

**Tennessee's Workforce Renaissance:  
Connecting Higher Education, Economic and Workforce Development Agencies, and  
Business and Industry to Create Pathways to Economic Growth**

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## INTRODUCTION

In Tennessee's changing economic landscape, the need for a skilled workforce to meet business and industry demands has never been more pressing (O'Brien, 2023; Wright, 2021). The state is at a critical crossroads where aligning higher education outputs with labor market needs is both an opportunity and a requirement for long-term economic growth. Currently, Jobs4TN, a website devoted to Labor and Workforce Development needs, has 212,8000 current openings posted in Tennessee (Department of Labor and Workforce Development, 2024). A disconnect between economic development agencies, educational institutions, and the business sector has resulted in a workforce imbalance (Frist, 2023). This imbalance is distinguished by a troubling dichotomy: a surplus of underemployed graduates on the one hand and a shortage of adequately skilled workers to fuel key industries on the other (Murray, 2020). Within this context, this proposal introduces a transformative initiative to bridge these gaps and form a cohesive consortium to navigate and overcome Tennessee's economic and workforce development challenges. This proposal is a *broad* scope-of-work vision to bring multiple stakeholders to the table to create a consortium to review workforce development work through a standard framework lens and align that work with business and industry needs.

### Background

Economic development agencies, educational institutions, and businesses' communication channels and collaborative endeavors have been scattered in the past, often leading educational programs to need more foundational knowledge and industry insight. The downside of this separation is twofold. First, the graduates need to prepare for the reality of their chosen fields. Second, employers face increasing difficulty in the recruitment process, unable to

bring on the people they need who already possess the necessary understanding of the industry. This disconnect inhibits what it means to develop careers and can lessen the state's economic strength. But by committing to finding educational, economic, and business models that work, Tennessee can build a reliable and consistent infrastructure better suited for the future than it is today.

Over the past several decades, education has been a focus of Tennessee's government administration, specifically related to workforce development. Currently, over 350,000 students are enrolled in college or graduate school, with more than 1.9 million Tennesseans holding an associate degree or higher (*Workforce & Education*, n.d.). In 2022, the college-going rate was 54%, and over 80,000 degrees and certificates were awarded from higher education institutions. Governor Bill Haslam's "Drive to 55" initiative aimed to equip 55% of Tennesseans with a post-secondary credential by 2025 and Governor Bill Lee's Governor's Investment in Vocational Education (GIVE) are evidence of administration efforts to expand college access, specifically vocational and technical training for high school students. These initiatives and investments emphasize work-based learning/apprenticeship programs and dual-credit opportunities.

The proposed consortium aims to create an ecosystem that is proactive, interconnected, and prepared to evolve with the economy and the shifting nature of business and industry in Tennessee. The consortium is a single entity designed to facilitate economic development in the immediate and long-term future. The main objective is to serve companies by giving them the workers they need – first, and most applicable, a skilled workforce—and, with further educational assistance, a future larger pool of workers. Tennessee's skilled workforce will understand industry culture and have the needed skills for existing and new industries in Tennessee.

The consortium's philosophy focuses on partnership, with this effort bringing key stakeholders together to engage in a dialogue that is both inclusive and action-oriented. Higher education organizations will have immediate exposure to industry demands, enabling them to revise curricula and nurture experiential learning that generates demonstrable value for students and employers. Agencies focused on workforce and economic development will serve as initiators, facilitating the transfer of information and resources between the academic and business communities. This kind of cooperation will bridge existing skill gaps and establish a scalable model that can be adapted as the economy evolves.

By considering the overall situation, Tennessee's economic development work identifies that the strength of Tennessee's economy is intimately bound to the suitability of its learners and the strength of its industry. By matching the focuses and properties of these crucial sectors, the consortium aims to facilitate a synchronized succession of progression, expansion, and innovation. This project and the creation of the consortium will elevate the state's economic profile and enhance the quality of life for its citizens by providing more meaningful and rewarding employment opportunities.

