

## **Written Testimony of Susan Fallon, Vice President of Global Strategy and Business Development, Monster Government Solutions**

Thank you Mr. Chairman, Ranking Member DeLauro, and members of the Subcommittee, as well as former Chairman Kingston, for inviting me to testify. I am pleased to have the opportunity to speak on issues that are of critical importance not only to Monster.com but to me personally and to millions of my fellow citizens across the country: and those are the issues of jobs, our youth, and a skilled workforce. In particular, I am writing to encourage the Subcommittee to continue to fully provide funding at the Fiscal Year 2017 level provided in the Senate for the U.S. Department of Labor's Job Corps program to enable it to continue bridging the gap between opportunity youth and jobs in communities across our great nation.

One of the takeaways of the recent election, across both parties and in both rural and urban communities, was a prevalent sense of economic anxiety among the American people – particularly that good jobs are increasingly out of reach. Some of these jobs may have left our communities, but others, particularly in industries such as manufacturing, simply require more or different skills than in the past. According to the U.S. Chamber of Commerce, there are 5.6 million jobs that remain unfilled because employers cannot find workers with the right set of skills.<sup>i</sup>

This disconnect between the skills needed by local employers and skills of the local workforce is commonly referred to as the “skills gap.” Some estimate that this ‘skills gap’ costs

our economy \$160 billion annually.<sup>ii</sup> These are essentially lost jobs in our communities that we can reclaim through upskilling and investing in workforce development.

At the same time, there are 5.5 million young Americans age 16-24 who are neither employed nor enrolled in school.<sup>iii</sup> These youth are untapped economic assets in our communities nationwide and have the potential to provide returns of as much as \$5 trillion to our economy and our communities both in terms of wages and economic activity as well as reduced dependence on taxpayer support.<sup>iv</sup> These young people are the future of our country and economy and we literally cannot afford to overlook them.

Fortunately, the path to employment and meaningful careers for these youth is not necessarily long. Nearly 50 percent of job openings over the next decade will be ‘middle-skill’ jobs, or jobs that require more than a high school education but less than a four-year college degree.<sup>v</sup> These are jobs like transportation and material handlers in Oklahoma, insurance sales agents in Connecticut, and nurses and health care support pretty much everywhere.

Warren Buffet recently observed that America’s competitive advantage is that “To a better degree than most societies, we have unlocked human potential.” We agree that our workers and particularly our young people are America’s greatest assets and for that reason Monster Government Solutions has sought to leverage our own technology and resources to expand our impact in workforce development. We believe economic growth is fueled by efficiently and appropriately connecting jobs and people. We are proud of our work in states like Ohio and Washington, where Monster’s solutions help foster collaboration between key workforce stakeholders, improve recruitment services for employers, enrich workforce services

for the unemployed and job seekers, promote work-based training, and more. As a result, more people get into the right jobs faster, spurring economic growth, lowering unemployment insurance costs and conserving state budgets.

We are also particularly focused on investing in opportunity youth. Like the dozens of national employers participating in the 100,000 Opportunities Initiative, such as Walmart, JP Morgan, Hilton, Microsoft, we have made it a priority to connect these young people with employment opportunities. Towards that end, last year we worked with the Job Corps program to launch an initiative we call “Youth Opportunities 2020.”

As you know, Job Corps is our nation’s largest and most comprehensive program aimed at preparing opportunity youth for careers. Job Corps offers training in over 100 different high-demand occupations in 125 communities nationwide, including both rural and urban communities. Job Corps also provides the support services that are necessary to help develop the employability and 21<sup>st</sup> century skills of collaboration and teamwork, creativity and imagination, critical thinking, and problem solving that employers frequently cite as more critical than technical skills, but lacking in the labor market. Through counseling, contextualized learning, service learning opportunities, work-based learning and internships, Job Corps produces young people who are ready to work.

