

National. Learning. Economy. The NEW American Dream



OUR VISION FOR LIVING, LEARNING, AND WORKING
IN THE PERFORMANCE ERA

AUGUST, 2014

EXECUTIVE SUMMARY

Overall Life Satisfaction is quickly becoming the new American Dream. Where career success once dominated the motivations of young professionals in the workforce, new research indicates that career success represents only about 25% of an individual's life satisfaction.¹ At first glance, this may seem like bad news for business prospects and economic growth, but what we are discovering is exactly the opposite. The families, organizations, institutions, and businesses that recognize the value of overall life satisfaction for their family members, employees and their customers, and work to integrate life satisfaction into their practices and policies are quickly becoming leaders in their sectors.

Today's workers are highly motivated by opportunities that integrate and support their living, learning, and working worlds. Indeed, "learning" has moved from an activity that only takes place in limited, formal settings to one that dominates and connects all other aspects of life and occurs continuously and simultaneously with all other activities. Working learners, for example, are those who work and learn at the same time, and that process of learning takes on many forms, from formal education to skills training to personal development. This highly integrated new environment of living, learning, and working demands high levels of performance, which translates into significant economic opportunity for those who embrace this change. We believe working learners represent the greatest opportunity for increased economic mobility, equity, and growth in the next century, and ACT Foundation is dedicated to improving working learners' lives and opportunities for the benefit of every person.

Our primary focus in this effort is the development of a National Learning Economy that provides working learners with improved access to relevant learning opportunities, better connections to employers, clearer and more attainable career pathways, and support for their overall life satisfaction requirements. To this end, ACT Foundation has identified four key investment areas of transformation most likely to affect change and support a vibrant, self-sustaining National Learning Economy:

Evidence – Leveraging research to drive change;

Demand – Aggregating life and labor market needs;


Supply – Activating working learners to own their own journeys; and **Innovation** – Optimizing the best market-driven solutions to support working learners.

In this paper, you will learn more about these key investments and our vision of a National Learning Economy where everyone is valued for their ability to perform, and where everyone has an equal opportunity to achieve greater life satisfaction for themselves and their families. Become an actor in this National Learning Economy, and join our effort in creating a New American Dream.

¹ Bowling, N. A., Eschleman, K. J., & Wang, Q. (2010). A meta-analytic examination of the relationship between job satisfaction and subjective well-being. *Journal Of Occupational And Organizational Psychology*, 83(4), 915-934

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These are tough times
for the American Dream.
– David Kamp, Vanity Fair

INTRODUCTION

Our dreams, our aspirations, and our unfettered pursuit of happiness are the motivating forces that make America a land of opportunity and progress. The American Dream itself is a unique and remarkable concept of a land in which life should be satisfying and fulfilling and anchored in the freedom and opportunity to pursue our individual dreams, whatever they may be. The promise that life can be better and richer and fuller for every person, with opportunity for each according to ability and achievement, is still the light that draws so many to our shores and keeps hope alive for so many Americans. There are times in our history, though, when this dream seems unattainable; times when the forces of economic change make life harder, challenge our ideals of liberty, and make happiness feel like a distant and dwindling hope. We are living in one of these times.

What we learn from our history, however, is that what sustains us, what carries us forward and breeds a new generation of economic prosperity and increased life satisfaction, is an unflinching commitment to that American Dream. And though its light may sometimes waver, it remains a steady beacon in the darkest times that our collective effort, innovation, and practical investment in a better future can solve virtually every problem our nation encounters.

Prior to every major evolution of the American economy, from the founding of our nation until today, there is evidence of economic recessions and depressions followed by prolonged periods of growth and opportunity. Our move from an agrarian economy of the early settlers to the industrial revolution involved a series of boom and bust cycles as the workforce transitioned from farm labor to industrial production. Our national response was widespread investment in public education, transportation, and international trade that generated rapid economic expansion that included the Gilded Age through the Roaring Twenties. This age witnessed the rise of the American Family cooperative structure, where work and family obligations were divided mostly along gender lines and children were sent to public schools to learn new trades and industrial skills. Children were also no longer expected to stay on the family farm. “Work” became a regular wage earning exercise throughout the year, and family incomes no longer depended on agrarian cycles.

During the Great Depression, the U.S. economy retracted 27% and created massive unemployment with more than one in four workers across the country out of jobs.² For nearly a decade the economy struggled to recover, and the ideals of life, liberty, and the pursuit of happiness seemed lost forever. Yet the wartime investments in manufacturing, technology, infrastructure, and government programs (which put Americans back to work and secured their welfare) laid the groundwork for the greatest expansion of the working middle-class the world has ever known. Women entered the workforce in large numbers as family life evolved to include dual incomes, and home ownership across the country increased from around 44% in 1940 to 65% by 1975.³ The post war period was a time of low employment, moon landings, and civil rights for women and minorities who sought greater life satisfaction for themselves and their children.

² Samuel H. Williamson, “What Was the U.S. GDP Then?” *MeasuringWorth*, 2014.

³ Carlos Garriga, William T. Gavin, and Don Schlagenhauf, “Recent Trends in Homeownership,” Federal Reserve Bank of St. Louis Review, September/October 2006.

One of the greatest investments made during this time was the increase in post-secondary education for the children of these workers as more people of greater diversity attended college and earned advanced degrees. Enrollment numbers in post-secondary institutions grew exponentially between 1947 and 2000, increasing by more than 13 million students.⁴

This generated what Peter Drucker defined as the “knowledge economy,”⁵ which rewarded workers based on knowledge gained through college education and rewarded families with greater life satisfaction through increased access to new technologies, safer transportation systems, advancements in medicine, and increased life expectancy with a greater quality of life for older Americans thanks to Medicare. The knowledge economy, in turn, drove the creation of new products, markets, and productivity in virtually all sectors. From that era emerged two key developments, the Internet and worldwide telecommunications, which are helping drive yet another major economic change today from the knowledge era to the performance era.⁶


The role of knowledge, while still valuable and necessary for today’s economy, is rapidly shifting toward interconnected factors of productivity, learning, and skills development that improve performance in all aspects of life. The implications of this development bring new challenges, but also renewed opportunities, to every American family. The way we capture new hope and rekindle the spirit of the American Dream is first to recognize the dynamics of this new reality, and then to focus on the key investments that offer the best opportunities for broad growth and increased prosperity for everyone. That is the focus of this paper, and it is the vision and action of ACT Foundation: Improving the ability for all Americans to achieve greater life satisfaction and economic security in a national learning economy.

