

Advancing Low-Wage Workers: CEO's WorkAdvance Program

A Social Innovation Fund Initiative

David S. Berman

2011 Northeast Family Strengthening Conference

September 26, 2011 | Richmond, VA



social innovation fund

Mayor's Fund to Advance NYC • Center for Economic Opportunity

www.nyc.gov/ceo/sif

About the Center

■ Center for Economic Opportunity

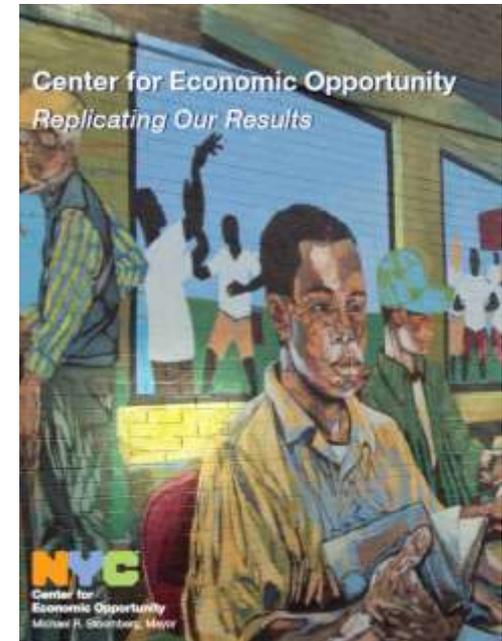
- Established by Mayor Michael R. Bloomberg to implement, monitor, and evaluate the City's new anti-poverty programs.

■ Innovation Fund

- \$100 million public-private partnership.
- Supports the implementation of CEO's anti-poverty initiatives and pilot programs.
- Funds the monitoring and evaluation of programs.

■ Commitment to Evaluation

- All program outcomes tracked.
- Program-specific evaluation strategies developed.
- Evaluation products include early implementation reviews, analyses by program area, and several long-term evaluations.
- Partners include agencies, MDRC, Westat, and Metis.



CEO releases annual reports on program and policy initiatives.

CEO Objectives and Approach

■ Identify Successful Anti-Poverty Programs

- Implement new programs in collaboration with multiple City agencies.
- Utilize strong internal and external evaluation teams to review programs, identify best practices, and gauge success.
- Base future funding decisions on program results.
- Share best practices and lessons learned.

■ Develop New Measures & Policies

- Pursue an alternative to the outdated federal poverty measure.
- Use lessons learned to inform future policy recommendations.

■ Expand Pilots to Build a National Body of Evidence

- **Family Rewards**: Conditional Cash Transfers to reduce current and future poverty.
- **Jobs-Plus**: Place-based employment initiative for public housing residents.
- **ProjectRise**: Education-conditioned internship.
- **SaveUSA**: Savings program linked to the tax refunds.
- **WorkAdvance**: Sector-focused training and advancement program.

CEO Evaluation

- **All Programs Assessed**
- **Program-specific Evaluation Strategies Based on**
 - Data Availability
 - Implementation Status
 - Timing of Expected Outcomes
 - Knowledge of Intervention
 - Strength of Program Model
 - Level of Investment
- **Type of Assessment**
 - Routine Management
 - Early Implementation / Outcome Study
 - Program / Topic Specific Study
 - Rigorous Evaluation
- **Evaluation Partners**
 - External Evaluators: Westat, Metis Associates, MDRC
 - City Agencies
 - In-house Evaluation Team

Federal Social Innovation Fund Overview

■ The Corporation for National & Community Service

- A federal agency that engages more than five million Americans in service through Senior Corps, AmeriCorps, and Learn and Serve America.
- Leads President Obama's national call to service initiative, United We Serve.
- Manages the Social Innovation Fund Awards.



United We Serve

■ The Social Innovation Fund Grant

- Established by the 2009 Edward M. Kennedy Serve America Act, a new public-private investment vehicle designed to identify and replicate effective solutions to critical challenges.
- Approximately \$50 million has been awarded to 11 intermediary organizations nationwide, to be matched 1:3 by private funds.



