

MAKING JOBS BETTER: EXECUTIVE SUMMARY

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About the Job Quality Initiatives

Between 2017 and 2019, the National Fund for Workforce Solutions, with its network of regional workforce funder collaboratives, launched 11 job quality initiatives to test how employers can introduce, change, and leverage business practices to make jobs better and foster positive outcomes for both frontline workers and their employers. In concert with these initiatives, the National Fund facilitated a job quality community of practice, in which the 11 participating collaboratives shared their experiences and insights with each other and any other funder collaborative that chose to participate in this learning circle. The community of practice continues to this day.

To document the learning from the job quality initiatives and the community of practice discussions, the National Fund published this series of job quality reports:

- > Making Jobs Better: Executive Summary
- Co-Investment: Strategies for Resourcing Job Quality Initiatives
- > Practitioner Competencies: It Takes a Team
- > Employer Readiness: What Makes a Good Partner

In 2019, the National Fund adopted a new framework, which organizes its work around five core solutions. One of those solutions is to make jobs better, which reflects the growing interest in and importance of job quality to the National Fund's approach. Improving the quality of jobs is also embedded in the National Fund's five-year priorities and continues to inform our strategic thinking as we confront the challenges of COVID-19 and the economic and racial justice crises of 2020. The work that is the subject of these reports did not have an explicit focus on or mandate to address racial disparities related to access to good jobs, career advancement, and the ability to fully participate in the economy. However, several of the job quality initiatives did incorporate intentional racial equality strategies, and these are documented in this series.

The National Fund has also adopted a new five-year priority around racial equity in workforce outcomes. We understand that recovering from the economic impact of coronavirus and a new national reckoning with the legacy of racism will require a fundamental redesign of the systems that make up the labor force and the economy. Without question, this redesign must put racial equity and job quality at the center.

Introduction

In the wake of the coronavirus pandemic and the shutdown of the U.S. economy, our nation faces tremendous economic uncertainty. But the crisis has also revealed how precarious our economy already was for those who work on the frontlines of healthcare, retail, food service, and many other sectors of the economy. Many of the workers recognized as "essential" during weeks of stay-at-home orders, expected to report for work despite threats to their health and safety, are those who have failed to benefit from a decade of economic growth and an increasingly tight labor market.

The coronavirus is now shining a spotlight on a trend that the National Fund for Workforce Solutions recognized years ago: the recovery from the Great Recession created jobs, but these jobs did not enable frontline workers to develop, prosper, or feel a sense of pride at work. For non-college educated workers, available jobs were mostly characterized by poor wages, a lack of benefits, and increasingly erratic "on-demand" scheduling that resulted in uncertain paychecks.

The poor quality of frontline jobs has not only hurt workers. It has been evident for some time that failing to invest in frontline workers causes unnecessary pain for employers as well. In an increasingly tight labor market, retention had become a serious problem, as workers who saw little opportunity for career growth either left the workforce altogether or moved from job to job in search of even the slightest uptick in wages and benefits.

In 2014, as employers struggled to recruit and retain talent and a national conversation focused on job quality emerged, the National Fund saw an opportunity to serve employers and frontline workers through a different kind of workforce development strategy, one focused on improving the quality of frontline jobs and the career opportunities available to the workers in those jobs. It began partnerships with 11 of its regional workforce funder collaboratives to support them in learning how to implement good jobs strategies by engaging employers and working with them to support and advance frontline workers as a competitive business strategy.

Labor market conditions are now quite different from those that led to the launch of these initiatives, but the lessons learned, which are documented in this series of papers, remain of the utmost importance. We cannot return to an economy that offered so little to workers whose value to our economic well-being has been starkly revealed by the global pandemic. We cannot afford the continued consolidation of wealth, which has left so many Americans barely able to support their families. To return from the COVID-19 crisis as a stronger nation, we must invest in our frontline workers, giving every U.S. resident the opportunity to earn a living wage, learn new skills, and build a career.

Job Quality Learning Reports

As part of the effort to improve the quality of jobs through its network partners, the National Fund also convened a job quality community of practice. The community of practice is open to all funder collaboratives that participate in the National Fund's network, giving the 11 collaboratives formally involved in the job quality initiative a chance to share practices and learning with each other and a larger network.

The community of practice has provided a rich environment for workforce development funders and professionals to discuss challenges, strategize and develop tools to further the field, and celebrate successes. Out of these conversations, three themes emerged, which are explored in three additional papers in this series. Following this introduction to the job quality initiatives, the series includes the following reports:

- Co-Investment: Strategies for Resourcing Job Quality Initiatives, which explores the capacity of funder collaboratives to lead similar initiatives, and what kind of co-investment strategies could make this resourceintense work more sustainable.
- Practitioner Competencies: It Takes a Team, which details the range of knowledge and skills that make workforce development organizations successful in engaging employers, speaking to their business needs, and improving jobs for frontline workers.
- > Employer Readiness: What Makes a Good Partner, which offers insights into how to identify good employee partners, i.e., those who are ready to tackle complex retention, talent development, and company culture issues, including racial equity and inclusion, to improve frontline jobs.

