









SEPTEMBER 2018

## **ACKNOWLEDGEMENTS**

Workforce Agenda for New York City is a publication of the Workforce Field Building Hub (The Hub) at Workforce Professionals Training Institute. This report was written by Steven Dawson, Senior Advisor to The Hub, and Stacy Woodruff, Director of The Hub.

The authors wish to express gratitude to the dozens of leaders from across the New York City workforce ecosystem who participated in stakeholder interviews (see Appendix A for a full listing). These individuals provided informed, candid, and often heartfelt assessments of the local workforce field. Their commitment to ensuring the success of job seekers, workers, and businesses in New York City cannot be underestimated, nor should their collective role in fostering an environment over time for the successful implementation of the report's system-wide Recommendations.

We are grateful to the countless other colleagues in New York City and nationally who have served as sounding boards, provided insights and perspectives, and overall voiced support for an infrastructure-focused assessment and report.

We would like to thank Workforce Professionals Training Institute, the institutional home of The Hub; Van West Media and Fenton Communications for their combined communications and dissemination guidance; and East End Advertising for designing the report.

This report was made possible by the generous support of the New York City Workforce Funders. We are thankful for their enduring commitment to strengthening the New York City workforce system.

#### **About the Workforce Field Building Hub**

The Workforce Field Building Hub is a New York City-wide resource established to elevate and influence the workforce field's practice, build relevancy for the field, and amplify best program and system practices.

#### **About Workforce Professionals Training Institute**

Workforce Professionals Training Institute increases the effectiveness of people, programs, and organizations that are committed to generating pathways out of poverty through employment. Our three-tired approach—professional training, organizational consulting, and systems building—strengthens capacity at all levels of the workforce development system.

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## WORKFORCE AGENDA FOR NEW YORK CITY WORKFORCE FUNDERS INTRODUCTORY LETTER

In March 2013, the New York City Workforce Funders released a document called *Re-Envisioning the New York City Workforce System.* It was the product of a group of workforce leaders who met during the summer of 2012 and identified 10 recommendations for making the collection of employment programs and policies in the City more effective. These recommendations—calling for seamless continuum of services, uniform assessment tools and better tracking systems, as well as more cohesive City agency programs—remain very relevant today.

The need for a highly functioning workforce development system in 2018 is even greater than five years ago. Our economy is undergoing rapid and dramatic changes, forcing workers to stay current and design their own career pathways. Still far too many New Yorkers do not have the necessary skills to compete, whether they are immigrants without English language fluency, or native born who did not get sufficiently educated. With an historically low unemployment rate in the City, employers in many industries are desperate for ready, willing, and able employees. Mayor de Blasio's 2014 commitment to fund and create more effective pathways to work remains unfulfilled.

Late last year, the Workforce Funders commissioned the Field Building Hub at Workforce Professionals Training Institute to assess the progress made on creating a more effective workforce development system. Authors Steven Dawson and Stacy Woodruff interviewed more than 80 public, private, nonprofit, and philanthropic New York workforce leaders. Their analyses led to a new set of integrated and system-level recommendations to strengthen the workforce development infrastructure. These are bold, aspirational suggestions directed to the funders who collectively invest more than \$70 million annually in the system, as well as to City government, and workforce providers.

As a group of funders, we are committed to establishing a council or cabinet of workforce leaders as a venue for leading public, private, and nonprofit stakeholders to communicate and improvise. We also plan to determine ways to generate ongoing support for some of the critical infrastructure pieces identified in this report. We thank Steven and Stacy for their months of work and look forward to good discussions and debates.

The New York City Workforce Funders

September 2018



SEPTEMBER 2018

## **EXECUTIVE SUMMARY**

## **PURPOSE / ORIGIN**

The New York City Workforce Funders commissioned the Field Building Hub at Workforce Professionals Training Institute (WPTI) to author this *Workforce Agenda for New York City*. Our report is based on a wide review of New York City workforce initiatives since the beginning of the de Blasio Administration (2014)—including interviews with more than 80 public, private, nonprofit and philanthropic workforce leaders.

Context for this report is critical: Tectonic shifts are fundamentally altering the New York City workforce landscape, generating unprecedented challenge and opportunity for both low-income communities and employers. Those we interviewed underscored the urgency of this moment, calling for action—not words—in response to the extraordinary forces now reshaping New York City's economy, including: the increasing minimum wage; stricter enforcement of immigration laws; declining federal resources for workforce development; and the implications embedded within the "future of work" for re-shaping workforce demand and job design.

Most importantly, New York City's labor market is historically tight, registering a near record-low unemployment rate just above 4 percent in mid-2018. Employers across the five boroughs are reporting unprecedented difficulty in finding and keeping good workers, while at the same time, thousands of low-income individuals remain structurally unemployed.

This shifting landscape requires of the workforce field a systemic response. Yet in this moment, when training and employment services are most needed, the New York City workforce leaders we interviewed—public, private, nonprofit and philanthropic alike—described a field increasingly unprepared to respond.

Given such a profoundly altered labor market, this Workforce Agenda provides a wholly different line of sight: a set of five pragmatic, infrastructural recommendations to strengthen New York City's entire workforce field. Systemic by design, our recommendations are intended to re-structure fundamentally how best to serve both low-income jobseekers and the businesses that employ them. Our world has changed, and so must we.

# ASSESSMENT: PROGRESS IS FAILING TO MATCH DEEPENING CHALLENGES

Two seminal reports helped frame our assessment for this new *Workforce Agenda*. The first, *Re-Envisioning the New York City Workforce System,* is a set of strategy recommendations commissioned by the New York City Workforce Funders collaborative in 2013. Authored by a range of field leaders and employers, *Re-Envisioning* addressed the broader workforce ecosystem.

The second report, Career Pathways: One City Working Together, was issued in 2014 by the de Blasio Administration as a blueprint for the new mayor's workforce development strategy. Authored by the then newly-created Mayor's Office of Workforce Development (WKDEV), Career Pathways more narrowly defined the workforce system as exclusively that which the City itself funds and controls.

With these two documents as context, we asked the more than 80 stakeholders interviewed to reflect upon progress, challenges, and trends in the workforce field since 2014. In those interviews, assessments of progress were typically framed as, "Yes, we've seen some positive change—but we still have a long way to go."

#### Conditioned statements most commonly shared included:

- Career Pathways as a framework has shifted thinking—though not yet behavior.
- More examples of coordination and partnership between City agencies have emerged, although those instances are more isolated than systematic.
- Some workforce providers are beginning to explore and establish partnerships to expand capacity and reach.
- A limited number of workforce providers are making strides toward better, more sophisticated engagement of businesses.
- CUNY, which enrolls more than 250,000 matriculated students and at least that
  many continuing education students, is becoming more integrated into the New
  York City workforce system.
- Workforce stakeholders report incremental improvements in the collection, use of, and access to data.

In nearly every interview, stakeholders were able to identify specific examples of successful programs and new initiatives. Yet when asked to step back and assess the larger context of the New York City workforce ecosystem, the broad consensus was that the field's arc of progress is failing to match the rising challenges faced by the City's employers and low-income jobseekers.

## ANALYSIS: THE WHOLE IS LESS THAN ITS PARTS

New York City is blessed with workforce assets that are the envy of other regions. Yet our interviews confirmed that leaders across the field often achieve their hardwon successes despite, rather than because of, the larger workforce ecosystem. The whole remains far less than its valuable parts.

Throughout our more than 80 interviews—bolstered by review of system-wide achievements, challenges, and trends—we identified five systemic factors that consistently weaken the field's ability to serve its low-income constituents and employer customers:

#### >> More Funding is Necessary—But Not Sufficient

Unsurprisingly, many program leaders and policy analysts called for greater levels of public and philanthropic funding. Yet, when practitioners described *how* funding is delivered at the street level, we also heard a consistent analysis:

- Public and private funding initiatives are designed with limited input from field leaders. The result is a systemic failure to take full advantage of New York City's rich depth of field experience.
- Public programs are structurally underpriced. RFPs often offer funding for workforce services that do not cover even the *direct* per-participant costs of providing quality services.
- Siloed public agencies reduce synergy. This is particularly true in how public economic development programs are designed and delivered separately from workforce development and adult literacy strategies.
- Key stakeholder groups are structurally isolated from one another. No venues
  exist for distinct subgroups to share perspectives and learn from one another on
  a consistent basis.

Without reform of *how* resources are deployed, none of the field's structural problems will be solved solely by increased funding from public and private sources.

#### >> A Profoundly Weak Information Infrastructure Undermines System Reform

The New York City workforce field lacks nearly every infrastructural element required of a well-functioning system: It has no shared definition of success; no uniform data; very limited capacity to monitor and assess data; and few incentives that reward effective outcomes.

This near-total absence of a shared information infrastructure frustrates the ecosystem's ability to reward providers based on quality outcomes; obscures the ability to discern whether hard-to-serve individuals are truly being assisted; weakens the ability to leverage efficiencies and effectiveness through strategic partnerships; and limits any ability to respond strategically to fast-changing trends.

#### >> In the Current Environment, Calls for Scaling are Unrealistic

Several funders interviewed exhorted the workforce field to "get to scale." Yet we heard several program leaders express deep reservations:

- **Tension exists between scale and quality**. Though almost all program leaders work hard to grow their organizations, many underscored that their high-quality designs cannot bear the pressure of extremely large volume.
- Scaling large organizations often undermines collaboration. Though funders often encourage grantees to partner, they rarely provide the dedicated financial resources necessary to do so.
- **Federal workforce support remains severely limited.** Field leaders are hesitant to pursue long-range strategies of scale when the larger political environment promises only continued austerity.
- The presumption that "foundations innovate; government scales" is no longer valid within the New York City workforce field. Until the Administration commits additional, flexible City Tax Levy dollars to the workforce ecosystem, philanthropy can no longer presume that the City will have the resources necessary to scale innovations.

If the New York City workforce field hopes to fulfill the promise of a Career Pathways model, then its goal cannot simply be greater *scale*, it must be deeper and more collaborative *impact*.

#### >> Ineffective Advocacy has Failed to Influence City Policy

In a city famous for hardball politics, the New York City workforce field has tolerated a surprisingly weak advocacy capacity. The field's advocacy efforts suffer from three fundamental weaknesses:

- The voice of the provider community alone is inadequate. Effective advocacy requires a *diverse* alliance of powerful stakeholders—particularly from the business and labor communities—willing to expend political capital.
- Policy analysis and position statements alone do not constitute strategy. No
  matter how eloquently articulated, rational policy analysis alone can be, and
  consistently has been, safely ignored by political leaders.
- The primary targets of public advocacy are not City agency staff. The field's
  public policy problems are structural and can only be addressed at the Mayoral
  and City Council levels.

The New York City workforce ecosystem requires a multi-stakeholder advocacy *alliance* that organizes a muscular *campaign*—targeted at the appropriate, policy-making levels of government.

#### >> Without System-wide Leadership, the Field Lacks Purposeful Direction

Today no group, or set of specific individuals, accepts responsibility for the healthy functioning of the workforce ecosystem broadly defined.

- **Disparate parts of the ecosystem have built separate tables**. Yet none of these tables represent the entire ecosystem, nor formally collaborates with the others—and none is in any way looked to for system-wide leadership.
- The current Administration has consistently failed to lead the broader workforce system. A clear-eyed assessment suggests that a diverse, multistakeholder ecosystem should never turn for long-term, consistent direction from a constantly changing field of elected politicians.
- Employers and organized labor are only marginally engaged in leading the system. Neither business nor labor is deeply invested in, or committed to, the current New York City workforce system.

The workforce field requires a powerful set of individuals who take responsibility for the overall health of the field. Most importantly, the locus of that leadership must be organized squarely outside of City government—while still including City representation—with strong engagement from employers, low-income constituents, practitioners and philanthropy.

Together, these five root causes constantly undermine stakeholders' best efforts to be adaptive and responsive, limiting their ability to leverage their hard-won, valuable workforce assets.

## RECOMMENDATIONS: THE NEW YORK CITY WORKFORCE AGENDA

In response, this report proposes five interrelated recommendations to forge a new agenda for the New York City workforce field:

- Confront Systemic Barriers
- 2 Construct an Information Infrastructure Fund
- 3 Build partnerships to create a genuine Career Pathways Capacity
- Launch a professional Advocacy Campaign
- 5 Sanction a **Council of Workforce Leaders**

These five practical actions focus at a *systemic level*—strengthening not simply *what* the field does, but *how* the field works together—to build a more powerful, comprehensive ecosystem serving New York City's low-income workers and their employers.

1 Confront Systemic Barriers by directly challenging chronic dysfunction in how New York City workforce programs are designed and funded.