CEO Social Innovation Fund Overview

■ A Unique Opportunity

- In July 2010, CEO, in partnership with the Mayor's Fund to Advance NYC, was awarded a \$5.7 million Social Innovation Fund grant.
- Grant will replicate five innovative anti-programs in **New York City** and seven cities: **Cleveland, OH; Kansas City, MO; Memphis, TN; Newark, NJ; San Antonio, TX; Tulsa, OK; and Youngstown, OH.**

■ The Mayor's Fund SIF Collaborative

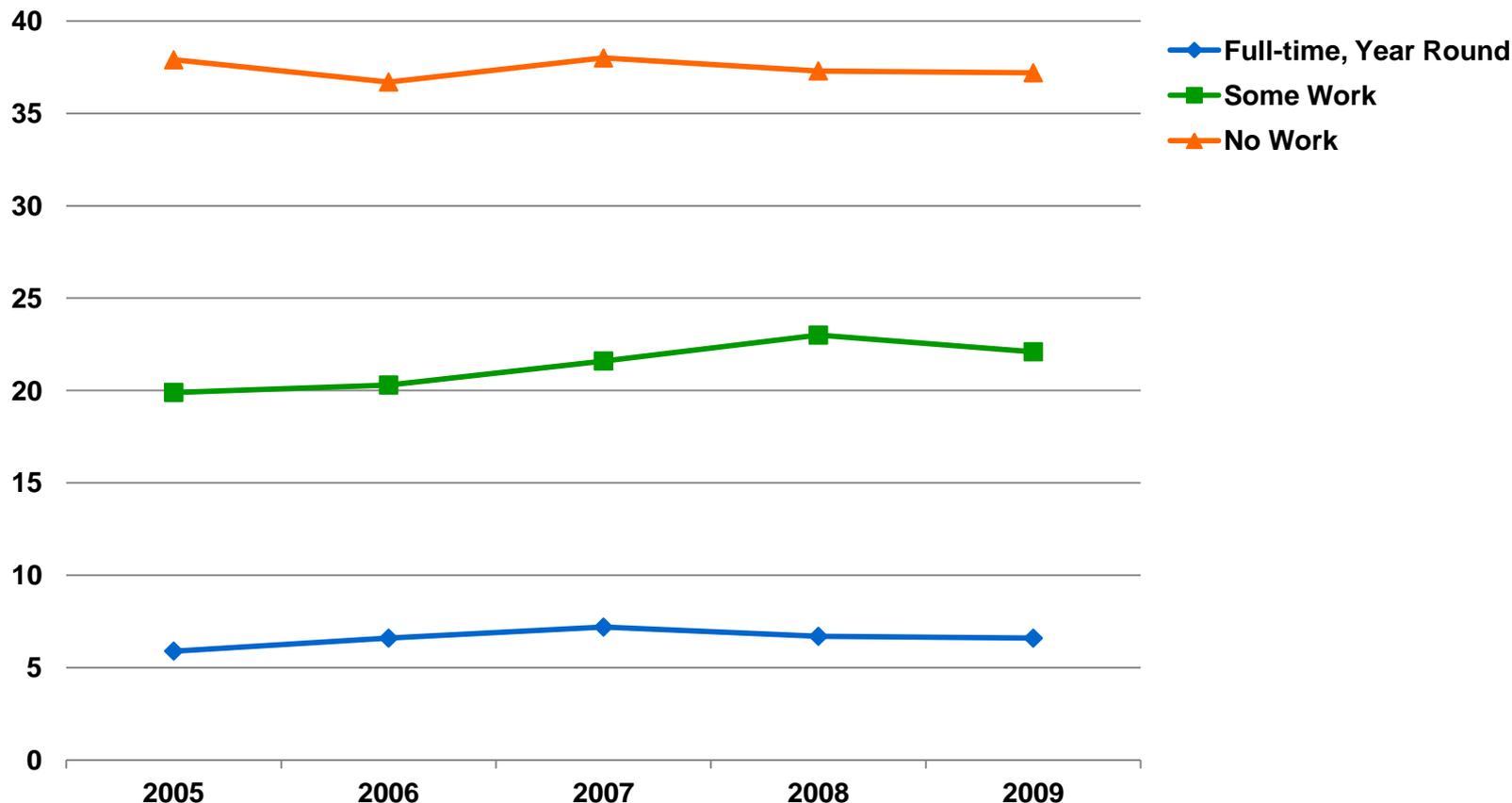
- **The Mayor's Fund to Advance New York City:** A nonprofit organization designed to support public programs and enhance NYC's ability to serve its residents through joint ventures between philanthropy and city government.
- **MDRC:** A nonprofit education and social research organization that develops and evaluates bold new ideas aimed at improving the well-being of low-income individuals.

