



Wanted: Social and Economic Mobility for California's Stranded Workers

California's community colleges are a key educational access point for more students than any other higher education system in the nation. They are also a hub for adults striving for job advancement. Governor Brown's 2018 budget boldly includes a proposal to create a new community college—distinct from California's existing 114 community colleges by being fully online—aimed at improving the economic outlooks of our state's "stranded workers." Those who fall into this category are adults aged 25-34 who have graduated from high school but have not completed a postsecondary degree.¹

Administered through the California Community Colleges Chancellor's Office (CCCCO) and governed by its Board of Governors, the 115th college would be a low- or no-cost alternative to the private, for-profit institutions that many Californians currently turn to for professional development. Legislation for creating the new college is currently being considered. If approved in this year's budget, it would be required to offer 13 program pathways by 2023; the CCCCCO will initially focus on credentials in advanced manufacturing, healthcare, in-home support services, and child development.²

The online community college is intended to offer flexible solutions for "working learners." Like the online options that currently exist through campuses' distance education offerings, the 115th college will not require travel to a physical campus. However, the CCCCCO claims that its online college will be unique in its flexibility for students' optimal pacing outside of the academic calendar and schedule, and it will solely focus on short-term professional development credentials, chosen with an eye towards upward mobility, rather than degrees.

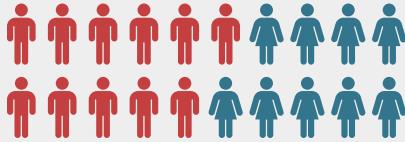
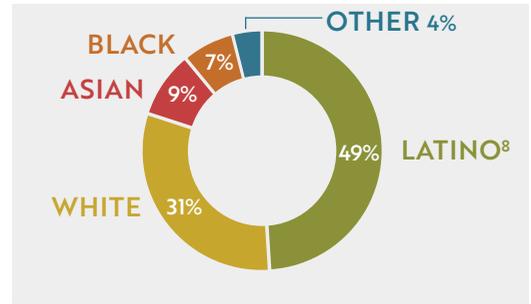
The 115th college also aligns with the CCCCCO's Strategic Vision for Success by providing options specifically tailored to better serve older and working adults, particularly in high-need regions of the state.³

Understanding the Need for a New Online College

Increasing education is a winning strategy for expanding skill sets and bolstering students' economic outlooks. Earnings rise as adults attend college, complete certificates, and complete degrees.⁴ There is even evidence that adults who finished some college credits without earning a degree earn more than those who never attempted college.⁵ Stranded workers disproportionately face barriers to accessing higher education, and persistence and completion rates are lower for this group than for others.⁶ Therefore, any successful strategies for stranded workers must consider how to best deliver high-quality academic content while negotiating around these barriers. Online coursework may offer flexibility to navigate some of these obstacles if the right supports are in place. Changing the academic schedule is not enough; online offerings should include individual mentoring, personalized feedback, and setting student expectations.⁷ Because most stranded workers are employed full-time, meeting their academic needs from when they begin through completion of a certificate will require instructors, support staff, and service providers to be available in the evenings and on weekends.

WHO ARE CALIFORNIA'S STRANDED WORKERS?

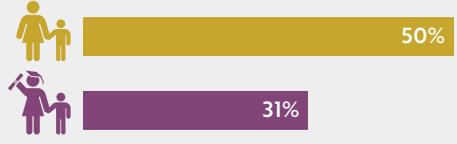
- » 2.5 million adults aged 25-34 who have graduated from high school but have not completed a postsecondary degree
- » A diverse group of workers across all industries in the state
- » Adults who face barriers in career development and wage growth as new technologies emerge and economies favor workers with degrees



Men (54%) are more often stranded workers than women (46%).



41% of stranded workers are parents.