In order of priority, we recommend commissioning a series of explorations over the next several years, to undertake fundamental restructuring:

- **Price RFPs and grant programs accurately.** Commission a third-party examination of a sample range of public and private RFPs and grant programs, creating a template for how to estimate true costs of quality service delivery.
- Take full advantage of field expertise. Commission formal research into public conflict-of-interest laws with the goal of replicating how other cities and states achieve a better balance of seasoned input and avoidance of conflict.
- Align economic development strategies with workforce development.

  Commission a third-party analysis of NYC's failure to use its full procurement powers on behalf of low-income residents, including an analysis of how other cities and states better integrate economic and workforce coordination.

New and expanded *programs* are essential to better serve the field's constituents and customers, yet all stakeholders must at the same time confront the *structural dysfunctions* that chronically undermine the ecosystem's best ideas and frustrate its best leaders.

## 2 Construct an Information Infrastructure Fund by creating a dedicated fund to support ongoing systems of information sharing and analysis.

We recommend the creation of an *Infrastructure Investment Fund* (IIF), supported jointly with public and private resources, to provide consistent, multi-year support for the following initiatives, in order of priority:

- **Common metrics.** Sponsor a multi-stakeholder process to collect, analyze and disseminate a set of common metrics for the NYC workforce ecosystem.
- Labor market information. Provide multi-year, core funding to the New York City Labor Market Information Service, allowing its leadership to undertake deeper, broader and longer-term analyses of the New York City labor market.
- Workforce Benchmarking Network. Expand funding, within a long-term infrastructural relationship, for the Workforce Benchmarking Network, which compares workforce outcomes across organizations and promotes program design "success drivers."
- **Core workforce landscape information.** Provide ongoing, multi-year funding to build and maintain an up-to-date database listing what services are currently available across the NYC workforce ecosystem.
- System-level leadership development and training. Support the identification
  and cultivation of New York City's next generation of dynamic workforce leaders,
  bolstering the skills required of current leaders to administer collaborative, career
  pathway-connected programs.

## 3 Build Partnerships to Support Genuine Career Pathways Capacity by investing more deeply in fewer organizations—emphasizing impact over scale.

We recommend that both public and philanthropic funders invest in a genuine Career Pathways system by providing resources that not only "buy" program outcomes, but also "build" the Career Pathways capacity of the field. This "buy and build" framework includes four distinct capabilities:

- **Partnering expertise.** Support distinct expertise and additional staff capacity built *within* organizations, allowing those organizations dedicated time and ability to partner effectively with others having complementary expertise.
- **Data and analysis expertise.** Target a portion of resources dedicated to data collection and analysis capacities, within *all* workforce organizations, as a matter of course in *all* funding commitments.
- Intermediary capacities. Explore new ways to strengthen the sectoral capacity of the broad provider community, external to the City's current Small Business Service's (SBS) Industry Partnerships. Rather than creating any new intermediaries, invest in the capacity of existing lead, "back-bone" organizations within a few key sectors.
- **Employer engagement capacity.** Field a set of capacity-building demonstration projects—to test *income generating* workforce services—designed to help employers implement job-quality initiatives.

Pursuing these four investment strategies will require both funders and program leaders to value depth over breadth of program capacity—impact over scale.

4 Launch a Professional Advocacy Campaign by organizing an alliance of powerful stakeholders—insisting on a coordinated, professional and well-funded City workforce strategy.

We recommend assembling an *alliance* of key stakeholders, one that drives a *professional campaign*, *targeted* explicitly at the Mayor and City Council:

- **Alliance.** Develop relationships with new allies—from the business, labor, educational and philanthropic communities—organizing precious political capital to secure workforce resources within a highly competitive policy environment.
- **Professional Campaign.** Demand explicit "asks" that include not only additional funding, but also fundamental restructuring of *how* that funding is programmed and delivered.
- **Target.** Direct these asks explicitly at the *political*, not agency, levels—specifically at the Mayor, the Mayor's Office of Management and Budget and the New York City Council.

5 Sanction a Council of Workforce Leaders by empowering a selected group of leaders to act as the stewards of the workforce ecosystem, broadly defined.

We recommend the formation of a leadership table having a system-wide charter, structure, and range of responsibilities. The unique role of the *Council of Workforce Leaders* would be to act as the stewards of the entire ecosystem—not any one subsystem—with the explicit purpose of serving low-income jobseekers and the businesses that employ them.

The stewardship tasks of the *Council* should:

- **Define success for the field**, in measurable, system-level terms that the field should align itself toward.
- Advise the Information Infrastructure Fund, guiding the use of funds and reviewing the long-range results of those infrastructure investments.
- **Set the agenda for the field**, by hosting a range of public forums, explicitly designed to encourage disparate stakeholders to engage each other directly on sensitive topics of systemic concern.
- Monitor the health of the ecosystem, by authoring an annual report on a full range of infrastructural and other system-wide workforce issues.

Importantly, the resulting configuration of the *Council* should establish the locus of workforce leadership firmly *outside* the political boundaries of the City—anchored within the broader field—and thus accountable to the full array of stakeholders.

### STRATEGIC FIRST STEPS

As detailed at the end of this report, we call upon three key New York City stakeholders to take the first strategic steps in driving this systems-change agenda:

**The New York City Workforce Funders:** Only one stakeholder group has the resources, credibility and leverage to spark this system-wide agenda: The New York City Workforce Funders. This is not, however, a call for this group to *lead* the ecosystem, but rather to *convene a process* by which the whole of the ecosystem can become greater than its parts.

**Deputy Mayor for Strategic Policy Initiatives**: Phil Thompson is the recently appointed NYC Deputy Mayor for Strategic Policy Initiatives, whose office now directs several workforce-related agencies. We strongly urge Deputy Mayor Thompson to reposition fundamentally the City's workforce strategy, aligned with this *Workforce Agenda*.

**Field Leaders of New York City Workforce Programs:** Nonprofit and for-profit field leaders are the prime design-build architects of their programs—they know what works and what doesn't.

We urge all three stakeholders—the Workforce Funders, the Deputy Mayor's Office, and field leaders—to publicly embrace this *Workforce Agenda*. Most importantly, we ask that all three add their imprimatur to the concept of a powerful *Council of Workforce Leaders*—one that anchors the locus of leadership firmly within the broader program field.

## SUMMARY AND CALL

The five recommendations of this Workforce Agenda are closely integrated—they inform and reinforce one another. Together, they articulate the five essentials of true systems change. We cannot learn, we cannot strengthen, we cannot serve our low-income communities well if we continue to ignore the fundamental design of our underlying ecosystem.

We submit this *Workforce Agenda* as a challenge to our leaders to acknowledge that our world has changed, and that even greater change is coming. In response, we offer this *Workforce Agenda* as a pragmatic set of systemic recommendations for how we ourselves must also change.



## I. PURPOSE / ORIGIN

The New York City Workforce Funders commissioned the Field Building Hub at Workforce Professionals Training Institute (WPTI) to author this *Workforce Agenda for New York City*. Our report is based on a wide review of New York City workforce initiatives since the beginning of the de Blasio Administration (2014)—including interviews with more than 80 public, private, nonprofit and philanthropic workforce leaders.

Context for this report is critical: Tectonic shifts are fundamentally altering the New York City workforce landscape, generating unprecedented challenge and opportunity for both low-income communities and employers. Jobseekers with multiple employment barriers and incumbent workers must now be trained for constantly-changing occupations. And employers—to retain their competitive business advantage—must now redesign not only their recruitment practices but also the quality of their jobs.

Those we interviewed underscored the urgency of this moment, calling for action—not words—in response to the extraordinary forces now reshaping New York City's economy:

- The city's minimum wage is *doubling* over a five-year period, reaching \$15 per hour for many businesses by the end of 2018—generating an average 23 percent wage boost for most low-income workers, yet also challenging many small businesses to reconsider their staffing models.<sup>1</sup>
- The Federal government is enforcing immigration laws far more strictly, driving immigrants without papers away from the formal economy—disrupting families, businesses and entire communities.
- In 2018 and beyond, federal funding flowing into New York City from the Workforce Innovation Opportunity Act (WIOA) will continue its decades-long decline (See Chart 1 on page 16).
- Technology and artificial intelligence are already impacting workforce demand and job design. For many, the "future of work" has already arrived, substantially changing some occupations, and eliminating others.<sup>2</sup>

Most importantly, New York City's labor market is historically tight: Due to a combination of aging demographics and economic expansion, the city's unemployment rate has been *cut in half* over the past five years—down from 9.0 percent in July 2013 to today's 4.2 percent.<sup>3</sup> Employers across the five boroughs are reporting unprecedented difficulty in finding and keeping good workers, and yet at the same time, thousands of low-income individuals remain structurally unemployed.

This shifting landscape requires of the workforce field a systemic response, addressing not simply program support, but fundamental, infrastructural reform. Yet in this moment, when training and employment services are most needed, the New York City workforce leaders we interviewed—public, private, nonprofit, and philanthropic alike—described a field increasingly unprepared to respond.

"We have to avoid a generation of low-income jobseekers totally missing out on access to employment because we neglected to design and support a system that's actually equipped and structured to meet their needs in a changing world."

### ~ Charles Buice, President, Tiger Foundation

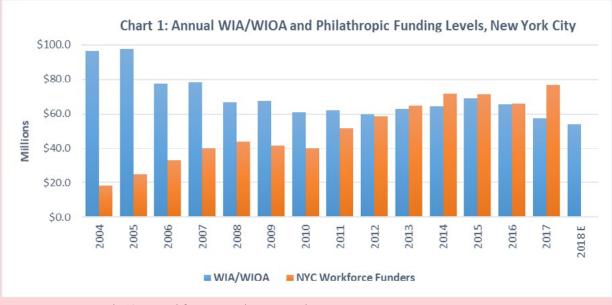
Given such a profoundly altered labor market, this *Workforce Agenda* provides a wholly different line of sight: a set of five pragmatic, infrastructural recommendations to strengthen New York City's entire workforce field. Systemic by design, our recommendations are intended to restructure fundamentally how best to serve both low-income jobseekers and the businesses that employ them. Our world has changed, and so must we.

## DEFINING THE NEW YORK CITY WORKFORCE ECOSYSTEM

Workforce development simultaneously serves the needs of both individuals and businesses, connecting individuals who want good jobs with employers who want good workers. This report defines the New York City workforce field broadly, acknowledging all the valuable assets within the ecosystem—not simply those touched by City agencies or philanthropy.

We include not only major New York City agencies and programs, but also New York State agencies providing workforce services within the five boroughs; the City University of New York (CUNY) system; the wide range of free-standing nonprofit and for-profit service providers and intermediaries; labor/management training and education funds; portions of the K-12 system that explicitly prepare individuals for entrance to the workforce; the New York City library system; and of course, employers themselves.

And though we define the workforce ecosystem inclusively, we do so explicitly through the lens of low-income and other barriered individuals, and the businesses that employ them. Throughout our report, this equity lens requires the field to ask, "Who is being served?"—so that the ecosystem can best target precious public and philanthropic dollars.



Source: New York City Workforce Funders annual census



# II. ASSESSMENT: PROGRESS IS FAILING TO MATCH DEEPENING CHALLENGES

Two seminal reports helped frame our assessment for this new *Workforce Agenda*. The first, *Re-Envisioning the New York City Workforce System*, is a set of strategy recommendations commissioned by the New York City Workforce Funders collaborative in 2013. Authored by a range of field leaders and employers, *Re-Envisioning* addressed the broader workforce ecosystem. Their report responded to the following question posed to nearly 100 leaders from across the New York City workforce community during a strategic retreat held in Cooperstown, New York in late 2011: *How can we redesign our workforce system so that it is genuinely labor market driven—effectively serving both jobseekers and employers?* 

The Re-Envisioning report outlined an ambitious and broad-reaching set of recommendations—at the time, a potential roadmap for three-term Mayor Bloomberg's successor. Those recommendations were framed within five "principles" designed to ensure that the New York City workforce system would be:

- **Integrative**, with a single political leader at the helm and a coordinated service delivery system;
- **Transparent**, with clear metrics for success identified to guide individual and system-wide assessments of impact;
- **Outcome-driven**, with methods for rewarding achievement of employer-driven, longer-term outcomes;
- Accessible to jobseekers and businesses, with multiple points of entry; and
- **Competent**, as demonstrated by a movement toward rewarding efficient, innovative, and effective outcomes.

The second report, Career Pathways: One City Working Together,<sup>5</sup> was issued in 2014 by the de Blasio Administration as a blueprint for the new mayor's workforce development strategy. Authored by the then newly-created Mayor's Office of Workforce Development (WKDEV) and guided by the Mayor's Jobs for New Yorkers Task Force, Career Pathways more narrowly defined the workforce system as exclusively that which the City itself funds and controls. Building upon the Re-Envisioning design principles and recommendations, Career Pathways purported to build a sector-focused workforce system able to:

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

Career Pathways was released with great fanfare and presumptive support from the mayor. As a result, the term Career Pathways soon entered the common vernacular of workforce practitioners, funders, and policymakers across the New York City ecosystem. In turn, recommendations highlighted throughout the report inspired the launch of several new and redesigned programs by City agencies to develop talent pipelines for New York City businesses.

