



## Career Pathways: One City Working Together

Overview of the Jobs for New Yorkers Task Force Report

December 11, 2014



## Agenda

- Jobs for New Yorkers Task Force
- Workforce System Overview
- New York City's Economic Challenges
- Goals and Recommendations
- Implementation Plan and CTE

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## Jobs for New Yorkers Taskforce convened to re-envision the City's workforce system

### Jobs for New Yorkers Task Force

- Announced on May 20, 2014 at Brooklyn Army Terminal
- **30 members** from business, labor, workforce development providers, education, and advocates for low-income New Yorkers
- 7 Task Force Meetings held from June to September



### Agency Working Group

- Representatives from all relevant workforce agencies met regularly to provide input
- 5 working group meetings held from June to October



### Community and Stakeholder Engagement

- Survey filled out by **810 constituents** of workforce system
- **15 roundtables** and summits with industry groups, labor, the Workforce Investment Board, providers, and community groups

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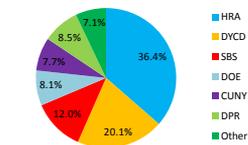
## Our goal: A transformational shift of the workforce system

1. Support **career advancement** and **income mobility** by helping jobseekers and incumbent workers address educational needs and **develop high-demand skills**.
2. Ensure that businesses in New York City can find the **talent** they need within the five boroughs.
3. Improve the **quality of low-wage jobs** to benefit both workers and their employers
4. Leverage New York City's **economic development investments** and **purchasing power** to place more New Yorkers into jobs.
5. Function as a coherent system that rewards **job quality** instead of the quantity of job placements by using **system-wide** job outcome data.

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## What is the workforce system?

~ \$500 million budget in FY14



Note: Other includes CEO, NYCHA, EDC, DFTA, DOHMH, and two Libraries (DPL & BPL)

### Clients

- **488,884** clients (FY14)
- HRA, DYCD, and SBS serve 2/3 of the City's workforce clients

### 4 programs account for 43% of spending

- WeCARE (\$62M)
- Back to Work (\$57M)
- Summer Youth Employment Program (\$47M)
- Parks Opportunity Program (\$41M)

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## NYC's economy faces immediate challenges that lead to growing income inequality...

### Disappearance of middle-skill jobs

- Job growth since the recession has been concentrated in high-wage/high-skill and low-wage/low-skill industries.
- From 2009 to 2014 two of the fastest growing industries, Retail and Food / Accommodation, have added 115,188 total jobs and are the worst paying industries.<sup>1</sup> The typical food industry worker earns a median wage of about \$8.84 an hour, or \$18,400 annually.<sup>2</sup>

### Rising number of working poor with limited career opportunities

- Nearly a million working New Yorkers—almost a quarter of the total workforce—are earning less than \$20,000/yr.<sup>3</sup>
- High school completion is no longer sufficient to attain a middle-income job. Education has become the single most important determinant of employability and earning power
- In 2013, the median weekly earnings of workers with a bachelor's degree were nearly twice that of high school graduates<sup>2</sup>

### Employers face a shortage of high-skilled workers

- Employers increasingly demand skilled workers and use educational attainment as a proxy for skill level when making hiring decisions
- A long-term skills deficit will hamper the City's ability to retain employers and drive productivity

1. NYC EDC analysis of New York State Department of Labor EES and OCEW; 2. Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, 2014-15 Edition, Food and Beverage Serving and Related Workers, <http://open.ohio.edu/food-occupation-and-salary-food-and-beverage-serving-and-related-workers>; 3. 2012 American Community Survey 3-Year Estimates, 3. Barriers to Entry, SkillsNYC

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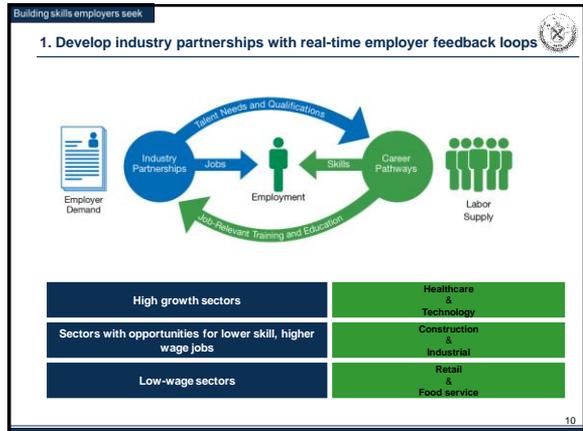
**...but NYC's workforce system is not currently designed to address these challenges**

