



CONNECTING YOUNG ADULTS TO SKILLS AND JOBS **EXECUTIVE SUMMARY**

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LESSONS FROM THE NATIONAL
FUND'S SECTORAL STRATEGIES



The National Fund for Workforce Solutions is a national network promoting economic opportunity and prosperous communities through investment and innovation. Based in Washington, DC, the National Fund partners with philanthropic organizations, employers, workers, public and private community organizations, and more than 30 regional collaboratives to invest in skills, improve systems, and generate good jobs. The National Fund supports civic and business leaders in promoting evidence-based practices and policies that build shared prosperity. Learn more about the National Fund and its local partners at www.NationalFund.org.



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Introduction and Overview

Approaching its second decade of work, the National Fund for Workforce Solutions is a national network promoting economic opportunity and community prosperity through investment and innovation. The National Fund partners with philanthropy, employers, workers, public and private community organizations, and more than 30 regional collaboratives to invest in skills, improve workforce systems, and generate good jobs.

Consistent with its commitment to creating opportunity and improving local and regional economies, the National Fund supports strategies that use sector or industry partnerships to support young adults in developing in-demand skills, preparing for a successful career, and securing a job. High young adult unemployment rates persist in the wake of the Great Recession and, if unaddressed, could have long-lasting negative consequences for young workers and their communities. In response, the National Fund and its partners are working to determine how its sectoral models might be adapted and utilized to address young adults' employment challenges.

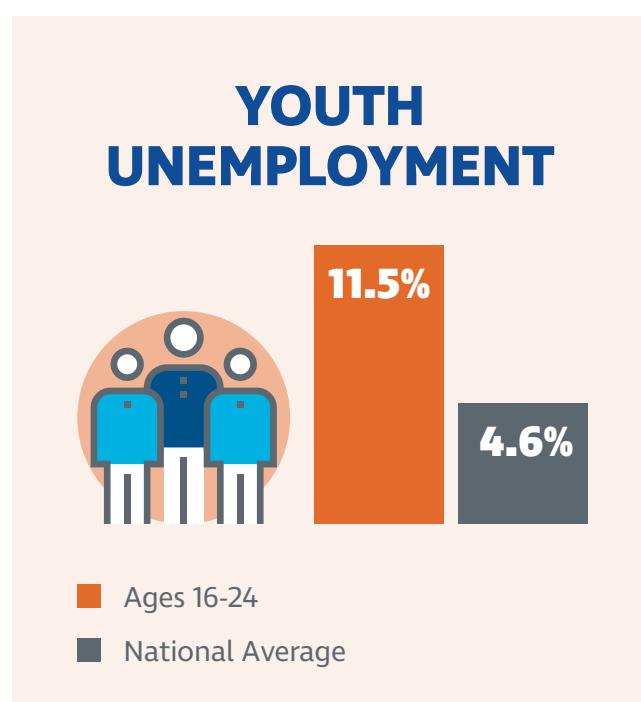
This report, and its appendices, document emerging practices from the National Fund's young adult work to date, and also provides a context for understanding the status of young adult sectoral work nationally.

Specifically, the report:

- Describes the short history of young adult sectoral work;
- Highlights aspects of the National Fund's Young Adult (YA) Initiative;
- Lifts up lessons from the communities involved in the National Fund's YA Initiative;
- Provides recommendations to advance this work.

The report also includes appendices with:

- A summary of strategies based on National Fund collaboratives' experiences in building YA sector models;
- In-depth profiles of two National Fund sites describing how they crafted their YA sectoral initiatives and what they learned;
- Snapshots of several additional collaboratives' YA work; and
- A bibliography of recent publications on sectoral strategies and other demand-driven approaches.



SECTION I

Using Sectoral Strategies to Connect Young Adults to Employment

In the mid-1990s, national foundations and research and policy organizations undertook focused efforts to document the capacity of sectoral strategies to improve opportunities for low-income and unemployed individuals, while also meeting the skills needs of employers. Additional sectoral work showed promise throughout the late 1990s and early 2000s. These efforts led directly to the establishment of the **National Fund for Workforce Solutions** in 2007, which promotes sectoral strategies for low-wage workers through regional funding collaboratives, industry partnerships, and intermediary organizations.

