

Training for the ‘Gig Economy’

The internet has opened new possibilities for those who have difficulty finding employment in the current economic environment. To tap into these opportunities, economic development agencies must learn to think beyond traditional workplaces and traditional jobs.

By Jessica Denson / *Connected Nation*

The traditional 9-to-5 job still exists, but it’s becoming less and less common. According to recent research from economists at Harvard and Princeton, 94 percent of net job growth in the United States over the last decade has been in the form of “alternative work.” However, few groups are training people for this type of employment.

“Ninety percent of jobs created since 2010 are nontraditional jobs. These are freelance or what are called gig-type positions. Many are online and require specific skill sets that companies need,” says Stu Johnson, vice president of Digital Works, a training program that Connected Nation operates. “Yet our educational and workforce systems are not agile and adaptive enough to train people for the needs specific to today’s job market. Historically, people invested in education they could amortize over a lifetime career. The workforce of today requires a lifetime of learning – the career someone has today might not exist tomorrow, and tomorrow’s job likely doesn’t even exist today.”

However, many communities, both urban and rural, have been slow to respond to this change because their economic developers follow traditional economic growth strategies. In other words, they’re focused solely on getting companies to locate in their areas.

“The bottom line is that just building a plant or improving a building so a business will move to a town is not where the economy is

going,” Johnson adds. “It’s hard for traditional workforce groups to adapt to this new approach. They need to understand that investing in programs that can train residents to fill these jobs, even if they are located elsewhere, means they’ll be working from home or even an internet-ready facility in their community and contributing to their economic growth locally.”

FILLING THE JOBS OF THE FUTURE

Digital Works is one of the few training programs tailored specifically to the gig economy. Connected Nation, a nonprofit that seeks to expand broadband to all people, established the program when it noticed that many urban and rural communities lacked digital literacy training. As of early December 2017, Digital Works had placed 852 people in jobs that required specific online-related training.

These jobs varied widely, ranging from customer service to tech support, web design, search engine optimization, bookkeeping, data entry, claims processing, travel/hospitality, title searching, transcription, telehealth and teaching. Depending on the job content, employers require applicants to have access to broadband at various speeds, either at home or in a co-working center. Even more important than speed is reliability – employers typically look for committed rates of broadband access rather than “best efforts” service.

Digital Works training consists of a four-week-long class that teaches digital literacy and

technical skills, employer-specified skill sets, career planning and job readiness. After participants graduate, Digital Works provides them with long-term mentorship and support as they move forward and face the unique challenges of the nontraditional workplace.

Digital Works partners with more than 70 employers across the country to understand what skill sets they need from new employees. This enables staff to tailor training to jobs that employers need to fill, grow relationships with employers and build a reputation for providing important training that's not being done elsewhere.

FUNDING FOR TRAINING

The overall cost of training workers to fill these jobs is much less than the cost of traditional job creation, and workers are often in the local workforce, contributing to the tax base, within six to eight weeks after beginning classes. That's why cities are increasingly willing to fund such training.

In most cases, cities are the only realistic sources of funding, though they can sometimes supplement the costs with foundation grants. Employers will pay for specialized, advanced training but not for training in basic online skills. And alternative workforce training programs don't fit neatly into categories eligible to access other educational and job training funding streams.

Tammy Spring, who works in Columbus, Ohio, trains and supports others who lead Digital Works classes across the country, from Michigan to New Mexico. She says, "The hardship is knowing that we have something that is good and effective, but we can't offer it in a community unless there is funding. If communities fund our program and follow its guidelines, then the number of people this can help is incredible. The training can be used to provide supplemental income if someone has a short-term need, such as medical bills, or it can lead to a full-time job. There are so many opportunities for economic growth when communities embrace and fund it properly."

"If we create just five to six jobs a month, that's more than 70 jobs yearly, at about \$4,000 per placement,"



Tammy Spring and Stu Johnson congratulate a Digital Works student completing his training in Columbus, Ohio.

Johnson said. "But with each new student committed to the program, the cost per placement goes down. In addition, many communities find other ways to offset the cost."

Newaygo, Michigan, is a great example. The small town had a facility in the downtown area that was internet-ready and mostly unused, and it donated this toward a training program. "The classes there are supported by curriculum and training provided by Digital Works, but the trainer's salary and the facility's rent and maintenance are handled directly by Newaygo," Johnson explains. "It gives the students a place to attend the classes, a place to apply for jobs and even a place to work online, once they are employed."

LOOKING FORWARD TO 2018

Program staff are working on developing one-week, intensive training boot camps in Ohio. They are also looking at new ways to serve overlooked segments of the population, such as those who have been incarcerated and would have better chances of getting

jobs if they could work online. Another such group is military spouses who may have to move without warning and need jobs they can perform from anywhere. Single parents, veterans and active military, individuals with differing abilities or mobility challenges, retirees who want or need to contribute to the workforce again, and people who are simply facing temporary financial struggles all have special requirements and could benefit from online training.

"We have a 100 percent placement rate with those who stick to the program. Some positions are easier to fill than others, but our staff will not quit until a graduate is placed," Johnson says. "We know that employers need skilled workers but can't find them, and there are people who need a job but can't find them. We bridge that gap." ❖

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