Most importantly, Job Corps works. A long-term evaluation of Job Corps found it to be the first program to demonstrate long-term impacts on earnings for this population.<sup>vi</sup> In the 20 years since that study was conducted, the program has continued to improve. In program year 2015, the average literacy and numeracy gains made by Job Corps enrollees were greater than

2.5 Test for Adult Basic Education (TABE) grade-level equivalents and nearly 80 percent of students left with an industry-recognized credential.<sup>vii</sup> The result: 86 percent of graduates secured jobs or enrolled in higher education.<sup>viii</sup>

We've learned over time that small and large businesses across the nation trust their Job Corps centers and Job Corps graduates to meet their talent needs as evidence by that fact that over 100 local Chambers of Commerce, from Oklahoma to Connecticut and Florida to Alaska, have signed letters of support for the program. That is why Monster Government Solutions worked with the National Job Corps Foundation for Youth Opportunities to create and launch our Youth Opportunities portal which gives employers nationwide an opportunity to be matched to and connect with thousands of skilled young Americans at no cost, using Monster's award winning technologies. The 50,000 students that participate in Job Corps each year can create their own personal account, search for job titles that match the program's trade offerings and be matched to jobs based on their credentials earned at Job Corps. Our investment in this platform and in these youth, is one that Monster is proud to make. As a global leader in successfully connecting jobs and people, we believe these types of investments are critical to our country's future and we're committed to building upon them.

We at Monster are mission-driven to expand employment opportunities for our most disadvantaged citizens, including opportunity youth, and to ensure employers find the skills and work-ready employees they need to succeed and grow their businesses. In order to help us, employers nationwide, and our nation achieve that goal, we encourage the Subcommittee and the Congress to continue to invest in opportunity youth. Specifically, which we urge the

Subcommittee, which has provided bipartisan support to Job Corps for over 50 years, to continue to do the same and provide the program with sufficient funding to serve as many of these young people as possible in FY 2018.

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<sup>i</sup> Donahue, T. and Hansen, D. *The Conversation About America's Skills Gap is Changing*. U.S. Chamber of Commerce. Retrieved February 13, 2017 from <https://www.uschamber.com/above-the-fold/the-conversation-about-americas-skills-gap-changing>

<sup>ii</sup> Fisher, Anne. "Unfilled jobs cost the U.S. economy \$160 billion a year." *Fortune*. November 18, 2014. Retrieved February 21, 2017 from <http://tech.fortune.cnn.com/2014/11/18/unfilled-jobs-us-economy/>

<sup>iii</sup> *The Opportunity Index: Opportunity in America 2011-2015*. Opportunity Nation. Retrieved November 3, 2016 from <http://opportunitynation.org/opportunity-index/>.

<sup>iv</sup> Belfield, C., Levin, H., and Rosen, R. *The Economic Value of Opportunity Youth*. Civic Enterprises. January 2012. Retrieved February 21, 2017 from: [https://www.serve.gov/new-images/council/pdf/econ\\_value\\_opportunity\\_youth.pdf](https://www.serve.gov/new-images/council/pdf/econ_value_opportunity_youth.pdf)

<sup>v</sup> *United States' Forgotten Middle*. National Skills Coalition. Retrieved March 2, 2017 from <http://www.nationalskillscoalition.org/resources/publications/2017-middle-skills-fact-sheets/file/United-States-MiddleSkills.pdf>

<sup>vi</sup> Schochet, P.Z.; Burghardt, J.; and McConnell, S. (2008). *Does Job Corps Work? Impact Findings from the National Job Corps Study*. *American Economic Review* 2008, 98:5, 1864-1886.

<sup>vii</sup> *Outcome Measurement System Center Report Card (OMS-10); Report Period: 7/1/2015 – 6/30/2016*. U.S. Department of Labor. Retrieved February 13, 2017 from [http://www.jobcorps.gov/Libraries/Annual%20Reports/OMS10\\_2016.sflb](http://www.jobcorps.gov/Libraries/Annual%20Reports/OMS10_2016.sflb)

<sup>viii</sup> Ibid