4 National Center for Education Statistics, Department of Education, “Digest of Education Statistics, 1947 – 2012

5 Peter Drucker introduced the phrase of the knowledge economy and the distinctions between knowledge and manual workers in 1966 in his book *The Effective Executive*. Subsequent scholarly work has detailed the knowledge economy’s essential characteristics, such as knowledge as a priority, educational attainment, creation of knowledge and innovation, and organizational structures to effectively transfer and use knowledge.

6 Walter R. Stahel in *The Performance Economy*, 2010, has described the new performance era. Palgrave MacMillan.





"In a world that is constantly changing, there is no one subject or set of subjects that will serve you for the foreseeable future, let alone for the rest of your life. The most important skill to acquire now is learning how to learn."

– John Naisbitt, Megatrends

THE RISE OF THE PERFORMANCE ERA

To be clear, the conditions and circumstances of the new performance era already exist. No economic revolution is created by design; instead it evolves from the investments and progress of the past and often becomes clear only after the turmoil of economic recessions breaks down old structures to make way for the new. The way to gain understanding of these new structures is through the examination of current trends in life, learning, and work that are heavily influenced by technology and other factors. For example, while worker productivity has increased at a rapid rate during the knowledge era, wage growth has stagnated.⁷

This megatrend has resulted in greater wealth inequality across the nation leading to social and economic revolutionary movements such as the "Occupy Wall Street" protest movement. It has become much harder for many Americans to maintain a middle class life as the primary valuation of workers, their productivity, no longer drives increased economic opportunity for those workers themselves. Families today are also beginning to question the value of formal education as it becomes increasingly expensive, with student loan debt topping \$1 trillion nationwide⁸ and the promise of good jobs after graduation diminished, with 54% of new college graduates either unemployed or underemployed in jobs that don't require a college degree.⁹

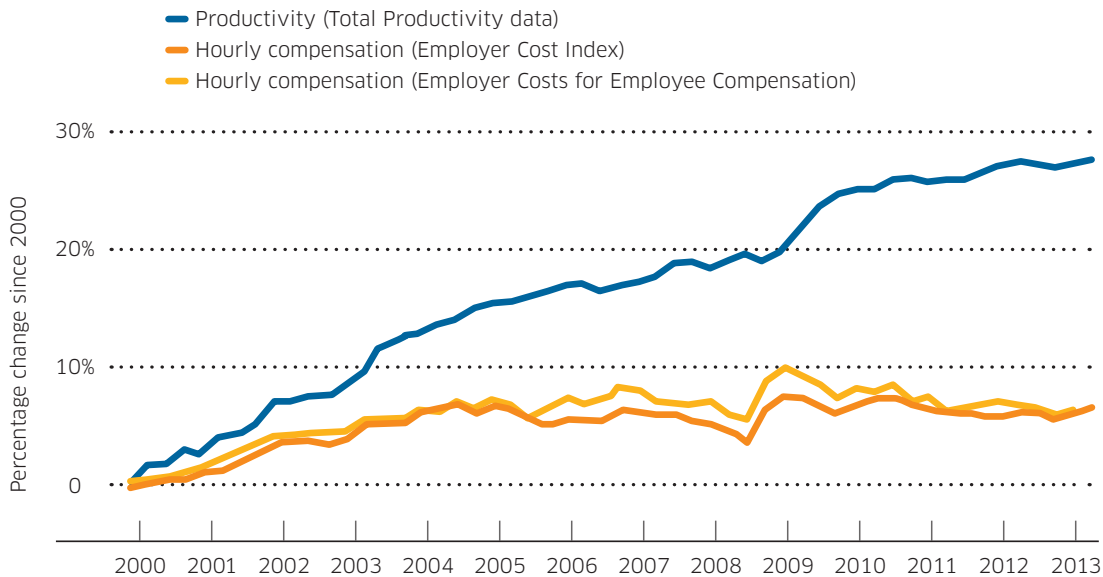
Additionally, many middle-class students and working adults who lost careers in the recession are turning to community colleges to seek out credentials and certifications more directly tied to jobs than a traditional bachelor's degree might be. This is crowding out low-income and underserved students from community colleges as demand for enrollment has surged. These trends call for a new valuation of learning and education processes, and what we are beginning to see is that a focus on overall performance in a variety of skills, abilities, and behaviors is emerging as the new economic driver of opportunity and life satisfaction.

⁷ The Economic Policy Institute: "A Decade of Flat Wages," August, 2013

⁸ US Department of Education: *Federal Student Aid Annual Report*, 2011

⁹ Federal Reserve Bank of New York: Analysis of U.S. Census Bureau, Bureau of Labor Statistics, Current Population Survey, and U.S. Department of Labor data. 2014


PRODUCTIVITY GROWTH VERSUS WAGE GROWTH



Source: The Economic Policy Institute: "A Decade of Flat Wages," August, 2013

Change almost always involves the destruction of flawed or antiquated structures, and the subsequent turmoil that occurs during periods of economic change leads to the kind of chaos we are experiencing now – from long-term unemployment, to policies that fail to improve economic development, to breaking up skilled jobs into low-wage tasks that don't allow people to escape the cycle of poverty. Where the knowledge era promised long-term, stable job opportunities for those willing to attain increasingly higher levels of college education, today's reality is a cyclical layoff culture where employees have little confidence in long-term economic stability regardless of educational attainment or productivity on the job.

