TRANSFORMING U.S. WORKFORCE DEVELOPMENT POLICIES FOR THE 21st CENTURY

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Transforming U.S.
Workforce Development
Policies for the 21st Century

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2015

W.E. Upjohn Institute for Employment Research
Kalamazoo, Michigan
Part 4

Targeted Strategies
The majority of women in the United States do not work in jobs where they have an opportunity to get by, let alone get ahead. Fifty percent of women work in just 26 occupational categories, or only 5 percent of the 504 occupations tracked by the Bureau of Labor Statistics, and over two-thirds of women are concentrated in just 51 occupations. Today, as was true 60 years ago, “secretary” ranks as the top occupational category for women. Other leading occupations include cashiers, retail salespersons, home health aides, and jobs in the hospitality sectors, such as waitresses and housekeepers at hotels. Many of these jobs are among our economy’s lowest paying. With average hourly wages of between $8 and $12, these jobs do not enable women to afford the basics, let alone care for their families. Men, on the other hand, with similar levels of education are much more likely than women to access training in the trades or science, technology, engineering, and math fields, which generally offer higher pay and better career prospects.

However, women represent a small portion of the workers in the building trades, science, technology, advanced manufacturing, and
other traditionally male occupations. The small numbers of women who are in these nontraditional occupations typically earn 20–30 percent more than women in traditional occupations (such as those in health care, retail, and hospitality). An increase in women’s participation in nontraditional occupations results in increased economic security for women, which means more economically secure children, families, and communities.¹

Gender stereotypes and women’s lack of knowledge about these jobs and their entry paths are significant obstacles to increasing their representation in nontraditional occupations. Women may also lack the preparatory skills to be competitive in the selection process, and selection requirements and procedures still have a disparate and unfair effect on women’s acceptance into apprenticeship programs. Worse, women who overcome these barriers and enter these fields often find discriminatory practices such as minimal support, inequitable training, hostile work conditions, and job opportunities limited by employer hiring bias.²

Overcoming the historical and cultural obstacles that prevent women from accessing these higher-wage nontraditional careers is challenging and requires direct interventions. Targeted, effective workforce programs that are developed and implemented with a gender lens are critical to the success of individuals and communities facing these significant barriers to employment (Lufkin et al. 2007). Wider Opportunities and Women (WOW) and Jobs for the Future (JFF) partnered on an innovative Green Jobs Innovations Fund project that provided the needed specialized technical assistance to address these gender barriers. This three-year project, called GreenWays, spanned seven cities and supported eight workforce partnerships, including two preapprenticeships to registered apprenticeships. GreenWays also included several sectors and occupations, including advanced manufacturing (quality assurance inspectors, computer numeric controlled machine operators), construction and building trades (weatherization technician, residential energy auditor, hazardous-waste remediation), landscaping and urban forestry (landscape technician), renewable electric power (solar photovoltaic panel installer, solar thermal installer, solar sales, electric line worker), and transportation (alternative fuels maintenance technician, hybrid electric auto technician).

Through targeted technical assistance and resources, WOW and JFF were able to expand their site partner’s capacity to increase the
numbers of women served and placed into training programs and jobs that are nontraditional for women. Specifically, the GreenWays project served 283 women—roughly 25 percent of the total participants. Further, 80 percent of women completed the training programs, 77 percent obtained an industry-recognized credential, 64 women were placed in apprenticeships (out of 176 total placed in apprenticeships), 42 percent were placed in jobs, and the average starting wage of women in the program was $15.71.³

CASE STUDY: TECHNICAL ASSISTANCE
PROGRAM DESIGN

In order to successfully recruit, train, and place women in nontraditional jobs, WOW and JFF provided comprehensive and customized technical assistance to each site. In this chapter, we will provide a snapshot of the technical assistance provided to ensure that a gender lens would be incorporated into the project.⁴

By identifying barriers within the workforce development that limit women’s participation in training programs for these jobs, WOW helped each site develop program practices and address the unique barriers that women face moving into nontraditional jobs. Based on thorough assessments, the organization drew on our best practices and materials to assist each site with phone and online services and a minimum of one visit annually. The visits enabled them to offer feedback and suggestions to improve outreach, intake, and assessment material and practices, as well as observe how well gender-inclusive job readiness, curriculum, and instruction styles are integrated into classroom and workshop training.⁵ WOW assisted each site in strategic planning to guide the expansion of programming or for the greater integration of women into training, including the following six strategies:

1) Establish goals for women’s participation in job training and placement into nontraditional occupations

2) Establish strategic work plans to meet goals for women’s participation in job training and placement into nontraditional occupations with partners’ leadership and staff
3) Identify how to best work with industry partners, workforce systems, educational institutions, and other strategic partners to ensure that women are able to enter and succeed in high-paying, blue-collar jobs.

4) Gain employer commitment and investment for gender equity from recruitment to career advancement through a variety of strategies, including professional development training, establishing partnership agreements, memorandum of understanding, and in-kind and tangible support.

5) Share research about successful strategies and trends in curriculum development, credentialing, and labor market analyses.

6) Create sustainability plans to maintain program strategies and practices, ensure ongoing integration of a gender lens, and maintain goals and outcomes that reflect incremental increases in women’s participation in programming and nontraditional employment.

Although strategic planning with a gender lens provided the critical overview and goals of the project, that was only part of the intervention. In order to help the organizations build capacity, WOW worked with partners to develop orientations and outreach to women, online and classroom setting survey courses to introduce women to nontraditional occupation training programs, and feeder courses that build women’s prevocational skills. The organization helped the sites establish role model and mentor banks, job shadowing opportunities, support groups, career clubs, and links to professional associations. Technical support also offered a review of job readiness and wraparound case management services to ensure adequate support for women’s successful participation and completion in training programs and their transition to employment.

WOW provided the following customized site-based technical assistance to each of the sites:

1) Identify site-specific strategies for attracting/recruiting women and engaging strategic partners in reaching out to their female clients, including creating orientation programs, survey classes, and preparatory courses. For example, at the annual Peer Learning Conference, WOW led hands-on learning labs to
craft outreach and recruitment flyers that included images of women performing the work.

2) Customize intake and assessment practices, gender-inclusive curriculum, and teaching practices. Across programs, WOW created a standardized assessment of the sites’ assessment materials by evaluating each program’s assessment requirements. For example, one site was able to transition from using a lifting requirement as a flat weight (i.e., participants must lift x pounds) to using a percentage of the participant’s body weight. This seemingly small change allowed the site to continue assessing physical fitness, but also to respect that smaller participants—both men and women—may still be able to complete tasks properly without the ability to lift as much weight.

3) Develop programs on how to use gender-targeted and inclusive policies, practices, and materials. For example, in Milwaukee, WOW was able to add curriculum modules to the training program that were based on gender issues women often encounter in the workplace. In addition to sexual harassment, modules included health and safety issues and gender differences in learning and communication styles. For example, women are more likely to end their statements with an inflection. This can lead instructors to interpret women as less confident in their knowledge, despite this not being true.

4) Provide professional development and technical assistance on how to add a gender lens to the core elements of programs.
   • Recruitment. In Milwaukee, WOW analyzed current recruitment and retention practices for the site’s job training. Key takeaways from this analysis included the site’s relationship building with other external workforce development agencies as outside recruitment sources, as well as the staff committing to follow up with applicants.
   • Intake. Perhaps most often misunderstood by providers, the intake process is a key step in ensuring women’s participation in nontraditional jobs. Best practices involve a theme of being inclusive of women as opposed to exclusive. For example, one site performs intake and assessment, including
literacy and mathematical testing, on the same day. By combi-

• Case management. In Philadelphia, WOW worked with
frontline staff on case management techniques. While all
staff were exposed to the benefits of adding a gender lens to
their management techniques, site leaders noted that many
of the women working as case managers had more precon-
ceived notions about what their female participants needed
than did the male frontline staff. By ensuring that both men
and women working with female participants are able to
overcome stereotypes and work with the individual, the
site’s procedures have added a sharper gender lens.

• Core competencies for job readiness. Successful job readi-
ness training varied throughout the sites, but each included
the core requirement that all participants regularly and in a
timely fashion attend their trainings. Job readiness trainings
also included exercises to raise and discuss self-esteem,
rights in the workplace, and skills to develop support sys-
tems. The training also targeted interviewing and applica-
tion skills, maintaining healthy habits, balancing work/fam-
ily, and surviving and thriving in a male-dominated environ-
ment. By mirroring the workplace requirements and reali-
ties, each training program ensured graduates had exhibited
the skills necessary to be successful once graduated.

• Instruction and classroom practices. In Philadelphia, WOW
observed classroom instruction for the site’s solar instal-
ation trainees. The organization then offered feedback on
instructional practices that prevented women’s full partici-
pation, productivity, and comfort in the classroom. Key les-
sions include explaining differences in the way women and
men respond to competition in the classroom, and coaching
instructors to use gender-neutral pronouns when sharing
anecdotal lessons.

• Job development. WOW presented daylong training to part-
ners in Detroit, focusing on building a diverse workforce,
confronting employer perceptions of women in nontraditional jobs and subsequent reluctance to hire women, compliance with Equal Employment Opportunity/Affirmative Action agency requirements at the local level, and leveraging public investments as employment opportunities.

• Retention and career advancement. In Detroit, WOW was able to work with staff to design a mentorship program for future intervention. Successful elements of mentorship programs often involve working with a group of mentees assigned to a group of mentors, instead of a one-on-one relationship. This group approach removes much of the pressure that individualized mentorship relationships put on the participants and allow both mentors and mentees to grow a more organic relationship with a wider variety of more senior or junior women.

5) Facilitate partnerships with organizations that serve women trainees, American Jobs Centers, women in nontraditional career networks, professional associations to develop applicant pools, support services, and mentorship programs. One site was able to create a new preapprenticeship program, Access for All. Through this planning process, WOW spearheaded the evaluation of partner participation in the program, which included identifying partner agencies and community-based organizations, defining partners’ roles and responsibilities, creating an internal organizational chart, identifying the individuals responsible for fostering each external relationship, and identifying resources necessary to make the relationships work for the agencies, employers, and the site.

REPLICATION

The GreenWays project demonstrates that if a program is developed and implanted with a gender lens, it can make a significant impact on the numbers of women entering into nontraditional occupations. WOW and JFF have compiled the best practices and resources into an online
curriculum, “Pink to Green Toolkit,” that programs can use to aid in replication, and is freely available online. The toolkit contains

- tools to help workforce development providers assess their capacity for recruiting, assessing, placing, and retaining women in nontraditional occupations;
- ways to assist training providers in developing relevant plans, processes, and curricula for recruiting and retaining women in nontraditional occupations;
- guidelines for case management of women and matters related to the unique wraparound and support services required for women to advance on a career path in nontraditional occupations; and
- tools to assist training programs in understanding and linking to organized labor, apprenticeships, and major employers to ensure women have access to jobs posttraining.

Notes

1. For a larger discussion of nontraditional occupations for women, see U.S. Department of Labor (2008).
2. For an additional discussion of the discrimination women face in nontraditional occupations, see Bergmann (2011).
3. Wage data are self-reported by each of the sites.
4. A gender lens involves approaching or examining an issue, paying particular attention to the potentially different ways that men and women are or might be impacted. For a fuller discussion see Neimanis (2005).
5. Gender-inclusive job readiness includes targeted training to identify interviewing and communication styles typical for women. For example, women often respond to interview questions with answers that end with inflections or words such as “right?” This communication style can convey that the interviewee is unprepared or uncertain of her answers, despite this not being the case.
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Signaling Success

A Case Study in Using Labor Market Information to Retool Workforce Development Strategies and Programs

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The share of employed teens in Massachusetts plummeted from 53 percent in 1999 to 27 percent by 2012, reflecting a broader national trend in declining teen employment rates over the last decade. The decline in employment among young people is worrisome because a growing body of evidence suggests that work experience during the teen years exerts strong positive influences on the future educational, employment, and earnings prospects of young people (Steinberg 2013). Declining employment among teens means that increasing shares of young people are losing access to an important avenue to develop productive abilities. This is especially true for teens from low-income households (Sum et al. 2013). Teens who work have substantially higher earnings a decade after leaving high school and are more likely to enroll in college. Furthermore, early work experience is thought to contribute to the focus and direction young people need to make decisions about their future life paths (Harrington and Snyder 2013; Mortimer 2003).

Commonwealth Corporation and the Drexel University Center for Labor Markets and Policy launched a study in 2012 to improve our understanding of the underlying causes of this dramatic decline in teen employment rates. We sought to identify employer perceptions of teens in the workplace compared to other sources of entry-level workers and, using what we learned, to develop pragmatic strategies to reverse the
12-year decline in teen job access. In the spring and summer of 2012, we conducted a survey, interviews, and focus group discussions with nearly 200 businesses in Massachusetts and Philadelphia. The research questions in this effort focused on five areas: 1) perceptions of teens’ hard skills (reading, writing, math, technology), 2) perceptions of teens’ work behaviors, 3) the effect of teen employment laws on hiring decisions, 4) factors affecting hiring decisions, and 5) hiring preferences.

A major purpose of this study is to understand why the job market fortunes of teens have declined and to attempt to develop a set of remedies that have the potential for improving the ability of teens—both in school and out of school—to find unsubsidized private sector jobs that help improve their long-term employment and earnings experiences. We find that many of the barriers to hiring teens that are identified in the study can be addressed through training, coaching, and supports that develop job seeking and retention skills of teens and address the perceived risk of hiring teens on the part of employers. In addition, organizations and institutions that serve teens, including high schools, can play a role in preparing and supporting teens and vouching for them with businesses in their local labor market. The findings of this study can inform the ways that schools, community-based organizations, workforce boards, career centers, and businesses can intervene to help increase youth employment.

**KEY FINDINGS OF THE RESEARCH**

Our research finds that employers do not view entry-level workers as a readily substitutable, homogeneous source of labor supply, even though by definition entry-level jobs require very low levels of ability, knowledge, or skill (Fogg, Harrington, and Knoll 2014; Fogg, Harrington, and Petrovich 2013). Rather, employers take considerable care in their hiring decisions and engage in a variety of activities to find prospective workers whom they believe will contribute to output and profitability. Almost all employers that we contacted had utilized a variety of formal screening tools to hire workers for positions with essentially no education, training, or prior work experience requirements in occupations such as retail sales clerks, food service workers, cashiers,
and a host of other entry-level positions that require essentially no occupational preparation at all. However, employers did work very hard to distinguish entry-level applicants on the basis of their behavioral characteristics and ethical norms.

The following were among the most important screening criteria employers used for entry-level positions:

- Educational attainment served as a readily available and powerful screening tool for employers, even when the job did not require much in the way of formal schooling. Employers preferred college students and graduates over other teens. Many considered the behavioral traits of college students and graduates to be superior to those of high school students and graduates with no college. The one exception was students and graduates of career and technical education (CTE) high schools, whom the employers found to possess superior behavioral traits such as dependability, self-control, ethics, and initiative that make entry-level workers productive.

- Employers often require third-party references, but they value references from a source that they know and trust, sometimes a current high-performing employee (Rosenbaum 2004). References from CTE instructors who often had long-term connections with local employers were highly valued. Non-CTE high school teachers rarely recommended a teen for a job, although employers said that they would trust references for prospective hires from local high schools that built relationships with their companies.

- Surprisingly, the majority of employers in our study discounted prior work experience for an entry-level position. Although some employers thought prior work experience, particularly in the fast-food industry, would be advantageous for teens seeking entry-level jobs, most employers were much more interested in directly determining the ethical and behavioral traits of job applicants.

- Formal and informal testing of job applicants was found to be a very common practice and has become a basic screening tool for most entry-level occupations. Large firms most often use Web-based tests that are embedded in the online application process.
We find that quite often smaller firms that do not opt to use online tests administer informal tests of various types, such as asking the applicant to prepare a brief biographical essay or solve some basic math problems.

- Despite some very convincing evidence that interviewing is not a good predictor of worker productivity, it remains a centerpiece of entry-level hiring—after the applicant has successfully completed the testing phase. To find a successful applicant, employers look for eye contact, a good handshake, a candidate who asks questions, has an acceptable appearance, and is available for a sufficient number of hours. All too often teens fail one of these interview standards and are quickly screened out of the hiring process.

- A large number of employers told us that the simple act of stopping by a business to pick up an application frequently sends a strong signal to employers about the suitability of the potential applicant for employment at the firm. Signals such as sloppy dress, bringing several friends along, or cell phone and text usage while interacting with an employer often exclude the job seeker from consideration for a position—before the teen has even submitted an application.

- Employers of entry-level workers view the reading and math skills of teens as comparable to those of adults and view their technology skills as better than those of adult entry-level workers. However, employers found behavioral attributes of teens, such as attendance, punctuality, and the chance of quitting the job quickly after being hired, to be inferior compared to adults, college students, and young college graduates.

- Many employers indicated that they were interested in working with comprehensive high schools and local job training organizations but that they found high schools and job training organizations to be largely disconnected from the labor market. Referrals based, in part, on daily attendance performance of students as well as other screening criteria would likely exert an important influence on a firm’s decision to hire, especially if the school or jobs program were able to establish a record of good quality referrals to local employers. One key concern about working
with local schools and jobs programs related to the lack of long-term relationships between employers and local schools and programs, especially in youth summer jobs programs.

RESPONSE TO THE CHANGING ENTRY-LEVEL LABOR MARKET

These findings about employer screening for entry-level jobs and the signals that teens send during the hiring process have led to the following efforts to retool, refocus, and reorient teen and young adult employment strategies and program models.

Retool Subsidized Programs as Springboards into Employer-Paid Positions

Massachusetts is one of the few states in the nation that has made a long-term commitment of public funds to support teen employment. Through the YouthWorks program, the Commonwealth has committed $53 million over six years to put nearly 32,000 young people to work in summer and year-round subsidized jobs. The Signaling Success research led Commonwealth Corporation to rethink the state’s YouthWorks effort to better address what employers consider to be the primary limitations of teens seeking entry-level jobs.

Youth programs for too long have been focused on short-term subsidized summer jobs designed to keep teens busy and put some income into their pockets. As a result, summer jobs and related programs have become pretty distant from the realities of the job market. For example, teen participants often do not engage in a summer job search but are assigned to subsidized slots. Indeed, employers are frequently not involved in the summer jobs hiring decision, and the contribution of these youth employed through the summer jobs programs to the success of their organization remains a mystery to them.

