

## Lessons Earned

### Season 4 Episode 4: Michele Chang on the Great Resignation

February 10, 2022

## TRANSCRIPT

**Ruth Watkins** [00:00:01] Hi, I'm Ruth Watkins, and this is "Lessons Earned." Today from the U.S. Department of Commerce, Michele Chang.

(sound clip)

**Michele Chang** [00:00:12] We all want to make sure that every person in our country has access to opportunity, and if we can do that by offering programs like we are doing EDA, that's what makes this work all worthwhile.

**Ruth Watkins** [00:00:24] From Strada Education Network, this is "Lessons Earned: Putting education to work."

There were 10.6 million job openings last November, and employers just cannot seem to fill them. It's all part of a broader trend that's been gaining steam over the past year. People are changing how they view the very concept of work, and they're quitting their jobs, in many cases without another job to go to. Some are calling this the Great Resignation. Now, like any big social trend or economic trend, there are likely a number of factors behind this, not the least of which is a global pandemic. What's really interesting, though, is that there were signs that this was beginning to happen even before the pandemic. Employers struggling to find the talent they need to fill key roles and a whole lot of workers feeling that they were stuck in jobs that they didn't find rewarding, financially or otherwise.

This is what Michele Chang and her colleagues were grappling with when they developed the Good Jobs Challenge. Michele is the deputy assistant secretary for policy at the EDA — the Economic Development Association, a branch of the Department of Commerce, and the Good Jobs Challenge is part of an ambitious federal initiative to fund a whole bunch of workforce training programs in this country. If these programs are done well, they could help us solve the Great Resignation and give people a clear path to meaningful family-sustaining careers. Here's Michele Chang.

**Ruth Watkins** We're in the middle of what is being called the Great Resignation. What an amazing thing. Never in my lifetime have I seen anything like this where we have many, many jobs available, millions of jobs available, and many people stepping aside from work. What would you characterize this as and how do you think about this moment now?

**Michele Chang** [00:02:39] You are describing exactly this unprecedented moment that I think many of us never anticipated living through. And I think if you talk to a lot of workers, there's not really a one-size-fits-all answer for why folks are stepping aside, but obviously the pandemic has had a huge part in that. You see a number of workers who are concerned around their health and the conditions that they're working in. You see different types of mandates are coming through that people may or may not want to comply with. And at the same time, you're seeing employers have a huge need for strong talent to

come into their door. So it really is an unprecedented time and we at the Economic Development Administration do think that it is a unique opportunity with some funding that we recently received through the American Rescue Plan to help fill some of that need that we see in the marketplace.

**Ruth Watkins** [00:03:33] Well, tell me first, Michele, how worried should we be about this?

**Michele Chang** [00:03:37] It's a good question. I try not to be one of those people that are, you know, raising the red flag and the sirens, and try to be a bit more hopeful. But to be honest, it's something that's going to have to play out and we're going to have to see what happens and how nimble and how quickly employers can respond to what they're hearing from workers. Obviously, there is some concern when we see so many job openings and vacancies in our country, but I think what keeps me going every day is hope. I think that we do have a number of people who are in places that have the ability to help intervene and hopefully help make this hopefully not be a long-term impact that we're seeing. And so things like we're doing at the Economic Development Administration with the Good Jobs Challenge is one example. What we're trying to do is really connect employers with workers that will have the skills that they need by really investing in training that is done in collaboration with industry and employers so that we are able to develop the talent that employers demand and get workers the good-quality jobs that they're looking for.

**Ruth Watkins** [00:04:43] Well, I'm really interested in following up on this. As you note, such a tough time, and at the same time, it could be a very empowering moment for workers and for industry. And I think what you just alluded to is that that's what the Good Jobs Challenge is really trying to do. Let's dig in a little on that skills gap. Tell me more about that.

**Michele Chang** [00:05:05] Yeah, yeah. So it really was something that people were seeing in the marketplace even before this Great Resignation happened. You were constantly hearing about employers talk about a large number of jobs that they had unfilled, that they couldn't find good talent for. And then on the flip side, you often heard about workers who are either unemployed or underemployed, not being able to find good jobs to meet their full potential. And so that is really what we were thinking about when we were developing this program is how can we better close that gap between employers and workers? And what I mean by that is we are really looking for programs where employers are intimately engaged. They are articulating what are the key job vacancies that they currently have. What are the key skills that they are having trouble finding and that they are working closely with training providers to develop curriculum, develop training programs that will meet those needs and then taking it a step further, they are also making commitments to hire people who successfully complete that training.

