MODULE 3:
Mapping Pathways
to Economic Mobility

By Tanya J. Hall, Purdue University; Michael D. Wilcox, Jr., Ph.D., Purdue University; Joy Moten-Thomas, Fort Valley State University; and Paul Hill, Ph.D., Utah State University

Learning Objectives
• Increase knowledge about career pathways, purpose and how they are created
• Develop strategies to work with community leaders/businesses to develop career pathways
• Improve awareness of how training/education programs are aligned to meet career pathway needs
• Enhance understanding of how to implement the developed career pathway in the community
• Increase awareness of existing industry career pathways and ways to incorporate unique pathways related to small businesses and remote work

Background
The federal Workforce Innovation and Opportunity Act (WIOA) defines the term “career pathway” as a combination of rigorous and high-quality education, training, and other services that —

• Align with the skill needs of industries in the economy of the state or regional economy involved;
• Prepare an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937;
• Include counseling to support an individual in achieving the individual’s education and career goals;
• Include, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
• Organize education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
• Enable an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
• Help an individual enter or advance within a specific occupation or occupational cluster.

A simpler definition of career pathways is a method of providing clarity to job seekers on how to advance their career trajectory within a specific industry. Career pathways are also a valuable tool to assist industry, workforce development agencies, education and training entities and other community partners develop concrete processes for aligning their respective services to develop integrated pathways that make it easier for everyone to navigate.
Typically, career pathways are industry-driven and designed to outline a connected system of education and training programs that build upon each other to help a job seeker/worker advance in their career. The state of Michigan published a report, "A Practical Guide to Developing Career Pathways," and defined these key features of career pathways:

- They connect and articulate the full range of K-12, adult education, post-secondary, and other education and training, with seamless transitions between “levels” and no “dead ends”;
- They have multiple on- and off-ramps to make it easy for individuals to start, stop, and re-enter education and training;
- They embed “stackable” industry-recognized credentials;
- They make work a central context for learning, through on-the-job training, Registered Apprenticeship, work-based internships and mentorships, and other avenues;
- They accelerate educational and career advancement through assessment of prior learning and experience, integrated “basic” education and technical training, and other strategies; and
- They provide integrated supports like coaching and advising, and services like childcare and transportation assistance, especially at education and career transition points.

Given the amount of work it takes to develop the career pathways, questions may arise about the value proposition of doing this work. WIOA makes development of career pathways a function of the state and local workforce boards. While the Act encourages the activities of career pathway development and planning by education and workforce services, in reality Extension professionals are faced with a wide variety of situations pertaining to the workforce development presence in their communities. Thus, career pathways may not be developed and/or known in areas with fewer networks or resources. Extension can serve the role of strengthening the local workforce development ecosystem by focusing on the development of career pathways. The Michigan report outlined the benefit of crafting career pathways for the three beneficiaries: businesses (employers), students/job seekers/workers, and community partners.

**Benefits to businesses**

- A process for thinking comprehensively about their expectations for each of their positions and clearly defining both necessary and realistic requirements;
- An opportunity to ensure that education and training are aligned to actual industry and company needs;
- A ready talent pipeline with the right education, skills, and credentials;
- A strategy for increasing employee retention;
- A model for supporting career advancement, succession planning, and back-filling; and
- A process for connecting to new and more diversified talent pools in tight labor markets facing worker shortages.

**Benefits for students/job seekers/workers**

- A career development “roadmap” that takes the mystery and guesswork out of understanding what careers and career progression look like in various industries and what the real requirements are for career advancement
- A way for students/job seekers/workers, particularly those with multiple barriers to employment and advancement, to see themselves in careers and have access to career development information and experience they might not otherwise be exposed to;
- Education and training that is aligned to “real-world” occupational progressions and workforce needs;
- More opportunities to learn on the job;
- Accelerated career advancement opportunities;
- New career entry and advancement opportunities, particularly for individuals with barriers to employment and career development; and
- Integrated supports and career coaching.
Benefits to community partners (workforce development, education, human services, and related systems)

- A process for better aligning and integrating services and resources;
- Reduced duplication of efforts and investments;
- Improved outcomes for a variety of customer groups;
- Improved access to and engagement of previously-disengaged populations;
- Better connections to business and industry partners and alignment with their workforce needs;
- Stronger relationships with other public partners; and
- Increased opportunities for better service utilization and coordinated service planning and delivery.

Within our rural communities, there will likely not be large industry clusters to draw upon. However, there could be similarly related industries within each region, which requires looking at all the smaller industries. These smaller industries may be filled with businesses ranging in size from sole proprietors up to those employing 100 employees. In this mix, there will likely be many small businesses or microenterprises. Coupled with these business types, there could be diversity in the manner of how an employee works – namely working remotely. This remote work could be for an employer in/out of the region or in more of an entrepreneurial nature via freelance work or owning their own businesses. Recognizing the diversity in business types in rural communities, this section of FORWARD will explore how communities can craft career pathways for three areas of focus: traditional industry, small businesses/microenterprises and remote work. For example, the Minnesota State CareerWise\(^1\) platform has defined over 500 career pathways, listed by career clusters (Figure 1). A person can select one of the career pathways and it shows a pathway progression. In this example, the Natural Resources Systems pathway was chosen. Here one can see what jobs are available in this field for people with a high school diploma, GED or all the way up to an advanced degree. On this platform, once you click on a job title, it takes you to a page outlining the requirements for the job and other descriptive information about the occupation itself (Figure 2). Locally, when creating or enhancing existing career pathways, locations where to obtain the training needed for each occupation would be needed. This allows the student/job seeker/worker to know where to go to find the training.

Taking the time to build out these career pathways specific to your county/region necessitates conversations between businesses, education institutions and community partners to define what is needed for students/job seekers/workers.

\(^1\) Minnesota State CareerWise: https://careerwise.minnstate.edu/
to be able to advance within each career pathway. Ultimately, these career pathways conversations should guide each entity’s work in how they serve their respective audiences to benefit the county/region at large.