This layoff culture incubates an environment where people are no longer committed to the long-term success of the companies they work for because those companies are no longer committed to them. Instead, today's workers are focusing on their personal dreams and fulfillment where employment is just one factor of overall life satisfaction. These are just a few of the many megatrends reshaping our national economy in the new performance era.



**"I'm not a futurist. I only describe
the present to the 98% of people
who are not there yet."**

- Richard Thieme

MEGATRENDS OF THE PERFORMANCE ERA

Just how rapidly have things changed in the past decade? Consider that just a few years ago in 2006, YouTube didn't exist, but now it has become a ubiquitous form of media dissemination and informal learning by millions of people. In 2007, there were no iPhones. Now, virtually every cell phone is capable of accessing the Internet and transmitting text, voice, and video communication instantly around the world, with tools for greater efficiency and life satisfaction built in. In just a few short years, the methods people use to learn new knowledge, develop new skills, and improve their lives have changed dramatically, and that rate of change is not slowing down.

A number of other megatrends already occurring in America provide evidence of our shift toward the performance era. These include:

Life satisfaction indexes declining rapidly

More people are reporting dissatisfaction with their lives due to stagnant wage growth, persistent long-term unemployment, increasing costs of education and basic needs, and fewer economic opportunities. There is a loss of faith in government, fertility rates have dropped, and the long-term physical and mental health effects of the financial crisis on the population as a whole, and particularly on the low-income population, are taking a toll on life satisfaction.¹⁰

Changing family and life realities

More families are choosing to rent homes, and home ownership is dropping rapidly across the nation as the 2008 housing bubble demonstrated the risks and dangers of investing in property after millions of Americans lost their homes. The very dynamics of the family unit itself are rapidly evolving as multiple parent families, extended families, chosen families,

marriage equality for same sex couples, and a variety of other structures emerge. Adult children are living at home with their parents longer or returning to live with parents on a permanent basis. Incomes are spread out across multiple members of a family from working age teenagers to post-retirement adults returning to part-time work.¹¹

Increasing urbanization and mobilization

Over the next 20 years, the percentage of Americans living in urban centers is expected to increase by nearly 60%, with the majority of people relying on performance-oriented technologies that combine mobility with living, working, and learning activities. This is increasing the integration of life, learning, and working in the emerging performance era.¹²

A growing gap between employer needs and workforce skills

More performance era companies are struggling to find employees with the diversity and quality of skills and abilities necessary for success in a constantly evolving marketplace, despite an increase in advanced degree attainment by Americans over the past ten years. Likewise, more Americans are being left behind in this new era for lack of the right knowledge, skills, abilities, and behaviors that drive performance so they can fill the jobs.¹³

The makeup of the Dow Jones Industrial Average

Since 1999, the composition of the Dow Jones Industrial Average has changed to reflect the rise of the performance era by adding technology, Internet, and telecommunications companies like Microsoft, Cisco Systems, and Verizon while dropping knowledge era companies like GM.¹⁴

¹⁰ Gallup. Negative Experience Index. June 12, 2014.

¹¹ Bloomberg. U.S. Homeownership Rate Falls on Higher Costs for Buyers." Jan. 31, 2014.

¹² United Nations. "More than Half of World's Population Now Living in Urban Areas." 2014 Revision of World Population Prospects. July 10, 2014.

¹³ Wall Street Journal. "Small Businesses Unable to Find Skilled Workers to Fill Job Openings." July 11, 2014.

¹⁴ USA Today. "DOW 30 Adds Goldman Sachs, Nike, and Visa." Sept. 10, 2013.



Increased cash reserves by American corporations

Record earnings and growth since 2008 have led to increased cash income for America's top companies. Rather than re-invest this cash in a transitioning economy when risk is high, many of the companies have chosen to stockpile large reserves, often overseas, to the tune of more than \$1.5 trillion as they wait for new industries and opportunities to emerge in the performance era.¹⁵

Rising unrest among the general populace

In the United States and around the world, the rapid rise in income inequality over the past decade and the resulting struggles of the middle class and low-income workers are generating unrest and an increase in populist uprisings and movements including Occupy, Tea Party, Moral Mondays, and many others.¹⁶

Capitalism evolving toward inclusion and social welfare

Inclusive capitalism is offering greater returns on investment and long-term stability for businesses and investment companies looking to broaden income equality and focus on performance era values like service, renewability, living wages, and social equity. While some view this trend only as an effort by the financial elite to stave off populist uprisings and political revolutions, companies like Costco, Patagonia, Ben & Jerry's, and others are demonstrating how performance era investments in living wages, social equity, renewability, and good corporate citizenship can generate both strong profits and long-term growth.¹⁷

To keep pace with this increasing rate of change, the performance era requires ongoing learning and development to help today's workers keep up. In return, the performance era will draw strength from employees' new knowledge, skills, and abilities and how they are able to apply them to increase their own performance and the company's performance. The result is two-fold: a happier and more satisfied person and an increasingly skilled and knowledgeable high-performance workforce of higher value to business and industry leading to a broader distribution of wealth and welfare across society.

Where living, learning, and working were often independent silos of the knowledge economy, they are now intricately woven together in ways that require a new understanding of life satisfaction and success. In the performance era, living, learning, and working are concurrent, life-long processes necessary for ongoing personal development and satisfaction, and the industries and institutions that embrace the emerging National Learning Economy to meet these needs will be best positioned for success in a rapidly changing environment.

