**Testimony of Kelli Jordan, Director, IBM Career, Skills and Performance**

**Hearing of the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the House Committee on Appropriations**

**Building Capacity, Building Community: Increasing Investments in Community Colleges**

**April 20, 2021**

Good morning Chair DeLauro, Ranking Member Cole and distinguished Members, I am Kelli Jordan, Director of Career, Skills and Performance for IBM Corporation. My responsibilities include driving the vision and strategy for enterprise talent programs at IBM and enabling IBMers to have fulfilling career journeys.

I am honored to speak at today's important hearing on the deep societal value of innovative partnerships between community colleges and the business community. This is an area where IBM has placed increasing focus over the years, and where we have seen tangible benefits for IBMers and their communities. Through my role in launching IBM's New Collar apprenticeship program, a pioneering registered apprenticeship program in the technology industry, which has hired more than 500 apprentices since its inception in 2017, and through our company's broader efforts on the P-TECH education model, I have experienced first-hand the powerful role that community colleges play in expanding access to career and economic opportunity.

At IBM, we believe that education at community colleges has an especially powerful role in building back a more equitable post-pandemic economy.

We all know that education leads to quality jobs and pay, but education today is not sufficiently or equitably available in today's workforce to meet the needs of businesses and job seekers.

Additional education pathways, such as those offered by community colleges, improve equity, jobs, and pay – and making them more widely available is an economic imperative that our country cannot afford to ignore.

**COVID-19 Impact on Community College Enrollment, Equity, and Pathways to Jobs**

The global pandemic exposed systemic challenges and left some of our most vulnerable citizens exposed and cut off from opportunity. In previous economic downturns, academic institutions and education's overall value were reinforced as essential for their ability to contribute to a stronger labor market recovery. However, this past year, we saw both the education community and labor market struggle nationally as the country endured public health lockdowns. That struggle was especially pronounced when it comes to:

**Enrollment**:  Enrollment in community colleges fell 13.2 percent in the fall of 2020.[1]  The enrollment reduction was most severe from low-income (-18 percent), rural, and minority high schools.  As a nation, we should be collectively alarmed by the fall in community college enrollment because drops in education enrollment, particularly inequitable reductions in students going to community colleges, will drive economic consequences for years to come.

**Equity:**  As we saw from the pandemic, the most vulnerable communities impacted were those of color and lower economic standing. IBM would like to offer jobs to the largest, most diverse skilled workforce possible. By adding pathways from community colleges and others beyond

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[1] Causey, J., Harnack-Eber, A., Ryu, M., & Shapiro, D. (March 2021), A COVID-19 Special Analysis Update for High School Benchmarks, Herndon, VA: National Student Clearinghouse Research Center.

those with a bachelor's degree, employers increase equitable access to jobs for almost two-thirds of the workforce – even more among rural, low income, and minority candidates.

**Alignment:** Demand for the most sought-after skills accelerated due to the pandemic, while the half-life of skills continues to shorten. However, it is hard for students, educators, and employers to align and share education credentials so that people with the right skills can be quickly and easily matched with open jobs. Earlier this year, Credential Engine identified 967,734 unique credentials in the U.S. from postsecondary institutions, massive open online course providers (MOOCs), foreign universities, non-academic providers, apprenticeships, and secondary schools.[2]

The number and variation in credentials are a challenge for employers seeking to fill roles. The employment marketplace needs a new infrastructure so that workers possessing these vast and varied education credentials can be matched with the right jobs.

**Transfer of Credit:** Only 13 percent of the students who enrolled in community college in 2010 persisted to a bachelor's degree by 2016.[3] Reducing obstacles to transferring credits could improve outcomes significantly while reducing taxpayer and student costs. The GAO has found that "students who transferred from 2004 to 2009 lost, on average, an estimated 43 percent of their credits."[4] Transfer students who lose credits must pay for and spend additional time to

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[2] https://credentialengine.org/counting-credentials-2021/
[3] https://nscresearchcenter.org/wp-content/uploads/SignatureReport13_corrected.pdf
[4] https://www.gao.gov/products/GAO-17-574

retake credits needed to graduate, which may make them exceed time frames for financial aid eligibility.