Based on the Signaling Success findings, the Massachusetts workforce system is retooling its YouthWorks programs to include a mix of experiences and training with a clear focus on subsidized work experience leading to unsubsidized employment. By the end of a subsidized
work placement, young people will come away with job readiness skills, an adult who can serve as a reference and vouch for the teen’s work behaviors, a clear statement about what they learned in their work experience, and how their talents and experience would apply to a new unsubsidized job opportunity. Critical work behaviors such as dependability, initiative, communication, and collaboration will be taught through standardized work readiness training and reinforced through supervision and reflection in the development of their portfolio. Formal assessments will be used to determine the effectiveness of work readiness training.

**Piloting YouthWorks Plus**

Commonwealth Corporation is piloting a work readiness curriculum that combines 120 hours of work readiness training and intensive coaching for staff and students, with progressive subsidized work experiences over an 18-month period, leading to unsubsidized employment. The pilot, known as YouthWorks Plus, is being tested in an alternative competency-based high school and a community-based General Educational Development program. Piloting with three comprehensive high schools began in the fall of 2014. The curriculum development and coaching are supported by philanthropic funds that leverage state YouthWorks resources to support subsidized employment.

Every YouthWorks Plus student participates in work readiness training, and a smaller number participate in subsidized employment, but only if they “earn” this opportunity by high levels of participation and demonstration of good work readiness behaviors in the classroom. The work readiness curriculum focuses on dependability, initiative, communication, and collaboration skills.

Commonwealth Corporation plans to bring this model to scale through partnerships with comprehensive high schools and nonprofit organizations serving disadvantaged teens. In the current pilots, the curriculum is taught by a teacher during the school day as an elective or during an advisory period. Behaviors such as attendance and punctuality are reinforced during the training and are used as an incentive to attain a subsidized job. Commonwealth Corporation supports the teacher through an initial training and ongoing coaching. High schools indicate an interest in delivering the curriculum in the freshman year
to develop and reinforce the behaviors that will not only prepare the
teen for work but also prepare the teen to succeed in his or her educa-
tional pursuits. The pilots to date have been through classroom instruc-
tion. We are exploring technology add-ons to reinforce behaviors in job
seeking and job retention.

**Employer Engagement Activity**

Given the fast-paced changes in the labor market, we recognize the
need to continue to engage with businesses to provide guidance on the
design of workforce development programs for teens and young adults.
Engagement with employers will also provide ongoing intelligence
about changes in their staffing structure, skills requirements, and hiring
process in order to ensure that the workforce development strategies
and programs adapt with the labor market. Commonwealth Corporation
is organizing a formal employer advisory committee on teen and young
adult employment to seek advice and keep abreast of developments in
entry-level hiring practices and skill requirements in key industries. The
advisory committee represents sectors that hire teens and young adults,
including retail trade, hospitality and food services, manufacturing, and
health care.

As part of the employer outreach, Commonwealth Corporation is
seeking opportunities to work with individual employers to serve as a
lab to experiment with practices that can bolster teen hiring in an envi-
ronment of a formalized entry-level hiring process. For example, we are
currently working with a national retailing chain to provide entry-level
internships for teens and young adults. Part of the internship experience
requires participants to complete the company’s formal online screen-
ing tool called a “virtual job try-out,” which is the methodology that
this employer uses to tailor the online screening to one of a number
of specific entry-level jobs, each of which may require different per-
sonality and behavioral traits. The online screening takes 90 minutes
to complete and focuses on the consistency of answers. The screening
ranks the applicant into three tiers, with the top tier receiving an inter-
view. Participants are also encouraged to gain current employee refer-
cences that will provide extra points in the online scoring process when
the intern applies for a permanent job at any of the retailer’s locations
across the nation. The goal of this pilot is to position teens to succeed
within this very formalized hiring process by familiarizing them with a sophisticated entry-level screening process and by building workplace relationships that can aid them in gaining an unsubsidized job.

Teen Staffing Agencies

A recurrent theme in the employer feedback was the need for help with short-term projects throughout the year. Placement in temporary projects through teen staffing agencies could improve a teen’s likelihood of entering the labor market by providing him or her with on-the-job training, work readiness skills, a professional network, and, most importantly, a series of paid work experiences.

Teen staffing agencies also provide workforce development organizations with a real-world employer engagement strategy—one that can help match the demand of local businesses with the supply of youth prepared for a range of seasonal, part-time, temporary, and full-time entry-level positions. Additionally, the staffing agency model would enhance youth employment service providers’ ability to offer relevant business services to the participating local employers. These business services could include prescreening and training of youth and young adults in specified entry-level jobs; they could also include short-term subsidized job “tryouts” or sampling to promote successful job placements. This concept is one that Commonwealth Corporation is studying and assessing for future implementation as part of the YouthWorks or YouthWorks Plus programs.

CONCLUDING THOUGHTS

Developing productive programs to improve the employment and earnings prospects of teens and young adults must go well beyond a summer jobs effort. We utilized several key pieces of labor market information to gain better insight about the magnitude and nature of teen joblessness and to rally support for the teen employment efforts. We used the public use microdata files from the Current Population Survey and the American Community Survey to understand where teens worked and the crowding out that was occurring in teen labor markets.
over the last decade. The occupational proficiency requirement data from the O*NET data system were crucial in aiding our efforts to understand the relative ability, knowledge, skill, and behavioral requirements of entry-level occupations. These findings were invaluable in framing our discussions with both employers and working-age teens.

Using the insights we developed from the LMI databases to organize our discussion with employers and test the findings of those discussions against objective job market data was immensely helpful. Gathering labor market intelligence from employers helped us better interpret our empirical findings and develop curricular strategies rooted in an understanding of the hiring actions of employers. Despite the rise of the Internet and new technologies to engage in job market matching, the labor market very much remains a social institution. Using both labor market information and labor market intelligence, we gained some key insights into how a segment of that institution makes hiring decisions and helped us develop a program based on that understanding.

References


Basic Food Employment and Training

How Washington State Brought to Scale Skills Training for Its Food Stamp Population

David Kaz
Seattle Jobs Initiative

Washington’s Basic Food Employment and Training (BFET) program, the state’s federal Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), is a remarkable success story. In a time of diminished public resources for workforce development programs—particularly those targeting low-income/low-skilled individuals with multiple barriers to employment—BFET demonstrates how, with careful planning and a spirit of innovation and collaboration, SNAP E&T can be a vehicle for states to scale effective workforce programs for the sizable, underserved, and largely unskilled SNAP (Food Stamp) population.1 BFET has provided training leading to economic advancement for thousands of participants, while driving closer collaboration between community colleges and community-based organizations to serve participants more effectively.

SNAP E&T, administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture, is intended to support states in their efforts to help their SNAP populations become economically self-sufficient through a variety of employment and training services. All states must operate SNAP E&T programs but are afforded significant flexibility in their design and scope.2 SNAP E&T is composed of five distinct funding streams. Two are fully funded by the federal government (100 percent funds), and three are 50-50 matching funds, meaning that the federal government will reimburse states for 50 percent of their expenditures for SNAP E&T activities covered by these funds. As of this writing, 100 percent funds are capped at $90 million disbursed among states on a formulaic basis, while 50-50 funds are theoretically
uncapped. Any work-ready SNAP participant not receiving Temporary Assistance for Needy Families (TANF) is eligible for SNAP E&T. States have the discretion to determine who may be served in their SNAP E&T programs, including whether participation is mandatory or voluntary.

To date, most states have made scant use of the SNAP E&T program, operating programs limited in both scope and resources. This was true in Washington State until 2005, when a small group of state government, community college, and community-based organization (CBO) leaders came together in Seattle to imagine how to utilize the SNAP E&T program to better meet the needs of low-income/low-skilled residents for skills leading to better-paying jobs. Little did the group know that the SNAP E&T model they were developing—BFET—was something that had never before been attempted. Nor did they foresee that in just eight years from its October 2005 launch, BFET would grow from a $150,000 program to a more than $29 million program; from serving the Seattle area exclusively to serving the entire state; and from serving just a few hundred individuals each year to nearly 30,000.

A NEW MODEL OF SNAP E&T: THE THIRD-PARTY MATCH

Washington’s BFET program is a unique example of a SNAP E&T “third-party” match model. This simply means that rather than the state expending its own funds to serve as match for federal SNAP E&T 50-50 funds, the match is being provided by third parties: community colleges and CBOs. The state contracts these agencies to provide SNAP E&T services using their own nonfederal funding sources as match. The state utilizes its 100 percent and 50 percent reimbursement SNAP E&T funds to pay for partner services (with 100 percent funding also paying for the state’s administrative costs). In this way, the state is able to tap into the expertise of colleges and CBOs in providing employment, training, and support services, vastly expand services available to SNAP participants, and limit/leverage its own investment. BFET is a decentralized model in which contractors not only provide E&T services but are also primarily responsible for recruitment, assessment, referral, and tracking of participants. The state remains responsible for setting the overall strategy and procedures for the program, developing the annual SNAP
E&T plan, securing reimbursement from and reporting to FNS, working with contractors to “eligibilize” individuals for BFET services, and managing the fiscal and other key administrative aspects of the program (e.g., outreach, contracting, monitoring, processing invoices for reimbursement, and collecting data).

The administrative burden on third-party partners to participate in BFET is not minimal. Not only must a provider offer appropriate services for BFET clients; it must also have the capacity to assess participants, verify their eligibility for BFET, and track their progress. Moreover, because BFET is a reimbursement program, agencies must have ample eligible (nonfederal) sources of matching funds, as well as the liquidity to front the funds for services pending reimbursement (often a protracted process). Agencies also must be able to track costs spent on BFET clients, which can require sophisticated cost allocation systems to distinguish eligible costs spent on BFET clients versus non-BFET clients.

BFET: FROM IDEA TO PILOT TO STATEWIDE PROGRAM

The potential for an expanded SNAP E&T program, specifically one utilizing a third-party match model, first came to the attention of the state’s Department of Social and Health Services (DSHS, the agency charged with administering SNAP and SNAP E&T) in 2004 from the Seattle area’s White Center Community Development Association and its primary funder, the Annie E. Casey Foundation. A Planning Group, led by DSHS Region 4 (Seattle/King County), was formed to explore SNAP E&T’s potential. Washington was already operating a small SNAP E&T program with an annual budget of just $150,000 focused exclusively on serving mandatory Basic Food populations. This program was funded with 100 percent SNAP E&T funds and met the minimum federal requirements of providing workfare, contracted job services, and very limited support services. The structure of SNAP and SNAP E&T in Washington prior to BFET, as in most states, did little to provide participants with a real opportunity to gain the skills they needed to become self-sufficient.
In October 2005, after nearly a year of planning and building political support, the BFET pilot was launched. It focused on serving Seattle’s White Center residents and included one college and four CBO contractors. DSHS initially staffed the pilot without any new dedicated funding, which was necessary for the pilot to win approval. The early success of BFET, coupled with outreach efforts by DSHS, spurred ongoing interest among other colleges and CBOs in joining the program. DSHS ensured that BFET grew at a measured clip to avoid outpacing available staffing to manage the program and to provide FNS sound justification for expansion each year within the state’s SNAP E&T plan. Still, BFET was brought rapidly to scale in terms of number of contractors, budget, and individuals served by the program (see Figure 25.1). Today, all 34 of Washington’s community and technical colleges, as well as more than 31 CBOs, are BFET providers.

**KEY PRINCIPLES OF BFET**

The DSHS-led Planning Group set out key principles and facets of the new BFET program, which has guided its success both as a small pilot and as a statewide program today. These principles include the following:

- BFET’s goal is to move underserved, low-income populations to economic self-sufficiency and eventually off public benefits; it does this by helping individuals attain the job skills and postsecondary credentials to compete in local labor markets for living-wage jobs.

- The program seeks to provide a more robust and effective set of services for the target population than offered by traditional workforce (and related) funding streams. It seeks to complement and integrate into the state’s workforce system, such as by providing employment and training options for individuals leaving TANF (as well serving as a diversion from TANF) and for those with multiple barriers who aren’t well served by the Workforce Investment Act.

- It recognizes the value of coupling services provided by community colleges with those provided by CBOs (e.g., wrap-around
supports, career/college navigation, and coaching) to offer participants the best chance of completing education and training programs and transitioning successfully to employment.

- It is structured as a true collaboration between the state (DSHS) and contractors; from the outset, DSHS has viewed contractors as equal partners in developing and continuously improving the program to meet shared goals for participants.
- It incorporates a “no wrong door” (honest broker) approach of cross referral to ensure participants are assessed and matched to the most appropriate services.
- It commits to demonstrating impact, with outcome measures and data collection incorporated into DSHS’s contracts for BFET services.
- Over time, BFET has become an all-voluntary program. This model reduces the administrative burden on the state and contractors relating to enforcement and ensures more effective programs by serving individuals most prepared and motivated to improve their job skills.

**Figure 25.1 The Growth of the Basic Food Employment and Training Program, 2006–2014**

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td>Individuals served</td>
<td>2,990</td>
<td>5,251</td>
<td>5,603</td>
<td>7,175</td>
<td>9,105</td>
<td>26,108</td>
<td>28,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CBOs</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>8</td>
<td>13</td>
<td>28</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Community colleges</td>
<td>1</td>
<td>7</td>
<td>7</td>
<td>10</td>
<td>11</td>
<td>13</td>
<td>14</td>
<td>34</td>
<td>34</td>
</tr>
<tr>
<td>Total budget ($ millions)</td>
<td>1.41</td>
<td>2.87</td>
<td>6.23</td>
<td>11.2</td>
<td>18.1</td>
<td>14.2</td>
<td>17.1</td>
<td>29.9</td>
<td>29.6</td>
</tr>
</tbody>
</table>
BFET PROGRAM SERVICES

Eligible BFET services provided by community colleges and CBOs include a wide array of employment and training services as well as supports. Employment and training services offered are categorized by DSHS into various components, with participants assigned to one or more of the following components (DSHS 2013):

Job search. Job search workshops, computer basics workshops, labor market information, job-seeking skills instruction, resume writing, job skills assessment, counseling, life skills and work ethic training, and job placement services.

Job training. Includes training (outside vocational education) that enhances a person’s employability by providing specific marketable job skills. This may include hands-on training and employment and training-related case management.

Basic education. Includes basic math, literacy, General Educational Development preparation, and/or vocational English as a Second Language instruction from either a community college or CBO.

Vocational education. Includes vocational education (typically provided by colleges) to enhance employability or as part of a job placement program requiring industry-specific training.

Job retention services. Services provided for up to 90 days post-employment to individuals who participated in a job search or job training component. Services must help participants achieve satisfactory job performance, keep employment, and/or increase earnings.

In addition to the employment and training services described, BFET participants are also eligible for support services that are reasonable and necessary for helping participants succeed in completing employment and training components. The primary support services provided through BFET include child care (through the state’s Working Connections program or otherwise arranged by providers); transportation and clothing needed to participate in a BFET component (both are subject to cost limits); housing directly related to helping BFET participants prepare for self-sufficiency through training or other approved activity; work/training permits and fees; work/training tools, supplies, and books; and tuition/fees.
PROGRAM OUTCOMES

BFET collects a robust set of outcomes data on participants in order to facilitate continuous improvement as well as to provide evidence of impact. DSHS included Washington’s Employment Security Department as well as the state’s community college system to institute a cross-match process for both the Unemployment Insurance wage files and student achievement milestone reporting at the colleges. The availability of data to demonstrate the effectiveness of BFET has been vital in efforts to sustain and grow the program and preserve SNAP E&T funding at the federal level.

In August 2013, an independent report was published on the outcomes of the BFET program, which at that time had served 57,000 participants (Watrus 2013). The analysis focused on longer-term employment and wage outcomes of BFET participants, in particular, a cohort of 21,400 participants, served from 2007 to 2011, for which robust data were available. This cohort had a one-year entered employment rate of 58 percent (median wage range $10.15 to $10.66/hour overall and $10.50 to $11.44 for those receiving vocational education). The two-year entered employment rate was 69 percent (median wage range $10.42 to $11.08/hour).

The report noted that employment and wage rates of BFET participants were negatively affected by the Great Recession, while also finding that BFET participants were much more apt—34 percent more likely in 2009 and 42 percent in 2010—to have remained employed during the recession than a similar demographic of individuals on Basic Food but not enrolled in BFET (Watrus 2013). Finally, the report found that many BFET participants had begun hitting student achievement milestones (college credit and credential attainment) at the community colleges, and that more than 950 BFET participants had obtained post-secondary certificates and degrees or completed apprenticeship training in the 2011–2012 academic year alone. Moving forward, a quasi-experimental evaluation of the effect of BFET services on participants would be beneficial for program improvement and sustainability.
Notes

1. According to recent data, about 47 million people in the United States are enrolled in SNAP (http://www.fns.usda.gov/pd/34SNAPmonthly.htm, accessed April 21, 2014). In federal fiscal year 2010, about 80 percent of SNAP households did not include anyone with education beyond high school, while approximately one-third of these households did not include a high school graduate (National Skills Coalition 2012).

2. For a comprehensive overview of the SNAP E&T program, see U.S. Department of Agriculture, Food and Nutrition Service (2011).

3. Though 50-50 funding is uncapped, it is subject to overall federal budgetary restrictions.

References


26
Social Enterprise
An Innovative Strategy to Create Real Jobs for People with Disabilities
Elaine E. Katz
Kessler Foundation

With the increasing prevalence of social enterprise (SE) businesses established by nonprofit organizations, it is clear that this promising trend is advancing employment opportunities for individuals with disabilities (Katz 2014a; Katz and Kauder 2011; National Social Enterprise Field Study 2008). These ventures are defined as being socially minded businesses run by nonprofit organizations, which generate new revenue, provide jobs, and benefit local communities. Social enterprises can be a viable alternative to traditional job generation, especially for underserved populations such as people with disabilities.

Kessler Foundation’s “Transition to Work” grants program has invested $30 million over the past eight years toward the goal of creating jobs for people with disabilities, including support for several SE businesses in New Jersey and nationally. Social enterprises are particularly promising in creating new opportunities for individuals with disabilities in emerging industries. These businesses are easily customized to meet a diversity of skill levels for participant employees, and the right stakeholders, planning, and business leadership can provide a new source of jobs and revenue.