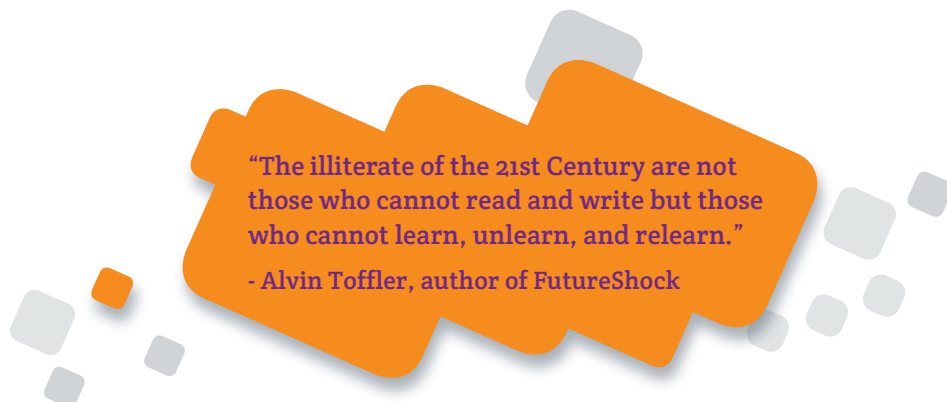
The requirements of this National Learning Economy mean that much more attention is needed in not only preparing workers who are technically literate, creative problem solvers who continually learn new skills, but also employees that can live happy and fulfilled lives in this new economic reality.

We refer to these people, and ourselves, as "working learners."

¹⁵ The Atlantic. "The \$5 Trillion Stash: U.S. Corporations' Money Hoard is Bigger than the GDP of Germany." July 18, 2012.

¹⁶ Reuters. "World Economic Forum Warns of Dangers in Growing Inequality." Jan. 17, 2014.

¹⁷ Forbes.com "Conscious Capitalism: Can Empathy Change the World?" Sept. 23, 2012.



"The illiterate of the 21st Century are not those who cannot read and write but those who cannot learn, unlearn, and relearn."

- Alvin Toffler, author of FutureShock


WORKING LEARNERS

At the heart of the National Learning Economy are millions of Americans who are already working learners. They are in the workforce beginning as early as age 14, both producing goods and services while also actively seeking new learning, training, and opportunities to improve their lives. What we see in this trend is the potential for a powerful workforce consisting of engaged, critically aware learners who are constantly increasing their knowledge, skills, and abilities. They will become the economic drivers of the performance era as the nation adjusts to new demographics and family models, old businesses and industries evolve (or disappear), and innovative solutions emerge to take advantage of this newly mobile, empowered, and innovative workforce.

New Actors of the Performance Era

How do you recognize a working learner? How do you know if you are one? Working learners are as young as age 14, when Americans can legally work for pay, and well beyond retirement. We can be found in every community of all sizes around the nation. We can be found in every industry at every level. Working learners also share one or more of the following attributes and tendencies. We are people who:

- ◆ integrate their professional goals and personal lives;
- ◆ are interested in learning and practicing what they learn right away, and are more interested in learning that supports family, life, or career goals rather than focusing exclusively on college credits;
- ◆ are focused on developing performance-based portfolios of knowledge, skills, and abilities from a variety of learning systems rather than taking courses that may or may not prepare them for existing jobs;
- ◆ are productive, hard-working, pursuing success, and seeking new opportunities for life satisfaction;
- ◆ often adept at multiple skills and capable of drawing on one or more of them to solve new and complex problems;
- ◆ are technology literate and willing to learn new things in different ways with or through employers and industries, in postsecondary institutions, or on their own;
- ◆ find passion in what they do across multiple aspects of life, learning, and work; face adversity with courage and commitment; push limits; and constantly seek new challenges;
- ◆ view their personal, learning, and working lives as an integrated life-long journey that will incorporate many changes, including career, education, family, and even region of residence.




Work and Learn for Life – A Methodology for the Performance Era

What working learners are quickly realizing is that success in the performance era requires controlling one's own learning journey to increase the chances of achieving life satisfaction and professional goals. There are barriers, however, to this achievement as they struggle through antiquated systems that were not constructed to accommodate this new dynamic reality. Some of the same key elements that drove the economy in the knowledge era, such as educational institutions, workforce training, government policy, and industrial specialization, have become barriers in the performance era.

Under the old model, these systems existed in relative silos. A person went to school, obtained a job, had a family, and stayed in a single career track in the same industry, often at the same type of job until retirement. Working learners may have several different jobs among two or three separate careers in their working lives, with education, job, and family all occurring simultaneously. When two or more of these systems are not aligned, such as education and work responsibilities, one must be sacrificed for the other. This undermines the life satisfaction of workers, takes a toll on their families, and hurts the companies they are working for through lost performance. This, in turn, hinders broader economic growth.

Helping these institutions and systems recognize the economic opportunities represented by creative and empowered working learners will allow them to adjust in ways that improve communication and reduce the barriers to success for all stakeholders. Fortunately, this effort is already underway across the nation in a variety of ways, from new grants for industry/education partnerships, to innovative learning solutions, to non-traditional secondary education initiatives.

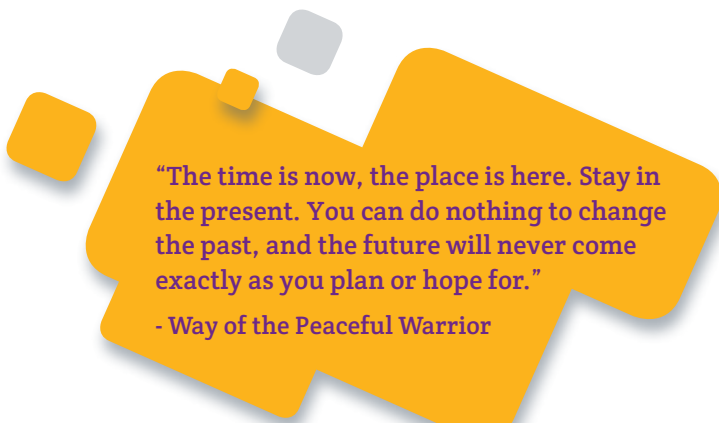


What is needed is recognition and understanding of this current change as well as focused investments in the types of transformational structures that support a National Learning Economy in the performance era. ACT Foundation serves as a key broker in this effort by working to bring these forces together in a way that rewards and supports working learners in both economic and life satisfaction outcomes.