With these two documents as context, we asked the more than 80 stakeholders interviewed to reflect upon progress, challenges, and trends in the workforce field since 2014.<sup>6</sup> In those interviews, assessments of progress were typically framed as, "Yes, we've seen some positive change—but we still have a long way to go." Conditioned statements most commonly shared included:

Career Pathways as a framework has shifted thinking, though not yet behavior. The Human Resources Administration's (HRA) overhaul of its main employment program for recipients of Temporary Aide for Needy Families embodies this assessment. While the agency demonstrated great commitment to shifting its focus—away from rapidly attaching participants to the first available employment opportunity, and toward creating career pathways—workforce stakeholders decried the gulf between the limited per-participant resources allocated in the contracts and the true costs of building and maintaining career pathways.

More examples of coordination and partnership between City agencies have emerged, although those instances are isolated rather than systematic. For example, the City's Industry Partnerships, housed within the NYC Department of Small Business Services (SBS), were invoked as key partners in multiple Career Pathways recommendations. A few of those partnerships, particularly the New York Alliance for Careers in Healthcare (NYACH), have created solid relationships with many employers and encouraged greater demand-driven responsiveness within the City University of New York (CUNY) system. Yet, the assets and employer relationships created by those Industry Partnerships remain largely inaccessible to the wider field—inaccessible even to the staffs of other City agencies like HRA and the Department of Youth and Community Development (DYCD).

In addition, growing coordination—between City agencies (including the Department of Education), CUNY, young adult workforce provider organizations, and a small cadre of businesses—is being facilitated through the national Pathways to Prosperity Network. These stakeholders are focused on better integrating career preparation services and supports into high schools and colleges.

Similarly, workforce providers are beginning to explore and establish partnerships to expand capacity and reach. No example better illustrates this than JobsFirstNYC, an intermediary focused on young adult workforce development that builds upon the assets of community-based organizations and local communities. Also repeatedly noted were The Door's multiple strategic partnerships—including with Per Scholas (bridge to IT training) and The Gap—and its role as the lead organization of the Youth Opportunity Hub, funded by the Manhattan District Attorney's Office. However, robust partnerships remain the exception in the field.

A limited number of workforce providers are making strides toward better, more sophisticated engagement of businesses. For example, the Lower East Side Employment Network (LESEN) garnered mention multiple times as a promising model for the field. LESEN, funded during its planning phase by JobsFirstNYC, brings together eight community-based organizations to meet the talent pipeline needs of new businesses in and near the Lower East Side neighborhood, primarily in the hospitality sector. More recently, Here to Here established the Bronx Private Industry Council Task Force, in collaboration with the Bronx Borough President, with a focus on bringing more young people into the workforce earlier through strategies including paid summer internships in the private sector. Yet system-wide, the field's ability to comprehensively and easily meet the needs of businesses, especially small ones, remains limited7—and requires significant upfront investments for planning and design of sophisticated, multi-partner initiatives.

"Philanthropic support of employer engagement is now a more common practice. While most workforce providers believe that they need to work with employers, the depth and quality varies widely, and many don't do it well. The shift in perception is a win in some ways, but also a challenge."

~ Deborah Thompson Velazquez, Associate Director, Altman Foundation

CUNY, which enrolls more than 250,000 matriculated students and at least that many continuing education students, is becoming more integrated into the New York City workforce system. Over the past few years, changes in leadership—at the individual college and Central Office levels—have yielded more focus on workforce development and the practical preparation of students for the labor market. This new leadership has encouraged greater cross-college collaboration and sharing of industry-informed curricula.

Also, City agencies have increasingly contracted with CUNY colleges to provide sector-specific training (e.g., SBS and DYCD), as well as internship and work experience slots for students receiving public benefits or enrolled in City-administered programs (e.g., HRA). In addition, the City has made large investments in CUNY's Accelerated Study in Associate Programs (ASAP) program, which is widely recognized for helping students earn their associate degrees by providing a range of financial, academic, and personal supports.

Workforce stakeholders report incremental improvements in the collection, use of, and access to data. Most service providers now have a data system in place, however idiosyncratic, and can use data in real time to assess performance and inform program design—though they are still frequently required by different funding sources to maintain duplicate and even triplicate systems. Access to, and the quality of, labor market information has also improved. In addition, the City has embarked on a multi-year effort to implement Common Metrics across all publicly-funded workforce programs, as well as to draw down wage record data from the State, though the results of these efforts have yet to be made public.

"In the past few years, organizations have had to get on board with data, or they become irrelevant."

### ~ Jennifer Mitchell, Executive Director, The HOPE Program

However, documentation across the field about progress, challenges, and course correction remains limited: The last public report, *Career Pathways: Progress Update,*<sup>9</sup> was released in late 2015. While annual City publications, such as the *Mayor's Management Report*<sup>10</sup> and *OneNYC,*<sup>11</sup> include a limited number of workforce metrics—including the number of New Yorkers entering City-sponsored skills training and the number of individuals connected to employment through City workforce programs—stakeholders are to this day still left to speculate on the progress of City agencies toward goals articulated in *Career Pathways*.

Though few expected the system to improve overnight, progress has remained isolated within the broader workforce field. As a result, the City's failure to deliver on the promises of the Career Pathways construct has significantly damaged its credibility among stakeholders, making real collaboration more difficult.

Interviewees particularly noted the stalled progress toward securing new or repurposed resources in support of skills training and bridge programming.<sup>12</sup> Testimony provided by WKDEV to the City Council in November 2017 confirmed little progress toward allocation of resources—new or repurposed from existing programs—for bridge programs. Specifically, WKDEV reported only \$7.5 million expended annually, a fraction of the \$60 million to be spent per year by 2020 as promised in *Career Pathways*.<sup>13</sup>

All told, City resources have continued to grow for programs classified as workforce development—exceeding \$600 million in fiscal year 2016.<sup>14</sup> Yet such classification can be misleading, since this growth has been driven in large part by two programs: the City's Summer Youth Employment Program (SYEP), which provides temporary, seasonal employment (\$126.6 million in FY2018),<sup>15</sup> and CUNY's ASAP (\$86.4 million estimated for FY2019).<sup>16</sup> While both these programs are valuable as preparation for pursuing career pathways, neither is directly accountable for sustained, unsubsidized *employment* outcomes. In fact, with few exceptions neither the City's K-12 system, nor the CUNY system, is required to measure labor market outcomes, and thus they are provided few incentives to encourage successful workforce outcomes.

Notably, in nearly every interview, stakeholders were able to identify specific examples of successful programs and new initiatives. Yet when asked to step back and assess the larger context of the New York City workforce ecosystem, the broad consensus was that the field's arc of progress is failing to match the rising challenges faced by the City's employers and low-income jobseekers.

## III. ANALYSIS: THE WHOLE IS LESS THAN ITS PARTS

New York City is blessed with workforce assets that are the envy of other regions: nationally recognized nonprofit and for-profit agencies; powerful union-affiliated training funds; the 24 colleges of the CUNY system; City agencies pursuing a range of career exploration, preparatory and sectoral strategies; and philanthropic investments that exceeded \$76 million in 2017. Most valuable of all: a cadre of sophisticated, experienced, deeply committed individuals holding key leadership positions across the city's workforce landscape.

While acknowledging such rich assets, our interviews confirmed that these same leaders—public, private, nonprofit and philanthropic—often achieve hard-won successes despite, rather than because of, the larger workforce ecosystem. Their shared frustration stems from knowing that this unprecedented labor market presents not only great challenges, but also new opportunities for their low-income constituents and employer customers—yet too often they are unable to leverage their assets toward a more effective, collaborative system. The whole remains far less than its valuable parts.

### **Five Root Causes**

The New York City Workforce Funders commissioned the Field Building Hub at Workforce Professionals Training Institute to identify the root causes of this failure to fully leverage the field's assets, and in turn to recommend a new *Workforce Agenda* for the field. Throughout our more than 80 interviews—bolstered by review of system-wide achievements, challenges, and trends—we identified five systemic factors that consistently weakens the field's ability to serve its low-income constituents and employer customers:

- More Funding Is Necessary—But Not Sufficient
- A Profoundly Weak Information Infrastructure Undermines System Reform
- In the Current Environment, Calls for Scaling Are Unrealistic
- Ineffective Advocacy Has Failed to Influence City Policy
- Without System-wide Leadership, the Field Lacks Purposeful Direction



Specifically, stakeholder interviews detailed these five root causes:

#### >> More Funding Is Necessary—But Not Sufficient

Unsurprisingly, many program leaders and policy analysts we interviewed called for greater levels of public and philanthropic funding. Yet, when practitioners described how funding is delivered at the street level—how requests for proposals (RFPs) are designed, grants are structured, and contracts managed—we also heard a consistent analysis:

**Public and private funding initiatives are designed with limited input from field leaders**. The result is a systemic failure to take full advantage of New York City's rich depth of field experience, as well as empirically demonstrated best practices nationally.

"Hot Bread Kitchen has deep relationships in the culinary industry that we leverage to benefit our clients. After Career Pathways was defined, we tried to collaborate with [the City workforce agencies] from many angles, but struggled to be brought into the fold."

~ Jessamyn Waldman Rodriguez, CEO and Founder, Hot Bread Kitchen

**Public programs are structurally underpriced**. RFPs often offer funding for workforce services that do not cover even the *direct* per-participant costs of providing quality services.

We noted that an irony exists within the New York City ecosystem: The region's exceptionally large amount of philanthropic workforce dollars is often presumed by the designers of public RFPs. City agencies consciously or unconsciously assume that foundation dollars will subsidize whatever per-participant underpricing is built into the RFP's cost structure, and that other programs exist to be leveraged by contractors seeking to make their programs financially whole.<sup>17</sup>

**Skiled public agencies reduce synergy.** This is particularly true in how public economic development programs are designed and delivered separately from workforce development and adult literacy strategies. Furthermore, according to WKDEV,<sup>18</sup> nearly two dozen City agencies operate workforce programs, large and small, across the city. Until very recently, three Deputy Mayors oversaw various components of the system with little incentive to coalesce behind the Career Pathways framework.

"Education is workforce development; workforce development is economic development—but we're not yet fully functioning that way."

 Kevin Smith, Deputy Commissioner of Adult Career and Continuing Education Services, New York State Education Department

**Key stakeholder groups are structurally isolated from one another.** No venues exist for distinct subgroups—public agency staff; philanthropic executives; employers; jobseekers; providers—to share perspectives and learn from one another on a consistent basis.

"The workforce system is complicated and not structured to enable, let alone encourage, collaboration. We need a forum for seeing ourselves outside of our current roles and organizational interests where we can plan, advocate, and learn from one another."

~ Lesley Hirsch, (former) Director, NYC Labor Market Information Service

Without reform of *how* resources are deployed, none of the field's structural problems will be solved solely by increased funding from public and private sources. On the contrary, larger and more numerous RFPs and grants—if poorly designed and underpriced—only further weaken overstretched organizations and exacerbate dissonance across the ecosystem.

Fortunately—with Governor Cuomo's inclusion of \$175 million of funding for workforce programs statewide—the New York City ecosystem is about to witness a modest infusion of resources.<sup>19</sup> Unfortunately, those resources will be introduced through a public agency system ill-prepared to direct them effectively and efficiently. Without a change of course, the field will soon learn again that, while increased resources remain a fundamental necessity, the core problem is not only a lack of funding, it is also how that funding is structured.

"One benefit of the Workforce Agenda can be to help funders think about changes in financing of programs and organizations."

~ Patricia Jenny, Vice President for Grants, New York Community Trust

#### >> A Profoundly Weak Information Infrastructure Undermines System Reform

The New York City workforce field lacks nearly every infrastructural element required of a well-functioning system: It has no shared definition of success; no uniform data; very limited capacity to monitor and assess data; and few incentives that reward effective outcomes.

Both the *Re-Envisioning* and *Career Pathways* reports emphasized the necessity of a strengthened information infrastructure, calling for common metrics, assessment tools and data systems. However, though the City has made progress on defining common metrics and piloting a strategy for compiling relevant data across City agencies, no system has yet been publicly deployed.

At the same time, private workforce foundations remain unaligned in what data they require of grantees. As a result, providers expend precious time and resources complying with the idiosyncratic demands of unique reporting formats, often attending to duplicative databases unable to "speak" to one another.

"At the end, no one knows exactly how many dollars are being spent or where they're going. And there's no real effort to understand whether those dollars are being spent to the effect intended."