Additional community partners who serve as frequent touchpoints for rural low-income workers/job seekers can be equipped to become knowledgeable about where to find these career pathways and how to assist individuals to navigate the pathways. Through these partnerships, the community/region can develop stronger networks to foster a viable workforce for local employers and micro-enterprises.

The Process of Crafting Local Career Pathways

Developing career pathways follows a sequential process. As an Extension professional, consider yourself as the convener bringing the various community organizations, education and industry personnel together. While industry/business organizations will be an important component of the career pathway development, they do not need to be engaged the entire time. Rather, it’s important that information is gathered in a concise manner and clearly communicated back to the task force team. Engaging with business in this manner is respectful of their time operating a business and leaving the work of public partners to the tasks at hand.

The sequential process is as follows:

1. **Convener** pulls a task force team together to form a partnership (see Module 1: Developing Key Partnerships).
   - Typically, task force members will be public entities with businesses being engaged at the appropriate time. When this task force team meets (may be a series of meetings), the following needs to occur:
     a. A basic level of understanding about each organization’s specific goals, resources, program performance measures and requirements. While several organizations have similar missions, how they measure success may vary.
     b. Decision on how the task force will work together. This may entail crafting a MOU. Please refer to Module 1: Developing Key Partnerships for more information.
     d. Determine the task force focus – industry and/or microbusinesses. Analyze data specific to this industry to get an initial sense of the industry’s occupational mix, employment size and future industry projections to get a sense where employment growth is going to occur.
     e. Determine how the task force will engage with businesses within the industry/microbusiness landscape to listen to their workforce challenges.

2. **Engage with targeted businesses.** At this point, secondary data has been gathered and reviewed to understand the general workforce development landscape. Now, information needs to be gathered from businesses who are actively engaged in the current workforce landscape. Engagement can happen in a variety of ways: survey, data presentation (using information from the workforce development data) or focus group. The latter two options would likely yield the most beneficial information and robust conversation. Ultimately, the desired gathered information would be the job progression paths with named occupations, skills and compensation levels and their experiences in regards to workforce, business outlook, future job needs and training partnerships. In the appendix, sample questions have been compiled that could be used to guide the discussion in addition to a handout on career pathways for businesses.

### Topics/Questions to ask businesses:

1. Challenges filling openings
2. Greatest need for workers/skills
3. Skill requirements to advance
4. Locations where individuals receive those skills
5. Main pathways in the industry
6. Identify key occupations along pathway (entry to advanced)
7. Increasing compensation levels along pathway
8. Industry/technology changes
9. Demand for business goods/services
10. Anticipated future job needs
11. Current training partners

---

2 Convener could be the Extension professional bringing the group together or it could be an existing group that the Extension professional joins, depending on the community.

3 More information on conducting a focus group can be found in the appendix.
It is anticipated that this business engagement will occur over a series of discussions. As a convener, it’s important to ensure the businesses are driving the conversations, rather than the public task force partners. Intentional thought needs to be given as to who engages with the businesses. Recognize that some businesses will be able to provide detailed information regarding the career pathway, necessary certifications/skills/education and changing compensation levels. Others may only provide high level anecdotal information. This will require additional research by task force members to fill the gaps, thus this process may be a slight yo-yo process going back and forth between the business and task force.

3. **Develop a career pathway map.** Using the information gathered from the original secondary data, input from businesses and additional research conducted begin crafting a visual map of the occupational progressions, entry level to advanced. Be sure to include the average education, training, experience, skill levels, required credentials and salary ranges at each level of the pathway. Take a look at the gathered career pathways to see if the focus industry already has an example and modify as needed. If not, create your own visual career pathway. Share the draft pathway maps with the businesses for their feedback, refine as needed and finalize.

Congratulations!! Your task force team has successfully mapped a career pathway. At this point in the process, the public partners should be ready to roll up their sleeves and cross-reference the career pathway(s) against their portfolio of education and training programs. Below are the next steps in this process, summarized briefly. The next step is crucial in that industry partners have provided valuable information and their time. Now the task force can work to serve the industry/businesses by ensuring the necessary education/training programs are in place and that rural residents can find/complete the training to become gainfully employed or able to progress through their careers.

4. **Analyze the region’s education and training portfolio.** Review the available education and training resources that currently exist in the region that fulfill the needs of the focus industry. During this exercise, examine what is effective training and where improvements/gaps exist in the system by gathering feedback from the industry partners. They will be able to share which training approaches are working well and reasons for its effectiveness. These industry partners can also share what programs are not meeting industry needs and where modifications need to be made to become more effective. Once these facets are examined, that leaves the gaps in training needs versus availability. Gaps or deficiencies to look for include: 1) areas that are creating an oversupply of talent in non-relevant training areas relative to actual occupational demand for each occupation identified in the industry’s pathway; 2) gaps in training resources: non-existent training programs or deficiencies in existing training programs such as quantity of training facilities, educational staff, equipment, training slot availabilities and supplies. Summarize the findings from the gap, oversupply analysis and industry partner discussions to identify the priorities for refining existing programs or developing new training programs.

5. **Start the designing/modification of education and training programs with public partners.** More than likely, the public partners will need to know the desired competencies. Therefore, the task force will need to review, develop or modify competency models with industry partners, which will validate the career pathway progression. An industry competency model is a collection of competencies, knowledge and skills that define successful performance in an industry or a cluster of related occupations. These models articulate the business/industry requirements necessary for the curriculum, skill assessment instruments and certifications. Consider this a basic building block that guides the development of courses/training programs that match the career pathway progression. For tools/resources on competency models, visit The Competency Model Clearinghouse at [https://www.careeronestop.org/competencymodel/home.aspx](https://www.careeronestop.org/competencymodel/home.aspx).

6. **Determine the training programs’ sustainability model.** Once the training needs have been identified and solutions have been determined, now a focus turns to the sustainability of the program. How will it be funded? Do policies need to be changed to support the program? Is additional staffing needed – how will that be supported?

