



NATIONAL SKILLS COALITION
Every worker. Every industry. A strong economy.

Digital Skills for a Digital Age:

How the Biden Administration Can Ensure that America's Workers and Businesses Are Prepared to Thrive in Today's Economy

- **US workers have serious gaps in their digital skills, even as the pandemic has dramatically increased the demand for those skills in virtually every industry and occupation**
- **Previous administrations have failed to make substantive investments in digital skill-building, and the time is ripe for immediate executive action to boldly lay out a vision for widespread digital literacy and a path to help millions of American workers attain these skills**

Our economy urgently needs workers with digital skills

The COVID-19 pandemic has laid bare the urgent demand for digital skills in virtually every occupation and industry. Whether workers are on the frontlines of retail, in greenhouses working on precision agriculture, serving as mid-level health professionals, or employed in advanced manufacturing, they need digital literacy to succeed in their jobs and support their families.¹ American businesses need technologically skilled workers to help them adapt to a rapidly changing economy – including new, necessary tasks such as online COVID-19 safety training or transforming in-person services to an online environment.

Meanwhile, unemployed workers need digital skills to participate in much-needed reskilling opportunities. And even beyond the workplace, individuals need digital skills to engage in education and upskilling, support their children in K-12 education, access telehealth services, and more.

Yet nearly 48 million US workers have few or no digital skills.² Many have *fragmented knowledge* – that is, they can carry out certain digital tasks (such as sending a text) but don't have the skills to do others (such as create a spreadsheet). These skill gaps have high costs for workers and employers; they are an invisible drag on productivity as workers struggle to navigate job requirements and spend precious time compensating for their skill gaps.

¹ Digitalization and the American Workforce, Brookings Institution, 2017. Viewable at: <https://www.brookings.edu/research/digitalization-and-the-american-workforce/>

² The New Landscape of Digital Literacy, National Skills Coalition, 2020. Viewable at: <https://www.nationalskillscoalition.org/resources/publications/file/New-Digital-Landscape-web.pdf>

The White House should take immediate action

President-Elect Biden recognized the nation's urgent need for investment in digital skills with his campaign pledge³ to pass the Digital Literacy Act. As legislative action begins to get underway, the Biden Administration can and should take decisive *administrative* action to fill the vacuum in national leadership on digital literacy. In particular, the White House should convene a new Digital Skills for a Digital Age interagency task force that includes among other agencies the Departments of Commerce (DOC), Labor (DOL), and Education (ED).⁴

This initiative should: 1) develop a formal definition of occupational digital literacy, which can be embedded in workforce and education policy; 2) identify ways to better support digital inclusion and skill-building through existing federal policy, and issue any necessary guidance to encourage or incentivize such action at the state and local level; 3) identify and standardize digital literacy variables as part of data collection and reporting for federally funded programs, and; 4) make recommendations to the White House for new budget investments in digital inclusion and upskilling.

Particular actions that can be taken immediately:

- 1) **The Department of Labor should issue a Training and Employment Guidance Letter (TEGL)** that clarifies how and when digital literacy activities can be paid for by Workforce Innovation and Opportunity Act (WIOA) Title I dollars (e.g. as part of technical training for an Integrated Education and Training [IET] program).
- 2) **The Department of Labor should call out digital literacy as a priority activity** or otherwise incentivize applicants to address this issue in their responses to existing federal discretionary Solicitations for Grant Applications (such as those for apprenticeship grants).
- 3) **The Department of Education should use a portion of its WIOA Title II national leadership dollars to support capacity building** among adult education providers. These technical assistance activities should be aimed at speeding up the development and replication of effective IET models that include occupational digital literacy.
- 4) **The Institute of Museum and Library Services (IMLS) should establish a priority category** or similar incentive for occupational digital literacy projects as part of its