WorkAdvance: Sector-focused advancement strategy

- **Social Innovation Fund (SIF)**
 - GOALS: Replicate and Scaling Up
 - Interventions based on “strong” evidence- or at minimum “preliminary” evidence

- **WorkAdvance Demonstration**
 - 1 of 5 models in the Mayor’s Fund SIF Collaborative portfolio
 - Integrates sector-based and post-employment strategies
 - Draws heavily on CEO workforce innovations and evidence from randomized trials elsewhere
 - Replication in 4 cities; 5 sectors

NYC Poverty Rates for the Working Poor and Unemployed (18-64)



SOURCE: *Policy Affects Poverty: The CEO Poverty Measure, 2005-2009* (March 2011)

WorkAdvance Evidence Base: Building on Research

- **Post-Placement Advancement Research: CEO MDRC**
 1. ERA (Employment Retention & Advancement); and UK ERA (UK version of US demonstration)
 2. WASC (Work Advancement and Support Center)
 3. Advance at Work (CEO program built on WASC)

- **Sector-Based Strategies: CEO, Public/Private Ventures (P/PV)**
 1. CEO Transportation Career Center
 2. P/PV Sector Programs Studied

Employment Retention & Advancement (ERA) – MDRC Project

- **National Study of Post-Employment Programs**
 - Mostly current and former welfare recipients
 - Single parents
- **Tested 12 Distinct Models in Cities in 6 States**
 - Little known about how to improve employment retention/advancement
 - So cast net widely (variety of models)
- **Evaluation**
 - Random assignment design
 - 3-4 years of follow-up

Summary of ERA Results

- **9 Models Were Not Effective**
 - Did not show any positive impacts or had only sporadic impacts
 - Offered post-employment guidance and advice, but little else
- **3 Models had Positive Economic Impacts**
 - Offered post-employment guidance and advice
 - Included one or more other tangible features: e.g., incentives, employer connections, job development
- **Larger Impacts on “Middle” Subgroup**

Work Advancement and Support Centers (WASC) Model and Sites

- **Goal:**

- Promote employment retention and advancement for low-income *workers* (“working poor”)

- **Combines:**

- (1) Work Support;
- (2) Post-Employment Services

- **Delivery:**

- Co-located teams in WIA one-stops made up of ***workforce professionals*** and TANF/FS ***eligibility staff***.
- One stops in Dayton, San Diego, and Bridgeport

Summary of WASC Findings: Work Support and Earnings

- **Positive impacts on receipt of some work supports**
- **Positive impacts on participation in education/training**
 - Especially vocational training (all sites)
 - Also college courses in Dayton
- **Positive impacts on receipt of licenses/certificates**
- **Labor market impacts so far** (*Longer-term data to come*)
 - **Dayton:** Improved work retention; year 3 earnings (prelim.)
 - **San Diego:** Possible switch from FT to PT; reduced earnings (ns)
 - **Bridgeport:** Small earnings gain in year 2 (ns)

CEO's Advance at Work

■ **Goal**

- Adapt WASC work support and advancement strategies to the NYC one-stop career center system. Based on WAS model.

■ **Eligibility**

- Employed for at least 6 months, earning less than \$14/hour.