- Emphasis on rapid job placement**
  - Focuses on the quantity of hires, not the quality of jobs and opportunities for advancement.
  - More than two-thirds of the nearly \$500m workforce budget has gone to programs that connect people to low-wage work often in the retail and food service industries
  - Often such placements result in a quick churn through an unskilled job before returning to the City to seek the exact employment services.
- \$500M not strategically deployed**
  - Only 7% of the workforce budget is invested in skills training that leads to good jobs with income mobility opportunities.
  - 70% is spent on matching employment services and subsidized jobs.
- Fragmented system undermines utility**
  - Uncoordinated service delivery among City agencies limits utility to jobseekers and employers.
  - Each agency operates with separate metrics, data systems, and rules, which leads to duplication of services and no adequate data.
  - Economic development and city purchasing is not connected to workforce outcomes

**These recommendations will transform our workforce development system**

	Current State	Future State
<b>Orientation</b>	General focus on hiring entry-level workers with emphasis on quantity	Sector focus on filling quality jobs in high-value sectors and emphasis on creating pathways to economic mobility
<b>Core strategy</b>	Immediate job placement with limited investment in training and post-placement engagement	Career development supported by strategic investments in training, education and retention
<b>Job quality</b>	Hiring is the primary consideration	Services, incentives and policies targeted to support businesses that offer full-time, consistent, living wage work
<b>Connection to City's Investments</b>	Minimal and voluntary	Mandated hiring process and ongoing training options
<b>Internal alignment</b>	Agencies have different outcomes, definitions, protocols and employer engagement strategies	Common metrics, shared definitions and systems, and a unified approach to employer and jobseeker customers

- 10 recommendations which will draw on existing and new programs**
1. Launch or expand Industry Partnerships with real-time feedback loops in six sectors: health care, technology, industrial/manufacturing, and construction, which will focus on training more New Yorkers for jobs with career potential, and retail and food service, which will focus on improving the quality of low-wage occupations
  2. Establish Career Pathways as the framework for the City's workforce system
  3. Invest \$60 million annually by 2020 in bridge programs that prepare low-skill jobseekers for entry-level work and middle-skill job training
  4. Triple the City's training investment to \$100 million annually by 2020 in career-track, middle-skill occupations, including greater support for incumbent workers who are not getting ahead
  5. Improve and expand CTE and college preparedness programs, adjust CUNY's alternative credit policy, and invest in career counseling to increase educational persistence and better support students' long-term employment prospects
  6. Increase work-based learning opportunities for youth and high-need jobseekers
  7. Create a standard that recognizes high-road employers who have good business practices, with the goal of assessing at least 500 local businesses by the end of 2015
  8. Improve the conditions of low-wage work by expanding access to financial empowerment resources in partnership with at least 100 employers and pursuing legislative changes such as increasing the minimum wage
  9. Maximize local job opportunities through the City's contracts and economic development investments by establishing a "First Look" hiring process and enforcing targeted hiring provisions in social service contracts
  10. Reimburse workforce agencies on the basis of job quality instead of the quantity of job placements by aligning service providers under a system-wide data infrastructure that measures job outcomes such as full-time work, wage growth and job continuity



**2. Reinvest in training and skill upgrades for job seekers and workers**

<p><b>Create "Bridge" programs to develop job-ready skill sets</b></p> <p><i>GED Bridge to Health and Business program at LaGuardia</i></p> <p>Conveys basic reading, writing, and math skills by presenting issues and themes related to healthcare and business, leading to higher graduation rates and better outcomes</p>	<p><b>Triple training investment in career-track, middle-skill jobs</b></p> <p><i>CEO-SBS incumbent worker training</i></p> <p>Supports low-wage incumbent workers by covering the majority of training costs for businesses that pledge to raise wages for participating workers</p>	<p><b>Reorient CUNY &amp; DOE to support students' career success</b></p> <p><i>P-TECH</i></p> <p>Combines high school education, associate's degrees, and industry credentials</p>	<p><b>Increase work-based learning opportunities</b></p> <p><i>Summer Youth Employment Program</i></p> <p>Provides early work exposure opportunities for New Yorkers leading to increased academic and career outcomes</p>
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**The Mayor's Office will champion a system shift toward a Career Pathways framework**

