



THE ASPEN INSTITUTE

# Workforce Development Overview



**ECONOMIC  
OPPORTUNITIES  
PROGRAM**



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September 15, 2022



# Outline

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- Introduction
- The Workforce Landscape
  - Institutions
  - Funding Streams
- Principles and Practices
  - Learning, Labor Market & Life Strategies
- Ideas in Practice
  - Capital IDEA
  - Orangeburg Calhoun Tech
  - PHI
- Final Reflections





The Economic Opportunities Program (EOP) advances strategies, policies, and ideas to help low- and moderate-income people thrive in a changing economy. We recognize that race, gender, and place intersect with and intensify the challenge of economic inequality and we address these dynamics by advancing an inclusive vision of economic justice. For over 25 years, EOP has focused on expanding individuals' opportunities to connect to quality work, start businesses, and build economic stability that provides the freedom to pursue opportunity.

# How We Work

## Advancing Knowledge & Innovation

- Applied research and evaluation on practice
- Interpreting market trends & translating research to practice and policy
- Tool and resource development

## Supporting Field Leaders

- Leadership development programs
- Peer learning networks/ collaboratives
- Spotighting innovators

## Engaging Policymakers, Philanthropy and the Public

- Public events
- Private dialogue and roundtables
- Strategy development and evaluation
- Communications and issue framing

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## Sectoral Strategies for Low-Income Workers: Lessons from the Field

Sectoral Employment Development Learning Project

The Garment Industry Development Corporation

A Case Study of a Sectoral Employment Approach

## FROM THE BOTTOM UP:

### Toward a Strategy for Income and Employment Generation Among the Disadvantaged

Fred O'Regan  
Maureen Conway

Sectoral Employment Development Learning Project

The Cooperative Home Care Associates

A Case Study of a Sectoral Employment Approach

## Measure for Measure: Assessing traditional and sectoral strategies for workforce development

This report summarizes the first in a three-part series from The Aspen Institute's Sectoral Employment Development Learning Project (SEDLP)—a multi-year multi-site evaluation designed to investigate the key characteristics, operational features and effectiveness of a range of sectoral workforce development programs. The purpose of this series is to assist both the general concept of sector strategy and the particular outcomes of sector programs accessible to policy makers in emerging industrial terms. In this end, the authors benchmark 4,522 findings against those from well respected workforce development practitioners, particularly the National Job Training and Partnership Act (NJTPA) study. The major areas of each paper in the series are as follows:

1. Baseline characteristics and preliminary outcomes
2. Intermediary components of outcomes 12 months after training
3. Analysis of final outcomes at 24 months and policy implications of the study

The Sector Policy Series is supported through a grant from the Charles Stewart Mott Foundation.

Introduction

Over the past four years, the federal government has initiated various and ambitious policy reforms that are designed to get more Americans working at the middle level. These reforms were to produce the indirect effect of raising the U.S. Department of Labor's assessment that the labor force participation rate for blacks was at an all-time high. Who this way come marks, however, is that many of the people who are credited among America's conditions are employed in low-wage jobs that are not enough to support their families, and do not offer any opportunity for advancement. In addition, many jobs do not provide the benefits that families depend on in terms of care.

The increasing emphasis in social policy on work, combined with a debilitating recession or crisis for those who do not work, makes it more important than ever to identify employment and training models that succeed in helping workers and families get on a path to economic recovery.

What Do Sectoral Employment Programs Do?

- Work exclusively with non-union workers in a set of core jobs within an industry.
- Work with a strong focus on the career path of the learner and become important roles.
- The use of a multi-employer approach to improve job quality and create jobs for low-income workers.

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## Business Value Assessment of Work-Based Learning: Findings from Research into Temple University Hospital-Episodic Campus's Work-Based Learning Program for Mental Health Workers

A Case Study of a Sectoral Employment Development Approach

## Connecting People to Work: Workforce Intermediaries and Sector Strategies

Connecting People to Work

COURSES TO EMPLOYMENT: Preparing to Create Paths

## Connecting People to Work: Workforce Intermediaries and Sector Strategies

Connecting People to Work

CLOSING THE GAP: How Sectoral Workforce Development Programs Benefit the Working Poor

SEDLP Research Report No. 2

## How Does Business Benefit from Sectoral Workforce Development Services?

Jane Addams Resource Corp

A Case Study of a Sectoral Employment Development Approach

## update

Issue 3 | SEPTEMBER 2008

### How Does Business Benefit from Sectoral Workforce Development Services?

A key understanding of effective workforce development programs, and sector-based programs in particular, is that they address the needs of both business customers and workers, often with a conscious effort to improve the economic fortunes of low-income workers.

There are a number of generally accepted measures of effectiveness that are used to gauge how well a workforce development program is meeting the needs of workers. Getting jobs, earning higher wages and benefits, and retaining employees are all standard indicators of worker outcomes. The ability of programs to serve and assess the benefits that accrue to businesses is much more limited. To date, typical how practice business outcome data have taken the form of counts of employer customer, counts of repeat customers, and general feedback about employer satisfaction. A small number of programs charge business customers fees for services or leverage a variety of employer market contributions. Among these high-performing programs, evaluating business relationships and customer "willingness to invest" are proxies for measuring the value of a program to business customers. The vast majority of programs, however, do not have sufficient information about the value of their services to confidently set prices and charge fees for the work they do. Lack of specific information about value to businesses also hampers practitioners' ability to assess the effectiveness of and promote their programs.