■ **Services**

- Helps employed individuals find higher paying jobs in targeted growth industries.
- Services include coaching, access to training and education, assistance in work support enrollment, asset building information.

■ **Service Period**

- Intensive post-employment job coaching over 1 year.

Advance at Work: Comparison of Impacts

Employed Adults Served by Advance at Work vs. Similar Adults Served by Workforce1 Career Centers

- **Advance at Work Participants:**
 - Are 3.5 times as likely to be placed in a job or receive a promotion.
 - Earn about \$.50 more per hour.
 - Work more hours per week.
 - Spend a longer time in the program before placements in a new job or promotion (about 68 days).

Sector Models: Overview of Approach

- **Training Programs Targeted to Specific Careers in Specific Industries**
- **Careful Screening Re: Participants' 'Fit' for Sector**
- **Employer Input on Program's Approaches**
- **'Pipeline': Staff have Close Ties with Employers, Helping to Link Training and the Job**
- **But Limited *Post-employment* Services**

CEO's Transportation Center

- **Career Center Focused on the Transportation Sector**
 - In-depth knowledge of the industry with industry expert consultants on-site, business leadership committee, etc.
- **Types of Jobs**
 - Drivers, mechanics, dispatchers, ramp agents, customer service
- **Flexibility to Alter Focus on Subsectors as Economy Changes**
- **Varied Tracks Tailored to Industry**
 - High volume center; not all participants receive training

NYC has also launched manufacturing and healthcare centers in past Year, based on positive results of first center

Transportation Center Impacts

Adults Served by Transportation Career Center vs. Similar Adults Served by Workforce1 Career Centers

- **For Unemployed: Transportation Center Participants**
 - Are 2.7 times as likely to be placed in a job
 - Earn about \$1.70 more per hour
 - Work almost 4 more hours per week
 - There is no difference in time to placement.

- **For Employed: Transportation Center Participants**
 - Are 3.5 times as likely to be placed or receive a promotion
 - Earn about \$2.20 more per hour
 - Work almost 5 more hours per week
 - Spend fewer days in the program before placement (about 21)

Sector Programs Study by P/PV

- **Tested Sector Training Programs in 3 Cities**
- **Sector/Occupations: Manufacturing, Medical Billing, Computer Recycling and Other Information Technology**
- **Small, 2-year Random Assignment Study Showed Substantial Positive Impacts on Employment and Earnings**
- **Earnings Impact**
 - 18% over 2 years
 - 29% in 2nd year (after training)

