

# Expanding highquality career pathways in Texas

**JPMorganChase** 



# What Works Expanding high-quality career pathways in texas

Communities across the U.S. are navigating rapid shifts in the labor market: Employers are struggling to fill gaps in their talent pipelines, and workers are seeking opportunities to develop the skills needed to secure well-paying jobs and build successful careers. In a 2024 global survey of over 40,000 employers, 71 percent of U.S. companies surveyed reported talent shortages.<sup>1</sup> Estimates show 60 percent of workers need updated skills training by 2027, yet only half have adequate access to career pathway programs.<sup>2</sup> High-quality career pathways help to address these challenges by providing workers opportunities to build skills, earn in-demand credentials, and gain work experience that can improve career prospects and financial security. Career pathways can also make local businesses more competitive by reducing the cost of recruitment and training. This demand for better career pathways by businesses and workers has sparked innovation, leading to promising strategies that can be replicated to accelerate progress in expanding economic mobility.

JPMorganChase supports our employees and the communities we serve by promoting access to education, training, and work experiences that contribute to career advancement. This includes investments in building high-guality career pathways in several states through our community initiatives, research, policy recommendations, and convenings that bring local leaders together to share promising solutions. With over a decade of investment in career pathways, Texas offers a compelling blueprint for developing education and workforce systems that are strategically aligned to meet the evolving needs of the labor market. This report explores the following insights to support communities nationwide in developing more effective and responsive systems:

Effective alignment and collaboration: Intermediaries are key to aligning efforts by business, education, workforce, and civic partners, providing the leadership and infrastructure needed for effective collaboration that meets employer demands and boosts student career success.

Data-driven insights: Advanced data infrastructure that shares information across agencies empowers stakeholders with insights to inform evidence-based decision-making, enhancing transparency and driving effective outcomes.

Outcomes-focused investments: Public funding that rewards programs for helping students build good careers and meets employer demand is key to sustaining effective career pathways ecosystems.

Texas' recent strategies are setting the stage for sustainable economic growth, with its investments in cross-sector coalition-building and infrastructure providing a solid foundation for a future workforce that is more adaptable and aligned with industry needs, even as the long-term impact of these initiatives remains to be seen.

# Zooming in: Texas

Between February 2024 and February 2025, Texas led the nation in adding jobs (+180,000), but has historically faced a mismatch between employer demand and available skilled labor.<sup>3</sup> By 2031, over 63 percent of jobs in Texas will require education and training beyond high school.<sup>4</sup> However, only 45 percent of adults in Texas currently hold a postsecondary credential, and only one out of every three Texas students attains a degree or credential within six years.<sup>5</sup> In 2015, the Texas Higher Education Coordinating Board released "60×30TX," a strategic plan for refocusing aspects of public higher education to fulfill the demand for a skilled workforce, setting a statewide goal of 60 percent of Texans ages 25 to 34 earning a degree, certificate, or other credential of value by 2030.6 This statelevel goal catalyzed action across many sectors and contributed to the mobilization of an ecosystem of employers, nonprofits, educational institutions, and other local leaders who spearheaded initiatives that align education and workforce systems, foster collaboration among key stakeholders, and develop policy recommendations to strengthen employment outcomes.

In this section, we examine how groups came together to respond to the 60×30TX strategic plan and the steps they took to develop infrastructure, partnership networks, and funding principles that aligned with this goal.<sup>7</sup> We also examine the elements of Texas House Bill 8 (HB8), adopted during the 88th Texas Legislature Regular Session that, while recently implemented, includes promising approaches that may be ripe for replication in other states.

# $\overset{\sim}{D}^{-}$ Catalysts for change: Ecosystems driving career pathway innovation

Many states have established goals for career readiness and postsecondary credentials. Texas' approach is notable because it involved both fostering collaboration across an ecosystem of public and private sector partners and simultaneously creating the infrastructure and processes to underpin the work being led by these coalitions. Local community and statewide intermediaries served as the backbone of these coalitions, shaping planning frameworks and providing essential infrastructure,

# JPMorganChase's commitment to expand economic mobility

As an employer of over 300,000 workers globally across a wide range of occupations, JPMorganChase is committed to expanding opportunities for skills development and career mobility. We are deeply engaged in developing highquality career pathways that contribute to economic growth in cities across the U.S., including Boston, Columbus, Dallas, Denver, Indianapolis and Nashville. Since 2020, we have invested more than \$500 million in expanding career and wealth-building opportunities nationally. Through the JPMorganChase Institute and PolicyCenter, we have helped advance research and sustainable, evidence-based policy solutions to help drive broad-based economic growth.