The Business Value Assessment working group, made up of nine sectoral workforce development practitioners and their business customers, collaborated with the Aspen Institute Workforce Strategies Initiative (WSI), to develop a practical methodology for identifying and assessing costs and benefits of training that accrue to business customers. Funded by the Charles Stewart Mott and Ford Foundations, in 2003 the working group began developing

Project QUEST

A Case Study of a Sectoral Employment Development Approach

## Connecting People to Work: Workforce Intermediaries and Sector Strategies

Connecting People to Work

COURSES TO EMPLOYMENT: Preparing to Create Paths

## Connecting People to Work: Workforce Intermediaries and Sector Strategies

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CLOSING THE GAP: How Sectoral Workforce Development Programs Benefit the Working Poor

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## Measuring Up and Weighing In: Industry-Based Workforce Development Training Results in Strong Employment Outcomes

Measuring Up and Weighing In: Industry-Based Workforce Development Training Results in Strong Employment Outcomes

Working with Value: Industry-specific approaches to workforce development

A Synthesis of Findings

## Measuring Up and Weighing In: Industry-Based Workforce Development Training Results in Strong Employment Outcomes

Measuring Up and Weighing In: Industry-Based Workforce Development Training Results in Strong Employment Outcomes

Working with Value: Industry-specific approaches to workforce development

A Synthesis of Findings

## Tuning In to Local Labor Markets

Focus: HOPE

Findings from the Sectoral Employment Impact Study

Public/Private Ventures

A Case Study of a Sectoral Employment Development Approach

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## Communities That Work Partnership Playbook

AMY BLAIR, STEPHEN MICHON AND MAUREEN CONWAY

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# The Workforce Landscape

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Institutions, Funding Streams

# Who provides workforce development services?

- Workforce boards
  - American Job Centers
  - Community colleges
  - Community-based organizations
  - Labor management organizations
  - K-12 schools
  - Business associations
  - Industry associations
  - Chambers of Commerce
  - Businesses
  - Youth development organizations
  - Refugee resettlement agencies
  - Faith-based organizations
- *Workforce development programming is designed and delivered within a complex landscape with a diverse set of institutional actors*

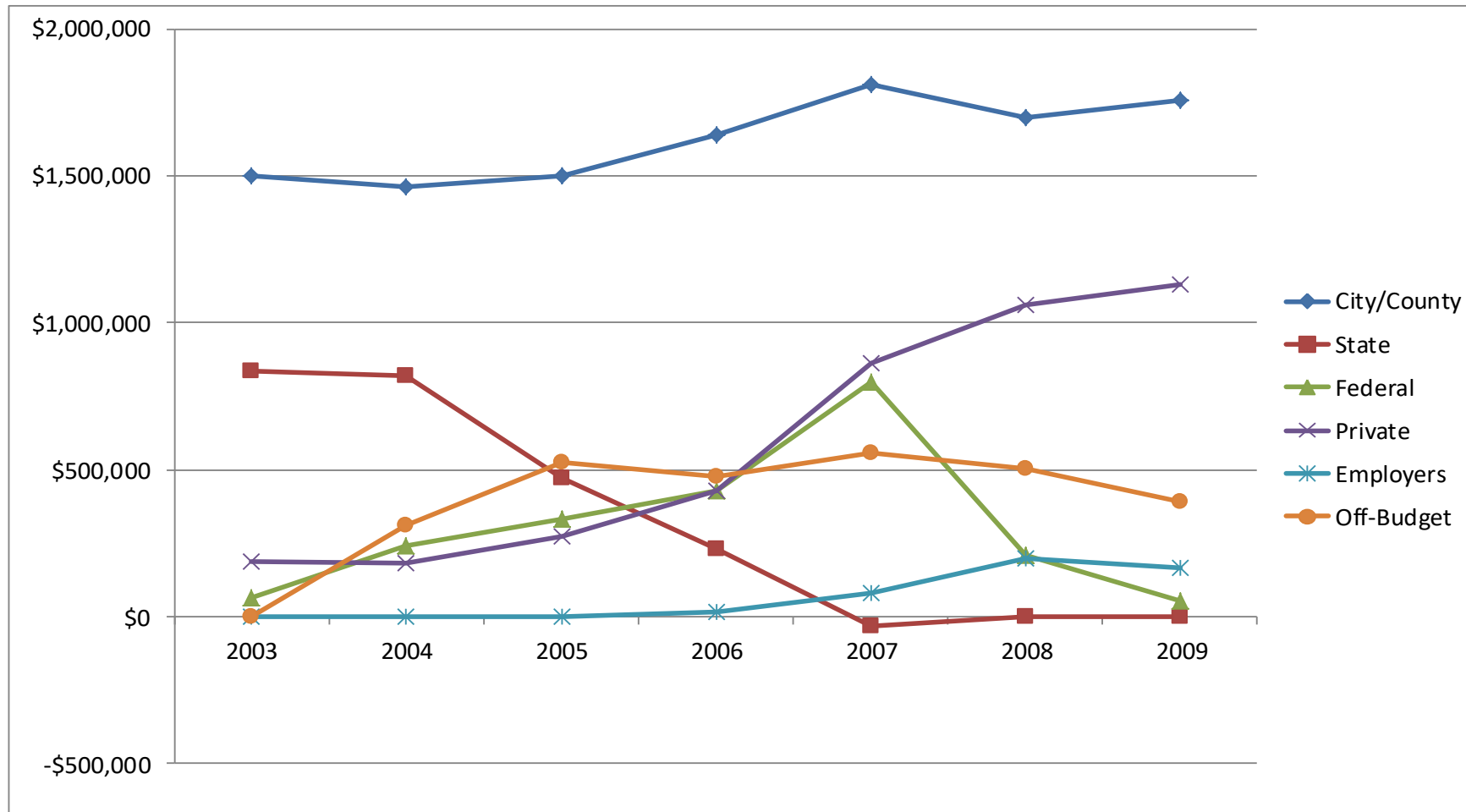
# Who Funds Workforce Development Services?