³ See: <https://joebiden.com/infrastructure-plan/>

⁴ The specific agencies leading the effort should be Commerce's National Telecommunications and Information Administration (NTIA), Labor's Employment and Training Administration (ETA), and Education's Office of Career, Technical and Adult Education (OCTAE) and Office of Postsecondary Education (OPE). Additional agencies engaged should include the Institute of Museum and Library Services, the Department of Agriculture's (USDA) Food and Nutrition Services; the Department of Health and Human Services' (HHS) Administration on Children and Families (including the Office of Refugee Resettlement); the Department of Housing and Urban Development (HUD); and the Department of the Interior's (DOI) Bureau of Indian Affairs.

discretionary grantmaking. IMLS should encourage its grantees to collaborate with WIOA system partners in Labor and Education to achieve this – an approach that was originally encouraged by the Obama administration in a 2014 tri-agency communication,⁵ but has been sadly neglected by the Trump administration.

As part of the Digital Skills for a Digital Age effort, the White House should incorporate clear, simple messaging into *all* of its workforce and education initiatives. This messaging should communicate the urgency and importance of digital skills for adult workers – not just for K-12 students – as well as the role of the federal government in supporting states and localities to help workers develop those skills and the vision for how that will be achieved.

This communications component is particularly important given the absence of focused federal leadership on this issue under the Trump administration. A new administration must provide timely, succinct messaging to illustrate the new chapter in federal policy. Strong messaging can also help to counter the mistaken but widely held beliefs that the existence of widespread smartphone ownership and young “digital natives” mean that digital skill gaps are a short-term problem that is quickly disappearing and does not need federal action -- when in reality, data proves the opposite.

The White House should draw on recommendations from the task force in its proposals to Congress. The legislative branch has a useful role to play in strengthening existing workforce legislation to include more explicit digital literacy components, and in advancing new legislation to meet the needs of today and tomorrow. Beyond the Digital Equity Act referenced in President-Elect Biden’s campaign platform, the Biden administration should work with Congress to embed digital literacy across key workforce and education policies as follows:

- **Capitalize on the upcoming reauthorization of WIOA** to expand and update Title II to include additional investment in support of digital literacy as a core component of any adult education program. Congress should also update WIOA Title II performance reporting to include digital literacy and problem-solving skills as a way to demonstrate measurable skill gains by participants. This should be woven into existing performance reporting systems to minimize administrative burden, should be measured using a reputable and validated assessment tool, and should be accompanied by an increased investment so as not to serve as an unfunded mandate on providers.
- **Capitalize on the upcoming reauthorization of the Higher Education Act** to invest in partnerships between industry and education providers to ensure that education and training programs are responsive to the particular occupational digital literacy needs of local employers.

⁵ See: <https://www.imls.gov/blog/2014/11/libraries-and-workforce-innovation-and-opportunity-act>

- **Expand investment in the Higher Education Act and the Strengthening Career and Technical Education for the Twenty-First Century Act** (known as Perkins V), to offer additional technical assistance and funding to states and educational institutions to expand access to blended learning opportunities and proven digital skills training models in community college settings.

More details on these proposals can be found in National Skills Coalition's [Digital Skills for an Equitable Recovery](#).

A vacuum in federal leadership: how the US fell behind

Data from a rigorous international assessment conducted by the Organization for Economic Cooperation and Development (OECD) show that US millennials' digital skills are below the level of their peers in 17 out of 18 industrialized countries.⁶ Yet despite these sobering numbers, the federal government has been relatively slow to recognize the economic costs of US workers' patchy digital skills, and even slower to invest in the policies that can help workers and businesses prepare to meet technological demands. While ED, DOL, HUD, HHS, and USDA all touch various aspects of digital inclusion in relatively peripheral ways, only Commerce has been squarely tasked and funded to do substantial work on digital inclusion – and these activities have focused heavily on broadband access in particular.

