RUTGERS–NEW BRUNSWICK
School of Management and Labor Relations

EDUCATION AND EMPLOYMENT RESEARCH CENTER

ISSUE BRIEF | October 2025

Community College Approaches to Economic Development

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Community colleges and their technician education programs can fill a critical role in regional economic development, yet their contributions often remain hidden. These institutions must respond to multiple audiences—students seeking economic mobility, employers requiring skilled workers, regional industries pursuing technological innovation, and communities striving for prosperity—while embedding themselves in broader economic development ecosystems that vary significantly in maturity and coherence. Some approaches to technician education have the potential to shift regional trajectories by improving local industrial advantage and job quality, but these connections are not always explicit or aligned with formal economic development priorities.

To better understand the role of community colleges in economic development, EERC examined this issue through the lens of technician education programs. We conducted case studies with eight community colleges across four different regions[1]. We found that, through these programs, colleges implement a wide array of economic development-related activities and strategies across a variety of workstreams. Based on those activities, we identified four approaches to economic development for community colleges across three levels of engagement. Through them, colleges dynamically respond to multiple audiences, including their students, local employers, the regional industry, and the local community.

[1] For a full discussion of the study and its research methods, see the full report: *The Hidden Innovation Infrastructure Project: Understanding the Economic Development Role of Technician Education in the Changing Future of Work Final Repor*t. (October 2025). https://sites.rutgers.edu/eerc-hii/publications

These approaches represent overlapping functions of colleges; most colleges implement all four approaches in different ways. These approaches can also represent *how* colleges implement their various activities through different strategic orientations to their regional economic development ecosystems. As colleges have taken on more regional roles, industry-responsive and community-responsive approaches as well as their respective activities have become increasingly important.

FIRM-RESPONSIVE APPROACH

This approach centers individual firms as job creators, and responsiveness by the college to the voiced needs of employers with ad-hoc, highly customized programs.

STUDENT-RESPONSIVE APPROACH

This approach centers the individual student as the primary audience for the college, and a focus on enrolling as well as graduating students from their programs.

INDUSTRY-RESPONSIVE APPROACH

ROLE OF COLLEGE: Market-coordinating
KEY PARTNER: Industry associations

This approach centers the regional industry, and a coordinated response to regional needs, which considers matches between local firms and workers, at scale.

COLLEGE ACTIVITIES

- Prioritize transferability of skills among firms in regional cluster
- Coordinate with other colleges (curricula, industry engagement)
- Facilitate linkages between firms within industry
- Consider regional industry processes (not just firm needs) in investment strategy (e.g., tech

EMPLOYER ACTIVITIES

- Prioritize transferable credentials
- Contribute to/use shared, industry assets (e.g., adaptable curriculum for industry-wide use)
- Coordinate needs with other local firms, institutionalize coordination via college-hosted assets (equipment, facility)
- Participate actively in college-led efforts (advisory boards, etc.)

COMMUNITY-RESPONSIVE APPROACH

ROLE OF COLLEGE: Power-balancing
KEY PARTNER: ED organizations

This approach centers the local community and regional labor market, and the use of the college's position to generate gains for workers as well as *better* matches between local firms and workers.

COLLEGE ACTIVITIES

- Advocate for higher wages/skills investments
- Integrate wraparound services via partnership with public sector
- Engage underrepresented groups via partnership with community organizations
- Engage community in strategic planning

ED PARTNER ACTIVITIES

- Support alignment of strategy between colleges and public sector agencies
- Elevate importance of hiring and wage commitments made by local firms
- Facilitate investments by the state in regional capacity of colleges

A REGIONAL ROLE FOR COMMUNITY COLLEGES IN ECONOMIC DEVELOPMENT

Technician education programs position colleges as important regional players in their local economic development ecosystems. As colleges align their programs with regional demand, they are increasingly coordinating skill needs across regional industries. Additionally, *how* colleges respond to those identified needs through the development and implementation of their programs significantly impacts the local community and shapes the regional labor market for workers.

Industry-responsive activities feature a market-coordinating role for colleges, as they coordinate shared skill needs among firms to meet regional industry demand. Industry associations are helpful partners to colleges in that work.

Community-responsive activities feature a power-balancing role for colleges, as they advocate for higher wages for workers and greater skill investments by firms. Public sector economic development organizations are key partners to colleges in that work.

RECOMMENDATIONS FOR ACTION FOR COMMUNITY COLLEGE PRACTITIONERS

Community colleges that serve as regional actors in their economic development ecosystems not only strengthen their technician education programs and their local economies but enhance the overall impact of the college. Below are recommendations for supporting colleges' regional institutional capacity:

1 ENGAGE LOCAL LEADERS & EMPLOYERS

Community college leadership and program staff for leading technician education programs engage in their regional ecosystems actively, both with regional employer associations and with economic development organizations, including the relevant public sector agencies.

2 FORMALIZE & INSTITUTIONALIZE PARTNERSHIPS

The most successful partnerships between colleges and regional economic development actors were formalized through the establishment of collaborative institutions often with a physical presence on campus.

3 INTEGRATE A REGIONAL E.D. VISION ACROSS THE COLLEGE

Successful technician education programs are well-integrated across the other workstreams of the college, reflecting collaboration across existing departments and partnership with college leadership in engaging the regional economic development ecosystem in a coordinated manner.

4 ADVOCATE FOR COLLEGE CAPACITY

For technician education programs to succeed, community colleges and their partners spread awareness of community colleges as important regional actors in their economic development ecosystems and advocate for resources that support colleges' regional institutional capacity.

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Acknowledgements

The authors would like to thank the numerous people who contributed to this report. We are deeply grateful for the partnership of our eight case study colleges who spent time sharing insights on their work and made this research study possible. We are grateful to our colleagues on the project, Debra Bragg, Andrew Weaver, and James Jacobs, who provided ongoing advice and guidance for the project, as well as our research project advisory board members whose thoughtful suggestions guided this work. At EERC, Tracy Cangiano and Melissa Quaal skillfully provided research support through various phases of the project. The authors are solely responsible for any errors. This material is based upon work supported by the National Science Foundation under Grant No. 2026262.

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