- Federal: “GAO identified 43 E&T programs...From fiscal year 2009 to 2017, federal agencies’ annual obligations for E&T programs decreased from about \$20 billion to \$14 billion.” *(GAO Highlights, March 2019, <https://www.gao.gov/assets/gao-19-200.pdf>)*
  - State and local governments also fund E&T programs, and may play a role in directing federal funds
  - Philanthropy invests in E&T. Like public funds, may be restricted by geography, demographic characteristics, allowable use (e.g. stipends), or other criteria
  - Business: Largest investor in training BUT investment is skewed toward higher skilled/higher paid employees; may make donations/in-kind contributions to workforce organizations.
- A complicated funding landscape!



# Changes in Funding Over Time

## Example: Capital IDEA, Austin TX



# Considerations

- Workforce development landscape fragmented, in institutional and funding terms
- Relationships matter—understand what’s happening, seek collaborations
- Understanding the local funding landscape, find a mix of funders with goal alignment
- Building a sustainable funding strategy for workforce services takes intentional effort



Principles &  
Practices

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Building Blocks for Effectiveness

## Clarify your workforce goal(s)

- Workers have in-demand skills/education level?
  - People become employed?
  - Occupational segregation is reduced/employment equity is improved?
  - Family self-sufficiency is increased?
  - Employers have the employees they need to provide jobs, services, or contribute to economic growth?
- *If you have multiple goals, but be clear about priorities*

Duplicative and ineffective job-training programs have become a classic talking point against big government.

--Daniel Malloy, "Isakson plays key role as Senate backs changes to federal job training" *The Atlanta Journal Constitution*

The fact that most government-sponsored worker-retraining programs perform abysmally goes unmentioned, too.

--Annie Lowery, "Should the Government Guarantee Everyone a Job", *The Atlantic*

40 per cent of McKinsey's clients say the skills gap is a key reason for job vacancies

--Rana Farooq, "US workforce: paying young Americans to learn the right skills", *Financial Times*

About 44 percent of recent college grads were employed in jobs not requiring degrees in the final quarter of 2016

--Steve Matthews, "College Grads Stuck With Low Wages As Hiring Heats Up" *The Hartford Courant*

## Understand your labor market

- Analyze data related to your goals
  - Find sources of disaggregated data (by race, gender, occupation, or other relevant characteristics)
  - Look beyond targeted occupations & demographic groups to understand how they are influenced by broader labor market trends
  - Consider both system and individual outcomes
- *Labor market analysis and performance metrics should align with your goals*

