



## **Indian Country Jobs Agenda NCAI Backgrounder**

“In a broad sense, *workforce development* is the cumulative education and training that endows individual workers with the skills necessary for gainful employment while also supplying businesses with an adequate pool of qualified workers.” – Minneapolis FED

“We are, in many ways, a developing tribal nation. It is crucial to our ability to generate economic development that Hopi maintain an educated, skilled and healthy workforce. The young people today will be the tribal leaders of the future. They must be prepared to assume the mantle of responsibility. They must be able to run tribal enterprises. They must be able to run tribal governments. One of these days a student graduate of First Mesa Elementary School may take my job.” – Wayne Taylor, Former Chairman of the Hopi Tribe

As suggested in the first quote, workforce development involves an effort to expand the labor force’s skill sets *and* an awareness of industry demands – acknowledging that both supply and demand are critical elements that must be held in balance. In tribal nations, workforce development not only ensures economic development, but cultural continuity and leadership succession. This backgrounder provides a synthesis of information about *what we know about workforce development* to inform an Indian Country Jobs Agenda. Specifically, this document includes some sample data displays and tools designed to strengthen workforce development for those leading efforts in Indian Country.

What is most clear from available research and analysis is that it is essential to **understand the job gap**. In order to do so, we must explore demographic change, industry demands, the different types of skills that make up regional economies, the impact of technology and globalization on our national and regional economies, and labor force segmentation. There have been a number of nuanced approaches to collecting and displaying economic data that aid governments in understanding their job gaps and in planning for change, including a laborshed or skillshed analysis that provide information about the labor force that industries in the region draw from in order to identify the gaps and/or surpluses. For example, the Northwest Area Foundation has been a leader in funding unique approaches to data and policy analyses in this area. In what follows, this backgrounder provides a summary of key elements involved in understanding the job gap, lists some promising approaches in workforce development, and summarizes some data and information about those working on these issues.

### **Critical Elements Involved in Understanding the Job Gap**

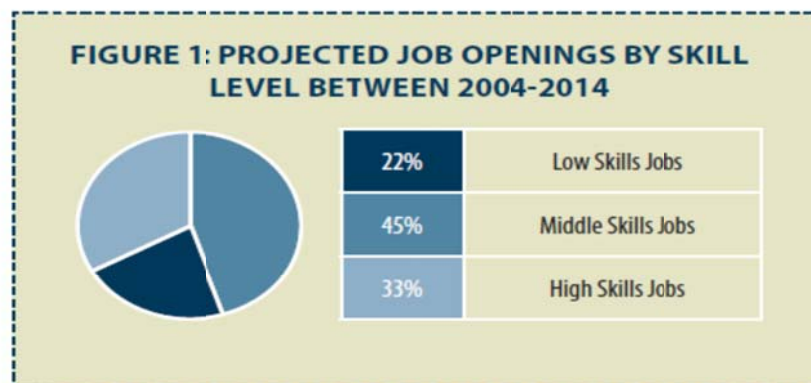
**Map the Skills Gaps.** There are at least two key aspects of mapping the skills gap. First, it is important to acknowledge the difference between “hard” and “soft” skills – where “hard skills” are those related to the technical knowledge needed in a particular field or trade and “soft skills” are those related to communication and working with people that are increasingly important in a cross-cultural, service-based economy where information translation and dissemination are essential. Consider the five high-priority skills workers must have in today’s workforce from a Rutgers analysis of New Jersey’s job market:

- Adaptability Skills, which include critical thinking and problem solving, time management, flexible role orientation, and lifelong learning. Workers who are rigid, unable to synthesize ideas or identify and solve problems in their area of work, or who resist change are at a severe disadvantage.

- Information Management and Communication Skills, which focus on the ability to gather data, understand it, pick out what is relevant, and convey it effectively to a range of different audiences through writing, public speaking, and teamwork. The ability to negotiate and cultural awareness and sensitivity are also included in this skill.
- Business Skills, which include basic business finance and project management, particularly in a more virtual work environment, that are all part of the overall business skills workers need today. Product management and marketing also fall under the category of business skills.
- Science, Technology, Engineering, and Math (STEM) Skills. For success today, workers should have advanced knowledge in a math/technology/science/engineering discipline and must be adept at adapting to and applying new technologies at work, especially distance learning tools.
- Interdisciplinary Skills, which combine both science and engineering knowledge with business acumen are in demand across many industry sectors.