The conditions necessary for this effort are already developing with varying degrees of success. Employers are increasingly interested in certifications and other credentials rather than educational degrees alone. Educational institutions, business, industry, and government are collaborating to develop new pathways and educational opportunities that improve student preparedness. Working learners are increasingly mobile, working from multiple locations or telecommuting to help balance work and life obligations. These and other changes in the way people live, learn, and work are creating a National Learning Economy that is emerging to support the new performance era.

Impact Goal

Our impact goal at ACT Foundation is to increase the learning trajectory and economic freedom of working learners, especially young and low-income working learners, to increase their likelihood of long-term life satisfaction and career success.



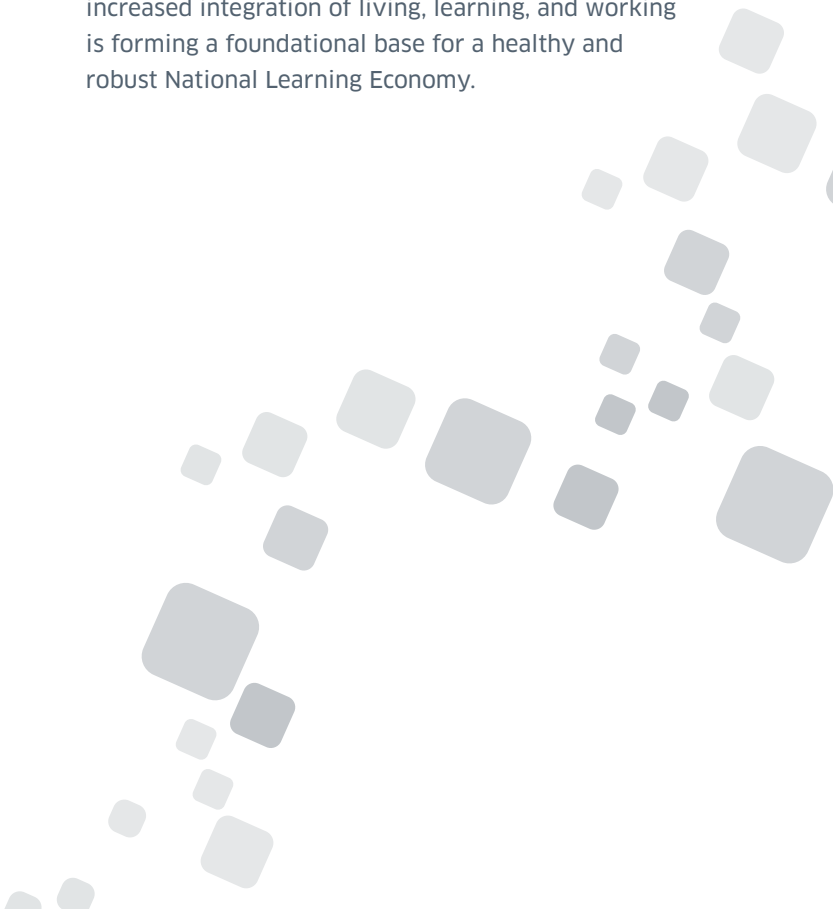
"The time is now, the place is here. Stay in the present. You can do nothing to change the past, and the future will never come exactly as you plan or hope for."

- Way of the Peaceful Warrior

THE NATIONAL LEARNING ECONOMY

According to recent studies, at least 75% of higher education students today are working at least part time. In fact, of all full-time undergraduates aged 16 to 24 who work, only 15% of them work less than 20 hours per week. Compare that to the 60 percent of students in 1961 who didn't work at all. For students in higher education, this trend has translated into fewer hours spent studying and more sacrifices being made in all areas of their lives. Labor economists Philip Babcock and Mindy Marks examined how much time students spend in class and studying every week compared to students of prior generations and found, using individual surveys dating back more than 80 years, that undergraduate college students until the early 1960s spent an average of 40 hours per week studying or attending class. Over the past 50 years, that number has declined precipitously to just 13 hours today.¹⁶ This work vs. learning conflict may have significant influence on the national college dropout rate of more than 40%, one of the highest among industrialized nations.¹⁷

In the National Learning Economy, working and learning, along with overall life satisfaction, will become increasingly integrated and supportive in ways that empower and improve individual performance rather than undermining it. In addition, workforce training and development systems that currently exist externally to the traditional education system will begin to merge and co-develop. As a result, policies in both industry and government are beginning to shift in support of these efforts through increased investments in apprenticeships, paid internships, public/private training and education partnerships, and other innovative solutions. This increased integration of living, learning, and working is forming a foundational base for a healthy and robust National Learning Economy.

