range of issues, including addressing equipment acquisition and faculty recruitment challenges were also highlighted during the meetings.

Address the imperative for an inclusive economy

Finally, in addition to the aforementioned challenges, addressing the education disparities facing economically disadvantaged and underrepresented groups must be addressed if we are to succeed. The pandemic disproportionately resulted in lost progress on education metrics for racial groups that requires focused action. Across regions taking action to remove obstacles for all demographic groups to meaningfully participate in the labor market is seen as vital to economic growth and stability as Texas continues its demographic transformation. If barriers are not accounted for and removed for low-income and minority Texans, the economic effects will be catastrophic.



Regional Roundtable Summaries

The following **highlights some, but not most, of the reflections, insights, and responses from the six regional roundtables**. The summaries align with some of the themes noted above but also provide additional details specific to each region. It is clear from each of the roundtables that follow that we must address critical skills gaps that keep unnecessarily large numbers of people on the sidelines because they do not possess the skills and credentials employers are seeking. It is also clear that these challenges are costly to employers across sectors and challenge long term efforts to maximize future prosperity.

The roundtable discussions were open, deep, and highlighted the need for collaboration and real action to address the broad ranges of issues covered.

East Texas

The East Texas regional meeting was hosted in Longview, Texas. East Texas has had recent economic wins, bringing in new employers and new jobs to the area. Participants representing key sectors in the area viewed the regional economy as strong and noted employers have been adding jobs across sectors.

Employers in the region continue to struggle with the availability of workers, and the need for more skilled workers is a consensus issue. A majority of employers have had positions open for longer than three months. The biggest challenge in filling positions for the participants industries was the lack of qualified applicants with the right skills and credentials. These struggles have been costly and impacted productivity for a majority of the employers at the roundtable.



A majority of participants believe that colleges can best help meet the region’s workforce needs by increasing the number of individuals earning short-term credentials in accelerated time frames. While employers also need incumbent worker training, the need for a more skilled and credentialed applicant pool is a priority.

Employers and other leaders highlighted the need to develop strategies to better “grow our own” workforce. Employers spoke to the need for not only more technical skills that could be delivered in accelerated time frames, but also the need to address work readiness, essential workplace skills that are proving to be a challenge. Addressing workplace expectations was discussed multiple times as an issue that needed to be addressed for these new entrants to have success in the workplace.

Raising student awareness through mentoring and through the expansion of work-based learning opportunities, like internships and apprenticeships, were discussed. The importance of finding new ways to expand these opportunities is of particular interest.

Participants discussed the need to build on the day’s momentum and strengthen partnerships to close the critical and costly skills gaps covered during the meeting. The importance of raising career awareness by employing new strategies to reach students and displaced adults was discussed. Participants also felt it was critical to build more effective talent development pipelines and leverage and expand the pathways work was seen as actions that could be considered.

The opportunity to work in partnership to model efforts around sectors in the region and then working to scale those wins was viewed as an opportunity to address the area’s workforce challenges. Finally, developing more effective communication strategies around high demand careers and the related education and training needed were items examined during the meeting.

West Texas

The West Texas regional meeting was hosted in El Paso, Texas. A significant percentage of employers are finding it difficult, or very difficult, to fill open positions in an economy viewed as strong. A majority of employers at the roundtable had positions unfilled for longer than three months, with a larger number having positions open for greater than six months. The lack of qualified workers has resulted in lost productivity for a majority of employers at the meeting, with several having to turn down work.

Employers highlighted the lack of skilled and credentialed workers as a big challenge and the need to continue growing the rates of post-secondary education attainment in the region was discussed. Participants also spoke at length about strategies to keep the capable talent being developed in the region while drawing talent to their region, in a time when migration is increasing to larger metro areas. The importance of better understanding the workplace expectations of younger workers – the next generation of workers was discussed as a critical component in addressing the workforce issues facing the region.

While the pandemic was seen as painful, participants believed it presented the region with an opportunity to work more collaboratively, to break old models and advance new strategies that align with the dynamic change in the workplace as partners find new ways to coalesce around new education strategies. The need to present the region’s students with new education and training options, through new communications strategies, rather than trying to fit into existing models was noted as important.