SOCIAL ENTERPRISE AS A MODEL EMPLOYER

While there is no common or legal definition of an SE business (Katz and Kauder 2011; Social Enterprise Canada 2010), most agree
that an SE business is socially minded and revenue generating. Sometimes this is referred to as the **double bottom line**, that is, providing both financial and social returns (REDF 1999, formerly Roberts Enterprise Development Fund), or **triple bottom line** (Lamb 2010), when a green component is added. Commonly, a nonprofit organization initiates or launches the SE and may be referred to as the parent organization. Typically, it is responsible for SE operations and capacity (Alter 2000).

However, the main difference between an SE and other earned-income activities is that the main goal of the SE is to achieve sustainability by being planned and operated as a business by individuals with industry expertise (Katz and Kauder 2011; MaRS Discovery District 2014). It sometimes can be thought of as the “missing middle” straddling the intersection of business, government, and nonprofit entities to address social concerns (Social Enterprise Alliance 2014).

Social values and innovation coexist with a bottom line focus. Furthermore, the SE business has distinct resources devoted to its operations and is governed by a nonprofit board of directors. Any excess revenue or profits are reinvested in the organization’s work, reducing the need for external donor dollars to cover program costs or as a means to cross-subsidize other social programs (Alter 2000).

Increasingly, SE businesses are established to improve employment opportunities for groups that are underrepresented in the labor market, such as low-income women, ex-offenders, or people with disabilities, as direct employers of the target populations they aim to serve (Katz 2014a; REDF 1999). The possibility of job creation and income for the parent organization are motivating factors that cannot be ignored.

Starting and operating a business is not an easy endeavor, especially for a nonprofit organization. Startups require a substantial investment of time, resources, and expertise. These endeavors frequently require organizations that traditionally have embraced values of social good to shift their focus to marketing, return-on-investment, revenue generation, and other business principles. Because of its mission, Kessler Foundation has chosen to support nonprofit organizations that are well positioned to adopt this strategy for people with disabilities. The two case studies below illustrate how inclusive SE ventures create jobs at living wages and provide opportunities for advancement.
Hudson Community Enterprises, Jersey City, New Jersey

Enterprise Content Management

Hudson Community Enterprises (HCE) began in 1957 as a community rehabilitation program, which throughout the years offered traditional job placement services, along with job preparation, training, and job coaching for individuals with disabilities.

Changing demographics, reduced government funding, and a decrease in local job openings led HCE in 2004 to explore the option of SE businesses and to develop a new operating model that would create employment opportunities for its target populations. Enterprise Content Management (ECM), a company with a suite of document management suite services, was the outcome. ECM met all the right criteria for an SE business opportunity, that is, marketplace potential and employment for people with disabilities in large numbers. Subsequently, Metro Shredding, a mobile shredding business, was launched in 2004.

Metro Scanning, a document imaging and digital archiving business, was launched in 2005, with $100,000 in seed funding from Kessler Foundation. Job applicants completed a nine-week document imaging specialist-training course before employment. HCE rapidly acquired new contracts, which soon necessitated being a full-service shop for its customers. Subsequently, Metro Digital Mail Management, a service bureau using high-speed scanners to open envelopes, capture images, and classify and distribute data via a secure Internet portal, was created in 2008 with $387,700 in start-up funding from Kessler Foundation, supplemented by loans and other private and public monies. In 2012, HCE further expanded its business line using a $250,000 grant and a $250,000 no-interest loan from Kessler Foundation to build a microfiche laboratory to fulfill government contracts (Katz 2014a).

As HCE expanded employment opportunities, success stories became more commonplace. Hired in 2011, Phillip was initially referred by the New Jersey Commission for the Blind and Visually Impaired because of the inability to maintain employment due to depression, substance abuse, and vision loss. Phillip’s potential as a self-starter and talented employee soon became clear, and within one year, he was leading a key scanning project at the Jersey City Surrogates Office. He became the go-to person for this project, overseeing production and tracking
employee hours with minimal supervision. Gradually, Phillip became
a valued employee, setting a strong example for others, and was pro-
moted to his current position as team leader, which entails assisting
other workers and overseeing general production.

Today, HCE operates a continually expanding family of SE busi-
nesses that saves clients money and contributes to a sustainable environ-
ment. By the end of 2013, ECM employed 139 people, approximately
85 percent with disabilities, scanned more than 12 million images per
year, and processed more than 23,000 containers of records. Entry-level
pay is $8.50–$10.50 per hour, with employees eligible for productivity
incentives that can increase earnings up to $14.00 per hour. All employ-
ees—full and part time, with and without disabilities—receive a full
fringe benefit package. Business revenue was almost $3.4 million in
2013 and accounts for close to 32 percent of overall agency income.
Net revenue is projected to be $369,000, meaning that the enterprise is
financially self-sustaining.

Success for HCE has meant careful planning and attention to the
bottom line by staff experienced in business, specifically, the content
enterprise field. Operating a green business in a growth sector was
the result of market research, business planning, and a blending of a
social mission focus with revenue generation. Regular assessment and
opportunities for advancement or movement to outside employment are
available to all employees.

The Center for Head Injury Services, St. Louis, Missouri

Destination Desserts

Since 2006, the Center for Head Injury Services (CHIS) has been
providing vocational placement for persons with brain injury and other
neurological impairments in the greater St. Louis region. Job develop-
ment and placement has become increasingly more difficult for voca-
tional staff over the past few years, owing to the poor economy. Social
enterprise ventures were explored as a way to provide training opportu-
nities and new jobs. Since many of CHIS’s clients had previous job suc-
cess in the hospitality industry, food service was targeted as an area to
explore. The key was to identify an SE business that relied on assembly-
style steps and a diversity of job skills to accommodate different skill
levels. With a $50,000 planning grant from the Kessler Foundation in
2012, CHIS explored a business concept centered on a door-to-door cookie bakery service, which delivered sweets to college students as a nightly snack option, similar to a pizza delivery business. Through market research, CHIS identified potential difficulties with product delivery and thus eliminated the idea. In addition, the costs of renting space and outfitting a commercial bakery/kitchen were considered too high. Although the bakery concept was scrapped, the diversity of job skills needed, such as mixing, baking, ordering, shipping, and cashiering, could accommodate individuals with memory or learning impairments and facilitate learning new tasks and strategies at all levels of ability.

With the help of a small-business consultant who pointed out the importance of an expanded customer base and target markets, Destination Desserts, a new, staged business concept was developed. Desserts and beverages would be sold from a food truck at events and office parks throughout the St. Louis metropolitan area. Telephone and Internet sales would supplement truck sales. The mobile unit would itself serve as a key marketing tool, taking product to customers while operating as an additional training and employment site. CHIS secured a local grant to build a commercial kitchen at its offices and hired an experienced bakery manager to begin recipe development. CHIS began selling cookies, cupcakes, and brownies to local corporations and the community, while simultaneously finalizing recipes, developing training protocols, and testing sales. During a four-month test phase, CHIS sold 6,000 cookies and cupcakes and grossed approximately $30,000 in revenue.

Based on successful pilot data, Kessler Foundation awarded CHIS a $500,000 grant in 2012 to fully launch Destination Desserts. In April 2013, CHIS purchased a 14-foot box truck, which a local conversion company renovated to CHIS’s specifications, featuring a customized pink exterior wrap with bold graphics. Truck renovations and equipment cost approximately $90,000. In May 2013, the truck officially hit the streets, selling fruit smoothies, coffee, lattes, cupcakes, breakfast pastries, cookies, and brownies.

All program participants train in food handling and safety, basic recipe production, and product finishing. Individuals have the opportunity to work hands-on in each of the workstations including measuring, mixing, baking, glazing, decorating, packaging, and cleanup and sanitation, or they can work directly with the public as trainees on the food
truck. Soft-skills training, such as getting to work on time, following directions, and problem solving are also taught (Katz 2014b).

Although Destination Desserts is still in its start-up phase, total gross revenue record for 2013 was $187,687. Net revenue for calendar year 2013 was $110,314, which reflects $85,360 in sales, approximately 81 percent, from its food truck. Of the 17 individuals currently employed, 70.6 percent are persons with disabilities. Entry-level pay is $7.35 per hour. Staffing is expected to increase by four people later this year, with the introduction of a new food line of cookies with edible logos.

With almost 900 followers on social networks such as Facebook, Twitter, Instagram, and Yelp, the Destination Desserts team desperately needed support in managing its social media. Posting on these sites is critical to attract customers—it is the most common way food trucks publicize their locations around town. Daily posts highlight specials, answer questions, and list truck stops. Postings must occur frequently throughout the day and evening in order to be effective with followers.

Kara, a responsible 22-year-old, came to the attention of Destination Desserts. Though physical disabilities limited her job choices, she was a perfect fit for the position of social media associate for Destination Desserts. She trained with social media professionals and, using her newly acquired skills to market this SE business through various media outlets, helped launch the company’s social media presence and branding.

CONCLUSION

Social enterprise businesses can be a viable strategy for nonprofit, community-based organizations to increase employment for individuals with disabilities. Although Kessler Foundation, the Roberts Enterprise Development Fund, and other organizations have invested in such businesses with promising results, it is important to understand the inherent risks taken by the parent organization looking to undertake these types of ventures. Business planning for social enterprises commonly projects break-even at one to two years after start-up, similar to a for-profit business. Excess revenue over expenses (profit) may take longer to develop before a business may be considered self-sustaining.
Therefore, trustees and senior management must commit to long-term support of a social venture to successfully capture a market opportunity.

Often, finding sufficient capital to launch a social venture can be problematic for a nonprofit organization. In the United States, start-ups such as those described in this case study have integrated public and private funding as seed capital. Funds may come from individual or corporate donors, foundations such as REDF and Kessler, or organizations may be eligible for public monies, such as community revitalization or development funds.

Social return on investment is also a benchmark of success. Greenwald and Associates (2012) conducted a study on behalf of Hudson Community Enterprises, which showed that New Jersey gains $4,745 through reduced entitlements and taxes paid for each person with a disability who is employed in one of HCE’s businesses. Furthermore, a job paying $11,000 a year in salary produces an annual economic benefit of $6,750, including $1,650 in combined income and sales tax, and $5,100 in reduced assistance.

Destination Desserts is still too new a venture for CHIS to evaluate its return on investment. The organization is on target for break-even status at the end of this fiscal year and is currently moving to larger office space to accommodate the growth of its social enterprise. A second business, baking and selling organic dog biscuits, is about to be launched.

Both organizations in these case studies have seen individuals gain real work experience and valuable skills by working in social enterprise businesses. Some individuals have left to accept private sector employment with a work history and references.

Social enterprise businesses that have sufficient capitalization, business expertise, and a commitment to sound business practices can be an alternate model for providing meaningful jobs with living wages for individuals with disabilities. Additional revenue over expenses produced by the venture spun can further reduce the need for other public or private funding for the parent organization.
References


Selling Work Sharing in Virginia

Lessons from the Campaign to Enact Short-Time Compensation, 2011–2014

David E. Balducchi
Research and Policy Consultant

Democratic laws generally tend to promote the welfare of the greatest possible number; for they emanate from the majority of the citizens, who are subject to error, but who cannot have an interest opposed to their own advantage.
—Alexis de Tocqueville (1964, p. 78)

Work sharing is a layoff aversion strategy designed to help preserve jobs during weak economic periods. Probably no program under public administration in the United States is as important to the unemployed as unemployment insurance (UI), a federal-state cooperative program of temporary income support for workers who lose their jobs through no fault of their own. Under federal UI law, compensated work sharing (also known as shared work) is called the short-time compensation (STC) program. Unemployment insurance laws in over half the states provide employers with the opportunity to use STC, a type of partial unemployment benefits for workers who experience a reduction in hours on their existing jobs. States at federal option may enact STC laws.

Rather than terminate employees during production or sales slumps, employers that participate in a state STC program reduce work hours and pay employees prorated wages; employees also receive STC to help compensate for their reduced work hours. Implementation of STC requires a change in state UI law. Because states are not required to adopt STC, support for amending the UI law must be mobilized one state at a time. Although work-hour reductions rather than layoffs might
be assumed to generate widespread support, lawmaking can be one of the most arduous and intricate tasks in U.S. federalism. This case study focuses on efforts in the Commonwealth of Virginia to build support for an STC bill. The study first summarizes STC policy in the United States and then examines the legislative process both inside and outside the Virginia statehouse, highlighting seven lessons learned from the three-year campaign.

**A LOOK AT SHORT-TIME COMPENSATION**

The practice of work sharing to avoid layoffs is not new. Before the advent of the UI program, Presidents Hoover and Roosevelt during the Great Depression tested work sharing, urging employers to reduce employees’ hours instead of terminating them. During a brief period in 1933, over 2.4 million workers kept their jobs as a result of reduced weekly work hours. Bolder temporary and permanent actions by the federal government (including establishing the UI program in 1935) were required to avert an economic collapse and prevent future depressions. It was not until the recession cum inflation period of 1973–1975 that states considered adopting STC bills as a means to utilize partial unemployment benefits to offset part of the earnings lost by reduced work hours (Nemirow 1984, pp. 35, 39).

Short-time compensation was first adopted in California in 1978 to ease expected government layoffs that ultimately did not occur from tax reductions under Proposition 13 that limited state and local spending. A temporary federal law in effect for three years between 1982 and 1985 enabled states to enact STC laws, and a permanent federal law was adopted in 1992. Since the 1980s, states have enacted STC laws at a snail’s pace, generally through bipartisan lawmaking during and after each recession; nonetheless, the allure to adopt STC as a means to cushion future economic downturns quickly dissipated soon after recoveries—until the Great Recession of 2007–2009. For technical and ideological reasons between 1992 and 2012, the U.S. Department of Labor (USDOL) made little effort to advocate for STC, nor during this period did Congress promote or amend the federal law. As a result, no state law was adopted between 1994 and 2010 (see Table 27.1).
Selling Work Sharing in Virginia 545

Table 27.1 Short-Time Compensation State Laws, 1978–2014

<table>
<thead>
<tr>
<th>State</th>
<th>Year enacted</th>
<th>State</th>
<th>Year enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>1981</td>
<td>Missouri</td>
<td>1987</td>
</tr>
<tr>
<td>Arkansas</td>
<td>1985</td>
<td>Nebraska</td>
<td>2014</td>
</tr>
<tr>
<td>California</td>
<td>1978</td>
<td>New Hampshire</td>
<td>2010</td>
</tr>
<tr>
<td><em>Colorado</em></td>
<td>2010</td>
<td>New Jersey</td>
<td>2012</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>2010</td>
<td>North Dakota</td>
<td>2006</td>
</tr>
<tr>
<td>Florida</td>
<td>1983</td>
<td>Ohio</td>
<td>2013</td>
</tr>
<tr>
<td>Illinois</td>
<td>2014</td>
<td>Oklahoma</td>
<td>2010</td>
</tr>
<tr>
<td>Iowa</td>
<td>1991</td>
<td>Oregon</td>
<td>1982</td>
</tr>
<tr>
<td>Kansas</td>
<td>1988</td>
<td>Pennsylvania</td>
<td>2011</td>
</tr>
<tr>
<td><em>Louisiana</em></td>
<td>1985</td>
<td>Rhode Island</td>
<td>1991</td>
</tr>
<tr>
<td>Maine</td>
<td>2011</td>
<td>Texas</td>
<td>1985</td>
</tr>
<tr>
<td>Maryland</td>
<td>1984</td>
<td>Vermont</td>
<td>1985</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>1988</td>
<td>Virginia</td>
<td>2014</td>
</tr>
<tr>
<td><em>Michigan</em></td>
<td>2012</td>
<td>Washington</td>
<td>1983</td>
</tr>
<tr>
<td>Minnesota</td>
<td>1994</td>
<td>Wisconsin</td>
<td>2013</td>
</tr>
</tbody>
</table>


SOURCE: Author’s compilation, February 2015.

Short-time compensation is funded by the same state employer tax that supports regular unemployment benefits, and STC is paid out of the same state accounts in the Unemployment Trust Fund (UTF). Employers are charged for STC in the same manner as regular unemployment benefits. There has been no rigorous experiment conducted to evaluate STC; policymakers have relied on administrative studies. According to the most recent national study, STC appeared to be as well funded as regular unemployment benefits and did not threaten the solvency of state accounts in the UTF (Walsh et al. 1997). A later study of the Washington program found the same result (Rix 2010, p. 10). These studies also show that UI taxes for individual employers using STC increased somewhat, but it appears that these increases can be exceeded by savings through reduced hiring and training costs and other measures. Employers are not mandated to participate. They use the program willingly, and repeat use has been high. There has been no evidence
that STC has impeded the mobility of labor or that it disproportionately favors age, gender, or racial groups. Short-time compensation has been used as a temporary policy solution to mitigate job loss, but it is not suitable for all employers or circumstances. As in other states, a California study (MaCurdy, Pearce, and Kihlthau 2004, p. 5) found that manufacturing firms were more likely than other employers to use STC.

At the onset of the Great Recession, 17 states administered STC programs (see Table 27.1). In those states during 2008 and 2009, employers increased STC claims activity tenfold. It is estimated that since 2008 STC has saved over half a million jobs nationally (National Employment Law Project 2014). Despite the program’s improved use, STC beneficiaries constituted less than 3 percent of all regular beneficiaries (see Table 27.2). The program will likely always remain small compared to UI, but it can help relieve some disruptions for the businesses and workers who use it.

High unemployment rates during and after the Great Recession prompted reexamination of STC policy and its potential to reduce job loss on a wide scale. Numerous economists from across the political spectrum supported STC expansion. It was estimated that every dollar spent on STC resulted in a $1.69 increase in the gross national product (Zandi 2010, pp. 5, 7). Bills were introduced in Congress starting in 2009 to spur STC use. Congress and the Obama Administration acted belatedly; the Middle Class Tax Relief and Job Creation Act of 2012 revised federal STC requirements and provided $100 million for states to expand program use. Each state could receive a one-time grant to implement or improve STC programs. Virginia’s grant share was capped at $2,739,420, provided it enacted an STC law consistent with federal requirements and applied for the grant before December 31, 2014. As

<table>
<thead>
<tr>
<th>Year</th>
<th>STC beneficiaries</th>
<th>Regular UI beneficiaries</th>
<th>STC beneficiaries as a percentage of regular UI beneficiaries (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>96,388</td>
<td>10,059,554</td>
<td>0.96</td>
</tr>
<tr>
<td>2009</td>
<td>288,618</td>
<td>14,172,822</td>
<td>2.04</td>
</tr>
<tr>
<td>2010</td>
<td>314,102</td>
<td>10,738,550</td>
<td>2.92</td>
</tr>
<tr>
<td>2011</td>
<td>236,379</td>
<td>9,474,445</td>
<td>2.49</td>
</tr>
</tbody>
</table>

a condition for receipt of one-time grants, states were also prohibited from including a sunset—i.e., repeal—provision in STC law. An added incentive in the federal law enabled states to be reimbursed from federal funds for the costs of state STC benefits through August 22, 2015 (USDOL 2012).