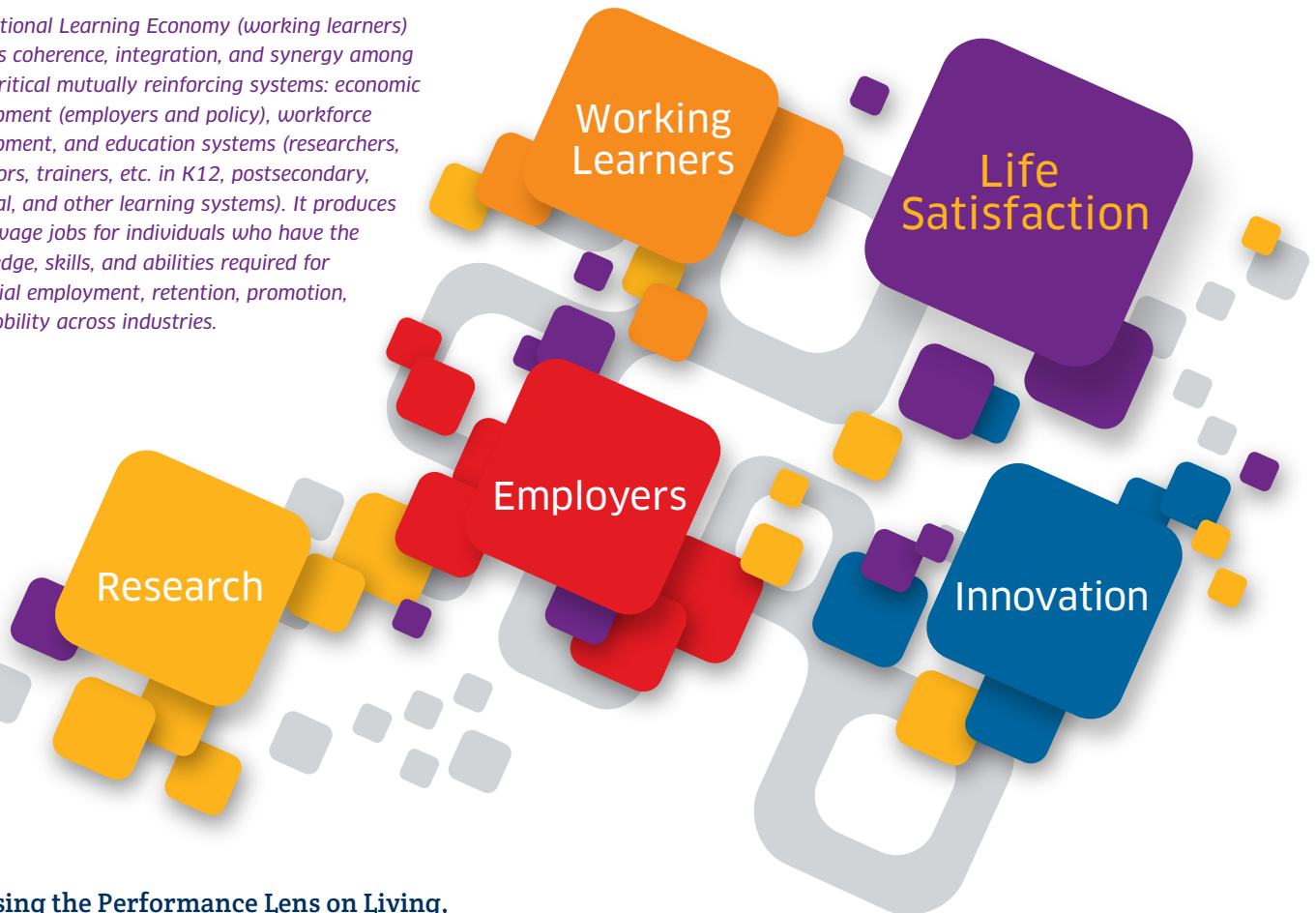


¹⁶ Richard Arum in *Academically Adrift: Limited Learning on College Campuses* examines the changes in college student behavior over the past half century. University of Chicago Press.

¹⁷ National Center for Education Statistics report on *The Condition of Education* examines institutional retention and graduation rates for undergraduate students

National. Learning. Economy

The National Learning Economy (working learners) exhibits coherence, integration, and synergy among three critical mutually reinforcing systems: economic development (employers and policy), workforce development, and education systems (researchers, educators, trainers, etc. in K12, postsecondary, informal, and other learning systems). It produces living-wage jobs for individuals who have the knowledge, skills, and abilities required for beneficial employment, retention, promotion, and mobility across industries.



Focusing the Performance Lens on Living, Learning, and Working

Some of the forces driving change toward a new performance era include increased integration among key systems, flexible and robust communications platforms, a culture of efficiency and collaboration, and new business models that focus on outcomes and overall performance rather than resources and products. These forces create a circular, rather than a linear, model in which sustainability and renewal are the primary goals. Fortunately, these same forces can be focused on identifying barriers to integration, overcoming antiquated policies, promoting successful outcomes, and increasing collaboration and coalition building across the economic development, workforce development, and education systems.

By reducing the struggles working learners currently face when trying to bridge and integrate these systems,

we can begin to improve their overall life satisfaction, significantly increase performance and worker success, and improve the lives and economic opportunities for every American.


To achieve this integration of living, learning, and working, it is vital that investments be made in transformational structures most likely to affect change, and ACT Foundation is already taking action in four key areas in support of this effort:

Evidence - Leveraging research to drive change

Demand - Aggregating life and labor market needs

Supply - Activating working learners to own their own journeys

Innovation - Optimizing the best market-driven solutions




"The name given to that one dramatic moment in an epidemic when everything can change all at once is called the tipping point."

-Malcolm Gladwell, Tipping Point

THE PATHWAY TO THE NATIONAL LEARNING ECONOMY

In economic expansion periods, the development of key support systems creates a stable foundation for prolonged and widespread growth. The railroad, for example, was one such development that changed the nation forever, but could not have been possible without supporting investments in steel manufacturing and an open immigration policy. Likewise, widespread development of our higher education system helped drive the knowledge economy, but without supporting investments in early childhood education, school nutrition, and federally guaranteed student loans, it might never have matured.


As we are experiencing now, the Internet and telecommunications are key developments of the new performance era. They are fundamentally changing how we live, learn, and work in ways that require an increasingly productive, literate, and learning-oriented workforce to take advantage of the economic growth opportunities they represent. As with the railroad and higher education, additional investments in the supporting structures of a National Learning Economy are needed in order to catalyze widespread economic improvement in the performance era. In essence, we must construct a road to success for everyone in the performance era, where every piece fits together to create a stable, dynamic pathway that continues to grow and offer unique new destinations for every working learner to explore in ways that fit their living, learning, and working needs.