---

4 Some businesses may not have career pathways developed for their employees. Therefore, guiding questions may need to be asked to help the business identify where career pathways could be developed and what could comprise those training points. Help may be needed from the local labor department and other workforce development ecosystem partners to assist this business further. The intent is to empower the business to develop their own career pathways with support from the local workforce development ecosystem partners.
Who will manage the licensing/certification – if needed? Are there roadblocks related to credit transfer or credit for prior learning? How will the program reach its intended audience? Are there collaborations or MOUs that need to be established across organizations? These are a sampling of the questions that need to be considered by the task force.

7. Develop an implementation and assessment plan. Once the education/training programs have been finalized and validated by industry partners, the next step is to think about how to operationalize and how success will be measured. Operationalizing the program may entail defining clear roles and responsibilities of partners (business and public partners), timelines, partners' resource commitments, outreach and ways to adapt the program for different audience needs. Assessments need to be considered before deployment as the appropriate evaluation methods will support continuous improvement of the career pathway system. Therefore, clarification on what data is needed and how it will be collected in addition to defining success will need to be accomplished.

8. Implement programming, evaluate outcomes and adjust as necessary. Launch the program, track, analyze and share outcomes data related to impacts. Continuously meet with business and public partners to ensure the implementation is going well and gather feedback on improvements that need to be made. Based on this feedback, adjust the program as necessary.

Example Career Pathways (Industry-specific)

Many career pathways exist online for relatively common industries. Below are several career pathway examples that can provide guidance (not an exhaustive list).

1. Advance CTE | Career Clusters: https://careertech.org/career-clusters/. Includes information about necessary knowledge, skills and plan of study for each pathway.
2. Natural Resources: Natural Resources Systems Pathway | Minnesota State CAREERwise (minnstate.edu)
7. Governance: Governance Pathway | Minnesota State CAREERwise (minnstate.edu)

If your community finds an existing mapped career pathway, feel free to take what has been compiled and customize it for your county/region. If an existing focus industry is not found, one of these career pathways can serve as a template as your task force works together to create one specific for your county/region.

Entrepreneurial Career Pathways

Section objectives:

Participants should be able to:

- Define entrepreneurship, entrepreneurial communities and entrepreneurial development
- Identify entrepreneur types and how they fit in to the entrepreneurial career pathway
- Explain how entrepreneurs fit into economic development and how they are commonly supported
- Explain the importance of entrepreneurs and small businesses in the local economy
- Describe how entrepreneurship development is supported locally/regionally
- Discuss how working for/with an entrepreneur/small business is similar and different from working for a large business
- Identify common pinch points and how to effectively address them in an entrepreneurial career pathway
NOTE: This section of Module 3 was developed to assist communities in strengthening their working relationships with their community’s entrepreneurs/small businesses and to gain a better understanding of entrepreneur’s existing workforce needs. The Extension educator and FORWARD task force are tasked with working together to identify and help individuals who are unemployed and underemployed consider pursuing local employment opportunities provided by their community’s entrepreneurs/small businesses. The Extension educator and FORWARD task force will work with program participants to identify obstacles that are negatively affecting entrepreneurial career pathways. This section will help program participants gain access to resources needed to effectively secure and maintain employment through an entrepreneurial career pathway.

Why entrepreneurial career pathways

Much of the focus of career pathways has been on industries. However, please do not overlook the importance of entrepreneurs, who are often owners of small businesses that provide a lot of goods and services within our rural communities. While the entrepreneur, by definition, is the one directly taking on the risk of owning the business, these business owners require any staff they may hire to behave in entrepreneurial ways to help keep the business in operation. In other words, an employee of an entrepreneur essentially needs to be an entrepreneur because they are a representative of the business (and thus the goods and services provided). Therefore, working for an entrepreneur and/or small business can be very different from being an employee at a larger firm. And building an entrepreneurial workforce requires a strong entrepreneurial ecosystem of support that fosters entrepreneurship AND an entrepreneurial mindset amongst the workforce.

Given that preparing and supporting an entrepreneurial workforce may differ from some of the more traditional pathways to employment, this section will start with some basic definitions, then explore the role of entrepreneurship in the local economy and connect economic development to workforce development.

A community member was once overheard saying, “Spelling ‘entrepreneur’ is hard enough. Understanding what an entrepreneur is, even harder!” Therefore, let’s begin our discussion on how to create entrepreneurial career pathways by providing some working definitions.

- Entrepreneurs and their businesses may be described as innovators, “high tech,” “start-ups,” self-employed or small businesses. There are probably as many definitions of “entrepreneur” as entrepreneurs. For our purposes, we will consider entrepreneurs as people who take on the risk of creating and growing enterprises.
- Entrepreneurship is the process through which entrepreneurs create and grow enterprises.
- Entrepreneurial communities are those where significant economic and social entrepreneurial activity exists and where an effective system of private and public support fosters entrepreneurship.
- Finally, entrepreneurship development refers to the process of building an infrastructure of public and private policies and practices that foster entrepreneurship. For this curriculum, the critical aspect of entrepreneurship development is developing entrepreneurial career pathways.

Effectively supporting entrepreneurial career pathways can span personal assessments to skill building and experiential learning at the individual level and network building peer support at the business and community level. Understanding what is needed begins with understanding the entrepreneur types and needs.

There are many different types of entrepreneurs who have many different motivations. Here are four:

- Survival entrepreneurs are in business because they have few options to make a living. In times of recession, the number of such entrepreneurs increases. The literature often refers to this group as “necessity” entrepreneurs – distinct from those who start a business in response to a perceived opportunity.
- Lifestyle entrepreneurs are those who seek to balance personal and business goals, such as living in a particular community or raising a family – their primary aim is to employ themselves, often developing a business out of a hobby. Survival and Lifestyle entrepreneurs are less likely to be employers, so they are not encountered as frequently when building entrepreneurial career pathways.
- **Growth entrepreneurs** are focused on building their businesses quickly; some refer to them as gazelles.
- **Serial entrepreneurs** are focused on creating multiple businesses either concurrently or in succession.