~ Caitlin Lucchino, (former) Director of Government Affairs, Partnership for New York City

This near-total absence of a shared information infrastructure frustrates the ecosystem's ability to reward providers based on quality outcomes; obscures the ability to discern whether hard-to-serve individuals are truly being assisted; weakens the ability to leverage efficiencies and effectiveness through strategic partnerships; and limits any ability to respond strategically to fast-changing trends.

Further, this lack of disciplined data analysis also hobbles the ability of workforce providers to design and deliver services that can be measured—and therefore valued—by their employer customers. And certainly, this absence of convincing data thoroughly undermines any advocate's call for more support from public and private workforce funders.

#### >> In the Current Environment, Calls for Scaling Are Unrealistic

Several funders interviewed exhorted the workforce field to "get to scale." Yet we heard several program leaders express deep reservations:

**Tension exists between scale and quality**. Though almost all program leaders work hard to grow their organizations, many underscored that their high-quality designs cannot bear the pressure of extremely large volume. When adapting privately-funded pilot programs to publicly-funded "at scale" contracts, significant tradeoffs are required to run impactful programs at a fraction of the original per-participant cost.

"I am cautious about growth for growth's sake. There is often significant pressure to scale and constantly develop something new, but there aren't always resources or market factors in place to support that. We can't be Ben and Jerry's, rolling out a new flavor every year."

~ Aaron Shiffman, Executive Director, Brooklyn Workforce Innovations

Scaling large organizations often undermines collaboration. In a drive toward scale, organizations are incentivized to be "all things to all people" rather than specialize and collaborate. Though funders often encourage grantees to partner—and in the case of programs serving young adults have established an intermediary, JobsFirstNYC, to support the development of such partnerships—they rarely provide the dedicated financial resources necessary to do so. Nor do they typically account for, and reward, the additive contributions of partners working toward a shared outcome—particularly job placement—achieved in facilitating the final match between jobseeker and business.

**Federal workforce support remains severely limited.** Field leaders are hesitant to pursue long-range strategies of scale when the larger political environment promises only continued austerity. Note that the May 2018 US Department of Labor's report *Task Force on Apprenticeship Expansion*<sup>20</sup>—while promoting apprenticeships—simultaneously calls for scaling back already limited federal resources for workforce programs.

The presumption that "foundations innovate; government scales" is no longer valid within the New York City workforce field. Until the Administration commits additional, flexible City Tax Levy dollars<sup>21</sup> to the workforce ecosystem, philanthropy can no longer presume that the City will have the resources necessary to scale innovations. Furthermore, to the extent City agencies underprice their RFPs, the larger the public program, the larger the subsidy that will be required of philanthropy—particularly given the relative lack of City support for training and bridge programs.

"Real program scaling happens less than we think. Innovations we and others might support in this field will more often get adopted by other private foundations and scale modestly rather than influencing the city more broadly."

~ Charles Buice, President, Tiger Foundation



Still reverberating from the collapse of the \$250 million FEGS social service nonprofit in 2015,<sup>22</sup> program leaders do not strive simply to build larger organizations. Instead, they seek to attract a fundamentally sustainable kind of funding support—one that will encourage greater collaboration, partnership, information sharing and transparency. If the New York City workforce field hopes to fulfill the promise of a Career Pathways model, then its goal cannot simply be greater *scale*, it must be deeper and more collaborative *impact*.

#### >> Ineffective Advocacy Has Failed to Influence City Policy

In a city famous for hardball politics, the New York City workforce field has suffered from a surprisingly weak advocacy capacity.<sup>23</sup> Interviewees repeatedly noted that workforce advocates have been unable to hold Mayor de Blasio accountable—even to his own written promises to increase skills training and bridge program funding by \$160 million annually by 2020.

"Our workforce advocacy efforts have been nearly non-existent."

~ Plinio Ayala, President and CEO, Per Scholas, Inc.

The field's advocacy efforts suffer from three fundamental weaknesses:

The voice of the provider community alone is inadequate. Current New York City workforce advocacy efforts are shouldered primarily by providers who can be, and often are, dismissed as self-interested. Effective advocacy requires a *diverse* alliance of powerful stakeholders—particularly from the business and labor communities—willing to expend political capital to leverage change.

Policy analysis and position statements alone do not constitute strategy. Authoring reports, publishing editorials and testifying at hearings are all essential advocacy activities—yet they are wholly insufficient to leverage change. Political targets must either benefit, or suffer, from the expenditure of political capital. No matter how eloquently articulated, rational policy analysis alone can be, and consistently has been, safely ignored by political leaders.

The primary targets of public advocacy are not City agency staff. The field's public policy problems are structural and can only be addressed at the Mayoral and City Council levels. Instead of imploring beleaguered agency staff, effective advocacy should target the *political* levels of the system, directly addressing the Mayor, City Council leadership, and other senior leaders who control citywide decisions.

During the current de Blasio Administration, the workforce field's advocacy efforts have failed to achieve a single major New York City policy victory. And the immediate future looks no brighter: Local politicians display a profound lack of knowledge about the workforce system—unfamiliar with both its challenges and what could be accomplished with appropriate reforms. One recent example is the November 2017 City Council hearing on City workforce issues, in which very few questions of substance were posed by Council members, and no real accountability of City agencies was achieved.

In response, the New York City workforce ecosystem requires a multi-stakeholder advocacy *alliance* that organizes a muscular *campaign*—willing to acquire and expend real political capital—targeted at the appropriate, policy-making level of government.

#### >> Without System-wide Leadership, the Field Lacks Purposeful Direction

Today no group, or set of specific individuals, accepts responsibility for the healthy functioning of the workforce ecosystem broadly defined.

Disparate parts of the ecosystem have built separate tables. The City has an official Workforce Development Board; major corporations have the Partnership for New York City, while small businesses have the Chambers of Commerce; practitioners have the NYC Employment & Training Coalition and New York Association of Training & Employment Professionals; foundations have the New York City Workforce Funders group; and the State has the Regional Economic Development Councils. Yet none of these tables represent the entire ecosystem, nor formally collaborates with the others—and none is in any way looked to for system-wide leadership.

"We're still screaming out as a city for a structure that effectively connects all the areas crucial to a truly functional workforce system. Without this foundation in place, employers will continue to struggle to find talent, jobs will continue to get left on the table, and the most vulnerable among us will continue to slip through the cracks."

~ David Garza, Executive Director, Henry Street Settlement



The current Administration has consistently failed to lead the broader workforce system. Yet, despite repeated disappointment, many still look to the City's politicians for leadership. A more clear-eyed assessment suggests that a diverse, multistakeholder ecosystem should never turn for long-term, consistent direction from a constantly changing field of elected politicians. Instead, a more enduring leadership structure would include City leaders, but be located explicitly outside the walls of City government.

## Employers and organized labor are only marginally engaged in leading the system. Though each of the separate tables has limited representation from business and

labor, it is undeniable that neither of those key stakeholders is deeply invested in, or committed to, the current New York City workforce system.

This absence of system-wide leadership has resulted in the perception, widely held by our interviewees, that the New York City workforce field lacks coherent direction, and that key stakeholder groups are accountable not to each other, but only to themselves and their funders. Employers have no one single table they can approach with system-wide proposals, and low-income and barriered jobseekers have no citywide platform upon which they can articulate their concerns and recommendations.

"New York City is not like the rest of the country. Loews has operations in all 50 states—and we have far closer relationships to the workforce system in most of those other localities compared to here in New York."

~ Alan Momeyer, Vice President (retired), Chief Human Resource Officer, Loews Corporation

Sanctioned leadership is essential for any system to improve, yet currently no such citywide leadership exists within the New York City workforce community. The field requires a powerful set of individuals, drawn from and sanctioned by key stakeholders across the diverse ecosystem, who take responsibility for the overall health of the field. Most importantly, the locus of that leadership must be organized squarely outside of City government—while still including City representation—with strong engagement from employers, low-income constituents, practitioners and philanthropy.

Together, these five root causes constantly undermine stakeholders' best efforts to be adaptive and responsive, limiting their ability to leverage their hard-won, valuable workforce assets. These issues have long been chronic and enduring—identified both explicitly and implicitly in the *Re-Envisioning* and *Career Pathways* documents, yet to little system-wide effect.

In response, this *Workforce Agenda* calls for a fundamental reframing of strategic intent:

**Reform:** Focus not only on more funding, but how funds are deployed.

**Infrastructure:** Invest in an essential information infrastructure.

Capacity: Build collaborative capacities, to emphasize impact over scale.

Advocacy: Organize a robust, multi-stakeholder advocacy campaign capacity.

**Leadership:** Take responsibility for creating a credible, sanctioned citywide leadership structure.

The result will forge a very different future for the New York City workforce field, one that emphasizes collaboration, information sharing, learning, mutual respect, and most important of all, far greater benefit to low-income constituents and employer customers.



## IV. RECOMMENDATIONS: THE NEW YORK CITY WORKFORCE AGENDA

We propose five interrelated recommendations to forge a new agenda for the New York City workforce field:

- Confront Systemic Barriers
- Construct an Information Infrastructure Fund
- Build partnerships to create a genuine Career Pathways Capacity
- 4 Launch a professional Advocacy Campaign
- 5 Sanction a **Council of Workforce Leaders**

These five practical actions articulate clear strategic intent. They focus at a *systemic level*—strengthening not simply *what* the field does, but *how* the field works together—to build a more powerful, comprehensive ecosystem serving New York City's low-income workers and their employers.

1 Confront Systemic Barriers: *Initiate formal and informal explorations that directly challenge chronic dysfunction in how New York City workforce programs are designed and funded.* 

Pouring additional dollars into RFPs and initiatives—without correcting the underlying assumptions and processes of *how* the field is designed and funded—will only exacerbate dissonance and inefficiencies. In order of priority, we recommend establishing a series of formal and informal explorations over the next several years, to undertake fundamental restructuring:

Price RFPs and grant programs accurately. Our interviewees expressed deep concern at the structural underpricing of workforce initiatives—particularly in public RFPs, but from foundations as well. Since no agreed-upon, disciplined methods currently exist for cost assessment within the field, agencies and foundations are left to base their funding formulae from the top down—typically on what funds are available—rather from the bottom up, based on true costs.

"Now philanthropic dollars are structurally embedded into the design of public programs. The expectation from the City is that those resources will continue. It gets built into the 'cost per' with the expectation that private dollars will always fill the gap, further weakening the system as a whole."

~ Kevin Stump, Vice President of Policy, Communications, and In-School Practice, JobsFirstNYC

We recommend third-party examination of a sample range of public and private RFPs and grant programs, creating a template for how to estimate true costs of quality service delivery to inform both public and private RFPs and grant programs. These explorations should build upon the Robin Hood Foundation's recent assessment of its co-funding of NYC Housing Authority employment initiatives, as well as the methodology employed in the NYC Mayor's Office for Economic Opportunity's WorkAdvance report.<sup>24</sup> Also, the Human Services Council's (HSC) should be provided support to tailor its general social service RFP analyses and tools (e.g., the HSC's "RFP Rater") specifically to workforce development funding.

**Take full advantage of field expertise.** We heard wide-ranging complaints that New York City public agencies, when designing their workforce RFPs, fail to take advantage of the experience and wisdom of local practitioners. New York City workforce foundations have dedicated most of their resources to building the field's rich program capacities—as a result, field practitioners typically have decades more workforce experience than the agency staff designing public initiatives.<sup>25</sup>

"The City doesn't take advantage of the knowledge from the field. Providers are almost afraid to comment because they don't want to risk being cut out of the funding process. Besides commenting on concept papers, which is far too late, there is no consistent, on-going mechanism, like a kitchen cabinet, to garner this expertise."

~ Laurie Dien, Vice President - Programs, The Pinkerton Foundation

Specifically, the City's restrictive interpretation of conflict-of-interest rules creates a structural barrier to learning from the field, which in turn reinforces a culture of division and mistrust between public agencies and field leaders.

In response, we recommend formal research into public conflict-of-interest laws and their differing interpretations across workforce agencies—building upon recent work in this area on the part of the Nonprofit Resiliency Committee<sup>26</sup>—with the goal of determining and replicating how other cities and states achieve a better balance of seasoned input and avoidance of conflict.<sup>27</sup>

Align economic development strategies with workforce development. The Career Pathways report set out to expand HireNYC<sup>28</sup> to multiple agencies issuing social service contracts in excess of \$250,000, yet the City has made only incremental strides toward linking its procurement powers explicitly to achieve workforce outcomes. Though 5,000 New Yorkers have been connected to job opportunities through HireNYC since 2015,<sup>29</sup> the City is only beginning to take full advantage of the region's burgeoning economy on behalf of low-income jobseekers.