P/PV Study

Pooled Impacts of 3 Sectoral Program

Figure 1
Total Earnings by Month, Total Sample

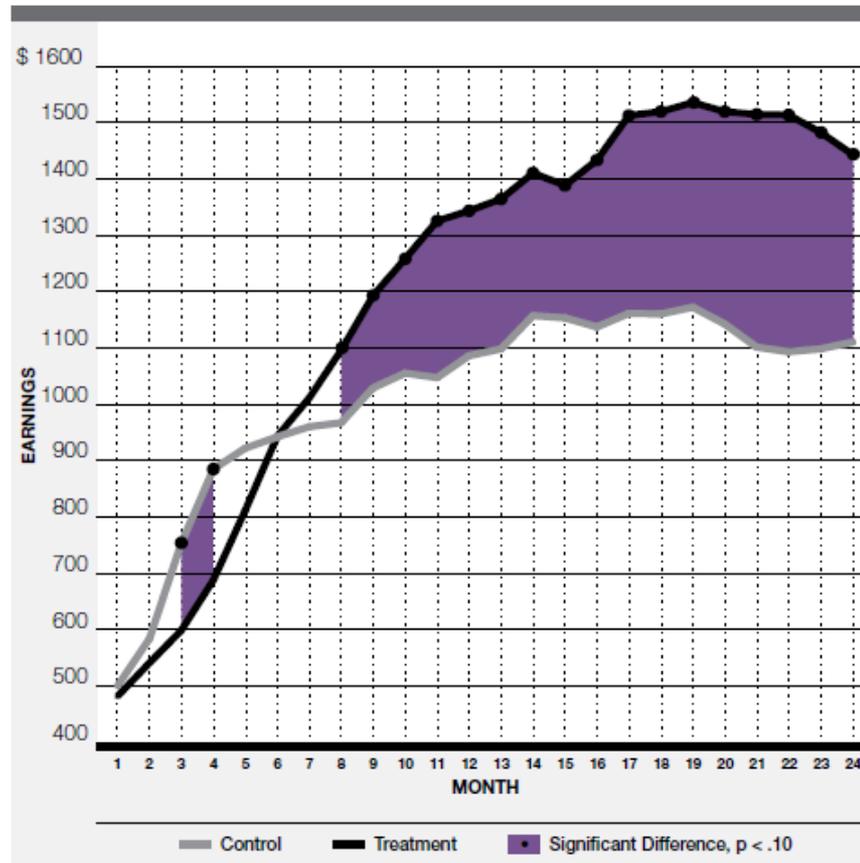
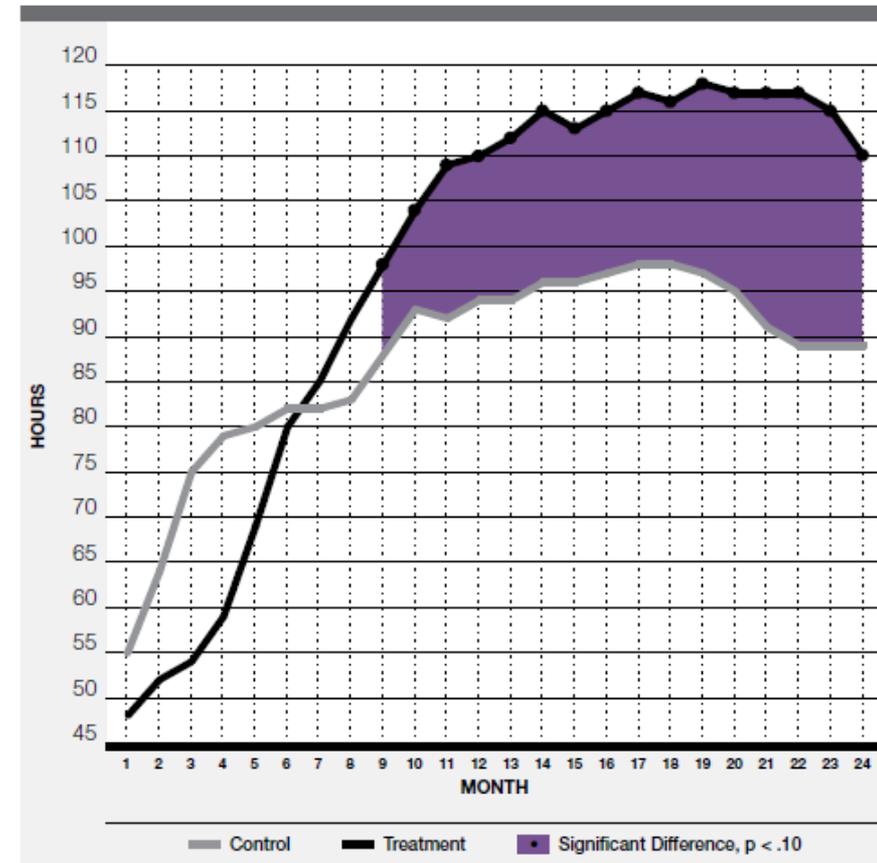


Figure 2
Hours Worked by Month, Total Sample



'Tuning in to Local Labor Markets: Lessons From the Sectoral Employment Study.' PPV. Maguire et al. 2010
http://www.ppv.org/ppv/publications/assets/325_publication.pdf



A NEXT GENERATION ADVANCEMENT STRATEGY

WorkAdvance Model: A Hybrid of Vision

Sector-Focused Strategies

(Building on Transportation Career Center and P/PV Studies)