*Promising Program:* There is a program designed specifically to foster “soft skills” in Native communities called *Workin’ with Tradition* (see [www.workinitout.com/5nativeamericans.html](http://www.workinitout.com/5nativeamericans.html)).

Second, governments must explore the nature of the skills gap related to the need for low-, medium-, and/or high-skilled labor. A 2007 report by the Urban Institute suggests that the greatest need of the current decade in the US is in the sector of middle-skilled jobs – or those that require some postsecondary training, but not necessarily a four-year degree:



Source: [rootcause.org/documents/WFD-Issue.pdf](http://rootcause.org/documents/WFD-Issue.pdf)

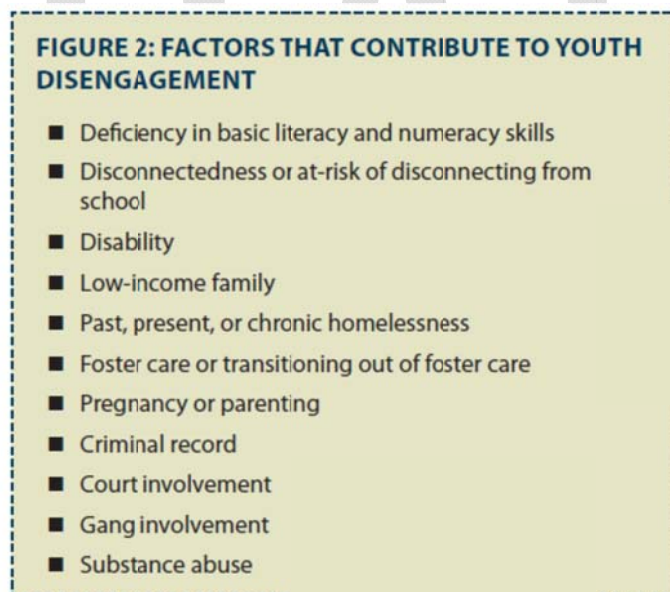
**Identify Barriers to Employment.** The barriers to employment can be many and varied and, especially in Indian Country where both unemployment and joblessness complicate the context facing workers, the challenges can be multiple and layered. Root Cause, an organization committed to measuring and understanding the social impact of various dynamics, has produced a brief on workforce development that includes one of the most comprehensive lists detailing the barriers to employment, specifically for sectors with high unemployment rates for low-skilled laborers, including:

- Lack of credentials and work experience
- Lack of childcare and/or transportation
- Lack of English proficiency
- Past criminal record

- Multi-generational poverty
- Individual and family health problems
- Mental health issues
- Homelessness and housing instability
- Substance abuse
- Discrimination

This list incorporates individual, community, and system factors that can constrain employment. The brief also suggests that there are some indicators that are more useful than others at gauging whether workforce development efforts have been useful in assisting laborers challenged by multiple barriers. Specifically, indicators like the *unemployment rate of adults living below the poverty rate* and the *number of those receiving Temporary Assistance to Needy Families (TANF) support* provide a sense of how development approaches reach those facing persistent poverty, many of whom may have been jobless for an extended period of time.

It is particularly important to acknowledge barriers facing particular segments of the labor force, such as **youth**. Many of the factors that contribute to youth disengagement with the workforce are system factors, including those related to the school system, foster care system, health care system, and juvenile justice system (see below).



Source: [rootcause.org/documents/YCDIssue-FINAL.pdf](https://rootcause.org/documents/YCDIssue-FINAL.pdf)

Research suggests that the most promising practices in youth workforce development include applied skills development, career exposure, and youth development services.

**Strengthen Links to Industry.** The same brief by Root Cause identifies four promising approaches to removing the barriers to employment and closing the job gap, including: soft skills and basic skills training; transitional jobs; industry-focused job training programs; and placement support and access to resources. Through a review of research and a range of expert interviews, Root Cause suggests that **industry-focused job training programs** “have the most promise for assisting low-skilled workers with multiple barriers to gain employment in high-demand industries that also enable them to become self-sustaining and progress along a career ladder” (pg. 3).