Other cities and states leverage economic development resources toward workforce outcomes in three ways: Coordinated planning between economic development and workforce agencies (e.g., San Jose's workforce czar serves as the Assistant Director of Economic Development); tithing of a portion of development costs into dedicated workforce grant programs (e.g., Boston's Neighborhood Jobs Trust); and directly requiring the hiring of local residents (e.g., San Francisco's First Source Hiring Program).

We recommend a third-party analysis of New York City's failure to use its full procurement powers on behalf of low-income residents, including an analysis of how other cities and states better integrate economic and workforce coordination.

New and expanded *programs* are essential to better serve the field's constituents and customers, yet all stakeholders must at the same time confront the *structural dysfunctions* that chronically undermine the ecosystem's best ideas and frustrate its best leaders. We have named above just a few of the systemic weaknesses most often noted during our interviews, yet several others deserve examination, among them: exceptionally late payments from public agencies and the City Council; disparate foundation reporting requirements; and contractual barriers / financial disincentives that discourage partnering and collaboration.

The findings from these explorations can and should sharpen the focus of a more robust workforce advocacy campaign, described in the Advocacy Recommendation on page **44**. Most importantly, they should inform a more equal partnership between City agencies and private philanthropy by setting clear parameters for when and how private funding will be used to augment public workforce programs.

## 2 Construct an Information Infrastructure Fund: Create a dedicated fund to support ongoing systems of information sharing and analysis.

New York City's exceptionally weak workforce infrastructure fails to leverage the field's extensive expertise and many rich assets, to the detriment of low-income constituents and business customers. It is much like the beloved New York City subway system: Though New Yorkers all love to see new lines opened and shiny new trains purchased, it is the unseen switches and the little noticed tracks—the underlying infrastructure—that determine whether or not they arrive home on time.

"Information is the lifeblood of the system."

~ Julie Sandorf, President, The Charles H. Revson Foundation

We recommend the creation of an *Infrastructure Investment Fund* (IIF), supported jointly with public and private resources, that should provide—among many possible options—consistent, multi-year support for the following initiatives.

Listed in order of priority:

Common metrics. We recommend the IIF sponsor a multi-stakeholder project to collect, analyze and disseminate a set of common metrics for the New York City workforce ecosystem. The Career Pathways report outlined a set of Common Metrics for the workforce field, 30 and the Mayor's Office for Economic Opportunity is now rolling out a common metrics process among City agencies. This IIF metrics initiative would build upon that work and extend it to the broader New York City workforce ecosystem, including privately funded programs. Note that the result need not require an expensive, overly complicated database. For example, every workforce organization—as a condition of funding, and regardless of source—could be required to report publicly on a simple, common set of workforce outcomes.31

"When workforce systems are redesigned it's essential that there be a clear, overarching goal to guide efforts – and to tie that goal to metrics. It's very possible to reorganize a system without improving any of the outcomes."

~Jennie Sparandara, Executive Director and Head of Workforce Initiatives, Global Philanthropy, JPMorgan Chase & Co Labor market information. The New York City ecosystem is very fortunate to include the decade-old New York City Labor Market Information Service (NYCLMIS), nationally respected for its pragmatic research expertise. Although NYCLMIS receives valuable office space and service support from CUNY, it enjoys no ongoing operational funding; most all NYCLMIS activities are currently funded on a project-by-project or contract basis.

"We need to make use of labor market demand and employer appetite to determine what we teach and how many people we teach it to."

~ Ken Adams, Dean of Workforce and Economic Development, Bronx Community College

Given the city's rapidly changing labor market—with traditional occupations shifting and new occupations constantly emerging—real-time data is more important than ever.

We recommend the IIF provide multi-year, core funding to the NYCLMIS, allowing its leadership to undertake deeper, broader and longer-term analyses of the New York City labor market—making those analyses easily accessible to all stakeholders within the New York City ecosystem.<sup>32</sup>

Workforce Benchmarking Network. The Workforce Benchmarking Network (WBN) is housed nationally at the Corporation for a Skilled Workforce. The WBN compares workforce outcomes across organizations—an essential management tool for any well-run workforce organization—and promotes program design "success drivers" that are highly correlated with effective outcomes. With support from the New York City Workforce Funders, the WBN is locally sponsored by the Field Building Hub at Workforce Professionals Training Institute. This type of fieldwide program data and analysis is essential to support "continuous improvement" throughout the ecosystem.

We recommend the IIF continue and expand funding for the WBN within a long-term infrastructural relationship. We also urge all private and public workforce agencies to require participation in the WBN as a condition of funding, facilitating a mechanism for compiling common metrics across all New York City workforce programs.

**Core workforce landscape information.** No central, up-to-date database exists listing which workforce services are currently available, serving what constituencies, in what boroughs, funded by what sources. Even knowledgeable and sophisticated workforce organizations, when seeking to collaborate with others within the city, must undertake idiosyncratic, time-consuming research to identify potential service partners. And in the absence of this type of information compiled on a regular basis with a clear, guiding methodology, assessing both assets and gaps in the workforce field is at best a patchy endeavor.

"Education and training are crucial components of career pathways, and individuals and service providers need easy access to information on what resources are out there. To make informed decisions people need data that includes cost, hours and length of courses, a description of the screening process and the credentials achieved on completion."

~Dale Grant, Executive Chair, Grant Associates

We recommend the IIF provide ongoing, multi-year funding to build and maintain essential landscape information. To remain valuable over time, such a capacity must be shepherded by a lead organization, and provided long-term, infrastructural funding. To remain comprehensive and current with relative ease, the resulting database need only track basic organizational information (e.g., types of services; demographics served; geography served; contact information; funding source). This information can build upon data captured in the *Career Pathways Snapshot*, last released publicly in late 2015.

**System-level leadership development and training**. Though several leadership trainings are available in New York City—Coro New York's *Leadership and Fellows* programs; Columbia University's *Senior Leaders Program for Nonprofit Professionals;* and the New York Community Trust *Leadership Fellows* program at Baruch College—none focuses specifically on workforce development. Fortunately, many well-tested workforce leadership models now exist, as do an appetite and deep commitment on the part of nonprofit leaders to be better equipped to manage the rapidly evolving economic and technological forces within New York City's low-income labor market.

We recommend that the IIF support the identification and cultivation of New York City's next generation of dynamic workforce leaders, bolstering the skills required of current leaders to administer collaborative, career pathway-connected programs.<sup>33</sup> This would include a series of "Day in the Life" trainings *across* stakeholder groups, designed to share the unique perspective of each stakeholder group to others within the ecosystem.

Finally, we emphasize that a true systems-change strategy demands constant vigilance—and that healthy maintenance of the ecosystem's infrastructure will require ongoing, consistent attention and funding support.

3 Build Partnerships to Support Genuine Career Pathways Capacity: Invest more deeply in fewer organizations to harness existing capacity and strengthen the field's ability to collaborate—emphasizing impact over scale to benefit low-income constituents and employer customers.

During the first term of the de Blasio Administration, Career Pathways was heralded as the new organizing framework for the New York City workforce system. Yet many of our interviewees expressed deep disappointment in the lack of practical resources provided, by either public or philanthropic sources, to implement that strategy: One interviewee said it has been like "waiting for Godot - or de Blasio - to arrive."

In a city as large as New York, it was also remarkable that stakeholders interviewed repeatedly cited the same handful of effective collaborations, including the Lower East Side Employment Network, The Door's partnership with The Gap, the bridge program linking The Door to Per Scholas—all models that rightfully deserve acknowledgement, but that should be among a far larger cadre of notable examples.

"Capacity building can't be a one-off; you can't fund it for one year and then say, 'you're on your own."

~ Plinio Ayala, President and CEO, Per Scholas, Inc.

Most importantly, we emphasize that a genuine Career Pathways system cannot be established if funders only "buy" program outcomes, paying organizations solely for the direct costs of training and employment services. Instead, funders—both public and philanthropic—must also "build" the Career Pathways capacity of the field. Without forward investments in future program capacity, the field will be left unable to help both jobseekers and employers respond to this rapidly changing labor market.<sup>34</sup>

"We continue to see underinvestment in job training overall. Within the CUNY system, the emphasis on degree programs leaves out significant segments of the city's jobseekers. City-supported job training programs that are created to serve the full community too often receive short-term funding, without a path toward stability, and therefore aren't integrated within the system's offerings."

~Jodi Sturgeon, President, PHI

This "buy and build" framework includes four distinct capabilities deployed throughout the ecosystem:

**Partnering expertise.** Creating a career pathways system is not simply a matter of lining up organizations in sequence, like bricks in a wall. A pathway is the connection between organizations—it is the mortar joining the bricks that is essential.

We recommend that public and private funders explicitly support distinct expertise and additional staff capacity built within organizations, allowing those organizations dedicated time and ability to partner effectively with others having complementary expertise.

"Collaboration is always more work versus less—until you have the requisite systems and capacities in place."

~ Amy Dalsimer, former Executive Director, College and Career Pathways Institute, LaGuardia Community College

Not only intermediaries but also direct-service organizations and even City agencies require this additional partnering expertise and capacity.<sup>35</sup> Just as agencies currently hire development directors to interface with funders, so should they have the resources to hire "partnership directors" to build and manage collaborations across organizations. Building such *complementary* relationships—rather than each organization attempting to do all things by itself—is the primary way in which the ecosystem over time can create powerful operational efficiencies.

**Data and analysis expertise.** In addition, a Career Pathways system requires organizations capable of collecting, assessing, acting upon and sharing workforce data—data *consistent* across organizations. This in turn presupposes creating a shared definition of successful outcomes across the New York City workforce ecosystem (See the Infrastructure Recommendation on page **35** for priority investments in system-wide data collection and capacity).

Data and analysis are critical for two distinct purposes. The first is as an internal management tool: Organizations cannot learn and improve unless they not only track their *outcomes*, but also distinguish what mix of *inputs* (*e.g.*, demographics of participants; recruitment sources; training and employment service interventions) results in the most successful of those outcomes. The second is as an external policy tool: When seeking public and philanthropic support, the field cannot defend its value if it cannot offer consistent, fieldwide proof of success.

"Right now, we don't have enough consistent data from the field to make a convincing public policy argument for more workforce resources."

~ Melinda Mack, Executive Director, New York Association of Training & Employment Professionals

We recommend—assuming all public and philanthropic institutions indeed wish to achieve greater impact within the New York City ecosystem— that funders must target their resources toward dedicated data collection and analysis capacities as a matter of course in all their funding commitments. This is particularly true for smaller provider organizations if they hope to partner effectively within coordinated, multi-organization workforce initiatives.

**Intermediary capacities.** The high abstraction of Career Pathways must be anchored to practical, street-level reality—embedded within intermediary organizations deploying sectoral, geographic, and/or constituent-based strategies. As articulated in *Re-Envisioning the New York City Workforce System*, these three types of intermediary strategies provide practical, effective organizing frameworks, rationalizing the often-chaotic reality of the diverse ecosystem.

"We often say we need better alignment. Yet we don't dedicate money for someone to do the alignment. It's a crime we don't use public resources to create that layer of coordination."

~ Chauncy Lennon, Managing Director, Global Philanthropy, JPMorgan Chase & Co

Fortunately, New York City is blessed with several exemplary intermediaries, from the 1199SEIU Training and Employment Fund (sectoral), to South Bronx Rising Together (geographic), to JobsFirstNYC (constituent). Though both public agencies and private foundations have supported these types of intermediary strategies over the past several years, we strongly recommend far greater investment in all three types of intermediaries.

Most importantly, the current public/philanthropic co-funding of the sectoral Industry Partnerships, housed within the Department of Small Business Services (SBS), bears further scrutiny. Over the past seven years, New York City foundations have invested several million dollars into these partnerships. Unfortunately, a majority of our more than 80 stakeholder interviewees expressed pointed concern about the functioning and governance of these SBS Industry Partnerships—a primary concern that exceeded all others identified by our interviewees across the entire ecosystem.

Though the Industry Partnerships have forged valuable assets to strengthen their chosen sectors, their programs were consistently identified—by philanthropic, employer, practitioner and public officials alike—as being both largely inaccessible (program information rarely shared) and unapproachable (offers of field expert advice and engagement rarely acknowledged).

"There is huge potential in this Industry Partnership model, but what is missing is their interaction with the field. It is a missed opportunity."

#### ~ Jennifer Mitchell, Executive Director, The HOPE Program

One direct example of this opacity: Data provided by SBS to the New York City Workforce Funders and the authors on the many training programs initiated and designed by the SBS Industry Partnerships included participant enrollment and placement data, but no information on worker retention—that is, how long the participant remains employed in the sector for which training is provided. Given that the SBS Industry Partnerships are explicitly designed as a counterpoint to the now discredited "rapid attachment" philosophy—in which "get a job, any job" was the sole strategy for low-income workers—failing to offer any evidence of successful long-term retention is troubling.