Economic developers are most interested in growth and serial entrepreneurs because these are the job and wealth creators. In both cases, these entrepreneurs take their new ideas and expand on them through business creation and growth. Remember that no one can predict who will ultimately be successful. Survival and lifestyle entrepreneurs can evolve to become growth companies over time.

This typology can be useful when your community considers how best to encourage and support entrepreneurship as each has specific needs and challenges.

Suppose there is a desire to build up entrepreneurship muscle in the region. In that case, it is worth identifying how to construct a pathway to equip employees with the skills necessary for them and their small businesses employer to succeed. The Madison Metropolitan School District (Wisconsin) provides one example of an entrepreneurship pathway constructed for high school students (Figure 3). While at the high school level, it provides insight into some of the training topics that could be relevant in the entrepreneurship space.

**Figure 3: High School Entrepreneurship/Management Pathway**

![Entrepreneurship/Management Pathway](https://www.madison.k12.wi.us/career-technical-education/academictechnical-skills/business-marketing-and-information-technology/entrepreneurshipmanagement-pathway)

The pathway above is workforce development driven, addressing the skills and talent requirements of potential entrepreneurs and employees that may seek employment in the entrepreneurship sector. In practice, at the individual level, youth experience entrepreneurship through programs such as Junior Achievement, Network for Teaching Entrepreneurship, YouthBiz, 4-H’s “Be The “E”” and FFA’s Supervised Agricultural Experience. These experiential learning opportunities allow youth to try on entrepreneurship and learn more about what it takes to conceive, conceptualize, prototype, test, evaluate, capitalize, launch and grow a business. From an economic development point of view, this process can result in job creation (oftentimes in the form of new ‘nonemployer’ businesses, so one business, one job), and the business owner bears all of the responsibility of making the business a success. However, from a workforce development perspective, these experiences prepare participants to work for an entrepreneur as much as it may lead to them starting a business.
At the community level, the entrepreneurship process is often undergirded by the Small Business Administration, Small Business Development Centers, economic development organizations (local, regional, and state), colleges and universities and a myriad of other elements that function in the entrepreneurial ecosystem. In addition, Cooperative Extension plays a key role in supporting entrepreneurship at all levels (see an example from Wisconsin). The desired result is supporting businesses that thrive and potentially grow into an ‘employer’ business where people can find employment opportunities.

It is worth remembering that two prevailing issues are vital to developing a career pathway for small businesses: economic development and the reality of working for/with an entrepreneur. So let’s take a look.

Economic development practitioners often consider the economy a “three-legged stool.” This perspective is based on research and experience. There are three main ways that economic development professionals can promote economic vitality in their community: recruitment, retention & expansion, and creation, or entrepreneurship.

The “three-legged stool” is often invoked to convey that communities should take a balanced approach to economic development (with all three legs being of equal length or emphasis) so the “stool” — representing your economy — is stable (Figure 4). This stabilization is strengthened if there are strong linkages between these approaches. In other words, entrepreneurship efforts should complement recruitment, business retention, and expansion activities.

![Figure 4: The “Three-Legged Stool” of Economic Development](image)

It is also important to note the community and environment play critical roles. All aspects of the economy are rooted in the environment (natural capital) in which they operate and contribute significantly to quality of life. Lastly, your community is what brings it all together. If your community is not supportive of economic development efforts, then the probability of success is very limited.

Given this model, consider that for decades, the conventional wisdom for economic development has been that new economic activity has to be recruited from elsewhere rather than grown locally. As a result, a whole economic development industry has been created focused on marketing, recruitment, associated tax, and other financial incentives.

This has led to escalating competition between counties, regions, and states to attract companies considering relocation or expansion, often at enormous cost to the “winning” area and a relatively lower probability of success.

From a workforce development perspective, attraction strategies may bring workers from the previous location or create new opportunities for local people in the new location for the business. These firms often make decisions based on the
current workforce in the new area and prepare in-house training to overcome any potential deficits. Business retention and expansion strategies aim to retain the current workforce and to recruit from the local area where they are already located. This may require upskilling their current workforce or acting more like a new firm that has to attract and train talent. Both of these economic development strategies involve established businesses and are familiar to economic development professionals.

In contrast, economic development professionals often overlook the third leg, entrepreneurship. However, particularly for rural areas, entrepreneurship needs to be a fundamental economic development strategy as entrepreneurs, and small businesses are the drivers of local and regional economies. They also need to be explicitly incorporated into workforce development strategies. One way to recognize the importance of entrepreneurship is to examine the data.

Entrepreneurship classifications often invoke the number of employees (i.e. nonemployer firms, establishments with less than five employees or 5 to 9 employees, etc.). In reality, entrepreneurs and their businesses come in all sorts of flavors – including sector and firm size.

First, let’s consider the smallest of firms as entrepreneurial.

### Table 1: Employment and Payroll of Establishments by Establishment Size in the United States (2020)

<table>
<thead>
<tr>
<th>Employment size of establishments</th>
<th>Number of establishments</th>
<th>Establishments</th>
<th>Number of employees</th>
<th>Employees</th>
<th>Annual Payroll</th>
<th>Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>All establishments</td>
<td>8,000,178</td>
<td>100.0%</td>
<td>134,163,349</td>
<td>100.0%</td>
<td>7,564,809,878,000</td>
<td>100.0%</td>
</tr>
<tr>
<td>less than 5 employees</td>
<td>4,401,231</td>
<td>55.0%</td>
<td>7,204,643</td>
<td>5.4%</td>
<td>386,966,607,000</td>
<td>5.1%</td>
</tr>
<tr>
<td>5 to 9 employees</td>
<td>1,419,054</td>
<td>17.7%</td>
<td>9,417,614</td>
<td>7.0%</td>
<td>406,525,684,000</td>
<td>5.4%</td>
</tr>
<tr>
<td>10 to 19 employees</td>
<td>998,865</td>
<td>12.5%</td>
<td>13,521,041</td>
<td>10.1%</td>
<td>590,948,217,000</td>
<td>7.8%</td>
</tr>
<tr>
<td>20 to 49 employees</td>
<td>738,035</td>
<td>9.2%</td>
<td>22,268,895</td>
<td>16.6%</td>
<td>988,374,065,000</td>
<td>13.1%</td>
</tr>
<tr>
<td>50 to 99 employees</td>
<td>243,345</td>
<td>3.0%</td>
<td>16,711,637</td>
<td>12.5%</td>
<td>833,854,358,000</td>
<td>11.0%</td>
</tr>
<tr>
<td>100 to 249 employees</td>
<td>139,178</td>
<td>1.7%</td>
<td>20,910,680</td>
<td>15.6%</td>
<td>1,161,465,689,000</td>
<td>15.4%</td>
</tr>
<tr>
<td>250 to 499 employees</td>
<td>37,915</td>
<td>0.5%</td>
<td>12,847,431</td>
<td>9.6%</td>
<td>817,684,077,000</td>
<td>10.8%</td>
</tr>
<tr>
<td>500 to 999 employees</td>
<td>13,836</td>
<td>0.2%</td>
<td>9,447,821</td>
<td>7.0%</td>
<td>682,591,570,000</td>
<td>9.0%</td>
</tr>
<tr>
<td>1,000 employees or more</td>
<td>8,719</td>
<td>0.1%</td>
<td>21,833,587</td>
<td>16.3%</td>
<td>1,696,399,611,000</td>
<td>22.4%</td>
</tr>
</tbody>
</table>