With more than 105 years serving the Dallas-Fort Worth region, JPMorganChase is helping to create an economy that works for all by supporting skills training for high-value, in-demand jobs, uplifting communities through small business growth, and expanding access to housing and homeownership opportunities-now and into the future. JPMorganChase is one of the largest employers in Texas, employing nearly 31,000 individuals locally. This includes more than 18,000 employees in the Dallas Fort Worth region and over 1,500 veterans. From 2019 to 2024 alone, the firm committed \$41.4 million in Texas for educational and workforce development initiatives to enhance career readiness, community resilience, and student support through scholarships and mentorship programs.

community feedback, research, and advocacy. In particular, the partnerships between intermediaries, education institutions and businesses were crucial for achieving economies of scale. For example, companies were more inclined to engage with a single intermediary or college, rather than navigating multiple systems. A strong intermediary or college with the capacity to cultivate business partnerships can significantly deepen the role that businesses play in strengthening career pathways and developing talent pipelines.<sup>8</sup>

The following are examples of groups contributing to transforming career pathways in Texas:

#### Intermediaries

In Dallas, the Commit Partnership (Commit), a nonprofit focused on increasing living wage attainment for young adults in Dallas County via improved educational outcomes and workforce readiness, brought local stakeholders, including highly engaged business partners, together to strengthen career pathways for young people. Since the organization was formed, Dallas County began experiencing gains in postsecondary attainment and economic mobility. According to a 2023 report, the organization and its network's coordinated strategies contributed to an increase in the percentage of residents aged 25 to 34 with some form of college degree from 24 percent in 2012 to 45 percent in 2022.9 Since 2012, the percentage of young adults with less than a high school diploma decreased from 24 percent in 2012 to 12 percent in 2022.10

Aim Hire Texas (AHT), an initiative of Commit and Texas 2036, is a nonpartisan statewide consortium of advocates, employers, nonprofits, and education and training programs working to improve the Texas education and workforce systems. Coalition members and partners of AHT played a central role in advancing Texas HB8 (HB8), a key piece of legislation for aligning education with workforce needs. HB8 created a comprehensive framework aimed at enhancing and broadening access to highquality career pathways via community colleges.

# Texas House Bill 8

Texas HB8 ties funding to measurable student outcomes, such as credentials of value attainment, dual credit completion, and successful transfers to fouryear institutions. This helps to support the seamless connections from high school to postsecondary career--a key element of the firm's policy recommendations for high-quality career pathways. HB8 passed in 2023 and remains in the early stages of implementation.



<sup>66</sup> This problem is solvable. We need real-time data, the right incentives, strategically-invested resources, and support from entities outside of government."

#### Todd Williams

Chairman & CEO, Commit Partnership

#### **Private sector**

Businesses in Texas played an essential role in aligning regional labor demands with higher education, including by supporting key legislation. Committed employers helped enhance the design, implementation, effectiveness and sustainability of high-quality career pathways by sharing their expertise, providing insights into skills requirements and career progression in their industries, creating mentorship and work-based learning opportunities, and ultimately hiring from these pathways.

For example, JPMorganChase was a part of the constellation of businesses and philanthropists that supported Texas' efforts to create high-quality career pathways, including the focus on improving student career outcomes outlined in HB8. Leveraging insights from the firm's business practices and philanthropic commitments, JPMorganChase released a set of <u>policy recommendations</u> to improve career pathways, and as HB8 was in development, helped to map the credentials and pathways across K-12 and community college systems.<sup>11</sup>

<sup>66</sup> The Texas economy could be strengthened by addressing the state's workforce skills mismatch, providing increased affordability for postsecondary programs, and helping more families participate in the state's prosperity. Local partnership networks that include effective community colleges have the ability to rapidly adjust to the ever-evolving labor market and prepare students with credentials and work experiences aligned with local employers' needs."

#### **Belen Garren**

Managing Director, Region Manager Middle Market Banking, JPMorganChase

#### **Community colleges**

Community colleges are uniquely positioned to advance career pathways strategies across regions and played a central role in transforming systems in Texas, including shaping HB8. College leaders—presidents, chancellors, and trustees—actively advocated for a new funding model, recognizing that the old enrollment-based system did not align with workforce and student needs. Leaders provided testimony, data, and recommendations during legislative hearings and working groups. Once HB8 passed, community colleges collaborated with The Texas Education Board to develop metrics, reporting tools, and technical definitions for the new funding system. They helped identify eligible credentials, transfer pathways, and workforce-aligned programs that would count toward performance-based funding. Many colleges then held internal workshops to educate faculty and staff about the implications of HB8 for curriculum, advising, and program design. These colleges also served as a hub for local employer engagement in workforce efforts, such as:

For For more than a decade, Austin Community College (ACC) has collaborated with semiconductor firms and an ecosystem of local education and workforce partners, building a talent pipeline for Austin's semiconductor industry. ACC's strategic approach involves collaboration with companies to define skill needs, foster trust, and unify efforts across training institutions and nonprofit partners. Specific strategies included expanding entry-level Advanced Manufacturing Production programs and incumbent worker training that transitions employees into skilled technician roles.<sup>12</sup> ACC also scaled a customized earn-and-learn model that helps students enter the semiconductor workforce quickly and advance in their careers by providing classes aligned with work schedules. Ensuring most of the customized training is transferable between companies, ACC offers paid training with courses available for open enrollment, allowing any worker to enroll directly, forming the foundation for collaboration with numerous semiconductor firms. In 2024, ACC trained 2,856 learners, including K-12 students, certificate, associate and bachelor's degree program participants, and degree program participants, and incumbent workers. Employer investment in ACC's customized training programs is growing, with industry partners going beyond paying wages, contributing over \$380,000 in tuition costs in 2024.

Industry and educational institutions are too far apart. We need stronger and more detailed talent demand signals from companies to help our students. Beyond general job requirements, we need to better understand skills and career progression opportunities to offer different types of education and training opportunities."