Campaigns to enact the program in some states became a probusiness and proworker undertaking that at times broke the political gridlock that stalled other UI reforms. Throughout the lawmaking debate in Virginia, its principal backer, Democrat Senator George Barker, often said STC “is not a red state or blue state issue” (Ross 2013). Senator Barker’s political shorthand was correct. During the postrecession period 2010–2013, nine states and the District of Columbia enacted STC laws, and six of those states were led by Republican governors. Virginia became the first state in the Old South since the 1980s to enact an STC law in 2014 (see Table 27.1). The study now examines the lessons learned during the Virginia lawmaking campaign.

Lessons Learned: 1) Respect the state’s heritage and ideology

Lawmaking in Virginia. Since colonial times, Virginia has maintained a citizen legislature. Legislative sessions are short (alternating 45-day and 60-day assemblies), and legislators commonly have jobs besides their legislative duties. The Virginia General Assembly is made up of two chambers, the House of Delegates and the Senate. Republicans controlled the Senate and House during the sessions of 2012 and 2013. Democrats regained narrow control of the Senate in January 2014 through special elections, but Republicans retained control of the House of Delegates. A legislator who introduces a bill in Virginia is called the bill’s patron. A bill must pass with the same wording in the House of Delegates and the Senate before it can go to the governor. Under constitutional authority, the governor may send a bill back to the assembly with amendments, which must be approved by a majority vote in both houses. Veto of a bill by the governor may be overridden by two-thirds vote in both houses.

Virginia advocacy groups. Advocacy groups are indispensable to the functioning of the U.S. political system. They provide a means for individuals to share their views with lawmakers and other public of-
ficials. Citizen groups concerned with social justice and poverty in Virginia sometimes operate as a political counterbalance to other more organized segments. Throughout the legislative campaign, Social Action Linking Together (SALT), Virginia Interfaith Center for Public Policy, Virginia Poverty Law Center, Commonwealth Institute for Fiscal Analysis, and Legal Aid Justice Center collaborated irregularly to push for the adoption of STC. The primary advocate was SALT. Boasting 1,200 members, SALT is an unaffiliated faith-based group concerned with social justice and economic security. SALT’s credibility within the advocacy community and among legislators, promotional machinery including door-to-door marketing in the statehouse and among other groups, electronic mail alerts, and statements at public forums were crucial to the STC bill’s enactment.

2) Find committed and knowledgeable advocates and sponsors

Campaign origins. At a social justice conference at Catholic University in May 2011, I met John Horejsi, coordinator for SALT. I told Horejsi about STC and that the Virginia law did not authorize the program. Horejsi said STC sounded like a program SALT might support and asked to be sent material. After reviewing it, Horejsi sought and received approval from the SALT executive board to seek patrons to introduce an STC bill in the Virginia legislature.

Armed with a one-page explanation of how STC worked and a copy of an STC bill, the SALT team members, Horejsi, and I met with several Virginia Democrats—Delegate Patrick Hope and Senators Charles Colgan, Barbara Favola, and Barker—to explain STC and to ask if they would “carry the bill.” The advocacy campaign received a psychological lift in September when an editorial endorsing STC was published by the influential Richmond Times-Dispatch (2011). “It is time for Gov. Bob McDonnell and the General Assembly to modernize the commonwealth’s unemployment insurance program by adding shared work as a job-saving business option. Work sharing is a way to keep more Virginians working, supporting their families, paying taxes and preserving their dignities and sense of contribution.”

Delegate Hope was first to agree to patron a House bill. Senator Barker reviewed STC material and in late December met for two hours with the SALT team. Barker asked about the pros and cons of the STC
program, business and labor groups’ support in other states, particularly New Jersey (whose legislature had sent a bill to Republican governor Chris Christie for signature), and tax implications for employers. He appeared to like what he heard and pledged to check with the business community and the Virginia Employment Commission, the agency responsible for UI program administration, among others. Before year’s end Barker informed SALT that he and Republican Senator William Stanley would introduce a bipartisan Senate bill. Like Barker, Stanley was eager to alleviate joblessness in his district and throughout the commonwealth.

3) STC is harder to explain than to fund, the opposite of most workforce development programs

Explaining the program and financing. Unemployment insurance is a complicated program with wide-ranging benefit payment and tax consequences. As reporter Victoria Ross (2013) phrased it, STC is “unemployment insurance in reverse . . . (keeping employees) in their jobs instead of supporting them after they are laid off.” How STC worked and the nature of its relationship with UI were sometimes harder to explain than figuring out how to pay for the mostly self-financing STC program.

Discussions at committee and floor meetings were time-constrained but, as might be expected, concerns about the program’s effect on employer taxes arose routinely. Fiscal impact statements on the anticipated costs of the program were required. With each legislative session, a new forecast was prepared estimating the additional taxes STC employers would pay per employee. Forecasts in 2012 indicated that the UI tax per employee was likely to increase by an average of $1.18 over eight years (Virginia Legislative Information Service 2012), but as a result of better data by 2014, the probable estimated tax increase declined to an average of $0.19 over eight years (Virginia Legislative Information Service 2014).

The costs of STC would be borne mostly by the employers who choose to participate. When these costs were raised in debates, it was stressed that STC was a voluntary program, and individual employers would make participation decisions based on their business self-interest and circumstances. The prospect of STC potentially increasing Virginia
employer UI taxes in 2014 prompted House Tea Party Republicans to instigate an eleventh-hour revision. The final bill included a provision eliminating any potential costs to non-STC employers.\textsuperscript{12}

4) Use the same example over and over, and recognize that when STC is challenged, it is not necessarily opposition

**Packaging the program.** To surmount the challenge of explaining how STC would operate within UI requirements, Barker and an expanding SALT team consistently used a straightforward example, similar to this one:

An employer with five employees facing a 20 percent reduction in production normally would lay off 20 percent of his workforce—one employee. Instead, under STC the employer places all five employees on a four-day workweek and everyone keeps working. A reduction from 40 hours to 32 hours cuts production by the same 20 percent. Employees receive 80 percent of their wages and 20 percent of their weekly unemployment benefits. They also retain their health care and retirement if those benefits are currently provided by the employer. Thus, STC reduces work hours rather than employees, and combines a paycheck with unemployment benefits. Employers with STC plans can resume full production rapidly once demand increases and save on the costly hiring and training of new workers.

Other times the SALT team would refer to states that had adopted STC, particularly Washington, a state similar to Virginia in population, number of employers, and UI benefit-ratio tax structure. By happenstance in 2010, Washington had approved a hefty 2,539 STC employer plans (McDonald 2011).\textsuperscript{13} The SALT team would often follow up with an employer testimonial endorsing the program.\textsuperscript{14}

Early on, Senator Favola sharpened SALT’s presentations by challenging the need for a law “when employers could reduce hours without legislation.” The SALT team agreed but said the employees of those employers could not receive unemployment benefits under current law for their reduced hours of work. After more discussion, Favola agreed to co-patron the bill in 2012, and continued to back succeeding bills (Balducchi 2011).
Meetings of the Commission on Unemployment Compensation.

While many states have UI advisory councils administered by the executive branch, a decade ago Virginia instead established a Commission on Unemployment Compensation (CUC) in the legislative branch. The purpose of the CUC is to assess and recommend action on proposed UI bills and monitor trust fund solvency; the assembly has generally concurred with CUC recommendations. Membership of the CUC in 2012–2013 consisted of eight Senate and House members, five Republicans, and three Democrats (Virginia General Assembly 2014).

The powerful CUC met three times prior to General Assembly sessions to discuss the STC bills, twice in 2012 and once in 2013. Republican Senator John Watkins, a moderate with a textbook knowledge of UI, chaired the CUC (and the Senate Commerce and Labor Committee); throughout the campaign Watkins ensured that STC received fair consideration. When told of the opportunity for federal incentives, the CUC members expressed no reaction, possibly in deference to a states-rights tradition that eschews federal involvement. However, Republican Delegate Kathy Byron, a staunch conservative, voiced reservations about STC, indicating the program sounded too good to be true; she appealed to members for additional time to study the bill. Apparently sensing a split among Republican members, Watkins deferred voting on whether to endorse STC at the August and December 2012 meetings; instead he requested that the VEC provide additional information (Balducchi 2012a). After the House referred the STC bill back to committee in 2013 because the CUC had not considered the program, Watkins took up STC a third time at the CUC meeting in December. With Tea Party Republicans absent from the meeting, Watkins probably felt he could gain approval and did so by a vote of 4-0-1; the STC bill was recommended to the General Assembly (Virginia CUC 2013).

5) Success requires groundwork, strategic adjustment, and compromise

Two-chamber strategy—2012. Throughout the campaign, the SALT team prepared STC briefing papers and responses to questions from inside and outside the statehouse. Opponents in the House tagged Delegate Hope’s House bill (HB 837), a liberal program with no chance of passage; the likelihood for STC to gain any traction was in the Senate
(SB 376), where the program might draw support from Democrats and moderate Republicans.

Statehouse canvassing by the SALT team began first with members of the Senate and House Commerce and Labor committees, explaining to each what STC was and why it was needed. Delegate Hope and the SALT team met with John Broadway, Commissioner of the Virginia Employment Commission, and others to seek advice and support. The administration of Republican Governor Bob McDonnell did not take a position on the bill. Virginia is a right-to-work state, and throughout the campaign, organized labor offered tacit support but did not testify on behalf of the program. Initially, the Virginia AFL-CIO expressed reservations about several provisions that were resolved without difficulty; one was an antiquated provision from the 1980s adopted in a few states that required employers to develop reemployment assistance plans for employees.

The Senate and House Commerce and Labor committees in February 2012 voted to continue the STC bills to the next session, pending a review by the CUC. The federal policy ground shifted when, on February 22, President Obama signed the Middle Class Tax Relief and Job Creation Act, which included revisions to federal STC requirements. The federal law set in motion additional consultation with the VEC as patrons drafted bill language to comply with new federal requirements.

6) “Legislative branch tilts rightward structurally, no matter who holds power; measures can be foiled even with bipartisan support” (Dionne 2014)

One-chamber first strategy—2013. Between sessions, Senator Barker conceived and, with Senator Stanley, initiated a new legislative strategy where a single bipartisan Senate bill might be approved and then sent to the House. If the bill enjoyed broad Senate support, the patrons speculated it would be docketed on the House uncontested calendar and approved along with other bipartisan measures. Delegate Hope agreed with the approach and remarked that “he would do whatever it took to get STC enacted, including not reintroducing a House bill” (Balducchi 2013b). The Senate in 2013 passed the STC bill (SB 1230) unanimously. Residue, however, from the unresolved CUC meetings led to a Republican split in the House Commerce and Labor Com-
mittee; yet the bill was approved. On the House floor, Delegate Byron asserted that the CUC had failed to take up the question of whether to endorse STC; the full House agreed to her fatal motion to refer the bill back to the House committee.

**One-chamber first strategy with low visibility of liberal groups—2014.** Mounting evidence of business backing of STC in New Jersey, Michigan, and Wisconsin aided receptivity by the Virginia Associated Builders and Contractors and the Chamber of Commerce, and perhaps avoided opposition by the Federation of Independent Businesses. There were three phases of business support during the legislative struggle: business did not contest STC in 2012; some business groups backed STC but did not testify in 2013; and a key business group, the Chamber of Commerce, testified in behalf of the bill in 2014.

One national policy issue, health care, crept into the legislative debate with the likely intent of derailing the bill. On various occasions legislators asked what effect the STC program would have on the Patient Protection and Affordable Care Act of 2010. Some legislators appeared worried that STC might somehow result in the conversion of full-time employees to permanent part-time, resulting in the loss of employer-provided health insurance. In each instance, proponents held that the Patient Protection and Affordable Care Act had nothing to do with the STC program, and conversion to permanent part-time status of employees was not part of federal or state STC laws. The bill’s proponents emphasized that the purpose of STC is to avert layoffs. Moreover, federal UI law requires employers who participate in STC to continue health insurance (if currently provided) to employees who are part of the program (Balducchi 2013a, 2014).

In previous sessions, Senator Barker played the lead role in championing the bills. In 2014 the patrons engineered a switch in control of the bill to Senator Stanley to boost Republican support. Republican Stanley made entreaties on behalf of STC to business groups and opponents. Stanley’s name appeared alone for the first time on the CUC meeting agenda held in December 2013, first on the new bipartisan bill, SB 110, introduced on January 8, and first on committee dockets. Stanley and Barker took active roles in testifying before committees. After Senate approval (36-2), Stanley conducted a radio interview telling listeners that STC allowed employers time “to get back on their feet” (Stanley 2014).
The Chamber of Commerce testified on behalf of the bill at committee meetings and took other actions (Virginia Chamber of Commerce 2014). As the presence of business interests increased, Senator Barker sought and received assurances from liberal advocacy groups, including SALT, to lower their visibility. This tactic, new to some groups, was designed to diminish the capacity of opponents to label STC as a liberal initiative. Liberal advocacy would make it easier for Tea Party Republicans to unravel the proponents’ coalition of Democrats and moderate Republicans. A legislative aide plainly explained the new tactic, saying, “[P]olicy advocacy is over, it is now politics” (Balducchi 2014). The SALT team did not testify on the bill’s behalf in 2014 except to provide technical advice, and it counseled other liberal advocates to do the same. State and national liberal groups muted their public advocacy.

7) Don’t let the perfect be the enemy of the good

House Republicans in 2014 outnumbered Democrats as Democrat Governor Terry McAuliffe took control of state government. In the House Commerce and Labor committee, STC was contested. To safeguard the support of moderate Republicans, a hasty motion was offered to sunset the STC program in five years; by a voice vote, the motion carried. The committee then approved the bill by a vote of 15-5, with Tea Party Republicans still in opposition. The impulse to find a compromise prevailed, but with an unintended casualty, the loss of a one-time federal grant. Under the federal law, to qualify for a grant, a state’s STC law could not be subject to discontinuation. It is probable that had committee Democrats insisted on a “no sunset” provision the bill would have been shelved, resulting in another dead end.

In a well-timed editorial, the Roanoke Times (2014) urged the House to “at least let the state give (STC) a try.” Two days later on the House floor, conservative Republicans offered a substitute bill. The substitute, among other things, precluded increasing taxes as a result of the STC program for non-STC employers, barred STC employees from receiving job training, required employees to search for new work even though they were employed, and retained the five-year sunset provision adding a new twist: if a federal grant for implementation and promotion was not received by July 1, 2016, the STC program would expire. Some provisions conflicted with federal STC requirements, and the sunset provision separately challenged federal authority because the USDOL
was prohibited by federal law from approving a grant under such condition. To avoid defeat, the Democrats acceded to the substitute, thus for the first time the House with its Tea Party wing approved an STC bill. Days before adjournment, the Senate approved the House substitute to SB 110 rather than force a conference committee. The fate of the engrossed STC bill was in uncharted territory, requiring gubernatorial action to avert a potential federal clash over the bill’s language. The governor on April 8 submitted to the assembly six corrective amendments. In a reconvened session on April 23, both chambers agreed to all but one of the amendments: the House failed to strike the sunset provision. The reengrossed bill was sent forward, and the governor signed it on May 23, 2014.

**CONCLUSION**

No matter how worthy advocates or legislators may think the policy is, enactment of a bill often requires education and compromise (or the perception of compromise). Such was the case in Virginia, where the lawmaking process moved at lightning speed in short legislative sessions, with little time for deliberations. The merits of STC motivated legislators, and the prospect of federal incentives was rarely emphasized. Enactment in 2014 resulted from advocacy groundwork and a legislative strategy of adjustment and compromise to gain support across the political spectrum. The legislative process allowed conservatives, moderates, and liberals to talk across the political divide. The one-chamber first strategy with muting of liberal advocacy groups prevented House opposition to use a liberal club to beat the bill. Business support and adaptive leadership were crucial to the three-year lawmaking campaign. Senator Barker (2014) said that four traits were essential to achieve legislative success: “[P]atience, persistence, compromise, and creativity.” These traits made the difference in bridging opposing viewpoints, and they likely would in other states as well. What’s more, the lessons learned in Virginia might help states that have not enacted STC or other UI improvements better understand the mechanics of mobilizing legislative support. However, the federal law prohibiting states from enacting sunset provisions in STC laws as a condition for
one-time federal grants may have curbed the ability of some non-STC states to seek legislative compromises.

The Virginia STC law requires that the Virginia Employment Commission make periodic performance reports to the General Assembly, but the fate of STC beyond July 2016 is unknown. Implementation of the program in Virginia may give some employers an extra means to withstand future economic shocks, strengthen their ability to compete for skilled workers, and help working families. If STC is still in place in Virginia during a next recession, the program should help preserve the jobs of some workers.

Notes

The author thanks Sara Rix for steadfast support and valuable edits and comments throughout the development of this study. Neil Ridley and Stephen Wandner also provided helpful observations. The views expressed in this study or errors in the text are solely the responsibility of the author.