Post-Employment Strategies

(Building on ERA, UK ERA, WASC, and Advance at Work)

WorkAdvance Demonstration

- **Each Program Focuses on Narrow Range of Sectors and Occupations**
- **Deep Staff Expertise and Employer Connections**
- **Strategic Post-Employment Follow-up**
- **New Random Assignment Test**
- **Implementation, Impact, and Cost-Benefit Evaluation**

WorkAdvance Cities and Providers

NEW YORK CITY

- **Per Scholas**, Bronx Information Technology
- **St. Nick's Alliance**, Brooklyn Environmental Remediation Green Jobs

CLEVELAND, OH

- **Towards Employment** Healthcare & Manufacturing

YOUNGSTOWN, OH

- **Towards Employment** with Burdman Group Healthcare & Manufacturing

TULSA, OK

- **Madison Strategies Group** Transportation

Program Eligibility

- **Adults: 18 Years or Older**
- **Low Income: Working \$15/hour in current job 9 (*if working*); Family Income < 200% of Federal Poverty Level**
- **Interested in a career in targeted sector**
- **Meet sector-specific requirements (literacy test, drug/criminal screening, dexterity, etc.)**

Pre-Employment Services and Training

- **Pre-Employment Services**
 - Sector-focused job readiness training
 - Work with advancement coach to start individual career plan
 - Assess other needs

- **Occupation-Specific Skills Training**
 - Focused on particular industry career tracks, skills needs, and training curricula identified by employers

Job Development and Placement

- **Job Development Specialists (“Account Managers”)**
 - Identify job openings - who’s hiring within the sector
 - Understand employers’ skill needs in targeted industry
 - Knowledge about career pathways within the sector
 - Have relationships with specific employers

Post-Placement Assistance

- **Focus on retention and advancement**
- **As in prior programs, but with a sector “twist”**
 - Help participants adjust to job
 - Identify career advancement opportunities
 - Advise on further relevant training, as appropriate
 - Assist with job changes for better opportunities or fit
 - Rapid re-employment for those losing jobs
- **Important difference**
 - Employer feedback on participants’ performance

Evaluation

■ **Impact Analysis**

- Random Assignment
- Impacts pooled for all sectors, and by sector

■ **Implementation Analysis**

- Delivery of training/placement; employer connections
- Delivery post-employment; with employer input
- Facilitating job changes (existing or new employers)

■ **Benefit-Cost Analysis**

- Participant, government, society perspectives
- Savings for employers

Next Steps & Goals

■ **Short-Term Goals:**

- Random assignment getting underway
- Refinements to the model still underway, especially post-employment component
- Short-term pilot to work out kinks
- Sample size goals: 3,850 (*program + control*)

■ **Long-Term Goals:**

- Learning network
- Informing workforce field
- Impacting policy

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Mayor Bloomberg Announces Workforce Training Grant
September 13, 2011
Mayor Michael R. Bloomberg announced the latest round of NYC Business Solutions Training Funds to four businesses in Brooklyn, Queens and Manhattan. The workforce training grants program, administered by the Department of Small Business Services, helps small businesses to expand and create jobs by training new and existing employees to give them the up-to-date skills they need to grow. CEO provides two-thirds of the funding for this program, with the federal Workforce Investment Act providing the remainder. Participating employers are also required to contribute.
[Mayor's Office Press Release](#)
[CEO Program Profile](#)
[Learn More](#)

Project Rise Kansas City Launches
September 6, 2011
Kansas City Mayor Sly James announced the launch of Project Rise, one of five CEO program being replicated in cities across the country through the federal Social Innovation Fund. Mayor James was joined by
[representatives from the Kansas City](#)

CEO FEATURE

Policy Affects Poverty: The CEO Poverty Monitor, 2008-2009
A Working Paper for the NYC Center for Economic Opportunity
March 2011

[CEO Report: Policy Affects Poverty](#)

YOUNG MEN'S INITIATIVE

[Learn about YMI](#)

social innovation fund

[Learn about SIF](#)