And for the workers, this is a really important time too. We know so many people were displaced during the pandemic, and then, as we're now seeing, a lot of people just chose to take themselves out of the workforce. But there is a huge amount of people out there who have a lot to contribute and want to contribute, but maybe didn't find the right circumstance or the right role that was challenging enough for them or met the needs that they have on a personal level. And so I think it's a really important time for both employers to be reflective around the type of flexibilities and the type of benefits that they're offering workers and for workers to take this as a moment to really help think about what are the jobs that are out there. They are changing as we are, you know, also, you know, before even the pandemic started, AI and automation was changing the workplace. And so

workers have a unique opportunity to really think about what type of career pathways they want to pave for themselves and how they can find those training programs to help them meet those needs.

**Ruth Watkins** [00:07:08] So I'm going to ask a difficult question — personally difficult. I've spent 35 years in higher education in universities, in leadership in universities. Is higher ed responsible for some of this gap?

**Michele Chang** [00:07:23] I mean, as someone who went through the higher education system, it is a difficult question and I, you know, when people ask me that, I think back to I had a mentor a year ago, tell me an interesting thing about higher ed. He said to me, community college is to teach people for vocations and four-year universities is for enlightenment. I think about that comment a lot. I'm not sure there's any one place to blame, right? There is never one place to blame. I think what I have heard from employers is that in the past, four-year universities and four-year degrees were often used as a proxy for one's skills and abilities. That being said, in the last several years, I started hearing a lot from employers that were saying, 'Actually, when we hire these four-year degree candidates, they actually don't have the skills that we're looking for.' And so I think there is a little bit, also, of what we're trying to do with this program, too, is to try to get education and employers to be more closely aligned because at the end of the day, we do want folks to be viable members of the workforce.

**Ruth Watkins** [00:08:44] You know, I like what you're saying here because I think what you're trying to say is that higher ed has a responsibility to do both, both durable, lifelong skills that offer enlightenment and skills that will help you get your first job. And really, these things can live together compatibly.

**Michele Chang** [00:09:02] I think they do, and I hope so.

**Ruth Watkins** [00:09:04] Yeah, me too. I sure do, because I don't want to think that I've been going down the wrong path for 35 years, so thank you for kind of looking for ways that we merge, and I and I want to put a little point on something else you said to employers have a role, too.

**Michele Chang** [00:09:19] Absolutely. I am a strong believer that a lot of this falls on employers. I spent the last three years before taking on this role, working specifically with Fortune 500 companies and helping them think about ways that they could be able to particularly meet their goals around talent acquisition, but also their needs around equity. As we all know, diversity, equity, and inclusion is one of the top priorities for every single large employer right now. And one of the things that often becomes a barrier for folks from underserved communities is a lot of unnecessary restrictions that employers place on their hires, whether they have to have a four-year degree or whether they have to have a certain number of years of experience. And so what I was working on prior to this role is helping employers think about skills-based approaches to hiring and advancing talent in their organizations. And I think that is, there is a huge appetite for that within the employer community. But it's something that's hard and there's a lot of natural human bias that happens in that process that is just hard to overcome. But I think slowly we are making some progress, and once you can demonstrate that it can work, I think people are very open to it and people really do want to bring diversity into their organizations.

**Ruth Watkins** [00:10:38] So right now, you sound a little bit like Byron Auguste, the CEO of Opportunity@Work.

**Michele Chang** [00:10:43] Byron's one of my mentors. I have. I worked at Hope Street Group, which was an organization that Byron founded. So, yes, Byron is one of my mentors.

**Ruth Watkins** [00:10:53] Yeah, certainly. You know, you're saying it maybe is less of a skills gap than it is an opportunity gap. How do we equitably deliver opportunities and tangible outcomes? What do you think really are the critical elements of better, more equitable opportunity?