Based in part on these successes, and on research documenting that sector strategies can boost the earnings of young adult workers, thought leaders became increasingly interested in demand-driven approaches as a potential solution to the historically low employment rates for older youth and young adults. A few major sectoral projects emerged:

- In 2013, JobsFirstNYC launched the nation's first young adult sector-based approach, the **Young Adult Sectoral Employment Project (YASEP)**.
- In 2014-15, the National Fund implemented the Youth/Industry Partnership Initiative (YIPI), its own young adult sectoral demonstration, and captured lessons in **Creating Pathways to Employment**.
- In late 2015, the **Annie E. Casey Foundation** funded five communities to combine demand-driven strategies with positive youth development support services for young adults through its **Generation Work** initiative.

These efforts have underscored the importance of close partnerships with community-based organizations that help to prepare young workers for success, as well as with employers who identify skill needs and hire skilled trainees. In addition, they have

illustrated the importance of intermediary/backbone organizations in convening partners, building relationships, and managing the process, as well as the value of flexible, multiyear funding to support planning and implementation.

Although still in its infancy, young adult sectoral work continues to gain traction and is increasingly viewed as an important component of the nation's efforts to address unemployment and underemployment rates for older youth and young adults.



Youth Hub, supported by SkillWorks, Boston, MA

SECTION II

The National Fund Young Adult Initiative

The National Fund's **Young Adult (YA) Initiative** began in 2014 as an extension of YIPI. Because more sites had sought to participate than the YIPI funding could support, the National Fund concluded that the high level of interest warranted additional resources.

The **Annie E. Casey Foundation** agreed, and provided the National Fund with support to establish its Young Adult Initiative and provide assistance to collaboratives interested in developing young adult projects, which included:

- **Technical Assistance** to 12 National Fund collaboratives to develop plans for young adult sector strategies, followed by additional coaching support for six of those sites;
- **A Peer Learning Community** for National Fund collaboratives interested in pursuing young adult sector strategies;
- An **Employer Champion Program** to recognize businesses with exemplary practices for hiring, training and retaining young adult workers;
- Profiles of **Exemplary Training Providers** working with collaboratives to prepare young adults for employment;
- **Regional Young Adult Labor Market Analyses** of Milwaukee, WI and Pittsburgh, PA to provide in-depth information on labor and employer trends for two National Fund communities and serve as a research model for other communities.

While all components of the National Fund's YA Initiative contribute to its overall effectiveness, the work is, above all, designed to build a community of practice that supports and expands YA sector work. Young adult job seekers, particularly those who are unemployed and unenrolled in school for extended periods of time, are likely to need training and support services beyond those typically required