The governance structure of the Industry Partnerships was specifically noted: Though each has created some form of "partnership council"—primarily with employers and employer associations—those councils are advisory only; they have no policy, budgetary or staffing authority. In short, the Industry Partnerships are not partnerships; they are agency projects accountable to SBS alone.

Ironically, significant philanthropic investments into the SBS Industry Partnerships have resulted in a relative lack of sectoral infrastructure and coordination among providers *outside* City agencies: Our interviews revealed a surprising absence of communication and partnering between even well-established community-based organizations working within the same employment sectors—even within the same boroughs.

"Collaboration itself needs to be a resourced endeavor. The City and other funders encourage partnerships, but they often don't give you enough resources to partner."

~ David Nidus, Chief Program Officer, The Fortune Society

We recommend that both public and private funders explore new ways to strengthen the sectoral capacity of the broad provider community, external to the City. 36 However, rather than creating any new intermediaries, we recommend investing in the capacity of existing lead organizations within a few key sectors. This field-based approach would require identifying one or two "backbone" organizations within selected sectors, such as healthcare, retail, and food service, strengthening their ability to coordinate and partner with other organizations and City agencies functioning within the same industry.



"Workforce funding is hand to mouth. When more money is provided, the default is to give more money to the bureaucracy vs. the intermediaries that are actually cultivating relationships with employers."

#### ~ Kathryn S. Wylde, President and CEO, Partnership for New York City

Should private foundations choose to continue support of the SBS Industry Partnerships, we recommend they do so in a structural way—one that ensures that those assets are shared with, and accountable to, the broader range of workforce stakeholders.

**Employer engagement capacity.** Finally, a Career Pathways system requires workforce developers to forge deep working relationships of real value with their primary customers: New York City employers. Given today's historically tight labor market, now is the moment for workforce organizations to help employers not only hire from more diverse labor pools, but also redesign their labor practices to leverage improving *job quality* into a competitive business advantage.<sup>37</sup> Currently, New York City workforce organizations have strong capacity for the former, but very little capacity for the latter.

"A number of employers feel like they've been burned by government and nonprofit workforce providers in the past; either they did not send the right people, or when they did, they recruited the same person away after the employer invested time in training. Meanwhile, government programs that could be used to train someone come with a lot of strings attached, which may be totally out of sync with your business model.

#### ~ Elizabeth Lusskin, President, Long Island City Partnership

In this case, it was remarkable what most all our more than 80 interviewees did *not* say: Very few identified improving job quality for frontline, low-income workers as a primary concern. This silence is in marked contrast to the heightened focus on job quality that many national intermediaries and foundations are currently highlighting.<sup>38</sup>

Deepening the employer engagement capacity of workforce providers in New York City is critical for two reasons. The first is to leverage this unprecedented labor market into "raising the floor" for low-wage workers, not simply by increasing wages and benefits, but also by strengthening a range of frontline supports—from improved supervision, to increased financial literacy, to facilitating access to public benefits.<sup>39</sup>

The second is that deeper employer engagement can generate a critical income sustainability strategy for workforce organizations. Given limited philanthropic support and continued federal funding austerity, the only other potential income source for workforce development organizations is the field's prime customer: the employers.

"There is zero substitute to physically engaging at the employer's place of work with the employer and their team members. [Workforce practitioners] may get companies to pay for these types of services if it builds trust and good will with their workers."

#### ~ David Bolotsky, Founder and CEO, UncommonGoods

However, to secure that income, workforce organizations must learn how to provide a set of services that employers truly value—that is, are willing to pay for.<sup>40</sup> Those services must extend beyond offering well-trained workers; they must also help businesses successfully position themselves in this hyper-competitive labor market as an attractive "employer of choice." We recommend that funders, both public and philanthropic, field a set of capacity-building demonstration projects—designed explicitly to test income generating workforce services—by helping employers implement job-quality redesign initiatives.

Importantly, pursuing these four investment strategies will require both funders and program leaders to value depth over breadth of program capacity—impact over scale. It will require conversations between funders and program leaders that examine long-term strategy, beyond the current grant cycle. And it will require making choices: investing far more deeply in relatively fewer organizations, not simply to make them bigger, but to make them—and those they partner with—far more effective.<sup>41</sup>

Therefore, at least in the near-term, building a true Career Pathways capacity may require serving fewer people. That is, it will require defining which jobseeker, business engagement, and system-level outcomes are deemed most important—and hence, rewarded—via performance-based payments and shared "credit."

"In a system this large, we get too caught up on process issues that can hinder partnerships. All of our programs are part of a continuum, and collaboration has to be a core element of how we operate, not an exception to the rule."

~Tara Colton, Executive Director, Seedco

Without a serious investment in these four capacities, the field will never achieve what this *Agenda* calls for: Workforce organizations collaborating in complementary partnerships with each other; building a true Career Pathways capacity for their low-income constituents; providing business services truly valued by their employer customers—and constructing a sustainable, realistic, income strategy.

4 Launch a Professional Advocacy Campaign: Organize an alliance of powerful stakeholders, to insist on a more coordinated, professional and well-funded City workforce strategy.

From the perspective of the workforce field, the first term of the de Blasio Administration has been disappointing. Despite explicit commitments published in 2014 by the Mayor in *Career Pathways: One City Working Together,* the Administration has failed to keep its promise of additional training and bridge funding, failed to empower WKDEV with either resources or authority, and failed to partner effectively with philanthropy to invest in the capacity of the nonprofit provider community to respond to New York City's changing labor market.

That skepticism has continued: The City's publication in mid-2017 of *New York Works*<sup>42</sup> was remarkable, articulating an *economic development* strategy to create 100,000 jobs paying at least \$50,000 per year—yet offering no *workforce development* strategy for how low-income and other barriered New Yorkers might ever access those jobs. Furthermore, the connection between *New York Works* and *Career Pathways* was not made explicit; interviews with City officials revealed little to no clarity on the status of *Career Pathways* in relation to *New York Works*.

A degree of hope was sparked by the announcement in April 2018 of a reorganization of several workforce-related agencies—including WKDEV, SBS, CUNY and DYCD—under the newly-appointed Deputy Mayor for Strategic Policy Initiatives, Phil Thompson. Still, continued skepticism is appropriate until the mayor commits additional City Tax Levy dollars, and real authority, to Deputy Mayor Thompson's emerging workforce strategy.

"At the end of the day, City Tax Levy money will have to be a huge part of the solution."

~Christian González-Rivera, Senior Researcher, Center for an Urban Future



In the meantime, the workforce field cannot afford to wait and see. The success achieved by the Invest in Skills NY campaign to convince Governor Cuomo and the State Legislature to increase workforce funding by \$175 million provides an encouraging example, at least at the state level, of effective advocacy. Invest in Skills NY builds upon of two years of direct advocacy efforts by the New York Association of Training & Employment Professionals (NYATEP) and engages partners including JobsFirstNYC and Young Invincibles in building a statewide campaign of workforce, economic development, and business stakeholders.

To address the current weakness in the community's advocacy capacity, we recommend assembling an alliance of key stakeholders, one that drives a professional campaign, targeted explicitly at the Mayor and City Council:

**Alliance.** The provider community cannot fight this fight alone. The field requires powerful allies from the business, labor, educational and philanthropic communities. This in turn requires *organizing*—developing relationships with new allies to learn what might convince them to expend their precious political capital to secure workforce resources within a highly competitive political environment, and then direct those resources toward empirically effective programming.

**Professional Campaign.** Effective advocacy requires substantial resources, allowing the field to hire professional lobbying and research capacity. That campaign cannot simply articulate policy positions—it must demand explicit "asks" that include not only additional funding, but also fundamental restructuring of how that funding is programmed and delivered (see the on page 10).

**Target.** The resources and changes sought can only be addressed at the political level: by the mayor himself, citywide agencies that determine how resources are politically allocated—particularly the Mayor's Office of Management and Budget—and the recently-elected City Council.

"Someone needs to run an advocacy campaign—and be there for five years."

~Roderick V. Jenkins, Senior Program Officer, Youth & Workforce Development, The New York Community Trust

Specific asks within the targeted campaign should be crafted by the advocacy alliance's members. Demands could include:

- **Effective authority delegated to WKDEV** for implementation and coordination across agencies.
- New sources of unencumbered City tax-levy dollars—meeting or exceeding the
  commit to increase training capacity at \$100 million annually, and the funding of
  new bridge programs at \$60 million annually.
- Paying full per-participant costs in all workforce RFPs—without assuming subsidy from funders and the providers themselves.
- A more sophisticated strategy to improve job quality for low-income workers—explicitly leveraging the City's procurement powers.
- Strengthening the City's Workforce Development Board (WDB) to improve coordination of key City workforce functions.
- A commitment to partner with philanthropy to strengthen the capacity of the broader workforce field capacity— not just buying services, but also building organizations and strategic partnerships supportive of Career Pathways.

Finally, we note that in December 2017 the New York City Workforce Funders committed significant resources for just such an alliance-based campaign strategy at the New York State level when it funded the Invest in Skills NY campaign. We call for a parallel effort at the city level, organizing powerful new allies, and driving an unflinching, professional lobbying campaign.

5 Sanction a Council of Workforce Leaders: Empower a council of leaders to act as the stewards of the workforce ecosystem—broadly defined—with a primary responsibility to low-income constituents and the businesses that employ them.

Though the workforce field has many individual leaders, no one group has been sanctioned to help guide the broader ecosystem. Without an identified, powerful locus of leadership, it is no wonder that structural fundamentals—common data definitions; system-wide learning; partnering capacity; employer engagement; and sustainable income strategies—are so often discussed, and so rarely addressed.

"Our sector needs a place for people to be raw and honest, to talk about their experiences, and the changes they'd like to see. We don't have those tables."

~ Marjorie D. Parker, President and CEO, JobsFirstNYC

Though many of our interviewees decried the lack of leadership in the field, we acknowledge that any suggestion of creating "yet another table" was frequently met with skepticism. However, we underscore that currently no *system-wide* table exists within the New York City workforce field. Rather, we have leadership tables that—while often including representation from other key stakeholders—are appropriately designed to serve the legitimate interests of their primary hosts: *e.g.*, the City, the State, funders, businesses or providers.

"Now more than ever, our city needs a champion."

~ Evelyn Fernandez-Ketcham, Executive Director of Workforce Development, Hostos Community College

Instead, we recommend a leadership table having a fundamentally system-wide charter, structure, and range of responsibilities. The unique role of the *Council of Workforce Leaders* would be to act as the stewards of the entire ecosystem—not any one subgroup—with the explicit purpose of serving low-income jobseekers and the businesses that employ them. The *Council* should include representation from key philanthropic and City leadership—with a majority of its members representing those who experience the everyday workings of the ecosystem and thus who have the most at stake: employers, labor, constituents and providers.

Importantly, the resulting configuration of the *Council* should establish the locus of workforce leadership firmly *outside* the political boundaries of the City—anchored within the broader field—and thus accountable to the full array of stakeholders. How the *Council* models its behavior of cross-stakeholder cooperation will send a powerful signal to the entire workforce field that it must forge a far stronger culture of system-wide collaboration, trust and candor.

The stewardship tasks of the *Council*, staffed by the Field Building Hub at Workforce Professionals Training Institute, should:

• **Define success for the field.** The *Council* would articulate, in measurable terms, the system-level outcomes that the field should align itself toward. This would draw upon citywide Common Metrics (see the Infrastructure Recommendation on page **35**) and include explicit ways to measure success consistently across the ecosystem, specifically: *sustainable employment* outcomes for jobseekers, and *competitive business* outcomes for employers.

- Advise the Information Infrastructure Fund. The *Council* would play a strong advisory role to the IIF in determining use of funds and reviewing the long-range results of those infrastructure investments.
- **Set the agenda for the field.** The *Council* would host a range of public forums, explicitly designed to encourage disparate stakeholders to engage each other directly on sensitive topics of systemic concern.
- Monitor the health of the ecosystem. Drawing upon data compiled through regular workforce landscape scans and Common Metrics, the Council would author an annual report on a full range of infrastructural and other system-wide workforce issues, one that emphasizes the needs of low-income / barriered jobseekers and their employers.

The legitimacy of the *Council of Workforce Leaders* will derive from the gravitas of the members themselves—and thus who is selected is essential. And to be truly effective, the *Council* should remain relatively small, with a highly structured, staffed process of seeking input from the broader field.

Just as importantly, the *Council's* legitimacy will be determined by the degree of support all key stakeholders are willing to offer. If stakeholders genuinely seek alignment and systemic improvements across the workforce ecosystem, then they should join to sanction legitimacy in a fieldwide *Council of Workforce Leaders*. This is a litmus test: The *Council* will be as powerful and effective as the key stakeholders wish it to be.