Evidence – Applying research and data to drive change

By developing and funding an actionable research agenda focused on what works and why, we can identify the best new programs and policies and where they can be strengthened or changed to ensure the success of working learners. This investment is both foundational and continuous, providing an ongoing and continuously updated understanding of the social, behavioral, cultural, institutional, technological, and economic factors that affect the health and vitality of the National Learning Economy. Example of actionable research priorities include:

- ◆ Ethnographic and quantitative studies of working learners to gain a better understanding of who they are (so they can be supported);
- ◆ Evidence detailing the human resources practices (in recruitment, screening, and hiring) currently being used in businesses today and how they affect working learners;
- ◆ Research to determine what information working learners need to make informed decisions about their life, learning, and career pathways;
- ◆ Economic research on returns on investment (ROI) of alternative training and education – including industry-, company-, and individual-level investments;
- ◆ Evidence detailing the extent of non-formal and informal learning opportunities in the U.S.




This kind of data gathering and research enables timely decisions by businesses and industry, as well as by working learners, so each can take full advantage of economic opportunities. ACT Foundation is looking for public and private partners to join us in conducting actionable research so working learners will have the opportunity to prepare for a vibrant future that balances living, learning, and working in the emerging performance era.



Demand – Aggregating life and labor market needs

Life satisfaction is a product of demand, where people make the choice to lead satisfying lives and their living, learning, and working worlds respond to meet that expectation. Likewise, healthy economies are demand-driven and respond to the needs of that demand. Consumers demand certain products, and suppliers respond. Likewise, our culture demands certain knowledge, skills, abilities, behaviors, and experiences to live a healthy, satisfying life, and our learning systems respond by delivering opportunities to develop them. Similarly, industry demands certain skills and abilities among the workforce, and workers learn those skills and abilities to supply the talent. There is a disconnect, however, between the lives people are living and many American industries regarding the specific skills and competencies required of workers at nearly every level. The training and skills expected by the telecommunications industry, for example, may not be recognized as valid or equivalent by the advanced manufacturing industry, even though there are many entry-level and mid-level jobs that require similar skills for both.


As business cycles change, workforce needs among American industries change as well, but workers who attempt to transition from one industry to another find that their previous experience and skills may not meet the specific requirements of a new industry even though they are often very similar. This can be particularly difficult for low-income individuals or those who otherwise lack the resources necessary to obtain expensive new training. That creates a barrier that prevents workers and students from obtaining the specific skills and abilities employers want, and employers are left with job openings they can't fill.



By aggregating labor market needs in a way that reduces these barriers to entry and offers new innovative opportunities and efficiencies in workforce development and education, we can broaden opportunities for working learners and establish pathways for workers across the country to gain economic mobility. Some of these solutions include:

- ◆ Identifying and articulating basic competencies across industries and sectors;
- ◆ Defining the attributes and quality standards of industry validated, performance-oriented universal credentials;
- ◆ Supporting business and industry work and learn models that support hiring based on competency rather than degrees alone;
- ◆ Addressing barriers between living, learning, and working worlds by expanding innovative learning opportunities and working with industry on best practices in competency-based recruiting and hiring;
- ◆ Support and scale to build successful models of competency-based career and learning pathways that include industry recognized, universal credentials for employment.

ACT Foundation is working with policymakers and industry organizations in support of living and learning solutions that provide opportunities for working learners who seek to gain new knowledge, abilities, and skills in pursuit of improved economic and life outcomes.





Supply – Activating Working Learners

The economic drivers of the performance era are working learners who integrate learning and working with life realities in pursuit of life satisfaction. The needs of working learners – including new kinds of skills and learning opportunities that are outside of traditional educational environments – create opportunity for innovation in the design, development, and delivery of work-related learning. Both traditional and non-traditional educational institutions must become partners in these investments that help working learners integrate a variety of learning opportunities and provide a foundation for success in the new performance era.

We are working directly with working learners to gain valuable knowledge, and insight into their lives while communicating what we learn to our partners in research, industry, and innovation. As we move forward, we will help more working learners discover the value of an integrated approach to living, learning, and working while brokering solutions among key stakeholders and innovators who remove barriers to success. As more people begin to recognize how they are already working and learning and living in today's world, the powerful and combined energies of an activated workforce will transform our national economy and increase opportunity and life satisfaction for all.



Innovation – Optimizing the best market-driven solutions

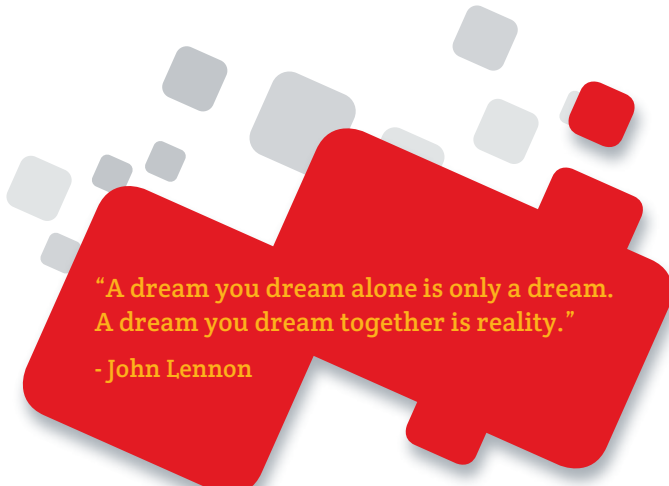
The National Learning Economy is reinforced by investments in evidence-based, market-driven and optimized high-quality strategies and solutions to support working learners, as well as the partnerships, policies, and programs that facilitate scaling these innovations to the national market. We use the term “Moving Mind to Market” to describe our support for development of innovations that support working learners in increasing their economic and learning trajectories so that greater life satisfaction and career success is achievable.

The keys to advancing innovation and optimizing solutions include mutually reinforcing partnerships between living life, working in a satisfying career, and learning efficiently to advance life and career success. ACT Foundation is working to identify the partnerships and solutions that are already working effectively, as well as those in the early stages of development that need our support. By serving as a broker between partners, systems, and working learners along with providing support for the most effective and promising solutions, we can accelerate their impact and help increase the economic and learning trajectory of working learners.