USEFUL LINKS

NYC.GOV

David S. Berman

Senior Advisor

NYC Center for Economic Opportunity

212-341-0173

DBerman@cityhall.nyc.gov



WorkAdvance Northeast Ohio
Strengthening Families Conference
September 26, 2011



TOWARDS EMPLOYMENT

- Since 1976, TE has assisted over 100,000 disadvantaged adults *transition off of welfare, out of prison, or off of the streets and into employment.*
- In addition we have helped over 10,000 *working poor* gain skills and stability needed to become more productive at their current job or move on to better jobs.
- Since 2004, we have placed over 1000 individuals with a criminal record in full-time permanent employment.



OUR SERVICES: PREPARATION, PLACEMENT, ADVANCEMENT

Job Preparation, Placement and Retention

- Transitioning off of welfare (since 1998)
- Individuals with criminal background (since 2004)
- Other collaborations

Supportive Services (since 1976)

- Includes Legal Services

Employee Retention and Advancement

- *Achieve* Social Enterprise: since 2002
- Key Bank Advancement Academy (new in 2011)
- WorkAdvance (new in 2011)



SERVICES AND OUTCOMES 2010

Placements: 319

- Avg. wage: \$9.00; consistently exceed performance benchmarks for job retention

Supportive Services

- 5,760 services to 1,182 clients

Legal services: *Credit/Debt, Bankruptcy, child support, criminal defense, eviction or foreclosure prevention*

- 1,605 services to 1,174 clients

Retention and Advancement

- 3,161 services to 668 low wage employees across 6 employers



EMPLOYER ENGAGEMENT FOR JOB RETENTION

- Dedicated job development staff to identify employment prospects and understand employer requirements
- Dedicated career coaching staff to help match individuals with appropriate opportunities, and to work with them to stay focused and motivated
- Career coach continues to support graduate after placement, to help with successful transition to the job as well as with any other issues that may come up that could interfere with success on the job.



WORKADVANCE OPPORTUNITY

ALIGNMENT OF FUNDING TO IDENTIFIED NEEDS

- **Research:** providers had started meeting several years ago to highlight integration of social services and workforce development.
- **Demand:** driver industries in our region report a gap between what they need and what candidates are bringing to the table.

Research AND Employer Driven: Participant *eligibility* is driven by the research requirements BUT participant *suitability* is driven by direct employer input and need.



WORKADVANCE NEO

Serve **1000 people** in Cuyahoga and Mahoning Counties
(60%/40% manufacturing/healthcare)

- **Eligibility:** 200% of poverty; 18 yrs+; if working, earn less than \$15/hr
- **Suitability:** Drug free, 8th grade math/reading, appropriate for sector based on screening questions