## Employment by typical occupational entry-level education, current & projected 2031

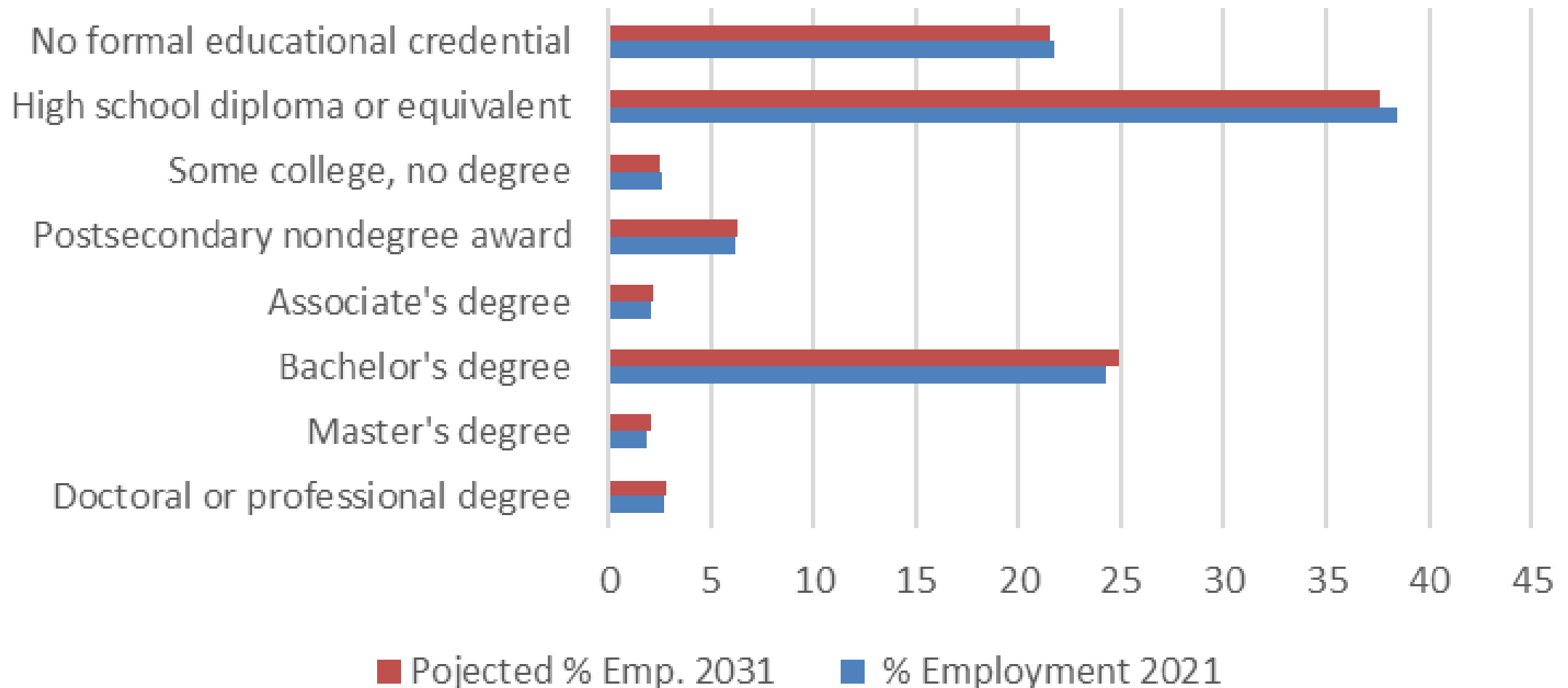
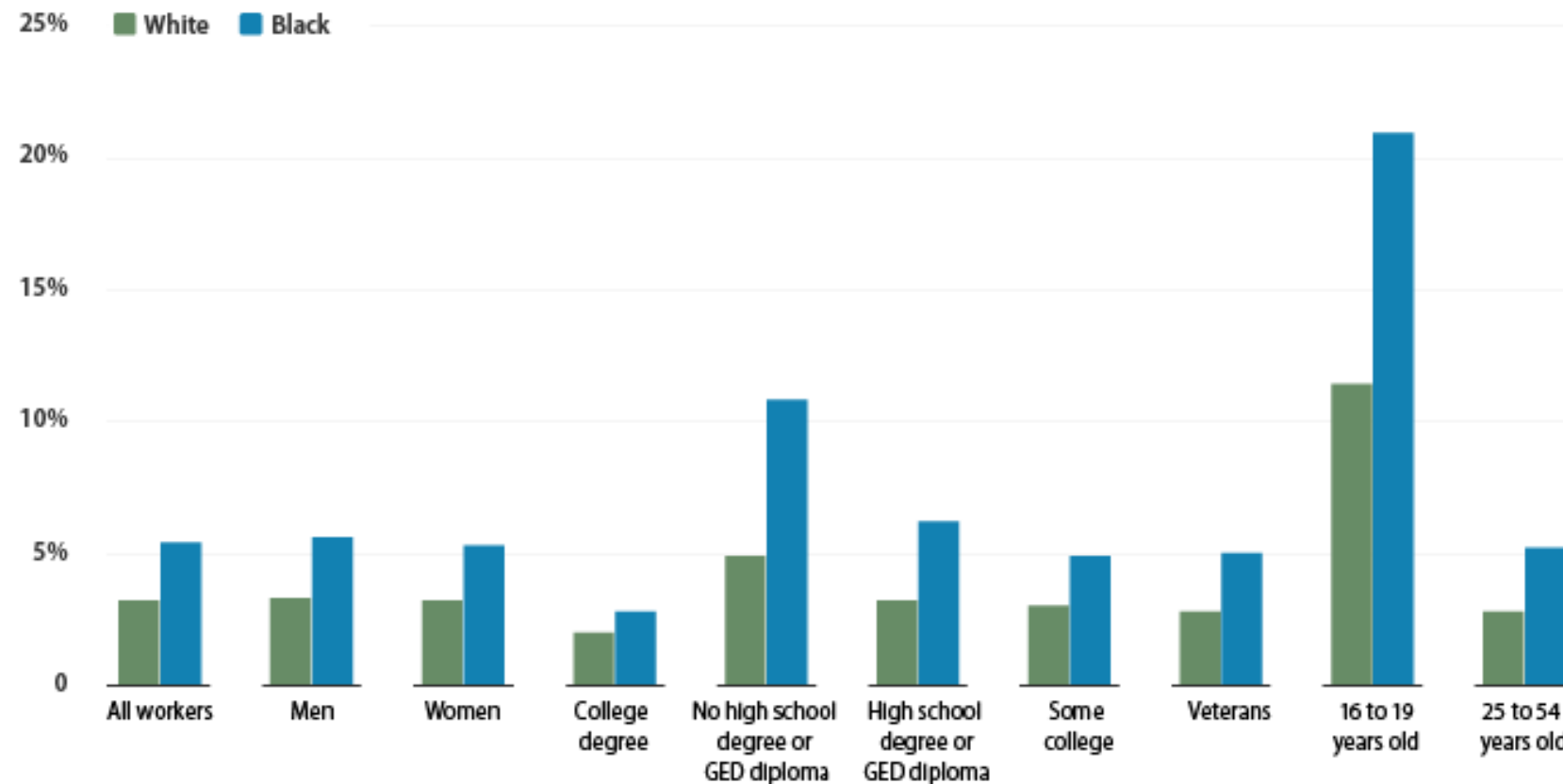