HOW YOU CAN HELP

At ACT Foundation, we realize that new, different, and collective action is the necessary ingredient in affecting change for a new era. It's time for us to come together to restore an American Dream where all people can achieve "the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position."¹⁸

In this effort, we are already taking action to support a National Learning Economy that will empower today's working learners and help create a strong and growing economy that benefits everyone. We know that real, sustainable economic growth doesn't occur by focusing only on federal policy or attempting to address individual problems one at a time, but rather by collaborating across sectors to invest in specific strategic systems that provide both immediate impact and long-term opportunities for growth.



**"A dream you dream alone is only a dream.
A dream you dream together is reality."**

- John Lennon

Regardless of your industry, institution, or personal focus, there are opportunities to lead and collaborate across a variety of initiatives in support of a National Learning Economy. We invite you to get involved, propose new solutions, and support working learners by:

- 1 Supporting and conducting research and applying it to the National Learning Economy.** Take a multi-disciplinary approach to research – looking at research questions from a variety of perspectives, using various methodologies and data sources. Search for answers to the big questions – What makes people happy? What constitutes life satisfaction in the performance era? Is balancing living, learning, and working only for those with the most resources? How can we help working learners balance their lives, learning, and work?
- 2 Judging solutions on their social impact and potential for improving the lives of everyone instead of merely how much money they make.** Is there a social impact per share measurement that should be recognized? Is there a "Return on Performance" metric that can be used to measure outcomes other than simply financial growth?
- 3 Helping define innovation and performance metrics.** Is innovation about the greatest impact for positive change, or is it only about opportunity for financial gain by a few?
- 4 Looking for opportunities to optimize the best solutions.** Is it enough to simply support start-ups? How do we go further than just seeding ideas and see them through to the end?

¹⁸ James Truslow Adams in *Epic of America*, 1931 used these words to define the "American Dream" that was enshrined in our national heritage.

ACT Foundation is breaking down the knowledge era's silos through our Work and Learn Continuum

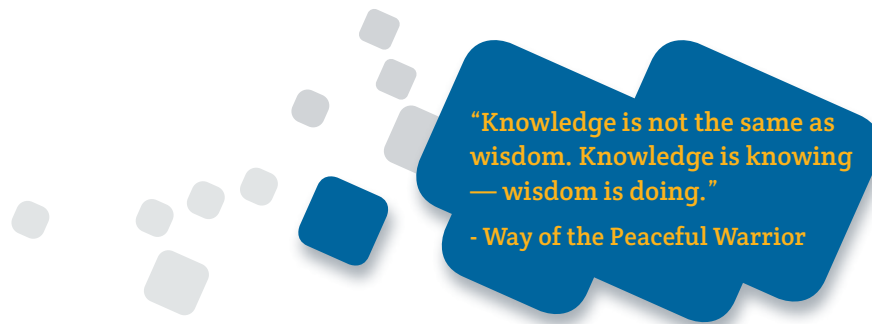
Billions of dollars have been spent on education reform over the past half century without a full understanding of employer and learner expectations, needs, and outcomes. In addition, we have never had a broad cross-section of industries collectively come together and voice their competency needs to learning providers. Developing new solutions and searching for answers to the questions posed above about integrated living, learning, and working has led ACT Foundation to create the Work and Learn continuum of advisors and change agents that include learning providers, researchers, employers, industry associations, and working learners.

For the first time ever, there is a collective forum of stakeholders who can help guide our efforts and provide a voice for change. Foundations such as Bill & Melinda Gates, Joyce, and Lumina have joined the effort to support innovative solutions and overcome institutional barriers. Our National Network of Business and Industry Associations is hosted by the Business Roundtable in collaboration with the industry trade organizations to collectively voice their needs through an open source blueprint of the knowledge, skills, abilities, behaviors, and experiences that will help working learners find more fulfilling and satisfying jobs. Our Working Learner Advisory Council provides insight through a direct connection to the lives of working learners we will empower through our efforts. And the best available evidence must inform all of this

work. An actionable research agenda will focus on what works and why in order to inform policies, programs, and practices. Research must be strategic, timely, and well communicated to enable businesses, industries, policy makers, and working learners to make decisions that take full advantage of new economic opportunities in the performance era. Our Aces Applied Research Network is hard at work pursuing research opportunities in these areas, and we welcome your help and support.

As a nation, we need to renew, modernize, and increase the availability of high quality, life-learning models that empower working learners and include life skills and career skills. Whether they are in the workplace, at home or elsewhere, these experiences lead the way in balancing living, working, and learning. We are collaborating with solution providers to develop work and learn models that are effective at improving life and career outcomes for working learners today.





THE FUTURE IS NOW

At ACT Foundation, we are responding to the reality around us, but we are also striving to get ahead of the megatrends setting the conditions of the performance era. To achieve this, we are experimenting with methodologies and incentives that reduce the barriers among living, learning, and working worlds. We recognize the impact new technologies are having on the way we used to live, learn, and work. We are working with partners in industry, government, education, and research across the nation to accelerate our nation's transition to a National Learning Economy that empowers every working learner and support economic freedom, sustainability, and growth. Our goal is to increase the equitable outcomes for working learners, especially low-income working learners, who are more prevalent today than a decade ago, so that everyone has the opportunity for success, happiness, and hope for their future.

This is a monumental task, but it is one we absolutely must achieve for the future and security of our nation. While there may be difficult struggles ahead, this is nothing new for those who challenge the status quo and fight for a new reality. But we are gathering a team of outstanding leaders and innovators, and we are building a coalition of national stakeholders dedicated to success. All who are interested in achieving a National Learning Economy will discover new opportunities and possibilities in these areas and we welcome your help and support. Together we can co-construct a robust and effective economic reality that serves our nation and all the working learners by understanding that what truly defines us is the collective value of our efforts and abilities rather than the circumstances of our birth.

So join us. Together we can build a new American Dream.

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