Nonprofit affiliate of the U.S. Chamber of Commerce.

Corporate Citizenship Center, Center for Education and Workforce, Hiring our Heroes, and Institute for Organization Management.

CEW, through its research, programs, and policy on education and skills training, mobilizes the business community to be more engaged partners, challenge the status quo, and connect education and workforce reforms to economic development.
The Skills Gap: Companies can’t grow and compete, students struggle with transitioning to careers

- 92% execs agree
- 37% can’t take on new business
- 49% unfilled openings
- 5.6 million unfilled positions

America’s Skill and Education Gaps
America’s Skill and Education Gaps

65% plan to hire recent grads

11% businesses believe grads are prepared

96% CAOs believe grads are prepared
America’s Skill and Education Gaps

- 35% believe they are prepared for a job
- 50% unemployed or underemployed
- 40% Students don’t complete
- Youth unemployment is double the national average
What Can We Do?

- Employers need talent for TODAY and TOMORROW
- How can the business community help students get on the right paths that will lead to a successful career AND help meet employer needs?
Closing the Skills Gap: We Need a Strategy for Our Time
For Positions that Drive Competitive Advantage

U.S. CHAMBER OF COMMERCE FOUNDATION
Education and Workforce
# Lessons Learned from Supply Chain Management

<table>
<thead>
<tr>
<th>Supply Chain Management</th>
<th>Talent Pipeline Management</th>
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</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Supply Chain Management Icon" /></td>
<td><img src="image2.png" alt="Talent Pipeline Management Icon" /></td>
</tr>
<tr>
<td>1. Supply chains drive competitive advantage, they are not a cost of doing business</td>
<td>1. Connect your talent strategy to your business strategy to improve competitiveness</td>
</tr>
<tr>
<td>2. Supply chain networks create shared value and competitiveness across all partners</td>
<td>2. Organize and manage flexible and responsive partnerships with preferred providers to create shared value</td>
</tr>
<tr>
<td>3. End-to-end metrics and aligned incentives improve performance across the supply chain</td>
<td>3. Shared measures and aligned incentives improve performance of education and workforce partners</td>
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</table>
Strategy 1: Organize Employer Collaboratives

Strategy 2: Engage in Demand Planning

Strategy 3: Communicate Competency and Credential Requirements

Strategy 4: Analyze Talent Flows

Strategy 5: Build the Pipeline and Manage Performance

Strategy 6: Continuous Improvement
Strategy 1: Organize Employer Collaboratives

Organized by employers, for employers

Address a core business need in sourcing talent

Financed in part by employers themselves
Strategy 2: Engage in Demand Planning

Quantity: How many job openings must I fill?

Location: Where will these job openings be available?

Time: When do I need these job openings to be filled?
Strategy 3: Communicate Competency and Credential Requirements

Quality: What are the requirements for filling these jobs?

“Required” versus “Preferred”

Competencies

Credentials

Work experience

Other hiring requirements (e.g. security clearance, citizenship)
Strategy 4: Analyze Talent Flows

- Tier 2
  - High Schools, Vocational School & Colleges
- Tier 1
  - Military
  - College
  - Community-based Nonprofit
  - Employer
  - Staffing Agency
- Distribution
  - Large Employers
  - Small Employers
Strategy 5: Build Talent Pipeline and Manage Performance

- Talent Pipeline Roles
- Performance Measures
- Aligned Incentives
- Tiers
- Preferred Providers
- Calculating ROI
### Strategy 6: Continuous Improvement

<table>
<thead>
<tr>
<th>Shared Pain Point Measures</th>
<th>Performance</th>
<th>Relative to Expectation</th>
<th>Trend</th>
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</thead>
<tbody>
<tr>
<td>Percent of applicants from talent providers meeting requirements</td>
<td>55%</td>
<td>-</td>
<td>🔻</td>
</tr>
<tr>
<td>Average number of days for filling open positions</td>
<td>128 days</td>
<td>-</td>
<td>🔻</td>
</tr>
<tr>
<td>Percent of hires retained in first year of employment</td>
<td>75%</td>
<td>-</td>
<td>🔺</td>
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</table>

<table>
<thead>
<tr>
<th>Driver/Transition Measures</th>
<th>Performance</th>
<th>Relative to Expectation</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of students completing education and training programs</td>
<td>75</td>
<td>-</td>
<td>—</td>
</tr>
<tr>
<td>Number of students enrolled in education and training programs</td>
<td>95</td>
<td>-</td>
<td>—</td>
</tr>
</tbody>
</table>
What We Have Learned

Our Vision:
Growing the movement and taking supply chain solutions to scale

1. Not just demand-driven, but employer-led
2. Time for employers to organize themselves
3. Build capacity within employers and their member organizations
Where We Are Headed

Talent Pipeline Management

Facilitation and technical assistance via a curated curriculum and supporting web tools via the TPM Academy

A way for employers to signal the partners that successfully prepare learners via an employer-driven quality assurance process

A central platform for employers to communicate their changing competency and credential requirements via a job profile registry
MANAGING THE TALENT PIPELINE:
A New Approach to Closing the Skills Gap

Building the Talent Pipeline:
An Implementation Guide

Changing the Debate on Quality Assurance in Higher Education

The U.S. Chamber of Commerce Foundation
Education and Workforce
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