**Michele Chang** [00:11:12] I think it comes down to a number of different things and there is a responsibility on everyone in the ecosystem to make that happen. You know, workers have to be willing to consider maybe a different type of job or skill that maybe they weren't thinking about that may provide them a path to a great career for the long term. But as I said, I think there's a huge onus on employers too, to look at what barriers have they may be inadvertently placed on workers have that have prevented those from underserved communities to be able to gain access? And they also need to think closely about how they do recruitment? Are they recruiting from the same sources that they always have? Could they potentially be working with different community-based organizations that will help them reach underserved populations that actually can be really great pools of talent that they've never reached into before? I think we fundamentally believe and have seen with a strong outreach recruitment strategy and strong partnerships with community-based organizations, you are able to find talent in places that maybe you haven't, and with the right training programs and with the right support, you're able to get the talent that you need that is also meeting your diversity goals.

**Ruth Watkins** [00:12:26] So I'm hearing you loud and clear, Michele, that equity is at the center of what you're doing. Dial up a little bit and tell us about the big vision for equity.

**Michele Chang** [00:12:38] Yeah, I mean, I think for myself, what, I'm also a very data-driven person. I like to look at the numbers. I think for me at the end of the day, if we did equity well and we were able to really move the needle, if you looked at the numbers, there wouldn't be any difference in wages, wage gain, employment around different ethnic groups, racial groups, genders, all of the different demographics. I think that is what we are trying to achieve at the end of the day. Obviously, that's going to take a long time to get to. And so what we're trying to start with is gaining access for underserved communities to training programs that will lead them to good-quality jobs, which hopefully will then also build the capacity within regions to be able to continually create training programs like this for the future so that as we see different economic shocks happen or different type of demands for different types of skills happen, we have that institutional knowledge already in place in regions across our country so that they can create new training programs to meet the needs of the moment.

**Ruth Watkins** [00:13:53] So really, your vision of equity in the highest level of what you want to accomplish is socioeconomic stability, mobility that is equally distributed and shared. So what an inspiring vision, and now let's just dig in a little bit more on what the best programs look like, the ones that work, that deliver those kinds of equitable outcomes.

**Michele Chang** [00:14:20] Sure. I think there's a lot of successful models out there, and as we were developing the Good Jobs Challenge, we actually did, we had a number of conversations with experts in the field and studied the most successful programs out there. One example is a large automobile company that I worked with. They found a need for a specific manufacturing role, and they could not find the talent that they needed. And so they decided to partner with their local community college and develop basically a work-and-learn program where workers could come straight out of high school, participate in this program. They would go to school three days a week and now work on-site the other two days. And through that process, they were able to gain a living wage that would help them continue to pay their bills, but also gain the skills that they needed at the same time.

Upon successful completion of that program, those folks were oftentimes offered a job at that employer in a very high-level, high-paying job in the \$60,000 range, and that was a huge value to somebody coming straight out of college and not a huge amount of investment that they had to make, whether you know, whatever background they're coming for, whether they can afford to go through training or not. And so this program became so successful that this automobile company decided to offer it to other companies within their supply chain and expanded it to other employers. And then they expanded it to other regions across the country as well. And ultimately, they moved this program to be run by the industry association that oversees this employer. And so it's just a great success story of how a regional program that was really employer-led, an employer-defined was able to scale because they were able to have a proof point of it working in one region and then being able to find the ability to scale and make it successful in multiple regions across the country.

(MUSIC)

**Ruth Watkins** [00:16:34] So what other insights have you gleaned in terms of really reaching populations that have faced the greatest barriers? What makes this work?

**Michele Chang** [00:16:44] Yeah. I think one of the other things that we are really focused on is what we're calling wraparound services. So we know, particularly workers from underserved communities, they face a number of challenges and barriers to be able to successfully complete a training program. They may have childcare concerns or transportation issues or access to technology, or even just some — a lot of times, one of the strongest things that we have found that have helped people get from training to employment is having a career coach. And so one of the things that we are looking at with this Good Jobs Challenge and we're really excited about that we can fund is wraparound services.

**Ruth Watkins** [00:17:26] Yes. And I think there's also a perspective that says we are ignoring sometimes are overlooking cultural perspectives and differences. Do you have thoughts about that and how we can bridge that?