This initiative aims to position Tennessee as a successful national model for unified economic and workforce development. Through a collaborative effort among educational institutions and other key state and local agencies, the goal is to ensure that the state's educational system is not just a place of learning but a key contributor to driving its economic growth. Ultimately, the goal of this consortium would be to be an exemplar for future integration by combining and sharing the best that each member of the consortium has to offer and ensuring every Tennessee business is plugged into a world-class workforce.

## Project Description

The project aims to unite state agencies, educational institutions, local workforce development boards, and chambers of commerce into a consortium where open communications, dialog, and needs assessments are at the forefront of operations, focusing on the continuous improvement of workforce agencies and educational programming. The goals of the project would be:

1. Provide a formal structure for the consortium of agencies and institutions to eliminate duplication of effort and increase communications.
2. Connect the consortium with the business sector to continuously evaluate economic and workforce processes.
3. Align business and industry and educational institutions to meet current and future workforce demands, including future adaptability.
4. Alignment of educational outcomes and acquired skills with industry requirements to increase the availability and employment rate of skilled workers to ultimately decrease job vacancies.

The consortium would include six main partners responsible for bringing in other agencies and working groups for committees, working groups, and other convenings. While broad agencies, the partners who work in this consortium would be focused on the workforce development aspects of their agencies (See Figure 1). The main partners are:

- The State Workforce Development Board was established under the Workforce Innovation and Opportunity Act and includes members from various sectors, including state government officials, industry leaders, and representatives from education (*State Workforce Development Board*, n.d.). This board plays a pivotal

role in shaping workforce development policies and initiatives that cater to the evolving needs of Tennessee's economy.

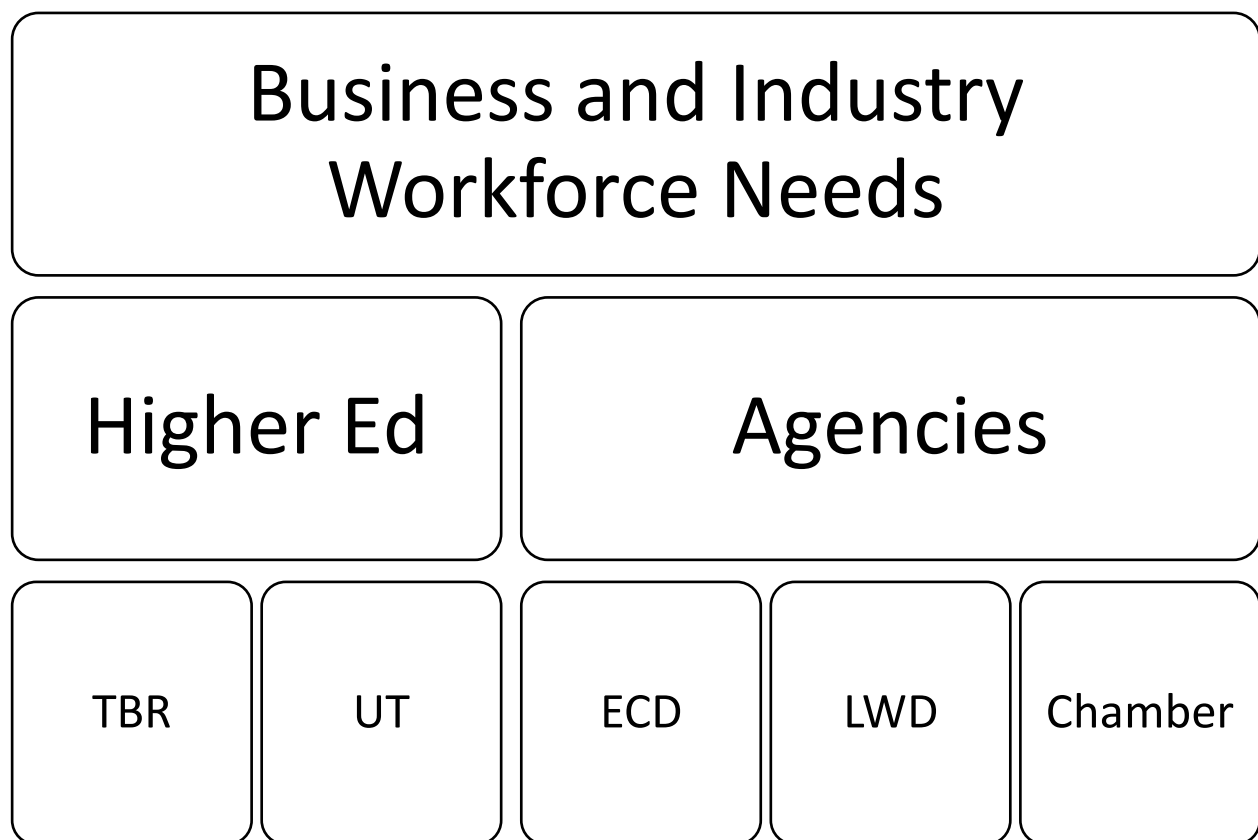
- Tennessee Board of Regents: The Tennessee Board of Regents (TBR) houses the Center for Workforce Development, aiming to create and maintain a statewide strategy that directly impacts the state and its communities (*Center for Workforce Development, 2021*). TBR collaborates with businesses, industry, government agencies, and colleagues to develop rapid-response workforce training programs tailored to various occupational levels.
- The Tennessee Department of Labor and Workforce Development (TDLWD) advances workforce development and improves workplace safety across the state. Its mission encompasses various services and programs designed to support job seekers and employers, including adult education programs, workers compensation, workforce services, and workplace compliance (*TN Labor & Workforce Development, n.d.*).
- The Tennessee Department of Economic and Community Development (TNECD) focuses on attracting investments and supporting the expansion of businesses in Tennessee. TNECD emphasizes Tennessee's advantageous business climate, quality workforce, and strategic location to foster corporate investment and economic development (*Tennessee Department of Economic & Community Development, n.d.*)
- The University of Tennessee System encompasses Knoxville, Chattanooga, Pulaski, and Martin, the Health Science Center in Memphis, and the statewide Institute of Agriculture and Institute for Public Service (*About the UT System,*