FIGURE 3

## Black workers experience higher unemployment rates than white workers across multiple categories

U.S. unemployment rates by race across multiple subpopulations, October 2019

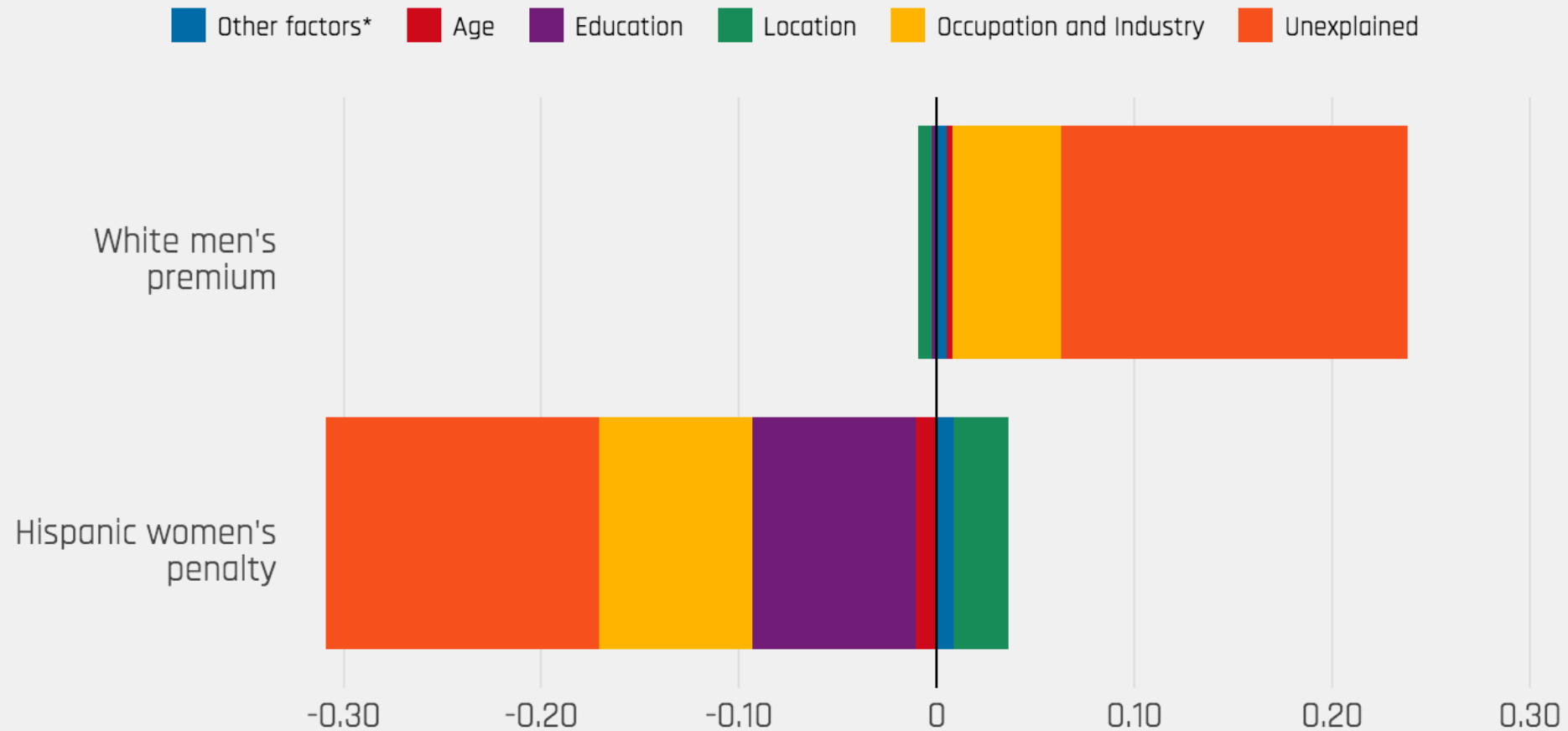


Notes: Data for "all workers," "men," "women," and workers ages 16 to 19 are seasonally adjusted. Otherwise, the data are 12-month averages and are not seasonally adjusted. The unemployment rate for each subpopulation is the share of workers who are out of a job and looking for work. Source: U.S. Bureau of Labor Statistics, "Current Population Surveys, 2019" (Washington: U.S. Department of Labor, 2019), available at <https://www.bls.gov/cps/>.



# Workplace segregation and discrimination cause most of the wage gap

Log contribution of human capital and demographic variables to white men's wage premium and Hispanic women's wage penalty, compared to other workers' wages



Source: Author's calculations based on the U.S. Census Bureau, "Annual Social and Economic Supplement of the Current Population Survey" [2011-2018]

\* Other factors are family, union membership, and the individual's citizenship status.

We need a higher goal than returning to “normal” employment post-pandemic.

Were jobs in the Detroit MSA good-paying jobs in 2019?