In addition to advances in laborshed or skillshed analysis that provide insight into the characteristics of the labor force available to meet regional demand, there have been improvements in industry-specific analysis of forecasted demand in a sector. See for example, *Employment Outlook for African Americans and Latinos in the Upstream Oil and Natural Gas Industry* (IHS Global, Inc., 2012) available at [shpe.org/images/docs/api\\_report.pdf](http://shpe.org/images/docs/api_report.pdf). It can also be important to explore industry clusters with related jobs and investment potential and economic ecosystems for more systemic approaches to fostering sustainable relationships with industry (see [www.michiganadvantage.org/cm/Files/Tribal\\_Business\\_Development/Growing-Economies-in-Indian-Country-2012.pdf](http://www.michiganadvantage.org/cm/Files/Tribal_Business_Development/Growing-Economies-in-Indian-Country-2012.pdf)).

**Coordinate with Key Regional Partners.** While each locality should work to understand its unique context, it is essential that organizations partner across regions given the mobility of laborers, the nature of the technology-based economy, and increasing interdependence of adjacent economies. There are a number of ways to promote regional coordination.

One good example is the recent award of \$18.9 million to United Tribes Technical College (UTTC) in Bismarck, ND, to lead a group of four tribal colleges in North Dakota and eastern Montana in a program of targeted career training and job development. The award is through the Trade Adjustment Assistance Community College and Career Training Program funded by the U.S. Departments of Labor and Education. UTTC will serve as facilitator for a three-year program known as the Tribal College Consortium for Developing Montana and North Dakota Workforce, or TCC DeMaND. Partnering with UTTC are Cankdeska Cikana Community College (Fort Totten, ND), Fort Peck Community College (Poplar, MT), and Aaniih Nakoda College (Harlem, MT). The award will be used to train and educate students and help their tribal communities create and sustain job development.

An initiative in Wisconsin offers a second good example. In 2011, the State of Wisconsin's Division of Vocational Rehabilitation (DVR) entered into a memorandum of understanding with the Great Lakes Inter-Tribal Council (GLITC), a nonprofit consortium of 12 federally recognized Indian tribes in Wisconsin and Upper Michigan that outlined a joint venture for the use of \$350,000 in Native American Gaming Initiative Funds. The contract enabled the DVR to provide consulting, specialized training, and mentoring for staff hired by the GLITC to increase employment outcomes for Native Americans with disabilities. The services were provided on reservations throughout the state as well as to tribal members in urban areas of Wisconsin. See [www.glitc.org](http://www.glitc.org) and [dwd.wisconsin.gov/dvr/pdf\\_files/glitc\\_mou.pdf](http://dwd.wisconsin.gov/dvr/pdf_files/glitc_mou.pdf).

### **Some Promising Approaches**

- Sealaska Heritage Institute's Higher Education & Workforce Development Investments (see NCAI Tribal Insights Brief)
- United Tribes Technical College and other North Dakota TCUs contributions to local and regional economies ([http://www.uttc.edu/news/story/042413\\_01.asp](http://www.uttc.edu/news/story/042413_01.asp))
- Economic Policy Institute's work to shape a Hispanic Community Jobs Agenda
- Google Small Business Portal

### **Selected Resources & Data**

#### **Federal Policies & Programs**

- STEM Goals & Development in the President's FY 2014 Budget ([Preparing a 21<sup>st</sup> Century Workforce: STEM Education in the 2014 Budget](#))

- Workforce Investment Act, Section 166 Indian and Native American Programs (Department of Labor has primary responsibility)
- Tribal Employment Rights
- Rural Jobs and Innovation Accelerator Challenge
- Partnerships for Sustainable Communities
- The Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments memorandum, referenced earlier in this section, established a workforce development working group, which is pursuing three policy areas: (1) the Workforce Innovation Fund solicitation for grant applications, (2) the creation of a comprehensive waiver database to increase waiver request transparency, and (3) the Department of Labor Grant Program Information System ([www.whitehouse.gov/sites/default/files/2011\\_Flexibility\\_Memo.pdf](http://www.whitehouse.gov/sites/default/files/2011_Flexibility_Memo.pdf)).