In the United States, over half (55%) of all business establishments have five or fewer employees, and eighty-five percent have less than twenty employees (Table 1). These businesses account for an annual payroll of over $1.38 trillion dollars and employ over thirty million people. Many of these establishments are located in rural areas. And, given these establishments’ location and size, not all will be equipped to attract and train employees solely on their own, creating a need at the community or regional level for workforce development initiatives.

While these numbers are impressive for the smallest of establishments, it should be noted that seventy-seven percent of all employment in the United States is by establishments employing twenty or more employees. However, Figure 5 shows...
that employment by establishments with 10-99 employees (along with 2-9 employees) occupy a larger share of employment than the largest of establishments (100-499 and 500+). And their share has been growing or remained steady since 2003 (versus declining for the larger establishments). Also, it is important to remember that “establishments” differ from “firms.” The Bureau of Labor Statistics considers an establishment to be a “single physical location where one predominant activity occurs” versus a firm which can be an “establishment or a combination of establishments.” (BLS, 2016). This means that establishments are local, and their workforce development needs will need to be addressed locally.

**Figure 5: Establishment Size and Employment by Establishment Size in the United States (2021)**

Large or small, numerous or few, the take-home message from this data needs to be clear. Entrepreneurs and small businesses play an important role in the local economy, including:

- As Employers: creating new jobs and playing a significant role in hiring part-time workers and new workforce entrants
- As Tax Revenue Generators: broadening tax base, thus generating greater property and income tax revenues
- As Economic Supporters: buying and supplying local products and services. Income generated typically not exported out of local community
- As Property Owners and Renters: leasing space from local property owners and filling vacant storefronts downtown

• As Providers of Economic Stability: small homegrown firms are, by definition, owned and operated by people who have a personal stake in the community and are more likely to remain

So, given what you know now about entrepreneurship, entrepreneurs and small business in your local community, now is a good time to discuss how they are supported and what it will take to develop/strengthen an entrepreneurial career pathway.

For starters, let’s think about the common characteristics of successful entrepreneurs. Harvard Business School has identified ten, we can think of these as the “DNA” of an entrepreneur. These characteristics include:

1. Curiosity
2. Structured Experimentation
3. Adaptability
4. Decisiveness
5. Team Building
6. Risk Tolerance
7. Comfortable with Failure
8. Persistence
9. Independent
10. Risk Takers

While the literature suggests that these are important for entrepreneurs, our challenge is to understand how to support and work for such individuals. Certainly, when thinking about employees, this list of characteristics might not capture the characteristics one typically seeks. This is why entrepreneurial career pathways are different, potential employees need to balance their skills, experience and entrepreneurial know-how with that of the entrepreneur who has assumed the risk of starting this business and trying to find employees that are a ‘good fit’ with their vision, passion and goals.

NOTE: This would be a great opportunity to have one or two local entrepreneurs as guests to talk about their views on these characteristics and what they are looking for in employees. It would be ideal if these would be entrepreneurs that are looking to hire one of the program participants as a part of this training exercise or have experience with successfully hiring and managing staff.

In the article, “Employment vs. Entrepreneurship: Similarities and Difference,” the editorial team at Indeed.com examines how employment and entrepreneurship differ and some characteristics that these workforce opportunities share. Differences can be loosely aggregated across three categories:

<table>
<thead>
<tr>
<th>DIFFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
</tr>
<tr>
<td>Benefits</td>
</tr>
<tr>
<td>Company policies</td>
</tr>
<tr>
<td>Compensation plan</td>
</tr>
<tr>
<td>Job security</td>
</tr>
<tr>
<td>Work schedule</td>
</tr>
<tr>
<td>Work environment</td>
</tr>
</tbody>
</table>

These differences manifest themselves in terms of flexibility and whether they have effects within the workplace or in the marketplace, for example. Similarities may include aspects of payment, professional growth, work-life balance, client management, and expectations.

At the end of the day, an entrepreneur carries all of the risk of owning the business. The employee of an entrepreneur shares some of the burden of successfully representing the entrepreneur’s goods and services and effectively managing relationships and aspects of the business under the leadership of the business owner. The importance of customer service in the entrepreneurial career pathway cannot be over-emphasized, along with soft skills, intentional onboarding,
Remote Work Career Pathway

Rural communities with a narrow array of career opportunities in their region can consider another approach to diversify employment options and skill up their residents - via remote work opportunities. Rather than targeting a particular industry, this approach focuses on the individual's ability to work remotely while maximizing their skill set that may have limited application within their geographic region. Remote work is simply another strategy to equip individuals to pursue, obtain and maintain well-paying employment opportunities while reducing the outmigration of workers. Additionally, these remote work opportunities can be applicable to a person who needs flexibility in their schedule (i.e. working parents and caregivers), been justice-involved or disabled and cannot thrive in a traditional workplace environment. Therefore, remote work opportunities exist for employees, freelancers and entrepreneurs.