*Major occupational groups by total employment (2019) and median annual wage*

Not pictured: Farming, Fishing, and Forestry Occupations (800 jobs, \$28,760 median annual wage)

Sources: US Bureau of Labor Statistics, Occupational Employment Statistics Survey, 2019 and MIT Living Wage Calculator

596,570 jobs (30%)

Healthcare Practitioners and Technical Occupations 124,070 jobs \$68,230	Business and Financial Operations Occupations 120,770 jobs \$70,610	Management Occupations 102,140 jobs \$112,490	Architecture and Engineering Occupations 90,570 jobs \$87,840	Computer and Mathematical Occupations 69,780 jobs \$82,370	Legal Occupations 16,200 jobs \$76,810
				Construction and Extraction Occupations 62,500 jobs \$55,380	Life, Physical, and Social Science Occupations 10,840 jobs \$60,420

----- Living wage for 1 adult and 1 child (\$52,790) -----

684,350 jobs (35%)

Office and Administrative Support Occupations 244,970 jobs \$37,920	Production Occupations 200,890 jobs \$38,370	Educational Instruction and Library Occupations 81,060 jobs \$51,090	Protective Service Occupations 34,780 jobs \$40,920	Community and Social Service Occupations 24,670 jobs \$46,780
		Installation, Maintenance, and Repair Occupations 73,710 jobs \$47,600	Arts, Design, Entertainment, Sports, and Media Occupations 24,270 jobs \$52,120	

----- Living wage for 2 adults and 2 children (\$33,779) -----

527,270 jobs (27%)

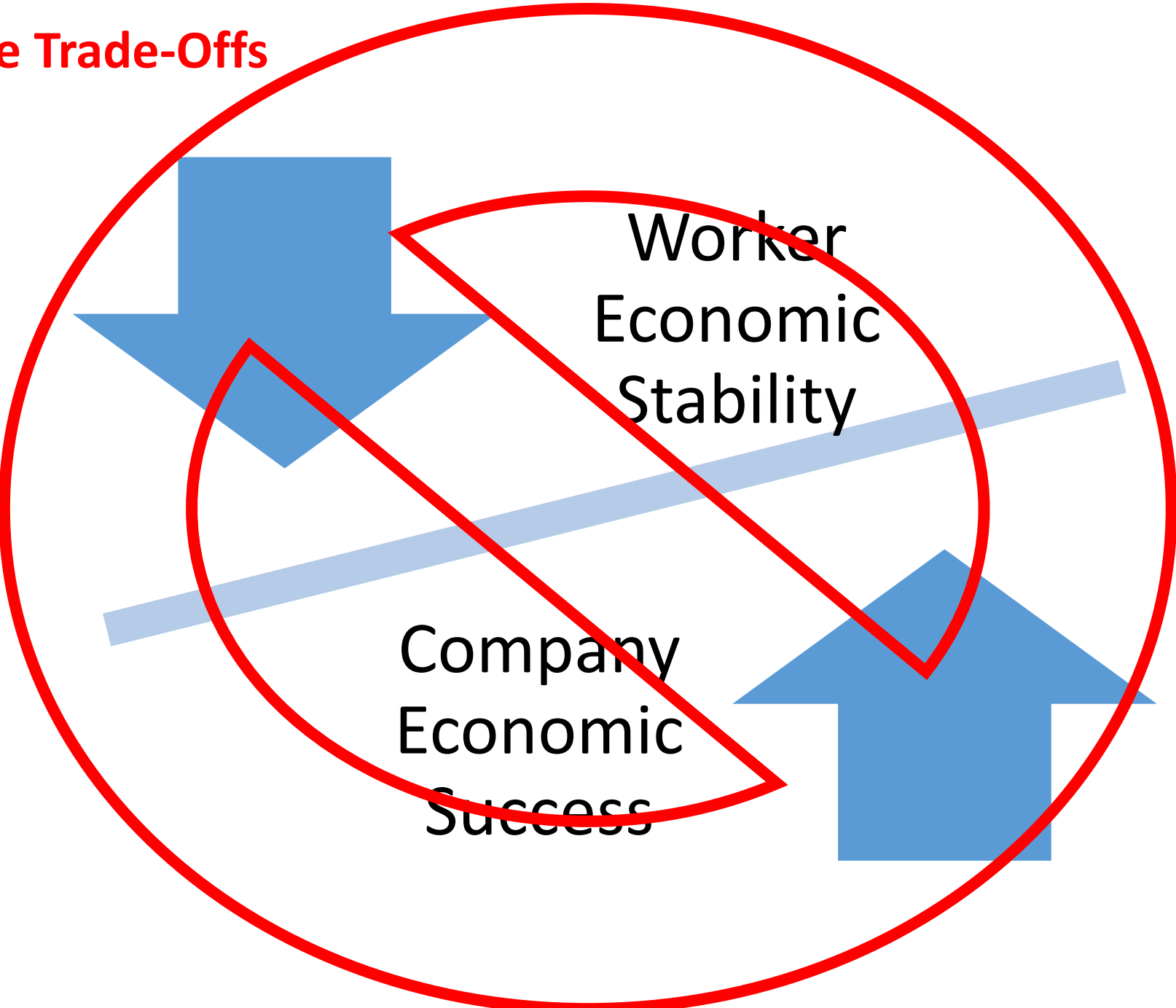
Sales and Related Occupations 190,810 jobs \$29,740	Transportation and Material Moving Occupations 159,270 jobs \$33,080	Healthcare Support Occupations 80,220 jobs \$29,070	Building and Grounds Cleaning and Maintenance Occupations 53,580 jobs \$26,290
			Personal Care and Service Occupations 42,590 jobs \$24,580

----- Living wage for 1 adult and 0 children (\$23,878) -----

172,530 jobs (9%)

Food Preparation and Serving Related Occupations: 172,530 jobs / \$22,850
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**Beware False Trade-Offs**