n.d.). With a mission focused on education, research, and outreach, the system supports students, businesses, and communities.

- The Tennessee Chamber of Commerce is the primary advocacy organization for Tennessee businesses. The Chamber focuses on promoting policies beneficial to manufacturing and broader industry sectors and convening businesses. The Chamber has a significant role in shaping policies and connecting business with other partners.

**Figure 1**

*Consortium Members*

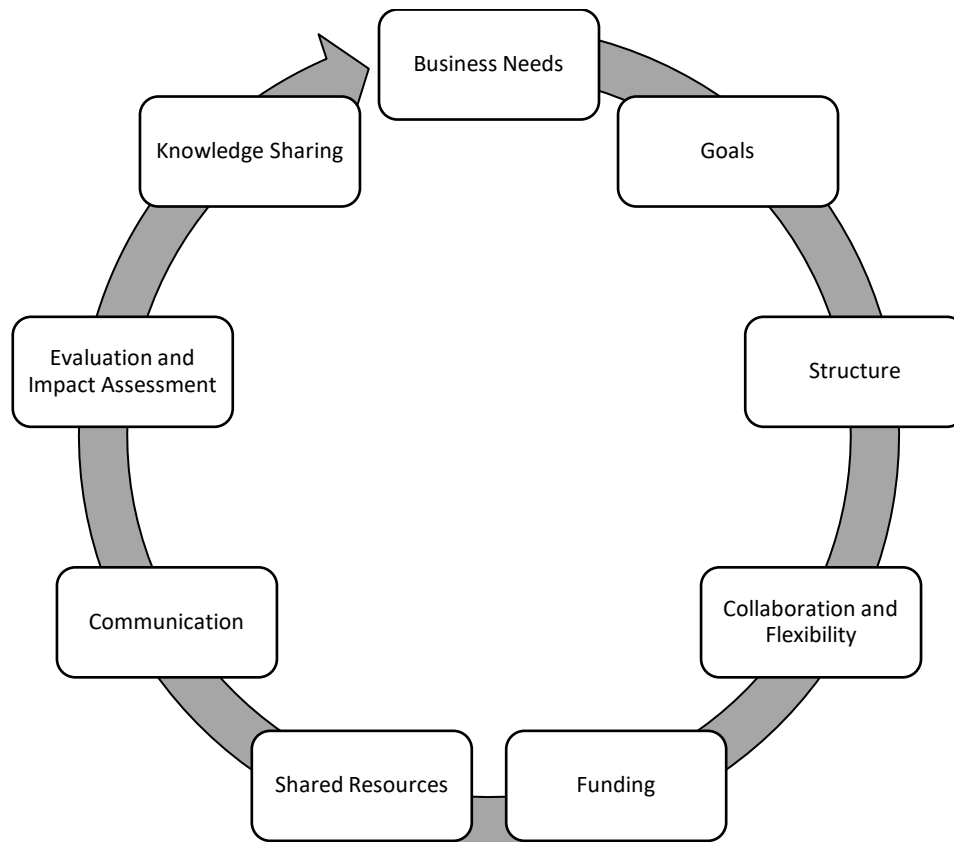


## **Framework**

The consortium framework involves several key components to ensure effectiveness, sustainability, and adaptability. The framework would center around several key aspects, as seen in Figure 2. The consortium would have clear objectives to reduce duplication of efforts from the member entities. A robust governance structure and a sustainable funding model would allow the consortium's work to continue through changing leaders and administrations. By concentrating on effective and clear communication, new and existing businesses would understand the consortium's work and be able to collaborate with the consortium. Collaboration tools would assist in communication efforts and allow members to stay engaged. The framework would continuously promote flexibility and adaptability of all members and allow for shared resources and expertise, leading to knowledge sharing for all partners. Finally, consistent evaluation and impact assessments would continuously align the consortium's work to the needs of businesses in Tennessee. Before new workforce development work begins at any agency, work would be compared to the framework lens to see if there is duplication of effort and if the work aligns with business and industry needs.

Through this framework, the multiple partners would laser focus their unique work in workforce development and bring those knowledge areas to the table. This clear cycle of connecting the work of the board would, through a knowledge-sharing system, eliminate the disconnect between economic and workforce development agencies, higher education institutions, and business and industry and start a more cohesive and strategic approach to workforce development. In addition, through consistent evaluation, current and future workforce needs could be addressed, including those skills and occupations yet to be identified.



**Figure 2***Workforce Framework Lens***Project Limitations**

The project limitations center around the formal operations of existing agencies, local boards, and the nuance of accredited training programs. Consortiums and collaborations have been convened for years to deal directly with workforce development with little results due to the nature of government operations and territorial disputes. Convening the stakeholders with a clear framework, measurable outcomes, and trackable goals ensures the success of this consortium in working towards the needs of the partners as well as business and industry.

