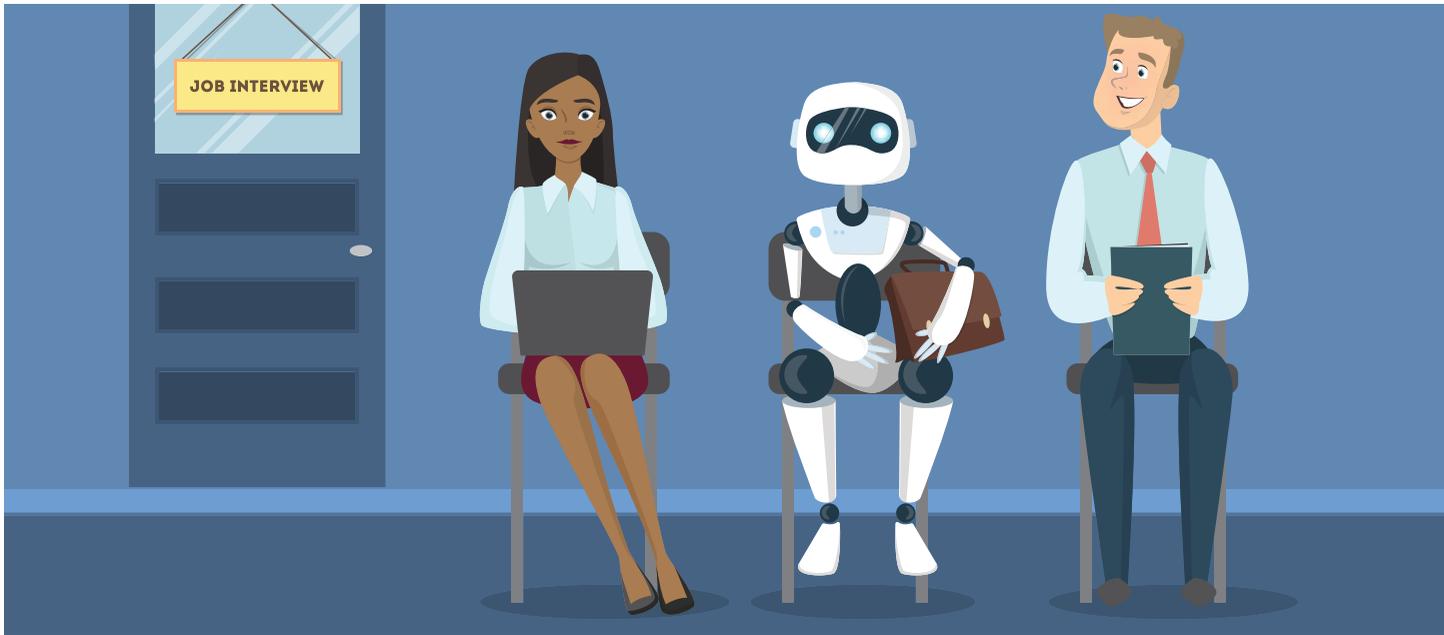


Automation Nation

Three Cities Preparing for the Future of Work

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Work as we know it is shifting rapidly. Automation, artificial intelligence, and emerging technologies are changing the way we work and the work we do. Technology promises to boost economic growth, create new ways to make money, and unleash productivity and creativity. Yet the benefits of these gains do not apply equally to everyone. Changes to the economy will disproportionately hit women, people of color, and workers with less education and economic stability. Without purposeful effort, progress risks leaving too many workers behind.

Mayors, city leaders, activists, educators, and employers across the country want to know what to do about these concerns. They want the benefits of technological progress to be broadly shared, and they want to create workforces that are prepared for the changes ahead. To date, there has been widespread media attention on the challenges of new technology, including automation, and the income volatility it can introduce—yet few concrete, generalizable solutions have emerged from current studies and discussions

This report examines how three cities—Phoenix, Indianapolis, and South Bend—are preparing for the work of the future. Like most communities around the country, the three cities

highlighted in this report are just beginning to address the challenge of automation. The steps they have taken, including the areas in which they are experimenting or seeing progress, as well as the gaps that remain, offer instructive lessons for leaders around the country.