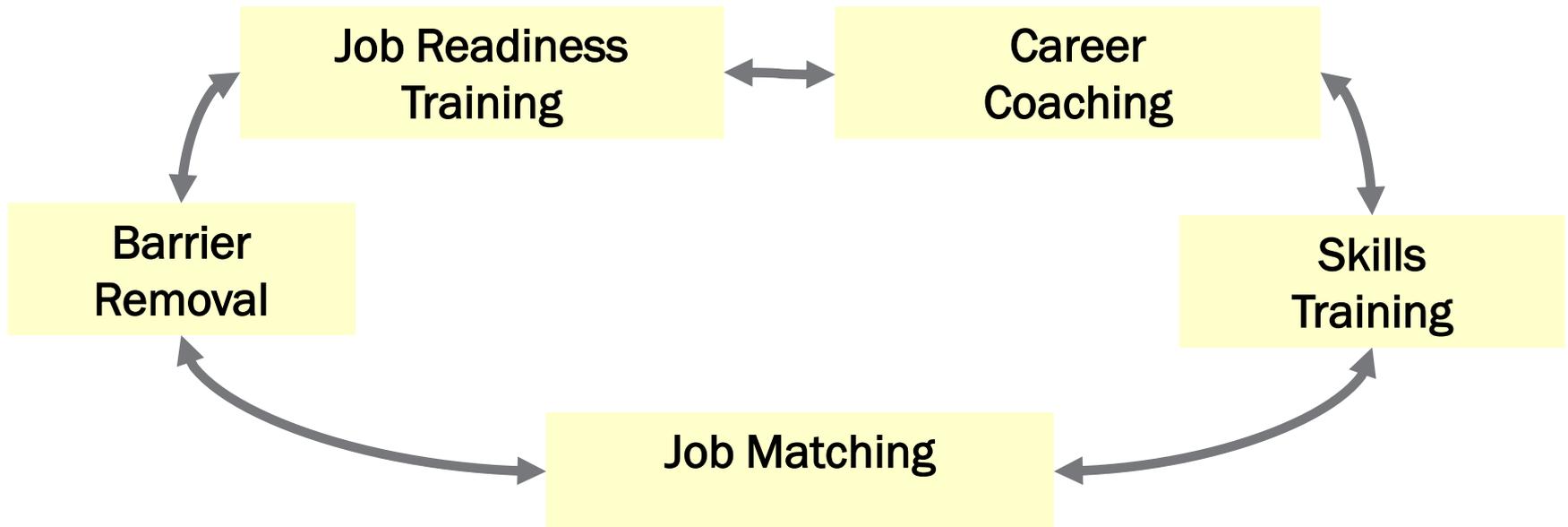
Research Driven: Eligibility is driven by the research requirements and income criteria.

Employer driven: Suitability is driven by direct employer input and stated requirements.



A COMPREHENSIVE COLLABORATIVE

WA approach aligned with TE's recently completed Strategic Plan and emerging partnership.





WORKADVANCE APPROACH





EMPLOYER DRIVEN PROGRAM

Deliberate employer input throughout all aspects of the program:

Barrier removal: which barriers present the greatest difficulties?

Job-Readiness Training: which skills are prerequisites to entry into the sector; curriculum vetted with employers.

Career Coaching: what career pathways are available and are they internal/external opportunities?

Job-matching: how can we meet an immediate need and plan for a year from now?

Skills Training: which training providers produce graduates with the skills specific to your jobs and what skills are needed post-hire?



EMPLOYER ENGAGEMENT: STAFF

Staff must have deep sector expertise so they:

- Know what the jobs really require
- Understand different corporate cultures
- Can clearly articulate internal and external career paths

Example—our manufacturing staff:

- **Trainer:** 15+ years as HR Manager
- **Job Developer:** 10+ years in contract recruiting
- **Job Matching:** 30+ years in production and management



EMPLOYER ENGAGEMENT: DATA

Labor market information is more than what you see at BLS

- **Where you look:** Good starting point but you must review them with employers.
- **What you look at:** Growth rate is important but so are wages and replacement demand.

Existing employer work should be leveraged

- **Self-organized:** burgeoning groups with sector focus coming together to address workforce needs
- **Industry/trade associations:** long history of serving members and meeting member needs



EMPLOYER ENGAGEMENT: ADVANCEMENT

WorkAdvance is not a rapid placement program

- **Realistic timeframe:** Employers know from the beginning that we are looking for long-term advancement
- **Advancement starts at placement:** Work with employers to identify internal or external career paths early on

Real partnerships allow for employer interventions

- **Multiple ways to engage:** Focus on best way for employer partner to contribute—builds credibility and trust
- **Win-win:** Successful placements and advancements increase credibility when recommending training or culture changes



SUGGESTIONS

- **Embrace differences**—tailor core services to specific needs of individual employers—don't give them what they don't need. This saves time, money, and patience.
- **Ask the experts**—too often we assume we know what employers really need.
- **Respond**—what doesn't work is of tremendous value so be willing to make changes based upon employer input even if it seems counterintuitive
- **Nurture staff expertise**—industry is constantly changing and staff are the front line. Send them on plant tours, arrange job-shadowing, encourage 1:1 meeting with HR staff.



QUESTIONS/DISCUSSION

REBECCA KUSNER

RKUSNER@TOWARDSEMPLOYMENT.ORG