Connecticut is doing better than many states to assist students with "stacking their credits". For example, students at Gateway Community College who want to transfer to Southern Connecticut or UCONN can access an online database that allows them to identify transferable courses. Currently, career-oriented transfer policies and eligibility databases are relatively uncommon and adopted in only a handful of states. In California, students taking courses in C++ or Java at San Diego City College (SDCC) can transfer those credits to San Diego State, but there is no articulation agreement for any of the SDCC courses in cybersecurity, web services, or Desktop support.[5] These instances underscore the urgent need to fund transfer reforms of the Education Commission of the States and American Council on Education.

**IBM's Commitment to Expanding Career Pathways Through Our New Collar Approach**

IBM coined the term "new collar" jobs to describe in-demand, well-paying roles where skills matter more than having specific degrees. It's a "skills first" approach to hiring, training and development, and in the last five years, new collar IBMers have accounted for around 15 percent of our total, annual U.S. hiring. For IBM, new collar is a pathway to reaching and developing new sources of talent with diverse backgrounds and skill sets.

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[5] https://assist.org/transfer/report/23102239

Strong collaboration with community colleges across the country has been the foundation of multiple new collar initiatives that we have launched in recent years. The programs showcase public-private partnerships for skills and education and offer a template for other American employers to adopt. They include, most notably:

**P-TECH:** P-TECH is a 21st century approach to high school career and technical education that combines traditional high school course work with a no-cost associate's degree and hands-on professional mentoring and workplace experience. This 10-year-old program has expanded to 260 schools educating students in 26 countries with the participation of over 600 business partners.

The P-TECH education model has five key elements:

- Alignment of the Program of Study for grades 9-14 with the skills needed by an employer – often pathways to STEM degrees and certifications
- Seamless pathway – considered part of the college community as soon as a student starts at P-TECH without obstacles that pop up like subsequent college admissions, SAT, or FAFSA applications
- Open enrollment – no testing for admission with a focus on underserved communities, cost-free (degree, text books, transportation)
- Mentors for all students from the employer partners(s)
- Paid Internships for students from the employer

Community college education is embedded directly into the fabric of the P-TECH model because it is an accelerator that can propel students into well-paying careers as well as a pathway toward a bachelor's degree.

**Apprenticeships**:  IBM launched our U.S. Department of Labor Registered Apprenticeship Program in October 2017, and it grew nearly twice as fast as expected in just the first year. IBM apprenticeships are focused on building skills in fast-growing fields such as cybersecurity, cloud network management, and more. This 12-24 month earn while you learn program pairs apprentices with an IBM mentor to work on actual IBM projects, along with traditional classroom learning in technology's fastest-growing fields.

IBM has a number of public-private partnerships in support of apprenticeships.  We are working closely with the American Association of Community Colleges (AACC), for example, on The Expanding Community College Apprenticeships (ECCA) initiative. This project, led by the AACC with funding from the U.S. Department of Labor, seeks to increase the number of apprentice programs and services throughout the country.  The ECCA project will be conducted over three years and will train 16,000 apprentices.

IBM also is working with the American Council on Education (ACE) to increase transfer of credit from apprenticeship programs. To achieve this goal, ACE will evaluate selected apprenticeship programs for college credit and workplace competencies based on input from schools and employers.  Higher education partner institutions will receive support to articulate the apprenticeship credits into degree programs.

**Improving the Infrastructure for Sharing Education Credentials**

In 2020, IBM joined with other employers, education institutions – including community colleges – and education service organizations to demonstrate an education and employment

record exchange.[6]  Improving the technical infrastructure to better support the exchange of education and skills-based credentials would significantly ease the management and exchange of these certifications, empower learners with trusted skills-based information, and align their skills to in-demand jobs. Based on the successful demonstration, IBM urges Congress to provide funding and governance for a national skills exchange infrastructure that has the following capabilities:

**Credential interoperability** between different education providers and employers to allow for the learner to share multiple credentials across issuers and control those credentials without need for a centralized database.