In sum, this proposed *Workforce Agenda* presents an integrated set of five essential elements that directly address fundamental change across the broad ecosystem:

- Confront Systemic Barriers
- Construct an Information Infrastructure Fund
- Build partnerships to create a genuine "Career Pathways" Capacity
- Launch a professional Advocacy Campaign
- Sanction a Council of Workforce Leaders

Phasing in the entire range of these systemic investments will require several years and significant resources. To begin, initial dollars would be sourced from local New York City workforce foundations. Additional funding could, and should, be sourced from national workforce foundations as well. With the exception of the proposed citywide advocacy initiative, leaders of New York City and New York State public workforce agencies should be strongly encouraged to participate directly in each of these systemic investments.



### V. STRATEGIC FIRST STEPS

We call upon three key New York City stakeholders to take the first strategic steps in driving this systems change agenda: the New York City Workforce Funders, the new Deputy Mayor for Strategic Policy Initiatives, and field leaders of New York City workforce programs:

#### >> The New York City Workforce Funders

Only one stakeholder group has the resources, credibility and leverage to spark this system-wide agenda: The New York City Workforce Funders. Unmatched by any other region of the country, New York City foundations have collectively invested over \$700 million in New York City workforce programing, infrastructure, advocacy, and capacity building during the past 14 years—and in doing so, have helped create a truly unprecedented array of workforce assets across the five boroughs.

This is not, however, a call for the New York City Workforce Funders to *lead* the ecosystem, but rather to *convene a process* by which the whole of the ecosystem can become greater than its parts.

"Foundations don't fully recognize their position of power. They need to throw their weight behind systems change more than they do. They can get away with it more than providers can."

~ Dianne Morales, Executive Director and CEO, Phipps Neighborhoods

The specific steps we ask the New York City Workforce Funders to take are:

- **Fund an aggressive advocacy campaign.** In 2017, the New York City Workforce Funders made a significant commitment to support statewide workforce advocacy. Launching a parallel, equally-resourced, campaign targeted at the city level is essential.
- Establish the Information Infrastructure Fund. The IIF need not be separately incorporated, but simply a *distinctly-named* and resourced fund. If the New York City Workforce Funders collectively choose not to establish the IIF, then we urge one or more New York City workforce funders to do so independently. Establishing a distinct fund will 1) acknowledge to rest of the workforce field the core importance of attending explicitly to the ecosystem's infrastructure, and 2) help attract additional dollars from other local and national funding sources.
- Add gravitas to the Council of Workforce Leaders. Collaborate closely with
  the Field Building Hub at Workforce Professionals Training Institute in the
  selection and chartering of the Council of Workforce Leaders. Signal to all other
  stakeholders—particularly City leaders—the importance of sanctioning this
  leadership table.
- Encourage the larger foundation community to build true Career Pathways capacity. Undertake an information and education campaign among all New York City workforce foundations as to the importance and mechanics of investing in infrastructure and creating dedicated Career Pathways expertise within grantees—emphasizing the necessity of making larger, longer-term commitments that truly build sustainable capacity. This campaign should be designed to attract new resources, large and small, to the Information Infrastructure Fund.
- Engage the new Deputy Mayor for Strategic Policy Initiatives. In doing so, offer to partner with the Deputy Mayor to 1) build field capacity, not simply buy services, 2) fund public RFPs at full per-participant costs, 3) share broadly both information and assets, and 4) support the locus of workforce leadership outside the political walls of the City—but with strong City engagement.

"The philanthropic sector has great power in this space. They could say, 'No more money until you show us we have a system moving toward cohesion."

~ Merrill Pond, Senior Vice President, Research, Partnership for New York City



At the same time, acknowledging that two important agencies within the workforce ecosystem, the Human Resources Administration and the Department of Education, do not report to the new Deputy Mayor, the New York City Workforce Funders' independent consultations should continue with the Commissioners of those two agencies.

Finally, we ask the Workforce Funders to publicly adopt this Workforce Agenda as their own. We acknowledge that each funder may not agree to every specific recommendation of this report. However, by confirming its spirit and intent, the New York City Workforce Funders will send a powerful message throughout the field that they value—and will reward—those who collaborate, partner and share their knowledge, expertise, successes and lessons learned on behalf of low-income jobseekers and local employers.

#### >> Deputy Mayor Phil Thompson

The past several years have underscored just how little influence the rest of the workforce community has had on the operations of City workforce agencies. However, Mayor de Blasio's recent decision to consolidate many workforce-related City agencies under the newly appointed Deputy Mayor for Strategic Policy Initiatives now offers a renewed opportunity.

At this inflection point, we strongly recommend that Deputy Mayor Phil Thompson fundamentally reposition the City's workforce strategy within the following redesign principles:

- Empower the Mayor's Office for Workforce Development (WKDEV). Re-charter
  WKDEV to deploy true strategic authority over the various workforce agencies,
  arming it with flexible, City Tax Levy resources and the authority to use Common
  Metrics data. The result will direct new and existing resources away from
  ineffective workforce programs and providers, toward those built upon evidencebased, impactful practices.
- Restructure and strengthen the City's Workforce Development Board to improve coordination of key City workforce functions.
- Publicly declare a set of partnership and coordination criteria for all public workforce agencies under the Deputy Mayor's office and invite HRA and DOE to participate accordingly.

- Restructure Industry Partnerships as true public/private partnerships, creating authentic governance structures accountable to employers, labor, practitioners and constituents, as well as City government.
- Acknowledge responsibility to build as well as buy workforce services. Commit
  to a strategy that encourages City agencies to partner with philanthropy to fund
  Career Pathways capacities throughout the field. This will require redefining
  "partnering" to mean the City co-funds the field, rather than philanthropy funding
  the City.
- Commit to full funding of public requests for proposals (RFPs). Agree to an RFP vetting process that requires each workforce-related agency to determine the full cost of per-participant funding. Allow partial funding only when an explicit commitment is made by another funding source to complete a funding package.
- Share the locus of workforce leadership. Finally, rather than continuing the current presumption that leadership of the workforce system should reside solely within the City's walls, pursue a strategy of a shared leadership with the rest of the workforce ecosystem. Concretely, this would include explicit support for, and on-going engagement in, the *Council of Workforce Leaders*.

The current Administration still has more than three years remaining in office—providing ample time to construct a fundamentally more effective approach to the City's workforce strategy. By pursuing this profound strategic shift, Deputy Mayor Thompson has a unique opportunity to establish a legacy for the City's workforce agencies that would extend far beyond the remaining years of this Administration.

#### >> Field Leaders of New York City Workforce Programs

During our interviews, we were constantly impressed by the depth of experience, creativity and dedication of the field's leaders—nonprofit and for-profit alike. We were also struck by how much they struggled *against* a system that so consistently frustrates their ability to best serve their low-income constituents and employer customers.

Many nonprofit and for-profit field leaders are the prime design-build architects of their programs—they know what works and what doesn't. Despite the ever-present challenges of limited time and resources, this *Workforce Agenda* asks that they rise above their day-to-day management responsibilities to participate fully in the leadership of their field.



In this time of relative uncertainty, the workforce field needs experienced perspective. We challenge field program leaders to:

- Aggressively explore partnering and collaboration and broadly share their lessons from this work. In the immediate term, we acknowledge that organizations receive little or no dedicated funding for cooperation. Still, the initiatives we witnessed achieving the greatest impact were those that had managed to combine complementary skills and expertise across organizations.
- Bargain harder with both public and private funders. Inspired by the work of the Human Services Council, program leaders must find ways to walk away from poorly designed and underfunded RFPs and grants, as well as clearly state and share why the terms set forth are unacceptable. Though very difficult to do, the alternative is continued self-exploitation and less-than-optimal quality of service.
- Pursue a "next generation" design of workforce organization. Explore with funders a capacity building strategy to place employer services—valued enough that employers will be willing to pay for—at the heart of a long-term financial sustainability strategy.
- Acknowledge the weakness of current advocacy efforts. Practitioners alone
  cannot leverage change. They must undertake the difficult organizing work of
  reaching out to other key stakeholders and determine what will be required
  to have employers, labor, philanthropy and educators join in concerted effort.
  Practitioners must organize beyond their own walls.

Finally, we ask field leaders to publicly embrace this Workforce Agenda. We request that they send a strong message to funders and policy makers that it is time to focus the field on the underlying essentials of infrastructure, partnering and advocacy capacities. Specifically, we ask that they add their imprimatur to the concept of a powerful Council of Workforce Leaders—one that anchors the locus of leadership firmly within the broader program field. In this way, practitioners can be the design-build architects not only of their own programs, but of the larger New York City workforce ecosystem.



# VI: SUMMARY AND CALL

The five recommendations of this *Workforce Agenda* are closely integrated—they inform and reinforce one another:

- Confront Systemic Barriers
- 2 Construct an Information Infrastructure Fund
- 3 Build partnerships to create a genuine Career Pathways Capacity
- 4 Launch a professional Advocacy Campaign
- 5 Sanction a Council of Workforce Leaders

Together, these articulate the five essentials of true systems change. We cannot learn, we cannot strengthen, we cannot serve our low-income communities well if we continue to ignore the fundamental design of our underlying ecosystem.

Yet timing is critical: Though profoundly challenging, these next few years can be a time of great promise—offering more and better jobs for low-income workers within an economy that is desperate for well-trained labor. We can seize that opportunity only if we look beneath the day-to-day of individual programs and confront the fundamentals of how we work together.

We submit this *Workforce Agenda* as a challenge to our leaders to acknowledge that our world has changed, and that even greater change is coming. In response, we offer this *Workforce Agenda* as a pragmatic set of systemic recommendations for how we ourselves must also change.

## APPENDIX A: STAKEHOLDER INTERVIEWS

(conducted September 2017 - January 2018)\*

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Name	Title	Organization
Kenneth Adams	Dean, Workforce and Economic Development	Bronx Community College
Lauren Andersen	Executive Director	Tech Talent Pipeline
Christine Auyeung	Senior Program Officer	Robin Hood Foundation
Plinio Ayala	President and CEO	Per Scholas, Inc.
Steven Banks	Commissioner	NYC Human Resources Administration
Amy Barger	Managing Director	Tiger Foundation
Doug Bauer	Executive Director	The Clark Foundation
David S. Berman	Director of Programs and Evaluation	NYC Mayor's Office for Economic Opportunity
Gregg Bishop	Commissioner	NYC Department of Small Business Services
Darren Bloch	Executive Director	The Mayor's Fund to Advance New York City
David Bolotsky	Founder and CEO	UncommonGoods
Grace Bonilla	Administrator	NYC Human Resources Administration
Charles Buice	President	Tiger Foundation
Barbara Chang*	Executive Director	NYC Mayor's Office of Workforce Development
Bill Chong	Commissioner	NYC Department of Youth and Community Development
Tara Colton	Executive Director	Seedco
Douglas Cotter	President	Grant Associates
Miquela Craytor	Executive Director	Manufacturing and Industrial Innovation Council
Sean Cullen*	Human Resources Project Manager	UncommonGoods
Amy Dalsimer*	Executive Director, College and Career Pathways Institute	La Guardia Community College
Meredith Daniels	VP Communications	Brooklyn Chamber of Commerce
Laurie Dien	Vice President - Programs	The Pinkerton Foundation
Suzi Epstein	Managing Director, Jobs & Economic Security	Robin Hood Foundation
Keri Faulhaber	Vice President, Partnership & Community Engagement	JobsFirstNYC
Evelyn A. Fernandez -Ketcham	Executive Director of Workforce Development	Hostos Community College
Gabrielle Fialkoff*	Senior Advisor to the Mayor, Director of the Office of Strategic Partnerships	The Mayor's Fund to Advance New York City
David Fischer	Executive Director	NYC Center for Youth Employment
Lisa Fitzpatrick	Chief Program Officer	NYC Human Resources Administration
Yancy Garrido	Senior Program Officer	The Clark Foundation
David Garza	Executive Director	Henry Street Settlement
Katy Gaul-Stigge	President and CEO	Goodwill Industries of Greater New York & Northern New Jersey, Inc.
Christian González- Rivera	Senior Researcher	Center for an Urban Future

<sup>\*</sup>Denotes title and organizational affiliation at the time of the interview.