To be an effective remote worker, individuals need the correct set of skills to operate well independent of others. Utah State University has developed a Rural Online Initiative (ROI) that offers rural residents the specialized skills and career support they need for success as a remote worker. ROI has courses on how to become a remote work professional, leading remote employee teams, finding a remote job and negotiating for remote work arrangements. These trainings are available anywhere and numerous land grant Extension systems serve as affiliate chapters to support the workers in their respective state.

Oftentimes, remote work is viewed as an individuals’ choice in how they work. However, communities can intentionally choose to position themselves to support remote work as a career pathway and economic development strategy to equip both their existing labor force and recruit remote workers to their area. In considering this economic development strategy, communities need to undertake a data-driven approach to determine the benefits, challenges, barriers and feasibility of implementing a remote work program. In working with communities, Utah State University recommends the following steps:

1. Identify descriptive data from reliable secondary sources in considering remote workforce development as a career pathway and economic development strategy.
2. Validate information with employers, key stakeholders and other informants.
3. Based on labor market analysis, complete the remote work initiative assessment.

If the remote work initiative assessment indicates that this career pathway is a good fit for the community, this leads to additional conversations about how to support this economic development strategy. Recommended areas of consideration by community leaders/stakeholders include:

1. Broadband infrastructure
2. Housing – part of the economic development strategy when recruiting remote workers
3. Spaces, places and programs to allow remote workers to meet and network
4. Targeted workforce development efforts on skills aligned with remote work opportunities for local workers
5. Workforce attraction efforts – leverage individual’s existing connections to the communities
6. Quality of life investments

The method to creating a career pathway is similar for both industries and remote work opportunities. Both require intentionality by community stakeholders to develop or leverage local resources to support the local workforce and potentially attract others to the community. A more detailed set of action steps and resources on remote work can be found in the appendix.

Engage with Your Community’s Workers

Once a career pathway model has been developed, check with rural learners to gain their feedback (see Module 4: Recruiting and Supporting Rural Learners). You are seeking information on easy to understand, usefulness and adjustments needed. Take this feedback to the task force and make modifications, as needed.
Appendix

Focus Group Guide

The Focused Focus Group
QUESTION GENERATOR

By Melinda Grismer, Purdue Center for Regional Development (mgrismer@purdue.edu)

COMMUNITY NEED:  Example: To discover which “quality of place” features are most valued by the residents of Dubois County, Ind., for a workforce recruitment campaign

OPENING:  ROUND ROBIN QUESTIONS
DESIGNED TO BE ANSWERED QUICKLY
USED TO IDENTIFY CHARACTERISTICS PARTICIPANTS HAVE IN COMMON
FACTUAL QUESTIONS (as opposed to attitude or opinion-based questions)

Example: Each focus group participant has 30 seconds to introduce himself/herself answering these questions:
1) # of years living/working in Dubois County
2) Where in the county he/she lives/works
3) Specific occupation/job title

INTRODUCTORY:  POPCORN QUESTIONS
DESIGNED TO INTRODUCE THE GENERAL TOPIC OF DISCUSSION
PARTICIPANTS REFLECT ON PAST EXPERIENCES
PARTICIPANTS CONNECT WITH THE OVERALL TOPIC
QUESTIONS NOT CRITICAL TO ANALYSIS, BUT TO FOSTERING CONVERSATION

Example:
1) Briefly share your thoughts about your county. First of all, what would you say are the ONE to TWO things you like most about your county?
2) What ONE to TWO things concern you most about your county?

TRANSITION:  RESPONSE-SPURRING QUESTIONS/COULD EMBED SHORT SURVEY HERE
DESIGNED TO MOVE CONVERSATION INTO THE KEY, STUDY-DRIVING QUESTIONS
SERVE AS THE LOGICAL LINK BETWEEN INTRODUCTORY & KEY QUESTIONS

PARTICIPANTS BECOMING AWARE OF HOW OTHERS VIEW THE TOPIC

Example:
1) Do residents of your county regularly use its parks, trails, and public spaces?
2) Are your downtown areas thriving?
3) Does your county celebrate and promote its culture and heritage (arts, music, local foods, festivals, etc.)
4) In your county, do residents have access to fresh, locally sourced foods?
5) Are there activities available for children, teens, and families to do?
6) Does your county have places where people can gather to socialize or conduct business (such coffee shops, parks, public library)?
7) Is it easy to find information about activities and events that are occurring?
8) Is there a variety of local restaurants and dining experiences to enjoy?
9) Do out-of-town visitors enjoy coming to your county?
10) Are people in your community open-minded and welcoming to people of many races, religions, sexual orientations, etc.?
11) Are there a number of activities for young adults (21-35 years of age)?

**KEY:**

**OPEN-ENDED QUESTIONS**

DESIGNED TO DRIVE THE STUDY

NO MORE THAN 2-6 QUESTIONS IN THIS CATEGORY

USUALLY THE FIRST QUESTIONS DEVELOPED (with the end result in mind)

QUESTIONS NOT CRITICAL TO ANALYSIS, BUT TO FOSTERING CONVERSATION

Example: Which of these “quality of place” features do you find the most attractive—and why?

(Have participants brainstorm out loud. Write down answers on flip chart paper and categorize.)

1) Friendliness of the community, its people, feeling of being “at home”
2) Safety, lack of traffic and congestion
3) Rural surroundings, small town feel
4) Educational opportunities for youth and adults
5) Housing options in the quality and price range desired
6) Digital connectivity via broadband/wireless to your home/office

**ENDING:**

**SUMMARY QUESTIONS**

DESIGNED TO BRING CLOSURE TO THE DISCUSSION

ENABLES PARTICIPANTS TO PRIORITIZE PREVIOUS COMMENTS

ENABLES PARTICIPANTS TO REFLECT BACK ON PREVIOUS COMMENTS

QUESTIONS CRITICAL TO ANALYSIS, PARTICULARLY IF STRATEGIES WERE SUGGESTED

Example: Based on your previous comments, what is the MOST IMPORTANT thing that you believe the county should do to provide quality of place to current and future residents of Dubois County?