**Blockchain technology** to help prevent credential fraud and assure trusted digital identity. Blockchain would allow employers to rapidly and efficiently find and verify credentials and licensure to assess job candidates with the right background to match the position requirements.

 **Analytics** to improve the guidance for learners and employees.  Educational institutions and credential issuers can better support their learners and employees by managing their credentials and providing insights into the value of their skills for jobs and opportunities to reskill and upskill.

**Privacy protections** to provide individuals with autonomous control of their credentials earned, secure tools for multiple credential issuers to share those credentials with an individual, and a secure way to connect employers with learners.

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[6] A video of the effort is linked here.  https://www.youtube.com/watch?v=w9y0J0DmPvE

**Three Recommendations for Funding to Support Community College Pathways**

Congress also should prioritize greater investment in America's community colleges to expand access to in-demand skills that can lead to good jobs and long-term economic success. Specific priorities should include:

**Expanding P-TECH Model Pathways in Partnership with Community Colleges:**

The P-TECH model is based on a collaboration between employers and educators. This ensures that the program's academic curriculums are matched with today's in-demand job skills. Funding to establish the P-TECH model with more community colleges and employers will help reduce obstacles to skill building and ensure that education is better aligned with in-demand jobs. Funding to expand the P-Tech model can be provided through existing authorization such as the Elementary and Secondary Education Act, the Higher Education Act, the Adult Education and Family Literacy and the Carl D. Perkins Career and Technical Education Act.

**Provide institutional support for technical infrastructure to safely exchange learning and employment credentials:**

IBM supports $20 million in appropriations to fund the development of a verified credentials blockchain consortium that would foster the nationwide exchange of skills and credentials. To be eligible for grants, a consortium must include education institutions, employers, a workforce board, and a nonprofit organization with experience in education and skills-based credential reporting and data exchange. The consortium must deliver three core capabilities, including:

- Streamlining the process by which students and workers can share their credentials for jobs, certifications, and admissions

- Permitting search of these credentials subject to privacy controls

- Managing, verifying, and authenticating credentials from multiple organizations

The Appropriations Committee should include resources for education institutions and workforce boards to join the exchange, and to the U.S. Departments of Education, Labor, and Commerce to provide governance and build out the learning to earning infrastructure. Institutional funding can be provided through the Institutional Development Accounts 20 USC 1057 or the Fund for the Improvement of Postsecondary Education (FIPSE) 20 USC 1138-1138d.

## Community College Funding for Additional Pathways including Apprenticeship and Reduced Obstacles to Transfer of Credits:

**Apprenticeship:** As IBM has previously testified, funding for apprenticeship is shockingly low for a pathway that can be such a significant economic game changer for students and mid-career professionals. The U.S. Department of Labor's appropriated funding level for apprenticeship programs in 2020 was $175 million. Funding for U.S. Department of Labor apprenticeships should be increased to provide more partnerships with community colleges.

**Transfer of Credit:** Obstacles to transferring credit need to be reduced throughout the nation. Funding for articulation agreements, databases for transferability, and other resources states[7] and institutions[8] are using to reduce credit loss will benefit both the taxpayer and students.

## Conclusion

IBM believes that this exciting new era of technology – powered by the cloud, AI, and quantum computing – must be an inclusive era. That can only happen if more people in more communities

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[7] Education Commission of the States https://www.ecs.org/transfer-and-articulation-policies-db/
[8] American Council on Education (ACE) https://www.acenet.edu/Documents/Reimagining-Transfer-for-Student-Success.pdf

have easier access to the skills that are absolutely essential for the jobs made possible by these breakthrough innovations. And community colleges have time and again proven that through their flexibility, their reach and their willingness to partner in news ways, they can be incredible catalysts for more inclusive approaches to skills and education. We applaud the committee for recognizing their incredible potential to make a difference in the lives of so many more Americans, and we believe firmly that by investing further in community colleges, streamlining the portability of skills and credentials, and making community college available to a broader population of students, the country will realize the critical role these institutions stand to play in building back a more equitable economy.

Thank you, members of the Committee for the opportunity to present IBM's approach to improving community college education.

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