In addition to trouble filling open positions, the high number of disconnected youth ages 16-24 that are not in school or working was a big concern. Roundtable participants spoke of the need to inspire students, enroll them in dual credit or early college models like P-Tech as a means to address issues facing younger workers. The high number of underemployed and the 25 percent of individuals aged 25-64 in the region who have some college and no degree was examined and presents the region with unique opportunities to upskill or reskill the workforce, including incumbent workers in particular.

There was significant discussion regarding the unique talent development and sourcing challenges facing rural employers. Roundtable participants believe that traditional approaches to hiring in rural areas will no longer work and have embraced innovation in work-based learning, recruitment, and retention to address the workforce needs in the area.

Similarly, small business owners spoke to the challenges of recruitment and retention and the need to expand work-based learning and other accelerated training strategies. The unique challenges small business owners face in tight labor markets, particularly in the area of compensation, make employee retention an issue that can be mitigated through a more robust and skilled workforce.

North Texas

The North Texas regional was hosted in Dallas, Texas. All participants viewed the economy as strong, or very strong. The region has had strong job growth and its April unemployment rate was below the state average. Roundtable employers were all finding it difficult, or very difficult to fill positions and a large majority had unfilled positions for greater than three months. The lack of qualified workers has resulted in reduced productivity for a majority of the employers. This has also resulted in retention challenges in the region, as it has in other regions.

The biggest challenge for the roundtable employers was the lack of qualified applicants and those with the right skills and credentials, while lack of available applicants was not the major factor. While employers voiced a need for new worker training, the biggest need was building the overall skills and qualifications of the applicant pool. The need to reskill and upskill the region’s workforce is a critical issue that needs to be met in the region.

The demand for more accelerated training, more short-term credentials was articulated, but also the need for more workers with associate and bachelor’s degrees. The importance of working in partnership, in new and more effective ways, to build a stronger workforce was communicated. Also discussed was the new Texas Reskilling and Upskilling through Education (TRUE) initiative, and the need to scale such efforts that align education with employer needs.



The employment and education disparities among racial groups and the need to foster more inclusive economic growth was discussed as a priority, an economic necessity. The conversation centered around the unique obstacles that minority workers face and what can be done to remove those barriers and to close unemployment gaps. The need to bring forward solutions in support of other groups like ex-offenders and people with disabilities was also noted. The importance of accounting not only for access, but for the necessary support services such as housing, transportation, and childcare these students need for success was also discussed.

Participants recommended that actions and collaborations must start early, an imperative that we focus on students understanding the relevance, the direct application of their learning to the workplace. In that regard, participants highlighted the need for novel approaches to raise awareness and the excitement of our students in the pipeline. Participants also spoke to expanding opportunities where we merge learning and work-based learning, like P-Tech and other strategies especially in career and technical education areas.

Participants recommended a focus on customizing and building pathways that align with the workplace demands we are seeing and develop strategies to improve and build around proven models. The need to account for the limitations and the possibilities in our rural areas was also discussed. With new investments coming to these rural areas, there is a unique opportunity to build new collaborations around needed innovations. Recommended was the need for academic solutions to iterate with the changes occurring in the workplace to achieve success in objectives.

As in other regions, the roundtable spoke to raising awareness about key sectors and the value of career and technical education. As this awareness is raised, participants noted the importance of focusing campaigns on parents and communities about workforce opportunities, rather than focusing recruitment efforts solely on students.

Finally, like in other regions, the recognition that in developing needed programs, the need for colleges to have greater capacity to attract faculty and acquire needed equipment were noted as challenges. In fact, area community colleges are facing significant challenges in attracting and retaining career and technical education faculty in particular during the “great reshuffle.”

Central Texas

The Central Texas regional was hosted in Waco, Texas. A large majority of participants view the region’s economy as strong, or very strong and the Waco unemployment rate was below the state average in April. Roundtable employers were all finding it difficult, or very difficult to hire new workers and most had unfilled positions for greater than three months. The lack of qualified workers has resulted in reduced productivity for a majority of the employers at the roundtable.

Roundtable employers expressed an overall need to build skills of the workforce including new and incumbent worker training as well as the overall skills and qualifications of the applicant pool. Colleges can best help meet workforce needs by increasing the number of workers at all degree and certificate levels, with a particular focus on accelerated training leading to credentials. The need for equipment, faculty, and new programs were identified as challenges to colleges ability to deliver new high-demand programs.