**3. Raise the floor in low-wage jobs and recognize "high road" employers**

<p><b>Advocate increased minimum wage</b></p> <p>Advocate City control over minimum wage and other policies that improve labor standards</p>	<p><b>Launch a "LEED certification"-type for quality employers</b></p> <p>Establish assessment for what being a good business means</p> <p>Improve job quality in partnership with employers by rewarding companies with high-road workplace strategies and by supporting businesses willing to improve their business practices</p>	<p><b>Increase access to income supports</b></p> <p>Increase access to financial empowerment tools (e.g. expanding Financial Empowerment Campaign)</p> <p>Streamline application process for transitional benefit allowances like subsidized childcare, Medicaid, and SNAP for cash assistance clients</p>
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Coordinating systems

#### 4. Implement targeted hiring tied to City procurement and investments

Initiative	Description
<b>Mandate a First Look Process for businesses that benefit from City spending</b>	<ul style="list-style-type: none"> <li>Requires employers doing business with the City to review and consider local qualified workers from workforce development programs at the front end of their hiring process.</li> <li>City spends billions of dollars a year on goods, development activities, and mayoral priorities</li> <li>First Look would connect a range of economic development and procurement activities to the workforce system.</li> </ul>
<b>Expand Targeted Hiring in social service contracts</b>	<ul style="list-style-type: none"> <li>HRA requires social service contractors to hire one Public Assistance recipient for every \$250,000 received in City funds</li> <li>The City will strengthen requirements across other social service agencies including ACS and DHS</li> </ul>

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Coordinating systems

#### 5. Develop infrastructure to improve coordination and measurement

##### Build system-wide data infrastructure



Establish a common set of metrics and definitions across agencies

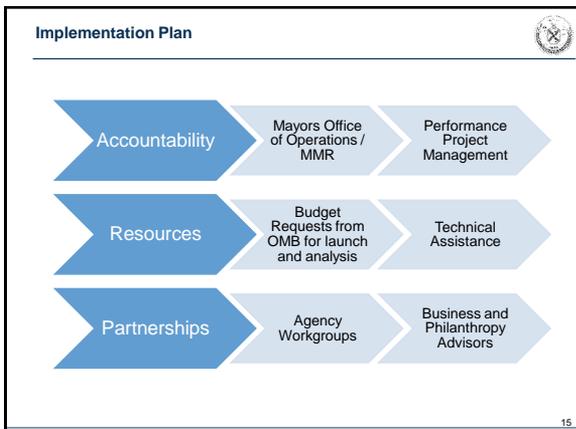
Increased coordination will lead to higher quality service for employers and jobseekers and will allow City to measure program outcomes

##### Improve quality of services



Evolve toward a unified brand that makes the workforce system more accessible for job seekers and employers

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CTE Engagement

Goal	Engagement Opportunity
<b>Align education and credential trainings with workforce agencies' and with employer need</b>	<ul style="list-style-type: none"> <li>Engage with the City's Industry Partnerships to create trainings and curricula based on employers' needs and to expand work-based learning opportunities that support career awareness and industry connection</li> <li>Collaborate with workforce agencies to align education and credential trainings with career advancement opportunities</li> </ul>
<b>Invest in programs and services that increase educational persistence and better support students' long-term employment prospects</b>	<ul style="list-style-type: none"> <li>Scale work-based opportunities for CTE students</li> <li>Expand CTE exploration and preparatory models for youth and better align adult CTE courses with employer need</li> <li>Improve students' transitions from secondary to postsecondary education by working in collaboration with CUNY to strengthen pre-college and college readiness initiatives</li> </ul>
<b>Increase work-based learning opportunities for youth</b>	<ul style="list-style-type: none"> <li>Work with Industry Partnerships to increase career exploration, internship, and apprenticeship opportunities for students</li> </ul>

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