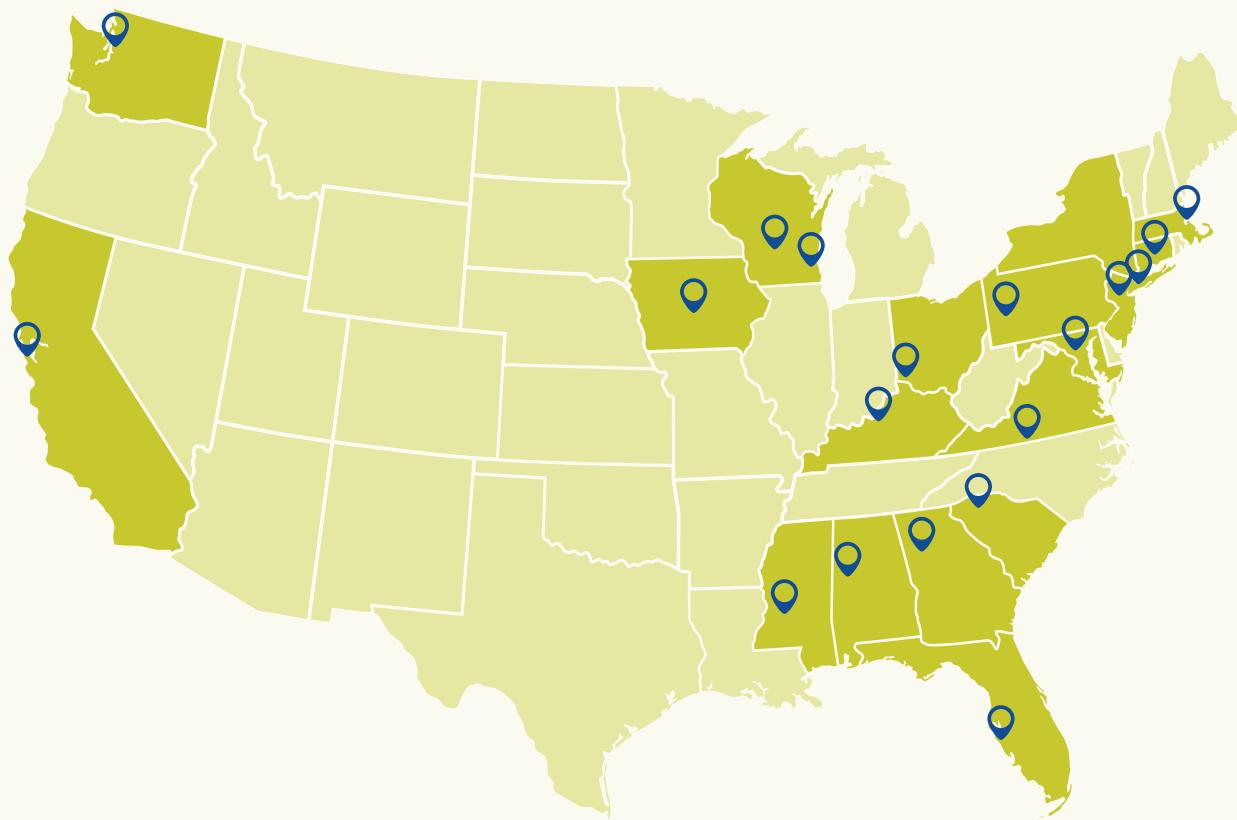
for adult programs. The initiative was a valuable opportunity for National Fund collaboratives to share their successes and challenges and learn from one another how to tailor a successful model to better serve young adults.

Today, the National Fund **Peer Learning Community** includes almost two dozen collaboratives (Figure 1), each pursuing approaches aimed at creating sectoral models for out-of-school and out-of-work young adults. The Peer Learning Community works together to share information through conferences, webinars, workshops, and dissemination of research summaries and effective practices.



New York Alliance for Careers in Healthcare.

Figure 1: National Fund Collaboratives Engaged in Young Adult Peer Learning Community



Atlanta CareerRise
Atlanta, GA

Baltimore Workforce Funders Collaborative
Baltimore, MD

SkillWorks
Boston, MA

CareerEdge Funders Collaborative
Bradenton/Sarasota, FL

Partners for a Competitive Workforce
Cincinnati, OH

Central Iowa Works
Des Moines, IA

Dan River Region Collaborative
Danville, VA

Greenville Region Workforce Collaborative
Greenville, SC

Workforce Solutions Collaborative of Metro Hartford
Hartford, CT

Delta Workforce Funding Collaborative
Jackson, MS

KentuckianaWorks/WIRED 65
Louisville, KY

Milwaukee Area Workforce Funding Alliance/Employ
Milwaukee, Milwaukee, WI

New York Alliance for Careers in Healthcare
New York, NY

CareerWorks: Greater Newark Workforce Funders
Collaborative, Newark, NJ

Partner4Work/Pittsburgh Works
Pittsburgh, PA

Bay Area Workforce Funding Collaborative
San Francisco, CA

SkillUp Washington
Seattle, WA

West Alabama Works
Tuscaloosa, AL

Inourage Community Foundation, Workforce Central
Wisconsin Rapids, WI

SECTION III

Lessons Learned

Through its Peer Learning Community, the National Fund's Young Adult Initiative is producing a wealth of experience and emerging practices which can help to guide the efforts of other communities interested in undertaking young adult sectoral strategies. Key takeaways include the need to:

- **Build connections for efficiency and effectiveness** by creating partnerships that draw on the strengths of organizations and institutions in the community, enabling them to do the work they do best with a minimum of overlap and duplication.
- **Collect, analyze, and utilize data** to fully understand the employment needs of regional employers and the challenges they face, as well as the educational and employment status of young adults.
- **Identify Specific Recruitment Strategies**, which could entail engaging with community organizations already working with young adults, direct recruitment through outreach workers and peer-to-peer communications, and/or social media.
- **Offer pre-enrollment preparation and screening** designed to build youth academic and work readiness skills, and to help young adults understand the rigors and realities of the industry sectors involved to ensure a good fit.
- **Train in cohorts** to establish connections among trainees, promote collaboration and teamwork, and build esprit de corps.
- **Offer ongoing guidance and support**, including case management to identify and reduce barriers to education and employment, as well as career navigation to help young adult trainees understand the opportunities available to them and the responsibilities and requirements entailed.

- **Increase the capacity of youth-serving community partners** by ensuring that they understand and convey the requirements of employers and workplaces, prepare youth to succeed in training, and promote positive youth development principles.
- **Provide work experience and career exploration for more young adults, including while in high school**, which can help youth avoid disconnection, master essential employment skills, understand job and postsecondary requirements, and gauge fit with particular occupations.
- **Develop intentional strategies to bridge transitions**, working closely with postsecondary and employer partners to help young adults move into and succeed in postsecondary training and/or the workplace.
- **Make the most of the Workforce Innovation and Opportunity Act (WIOA)**, utilizing the statutory and regulatory language in support of career pathways and sectoral partnerships, while encouraging federal agencies to provide flexibility to make the most of those opportunities.



Central Iowa Works

SECTION IV

Recommendations to Promote Young Adult Sectoral Strategies

Looking ahead, the National Fund sees several challenges and opportunities in the young adult sectoral field, including:

- **A critical need for dedicated funding.** Planning and implementing sectoral strategies have costs, and flexible investments supporting development and replication are sorely needed for young adult sectoral efforts to advance. Philanthropic support has been critical, but has so far been limited to a few regions. WIOA may help, but available funding can serve only a fraction of eligible individuals. Broadening student financial aid to reach more young adults could be a promising approach, and some employers are willing to participate in “grow-your-own” talent development. With growing numbers of states and communities interested in career pathways, there may be new opportunities for coordinated, cross-investor, public-private funding to build young adult sector successes and accelerate young adult strategies.
- **Creating access for lower-skilled young adults.** Sectoral strategies are intended to meet the needs of employers, but also to elevate prospects for lower-income workers and jobseekers. Therefore, intentional efforts are needed to ensure that young adult sectoral programming includes proven approaches that can move lower skilled individuals along supportive pathways to successful employment.
- **Raise the floor.** While the Young Adult Initiative focuses on preparing individuals for employment, many young adults are already working in entry-level, low-wage jobs. Therefore, it’s important to engage with employers around strategies that enhance job design, increase access to training and credentials, and boost compensation and benefits. These strategies can produce a win-win: improving basic skills and yielding recognized credentials

leading to higher-wage and more secure positions for young adults — while creating a more stable and productive workforce for employers.

- **Continuing roles for the federal government in WIOA rollout.** As noted, WIOA offers important opportunities to promote career pathways and sector strategies for older out-of-school youth and young adults. However, questions remain about definitions, client flow, and performance levels for core programs. Federal agencies can help by issuing guidance and providing technical assistance to facilitate the establishment of pathways and ease enrollees’ movements into and through WIOA core programs.
- **An ongoing need and demand for technical assistance.** The National Fund’s Peer Learning Community has consistently demonstrated a strong interest in and need for technical assistance in designing and implementing young adult models. This work is challenging and still in its infancy. More information, tools, and direct support are needed to enhance and expand these models.



Workforce Solutions Collaborative of Metro Hartford

Conclusion

This report aimed to present the work and lessons of the National Fund's Young Adult Initiative; to summarize research and thinking to date on sectoral approaches for young adults, discussing how the National Fund's efforts build on and expand them; and to provoke thinking about how best to move this work forward. As a result, we hope to encourage a wider discussion and replication of young adult sectoral strategies and spur increased investment in efforts aimed at bringing them to scale.