Roundtable participants noted that the region needs to keep attracting workers and growing the workforce. Retention is a major issue as employees take advantage of the plentiful positions available in companies within and across sectors with employers experiencing exceptionally elevated levels of turnover.



In addition to retention, the need to address issues earlier in our schools and build career pipelines with employers more actively involved was discussed. In raising career awareness, the need to focus on parents and getting students to consider the different available post-secondary level learning and credentialing opportunities was deliberated. Participants indicated that these efforts must include work-based learning like internships, clinicals, or apprenticeships. The importance of improving alignment between education and employer workforce demand was noted while accounting for multiple entry points and related strategies to make it work was communicated.

Employers also signaled interest in colleges developing on-site training opportunities for their companies to help develop stronger management skills and soft-skills in their mid-level employees. The need to improve communications between partners around the benefits of innovative programs, like TRUE, and the value guided pathways was articulated. The current ability of colleges to quickly expand and deliver customized training and critically needed credentials for employers, and making sure employers understood this service, was discussed.

The need to have state policies that better account for the unique needs in rural communities and incent and fund needed programs and services was highlighted. Efforts to meet employer high demand occupation opportunities, in particular in career and technical education, must be supported to address the issues raised. The ability to attract and retain key faculty in the tight labor market is also impacting the colleges and novel solutions are required to meet this challenge.

Southeast Texas

The Southeast Texas regional was hosted in Houston, Texas. The region’s economy is viewed as strong, or very strong and the region’s unemployment rate is slightly above the state. The region has had strong job growth over the year ending in April 2022 and Houston exceeded pre-pandemic employment levels during the month. Roundtable employers were all finding it difficult, or very difficult to fill positions and a large majority had unfilled positions for greater than three months, with several employers having difficulty filling positions after six months. As in other regions, the lack of qualified workers has resulted in reduced productivity for a majority of the employers, and several had to turn down work.

The lack of qualified applicants with the right skills and credentials was noted as the biggest hurdle in filling positions. A significant workforce development priority communicated was the reskilling of the incumbent workforce. A majority of participants believe that colleges can best help meet the region’s workforce needs by increasing the number of individuals earning short-term credentials in accelerated time frames while others shared the additional need for associate and bachelor’s degree holders.

Participants felt that all actions pursued, and new policies, must result in higher levels of completion. Improving the transfer process to reduce lost credit was noted as a key area of improvement especially given the region’s college attainment rates. The need to close achievement gaps around different racial groups was also discussed.

The future of work, accelerating mega trends in certain fields, and worker preferences were examined. The most persistent challenge facing employers, like in other regions, is the sourcing of talent and the need to understand and build new strategies to recruit and retain talent. Certain sectors like energy, health care, and transportation & logistics continue to evolve driven by a variety of factors and these changes have impacted valued skills needed now and will continue to shift demand skills moving forward.

The understanding of changing skills in the workplace and more effectively communicating those changes to the area’s educators and to workers was noted as a critical issue moving forward. The need to increase the number of students in programs aligned with high demand occupations is considered crucial and the importance of leveraging innovative technology for online learning and related activity was highlighted.



Given the extent of the challenge in finding skilled workers, employers see an opportunity to increase collaboration with colleges especially as it relates to more hands-on learning. The colleges’ experience in building apprenticeships, in assisting with expanding internships, and with other employer preferred work-based learning options were areas discussed as priorities requiring new strategies to support expanding and scaling opportunities for students.

Technology was a focus of the Southeast Texas convening. Jobs in the energy sector are becoming increasingly digitally driven, requiring more technology training than manual labor. Discussed were the need to build more effective pathways and making sure that the programs are embedded with needed skills such as project management, digital, data analytics, and others where have demonstrated sustained and growing need. Improving the number of students acquiring STEM skills and related credentials was an area of need communicated by employers

Participants noted the importance of working in partnership to address these workforce needs, including building on efforts like Upskill Houston. Upskilling incumbent low-wage workers to meet this need was a priority for Southeast Texas employers and increasing short-term credentialing of workers is seen as an effective strategy to move the over million low-wage

workers into good middle skill jobs. Participants signaled that these workforce development issue must be addressed, and innovations are needed to address these challenges.