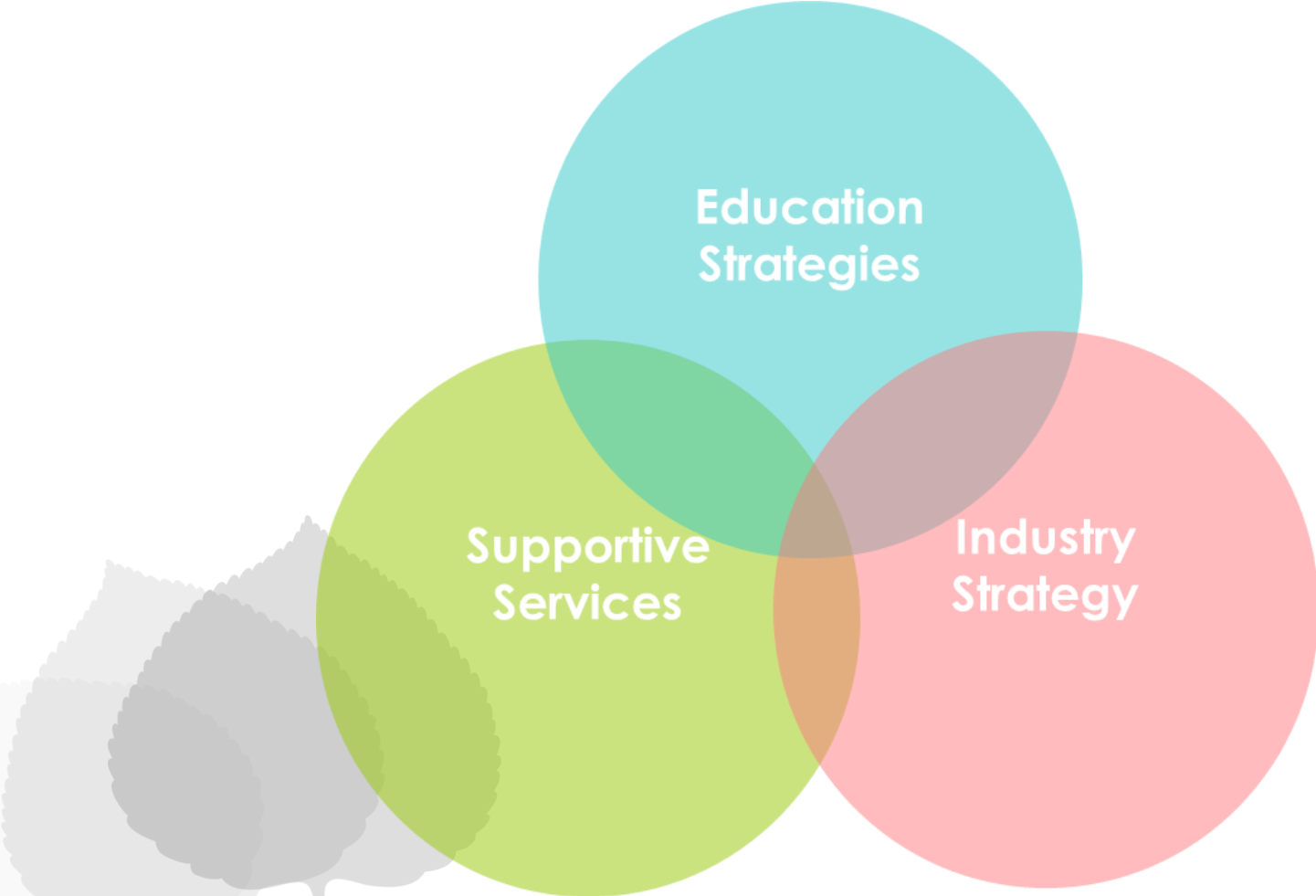


Worker  
Economic  
Stability

Company  
Economic  
Success

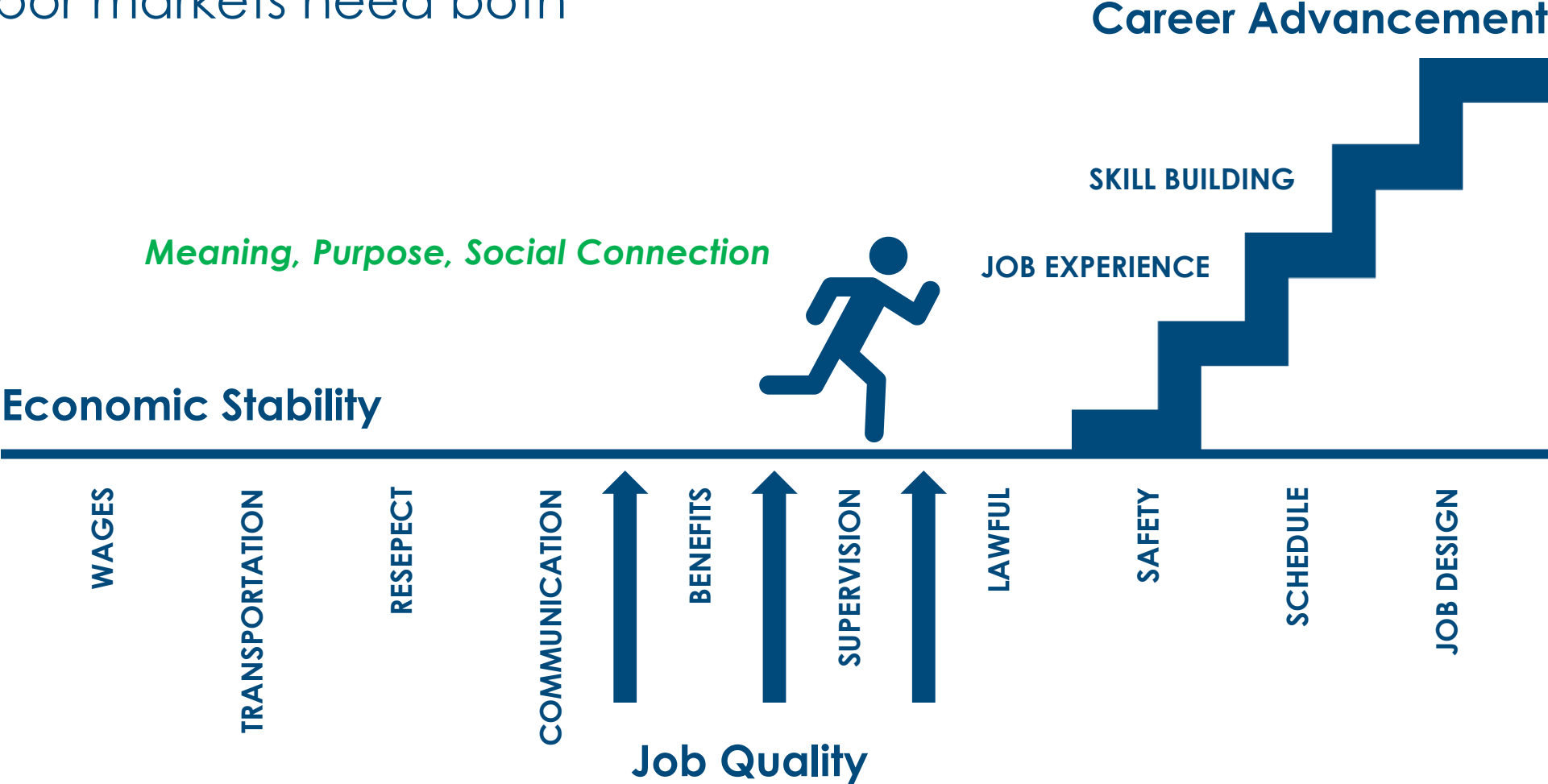
# What Is the Strategy?

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# Raise the Floor & Build Ladders

Most labor markets need both





Ideas in Practice

# Building Partnerships, Building Careers: Capital IDEA

- Goal is to support low-income community residents to access and succeed in employment that offers family-sustaining earnings and benefits; partners with Austin Community College
- All participants are low-income; most (80%) are Latinx and African-American; 88% women; median age 27; 37% < 8<sup>th</sup> grade math level; 27% < 9<sup>th</sup> grade reading level; 71% parents; 37% single parents
- Capital IDEA researches local occupation demand & chooses the college programs they'll invest in for participants; when demand wanes, they cut off enrollment
- Capital IDEA builds relationships with employers, understands their value proposition
- Capital IDEA partners with community-based partners/collaborates on advocacy
- Programming to build basic academic skills needed to pass college entry tests (GED, ESL, College Prep Academy)
- Pays tuition, books, fees, uniforms, supplies, childcare, transportation, emergency assistance
- Targeted, ongoing wrap-around services, cohort-based tutoring and supports
- Strong focus on preparing for professional employment while in school
- Graduate earnings are often 2x – 3x greater after program completion; non-completers also see earnings improvements

# Skills & Job Quality in Long-term care: PHI

- Grew from Cooperative Homecare Associates, largest worker-owned cooperative, provides home care to elderly, chronically ill, disability communities
- Developed high-quality training that exceeds industry standards and responds to worker concerns.
- Nationally recognized for quality of care and quality of jobs
- Highly regulated work; wages influenced by reimbursement rates set by policy
- Educates policymakers about links between quality jobs and quality of care
- Provides consulting services to other firms in the industry--helping them improve care and job quality