## **Communication**

Each stakeholder has a robust communications function, but the stakeholders rarely work together to communicate their efforts to business and industry, the public, or each other.

Communication of this work is vital to the success of this project as well as the success of its stakeholders in the workforce development space. This project aims to eliminate duplication of effort and align workforce strategies into a cohesive operation to align partners' work with the needs of business and industry. Thus, communication is the baseline operation of this consortium.

## **Implementation Strategy**

Understanding Tennessee's evolving economic and workforce development landscape is key to undertaking this initiative. Tennessee stands at a critical decision point where aligning higher education outcomes with labor market demand is not just a possibility but a necessity for future economic growth. Educational institutions and economic development agencies have limited meaningful workforce communication with the business sector, resulting in the disconnect described. The implementation plan addresses the formation of a consortium of educators, public and private industries/businesses, chambers of commerce, and workforce and economic development professionals. These representatives will collaborate as a team to cultivate a seamless educational system that is responsive to the needs of all learners and employers.

1. Consortium Formation and Governance Structure (Months 1-3)
  - a. Objective: Establish and convene the consortium with key partners.
  - b. Actions:

- i. Develop a governance structure including roles, responsibilities, and decision-making processes.
  - ii. Formulate operating guidelines.
  - iii. Designate a leadership team and establish committees focused on specific areas (curriculum development, industry partnerships, policy advocacy, etc.).
2. Needs Assessment and Framework Development (Months 4-6)
  - a. Objective: Identify current workforce, knowledge gaps, and future industry needs by engaging with business leaders across key sectors.
  - b. Actions:
    - i. Conduct surveys and focus groups with employers to gather data on skill shortages and industry trends.
    - ii. Build data dashboards from stakeholder resources.
    - iii. Develop a comprehensive workforce development framework aligning education with business and industry.
3. Program Design and Curriculum Alignment (Months 7-12)
  - a. Objective: Align educational programs with identified industry needs.
  - b. Actions:
    - i. Integrate industry-specific competencies and experiential learning opportunities.
    - ii. Launch pilot programs in high-demand fields as identified by the needs assessment.
4. Partnership and Resource Mobilization (Ongoing)