In efforts to reskill, upskill, or build more work-based learning, participants believe improving the communications levels between employers and educators was an area where strategies need to be refined, improved, and expanded. This was seen as critical in new program development, marketing of programs to students and industry, and for increasing enrollment of students and incumbent workers into the programs. Discussed was the need to raise awareness, expand collaborations with secondary schools, and continue models like P-Tech.

In addressing these issues, discussed was the need to modify state policy to incentivize new program development, focus on new measures of success and change funding formulas to support efforts to meet local education and workforce development needs. Finally, the recognition that in developing needed programs, the importance of colleges having greater capacity to attract faculty and secure needed equipment for innovative programs was discussed.

South Texas

The South Texas regional was hosted in Corpus Christi, Texas. The region’s economy is viewed as moderate to strong, has had annual job growth of 3.5 percent, and the unemployment rate was higher than the state average in April 2022. Roundtable employers were all finding it difficult, or very difficult to fill positions and a majority had unfilled positions open for one to three months. The lack of qualified workers has resulted in reduced productivity for a majority of the employers.

The biggest challenge for the roundtable employers was the lack of applicants with the right skills and credentials, while employers also noted the need for improved workplace skills. The priority workforce development issue for employers was building the overall skills and qualifications of the applicant pool.

A majority of participants indicated colleges could best help address the region’s workforce needs by increasing the number of workers with short-term credentials while several noted the need for more workers with associate degrees. The roundtable members believe that these credentials will be central to meeting future workforce needs and that efforts to address the issues must be innovative and reflect the changes occurring in the region.

South Texas employers spoke extensively about expanding partnerships with colleges, school districts, the Craft Training Center, and nonprofit organizations. Employers and educators noted the importance of initiatives to help foster community pride in students from an early age. The efforts to raise career awareness early is seen as critical to retaining local talent. The value of highlighting multiple learning pathways, with a focus on CTE and work-based learning, were discussed as strategies that need to be expanded. Building stronger pathways, leveraging existing work underway through the Success Center, and working collaboratively was highlighted as important.

Participants also spoke to the loss of older, highly skilled workers and the expected continued exodus of these skilled team members. The need to build the skills of the incumbent workers will grow and the need to build more effective talent development pipelines was seen as an important expansion of partnership work that must be undertaken. Participants spoke of the value of efforts to partner in high schools, with employers working hand in hand with colleges and high schools to meet future workforce needs. The importance of scaling effective strategies was highlighted multiple times given the depth of the issues.

South Texas employers highlighted their strong linkages to community colleges for training their current employees. They also recognized challenges that colleges face in expanding these new programs such as facilities and equipment, but certainly the inability to attract faculty in areas where they compete with the private sector.

The challenges facing rural communities were highlighted, including attracting, and retaining skilled workers. The realization that things can no longer be done the same as in the past, but the expectation that embracing innovation to account for the myriad of changes in the economy and in general were seen as key to moving forward successfully.

Beyond strategies to raise career awareness, a more comprehensive marketing campaign, one that builds on Upskill Coastal Bend, was noted as action that needed to be taken with a focus on parents, counselors, and employers to mobilize efforts and build a successful campaign.



An Initial Set of Actions to Move Forward in Partnership

In March 2022, hundreds of thousands of good paying jobs remained unfilled in our hospitals, manufacturing facilities, construction sites, and on our roads in communities across our state because employers could not find skilled, credentialed workers to fill them. The extent and critical nature of these challenges were consistently communicated across the regional roundtables. They are also reflected in BLS data. Action must be taken to position our workforce to seize these opportunities.

The perspectives and insights offered by employers, workforce leaders, and other stakeholders across the regional meetings highlighted multiple areas where action needs to be taken to reform business practices, strengthen collaborations, modify policies, drive new investment, and mobilize to build a stronger education and workforce development ecosystem.

While the extent of the challenges requires a broad and bold set of actions, the following initial set of actions are recommended to move forward in partnership as we strive to build a stronger Texas workforce. The work will need to iterate to respond to new challenges and the ongoing collaboration will mean that new actions may take precedence.

This is the beginning, an inflection point, of what will be a sustained effort by the Texas Association of Community Colleges, through the Texas Success Center, to generate and advance impactful collaboration with industry and other partners to take purposeful action to drive student success, and more uniformly, equitably, and efficiently position our students to seize the opportunities created by our Texas employers.