Young adult sectoral work is difficult and complex. It often involves changing employer perspectives about young adults, while at the same time ensuring that those young people can actually meet the needs of the 21st century workplace.

It asks differing actors — public, private, and nonprofit — to come together, learn each other's languages, and work in common cause, perhaps for the first time. And it requires that we find ways to turn the youth development vs. demand-driven strategies conundrum into a win-win for all parties.

These challenges notwithstanding, vital work is under way in communities across the country to connect young adults to sectoral employment strategies. The hard questions — around readiness, preparation, and fit — are being asked and answered. The both/and, dual customer equation is being analyzed and solved.

After decades of neglect, over the last half decade we have seen the attention of policymakers, thought leaders, funders, and the general public turn to the importance of addressing and resolving the young adult unemployment crisis. Numerous conferences have been held, reports generated, and new statutes enacted.

Let's seize the opportunity to build on emerging lessons learned and inspire more communities to take up and advance this work.

Strategies for Building a Young Adult Sector Model

This page summarizes effective strategies based on National Fund collaboratives' experiences in building Young Adult (YA) sector programs, and is intended to serve as a guide for other communities interested in developing their own approaches.



Form Partnerships with Key Stakeholders

Who: A trusted intermediary

- Convene partners, e.g. youth-serving community-based organizations (CBOs), education/training institutions, employers, workforce systems, public care agencies, others
- Identify specific roles for partners
- Guide the process and hold partners accountable



Plan the Sectoral Approach

Who: The intermediary, workforce system, and other designated partners

- Analyze regional labor market information and young adult demographics
- Build relationships with employers in sectors identified as targets for the strategy
- Select sectors based on data, knowledge of employer needs, and capabilities of target youth population
- Explore and secure funding to support sector strategy



Develop the Program

Who: The intermediary, training institution, employers, the workforce system, and CBOs

- Identify and map all elements of the program and determine roles for each partner
- Develop supports necessary for success, for both YA participants and employers
- Review partner capacity and strengthen as needed



Recruit, Enroll and Prepare YA for Sectoral Training

Who: CBOs or other designated partners

- Recruit and assess potential participants re. basic skills, work readiness, barriers, etc.
- Expose participants to the sector and occupations to gauge interest and fit
- Provide basic skills remediation, as needed
- Strengthen readiness through work experience (e.g. job shadowing, internships, supported or transitional employment), service projects, and/or project-based learning



Train YA for the Identified Sectoral Job(s)

Who: The training partner, with support from CBOs and employers

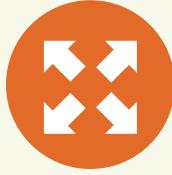
- Provide bridging/transitional support as trainees adjust to program requirements
- Deliver occupational training and skills development consistent with sector requirements, ideally yielding marketable credentials
- Provide additional academic skill building, as needed
- Connect participants to part-time work experience in related fields



Place, Retain, and Advance YA in Jobs

Who: The intermediary, employers, CBOs, and training institutions

- Place training completers in jobs, consistent with their preparation and with employers' needs
- Conduct regular check-ins with employers and young workers, which can diminish over time
- Offer young workers access to ongoing skill building and credential attainment, to promote career advancement
- Connect young workers to alumni supports and peer group activities



Provide Ongoing, Tailored Supports Across the Continuum of Preparation, Training, and Placement

Who: The intermediary, CBOs, and other designated partners

- Build relationships between participants and caring adults throughout their program experience
- Identify and address barriers to participants' success
- Offer career counseling and navigation

About the Authors

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Kate O'Sullivan is an independent consultant who helps organizations develop, deliver, support, assess, and improve youth and workforce development programs. She has over 20 years of experience in connecting young adults to work, education and developmental opportunities. Her clients have included private funders, public agencies, researchers, and national and local networks. Currently, she serves as a senior advisor to the National Fund and to the National Youth Employment Coalition.

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And last but certainly not least, we deeply appreciate the commitment of leaders from the National Fund sites, listed in Section II, who have designed and put in place young adult-related strategies. We thank all of you for your dedication to this work, particularly in the context of so many other important responsibilities, and look forward to your continued successes in the future.



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