#### **Garrett C. Groves**

Vice Chancellor, Strategic Initiatives, Austin Community College District

Houston Community College (HCC), the seventh largest in the nation, • provides over 85,000 students with access to high-guality, affordable education.<sup>13</sup> The greater Houston region faces a unique challenge, with the state of Texas having experienced nearly 190 climate disaster events since 1980, each resulting in losses exceeding one billion dollars.<sup>14</sup> In response, HCC launched the Resiliency Workforce Collaborative (Resiliency Collaborative) in 2022, expanding its network from 17 to over 40 partners, including private, nonprofit, educational, and city organizations. The Resiliency Collaborative leverages local business partnerships to focus on training in technology, disaster response, clean energy, manufacturing and climate action, equipping individuals with skills in sectors such as artificial intelligence, energy, trades and manufacturing, disaster response, and utilities. Through these efforts, over 1,000 individuals secured employment. Following the implementation of HB8, HCC established a task force to address student retention and completion barriers, created a childcare facility on two campuses, and is developing a shuttle pilot to address transportation barriers.

## <sup>66</sup> Having industry champions onsite has been key for us."

#### **Michael Webster**

President, Houston Community College Southwest

#### Philanthropy

The philanthropic sector can also contribute to enabling local workforce ecosystems to maximize their effectiveness. In Texas, philanthropists have been instrumental in fostering innovation and addressing resource gaps, such as funding the development of new data infrastructure. Interviews with local partners consistently recognized it as a vital tool—as expressed by Todd Williams, "philanthropy enhances the effectiveness of public funding."<sup>15</sup> A key insight from Texas' approach was the strategic engagement with this sector. Organizations typically utilized philanthropic contributions for targeted infrastructure investments and time-limited projects with well-defined outcomes. Texas organizations strategically planned how philanthropic funds would complement public funding, particularly during the planning and implementation phases, with the intention of transitioning to public funding for long-term sustainability.

## $\tilde{Q}^{-}$ Empowering through evidence: Data-supported systems change

One of the key ingredients in Texas' success was its strategic investment in data systems that span education and workforce development sectors. This robust data infrastructure serves as the backbone for transformative efforts at both local and statewide levels, enabling a focus on outcomes, enhancing transparency, and fostering a culture of trust and collaboration through evidence-based decision-making.

#### Data system alignment

By aligning data systems across state agencies involved in education and workforce development, Texas provides local leaders with a comprehensive view of the talent pipeline, allowing them to identify and address issues in real time. The formalization of data sharing across K-12 systems, post-secondary institutions, labor departments, and community organizations is instrumental in designing career pathways that align with regional labor demands and supporting students in achieving valuable credentials. Access to data on labor demand, student transitions to post-secondary institutions, credential achievements, and earnings is crucial for identifying the skills needed for high-earning careers and understanding the requirements for achieving credentials that contribute to regional economic growth and community success. Enhanced data infrastructure also has the potential to modernize how students access information. This includes navigating educational and career pathways, moving efficiently across systems, tracking individualized progress, and accessing support.

Since 2006, Texas has been building and using a wealth of educational and workforce data, thanks to the establishment of Education Research Centers (ERCs).<sup>16</sup> These centers consolidate high-quality, student-level data from key state agencies, including the Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB), and the Texas Workforce Commission (TWC).<sup>17</sup> The Texas Tri-Agency Workforce Initiative, in which the Commissioners of TEA, THECB, and TWC worked together to help Texas grow in economic prosperity, further enhanced this infrastructure by aligning agency data systems and creating an integrated workforce data framework.<sup>18</sup> The Texas Commission on Community College Finance used this data infrastructure to demonstrate that, by 2030, 60 percent of jobs in Texas would require a postsecondary credential, and the current workforce system led to less than 40 percent of students obtaining a credential of value.<sup>19</sup>

#### Outcomes data dashboards

Groups like Texas 2036 and Commit utilize this comprehensive data to address challenges, tailoring programs and championing policy changes that improve education and workforce outcomes. One example of this is Commit's Data Dashboards, a publicly available snapshot of the opportunity indicators that reveal the overall health of the region's education and workforce pathways.<sup>20</sup> Notably, this dashboard relies on the availability of data from other sources, such as the Texas Public Education Information Resource (pre-K enrollment figures), the Texas Education Agency (student proficiency on standardized assessments), and the U.S. Census Bureau's American Community Survey (living wage attainment and poverty rates), underscoring the importance of the availability of data across multiple systems to develop a holistic view of how students and workers are moving through career pathways and progressing in their financial health.

<sup>66</sup> Data transparency helps to build a culture that allows for more ambitious systems change."

**Miguel Solis** President, Commit Partnership

#### Evidence-based decision-making

This data infrastructure is closely integrated with processes designed to analyze and utilize information to drive evidence-based decision-making. Examples include:

- Aim Hire and Texas 2036 created a tool to analyze state and federal data, offering insights into current and future education and workforce demands.<sup>21</sup> Texas 2036 developed a regional data dashboard to track labor market shifts and the Community College Finance Simulator (CCFS) to explore financial reforms.<sup>22</sup> The Aim Hire Texas Policy Coalition used these insights to advocate for community finance reform, demonstrating how local partners enhance state efforts through data-driven strategies.<sup>23</sup>
- A finding from Commit revealed that 25 percent of students with a 3.0 GPA did not enroll in college. To address this issue, a strategy was implemented to automatically identify these students, provide strong advising support, and begin to lay the groundwork for automatic conditional acceptance following graduation.<sup>24</sup>



<sup>66</sup> Many people come to Dallas to learn about how we share data to support students. What they really are seeing is how we show up together and trust one another. The work is about evolution. It is improvement at the speed of trust."