### **Indian Country Organizations**

- National Indian and Native American Employment and Training Conference
- DOI, BIA Division of Workforce Development
- DOI, Office of Indian Energy and Economic Development (PL 102-477) [coordinating with Building Trades Association; HHS and DOL; DOT Federal Highways Administration grant; and Council for Tribal Employment Rights]
- Society of American Indian Government Employees
- National Center for American Indian Economic Development
- CDFI's

### **Employment Trends & Forecasts**

According to the 2010 American Community Survey (5-Year Estimates), of employed American Indians and Alaska Natives (alone or in combination), Native people tend to be employed in the following industries:

<b>National</b>	<b>AIAN States<sup>1</sup></b>
1. Entertainment <sup>2</sup> (8.5%)	1. Entertainment (8.6%)
2. Retail <sup>3</sup> (6.4%)	2. Public Administration (6.3%)
3. Medical <sup>4</sup> (5.62%)	3. Retail (6.1%)
4. Construction <sup>5</sup> (5.6%)	4. Medical (6%)
5. Public Administration <sup>6</sup> (5.5%)	5. Construction (5.5%)
6. Education <sup>7</sup> (4.6%)	6. Education (5.1%)

These top six industries employ nearly 38 percent of the employed American Indian/Alaska Native population. Yet, Native people are underrepresented in relation to their presence in the total US population in all of these top sectors, except construction. Medical and health care jobs are projected to grow at a high rate in many regions over the next decade, while public administration jobs may grow at a much slower rate in many places.

<sup>1</sup> AIAN States are 11 states where there is either a high number of AIAN (CA & NY) or where AIAN are a large portion of the state population (AK, AZ, MN, MT, ND, NM, OK, SD, and WA).

<sup>2</sup> Entertainment includes performance, restaurant, and gaming industries.

<sup>3</sup> Retail includes primarily grocery and department stores.

<sup>4</sup> It is estimated that 80 percent of AIAN in medical industries are women.

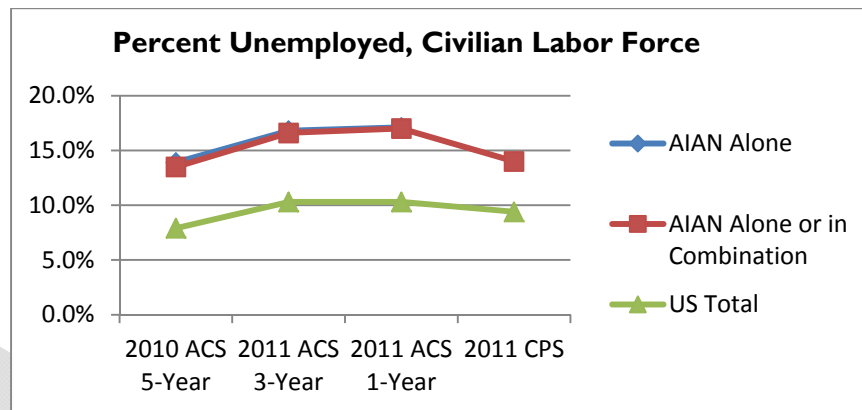
<sup>5</sup> It is estimated that 90 percent of AIAN in construction industries are male.

<sup>6</sup> Nationally, we see that public administration does not rank as highly as in the AIAN States, which makes sense given that there would be more government positions in states and regions where there are more AIAN people.