In fact, previous administrations have done little to support occupational digital *skill-building* per se. Efforts have instead focused on the other two elements of what is often termed the three-legged stool of digital inclusion – that is, high-speed internet access, and access to digital devices such as smartphones, tablets, or desktop computers. While these activities are certainly worthy, mere access alone is wildly insufficient to help workers gain in-demand skills. Simply having a computer and broadband access does not equip people to use these tools effectively in the workplace, nor does it prepare people to enter and succeed in online higher education or job training. Rather, workers need high-quality programs and services that can help them build digital skills in the context of their other education and career goals. This is especially important for marginalized adult students and jobseekers who face racial and other inequities.⁷

Prior efforts include the Obama administration's [Broadband Opportunity Council](#), which was housed at the Department of Commerce's NTIA. This entity worked across federal agencies to advance wider broadband adoption in American communities. The Trump administration issued an executive order refocusing efforts as the [American Broadband Initiative](#), but this much smaller effort has been heavily focused on broadband access and has largely failed to address digital skill-building needs.

⁶ <https://www.ets.org/s/research/30079/millennials.html#fig4> (PS-TRE chart)

⁷ Supporting Community College Learners Online, Urban Institute 2020. Viewable at: <https://www.urban.org/research/publication/supporting-community-college-learners-online>

Other efforts to support digital literacy under existing federal policies have been modest at best. Digital skill building is an “allowable activity” for Workforce Innovation and Opportunity Act Title II-funded adult education providers but is not easily captured in existing performance measures, making it under-utilized. Similarly, digital literacy can theoretically be incorporated in services under USDA’s SNAP Employment & Training program, HHS’s Community Services Block Grants, or other federal investments, but to date, there has been very little federal guidance and support for doing so.

A clear, bold digital upskilling initiative would benefit key stakeholders

Small and mid-sized businesses, workers in rural communities, and workers of color are some of the constituent groups that would be most significantly affected by investment in digital literacy.

- ***Small business:*** Among businesses, small and mid-sized companies are more likely to employ workers with digital skill gaps,⁸ and often the least able to mount ambitious in-house upskilling efforts. Many smaller businesses have also been hard-hit by the COVID-19 pandemic. A White House initiative could help direct upskilling resources to these economically vital firms.
- ***Rural communities:*** Workers in rural communities face compounded challenges – they are more likely to lack broadband internet access due to their geographic location, and this lack of access then hampers their ability to get online and build better digital skills by participating in educational and workforce opportunities. Tackling these issues as part of a federal digital literacy initiative is crucial to ensure an even playing field for workers in rural locations.
- ***Communities of color:*** While many workers with digital skill gaps are white, workers of color are disproportionately affected. Data show that fully 50 percent of Black workers, 57 percent of Latino workers, and 36 percent of Asian American/Pacific Islander workers have limited or no digital skills, compared to 23 percent of white workers.⁹ (Data on Native populations is not available due to low sample size, but given other barriers such as low income and limited educational attainment that many indigenous communities face, it is reasonable to assume that they also face disproportionate digital skill gaps.) Similarly, immigrants and adult English learners are also more likely to lack digital skills, compared to white native-born Americans. Federal digital inclusion efforts should be intentional about using race and ethnicity data to understand inequities and should prioritize interventions and policies that have been demonstrated to close equity gaps.

⁸ The New Landscape of Digital Literacy, National Skills Coalition, 2020.

⁹ Applying a Racial Equity Lens to Digital Literacy, National Skills Coalition, 2020. Viewable at: <https://www.nationalskillscoalition.org/resources/publications/file/Digital-Skills-Racial-Equity-Final.pdf>

The American public supports this issue

Voter polling conducted by ALG Group for National Skills Coalition in Spring 2020 showed overwhelming support (84 percent) for public policies that expand access to digital learning and increase digital literacy to make it easier for people to retrain. The public grasps the import and urgency of this issue, especially given the COVID-19 pandemic.

For further information regarding these recommendations, please contact Katie Spiker, National Skills Coalition's Director of Government Affairs, at katies@nationalskillscoalition.org.