**CONCLUSION:**

**WRAP-UP COMMENTS**

A. We’ll email synthesized notes to the whole group
B. We’ll let you know the results of the overall campaign (as it rolls out)
C. Thank you for your time and for your thoughtful contributions to this exercise! Your feedback was much appreciated!
Sample Questions to Ask Employers

1. Main pathways in the industry
   i. What training is needed to be in this industry?
   ii. What is required versus what are stackable trainings (i.e. advanced topics)?

2. Identify key occupations along pathway (entry to advanced)
   i. Tell me how a person could progress within your company. What would be their occupations, how does their role change, what training do they need and how does the compensation change?
   ii. How do you identify when a person is able to advance to the next level or new job responsibility?

3. Skill requirements to advance
   i. What skills must a person have to advance to the next level or new job?
   ii. Of these skills – which ones are on the job training/experience versus external training?
   iii. Are these skills industry standard or specific to this business?

4. Locations where individuals receive those skills
   i. Where can individuals receive the necessary skills for our business?
   ii. What are the preferred methods for receiving these trainings?
   iii. What has worked well/not so well in the past for trainings?

5. Increasing compensation levels along pathway
   i. How does one increase their level of compensation within your business?
   ii. Is there a marked difference in pay levels once a person gains new skills/credentials/training/job title?

6. Industry/technology changes
   i. Looking at your industry, what technology advances are happening?
   ii. Which of those technology changes do you see happening at your business in the future?
   iii. Is your current workforce ready for those changes in technology?
   iv. What is needed to equip your workers to adopt these new technologies?

7. Challenges filling openings
   i. Please share your experience in filling job openings. Where do you post your open positions?
   ii. What is the hiring process like?
   iii. How do you onboard new employees?
   iv. How qualified are prospective new hires?
   v. Where are the job applications coming from? (county/region/out-of-state)

8. Demand for business outputs
   i. Tell me about the market for your business products. What has been the level of demand for your products or services?
   ii. What factors affect the demand for your product or services?

9. Anticipated future job needs
   i. In looking 2-3 years out, what do you foresee as future job needs?
   ii. Are there job positions that you do not have today that will likely be needed in the future? If so, what are they?
      What skills will be needed for this job?

10. Current training partners
    i. Who are your current training partners?
    ii. Who are your preferred training partners?
    iii. What experiences have you had in the past with various training partners?
    iv. What do you need from a training partner?
Career Mapping Handout

Career Pathways: What is it and its purpose?

Career pathways is a method of providing clarity to job seekers on how to advance their career trajectory within a specific industry. Career pathways are also a valuable tool to assist industry, workforce development, education and other community partners in developing concrete processes for aligning their respective services to develop integrated pathways that make it easier for everyone to navigate.

Typically, career pathways are industry-driven and designed to outline a connected system of education and training programs that build upon each other to help a job seeker/worker advance in their career. The state of Michigan published a report, “A Practical Guide to Developing Career Pathways,” and defined these key features of career pathways:

- They connect and articulate the full range of K-12, adult education, post-secondary, and other education and training, with seamless transitions between “levels” and no “dead ends”;
- They have multiple on- and off-ramps to make it easy for individuals to start, stop, and re-enter education and training;
- They embed “stackable” industry-recognized credentials;
- They make work a central context for learning, through on-the-job training, Registered Apprenticeship, work-based internships and mentorships, and other avenues;
- They accelerate educational and career advancement through assessment of prior learning and experience, integrated “basic” education and technical training, and other strategies; and
- They provide integrated supports like coaching and advising and services like childcare and transportation assistance, especially at education and career transition points.

Given the amount of work it takes to develop the career pathways, questions may arise about the value proposition of doing this work. Know that the federal Workforce Innovation Opportunity Act (WIOA) makes development of career pathways a function of the state and local workforce boards. The Act also encourages the activities of career pathway development and planning by education and workforce services. A Michigan report outlined the benefit of crafting career pathways for the three beneficiaries: businesses (employers), students/job seekers/workers, and community partners.

Businesses

- A process for thinking comprehensively about their expectations for each of their positions and clearly defining both necessary and realistic requirements;
- An opportunity to ensure that education and training are aligned to actual industry and company needs;
- A ready talent pipeline with the right education, skills, and credentials;
- A strategy for increasing employee retention;
- A model for supporting career advancement, succession planning, and back-filling; and
- A process for connecting to new and more diversified talent pools in tight labor markets facing worker shortages.

Students/Job Seekers/Workers

- A career development “roadmap” that takes the mystery and guesswork out of understanding what careers and career progression look like in various industries and what the real requirements are for career advancement
- A way for students/job seekers/workers, particularly those with multiple barriers to employment and advancement, to see themselves in careers and have access to career development information and experience they might not otherwise be exposed to;
- Education and training that is aligned to “real-world” occupational progressions and workforce needs;

---


- More opportunities to learn on the job;
- Accelerated career advancement opportunities;
- New career entry and advancement opportunities, particularly for individuals with barriers to employment and career development; and
- Integrated supports and career coaching.

**Community Partners (workforce development, education, human services, and related systems)**

- A process for better aligning and integrating services and resources;
- Reduced duplication of efforts and investments;
- Improved outcomes for a variety of customer groups;
- Improved access to and engagement of previously-disengaged populations;
- Better connections to business and industry partners and alignment with their workforce needs;
- Stronger relationships with other public partners; and
- Increased opportunities for better service utilization and coordinated service planning and delivery.

**Example of Career Pathway**
Utah State University Remote Work Assessment

Assessing the Potential for Remote Work as a Workforce Development Strategy

BACKGROUND

Many rural communities face high levels of unemployment and poverty due to automation within extractive industries (e.g., mining, timber, agriculture). As these nonmetropolitan areas recovered more slowly from the Great Recession (Pender et al., 2019), the overall economic recovery of jobs post pandemic has been slowest for persistently poor rural counties (Dobis et al., 2021).