These case studies document the lessons that New America has learned with these cities over the past year through our ShiftLabs program. New America launched ShiftLabs in the spring of 2018 as a design lab and pilot program, with a mission to empower workers through community action to respond to automation. To date, New America has organized ShiftLabs in Phoenix, Indianapolis, and the South Bend-Elkhart region. In each region, we brought together key stakeholders from across sectors, mapping automation trends to the specific skills profile of each city and identifying priorities for action. Through our engagement in Phoenix, Indianapolis, and South Bend, we have catalyzed, promoted, and assisted with community-led innovations that connect workers to careers, skills, and support. The goal of this report is to share our experiences and identify promising initiatives.

Lessons Learned in Our Local Engagement through ShiftLabs

1. **You can't act when you don't know.** “Why don't more people know this?” was a refrain we heard repeatedly during ShiftLabs engagements about the topic of technological change and automation. Although some ShiftLabs participants were aware of general aspects of artificial intelligence and automation, most were not as familiar with the national trends and the specific local effects that automation might have on jobs and skills. The awareness gap was especially true with regard to automation's disproportionate impact on lower-skilled occupations. In followup engagements with ShiftLabs participants, participants expressed a desire to address some of the risks raised, but acknowledged their lack of knowledge and expertise on the topic. A sense of “not being an expert” on the topic of automation was pervasive, and continues to impede proactive action from implementing partners, government entities, employers, and civic groups.
2. **Communities are hungry for information.** Our work in Phoenix and Indianapolis reaffirmed our starting assumption that sharing original, localized data fills demand and provides a fresh way to ignite public discussion, create a sense of urgency, and attract media attention. Across all of our local engagements this year, including with prospective new ShiftLabs partners and communities, we have found a strong hunger for locally tailored data—which do not yet exist for most regions and communities. In Phoenix and Indianapolis, for instance, our automation risk reports were the first of their kind locally. In Indianapolis, multiple think tank and academic reports have focused on workforce and economic development, but none of these resources look specifically at technological change and the risk of automation.
3. **Automation is an interdisciplinary issue.** Understanding how automation will impact jobs and designing solutions is no one person's job and requires everyone to be involved. Education, workforce development, and social sector and economic development are all important components of a holistic approach to the issue.
4. **Go with what works.** Local partners expressed some trepidation at the prospect of the effort involved in building an automation-resilient workforce, claiming that it can feel like trying to boil the ocean when a community sets out to

“prepare people for the future of work.” Yet some of the most important action that was catalyzed through our ShiftLabs engagements involved adapting existing programs to take into account the ways work is changing. In Phoenix, for instances, when ShiftLabs presented automation impact data on the region's retail sector, the local Workforce Investment Board began to investigate whether to provide government retraining funds to the retail sector. Small, concrete actions matter, whether they involve a local partnership revising its strategic plan, a local job fair asking its network to add a program or handout about what “future-proof skills” are, or a local Rotary meeting inviting a speaker on the topic. Cultural change often begins with a proverbial conversation around the watercooler.

5. **All (automation) politics is local.** One clear lesson we learned in ShiftLabs engagements was the impact of (and vast differences in) local context and history in each region, and way in which local factors shaped the extent to which the pilot communities proactively embraced planning for the changing nature of work. Individual characteristics of cities lend themselves to certain types of solutions, such as the development of innovative, tech-forward solutions to workforce and economic development issues in Phoenix.

However, the desire for “easy wins” locally is a facet of one of the greatest concerns that the program has encountered: because the strongest momentum in initial ShiftLabs communities has been around preparing for and growing the upside of technology, far less focus has been centered on making sure that no one is left behind. Consistently, from Indiana to Phoenix, we discovered that local actors are most enthusiastic about embracing, growing, and preparing local talent for the upside potential of technology to create good jobs. These types of programs make for strong public relations copy, but on their own are not a comprehensive approach to automation or to the future of work in general. It is much more difficult to develop of policies, solutions, and strategies to ensure that the future of work is equitable and that the most economically vulnerable workers, who are at disproportionate risk of automation, are not forgotten. Both types of initiatives are important. One attracts new opportunities and the other ensures that existing residents can take advantage of those opportunities.