## Eric Ban

Executive Director, Economic Mobility Systems

### E Local strategy spotlight: Using technology to transform systems

Emerging from the partnership networks formed in Dallas, the Dallas County Promise (DCP) is a coalition of school districts, colleges, universities, employers, and community organizations working together to ensure more students complete college and enter meaningful careers. To achieve their goals, DCP launched Economic Mobility Systems (EMS). EMS connects insights from employers, labor market trends, and economic shifts with the regional education ecosystem, spanning grades 9–12, secondary education, and career pathways.<sup>25</sup>

Since its inception, EMS has served 30,000 annual high school graduates in Dallas County and helped students to earn 2,000 employer-defined associate degrees, with a path to reach 5,000 by 2030. At the heart of EMS is the Regional Skills Management System (RSMS), a data-driven platform that integrates analytics tools to track student progress and deliver resources for soft skills development and work-based learning. RSMS is built on design principles that emphasize personalization, real-time data access, and alignment with workforce needs. RSMS enables timely interventions and tailored support for students, while equipping school districts and colleges with the insights they need to strengthen college and career readiness and sustain outcomes-based funding models. One example of this technology in action is the *Personalized Pathway Manager*, which provides students with tailored guidance aligned with their career goals, while leveraging standardized dashboard and application formats to enable timely interventions that equip educators and advisors with essential insights for supporting student success.

As Texas continues to innovate its career pathways and workforce legislation, these collaborative efforts and data-driven strategies serve as a model for other states. The early success of Texas' initiatives underscores the importance of cross-sector collaboration and strategic planning in driving meaningful economic outcomes.



## $\overline{O}^{-}$ From courses to careers: Aligning funding with outcomes

Nationally, community colleges enroll about 40 percent of all undergraduates, and nearly half of all four-year college graduates attended a community college at some point.<sup>26</sup> In Texas, community colleges enroll close to half of all students in higher education and award 93 percent of all career and technical education credentials.<sup>27</sup> As local and statewide coalitions, including community colleges, across Texas advanced strategies to reform education systems and build high-quality career pathways, a new priority was identified—aligning community college funding with state higher education and workforce goals to enhance student success, and ultimately strengthen the talent pipeline to meet regional and state workforce demands.

#### **Outcomes-based funding**

Building on the progress of Texas coalitions aiming for 60×30TX and following previously adopted workforce legislation, a network of employers, nonprofits, community colleges, and local leaders worked to better align community college financing with the student outcomes needed to meet statewide workforce goals and enhance student career prospects.<sup>28</sup> Some states, including Tennessee, Ohio, and Indiana,<sup>29</sup> have adopted various approaches to outcomes-based funding, and independent qualitative research on these strategies shows that such models enhance the use of data to inform decision-making, improving student services, and leading to changes in course sequences and curricula.<sup>30</sup> Texas HB8 transformed the community college finance system by shifting from a model based on courses and credit hours to one focused on measurable student outcomes, aligning with state higher education and workforce goals.<sup>31</sup>



#### Student outcomes

HB8 incentivized community colleges to support students in completing credentials of value, dual credit, or successful transfer to public four-year institutions. Nationally, at least 32 states now use a performance-based funding approach for postsecondary institutions.<sup>32</sup> Before 2023, less than 0.2 percent of annual community college operating funds came from state funds aligned with workforce needs.<sup>33</sup> Only 16 states award performance-based appropriations to postsecondary institutions based on workforce outcomes, such as students' wage earnings after graduation and the number of credentials or degrees awarded in state-defined critical needs.<sup>34</sup>

The Texas funding formula rewards community colleges that meet criteria established to promote the state workforce goals. Core elements of HB8's design include that it:

- Centers on workforce outcomes: HB8 awards funds to community colleges based on the number of community college students who earn credentials of value,; the number of high school students who complete 15 semester credit hours in dual credit or dual enrollment courses,; and the number of community college students who transfer successfully to public four-year universities or complete 15 semester credit hours in a structured co-enrollment program.<sup>35</sup>
- Gathers stakeholder recommendations: In 2021, the state legislature established the Commission on Community College Finance, which was tasked with making recommendations for consideration at the next state legislative session to establish a state funding formula for community colleges.<sup>36</sup> This commission held public hearings and requests for public comments that allowed stakeholders to influence its recommendations, which were then reflected in HB8.<sup>37</sup>
- Focuses on continuous improvement: HB8 created a Standing Advisory Committee consisting of community college leaders from various positions and peer groups to review the operations of the finance program and provide periodic recommendations to the Texas Higher Education Coordinating Board as it develops rules and policies related to HB8.
- *Provides majority outcomes-based funding:* 95 percent of the funds distributed through the state formula are based on measurable outcomes, ensuring that community colleges are properly incentivized to develop programs that meet state and regional economic needs.<sup>38</sup>
- *Recognizes unique needs of certain community colleges:* The state's community college funding formula provides base-tier funding for small, rural, and property-poor colleges, where local tax bases and student bodies do not generate enough revenue.<sup>39</sup> Additionally, community colleges receive extra weight in the funding formula for serving students who are academically disadvantaged (not college ready), economically disadvantaged (received Pell Grants), or adult learners (25 years and older).<sup>40</sup>