The National Fund hopes that stakeholders in workforce development and adjacent fields will consider and take up the strategies that the series describes, and join the national conversation with their own perspectives and experiences, to enhance collective action towards an equitable future where workers, employers, and communities are thriving and prosperous.

Job Quality Initiatives

The 11 regional collaboratives that have participated — and continue to participate — in job quality initiatives with the National Fund have engaged employers across multiple economic sectors, including manufacturing, healthcare, and construction. The collaboratives worked with employer partners to assess their workforce challenges and to identify and implement changes such as new talent development strategies, more effective and inclusive communication channels, gender and racial equity strategies to broaden recruitment and support retention, and revised wage and benefit structures.

Overall results have been encouraging. Despite differences in the types of businesses and the makeup of the employees in different regions, each collaborative integrated their job quality initiatives into their ongoing

work, so far engaging **46 employers** to better support, empower, and tap into the potential of frontline workers. About **3,900 employees** have benefited from the job quality initiatives, with higher wages, access to career pathways, greater financial resilience, and more meaningful opportunities for engagement.

Employers have reported improved retention, higher employee engagement and satisfaction, and the capacity to grow their businesses through new products, services, and contracts, making it clear that investing in frontline workers is good for business. In the process, management staff at each business gained capacity to support employee advancement and engagement, career planning, and overall retention. Below we summarize the projects by sector, but many strategies that employers used are transferable across sectors.

The Initiatives

The job quality initiatives of the 11 regional collaboratives represent workforce investments in a range of businesses of different sizes, sectors, and locations. The initiatives began in January 2017, but have proceeded on different timelines. Though all the initiatives reported positive outcomes, only a limited number had achieved measurable outcomes when this research was completed in December 2019.

Construction

The Baltimore Workforce Funders Collaborative improved training and career pathways for entry level and incumbent workers in the solar installation and energy efficiency sector. The collaborative helped 11 employers identify an affordable training provider, who worked with them to expand training for entry level, supervisory, and advanced positions. The employers also expanded their labor pool by hiring from local untapped and underserved populations, including individuals with criminal records. As a result of this increase in recruitment and training capacity, the employers have increased promotions, raised wages, added retirement benefits for frontline employees, improved retention, and created additional construction teams.

For making these changes in workforce development policies and practices, participating employers received an added benefit: workforce intermediary Civic Works made them vendors of choice through its social marketing platform. Civic Works channeled \$1.4 million in contracts to the firms as of June 2019.

Atlanta CareerRise partnered with construction companies Astra and DPR to develop training programs and career pathways for their frontline workers. The companies raised awareness about career progression requirements, introduced communication and leadership coaching for supervisors, and developed mentorship programs. The Construction Education Foundation for Georgia provided a workforce coach and additional

training for graduates of the Construction Ready program to increase retention and to enhance graduates' economic mobility. The foundation established the Craft Pro Champions Award to recognize companies investing in craft-level employees. The collaborative helped pave the way for measuring impact by conducting pre- and post-surveys to capture workers' perspective on changes related to company culture and team development.

The Milwaukee Area Workforce Funding Alliance partnered with the Wisconsin Regional Training Partnership to engage employers and unions to address disproportionately high drop-out rates for women and people of color in construction apprenticeship programs and careers. WRTP hired an apprenticeship success coach to support apprentices while on the job and developed a zero-interest loan fund to help apprentices afford transportation without having to rely on government programs. Additionally, WRTP worked with employers to develop mentoring strategies grounded in equity and inclusion, cultural competency training, and local and equitable hiring practices.

Manufacturing

The Workforce Alliance of Central Kansas, in Wichita, partnered with Cox Machine and XLT Ovens, two local manufacturers, to improve retention and strengthen the internal talent pipeline through upskilling and improved benefits. Incumbent workers received training in robotics and automated processes, earning new credentials and the opportunity for better wages. As a result of the training and advancement of incumbent employees, Cox Machine decreased turnover and took on new contracts. XLT Ovens' more productive and engaged workforce allowed the firm to create more business capabilities and allocate more resources to R&D and business development.

Both employers also improved their benefits offerings, including a financial literacy program. At Cox Machine, the financial literacy program resulted in 92% of workers increasing their emergency savings to \$1,000, compared to 12% before the program was implemented. Both companies saw a significant increase in retention and employee satisfaction as well.

The Workforce Solutions Collaborative of Metro Hartford in Connecticut partnered with WepCo Plastics and other employers to improve employee satisfaction. WepCo Plastics introduced new training and learning opportunities and focused on better communication. After eight months, an employee survey indicated that employees felt greater pride in the company, experienced more open and honest two-way communication, stronger and more supportive team relationships, and felt greater confidence that they will be recognized and promoted for their performance.