- Innovations lead to higher than industry-average wages; benefits; predictable schedules; voice in company management



# Workforce development starts at home: OCTech

- Orangeburg–Calhoun Technical College is a public community college in Orangeburg, South Carolina, a rural, majority-Black community and one of the poorest counties in the state.
- Aims to prepare/connect low-income, predominantly African American students to careers, primarily in healthcare and manufacturing
- Built apprenticeship program for manufacturing—opened to janitorial staff to provide career advancement
- Committed to raise wages for janitorial staff
- Disaggregated student success data by race in nursing program; developing strategies to improve equity outcomes

<https://www.aspeninstitute.org/blog-posts/tech-college-improving-job-quality-and-offering-apprenticeships-for-custodial-staff/>

# Final Reflections

- Build an understanding of and a network of relationships in the target industry/occupations—data, industry analysis, and local anecdote/context all important.
- Listen to the target constituency--understand what learning and life supports people need to participate in learning, what they want to achieve in work, and what they experience on the job.
- Pay attention to the “non-academic” elements (e.g. drivers license, hours required, cross-cultural skills, etc.) needed to get and keep a job and move up in a profession.
- Consider your role as an employer—what can you model?
- Relationships matter—employers, workers, partners/collaborators, funders, regulators, etc.
- Resources are scarce and building a long-term strategy on short-term \$\$\$ is difficult. Good partners can help.
- Identify strategies to address business practice and public policy challenges that affect business and worker success—training doesn't solve everything.

We need multiple strategies and a range of partners to achieve inclusive economic prosperity



# Job Quality Tools Library



#jobquality  
[as.pn/jobqualitytools](https://as.pn/jobqualitytools)



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# THANK YOU



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