<sup>66</sup> It is incorrect to assume that more money will solve the problem. How are the outcomes driving how funding is allocated? Every system is perfectly designed for the outcomes that it achieves"

**Miguel Solis** President, Commit Partnership



Local strategy spotlight: Community approach to building support for Texas House Bill 8

Several Texas leaders instrumental in garnering support for HB8 noted factors that contributed to its widespread backing: a statewide goal, an ecosystem of partners, unified messaging from the Texas Association of Community Colleges, engagement of community colleges across the state ("every congress member has a community college in their district and those colleges almost all supported this effort"), and the bill's employment of a "hold harmless" funding strategy during implementation, allowing colleges the necessary time to adapt their practices to the new legislation.<sup>41</sup> Examples of stakeholders who contributed to the development and passage of HB8 include:

- The Texas Commission on Community College Finance (TCCCF) developed recommendations on dynamic, outcomes-based funding formulas that evolved into HB8 by gathering insights from a wide range of stakeholders through public hearings and the Student Advisory Council (SAC).<sup>42</sup>
- The Texas Tri-Agency Workforce Initiative focused on aligning career pathways with state labor needs and contributed to the development of the data infrastructure to enhance outcomes.<sup>43</sup>
- The Texas Association of Community Colleges maintained consistent messaging throughout the legislative process, emphasizing the importance of HB8 to community colleges across the state.<sup>44</sup>



#### **Emerging impacts**

During its first two years of implementation, HB8 has spurred local changes, including:

- <u>Workforce programs aligned to local economic needs</u>: Alamo Colleges in San Antonio, Texas set an ambitious goal to nearly double the number of students in its workforce programs from 8,000 to 15,000 over the next five years, which includes the development of over 30 new high-wage, highdemand programs.<sup>45</sup>
- 2. <u>Strengthened business partnerships:</u> Business partnerships are foundational to the early success of HB8, which positions Texas as a potential national model for aligning education with workforce needs. One of the key innovations of HB8 is how it incentivizes outcomes tied directly to labor market value, prompting community colleges to deepen collaboration with local employers.

An example is Grayson College, where President Jeremy McMillen highlighted how HB8 catalyzed stronger employer engagement.<sup>46</sup> Grayson College launched training programs in electronics and automation, developed in partnership with industry leaders, in response to the community's emerging identity as a semiconductor hub—with companies like Texas Instruments and GlobiTech investing billions. These efforts mirror the agile, employer-responsive model historically seen in Texas technical colleges. This kind of alignment—where colleges anticipate workforce demand and co-design curricula with employers—is precisely the type of scalable innovation that sets HB8 apart. It not only strengthens local talent pipelines but also signals how performance-based funding can drive realtime responsiveness to economic shifts.

- **3.** <u>Increased dual enrollment outcomes:</u> Dual enrollment is associated with improved academic outcomes for students, including completing high school, enrolling in college, and completing college degrees.<sup>47</sup> HB8 established the Financial Aid for Swift Transfer (FAST) program, which provides funding to participating institutions of higher education so they can offer dual credit courses to economically disadvantaged students at no cost to the students, and incentivizes community colleges to support students in completing dual programs.<sup>48</sup> In its first two years, FAST has increased dual credit enrollment by 22 percent, supported 260,000 students, and covered 1.46 million semester credit hours at no cost to students.<sup>49</sup> For example, after Del Mar College in Corpus Christi, which previously charged \$33 per semester credit hour, made dual credit programs free for all students, over 3,000 students enrolled in the program during the Fall 2023–2024 school year.<sup>50</sup>
- 4. <u>Establishment of successful transfer programs</u>: Nationally, community college students lose an estimated 43 percent of their credits when they transfer to a four-year institution.<sup>51</sup> Incentivized by HB8, North Texas institutions formed the Dallas Transfer Collaborative, a partnership between Dallas College, Texas A&M University-Commerce, Texas Woman's University, and University of North Texas at Dallas. The collaborative aims to improve transfer student outcomes by simplifying transfer pathways with associate degrees that connect to multiple bachelor's degree programs.<sup>52</sup>

The early local impacts of the state's revamped funding formula illustrate how outcomes-based funding for community colleges can be a model to determine where best to invest state funds to maximize workforce outcomes.



Texas' strategic approach to advancing workforce development priorities offers a visionary framework for other states seeking long-term solutions. Central to this strategy is the establishment of state priorities, exemplified by the 60×30TX strategic plan, which provides a solid foundation for setting goals, galvanizing resources, and aligning various stakeholders. By prioritizing investments that contribute to scale and sustainability, Texas effectively leverages intermediaries and coalitions for leadership and infrastructure. Enhancing data systems is also crucial for successful policy implementation, ensuring that programs are data driven and aligned with industry demands. Engaging practitioners, including school leaders, counselors, and families, further ensures that these programs maximize opportunities provided by policy reforms.