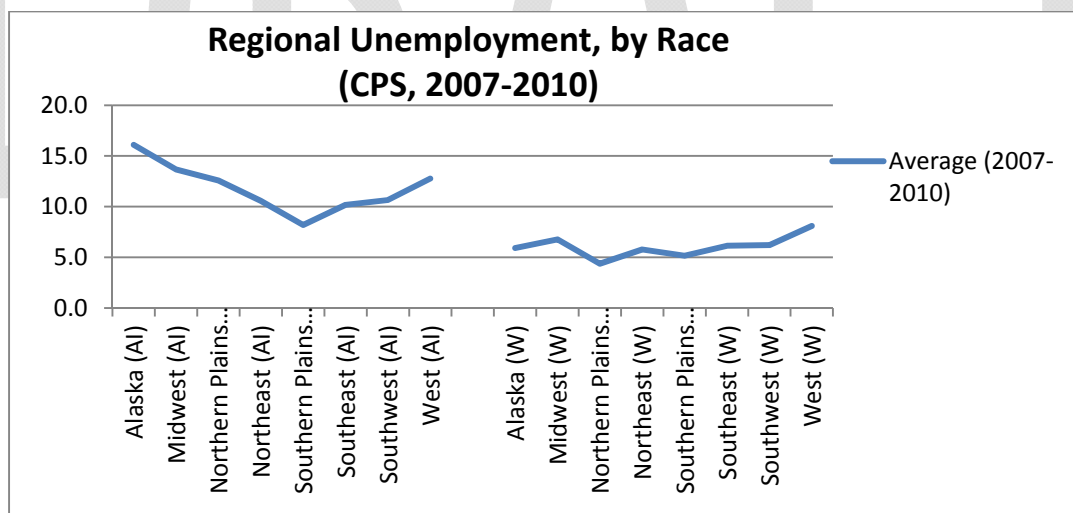
<sup>7</sup> It is estimated that 75 percent of education jobs are in K-12 positions.

## Unemployment & Joblessness

**Unemployment.** American Indian and Alaska Native unemployment (with recent estimates hovering between 13 and 17 percent) is consistently higher than national rates (at between 8 and 10 percent). Regardless of the measure, the gap is consistent and stands at between five and seven percent.



While there is a more variable unemployment rate for American Indians and Alaska Natives across regions, the average unemployment rate for Natives is higher in every region than the unemployment rate for Whites. This analysis was conducted by Austin (2010) of the Economic Policy Institute using Current Population Survey data over a four-year period.



**Joblessness.** Joblessness – as measured by those available for work but not actively seeking work – is important to consider alongside unemployment because it conveys more systemic issues like a lack of jobs in a region, rather than a sense of unemployment being due simply to a lack of individual effort to secure an available job. This is especially true in many reservation communities that may not have a growing number of jobs. The latest data available indicate that the national rate of joblessness for Native people is 49 percent (2005 AIPLF). The Current Population Survey, jointly administered by the Department of Labor and the Census, indicates that in the same year, unemployment for AIAN alone or in combination was nine percent, and the percent not in the labor force was 37 percent. Some tribes

reported joblessness rates as high as 80 and 90 percent. This is a measure that may be useful to gauge the strength of the job market in the US as a whole.

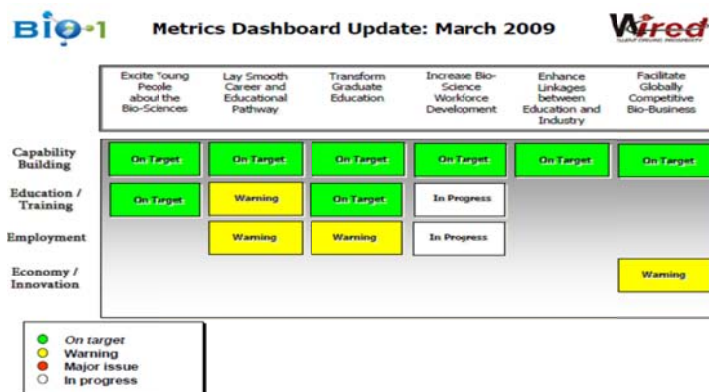
### Native-Owned Businesses

- The number of American Indian- and Alaska Native-owned businesses totaled 237,386 in 2007, up 17.9 percent from 2002; total receipts of these businesses were \$34.5 billion, up 28.3 percent from 2002.<sup>i</sup>
- Between 1992 and 1997, the number of Native-owned businesses grew by 84 percent to a total of 197,300 businesses, and their receipts increased by 179 percent.
- However, entrepreneurial parity is still unrealized: the adult AIAN population represented 1.5 percent of the adult U.S. population in 2009, but AIAN held only 0.9 percent of all Classifiable firms, 0.3 percent of these firms' gross receipts and 0.3 percent of their employment.<sup>ii</sup>
- If American Indian and Alaska Native firms' gross receipts reflected the 2007 adult American Indian and Alaska Native population share, receipts would have amounted to more than \$160 billion—nearly five times the actual figure.
- Analysis of the 2010 American Community Survey (5-Year Estimates) suggests that AIAN-owned home-based agriculture businesses generate a larger proportion of revenues than White or Hispanic home-based agriculture businesses. In addition, AIAN home-based agriculture businesses employ a much higher percentage of people than similar White or Hispanic businesses.