1. The exception was the 2001 recession, when no state enacted an STC law. North Dakota enacted a one-year STC demonstration in 2006 but did not implement it.
2. For analysis of the stalemate in federal STC policy during this period, see Balducchi and Wandner (2008).
3. Louisiana had an STC law but suspended operations.
4. Specifically, Subtitle D of Title II, known as the Layoff Prevention Act.
5. Failure to conform to federal UI law could result in the state’s loss of the administrative grant under the Social Security Act and employer UI tax off-set credit under the Federal Unemployment Tax Act. These uber-penalties in the federal-state UI program commonly tilt the balance of power to national authority.
6. States that enacted STC under Republican governors were Maine, Michigan, New Jersey, Ohio, Pennsylvania, and Wisconsin. Colorado, New Hampshire, and Oklahoma enacted STC under Democratic governors.
7. Data were drawn from the Virginia General Assembly Web site (http://virginiageneralassembly.gov/). Unless otherwise noted, assembly composition and committee and floor votes may be found at this reference.
8. As Virginian James Madison foresaw, factions in a democratic republic were “sown in the nature of man,” (Madison 1787) and government acts to sort out the policy differences between them.
9. Retiring Senator Mary Margaret Whipple in 2011 introduced an STC bill (SB 1474), and it received no consideration. In 2012, the House and Senate bills were based on the Whipple bill, which was modeled on language drafted by USDOL in 1983 and the Maryland STC law.
10. Written mostly by the SALT team, the editorial was attributed to the paper’s staff, thereby enabling it to be cited as opinion of one of Virginia’s leading newspapers.

11. Advocacy often requires adaptability to accommodate lawmakers’ schedules. For example, the SALT team met with Barker and aide Carter Batey at the Corner Bakery in Arlington.

12. To avoid some cost sharing by all employers, the bill excluded participation in STC of maximum-rated employers, those with ineffectively charged rates.

13. E-mail to David Balducchi from Bill McDonald, Washington Employment Security Department, September 23.

14. For example, this testimonial used at a CUC meeting: “Vermeer (Manufacturing of Pella, Iowa) Vice President Vince Newendorp says that work sharing enables the company to keep its skilled workforce in place so that when orders start up it can take advantage of the rebound and beat the competition” (Balducchi 2012b).

15. The SALT team attempted to drum up support for STC in each session and in 2014 met with a record 11 legislators in one day (Ross 2014).

16. They likely were aided by the Virginia Manufacturers Association.

17. Barring employees from job training and requiring them to search for work while employed with the STC employer raised conformity issues with federal UI law. The sunset provision was a matter of federal compliance related solely to the one-time grant for implementation and promotion.

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Selling Work Sharing in Virginia 559


The Plus 50 Initiative is a project of the American Association of Community Colleges that supports the development, refinement, and replication of a workforce development program model for community college students 50 and older. When the initiative launched in 2008 by making its first grants to 15 colleges, it actually focused on two additional “tracks” beyond workforce development: volunteering and lifelong learning/enrichment. Each grantee was required to build its program on any two of the three tracks. But the initiative soon shifted direction, homing in specifically on workforce development as it responded to historical events (the Great Recession), and to a programming gap discovered through its research.

THE GREAT RECESSION

The recession hit older workers especially hard. When older people are laid off they tend to stay unemployed for much longer periods of time than younger workers (Bureau of Labor Statistics 2010). In addition, the financial crash devastated retirement accounts, and older workers have fewer years than younger workers to rebuild their savings. For these reasons, people 50 and older had a more urgent need for workforce development programs. Grantee colleges learned about these needs as their program participants shared with program staff stories of layoffs, of the need to unexpectedly return to the workforce, or of their desire
to learn new skills to stay competitive in the job market. Responding to local needs, many colleges shifted a greater share of program resources to the workforce track (LFA Group 2012).

A PROGRAMMING GAP

In 2008, the Plus 50 Initiative commissioned a national survey of community colleges to learn about the programs and services that colleges were offering to students 50 and older (LFA Group 2009). The findings from this study highlighted what was missing from workforce development programming for plus 50 students. Almost half of the colleges reported that they did not offer workforce development programs geared to students in this age cohort. And of the colleges that did, “offering programs” usually meant that they simply marketed their standard programs to this age group; they did not develop programs to address the particular needs and challenges that plus 50 students face.

Community college enrollment for plus 50 students had been on a slow but steady rise through 2009 (Mullin 2012), and, given the recession’s impact, at least some were likely to be coming to campus looking for career support. Judging from the survey results, however, community colleges were not prepared to meet these students’ needs for workforce programming. Beginning in 2009, Plus 50 got down to the business of developing a Plus 50 workforce development program model that could help community colleges across the United States fill this gap. This case study first shares the key program components, and then describes Plus 50’s unique approach to scaling the model.

THE PLUS 50 PROGRAM MODEL

The model does not have strict requirements; each college customizes their Plus 50 program to its local context. However, over the years its colleges have accumulated knowledge about what effective implementation looks like for each of the program components.
Workforce Training

At the core of every Plus 50 program is a workforce training program (or a set of programs) that the college offers. As program directors identify particular training programs for Plus 50 participants to enroll in, they leverage the work that the Workforce Development Departments have already done to develop programs that lead to credentials with “workforce value”: credentials that can function as on-ramps to jobs with local employers or in growth industries. To tailor the set of workforce programs offered as part of the Plus 50 program, program directors also

- conduct a needs assessment among plus 50 students at the college to learn which training programs will align well with students’ career interests and skill-building needs;
- focus on accelerated programs or short-term certificates because older students typically seek to move through the program quickly and efficiently; and
- offer professional development workshops designed to build faculty skills and knowledge about the appropriate pedagogical strategies to address the needs, interests, challenges, and learning styles of plus 50 students. Some examples of these strategies are in lectures, including real-life examples beyond those aimed at the 18–34 demographic; setting up a meet-and-greet with older students before the first class meets so that students feel comfortable with instructors; encouraging older students to share from their life experience—without referring to them condescendingly as “old-timers teaching the young-uns”; using 14-point font on handouts; putting together cross-generational working groups (without explicitly pointing to age diversity); and going out of one’s way to encourage plus 50 students in casual conversations after class, because although plus 50 students are often highly motivated and excellent students, they can be nervous about returning to the classroom.

Credit for Prior Learning

Because plus 50 students often want to complete as quickly as possible, Plus 50 colleges offer a range of services that help students cap-
ture credits either for prior learning gained through work or life experience, or from earlier educational experiences. Methods of awarding credits for prior learning include standardized testing and evaluation of past work using published guides (such as the American Council on Education’s guide for industrial and corporate training programs).

Math and English Refresher Courses and Supports

For students entering a program that includes math and English requirements, these subject areas often become a threat to completion. Students unprepared for college-level math and English are routed to remedial courses—and research shows that remedial education is associated with taking longer to complete and with lack of completion (for students of all ages) (Rath, Rock, and Laferriere 2013). Plus 50 programs can offer refresher courses or other supports that can help students reacquaint with topics they may not have studied for many years. Examples of tailored math or English refresher courses include short courses or workshops that help students to place out of the developmental or remedial courses, supplemental courses in math or English that are taken along with the primary workforce course, and courses designed for students to take concurrently with a developmental or remedial course to ensure they don’t get stuck at the remedial level.

Computer Skills Building

Plus 50 colleges have found that many of their program participants need supports to build computer skills. They may have previously had jobs that did not require working with programs such as Excel or PowerPoint, and they need to learn these applications to advance their careers or switch fields. Colleges sometimes offer basic and intermediate computer courses tailored to plus 50 students, and also they steer plus 50 students to courses designed for those (of all ages) who have little or no familiarity with computers. They also offer computer tutoring or other individualized help. Individualized support can be especially helpful because older students can feel stigmatized by a lack of knowledge in our tech-savvy culture.
Advising

Advising is another core component of the program. “High-touch” guidance and counseling is typically a critical element of programs that support students who are at risk of noncompletion (College Board 2012). When students feel that they do not fit in, they are likely to interpret challenges as signs of “nonbelongingness” and thus lose the motivation to persevere (Yeager and Walton 2011). Since plus 50 students are a nontypical age group for college, they can often feel out of place. Personalized guidance, then, is an important part of helping these students rise to the challenges of postsecondary education. But if the advisor treats a plus 50 student just like any other student, this treatment can actually reinforce feelings of alienation and lack of belonging. It is therefore important that the advisor provide empathetic guidance, with an understanding of the challenges an older student could face, and also with knowledge of additional resources available to plus 50 students. Plus 50 programs may hire advisors to work only with plus 50 students, but they often partner with the advising and counseling departments to leverage the time of existing advising staff. Plus 50 programs either identify staff that have the knowledge and skills to work with their program participants or they provide professional development to counselors.

Career Services

These services support plus 50 students in finding work and advancing their careers. Services are sometimes individualized, and in this case the career counselor needs the same types of specialized skills that the Plus 50 advisor has. In addition, colleges hold group workshops tailored to plus 50 students looking to advance their careers. Workshop topics are typical (e.g., career assessment and planning, job search, resume writing, interviewing skills, and networking). However, when it has been many years since people have conducted a job search, they often need additional orientation to current job search and networking approaches (e.g., LinkedIn). Some colleges have a physical space dedicated to the career needs of plus 50 students.
THE PLUS 50 INITIATIVE’S APPROACH TO SCALING

Ever since the Plus 50 Initiative’s shift to the focus on workforce development, it has worked to continually develop and refine the Plus 50 program model by learning from the experiences of its grantees. As colleges have experimented, learned by doing, and shared their learnings with one another and Plus 50 staff, the Plus 50 Initiative has created and curated an extensive knowledge base stored online. From the beginning, the vision for the Web site has been to provide the field with a knowledge base of research, tools, templates, presentations, promising practice examples, and other resources that colleges can use to implement Plus 50 programming on their own campuses.

While the site is a rich resource for colleges seeking to implement a Plus 50 program, colleges also benefit from the high-touch involvement of experienced colleges that act as “mentor colleges.” The mentoring approach was used for the first Plus 50 grantees, and the mentor colleges worked closely with their mentee colleges, meeting often by phone and conducting site visits. While mentee colleges found this personalized, high-engagement approach very helpful, this model places a natural limit on the rate at which Plus 50 programs can replicate across the nation, because a mentor college can work with only a few colleges at a time.

In 2012, the Plus 50 Initiative opened a new chapter in scaling the model. Supported by funding from Deerbrook Charitable Trust, the initiative set the goal of replicating the Plus 50 program at 100 new colleges. To achieve this goal, Plus 50 has built an online, interactive program development platform called C-PAD (College Progress Assessment Database), which guides colleges through the five phases of program development and continuous improvement.

There are five phases in the Program Implementation Map (with associated tasks for each phase):

1) Readiness: Identify resources and mobilize support
   • Convene the Plus 50 team and begin planning
   • Secure internal support
   • Establish advisory committee
   • Identify internal resources
   • Identify external resources
2) Needs assessment: Data collection and diagnosis
   • Prepare for needs assessment
   • Conduct needs assessment
   • Share results with key stakeholders

3) Program development: Design Plus 50 programming
   • Prepare for program development
   • Establish Plus 50 Program vision and mission
   • Establish Plus 50 Program goals
   • Design Plus 50 Program

4) Implementation planning: Develop detailed action plan
   • Develop marketing strategy
   • Develop or update action plan
   • Develop the Plus 50 program budget
   • Establish mechanisms for continuous improvement

5) Continuous improvement: Assess and improve program design
   • Collect process and outcome data
   • Gather feedback from program participants and partners
   • Share results with key stakeholders
   • Plan for program improvement

On C-PAD, the steps to complete each phase are articulated, and tools and resources for completing each step are provided. It does not, however, function simply as a self-guided tour through an online map; in fact, C-PAD couples its high-tech platform with a high-touch coaching model. Plus 50 central office staff assign “mentor colleges” to the new “replication colleges.” The replication colleges can work with their mentors through the map, by submitting deliverables associated with each phase and getting feedback. C-PAD also provides a quality rubric that outlines what counts as a high-quality deliverable. Once the replication college has incorporated the mentor’s feedback and completed a deliverable, the mentor signs off and the replication college continues through the phases of program implementation. This way, an experienced Plus 50 college provides guidance, encouragement, and accountability throughout the program-building process.

The conundrum of scaling for Plus 50 has been that colleges have had great success with an intensive, high-engagement approach, but the time demands that come with high engagement limit the rate of repli-
cation. C-PAD creates scale economies, opening up the possibility of “high-touch at scale.” Currently, the database allows mentor colleges to work closely with up to nine replication colleges at a time.

C-PAD—and how mentor colleges can maximize its ability to create efficiencies—is still a work in progress. Mentors have found that not all colleges are using it as much as they had hoped. However, mentor colleges have identified strategies that may boost usage of the database: Mentor colleges sending out e-mails to all their colleges at once to encourage them to use C-PAD, periodically pointing the replication colleges to the online C-PAD training, and hosting a screen-sharing session showing how to use it. Mentors agree that for the colleges that are using C-PAD, they progress very fast in getting the program up and running, and the time that it takes mentors to support replication colleges is reduced. The future will no doubt continue to bring additional improvements in facilitating the use of C-PAD, and continue to support the scaling of high-quality Plus 50 programming.

Notes

1. Colleges must apply to be mentors, and the Plus 50 Initiative director reviews applications to determine if they have sufficient experience to coach other colleges. Currently, many of the mentor colleges are colleges that were Plus 50 grantees in the past.

2. Deerbrook Charitable Trust is the third funder of the Plus 50 Initiative; the first two were the Atlantic Philanthropies and Lumina Foundation. Without the generous support of the first two funders, Plus 50 would not currently be in a position to pursue its scaling efforts.

3. Plus 50 worked with the Center for the Advancement of Social Entrepreneurship at Duke University’s Fuqua School of Business to create the Program and Implementation Map.

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Joseph Carbone

The WorkPlace

Our experience operating an American Job Center through the recent recession has taught us that long-term unemployment militates against one’s chances of finding new employment. It is a barrier preventing workers from competing on an even playing field for open positions. When hiring in today’s labor market, employers are in a position to select from a bounty of highly skilled, well-educated, and cost-effective applicants. Those currently employed or those with short periods of unemployment have an advantage in a competitive marketplace.

Bringing the long-term unemployed (LTU) to a platform of readiness, emotionally and professionally, is critical as the job market recovers. As society becomes more comfortable with a slowly improving economy, which demands a smaller workforce, the LTU could be forgotten. With a national unemployment rate of 6.7 percent—10.5 million out of work and 7.4 million employed part time for economic reasons (Bureau of Labor Statistics 2014)—it is clear that businesses are being more circumspect in their decisions to hire. Since 2008 we have seen unprecedented economic loss, record-high unemployment, and millions of people exhausting unemployment benefits without finding employment (U.S. Department of Labor 2014). Based on our work, life for the LTU has become increasingly difficult: they often feel disconnected from their careers, they watch their skills become less relevant, and many choose to isolate themselves, which often leads to feelings of hopelessness and despair.

Regional Workforce Investment Boards (WIBs) and the American Job Center Network are the nation’s support system for unemployed workers, and until recently the system has not addressed this group or
their unique needs. Conventional workforce development programs are designed to respond to traditional, short-term unemployment in a steadily growing economy.

The Great Recession degraded the value of common workforce system tools, and established incentives for business to hire new workers will not work on their own. However, financial incentive programs, accompanied by wraparound supports that address a job candidate’s ability to compete, can make a difference.

THE PLATFORM TO EMPLOYMENT PROGRAM

Platform to Employment (P2E) begins with a preparatory program designed to address the social, emotional, and skill deficiencies caused by long-term employment. P2E incorporates a program of self-assessment, change management, effective communication, and current job search strategies. Multimedia tools reinforce instructor-led programs and cohort learning.

The first part of P2E is a preparatory program where participants take action to realize their personal and professional potential. They develop new strategies for solving problems and create positive change in themselves. Counseling and behavioral health services are provided to manage stress and build confidence. P2E subsidizes a work experience program and pays for the participant’s first eight weeks in a new job. This provides employers a risk-free opportunity to evaluate job candidates and see if a good match exists. The average cost per participant in P2E, including the preparatory program and wage subsidy, is $6,000.

Intensive Five-Week Preparatory Program

Participants receive 100 hours of training in job readiness and skills building over five weeks. The WorkPlace partnered with a for-profit training provider, Career TEAM, to customize and incorporate their Career Edge program into P2E. Participants learn how to identify their transferable talents, build effective networking and communication skills, and develop goals and a career action plan. Career Edge training
also helps rebuild confidence and sense of self-worth, which plummets during long periods of unemployment. During the preparatory program, participants also receive a behavioral health assessment and have access to counseling from behavioral health consultants. These services help participants recover from damaging psychological issues and repair relationships strained by unemployment. Consultations are made available to P2E participants and members of their households. P2E participants also receive financial counseling and guidance on rebuilding their credit so that they and their families are better equipped to face the significant financial challenges that arise during extended periods of unemployment. This training is essential at a time when many are financially overextended and have endured a reduction in regular income, or have no income at all.

**Work Experience Program**

P2E helps participants who have completed the preparatory program find positions with local employers that are hiring. Employers are offered the opportunity to have a P2E participant work on a trial basis for up to eight weeks prior to making a final decision on whether to hire. During this work experience, participants can be placed on the payroll of The WorkPlace, and employers can opt to have up to 100 percent of the employee’s wages subsidized by the P2E program. This arrangement enables employers to test a P2E participant without risk for eight weeks and helps overcome any prejudice employers might hold.

Since P2E seeks to leverage the job seekers’ existing knowledge, skills, and abilities, employment is supported in a variety of industries, with work experience wage subsidies ranging between $19,000 and $73,000 annual equivalents. Position titles for participants that found employment through P2E include accountants, benefit advisors, paralegals, drivers, shipping clerks, tech support, and marketing managers.

Private funding plays an instrumental role in P2E and provides an advantage over publicly funded programs, which require employers to make a hire on the first day. Employers receive an immediate financial benefit, and The WorkPlace assumes liability for the program participant during the work experience by taking responsibility for unemployment insurance and workers’ compensation.
Funding Sources

For the initial Connecticut pilot project, more than three dozen companies, nonprofits, foundations, and individuals donated $600,000 to fund P2E. In addition, Citi Community Development provided a substantial grant to support those experiencing long-term unemployment with financial counseling and credit rebuilding assistance. Subsequently, the AARP Foundation funded two additional Connecticut cohorts to assist jobless individuals over age 50. In 2013 and 2014, with additional support from the AARP Foundation, Citi Community Development, and the Walmart Foundation, P2E is being replicated in 10 cities across the nation.