Building on early successes, leaders in Texas are enhancing student access to online data for more informed career decision-making, investing in rural education and workforce systems, and involving local practitioners, such as college executives and high school principals, in refining emerging solutions. Legislative measures continue to shape this progress, with ongoing discussion around enhancements to performance-based funding for community colleges, including funding incentives for students transferring to private and independent Texas institutions. Expanding FAST eligibility to broaden access to dual enrollment programs, refining the definition of a "credential of value," and strengthening workforce data collection are all pivotal steps in helping community colleges better align with employer needs and improve outcomes.

A final key ingredient to Texas' success is the presence of leaders with crosssector experience who understand how to develop and leverage strong business partnerships to achieve workforce goals. These leaders are adept at navigating the higher education system and collaborating across various sectors, accelerating systems change and prioritizing scalable solutions that address regional economic needs. Their ability to bridge gaps between education and industry is instrumental in driving Texas' workforce development initiatives forward, ensuring that the state remains a model for others to follow.

JPMorgan Chase & Co. is an Equal Opportunity Employer, including Disability/Veterans.

# Endnotes

**1.** ManpowerGroup. *2025 Global Talent Shortage*. Accessed May 7, 2025. https://go.manpowergroup.com/talent-shortage.

2. World Economic Forum. The Future of Jobs Report 2023. Accessed March 2025, 2025. https://www.wefo-rum.org/publications/the-future-of-jobs-report-2023/ in-full/.

3. Texas Higher Education Coordinating Board, "60×30TX Strategic Plan." Last modified July 23, 2015, https://reportcenter.highered.texas.gov/ agency-publication/miscellaneous/thecb-60×30strategic-plan/.; Texas Workforce Commission. "Texas Job Growth Continues in February: More Than 20,000 Jobs Added." Texas Workforce Commission. March 15, 2025. https://www.twc.texas. gov/news/texas-job-growth-continues-february-more-20000-jobs-added#:~:text=Texaspercent20added%20182%2C300%20jobs%20 from%20February%202024,national%20growth%20 rate%20by%200.1%20percentage%20points.&text=%E2%80%9CTexas%20led%20all%20states%20 with%20more%20than,said%20TWC%20Commissioner%20Representing%20Employers%20Joe%20 Esparza

**4.** Carnevale, Anthony P., Megan L. Fasules, Michael C. Quinn, and Kathryn Peltier Campbell. *Projections 2031: State Report.* Georgetown University Center on Education and the Workforce, November 2023. Accessed April 15, 2025. https://cew.georgetown.edu/ wp-content/uploads/Projections\_2031-State-Report. pdf.

**5.** Texas Higher Education Coordinating Board. "The Texas Talent Trajectory." *DataBridge*, Texas Higher Education Coordinating Board, April 2025, https:// databridge.highered.texas.gov/the-texas-talent-trajectory/.; Texas 2036. "The State of Readiness Report". March 2023. https://texas2036.org/wp-content/uploads/2023/03/The-State-of-Readiness-Report-March-2023.pdf.

6. Texas Higher Education Coordinating Board. "60×30TX Strategic Plan." Last modified July 23, 2015. https://reportcenter.highered.texas.gov/agency-publication/miscellaneous/thecb-60×30-strategic-plan/.

**7.** Texas Higher Education Coordinating Board. "60×30TX Strategic Plan." Last modified July 23, 2015. https://reportcenter.highered.texas.gov/agency-publication/miscellaneous/thecb-60×30-strategic-plan/.

8. Jobs for the Future. "Intermediary Functions and Features in Pathways Systems." November 2020. https://www.jff.org/wp-content/uploads/2023/09/Intermediary\_Functions\_Features\_Pathways\_Systems. pdf.

**9.** Commit Partnership. "New Data Show a Decade of Growth in Dallas County." March 11, 2024. https://www. commitpartnership.org/insights/latest-learnings/ new-data-show-a-decade-of-growth-in-dallas-county.

**10.** Commit Partnership. "New Data Show a Decade of Growth in Dallas County." March 11, 2024. https://www.commitpartnership.org/insights/latest-learnings/ new-data-show-a-decade-of-growth-in-dallas-county.

**11.** JPMorgan Chase & Co. "Expanding Economic Opportunity." Accessed April 25, 2025. https://www. jpmorganchase.com/content/dam/jpmc/jpmorganchase-and-co/documents/jpmc-policycenter-expanding-economic-opportunity.PDF.

**12**. Dr. Garrett Groves. Interview by Author. April 17, 2025. Zoom.

**13.** Houston Community College. "HCC Fact Book." November 17, 2023. https://www.hccs.edu/hccs-factbook.

**14.** National Centers for Environmental Information. "State Climate Summary: Texas." April 8, 2025. https:// www.ncei.noaa.gov/access/billions/state-summary/ TX.

**15.** Todd Williams, The Commit Partnership. Interviewed by author. April 21, 2025.

**16.** Texas Education Research Center. "History." Accessed April 25, 2025. https://texaserc.utexas.edu/ about-us/history/.

**17.** Texas Education Research Center. "History." Accessed April 25, 2025. https://texaserc.utexas.edu/ about-us/history/#:~:text=The%20ERCs%20were%20 to%20provide%20access%20to,educational%20 information%20for%20the%20state%20of%20Texas.&text=The%20Texas%20ERC%20warehouse%20 holds%20one%20of,and%20most%20complete%20 SLDS%20in%20the%20nation.