The following are an interconnected, but not exhaustive, set of initial recommended actions that can build on the community colleges' existing career-focused reforms, supported by the Texas Success Center, to innovate, scale successful practices, and meet the challenges facing employers, students, and the workforce.

An Initial Set of Recommended Actions

Build transparent career pathways and enhance student awareness: Work together to improve transparency, raise awareness, and enhance student selection of the multiple and transparent career education pathways to good paying jobs across Texas industry sectors.

- Expand the Texas guided pathways efforts to strengthen advising, enhance program transparency, and build systemic efficiency to employment in high demand occupations.
- Expand and finance efforts to collaborate with employers to design and scale targeted credentials, including micro-credentials, of value into high demand career pathways, leveraging sector-based strategies.
- Expand employer engagement to inform and validate the value of skills and credentials in demand occupations and implement protocols for more efficient scaling of these efforts.
- Identify and advance institutional and state policy reforms needed in support of broad student access to these high value learning pathways.
- Develop and launch a communications campaign structured to address college attainment rates, which reach underrepresented groups, which support inclusive growth, and that build awareness around the value and availability of these high value and high demand learning opportunities.

Expand short-term credentials of value: Increase the availability of high-demand, short-term education and training that results in credentials of value to strengthen the workforce and better meet the workforce needs of Texas employers.

- Examine strategies to increase state investment for targeted short-term industry-aligned credentials, continuing education courses, and related innovations that meet employer need and support attainment of “Building a Talent Strong” (60x30Tx) goals.
- Secure resources to build college institutional capacity to offer, sustain, and integrate credentials of value into new and modified career pathways that align with regional and statewide demand, in both urban and rural communities and that align with advanced credentials and degrees and workplace advancements.

- Expand high-demand incumbent worker training for Texas employers in addition to continuing customized skills development training.
- Advance state and federal policies that provide for greater student support for these valued short-term learning programs and allow colleges to effectively plan, offer, and sustain those programs.
- Continue and expand efforts like the TRUE initiative to expand short-term training and develop new, or redesign existing credentials that are industry-recognized, aligned with high-demand occupations, and that can be completed in six months or less.

Improve college and career/work readiness: Increase work-based learning opportunities and expand early college models offering mentoring and work-based learning to improve college and work readiness.

- Expand college efforts to increase the number of work-based learning opportunities for students like internships, co-ops, apprenticeships, clinicals, and other employer preferred models by advancing policies to support employer efforts to host these critical learning opportunities.
- Expand efforts to increase student credit attainment for successful work-based learning completions.
- Increase successful college partnerships with secondary schools around dual credit and innovative early college models, including a focus on P-TECH academies, to improve college and work readiness.

Strengthen Education and Business Partnerships: Build and scale education and industry partnerships to strengthen regional workforce and education development ecosystems in support of a more competitive Texas workforce.

- Engage critical business and industry leaders to validate labor market information and to identify key trends and the skills needed to inform curriculum and strengthen alignment with workplace demands. They must be at the table.
- Support efforts that inform technology and facilities acquisition as well as faculty recruitment for community colleges in support of efforts to build a stronger Texas workforce.

- Engage partners in regularly monitoring student and employment outcomes to make timely modifications in strategy to meet regional workforce needs.
- Implement a framework for scaling mentoring, work-based learning, and career awareness strategies.
- Ensure regular collaborations of community colleges, employers, local workforce boards, chambers of commerce, industry leaders, independent school districts, and university partners around key talent development and talent sourcing issues and implement strategies to broaden non-participant employer awareness.

Improve college access and college completion: Bolster efforts to increase student college completion success rates for all groups to meet statewide Building a Talent Strong Texas goals and address the workforce needs of Texas employers.

- Accelerate and take necessary steps to close post-secondary education achievement gaps and disparities among demographic groups.
- Assess key factors impacting and transforming higher education and the implications of these factors to college access and student completion.
- Secure resources to build college institutional capacity to offer academic and early career supports embedded within career pathways built in collaboration with industry leaders.

Closing

The main reason students enroll in postsecondary education is to prepare for a good career that provides a better and more prosperous future. There are actions that must be taken to advance these student objectives and there is opportunity in the Texas economy that must be seized.