- a. Objective: Strengthen partnerships between the consortium, businesses, and educational institutions; secure funding and resources.
  - b. Actions:
    - i. Establish formal agreements with industry partners for internships, apprenticeships, and job placement.
    - ii. Identify and apply for grants, state funding, and private investments to support consortium activities.
5. Evaluation and Continuous Improvement (Ongoing)
- a. Objective: Establish mechanisms for ongoing assessment and refinement of the consortium's initiatives.
  - b. Actions:
    - i. Develop key performance indicators (KPIs) for educational outcomes, employment rates, and employer satisfaction.
    - ii. Conduct annual reviews of programs and initiatives to ensure alignment.
6. Communication and Advocacy (Ongoing)
- a. Objective: Promote the consortium's work and advocate for policies and funding supporting workforce development.
  - b. Actions:
    - i. Launch a comprehensive communication strategy, including a website, newsletters, and social media to share progress and success stories.
    - ii. Engage with policymakers to advocate for supportive workforce development legislation and policies, including funding.

## **Expected Outcomes and Impact**

As the consortium moves from blueprint to reality, the outlined goals of the initiative guide strategic implementation. The project first asks the stakeholders to review existing structures, processes, and knowledge. In addition, higher education institutions should review existing programs and curricula to match labor market trends with immediate needs and the demands of Tennessee's future economy. This evaluation and realignment are pivotal for the consortium. An instrumental outcome for higher education institutions will be future graduating classes whose skills directly mirror the current demands of the business and industry, all but ensuring a job out of college in their field of study. Concurrently, businesses and industries will obtain a higher caliber of job applicants, directly resulting from the framework and influence on educational training. For economic and workforce development agencies, a streamlined approach to addressing workforce shortages will bolster the state's appeal to potential investors. The consortium's principal outcome will be an inclusive, robust, adaptable workforce development framework that grows in tandem with business and industry needs, now and in the future. Such an infrastructure promises to bolster Tennessee's economy, transforming it into a magnet for businesses searching for a competent, ready-to-deploy workforce. Additionally, communities throughout Tennessee will gain increased access to quality opportunities.

To measure success, clear metrics to gauge the state's progress should be evaluated: employment rates of recent graduates, percentage of graduates who find employment in their area of study, a reduction in lingering job vacancies, satisfaction levels amongst employers, and the vitality of our consortium's collaboration and communication channels. These metrics are indicators and will guide and inform the work of the consortium and its stakeholders—creating a

prosperous economic future for Tennessee, distinguished by a workforce that is as skilled as it is adaptable.

### **Conclusion**

Historically, a gap has been created between economic and workforce development agencies, higher education institutions, and businesses and industries. The consortium project seeks to bridge the gap between higher education and the labor market, where each step in the educational path of Tennesseans is a stepping stone to gainful employment in thriving industries. This endeavor is not simply a response to present disparities but an investment in the fabric of Tennessee's economic future. The consortium's goal is to create a proactive partnership with open dialogue and robust strategy implementation that aligns with the evolving needs of the economy. This strategic collaboration among the State Workforce Development Board, Tennessee Board of Regents, TDLWD, TNECD, the University of Tennessee System, and the Tennessee Chamber of Commerce is a testament to the unified commitment to this cause. The initiative will result in the alignment of educational outcomes and acquired skills with industry requirements, a decrease in job vacancies, and an increase in the employment rate of skilled graduates, thus marking a significant contribution to the state's economy. The consortium's goal is to create a workforce that is ready for but proactive in meeting the challenges and opportunities of existing and new businesses and industries in Tennessee and where every business in Tennessee is assured access to a world-class workforce poised to navigate the complexities of a dynamic global economy.

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