**18.** Tri-Agency Workforce Initiative. Accessed April 25, 2025. https://triagency.texas.gov/.

**19.** Texas. Legislature. 88th Regular Session. House Bill 8. Committee on Higher Education. Committee Report (Substituted) Version, Bill Analysis.

**20.** Commit Partnership. "Data Dashboards." Accessed April 25, 2025. https://www.commitpartnership.org/insights/data-dashboards.

**21.** Texas 2036. "Aim Hire Texas." Accessed April 25, 2025. https://texas2036.shinyapps.io/aim-hire-texas/.

**22.** Texas 2036. "Community College Finance." Accessed April 25, 2025. https://texas2036.org/community-college-finance/

**23.** Example: HB8 Outcomes-Based Funding One Pager dashboard developed by Commit to showcase community college performance sorted by legislative district, which the Aim Hire Texas Policy Coalition used for legislative advocacy. Accessed April 25, 2025. https://www.commitpartnership.org/insights/ data-dashboards/house-bill-8-outcomes-basedfunding-one-pager.

**24.** Dallas Examiner. "The Dallas County Promise: Outcomes and Impacts of the Commit Partnership." December 13, 2022. https://dallasexaminer.com/ the-dallas-county-promise-outcomes-and-impactsof-the-commit-partnership/.Dallas Examiner, "The Dallas County Promise: Outcomes and Impacts of the Commit Partnership," December 13, 2022, https:// dallasexaminer.com/the-dallas-county-promise-outcomes-and-impacts-of-the-commit-partnership/.

**25.** Economic Mobility Systems. "In Dallas, a Data-Driven Program Helps Advance Equity in Higher Ed." Accessed April 15, 2025. https://www.economicmobilitysystems.org/in-dallas-a-data-driven-program-helps-advance-equity-in-higher-ed/.

**26.** Community College Research Center. "Community College FAQs." Accessed April 25, 2025. https:// ccrc.tc.columbia.edu/community-college-faqs.html#:~:text=Community%20College%20Enrollment%20 and%20Completion,students%2C%20according%20 to%20federal%20data.

**27.** Texas Association of Community Colleges. "Data Overview." Accessed April 25, 2025. https:// tacc.org/sites/default/files/2018-06/data\_overview\_031516v2%20%282%29.pdf.; Texas Comptroller of Public Accounts. "Texas Colleges and Universities." April 2025. https://comptroller.texas.gov/ economy/economic-data/colleges/texas.php?secureweb=Teams.

**28.** Texas. Legislature. 88th Regular Session. House Bill 8. Committee on Higher Education. Committee Report (Substituted) Version, Bill Analysis.

**29.** Research for Action. "Implementation and Impact of Outcomes-Based Funding in Three States: High-Level Findings." Accessed May 2, 2025. https:// www.researchforaction.org/research-resources/postsecondary-workforce/implementation-impact-outcomes-based-funding-three-states-high-level-findings/?secureweb=Teams.

**30.** Martha Snyder. "Driving Better Outcomes: Typology and Principles to Inform Outcomes-Based Funding Models." HCM Strategists. Accessed May 1, 2025. https://hcmstrategists.com/resources/driving-better-outcomes-typology-and-principles-to-inform-outcomes-based-funding-models.

**31.** Texas Association of Community Colleges. "What is HB8?" Accessed April 25, 2025. https://tacc.org/tacc/what-hb-8.

**32.** State Higher Education Executive Officers Association. "New SHEEO Report: State Approaches to Base Funding for Public Colleges and Universities." November 1, 2022. https://sheeo.org/new-sheeo-report-state-approaches-to-base-funding-for-public-colleges-and-universities/?secureweb=POWER-PNT.

**33.** Texas 2036. "HB8 Community College Texas 2036 Testimony." Accessed April 25, 2025. https://texas2036.org/wp-content/uploads/2023/03/ HB-8-Community-College-Texas-2036-Testimo-ny\_032023.pdf.

**34.** State Higher Education Executive Officers Association. "New SHEEO Report: State Approaches to Base Funding for Public Colleges and Universities." November 1, 2022. https://sheeo.org/new-sheeo-report-state-approaches-to-base-funding-for-public-colleges-and-universities/?secureweb=POWER-PNTEducation Commission of the States. "50-State Comparison: Postsecondary Education Funding." July 15, 2020. https://www.ecs.org/50-state-comparison-postsecondary-education-funding/.

**35.** Texas Higher Education Coordinating Board. "A New Plan for Community College Funding to Fuel Texas Economic Success." August 9, 2023. https://www. highered.texas.gov/agency-updates/a-new-plan-forcommunity-college-funding-to-fuel-texas-economicsuccess/.

**36.** Texas Association of Community Colleges. "Commission on Community College Finance." Accessed April 25, 2025. https://tacc.org/tacc/commission-community-college-finance.

**37.** Texas Higher Education Coordinating Board. "Standing Advisory Committee." Accessed April 25, 2025.

**38.** Texas Higher Education Coordinating Board. "Standing Advisory Committee." Accessed April 25, 2025. https://www.highered.texas.gov/community-college-finance/standing-advisory-committee/. Texas Association of Community Colleges. "What is HB8." Accessed April 25, 2025. https://tacc.org/tacc/ what-hb-8?secureweb=POWERPNT.