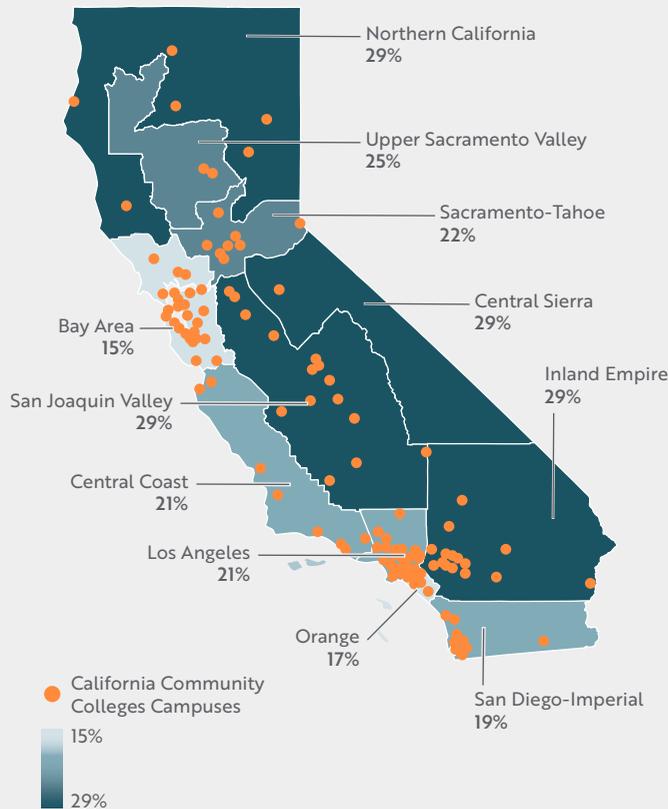


50% of women who are stranded workers have dependent children, compared to 31% of women with degrees.

WHERE ARE THEY?

Most stranded workers live in urban regions. However, rural regions like Central Sierra, Northern California, and the Upper Sacramento Valley have much higher concentrations of stranded workers and far fewer educational facilities.

Figure 1: Concentration of Stranded Workers by Region



WHAT ELSE DO WE KNOW?



54% of stranded workers work full-time.



45% are employed in retail, educational, social and health services, and food services.



93% live in regions with high rates of broadband access and adequate internet speeds.^{9, 10}

They are more likely to face economic hardship.

4% received public assistance compared to 1% of their peers with degrees.

25% did not have health insurance compared to 7.4% statewide.¹¹

58% earned less than \$25,000 annually compared to 34% of their peers with degrees.

Unless otherwise noted, all calculations are based on California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimates for Californian adults, aged 25-34.

The need for a public investment in stranded workers is likely to vary across regions and industries. We identified two metrics that demonstrate need for increased educational infrastructure: campus capacity to serve additional students and potential for opportunity mobility within two large industries in the state.

Campus Capacity: Table 1 demonstrates the maximum additional seats that would be required at community colleges in each region if all 2.5 million stranded workers theoretically enrolled. Due to their large populations, colleges in urban areas of Southern California would have to serve the most additional students, even though they also have the most community college campuses. A flexible, competency-based online program could help alleviate capacity strain by taking pressure off brick and mortar campuses as well programs currently delivered through distance education. A quickly deployable and rapidly scalable option could also provide necessary access in more remote regions, where fewer campuses are available to serve students.

Potential for Opportunity Mobility: The American Community Survey (from which data for this report were retrieved) does not provide earnings data on workers who complete only a credential and not a full degree.¹² However, certain industries appear to allow for upward mobility through

Table 1: California Community College System Capacity

| REGION | STRANDED WORKERS | COMMUNITY COLLEGES IN REGION | STRANDED WORKERS PER CCC |
|-------------------------|------------------|------------------------------|--------------------------|
| Northern California | 49,887 | 7 | 7,127 |
| Central Sierra | 11,610 | 1 | 11,610 |
| Upper Sacramento Valley | 24,622 | 2 | 12,311 |
| Central Coast | 122,933 | 9 | 13,659 |
| Bay Area | 405,801 | 27 | 15,030 |
| Sacramento-Tahoe | 169,092 | 9 | 18,788 |
| Orange | 176,573 | 9 | 19,619 |
| San Joaquin Valley | 328,202 | 15 | 21,880 |
| Inland Empire | 353,088 | 15 | 23,539 |
| Los Angeles | 683,810 | 27 | 25,326 |
| San Diego-Imperial | 242,951 | 9 | 26,995 |

certificates and credentials and may be ripe for an online learning system. Figure 2 provides a snapshot of two industries that are favorable to workers—especially “frontline” workers in lower paying positions—earning incremental credentials for mobility.

Figure 2: Online Learning as a Tool for Advancing in a Field

Vertical Mobility in Manufacturing in the Inland Empire



The Inland Empire is a major manufacturing hub for the nation, with approximately 2,000 manufacturing openings each year.¹³

An existing industry partnership with the California Community Colleges offers programs that combine technical training, coursework, and employment to workers looking to advance their careers. Completers earn stackable, nationally recognized credentials that enable them to advance through standard licensing levels such as journeyworkers, floor supervisors, and foreman.