Connecticut Pilot Program Results

Our pilot program began in 2011. Between August 2011 and summer 2013, we conducted eight cohorts of approximately 20 participants in each cohort. Participants were selected from a diverse pool of candidates. Initially, letters informing job seekers of the opportunity to apply to P2E were sent from the Connecticut Department of Labor to 1,400 unemployed workers who had exhausted unemployment benefits. Through The WorkPlace Web site, we received 392 applications in response to this letter. Subsequent outreach generated another 390 online applications. After conducting interviews with candidates, 164 Connecticut residents enrolled in P2E and began the five-week preparatory program. As shown in Table 29.1, 81 percent of the graduates of the preparatory program entered an eight-week work experience. Of this population, 88 percent were hired by employers. The remaining individuals continued to work with program managers and the local American Job Center on their search for employment.

REPLICATION ACTIVITY

In 2010, The WorkPlace began having roundtable discussions with LTU workers. Participants included leaders from business, government, and nonprofit agencies. The goal was to create a force in our community
that will expand support and services for the LTU and gain widespread recognition about their specific challenges.

Together we realized that we needed to move beyond traditional remedies for the unemployed, not just in Connecticut but nationwide. In 2012, 60 Minutes recognized P2E as a catalyst for change for the LTU. The show exposed the magnitude of being trapped in long-term unemployment and documented P2E’s efforts to put the LTU back to work.

The 60 Minutes episode generated significant interest in the program. Subsequently, The WorkPlace hosted 195 different organizations for a webinar, where P2E was explained and the requirements for replication were outlined. Several communities asked to continue the conversation and discuss how the program could be tailored to meet their specific needs. From this group of organizations we began to lay the foundation for 10 replication sites: Chicago, Cincinnati, Dallas, Denver, Detroit, Minneapolis, Newark, San Diego, San Francisco, and Tampa.

These sites were selected for geographical diversity, high rates of long-term unemployment, and institutional capacity. The objective was to enable each location to independently offer P2E and deliver services in a manner that best meet the needs of the local community. Funding for these 10 national replication sites was made possible by grants from the AARP Foundation, Citi Community Development, and the Walmart Foundation. The approximate cost to implement P2E in each community is $120,000–$130,000.

The WorkPlace gained the support of the local WIB in each of the identified locations. These WIBs oversee the operations of the local American Job Centers in their regions. The common experience and expertise of WIBs and the American Job Center network make P2E and the principles it is based on easily transferable to other locations. American Job Centers currently support special populations such as veterans and people with disabilities. These centers are ideally suited to examine

Table 29.1 Results of Connecticut P2E Pilot

<table>
<thead>
<tr>
<th>Connecticut cohorts 2011–2013</th>
<th>Enrolled in P2E</th>
<th>Preparatory program graduates</th>
<th>Number placed in work experience</th>
<th>Percent placed in work experience</th>
<th>Number hired after work experience</th>
<th>Percent hired after work experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals</td>
<td>164</td>
<td>150</td>
<td>122</td>
<td>81</td>
<td>108</td>
<td>88</td>
</tr>
</tbody>
</table>

SOURCE: The WorkPlace, Platform to Employment program.
regional workforce dynamics, engage partners in crafting innovative solutions, and provide supports to the LTU. P2E can be a vehicle to help LTU Americans become job ready. Providing a more comprehensive array of programming through the nationwide job center infrastructure will create a streamlined, comprehensive, and effective approach to serving these workers.

Leveraging the affiliations that exist within this network of partners is essential because they are committed to similar goals, and minimal operational restrictions are required. Management of program content is centralized and coordinated by The WorkPlace but delivered through local vendors. Including local vendors to deliver common services improves receptivity of the program and enhances transferability of P2E.

In January 2014, Connecticut Governor Dan Malloy announced his support of a statewide Platform to Employment program to help Connecticut’s unemployed get back to work. The project will target 500 of Connecticut’s LTU and dedicates $3.6 million for the effort. Program partners will include all five of Connecticut’s WIBs and the Connecticut Department of Labor. Connecticut had the first statewide P2E program in the nation and became the first state to introduce public dollars in the program.

In January 2014, during his State of the Union address, President Obama discussed the alarmingly high number of LTU who remain ready and able to work but have been unsuccessful in finding employment. Days after his address, the president invited business leaders to the White House, where they pledged, “We are committed to inclusive hiring practices and pledge to remove barriers that may prevent qualified LTU job seekers from applying or being fully considered for jobs” (Executive Office of the President 2014). During this event, The WorkPlace’s Platform to Employment program was cited by President Obama for our achievements and showing success in helping the LTU (National Cable Satellite Corporation 2014). Results from the replication sites closely mirror the Connecticut experience as indicated in Table 29.2.

Looking forward, The WorkPlace plans to revisit and expand the projects in these cities. Additionally, we are exploring options to expand the number of pilot projects during 2015.
SOCIAL VALUE PROPOSITION

Through roundtable discussions at The WorkPlace we have witnessed that long-term unemployment has the ability to erode self-confidence and self-esteem. It separates people from their professions and their education, and it creates tremendous stress on the fabric of families. The future for the American Job Center Network is making our workforce smarter and ensuring that fundamentals are in place to empower people with basic values and skills to enhance personal effectiveness.

Beyond fundamental work readiness skills, the system needs to address the emotional and behavioral consequences associated with long-term unemployment. The workforce system has an obligation to provide the supports that enable the unemployed to ready themselves for work and convince employers they are worth keeping. In addition to creating a community resource center, the American Job Centers in southwest Connecticut have expanded services to offer financial and digital literacy and professional development seminars.

For the LTU we need to deal with the whole person by creating a systematic approach to overcoming their unique challenges. Confidence must be instilled and rebuilt. Emotional supports and stress management for the affected individual and immediate family members are essential elements of a responsive workforce system. Additionally, employer programs should incorporate options that are free of risk. Tax credits are not enough to incentivize employers when compared to the long-term risks associated with a hiring decision.

Table 29.2 Results of P2E National Replication Sites

<table>
<thead>
<tr>
<th>National replication</th>
<th>Enrolled in P2E</th>
<th>Preparatory program graduates</th>
<th>Number placed in work experience</th>
<th>Percent placed in work experience</th>
<th>Number hired after work experience</th>
<th>Percent hired after work experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals</td>
<td>218</td>
<td>176</td>
<td>134</td>
<td>76</td>
<td>120</td>
<td>90</td>
</tr>
</tbody>
</table>

NOTE: Results are for seven locations that completed the program: Dallas, Denver, Chicago, Cincinnati, Minneapolis, Newark, and San Diego. Detroit, San Francisco, and Tampa are still in progress.
SOURCE: The WorkPlace, Platform to Employment program.
There are millions of Americans on involuntary, part-time work, and over two million more who are marginally attached to the labor force (Bureau of Labor Statistics 2014). This places the American workforce system at a crossroads, and we must accept this irreversible force and transform it into an opportunity through ingenuity and innovation. Transformations to the workforce system such as P2E can provide a valuable resource for employers and create a steady flow of LTU people back into the workforce with the knowledge that they are prepared to compete. P2E is generating community engagement and debate regarding systemic changes to help the LTU return to work and address the employer need to recruit skilled workers. P2E is an example of a working remedy that is fostering a discussion about the culture of workforce development.

References


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Supporting Experienced LTU Professionals

Preliminary Lessons from a Boston-Area Case Study

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The United States is in the midst of a crisis of long-term unemployment, with the percentage of unemployed workers jobless 27 or more weeks at levels unseen in decades. A broad literature associates long-term unemployment with a variety of social ills, including poverty, the loss of homes and retirement savings, and deteriorating physical and mental health (e.g., Van Horn 2013). The devastating emotional toll of prolonged unemployment can often lead to deep discouragement and self-blame, which make it difficult to continue job searching (Sharone 2013).

This case study focuses on long-term unemployment among experienced college-educated professionals. Contrary to popular perceptions, college degrees and industry experience offer no protection to the unemployed. Although college-educated workers do have lower levels
of unemployment, once unemployed, they are just as likely to become long-term unemployed (LTU) as their non-college-educated counterparts (Mishel, Bernstein, and Allegretto 2007). And, upon becoming LTU, the most significant barrier to reemployment is not a lack of education, relevant skills, or experience, but simply the duration of their unemployment (Ghayad 2013).

To look more closely at long-term unemployment among college-educated professionals, and to explore possible interventions supporting this group in reentering the workforce, the authors invited LTU professionals to participate in research that would either offer them free career coaching/counseling or pay them to complete surveys. While we began by recruiting LTU job seekers at One-Stop Centers, networking groups, and libraries, the majority of participating LTU job seekers learned of our research from a prominent newspaper story in the Boston area (Woolhouse 2013). We asked LTU professionals interested in participating in our research to fill out a short sign-up survey to determine if they meet the following criteria: unemployed six months or longer, between the ages of 40 and 65, college-educated professionals, and, in order to control for labor market conditions, looking for work in the Boston area.

While over 800 unemployed job seekers signed up, many of them could not be invited to further participate in the research because they were unemployed for less than six months. Nevertheless, the information provided in the sign-up process gave us a chance to compare some of the basic characteristics of short-term and long-term college-educated professionals. Studies cited above show that college degrees do not offer protection from long-term unemployment for the unemployed, but are those with advanced degrees less likely to be LTU? Contrary to theories about long-term unemployment being driven by lack of sufficient educational credentials, our data show that the LTU are in fact more likely to have advanced degrees than the short-term unemployed. Specifically, from among the respondents to our initial sign-up survey, 6.3 percent of the LTU have doctoral degrees compared to 3.4 percent of the short-term unemployed; 12.5 percent of the LTU hold professional degrees compared to only 7.7 percent of the short-term unemployed; and 32 percent of the LTU hold a master’s degree compared to 31 percent of the short-term unemployed (see Figure 30.1). This finding is consistent with other recent studies, including Krueger, Cramer, and
Cho (2014), which draws on Current Population Survey data, and an Executive Office of the President (2014) report, which, using Bureau of Labor Statistics data, shows that the LTU are equally or slightly more educated than short-term unemployed workers.

A CLOSER LOOK AT COLLEGE-EDUCATED 40+ LTU

LTU professionals invited to participate in our research completed an initial survey with detailed questions about their career histories and job search experiences. Given the high educational attainment of our LTU sample, we wondered if perhaps obstacles arose because of their job histories and past employment transitions. Bills (1990) reports a
number of job screening criteria used by employers when assessing job candidates and identified “job hopping,” or staying at a job for less than a year, as a factor employers consider even before looking at educational credentials. Our data show that job hopping is unlikely to be an important factor underlying long-term unemployment among professionals. More than 70 percent of workers in our survey held three or fewer full-time jobs over the preceding 10 years (and over 50 percent held two or fewer jobs over these years), suggesting that the number of past job transitions is not the cause of their being out of work (see Figure 30.2).

Our data about LTU professionals also allow us to dispel some stereotypical notions about such job seekers being inflexible with high reservation wages or unreasonable expectations (for a critical review of these arguments, see Howell and Azizoglu [2011]). Our survey asked LTU professionals to compare the type of work looked for when they first started their job search with the type of work that they are currently looking for. Figure 30.3 shows considerable increase in job seekers’

Figure 30.2 Number of Full-Time Jobs Held over the Past 10 Years

![Figure 30.2](image_url)

SOURCE: Data compiled from authors’ survey results.
flexibility over time. For instance, while the percentage of individuals looking for part-time work at the beginning of their search was 24 percent, in their current situation as LTU job seekers, 50 percent are looking for part-time work. Similarly, the percentage of job seekers looking for contract work and temporary work shows a significant increase with long-term unemployment, rising from 32 percent to 60 percent, and 14 percent to 38 percent, respectively.

Our findings also show that over time, LTU professionals change the scope of their search in terms of industry, job level, and targeted salary. Compared to when they first began searching, 75 percent of our LTU respondents indicated that they have broadened their search to include more industries (see Figure 30.4), 82 percent are now looking for jobs in a wider range of levels (see Figure 30.5), and 77 percent are now open to a lower salary (see Figure 30.6). Our survey also shows that LTU professionals are willing to take much lower-level jobs than their recent full-time jobs. As reported by our respondents, in their most recent full-time jobs, nearly half were earning between $50,000 and
$99,000, and 42 percent were earning more than $100,000 a year. The mean work experience of our sample is 27 years. Only two individuals in our sample reported that they were working in an entry-level position in their last job, and 45 percent of our sample was working in a managerial position. Despite this employment history, 33 percent of our respondents reported that they are ready to take an entry-level position.

PILOT INTERVENTION TO SUPPORT EXPERIENCED LTU PROFESSIONALS

Given our findings that LTU professionals are facing obstacles in the labor market such as discrimination against the LTU (Ghayad 2013) and severe emotional distress (Sharone 2013), not lack of education, inconsistent job histories, or inflexibility, we hypothesized that job
Supporting Experienced LTU Professionals

Search support interventions may be helpful. While studies of interventions abound, to our knowledge no existing studies focus on support for 40+ LTU professionals. To explore this question, from among the over 800 job seekers who applied to participate in our study and who met the previously discussed criteria, we randomly selected 102 LTU professionals and randomly matched them with 42 career professionals who provided them with regular and free job search support for at least three months. Prior to receiving any support, job seekers completed surveys about their search experiences as well as their emotional well-being, which were followed up with surveys to examine change over time. A subset also participated in in-depth interviews. From the same pool of 800 job seekers, we also randomly selected 22 LTU professionals to form a control group that would not receive support but be paid for completing our surveys.

Figure 30.5 During the Span of Your Current Job Search, Have You Changed the “Job Levels” in Which You Are Looking for Work?

SOURCE: Data compiled from authors’ survey results.
During a four-month period of data collection, 30 percent of the LTU professionals who were matched with support (31 out of 102) reported finding a full-time open-term job or a fixed-term contract position for at least three months. During the same period in our small control group, 18 percent reported finding such jobs (4 out of 22). These preliminary results suggest that while formidable institutionalized obstacles cannot be fully overcome by intensive support—with 70 percent of supported LTU professionals not finding work in a four-month period—the substantial improvement in the rate of finding jobs for the supported group compared to the control group also shows that support makes a significant and meaningful difference.

At this preliminary stage of data analysis, in examining how career support is helpful, we find most striking the reduction in job seekers’ degree of self-blame, which likely increases job search effectiveness. Prior studies have found that although LTU professionals can develop a fear that “something is wrong with me,” which results in a loss of

![Figure 30.6](image-url)
confidence and discouragement, such self-blame and anxiety are not an inevitable result of LTU (Sharone 2013). Job seekers looking for work in similarly difficult labor market conditions can come to have very different subjective understandings, depending on the lens through which they interpret their difficulties (Sharone 2013). Our preliminary findings show that support can make an important difference to how LTU is experienced. Prior to receiving support, 61 percent of LTU professionals in our study either agreed or strongly agreed with the statement, “I fear there is something wrong with me.” In a follow-up survey 10 weeks later, this fear had increased among our control group to 84 percent but decreased to 41 percent among job seekers receiving support. While the sample is not large enough for these numbers to be statistically significant, the direction of the results is consistent with our qualitative findings.

How does support help diminish self-blame? We find most illuminating the qualitative data from in-depth interviews with job seekers before and during the period of support that point to three key elements of support that produce this outcome, often as an unintended consequence. First, supporting job seekers to effectively present themselves to potential employers involves identifying the strengths and skills that underlie their past career successes. Job seekers report that this support is not only helpful to better present themselves externally, but it also helps create an internal “counternarrative” to the belief that “something is wrong with me.” Second, in small facilitated groups, job seekers are typically encouraged to share their experiences so that they can learn useful strategies from each other. Job seekers report that in this context, the emotional hardships of unemployment are often shared, leading many to describe the relief that comes from recognizing that they are not alone in their experiences. Through group discussions, structural factors become more apparent, and job seekers receive a powerful, if indirect, message that negative outcomes in the labor market are not, as one job seeker put it, “just something about me.” This form of support alters the lens through which job seekers interpret negative market outcomes and reduces self-blame by not overstating individual-level factors in determining search outcomes.

Finally, our preliminary data suggest that perhaps the way the intermediation of support can change the job search experience is more effective than anything that can be said to an LTU job seeker. The
unmediated LTU job search experience can lead to unrelenting negative outcomes, which cause many job seekers to fear that “something is wrong” with them and to become discouraged. Support structures disrupt this dynamic and create an intermediary set of outcomes and institutionalized feedback that can show progress and success in achieving goals that are tied to skill, effort, and risk taking, but they use metrics that are independent of direct market responses. Rather than telling job seekers to avoid negative thoughts (as is done in many self-help books), these support structures create positive experiences similar to what workplaces often do for workers through evaluative structures, providing feedback and internal recognition for achievements that are otherwise invisible in the market.

While meaningfully addressing the crisis of long-term unemployment will require a broad array of policy responses, the findings in this case study suggest that such responses should include increased funding for job search support targeted at older LTU professionals, and that such support would not require as much funding as might be assumed. Specifically, our findings suggest that only some dimensions of support are best provided by expert counselors/coaches, while others can be provided by peer groups. LTU job seekers benefit from individualized advice from experienced career counselors for understanding available labor market information, opportunities for workers with their skills and interests, and getting on the right track in terms of search strategies. However, other crucial elements of support can come from being part of a peer group, which reduces isolation and self-blame and creates structure and accountability for executing one’s strategy. While effective groups require some skilled facilitation, it is likely that such facilitation training can be provided by webinars and other cost-effective online education platforms. A promising hybrid approach to effective and relatively inexpensive support would combine weekly in-person peer-support with less frequent (perhaps monthly) virtual one-on-one strategic advice sessions with experienced counselors. In any such effort it would be important for counselors, just like the peer facilitators, to receive some training to help this particular group of LTU job seekers. The authors would welcome the opportunity to collaborate with any interested partners in creating such trainings.
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Notes

We would like to thank the AARP Foundation for funding that made this research possible. We would also like to acknowledge the vital contribution to this research by the career professionals and experts in the field who volunteered their time to support our participating job seekers, advise our project, help us collect data, and write case studies: Amy Mazur, Deborah Burkholder, Fred M. Studley (Transition Solutions), Susan P. Joyce, Rachelle Lappinen, Cath Amory, Mark Biddle, Matt Casey, Arnold Clickstein, Tess Dedman, Joanne Dennison, Robert Dolan, Nancy Dube, Maggie French, Allyn Gardner, Tammy Gooler Loeb, Calre Harlow, Kit Hayes, Cindy Key, Pam Lassiter, Ed Lawrence, Debbie Lipton, Tom McDonough, Shannon O’Brien, Sara Pacelle, Bonnie Petrovich, Martha Plotkin, Ilene Rudman, Lisa Shapiro, Robin Slavin, Jan Stewart, Jennifer Stratton, and Suzanne Greenwald.