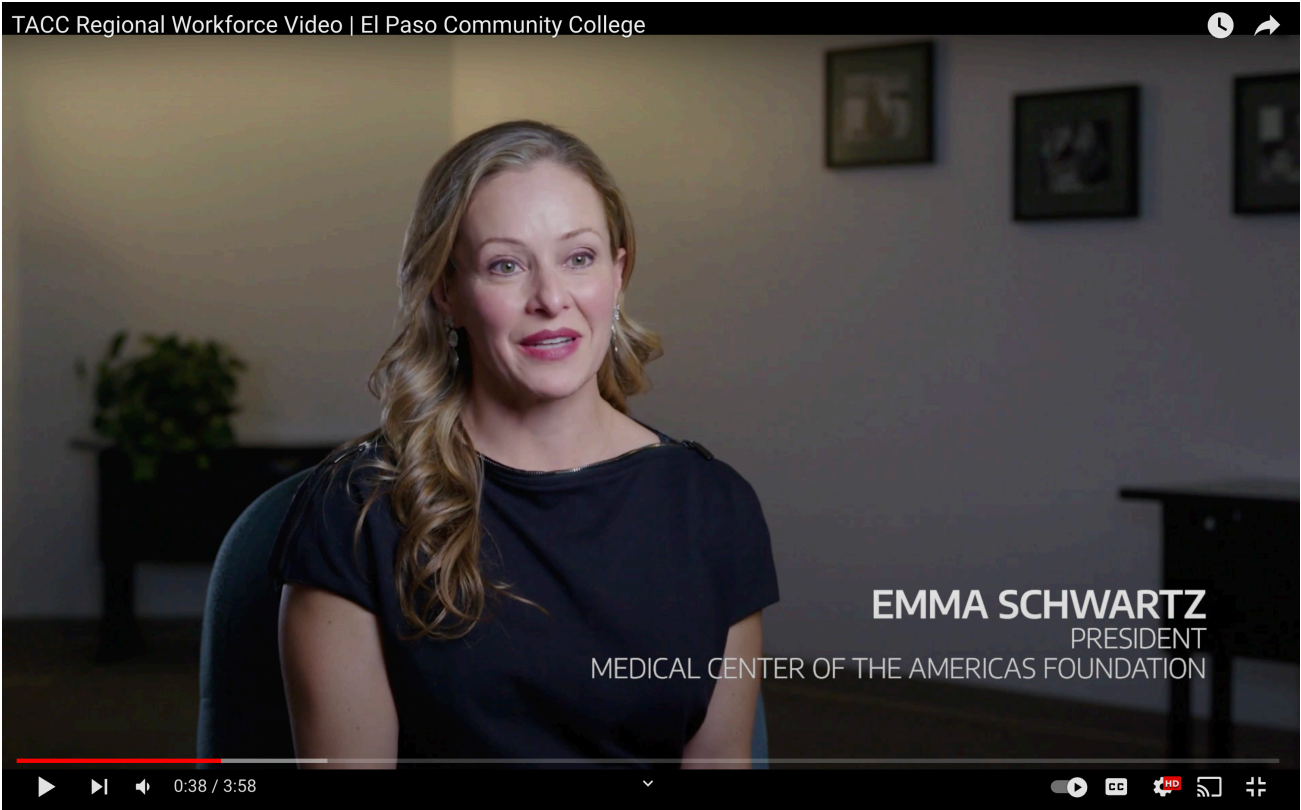
We must meet the demand and we must take new steps to prepare students at all levels and from all groups to achieve success. The Texas Association of Community Colleges, the Texas Success Center, and our local partners understand deeper and stronger regional partnerships between education and business are essential to meet current and future workforce needs.

These efforts will also require new investment to build capacity and strengthen alignment with the current and evolving needs of employers while also addressing the current challenges facing the state’s workforce.

This report presents the perspective of our local partners across the state and suggests actions to address critical issues so that we can make our higher education goals a reality. For us to secure a more prosperous future, we must advance needed actions to effectively refine and strengthen our education and workforce development ecosystem.

As we move forward, the Texas Association of Community Colleges will work in partnership with employers and other local partners, the Texas Higher Education Coordinating Board, our legislative leadership, and other state partners to secure the policies and advance the practices that will build a talent strong Texas.

Spotlight Video



Click on the image above or scan the QR code to watch the spotlight video of the regional meeting in El Paso, TX.





Texas Association of Community Colleges

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