Some communities have pursued the idea of remote work as a strategy for offering new employment opportunities to rural residents and reducing outmigration of young people pursuing education and careers (Hill et al., 2021; Murray, 2022). Even prior to the onset of the Covid-19 pandemic, remote work opportunities were expanding, and the pandemic rapidly accelerated this trend (The Future of the Office, 2020). Some of these shifts may have lasting impacts on telecommuting patterns in the United States, presenting new possibilities for rural communities to capture better paying jobs for rural residents (Hughes et al., 2022).

Remote work requires skills that many rural residents may not possess. As such, Utah State University (USU) Extension has developed the Rural Online Initiative (ROI) program to offer rural residents the specialized skills and career support they need for success as a remote worker. The initiative offers courses in becoming a remote work professional, leading teams of remote employees, finding a remote job, and negotiating for remote work arrangements. As a USU Extension program, the ROI also partners with Utah 4-H to provide rural high school students with learning opportunities designed to increase their awareness of the concept of remote work (Schmutz et al., 2022). Based on USU Extension’s experience with remote work training courses, their faculty have developed the following assessment questions and tasks for Cooperative Extension Professionals (CEPs) and their stakeholders who may be interested in pursuing remote work as part of a career pathway and economic development strategy.

A thorough analysis for pursuing a remote work initiative as a rural economic strategy should use a data-driven approach to:

1. Identifying the benefits of remote jobs in a rural community.
2. Identifying the challenges to implementing a remote work training program.
3. Identifying obvious and potential barriers to success of such a program.
4. Matching the “strategic focus” of a community’s workforce and economic development strategy; remote work should be only one aspect of a community’s overall strategic economic development plan.

TASK #1

Identify descriptive data from reliable secondary sources in considering remote workforce development as a career pathway and economic development strategy.

Data Sources:
- U.S. Bureau of Labor Statistics (DoL) bls.gov
- Employment and Training Administration (DoL) dol.gov/agencies/eta
- U.S. Census Bureau census.gov
- U.S. Bureau of Economic Analysis bea.gov
- State labor market information agencies bls.gov/bls/ololist.htm
- Private sources and proprietary data vendors (any data collected by a private business)
- St. Louis Federal Reserve’s Economic Data (FRED) fred.stlouisfed.org
Remote work strategy descriptive data (See the "Identifying workforce needs" element of the FORWARD curriculum, also called the LMI Resource Guide).

1. **Labor trends by industry**
   a. Question: What are the top growing industries across the country, your state, region, and county?  
   b. Data: National, state, regional, and county secondary data

2. **Labor market trends**
   a. Question: What are the unemployment levels in your state, region, and county?  
   b. Question: What are the age characteristics of the labor market in your state, region, and county?  
   c. Data: State, regional, and county secondary data

3. **Population trajectory**
   a. Question: What is the average household income in your state, region, and county?  
   b. Data: State, regional, and county secondary data

4. **Per capita income, average household income**
   a. Question: What is the population trajectory in your state, region, and county?  
   b. Data: State, regional, and county secondary data

5. **Educational attainment**
   a. Question: What is the average educational attainment in your state, region, and county?  
   b. Data: State, regional, and county secondary data

6. **Net migration trends**
   a. Question: What are the migration trends in your state, region and county?  
   b. Question: What are the commuting patterns in your state, region and county?  
   c. Data: State, regional, and county secondary data

7. **Availability and accessibility of broadband access**
   a. Question: What are the limitations of broadband/fiber access in your state, region and county?  
   b. Data: State, regional, and county secondary data

---

**TASK #2**

Validate Information with employers and other key stakeholders and informants.

1. Qualitative data can help interpret findings and can build support  
2. Obtain qualitative data through interviews and surveys and interpret findings  
3. Build support for subsequent efforts with key stakeholders

**TASK #3**

Based on labor market analysis, answer the remote work initiative assessment:

1. Does your community have higher than state average unemployment?  
2. Does your community have low economic diversity?  
3. Does your community have high rates of poverty?  
4. Does your community have below average household income?  
5. Is your community experiencing population decline?  
6. Is your community experiencing negative net migration?  
7. Is the educational attainment in your community at or above a high school diploma/GED?  
8. Does your community have reliable broadband/fiber access?

Answering "yes" to the majority of these questions signals that a specialized remote work training program could be a viable community workforce initiative.

A remote work micro-credential awarded from an institution of higher education may help an individual determine how their current skills are transferable to a remote job. Such training would also acquaint them with career paths that might be of interest in the future and what skills they need to learn to get there.
Examples of short-term strategic options

- Improve broadband/fiber access
  > HB304 le.utah.gov/~2021/bills/static/HB0304.html
  > Utah Broadband Center
  le.utah.gov/interim/2021/pdf/00003346.pdf
- Tax incentives to employers to hire remote workers in rural areas.
  > HB390 le.utah.gov/~2018/bills/static/HB0390.html
  > HB110 le.utah.gov/~2019/bills/static/HB0110.html
- Grants for rural counties to establish co-working spaces
  > HB296 le.utah.gov/~2019/bills/static/HB0296.html
- Specialized training for rural residents in the best practices of remote work and finding a remote job
  > HB327 le.utah.gov/~2018/bills/static/HB0327.html
  > Remote work training program remoteworkcertificate.com
- Grow with Google digital skills lessons and career certificates
  > Workforce development: Build basic digital skills grow.google
  > Applied digital skills applieddigitalskills.withgoogle.com/en/learn

The Center on Rural Innovation offers six recommendations for rural leaders to consider when creating economic and workforce development strategies and programs (Rembert, 2021):

1. Build the broadband infrastructure of the future, and make sure people know where it is.
2. When attracting remote workers, incorporate housing into your economic development strategy.
3. Create spaces, places, and programs where remote workers can meet and network.
4. When working to increase remote employment for local workers, focus workforce development efforts on skills aligned with remote work professions.
5. When attracting remote workers, target workers that already have connections to your community.
6. Invest in quality of life.

REFERENCES