1. Thirty-five were career coaches or counselors who have a private practice or work for other organizations and who agreed to provide their service pro bono, and seven were career consultants who work for an outplacement company, which volunteered to provide its consultants’ time for the research.

References


The lingering impacts of the Great Recession continue to adversely affect employment and family incomes worldwide. The recessionary period began in late 2007 (Ireland was one of the first countries to enter the recession) and continued through 2009; the number of months of official national recession varied by country from a few months to three years. Many countries, particularly in Europe, experienced a second national recession between 2010 and 2013. Despite investments and policy measures aimed at improving economic conditions, persistent unemployment and decreased opportunity continue to characterize economies around the world and the daily reality of many families.

EDUCATIONAL ATTAINMENT AND UNEMPLOYMENT

The Organisation for Economic Co-operation and Development’s (OECD) Education at a Glance 2013 “offers a snapshot of how education—and the people who participate in and benefit from it—fared during the first years of the worst economic crisis in decades” (Lalancette 2013, p. 1). While the share of younger workers (aged 25–34) with a tertiary degree is substantial across OECD, in most countries the majority of adults have lower levels of educational attainment. The share of 25- to 64-year-olds with less than a secondary education ranged from 11 percent in Canada and the United States to an average of 25 percent in the European Union and 27 percent in Ireland (Lalancette 2013). A closer look at the unemployment numbers shows that those with the
least education experienced much higher unemployment than those with a tertiary degree (see Figure 31.1).

During the recession and sluggish recovery, unemployment for those without a high school credential in the United States reached 16.2 percent compared to 4.9 percent for those with a college degree. Across the European Union (EU21), the unemployment rate for those with the least education climbed to an average of 15.6 percent compared to an average of 5.2 percent for those with a tertiary degree (Heckmann 2013). In Ireland, unemployment reached 21.7 percent for those without an upper secondary education compared with 7.1 percent for those with a tertiary education. Ireland is one of five countries where the average earnings of those with tertiary degrees are more than double the earnings of those with a secondary or subbaccalaureate credential (Castaneda Valle and Heckmann 2013).

Young Adults Not Employed and Not in Education or Training

Of particular concern to policymakers worldwide is the growing share of young adults (aged 15–29) who are neither employed nor participating in education or training (often referred to as NEETs, or disconnected youth). “During recessionary periods, high general unemployment makes the transition from school to work substantially more difficult for young people, as those with more work experience are favored over new entrants into the labor market” (Lalancette 2013, p. 1). Between 2008 and 2011, the share of youth aged 15–29 who were classified as NEETs grew in most OECD countries. In 2011, more than one-fifth (22 percent) of 15- to 29-year-olds in Ireland were classified as NEETs compared with 13.3 percent in Canada, 15.3 percent in the EU21, 15.8 percent across OECD, and 15.9 percent in the United States (OECD 2013). “On average, young people in Ireland will spend more than three years either unemployed or out of the labor force altogether” (Castaneda Valle and Heckmann, pp. 1–2). Given that a significant portion of the NEET population group around the world is also parenting, this lack of connection with education or the labor market is particularly troubling.
Figure 31.1 Share of 25–64-Year-Olds Unemployed in 2011, by Educational Attainment

Panel A

Panel B

SOURCE: OECD (2013, Table 45.4A).
Consequences of Economic Insecurity

The economic challenges documented above underscore the need for action. Research has shown that economic insecurity can have long-term negative impacts on human development. In a study to identify lessons for antipoverty policy development, Stevens (2014) examines the consequences of prior recessions on family outcomes. She finds that income is a critical determinant of outcomes: “The evidence that job loss affects the income, health, and achievement of current and future generations speaks to the key role of income in helping or hurting poor families. The simple conclusion here: the loss of income and material resources does cause harm and suggests that income support and stability can play a role in reducing the long-term consequences of poverty” (p. 22).

Given the lingering effects on families of the Great Recession, there is an opportunity to rethink traditional investments in adult-only or child-only programs and develop two-generation approaches that recognize that families face challenges, grow, and prosper together. This chapter is intended to promote discussion of opportunities for developing two-generation strategies that help families around the world contribute to their own financial stability and their country’s economic well-being. The section below describes the evidence base for two-generation strategies and related components and highlights model programs and innovative initiatives in the United States and Ireland. We conclude with a set of recommendations for developing opportunities to build and test two-generation strategies across a range of economic, political, and cultural contexts.

THE CASE FOR TWO-GENERATION STRATEGIES

Policy and program approaches that treat multiple generations of a family as the unit of service, also known as two-generation strategies, are a growing interest in the United States and other countries around the world. These efforts are intended to move whole families ahead on the path to middle-class economic security. By serving children and parents in the same family, two-generation programs are able to rein-
force and expand on the value of individual educational achievements as a pathway for obtaining family economic security and stability over time.

Historically, education, workforce development, and social welfare policies have been established for a specific population (such as low-income children, low-skilled adults, or disconnected youth). There is often no expectation, support, or encouragement for programs to provide services to, or consider the needs of, other family members who may be affected by a family member’s participation. In contrast, two-generation strategies share an explicit focus on families, bridging the needs of children and their parents with a combination of supports and an emphasis on human capital development to improve family economic security.

Two-generation approaches encompass a wide range of coordinated education, human, health, and other services. The conceptual framework for the type of two-generation model presented here was developed by Chase-Lansdale and Lindsay (2011) and further supported in a paper for the 2011 Association for Public Policy Analysis and Management (APPAM) conference (King, Smith, and Glover 2011). As shown in Figure 31.2, the conceptual framework for two-generation approaches posits that the thoughtful combination of services for multiple generations within a family leads to improved, even synergistic, outcomes over time.

**Core Components of Two-Generation Approaches**

The research literature at the foundation of each of the framework’s inputs—high-quality early childhood education, family and wraparound support services, and adult/postsecondary (or tertiary) education/second-language literacy services—is reasonably well established (Chase-Lansdale and Brooks-Gunn 2014; Haskins, Garfinkel, and McLanahan 2014; King 2014; King et al. 2009; Smith and King 2011). As researchers and policymakers have explored ways to improve long-term outcomes and impacts, interest has grown in understanding the way these components interact and what works for families. The following section highlights current research on what works for parents and children and details why this matters for two-generation approaches.
Adult postsecondary education and workforce training components

Many parents in two-generation programs lack the educational and/ or language requirements to succeed in the modern economy. Educational attainment has been demonstrated to have a strong association with family economic status and family outcomes over time. For parents, the goal of two-generation programs is to help them build credentials for the high-demand, middle-skill labor market, which provides family-supporting wages and benefits (in the United States, health insurance and paid sick leave are particularly important benefits provided by some employers).

The educational attainment of mothers in particular is highly correlated to child outcomes. In a recent study published by the Foundation for Child Development, Hernandez and Napierala (2014) examine 13 economic, education, and health indicators for children in the United States based on their mother’s level of educational attainment. In the United States, 12 percent of children have mothers who have not earned a high school credential, while one-third of children have mothers who earned a bachelor’s degree or higher. Hernandez and Napierala find...
that, compared to children whose mothers have a bachelor’s degree, children whose mothers have not completed high school are much more likely to live in poverty and are significantly less likely to perform at grade level in reading or mathematics, to be enrolled in preschool education, to graduate from high school on time, or to be covered by health insurance.

Given the importance of adult education, U.S. Vice President Joe Biden recently led a governmentwide review of federally funded workforce development and training programs to identify what works for adults and youth and to develop recommendations for further investments and research. *What Works in Job Training* (U.S. Department of Labor et al. 2014) presents a synthesis of findings across the Departments of Labor, Commerce, Education, and Health and Human Services, along with other input. The review identifies six key features of effective adult programs:

1) Postsecondary education leading to industry-recognized credentials
2) Flexible and innovative skill building strategies
3) Work-based training and educational opportunities
4) Active employer and industry engagement
5) Guidance based on current, local labor market information
6) Cross-system coordination and integrated support services

The review outlines a plan for building additional evidence for what works in job training by expanding labor market information and research investments, investing in pilot and demonstration programs, and improving dissemination strategies.

**Sectoral workforce development and workforce intermediaries**

One approach to workforce development that has grown over the last decade is sector-based workforce development programs, often facilitated by workforce intermediaries. These programs seek to address the workforce needs of employers in identified industries important to the regional economy while helping low-income and disadvantaged populations build the skills they need to succeed in the labor market. King (2014) synthesizes recent research on sectoral programs and finds
that sectoral education and training programs exhibit higher rates of participation, completion, and credential attainment than other types of programs. Further, programs based on a sectoral approach were estimated to lead to higher rates of employment and earnings.

Finally, review of the literature by Coffey and Smith (2011) finds that programs with coordinated and team-teaching approaches and those that invest in staff professional development show better outcomes for adult learners. Higher program intensity (more hours per day and/or more days per week) is also shown to be associated with better outcomes for adult and English-language learners. Finally, programs that are contextualized to a target industry or that align with subsequent education/training requirements are more likely to prepare participants for success.

**Early childhood education components**

Abbie Lieberman with the New America Foundation recently wrote, “Increased access to child care is an especially promising anti-poverty policy because it is intergenerational: it gives parents the time to work, and kids the educational opportunities they need to succeed. . . . For parents to take advantage of other anti-poverty programs, like apprenticeship schools and vocational programs, and eventually lift themselves out of poverty by participating in the labor market, they first need access to childcare” (Lieberman 2014, pp. 2–3).

The 2013 *Education at a Glance* finds that approximately two-thirds of three-year-olds in OECD countries were enrolled in an early education program in 2011. By comparison, approximately half of three-year-olds in the United States and Ireland were enrolled. The share enrolled in early education rises with age: by age four, 78 percent of American children, an average of 85 percent of children across OECD, and 95 percent of Irish children participate in an early education program (Lalancette 2013, p. 5). Figure 31.3 summarizes enrollment rates in early education programs.

Research shows that parents are more engaged and committed to training and employment when they are not worried about the quality of their child care arrangement, leading to stronger outcomes for both generations. For children, the benefits of high-quality early childhood education are well established in the research literature. A 2013 report
released by the Society for Research in Child Development and the Foundation for Child Development synthesizes current research and finds that “higher-quality preschool programs have larger impacts in children’s development while children are enrolled in the program and are more likely to create gains that are sustained after the child leaves preschool” (Yoshikawa et al. 2013, p. 6). Among these benefits, a recent study finds that children who participated in quality early education programs went on to have better adult health outcomes (Campbell et al. 2014). A meta-analysis by Camilli et al. (2010) finds significant long-term benefits from participation in early childhood education programs for the development of children’s socioemotional and noncognitive skills. These interpersonal and life skills are important assets that help individuals at all ages reach their academic, career, and personal goals.
Family and wraparound support services

Two-generation models share a common operating principle as identified in a survey of current U.S. frameworks by Gruendel (2014): “Support and services are delivered simultaneously to the child and parent (as well as individually when needed) and are integrated across service domains and sectors to decrease cognitive load on the consumer, increase service effectiveness, and maximize resource efficiency and effectiveness” (p. 25). Wraparound support services are the benefits that remove barriers to participation and completion and provide important resources for family stability. These benefits include transportation assistance, out-of-school care, housing, schedule coordination, counseling, case management, financial supports, and performance-based incentives.

Job search assistance and developing the skills necessary to navigate the labor market are especially important for improving employment outcomes. Wendi Copeland, a vice president with Goodwill Industries International, has stated the following about these support services: “It’s multigenerational. Once someone in that household knows how to navigate a career, how to access resources, how to make connections, everybody in that household learns, and then you start hearing from the neighbors and the people down the street and the people in their faith community. [The information] is viral when someone learns the secret rules of how to get a job and how to move up” (Ascend 2012, p. 29).

Other support services in two-generation models might include financial incentives, subsidized employment, individual development accounts, and other strategies aimed at encouraging and helping families afford to participate in education and training opportunities. Research has shown that improving family incomes by as little as $3,000 (U.S. dollars) per year can make an important difference for child outcomes (Chase-Lansdale and Brooks-Gunn 2014; Duncan, Magnuson, and Votruba-Drzal 2014; Kaushal 2014). Financial incentives can also smooth the transition from benefit income (i.e., unemployment) to earned income, thus helping families avoid the “benefit trap,” where they are financially penalized for returning to work (Richardson and Bradshaw 2014).

Two-generation strategies may have other important benefits as well. From a provider or funder’s perspective, colocating family services can reduce the service delivery cost and “facilitate the best pos-
sible outcomes for families” (Richardson and Bradshaw 2014, p. 33). Given the need for services documented in the next section, such effective efficiencies should be an important consideration.

### Shifting Focus from Adults or Children to Families

The conceptual framework presented in Figure 31.2 shares its emphasis on the combination and coordination of services for families with other two-generation models. As identified by Gruendel (2014), a second common operating principle in two-generation models is that “[c]ommunity supports and services are wrapped around the family as a whole. They encourage and are supportive of family decision-making, and are committed to family engagement over a period that may extend for one or two years, or longer” (p. 24).

Despite differences in goals for education, financial security, health, or other outcomes, two-generation models are firmly focused on helping families prosper and thrive. The continuum presented in Figure 31.4 demonstrates how adult-only or child-only programs can move toward more family-focused strategies to improve both services and outcomes.

The spring 2014 issue of *The Future of Children Helping Parents, Helping Children: Two-Generation Mechanisms* features analyses by leading researchers on the current state of two-generation programs by examining key developmental influences in families, such as stress, education, health, income, employment, and assets. In one article, Kaushal

**Figure 31.4 The Two-Generation Continuum**

![Figure 31.4 The Two-Generation Continuum](image-url)
finds that “education influences not only economic and noneconomic opportunities, but also lifestyle choices, for example, decisions about marriage, sex, and fertility” (p. 62). Parents with higher levels of education are more likely to invest in their child’s development across a range of health, wellness, enrichment, and tutoring activities.

In another article, Heinrich (2014) cautions that the conditions around a parent’s employment can greatly alter the impact on children. While income from employment can have a significantly positive impact on a child’s basic well-being, there can be a downside to parental employment. Parents in employment arrangements with access to benefits, such as paid time off and flexible schedules, may face less stress than parents who work in inflexible positions with no access to paid time off or nonstandard hours.

The impact of stress on child development is further documented in the article by Duncan, Magnuson, and Votruba-Drzal (2014). The authors find that “environmental conditions create physiological and emotional stress in the lives of low-income children that may impair their socio-emotional, physical, cognitive, and academic development” (p. 103). Similarly, Chase-Lansdale and Brooks-Gunn (2014) highlight the risk and resilience theory that “posits that children can bounce back and even thrive in the face of short-term adversity, but their development is likely to be seriously hampered by chronic and cumulative stress” (p. 17).

The third core operating principle identified by Gruendel (2014) addresses the importance of building resilience in families: “In two-generation models, supports and services quickly focus on individual and family strengths and assets, including within the extended family, and seek to build on family and community protective factors with the goal of helping children and families become resilient, that is, strong in the face of adversity and chronic challenges” (p. 25).

Essentially, two-generation approaches are antipoverty strategies with investments in multiple members of the family unit. It is the multiple, coordinated investments that offer families the best opportunity for gaining and holding on to middle-class economic security. The next section highlights innovative and promising two-generation/family practices in the United States and Ireland.
INNOVATIVE PROGRAMS AND PROMISING TWO-GENERATION STRATEGIES

Two-generation strategies provide an opportunity for policymakers and program developers to address current economic challenges and the potential for negative long-term consequences for families. By building onto existing policies and programs that are family-oriented and that support high-quality, evidence-based components for parents and children, with wraparound services, communities around the world are making the shift toward a two-generation perspective. A review of recent reports from the United Nations, OECD, the Ascend Program at the Aspen Institute, and others confirms that policies and programs targeting a range of human and social capital development needs have been implemented worldwide in the last decade to address growing inequality, often framed as antipoverty initiatives.

The following examples are intended to spur conversation about similar efforts and opportunities for collaboration and extension that may lead to additional evidence on the effectiveness of two-generation approaches. While the evidence base on most of these efforts is still emerging, connections to the two-generation conceptual framework and early findings suggest that these approaches may make a positive difference in persistence or completion of workforce development programs. The focus in this section is on two-generation approaches in the United States and Ireland, the countries with which we are most familiar.

Two-Generation Strategies in the United States

In the Two-Generation Playbook, Ascend (n.d.) identifies several basic factors favoring a two-generation approach for addressing societal and economic conditions in the United States. The core components of Ascend’s framework for two-generation programs include social capital, early childhood education, postsecondary and employment pathways, economic supports, and supports for health and well-being.

In Making Economic Security a Family Tradition, Ascend (2012) summarizes the 2012 Aspen ThinkXChange, which brought together leaders from multiple domains “to discuss and debate opportunities and solutions for moving children and their parents toward economic mobil-
ity and opportunity” (p. 1). The ThinkXChange highlighted a number of programs and policies across the United States that exemplify the core tenets of its “Two-Generations, One Future” vision and demonstrate the variety of approaches that have been developed to meet the needs of specific political and economic contexts.

**Colorado’s two-generation perspective**

The state of Colorado has made a deliberate shift toward coordinated two-generation approaches to address poverty and build family economic security. Lieutenant Governor Joseph Garcia describes how Colorado policymakers first expanded their unit of focus from individual adults or children to families: “In Colorado, we started by asking how we could improve third grade literacy. Teachers told us that it’s . . . about those critical first three years. We can’t talk about early literacy without talking about adult and family literacy. . . . It’s a shared issue at the local, state, and national level” (Ascend 2012, p. 5).

Reggie Bicha, executive director of the Colorado Department of Human Services and an Ascend (Two-Generation) Fellow, describes an important distinction in the state’s new approach. “At the state level, we already were doing the two-generation work, but we weren’t thinking of it from a two-generation lens. We weren’t connecting state agencies with different levels of support to help families be more independent. So now we’re asking, how can we better realign and connect supports and services and eliminate the silo approach?” (Ascend 2012, p. 13). Key policy changes in Colorado have helped to emphasize the two-generation perspective, as indicated by Bicha: “Low-income parents need help finding not only a job, but a job that pays well, provides advancement, and provides stability for families. Changing the focus from work participation rates to outcomes has been critical, as has delving into untraditional areas of support like assisting, rather than penalizing, noncustodial parents” (p. 41). One change has been an increased collaboration across state and local agencies to improve kindergarten readiness, partly through a new emphasis on quality early childhood education programs over child care as simply a work support. Other changes in Colorado include “streamlined services through better technology, simplified application processes, and the elimination of over 800 rules that hamper the process of aiding families” (p. 41).
At the local level, Jefferson County, Colorado, has embraced the new two-generation policy approach, emphasizing wraparound family support services for families in the Head Start program and building accountability for children’s educational attainment from early childhood through to a high school diploma.