**39.** Texas 2036. "Understanding HB8: The New Funding Formulas." 2023. https://texas2036.org/posts/understanding-hb-8-the-new-funding-formulas/.

**40.** Texas Higher Education Coordinating Board. "Community College Finance FAQs." Accessed April 25, 2025. https://www.highered.texas.gov/community-college-finance/community-college-finance-faqs/#financial-aid-student-assistance.

**41.** Representatives of Texas 2036 and Commit Partnership. Interview by author. April 16, 2025. Zoom.

**42.** National Center for Higher Education Management Systems (NCHEMS). Texas Community College Finance Final Report. NCHEMS, 2025. https://nchems.org/wp-content/uploads/TxCCCF-Final-Report-88th-Lege.pdf.; Texas Association of Community Colleges (TACC). "What is HB8?" TACC, 2025. https://tacc.org/tacc/what-hb-8.

**43.** Texas 2036. "Tri-Agency Workforce Initiative: House International Relations & Economic Development Committee Written Testimony of Renzo Soto, Policy Advisor at Texas 2036." May 19, 2022. https://texas2036.org/wp-content/uploads/2022/11/ Tri-Agency-Workforce-Initiative-House-International-Relations-Economic-Development-Committee-Written-Testimony-of-Renzo-Soto-Policy-Advisor-at-Texas-2036-May-19-2022.pdf. **44.** Texas Association of Community Colleges (TACC). "What is HB8?" TACC, 2025. https://tacc.org/tacc/ what-hb-8.

**45.** Texas Public Radio. "Alamo Colleges Chancellor Says Workforce Programs Are the District's Next North Star." February 15, 2024. https://www.tpr.org/education/2024-02-15/alamo-colleges-chancellor-saysworkforce-programs-are-the-districts-next-north-star.

**46.** Texas Tribune. "Texas Community Colleges House Bill 8." March 26, 2025. https://www.texastribune.org/2025/03/26/texas-community-colleges-house-bill-8/.

**47.** Community College Research Center. "Understanding Dual Enrollment." April 2024. https://ccrc.tc.columbia.edu/publications/understanding-dual-enrollment. html#ref22.

**48.** Texas Education Agency. "FAST: Financial Aid for Swift Transfer Program." January 11, 2024. https://tea. texas.gov/about-tea/news-and-multimedia/correspondence/taa-letters/fast-financial-aid-for-swift-transferprogram.

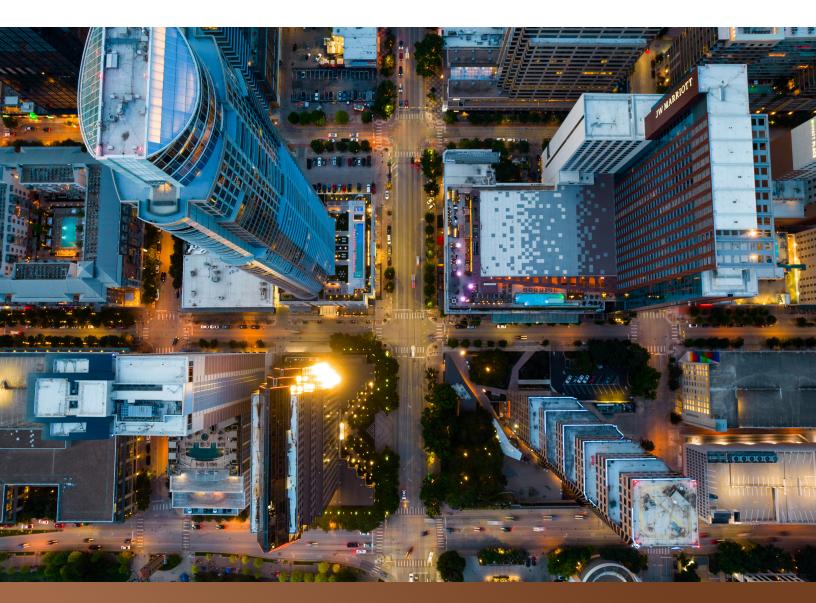
**49.** Texas House Appropriations Committee. Hearing, September 10, 2024.

**50.** Caller Times. "Corpus Christi Del Mar College Free Dual Credit Program Reaches More Students." September 13, 2024. https://www.caller.com/story/ news/education/2024/09/13/corpus-christi-del-marcollege-free-dual-credit-program-reaches-morestudents/75189061007/.; KIII TV. "DMC Dual Credit Program." Accessed April 30, 2025.

**51.** Community College Research Center. "Community College Transfer." July 2021. https://ccrc.tc.columbia. edu/publications/community-college-transfer.html#:~:text=Studentspercent20arepercent20oftenpercent20surprisedpercent20to,theirpercent20creditspercent20whenpercent20theypercent20transfer.

**52.** Texas A&M University-Commerce News. "Dallas-Area Institutions Announce New Collaboration to Improve Outcomes for Transfer Students." Accessed April 30, 2025. https://www.tamuc.edu/news/dallas-area-institutions-announce-new-collaboration-to-improve-outcomes-for-transfer-students-2/.; Dallas College. "Dallas Transfer Collaborative." Accessed April 25, 2025. https://www.dallascollege.edu/cd/partnerships/ pages/dallas-transfer-collaborative.aspx.





JPMorganChase