Horizontal Mobility in the Allied Health Workforce in California



Expected to expand by about 450,000 workers in the next decade in California, the allied health field has a high need to recruit a racially and ethnically diverse workforce—especially in support occupations that only require some college training or completion of a certificate.¹⁴

Allied health is a good candidate for renewed statewide efforts to recruit workers from other sectors. Launched in 2002, the Caregiver Training Initiative incentivized regional consortiums to expand their health support workforces. Several regions exceeded their goals by focusing recruitment on non-traditional communities such as out-going military personnel, farm workers, and non-English speaking home care workers.¹⁵

Ensuring Equity and a System Designed for Every Learner

Enhancing economic and social opportunities for over 2 million young adults in California is a good investment for the state. More education is positively associated with better individual health, lower utilization of public assistance, and higher rates of civic engagement.¹⁶ Moreover, higher wages associated with credentials and degrees mean more tax revenue for the state. However, these public benefits depend on the private success of individuals well served by a program that balances their needs with the needs of the state and its community college system.

For the online community college proposal to increase economic and social mobility for significant numbers of stranded workers, programs that will offer the highest economic returns with the greatest labor market demand to the most people should be prioritized. The initial focus on credentials in advanced manufacturing, healthcare, in-home support services, and child development supports this idea—these industries together employ a quarter of stranded workers, and most have positive wage premiums for increased education.¹⁷ However, over 300,000 stranded workers are employed in front-end retail as cashiers, clerks, and freight movers—jobs that are highly vulnerable to technology advancements and less likely to generate pathways of mobility.¹⁸ The education premium for this group will likely be small—the annual median wage for a retail worker with an associate’s degree is only \$638 more than for stranded workers.¹⁹ Setting some of these workers up for horizontal mobility into higher-earning fields like manufacturing, allied health, and other growing industries will likely lead to better outcomes (see Figure 2).

In sum, successful implementation of an online community college **should consider how programs provide skilled credentials that support both vertical and horizontal mobility**. Due to several existing collaborations across the state, the initially proposed programs may favor more strongly those in industries with significant vertical mobility. Yet, improving economic outcomes for workers in industries where opportunities for advancement are limited will require programs that expose workers to new fields and provide high quality, quick, and accessible training for those seeking opportunities to establish new careers. This will require robust partnerships between local campuses and industry groups

across the state. This level of hands-on, experiential learning between academia and private industry, all coordinated by the CCCCO, presents an unprecedented opportunity—and a significant challenge—for higher education and workforce collaboration.

“ Essential to the success of an online system is balancing the real-life constraints faced by working adults with known best practices such as deep instructor engagement, rigorous content, and opportunities for face-to-face interaction with the learning community.”

Further, **equitable student access and success must be at the center of any solution offering flexible learning opportunities**. While online courses can provide greater dimension to a comprehensive education system focused on closing our degree and credential gap, underrepresented students—those at the heart of this proposal—must have access to resources on par with students attending traditional brick and mortar classes. To date, the success of online programs of study are mixed. For example, for-profit colleges have largely driven online healthcare credentials in the state but have lackluster outcomes for students.²⁰ Essential to the success of an online system is balancing the real-life constraints faced by working adults with known best practices such as deep instructor engagement, rigorous content, and opportunities for face-to-face interaction with the learning community.²¹ ²² Successfully incorporating these practices provides an opportunity for the nation’s largest college system to reform online education at scale. If implemented with care, the proposal to expand online learning through the California Community Colleges offers a creative expansion of college options and an innovative educational solution to a group of workers with limited opportunities for economic and social mobility.

Notes

1. The California Community College Chancellor's Office has identified adults aged 25-34 with a high school diploma but without a college degree (although a share may have some college credits) as the target population for their 115th California Community College. They have also referenced the approximately 6 million adults in California aged 35-64 with the same educational attainment as a secondary target population. California Competes limits the focus of this analysis to adults aged 25-34.
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8. All adults identifying as Latino are included in this category. "Asian," "Black," "White," and "Other" racial groups include only those identifying as non-Latino.
9. Households with adequate internet service have speeds which are at least 6 Mbps down and 1 Mbps up. California Competes has identified regions with high rates of broadband access as those with coverage rates of 95% and above. The lowest coverage rate is in the Central Sierra region, at 91%.
10. California Public Utilities Commission. (2016, December 31). Wireline broadband deployment. Retrieved from http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Communications_-_Telecommunications_and_Broadband/CA17HACC20180301.pdf
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12. The American Community Survey recognizes seven general postsecondary educational categories: high school diploma or equivalency, some college but no degree, associate's, bachelor's, master's, professional degree beyond bachelor's, and doctorate.
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