**Tulsa, Oklahoma’s CareerAdvance® Program**

CareerAdvance® is a sectoral workforce development program targeting jobs in the health care industry with a ladder of education, training, and certifications in selected occupations offering opportunities for advancement and family-supporting earnings with fringe benefits. Training is structured through a career pathways approach and provided at Tulsa Community College and the Tulsa Technology Center. The program began in mid-2009 as a pilot for the parents of children in Head Start/Early Head Start programs operated by the Community Action Project of Tulsa County (CAP-Tulsa). The program design initially featured a stackable series of training courses in nursing, from certified nurse aide through registered nurse. In 2011, a career path in health information technology was added, and later stand-alone programs for medical assistant and pharmacy technician training were added. Participants may “stop-out” (either temporarily or permanently) at each level with an industry-recognized credential that provides participants with opportunities for higher wages and advancement opportunities.

CareerAdvance® is designed to support and motivate participation through several key elements: a cohort training model; peer mentoring and support through regular (initially weekly) meetings of participants; tuition payments and other education/training expenses; incentive bonuses for good performance; adult basic education and tutoring services; and wraparound services such as before- and aftercare for children, and transportation assistance.

CareerAdvance® is currently the subject of a multimodal evaluation, including implementation, outcomes, and impact studies. The implementation study conducted by the Ray Marshall Center at the University of Texas at Austin has documented the project at multiple phases from design and testing to implementation and expansion (Glover et al. 2010; King et al. 2009; Smith et al. 2013). Throughout this process, focus groups of CAP-Tulsa parents and CareerAdvance® participants have provided critical perspective and context to the administrative
data collected by the program for measuring outcomes and informing continuous improvement efforts. Challenges and opportunities identified by parents have been incorporated into successive program modifications targeted at helping more parents reach their career and family goals (Smith 2014). Recent analysis on program persistence led by researchers at Northwestern University found that three-fourths of participants earned a credential within one year, and approximately two-thirds of participants were still enrolled at the one-year mark. Of those who had exited the program within 12 months of enrollment, almost half had earned a credential (Sabol et al. 2014). Of those participants who did not advance in year one, most indicated that psychological distress rather than financial difficulty was a primary reason for not persisting. Participants who completed certification, despite worrying about their potential to succeed at subsequent stages, often described plans for the anticipated financial impact of the program. These results indicate that those participants who are thinking about the future (whether positively or negatively) are the ones more likely to persist in the program.

The ASPIRE Program with Communities in Schools—Central Texas

ASPIRE (Achieving Success through Parental Involvement, Reading, and Education) is an intensive family literacy program that has been operated by Communities in Schools in Austin, Texas, for two decades. The program is built around evidence-based practices in family development and adult and early childhood education. ASPIRE parents participate in adult education, early childhood education, parenting education, and their children’s classrooms. The preschool children attend literacy-rich, developmentally appropriate early childhood education classes, and parent educators visit with the families in their homes once a month (Third Coast 2007, p. 1).

Using a matched comparison group evaluation, researchers found that ASPIRE students passed school-administered assessments and exams at higher rates than comparison students in each year examined from kindergarten through 4th grade. Importantly, evaluators found that for ASPIRE students, “any amount of home improvement, any parent involvement in children’s classrooms, and any participation in adult education resulted in school performance higher than that of comparison children” (Third Coast 2007, p. 10).
The Jeremiah Program

Launched in the Twin Cities area of Minnesota and currently expanding to sites across the country, including Massachusetts, North Dakota, and Texas, the Jeremiah Program is a place-based “approach to transform families from poverty to prosperity two generations at a time” (Jeremiah 2014). The program provides single-parent families with stable, subsidized housing and other on-site services, including a high-quality child development center; access to a library, computer labs, classrooms, and life coaches; and job placement assistance. Participants attend personal empowerment training to develop important personal characteristics that contribute to their success in workplace settings as well as participating in life skills education classes during their time as residents. The average family spends approximately 2.5 years with the Jeremiah Program.

A recent return on investment (ROI) study (Diaz and Piñá 2013) calculated both first- and second-generation outcomes in estimating benefits and costs for the mothers and children who participate in the Jeremiah Program. Second-generation benefits include projected increased lifetime earnings and tax revenues for child participants, as well as societal savings realized through reduced spending on special education services and future savings from crime reduction. With total costs at $112,057, the ROI for the Jeremiah Program was estimated at $2.47 per dollar invested for society as a whole, $1.66 per dollar invested by taxpayers, and $34.16 per dollar invested by participants. Because the contributions of private funders are critical to supporting the Jeremiah Program, costs to funders are included in the total cost calculations for society as a whole, but funder benefits are not included in societal ROI calculations. Diaz and Piñá calculated philanthropic (non-material) benefits for private funders separately and estimated an ROI of $3.93 per private dollar invested (p. 15).

The MOMS Partnership in New Haven, Connecticut

This program was designed in 2010 to serve the needs of mothers with young children living in poor urban neighborhoods. After identifying multiple factors related with poor family outcomes, including poverty, unstable housing, social isolation, and maternal stress (including depression, addiction, and anxiety disorders), a collaboration of Yale
University, New Haven community partners, and other stakeholders developed the partnership. The program model includes neighborhood hub locations where mothers and their children obtain services and participate in a variety of interventions. Another component of the MOMS Partnership trains mothers in the community to serve as Community Mental Health Ambassadors at the neighborhood hub, providing “brief mental health intervention and intergenerational health promotion” (Gruendel 2014, p. 20).

The mental health intervention is intended to help mothers develop executive functioning skills and is further supported by an individualized smart phone application that allows mothers to earn rewards in a token economy to reinforce targeted behaviors. The program helps mothers prepare for the workforce by linking executive functioning skills with tiered skill development. Researchers gather data from the smart-phone application and track outcomes over time for both mothers and children. Early findings show that participating families have demonstrated increased executive functioning skills and reduced stress on the part of parents and children, improved parenting quality, and improved health, academic, and developmental outcomes for children (Gruendel 2014).

**Family and Related Programs in Ireland**

Workforce development and social welfare programs in Ireland traditionally have operated quite separately, with different funding streams, personnel, and chains of command. The tremendous economic challenges that Ireland has faced since 2007 have prompted a review and subsequent reform of the employment, vocational education, and training services. Ireland is moving to a system of “One Stop” centers to coordinate delivery of services, and to align needs of the labor market with the training programs being offered (OECD 2014, pp. 51–52). Although these reforms do not address the needs of the entire family unit, they are a step in the right direction, toward more coordinated, employment-focused workforce development.

Ireland is beginning to recognize the need for antipoverty strategies that encompass more than just the unemployed. The report *Work and Poverty in Ireland* states, “Addressing household joblessness through labor market activation [workforce development] policies is likely to be
more complex and require a broader range of responses than addressing unemployment [alone]. . . . Training and assistance in job search, childcare and services or supports specific to people with a disability will need to be included” (Watson, Maitre, and Whelan 2012, p. v).

The examples listed below incorporate several of the ideals embodied in two-generation programs, such as a focus on supporting the family unit, or providing programs targeted to one area or need.

**Ballymun Whitehall Area Partnership, Dublin, Ireland**

The Ballymun Whitehall Area Partnership was established to support children and families and address social exclusion in Ballymun, an economically distressed area in Dublin. Funded primarily by the Irish government, the partnership was established in 1991 as a local community development program that addresses education, employment, child care, and enterprise and community development within the Ballymun area.

The partnership runs both the North West Dublin Childcare Resource Centre and the Local Employment Services, and provides a variety of wraparound services. Owing to the reorganization of the workforce development and training department, the partnership is currently in a state of flux. It is actively involved with the Innovate Ballymun organization, and with the Dublin City University Social Enterprise organization. Together, these programs are designed to facilitate jobs growth and economic stability within the Ballymun area.

**youngballymun, Dublin**

*youngballymun* is a 10-year strategy targeting prevention and early intervention services for children, young people, and families in the Ballymun area. The program started in 2007 with an aim to reduce child poverty and promote better outcomes for those from disadvantaged backgrounds. *youngballymun* is jointly funded through the Department of Children and Youth Affairs and the Atlantic Philanthropies. At the core of *youngballymun’s* mission is the desire for systems change around how services for disadvantaged children and families are organized and delivered. As stated on the program’s Web site,

[for too long the development of services to children and families in Ireland’s most disadvantaged communities has relied on avail-
able funding lines, together with local knowledge, and available energy, interests and skills to develop services. They have often been developed in response to crises such as early school leaving, anti-social behaviour and child risk and protection and most frequently without access or reference to the national and international evidence of what works. They are usually developed piece-meal without the cohesion of an overarching vision and an integrated cross-sectoral community service strategy.3

youngballymun is designed to be evidence based, focusing on what works rather than what has been done in the past, with a focus on what can be translated into success at the national policy level. youngballymun follows a life cycle strategy, including the following:

• Ready Steady Grow: Encompasses zero- to three-year-olds, their parents, and services associated with this age group;
• 3>4>5 Learning Years: Aimed at children aged three to five, their parents, and early childhood education providers;
• The Incredible Years: Primary-school children, their parents, and teachers; and
• Write Minded: Literacy program for all parents, students, and community workers

Through these programs, youngballymun delivers coordinated services to parents and children. Services are provided through the Health Service Executive (similar to the U.S. Department of Health and Human Services), schools, and community workers. The program has served over 1,300 infants, 400 preschoolers, and over 400 primary school students, in addition to parents, teachers, and other individuals working with children and families in the Ballymun area. In the 2012 report, An Economic Appraisal of youngballymun, the return on investment was calculated to be €4.5 of savings for every euro invested in youngballymun (Lawlor and Gilloway 2012, p. 8).

Solas Project, Dublin

Solas is a nonprofit organization that helps young people overcome social and educational disadvantages. Solas works in an area of Dublin that is affected by high crime, high rates of intergenerational poverty, and low educational attainment. It has several different programs aimed at supporting children from primary school through university.
School-based programs:
- Y Not? College Awareness for 6th class children (12- to 13-year-olds)
- Dragon’s Den—Business development/entrepreneurship program for 5th class children (11- to 12-year-olds). This is modeled after a very popular Irish television program by the same name.
- School sports program

Targeted programs:
- Primary after-school program—provides a safe, homelike environment after school for children living in “challenging circumstances”
- Step Up—Teen mentoring program for young people in secondary school
- Compass—Prison program aimed at reducing recidivism/reoffending. Inmates are mentored and participate in group activities to build motivation, self-worth, and self-discipline.
- The Yard—Skills-development program with the ultimate goal of increasing opportunity for employment for young people. The program is currently in the pilot stage, with three different activities: bike repair, woodworking, and car valeting (cleaning).

Although Solas is not specifically designed as a two-generation program, their targeted programs have many of the same attributes. The after-school program for primary school children aims to replicate a “home away from home” environment, where children are supported and cared for. The Yard is a pilot program to help young people develop the skills they need for employment. By providing a safe, reliable place for young people to go after school, their parents can focus on employment or furthering their education.

St. Andrews Resource Centre, Dublin

The St. Andrews Resource Centre provides support services and development activities to both individuals and families, with a particular focus on serving the residents of the surrounding neighborhoods. St. Andrews is unique in that it provides resources and wraparound services for the entire life-cycle needs of its clients, specifically,
child care;
• youth programs—academic/homework programs, after school clubs, and outreach programs;
• adult education—basic English course, Irish language course, individual literacy training, and arts and crafts courses;
• employment preparation and placement services;
• training opportunities for the long-term unemployed;
• elderly services—home help, day center, meals on wheels; and
• welfare rights and advice services.

The center encompasses the needs of a full age range, from infants to elderly, thus strengthening the family unit. In addition to traditional employment assistance, St. Andrews Resource Centre provides direct employment assistance in the form of the Community Employment program. The program is designed for the long-term unemployed (in other words, those out of the labor market for one year or longer) and provides both basic adult education and job training for specific positions, including catering, bus driving, and receptionist, among others. The center currently has a capacity for 95 participants in this program.

CONCLUSION AND RECOMMENDATIONS

Economically secure families are the foundation of a strong middle class. By helping parents build the educational and occupational credentials they need to obtain employment with family-sustaining wages and benefits, two-generation strategies help to increase family economic stability. This chapter has defined a two-generation framework based on high-quality educational opportunities for parents and children, coordinated with wraparound and family support services that remove barriers to participation and completion.

Examining the economic environment and existing initiatives in the United States and Ireland, the authors identified ongoing needs as well as opportunities for helping families escape poverty. Existing initiatives highlight the breadth of two-generation interventions and underscore the common issues facing families all over the world. As two-
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generation strategies gain traction, more research is needed to understand the long-term effectiveness of the programs. Evidence is needed to establish that two-generation strategies do, in fact, lead to multiplicative, lasting impacts for families. By definition, it will take years to build the database needed for that assessment. In the meantime, there is much work to be done.

Summary Recommendations

Policymakers at all levels should identify opportunities to improve services and supports to families, particularly through improved coordination and collaboration across systems.

• Invest in programs that provide career ladders with modularized programs and support services for adult participants. The European Union is studying several pilot programs in its Sector Skills Alliances (SSA). The goals of the SSA are to align the vocational education system with the needs of the labor market, and to increase portability of labor qualifications throughout the EU (SSA 2014). Similarly, in the United States, the Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants are a $2 billion investment over four years through the U.S. Department of Labor’s Employment and Training Administration to improve coordination between growth sectors in the economy and workforce training programs (U.S. Department of Labor 2014). The recently passed Workforce Innovation and Opportunity Act of 2014 (WIOA) provides new encouragement for states and localities to develop sector-based and career pathway training programs, as well as bridge programs to help low-skilled adults. Importantly, the law provides state governors with a reserve of 15 percent of the state’s allocation to test new and innovative strategies, such as more explicit two-generation approaches.

• Two-generation initiatives can begin as small pilot programs or large-scale statewide programs, or at any point in between. Colorado began with a whole-scale shift in priority from serving individuals to serving families throughout its human services system at the state and local level. This new priority has resonated at the local level and helped to spread two-generation approaches
Another option is to begin with a pilot project before launching a full-scale change. Many successful two-generation programs began as small pilot projects before expanding. The CareerAdvance® program in Tulsa is one example of a small program that has grown over time. Greater flexibility should be granted for employment, education, and family services to adapt programs to changing social, economic, and labor market conditions. This recommendation was also highlighted in the OECD report, *Employment and Skills Strategies in Ireland* (2014), which recommended utilizing pilot programs to test new organizational models, similar to youngballymun, before implementing systems change throughout a large organization.

- Even in countries with the strongest social welfare policies, programs tend to serve one population (young children, adults, or the unemployed) without considering the larger family unit. Effective two-generation programs shift the focus from individuals to families in order to address barriers and maximize the benefits of participation. While programs like the SSA and TAACCCT provide an opportunity to help unemployed parents reconnect with the labor market, this connection could be counterproductive if the labor market opportunities or work schedule do not coincide with a child’s early childhood care or school schedule. Both matter.

- Establish a tapered or “step-down” policy for social welfare programs to help families avoid the “benefits trap,” where individuals and families incur an economic cost of returning to training and employment, rather than remaining on social welfare subsidies. Income supports should be offered during training, to encourage families to seek out sustainable forms of employment (Richardson and Bradshaw 2014, p. 33). As earnings increase and families become stronger financially, benefits can slowly be tapered off. Given the growing share of women in the workforce around the world, efforts to close the gender pay gap are also important to helping families build middle-class economic security.

- Communities, policymakers, and other stakeholders interested in testing a two-generation strategy need to bring a broad lens to
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their development efforts and consider how families are affected by a combination of investments, including economic and workforce development, education across the lifespan, health and social services, and public benefits (King, Coffey, and Smith 2013). Gathering data along the way from idea through implementation and from family enrollment through completion and beyond is essential to understanding how two-generation strategies work. As Shonkoff and Fisher (2013) state, “[there] is a critical need to expand the definition of evidence to include broadly accepted scientific principles from the biological and social sciences rather than restrict the definition to results of experimental evaluations and benefit-cost studies. . . . The most important question is not whether randomized control trials are important, but rather how can we strengthen the evidence base for policy and practice by including other sources of knowledge” (pp. 1646–1647). For example, periodic focus groups with participants and program staff, as well as interviews with partner organizations, local employers, and other stakeholders, provide key data for the ongoing implementation evaluation of the CareerAdvance® program. These early indicators are essential for understanding how it works in order to inform program development and sustainability over time. This early evidence is particularly important for assessing short- and midterm outcomes, given that it will take years to measure the real long-term outcomes and impacts of a two-generation approach.

Around the world, families face a similar economic challenge: security. Two-generation strategies expand the middle class by helping families earn economic and related benefits from investments in education and training. Through coordinated schedules, wraparound support services, and a new perspective on the family as the unit of service, two-generation approaches currently in use are showing promise in the United States, Ireland, and other countries. These efforts should inform the next wave of pilot and demonstration projects and policy initiatives needed to understand issues with scaling, replicability, and expansion of two-generation strategies across a range of economic, political, social, and cultural contexts. Based on current evidence, it will be worth the effort.
Notes

This chapter was prepared with generous support from the Foundation for Child Development through a grant to the LBJ School of Public Affairs’ Ray Marshall Center at the University of Texas at Austin. The views expressed here are those of the authors and do not represent those of the Foundation for Child Development or the University of Texas at Austin. The authors are particularly grateful for the review and comments by Donald J. Hernandez and Christopher T. King in shaping the current draft.

1. The authors, along with Dr. Christopher King, a senior researcher at the Ray Marshall Center and an Ascend Fellow, worked with CAP-Tulsa to design the program and have been carrying out the implementation and outcomes analysis of it.
2. Jeremiah’s executive director, Gloria Perez, is also an Ascend Fellow.

References

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