When the WepCo Plastic's chief financial officer was asked about the business impact of job quality improvements, he replied, "I don't know, but that's not why we did it. By increasing our employee satisfaction, I know the business results will come."

Partners for a Competitive Workforce, in Cincinnati, partnered with Richards Industries and Indy Honeycomb to improve communication and increase engagement among frontline workers. Richards Industries implemented frontline leadership training and daily huddles to improve communication between management and the frontline. Stronger feedback channels have allowed the company to address personnel and operational concerns more quickly.

Indy Honeycomb set out to increase frontline employee earnings to above 200% of the poverty level and create a more equitable company culture. The multipart strategy included frontline leadership training, consistent and regular communication, wage increases, affordable family health insurance, an upskilling pilot program, and revised onboarding modules to recognize the role of each employee in the company's success. The changes have boosted morale and loyalty among frontline workers.

Chicagoland Workforce Funder Alliance implemented new training opportunities and developed career pathways to enhance advancement opportunities in the construction industry. They are currently exploring mechanisms for involving supervisors, senior leaders, and other staff in addressing frontline worker needs.

Healthcare

Pathways to Work, in the Dallas region, partnered with three healthcare systems to improve job retention rates of patient care technicians, as well as to lower turnover and reduce vacancies. Each employer adopted their own mix of engagement, advancement, and public recognition activities. Examples include certification bonuses, career coaching, job shadowing, pay increases, more accessible tuition assistance, recognition programs, career mapping with transparent career pathways, and accessible skill development resources. Though grant activities are still underway, preliminary data shows improved retention and lower turnover.

Skillworks Boston partnered with Spaulding Rehabilitation Network to improve recruitment and retention of certified nursing assistants and pharmacy technicians. Spaulding implemented skills training for new nursing assistants, while also providing higher wages, full-time hours, predictable schedules, access to career coaching, and better benefits packages. Initial data shows a 38% increase in retention and 52% increase in annual earnings for nursing assistants. Hourly wages for pharmacy technicians increased 23% and annual earnings 52%. A partnership with The Boston Home, a long-term care facility, evaluated the impact of a new universal worker position and another partnership with fast casual dining chain Boloco focused on the impact of company-sponsored professional development opportunities.

Work Train, located in Syracuse, New York, supported multiple healthcare employers to implement changes in the way entry level workers are hired, supported, and provided opportunities to advance in their careers. These include defining the role of career coaches, implementing "work and learn" training pilots, shifting from credential-based to competency-based hiring practices, and developing career maps. Additionally, two employers considered launching an industry-oriented childcare center that could provide care during all three shifts.

Food Processing

Incourage, in central Wisconsin, partnered with Mariani Packing Company to address serious retention challenges. The company implemented job design changes while also expanding production and increasing its workforce by 30%. Job design and quality improvements included a skill-based career ladder with a clear wage progression for frontline workers, new bonus programs, leadership development, and increased employee engagement to overcome issues such as high noise volume on the shop floor and multiple shift schedules. Though it is too soon to say whether job design changes have fully addressed Mariani's retention challenges, the company met its hiring goal and reports seeing better retention.

What is a Good Job?

The National Fund uses a dynamic definition of job quality that is based on unique needs of employers and frontline workers. The Job Design Framework offers a menu, not a mandate, and meets employers where they are and supports them along a continuum of improvement based on their business needs and culture, and the concerns and interests of their workforce. It also captures the variety of job design elements that employers may target to improve business and worker outcomes.

Some collaboratives used the framework with employers to assess job quality and select appropriate solutions. In the process, internal staff at each business gained capacity to create tailored talent development and support strategies.

Conclusion

Frontline workers are too often seen by business executives as a cost to be minimized, rather than an asset to be developed. But when workers are valued, they become more valuable. The job quality initiatives documented above demonstrate that when employers invest in their frontline workers, they experience several positive outcomes: improved recruitment and retention, a workforce that becomes more self-sufficient, and a competitive advantage within their industries.

The job quality initiatives also provided lessons for workforce development collaboratives and intermediaries on how to collaborate successfully with employers to make jobs better. These lessons are the subject of the next three papers in this series.

- Co-Investment: Strategies for Resourcing Job Quality Initiatives
- > Practitioner Competencies: It Takes a Team
- > Employer Readiness: What Makes a Good Partner



The National Fund for Workforce Solution's mission is to collaborate with workers, employers and communities to advance a skilled workforce, promote good jobs, and invest in equitable outcomes. As a network of 30+ regional communities across 25 states with over 80 active industry-led partnerships in many sectors, the National Fund tests and scales workforce development strategies through five integrated solutions. First, we activate employers to invest in the frontline workforce and make jobs better by adopting policies and practices that make them employers of choice. At the same time, the National Fund equips workers for success and works to change systems that get in the way of good jobs and career advancement opportunities for people of all backgrounds. Finally, the National Fund co-invests for greater impact with its partners to leverage philanthropic, government and business resources at the local and national level.



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