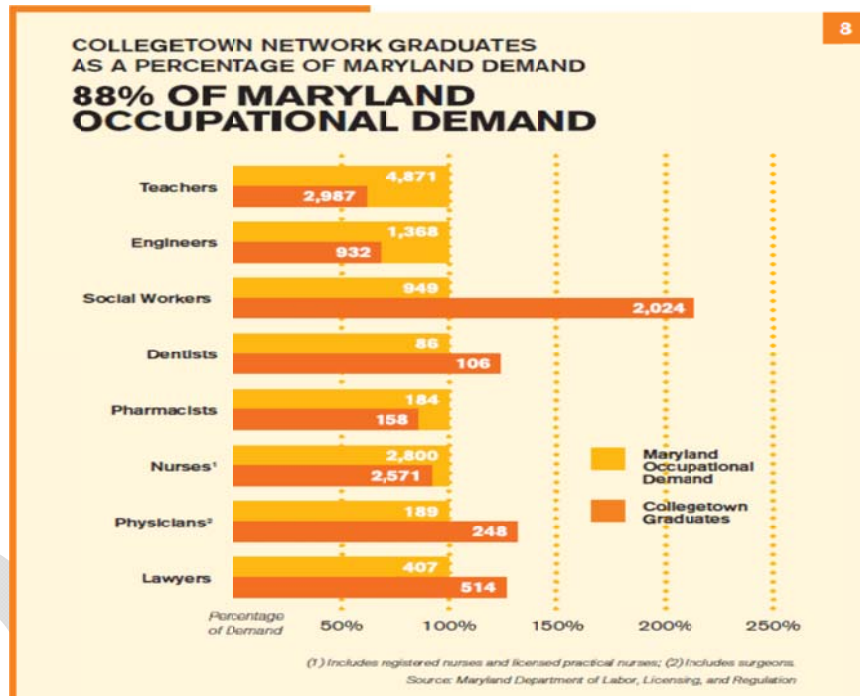
### Economic Development & Buying Power

- In the 1990s, AIAN family poverty rates dropped by seven percentage points or more in non-gaming areas, and by about 10 percentage points in gaming areas; and inflation-adjusted per capita income grew 2.5 times faster for Indians on reservations than for the U.S. population at large.<sup>iii</sup>
- The American Indian population had an estimated buying power of \$64.7 billion in 2009, larger than the 2009 purchasing power of countries such as Kenya (\$63.7 billion), Burma (\$57.5 billion), Slovenia (\$55.8 billion), and Costa Rica (\$48.5 billion).<sup>iv</sup>

### Sample Tools and Data Displays



Source: <http://www.docstoc.com/docs/40440064/Performance-Metrics-Approach-and-Framework>



Source: [http://www.baltimorecollegetown.org/files/40\\_ECONOMIC%20IMPACT%20STUDY.pdf](http://www.baltimorecollegetown.org/files/40_ECONOMIC%20IMPACT%20STUDY.pdf)

**Other Resources:**

- [The American Jobs Act](#)
- [House Republican Plan for America's Job Creators](#)
- [American Jobs Plan \(Economic Policy Institute\)](#)
- [The State of the US Workforce System](#) (June 2012; Rutgers)
- [Sample Poster with Career Pathway Information](#)
- [Native American Economic Policy Report](#) (2007; NCAI & DOI)

<sup>i</sup> U.S. Census, 2007 Survey of Business Owners

<sup>ii</sup> Minority Business Development Agency, American Indian & Alaska Native-Owned Business Growth and Global Reach, Produced by the Minority Business Development Agency, August 2011

<sup>iii</sup> Kalt, J. & Taylor, J. (2005). *American Indians on Reservations: A Databook of Socioeconomic Change Between the 1990 and 2000 Censuses*. Cambridge, MA: Harvard Project on American Indian Economic Development.

<sup>iv</sup> Minority Business Development Agency, American Indian & Alaska Native-Owned Business Growth and Global Reach, Produced by the Minority Business Development Agency, August 2011