First Name	Title	Organization
Sarah Haas	Deputy Commissioner	NYC Human Resources Administration
Bret Halverson	Staff Consultant	New York City Workforce Funders
Athena Hernandez	Director, Good Help Services	Brooklyn Chamber of Commerce
Tom Hilliard	Senior Fellow for Economic Opportunity	Center for an Urban Future
Lesley Hirsch*	Director	NYC Labor Market Information Service
Andrew Hoan*	President and CEO	Brooklyn Chamber of Commerce
Roderick V. Jenkins	Senior Program Officer, Youth and Workforce Development	The New York Community Trust
Patricia Jenny	Vice President for Grants	The New York Community Trust
Angie Kamath	University Dean of Continuing Education and Workforce Development	City University of New York
Matt Klein	Executive Director	NYC Mayor's Office for Economic Opportunity
Liz Lauros	Deputy Commissioner, Strategic Partnership	NYC Human Resources Administration
Jesse Laymon	Director of Policy and Advocacy	New York City Employment and Training Coalition
Chauncy Lennon	Managing Director, Global Philanthropy	JPMorgan Chase & Co
Beth Lief	Executive Director	The Carroll and Milton Petrie Foundation, Inc.
Caitlin Lucchino*	Director of Government Affairs	Partnership for New York City
Elizabeth Lusskin	President	Long Island City Partnership
Melinda Mack	Executive Director	NYATEP
Jacqueline Mallon	First Deputy Commissioner	NYC Department of Small Business Services
Lordes Martinez	Eligibility Specialist	NYC Human Resources Administration
Joseph McDermott	Executive Director	The Consortium for Worker Education
Jennifer Mitchell	Executive Director	The HOPE Program
Alan Momeyer	Chief Human Resource Officer (retired)	Loews Corporation
Daphne Montanez	Director of Corporate Engagement and Partnerships	NYC Department of Youth and Community Development
Dianne Morales	Executive Director and CEO	Phipps Neighborhoods
Chris Neale	Director, NYC Workforce Development Board	New York City Workforce Development Board
David Nidus	Chief Program Officer	The Fortune Society
Beverly O'Donnell	Deputy Executive Director/Development and Grants Management	The Consortium for Worker Education
Paul Ortega	National Director of Training & Organizational Development	Swiss Post Solutions
Marjorie Parker	President and CEO	JobsFirstNYC
Liliana Polo-Mckenna	CEO	Opportunities for a Better Tomorrow
Merrill Pond	Senior Vice President, Research	Partnership for New York City
Jessamyn Waldman Rodriguez	Founder and CEO	Hot Bread Kitchen
Julie Sandorf	President	The Charles H. Revson Foundation
Sara Schlossberg	Executive Director, Agency Strategy	NYC Department of Small Business Services
Julie Shapiro	Executive Director	The Door
Aaron Shiffman	Executive Director	Brooklyn Workforce Innovations

First Name	Title	Organization
Abby Jo Sigal	Founding CEO	Here to Here
Michael Silver	Executive Director	NYC Department of Small Business Services
Kevin Smith	Adult Career and Continuing Education Services, Deputy Commissioner	New York State Education Department
Jennie Sparandara	Executive Director and Head of Workforce Initiatives, Global Philanthropy	JPMorgan Chase & Co
Kevin Stump	Vice President, Policy, Communications, and In-School Practice	JobsFirstNYC
Jodi M. Sturgeon	President	PHI
Shawna Trager*	Executive Director	New York Alliance for Careers in Healthcare
Andrea Vaghy Benyola	Managing Director, Career and Education Services	The Door
Deborah Thomson Velazquez	Associate Director	Altman Foundation
Sandi Vito	Executive Director	1199 SEIU Training & Employment Funds
Andre White	Assistant Commissioner	NYC Department of Youth and Community Development
John Widlund	Executive Director Career and Technical Education	NYC Department of Education
Kathryn S. Wylde	President and CEO	Partnership for New York City
Ira Yankwitt	Executive Director	Literacy Assistance Center
Charles Yu	Director of Business Assistance	Long Island City Partnership



SEPTEMBER 2018

### **ENDNOTES**

- 1. See <u>"Setting the Context for the Minimum Wage Increase in New York State and New York City"</u> (Brief 1 from the Field Building Hub's *Monitoring the Minimum Wage* series, July 2017).
- 2. See, for example, <u>Work to Do: How Automation Will Transform Jobs in NYC</u> (Center for an Urban Future, January 2018); <u>Swiping Right for the Job: How Tech is Changing "Matching" in the Workforce</u> (JP Morgan Chase & Co., October 2016); and <u>Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation</u> (McKinsey Global Institute, December 2017).
- 3. Local Area Unemployment Statistics New York City. Bureau of Labor Statistics. Accessed May 18, 2018.
- 4. Re-Envisioning the New York City Workforce System. New York City Workforce Strategy Group. March 2013.
- 5. <u>Career Pathways: One City Working Together</u>. The City of New York. November 2014.
- 6. See Appendix A for a list of all stakeholders interviewed.
- 7. For example, see <u>Making the Connection: Aligning NYC's Small Businesses and the Workforce Development System</u>. Center for an Urban Future. October 2017.
- 8. See pages 48-49, <u>Career Pathways: Progress Update</u> report (The City of New York. December 2015).
- 9. <u>Career Pathways: Progress Update</u>. The City of New York. December 2015.
- 10. <u>Preliminary Mayor's Management Report</u>. The City of New York. February 2018.
- 11. OneNYC 2018 Progress Report. The City of New York. April 2018.
- 12. Bridge programming targets individuals with low literacy and numeracy skills who require remediation before accessing skills training and other workforce preparatory programs.
- 13. <u>Testimony</u> provided at the November 27, 2017 New York City Council Oversight Hearing (Update on Career Pathways/ Workforce Development Systems).
- 14. In <u>Career Pathways: Progress Update</u> (December 2015), WKDEV estimated \$607.6 million total investment in public workforce programs for Fiscal Year 2016, the most recent publicly available figure.
- 15. Report of the Finance Division on the Fiscal 2019 Preliminary Budget and the Fiscal 2018 Preliminary Mayor's Management Report for the Department of Youth and Community Development. The Council of the City of New York. March 16, 2018.
- Report of the Finance Division on the Fiscal 2019 Preliminary Budget and the Fiscal 2018 Preliminary Mayor's Management Report for the City University of New York. The Council of the City of New York. March 6, 2018.
- 17. For a detailed assessment of the full costs of a high quality adult literacy program, see <u>Investing in Quality: A Blueprint for Adult Literacy Programs and Funders</u>. Literacy Assistance Center. December 2017.
- 18. See <u>Career Pathways Progress Update</u>. The City of New York. December 2015.
- 19. "Governor Cuomo Unveils 19th Proposal of 2018 State of the State: Strengthen Workforce Development to Prepare New Yorkers for Jobs of the Future". Office of Governor Andrew M. Cuomo. January 2, 2018. Accessed May 18, 2018.
- 20. Task Force on Apprenticeship Expansion. US Department of Labor. May 10, 2018.
- 21. City Tax Levy funding derives from local taxes, including property, personal income, and sales taxes.
- 22. For more information, see <u>New York Nonprofits in the Aftermath of FEGS: A Call to Action</u>. Human Services Council. February 2016.
- 23. In recent years, human services stakeholders have contributed to successful, coalition-based advocacy efforts around issues impacting, but not central to, workforce development. Examples include passage in October 2015 of the <u>Fair Chance Act</u> ("Ban the Box"), which makes it illegal to deny qualified individuals employment based only on their criminal background; and the campaign to increase contract indirect rates for human services providers that contract with the City, as outlined in <u>Undervalued and Underpaid: How New York State Shortchanges Nonprofit Human Service Providers and their Workers</u> (Federation of Protestant Welfare Agencies. March 2017).
- 24. See Chapter 4 in *Encouraging Evidence on a Sector-Focused Advancement Strategy: Two Year Impacts from the WorkAdvance Demonstration*. MDRC. August 2016.
- 25. The WorkPlace (Bridgeport, CT), in addition to consulting with local providers, regularly conducts roundtable discussions with businesses and jobseekers. Feedback and insights from these discussions have been used to inform RFPs, program strategy, and fundraising efforts.
- 26. See the *Guide to Collaborative Communication with Human Services Providers*, produced by the Nonprofit Resiliency Committee (January 2018). The document provides guidance on how City agencies can engage with vendors and other stakeholders during the RFP development process.
- 27. States and cities vary widely in their interpretation and implementation of conflict of interest laws. A 2011 survey of 33 states, conducted by the National Association of State Procurement Officials (NASPO), found that 88 percent had no statutory or regulatory limitation on communication between state agencies and potential vendors before an RFP is announced. See <a href="Effective Communication between State Procurement and Industry">Effective Communication between State Procurement and Industry</a>. NASPO. April 2012.

- 28. HireNYC, launched in 2009 by the NYC Economic Development Corporation (EDC) and the NYC Department of Small Business Services, "establishes employment targets for EDC-supported real estate projects that produce ten or more permanent jobs" (*Career Pathways, One City Working Together*, p. 55).
- 29. See hearing testimony to the New York City Council by Barbara Chang, then Executive Director of the Mayor's Office of Workforce Development, on November 27, 2017.
- 30. See pages 48-49, Career Pathways: Progress Update report. The City of New York. December 2015.
- 31. In 2009, the State of Minnesota passed legislation requiring the State Department of Employment and Economic Development (DEED) to report on accountability measures (M.S. 116J.997). In 2014, DEED, in partnership with the Minneapolis-St. Paul Regional Workforce Innovation Network (MSPWin), established a set of standard outcome measures—adopted by both publicly and privately funded workforce programs—captured in the interactive DEED Online Report Card.
- 32. In early 2018, NYCLMIS conducted a survey of user needs. Respondents indicated a need for resources such as: labor market trend information; assessment and mapping of career path jobs; in-depth, sector-specific reports; and trainings on how to access and use labor market information.
- 33. As an example, the Greater Seattle Sector Skills Academy, sponsored by SkillUp Washington, aims to increase the capacity of stakeholders from across the workforce system, supporting efforts to align and leverage resources supportive of career pathways.
- 34. For a recent assessment of the "buy or build" conundrum in the nonprofit sphere, see "Buying vs. Building: Distinguishing Capital and Revenue for Nonprofits." F.B. Heron Foundation. February 5, 2018.
- 35. An example of an existing vehicle for building partnerships across City agencies and offices is the Center for Youth Employment (CYE), a project of The Mayor's Fund to Advance NYC. CYE works to bridge programs and knowledge between workforce providers, businesses, and multiple City agencies—including the Administration for Children's Services, the City University of New York, the Department of Education, and the Department of Youth and Community Development.
- 36. For example, the National Fund for Workforce Solutions assists cross-sector workforce development leaders in nearly three-dozen communities to "invest in and scale innovative models that connect individuals to in-demand skills, generate good jobs, and help American business find and develop the talent critical for their success." Industry partnerships supported in those communities offer multiple organizational models from which to draw, including employer-led (e.g., WorkTrain Collaborative of Syracuse, NY led by Centerstate CEO), nonprofit-led (e.g., the Philadelphia Job Opportunity Investment Network, housed at the United Way of Greater Philadelphia and Southern New Jersey), and foundation-housed (e.g., SkillWorks Boston at The Boston Foundation).
- 37. The Pinkerton Foundation commissioned Steven Dawson to write a series of briefs on job quality as part of the Pinkerton Papers. The six briefs in the series can be found <a href="here">here</a>.
- 38. See, for example, emerging and established initiatives focused on job quality from The Aspen Institute, FSG, and the Federal Reserve Bank of Boston (e.g., <u>Expanding Employment Opportunities initiatives</u> and <u>Anatomy of a Quality Job</u>). Philanthropic support for job quality initiatives has come recently from sources including the National Fund for Workforce Solutions, the Walmart Foundation, and JPMorgan Chase Global Philanthropy.
- 39. See, for example, two initiatives emerging out of the Mayor's Office: 1) Best for NYC was launched in 2015 as a means for businesses to measure and improve their impact on workers, communities and the environment. 2) CareerLift, managed by the Center for Youth Employment in partnership with JobsFirstNYC and Social Finance, positions career navigators on-site with participating employers to provide supports to newly-hired young adult employees.
- 40. <u>Genesys Works</u>, a new entrant to the New York City workforce development system, "provides pathways to career success for high school students in underserved communities through skills training, meaningful work experiences, and impactful relationships." The organization prepares its "young professionals" for placement in a year-long internship with corporate partners, who cover the internship wages and associated costs of the program.
- 41. As documented in *Escalating Gains: Project QUEST's Sectoral Strategy Pays Off* (Economic Mobility Corporation, April 2017), federal funding alone rarely sustains effective workforce programs. The report's authors call for the establishment of a Proven Practitioners Fund: "Foundations, businesses, and wealthy donors should create a fund dedicated to the expansion of workforce organizations that have demonstrated impacts in a rigorous evaluation. While it's important to continue to advocate for more supportive public policy, it is essential that we strengthen proven organizations that are a beacon for what's possible in workforce development" (p. 18).
- 42. New York Works: Creating Good Jobs. The City of New York. June 2017.