**Michele Chang** [00:17:41] Yeah. You know, it's interesting. Many years ago, when I first started working in the workforce space, I was working with a healthcare company in the Minnesota region, and they talked about, you know, reaching into underserved communities there. There's a large Hmong population there, and they recognized that it was a population that as a healthcare company, they really needed to make sure they had in their workforce because as a healthcare company, if you walk into a hospital, you would

like to sometimes be treated by somebody that looks like you, that understands you, that understands your cultural background and how you may be approaching things. And so they really wanted to reach this community, but recognized that the traditional ways that they had done recruitment and hiring was not really being received well by that community. And so they really partnered with a community-based organization that specialized in that population and realized how they needed to be able to talk to that community. And it wasn't about going to recruiting fairs or putting on, you know, job postings on different job-posting sites. But it was going to their community centers to the places that they trusted and hearing from the people that they trusted about opportunities that could help them. And so I think there is a lot. This goes back to, it is a lot of work and it's a lot for an employer to take on on their own. But this is why partnerships are so important, particularly with these community-based organizations that understand different populations and how perhaps they would best receive different messages. And so that's why these partnerships within the community and really taking a coalition approach is so important.

**Ruth Watkins** [00:19:21] Well, Michele, you've made incredibly clearly the point that it will take collaboration to solve the Great Resignation, the skills gap, the opportunity gap. Maybe the hardest thing is how do broad, sweeping workforce initiatives not lose sight of people, families, communities that they're seeking to assist?

**Michele Chang** [00:19:46] It's a great question, and I will be honest, I think that's something that a lot of times, folks that work what we call at the system level can often lose sight of if you're working on policy or if you're working on national programs. And this is something that my team and I often talk about is we cannot lose sight of the ultimate beneficiary of these programs, which is, you can argue, is not just the worker, it is also the employer and it's also the educational provider and it's also the training provider. And so to that point, I think it's so important that we continually have forums where we can hear directly from them and that we go out regularly to the field and that we are meeting with folks. We are understanding, you know, the challenges that they're seeing or the benefits that they're also gaining from these programs.

**Ruth Watkins** [00:20:39] Do you have any personal stories where you learned something very powerful when you listened in on one of those regional centers talking to people, families, and communities about needs and successes and challenges, I guess?

**Michele Chang** [00:20:52] Yeah. You know, I was working several years ago again in a nonprofit that was focused on workforce development, and I think one of the most powerful stories was hearing from a woman who was a single mom working, I believe she was working two to three jobs around the clock just to make ends meet, and you know, it's it's it's no way to live, right? When you're trying to just make sure that you're able to put food on the table, keep a roof over your head.

And she was able to get connected through her local workforce board to a training program that was sponsored by a pretty large employer. And through that effort, she was just so determined and so motivated to be able to get to that next step where I believe after she finished her training, she was able to land the role as an IT specialist. She's now, I think, making like \$60,000 — \$70,000 , has moved her family into a stable home and has a stable paycheck. And those are the stories that really keep you going. I think it's oftentimes hard, you know, we all face different challenges and barriers in the work that we're doing. But if you keep honing in on those individual stories and the impact that this work has, that's how I think we all do this. You know, we all want to make sure that every

person in our country has access to opportunity. And if we can do that by offering programs like we are doing at EDA, that's what makes this work all worthwhile and all the hard work worthwhile.

**Ruth Watkins** [00:22:29] You know, I think I can say for sure that the work you're doing matters. It matters to people and communities, and it matters also to industries and economic vitality. Thanks for everything you're doing, Michele, and thanks for sharing your time with us.

**Michele Chang** [00:22:41] Thank you so much, Ruth. Thanks for having me.

MUSIC

**Ruth Watkins** [00:22:50] That was my conversation with Michele Chang. I'm Ruth Watkins, and thanks so much for listening to "Lessons Earned."

**Speaker 3** [00:23:01] "Lessons Earned" is produced by Strada Education Network in partnership with Antica Productions. You can subscribe to "Lessons Earned" wherever you get your podcasts, and if you like this episode, please give us a five-star rating. For more information on today's guest and to listen to other episodes of lessons learned, please visit our website, [LessonsEarned.org](https://LessonsEarned.org).