



## Using Sector-Based Partnerships to Move Lower-Skilled Workers Out of Poverty



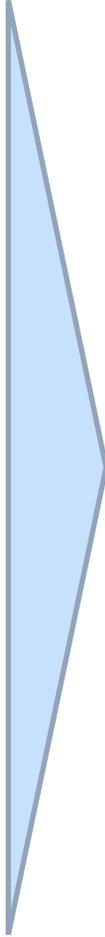
Two numbers offer insight into the urgency of JOIN's mission.

**550,000**

A majority of Philadelphia's working age-adults - about 550,000 people - are functionally low literate, and thus lack the basic skills needed to compete in an increasingly knowledge-based economy.

**211,000**

Only 3 in 10 Philadelphia jobs – about 211,000 – can be filled by a worker who is functionally low literate.



**More than half of Philadelphia adults compete for less than one-third of the available jobs in the economy.**



# 1 JOIN is a public-private partnership of regional and national funders.

## Partners:



- Each partner brings unique assets and expertise to the table:
  - **United Way of Southeastern Pennsylvania** is JOIN's lead agency. It brings a focus on financial independence for families, a bond with regional employers, and a network of community partners.
  - **The Knight Foundation, LISC, the Scattergood Foundation, and the William Penn Foundation** bring experience investing in healthy, thriving communities and an understanding of how workforce development efforts connect to other key community issues.
  - **The Philadelphia WIB and the State Department of Labor and Industry** bring workforce expertise, a commitment to systems change and innovation, and a willingness to co-invest.
  - **The National Fund for Workforce Solutions** brings knowledge and expertise from a network of 23 peer collaboratives across the country that are experimenting with new workforce models.

# 1 JOIN implements a three-pronged strategy to accomplish its mission.



• **Investment:** JOIN invests in models that have the potential to enhance the public workforce system for both businesses and low-skilled workers.

• **Evaluation:** JOIN evaluates the impact of its partnerships, identifying best practices and illuminating opportunities for improvement.

• **Advocacy:** JOIN advocates for the incorporation of these best practices into the public workforce system.

Increase the number of Greater Philadelphia adults who earn family-sustaining wages

## 2 In the 21<sup>st</sup> century American economy, skills are essential.

### Jobs yesterday

- Long-term
- Manual labor-based
  - 1 in 4 jobs in Philadelphia was in manufacturing (1979)
  - 27% of jobs were skilled (1950)
- Moderate returns to education
  - College grads earned 1.4x HS grads (1975)
- Moderate wage differentiation
  - 28:1 CEO:worker pay ratio\* (1970)



vs.

### Jobs today

- Short-term
- Knowledge-based
  - 1 in 20 jobs in Philadelphia is in manufacturing (2009)
  - 70% of jobs are skilled (2009)
- High returns to education
  - College grads earn 2x HS grads (2007)
- Acute wage differentiation
  - 369:1 CEO:worker pay ratio (2005)



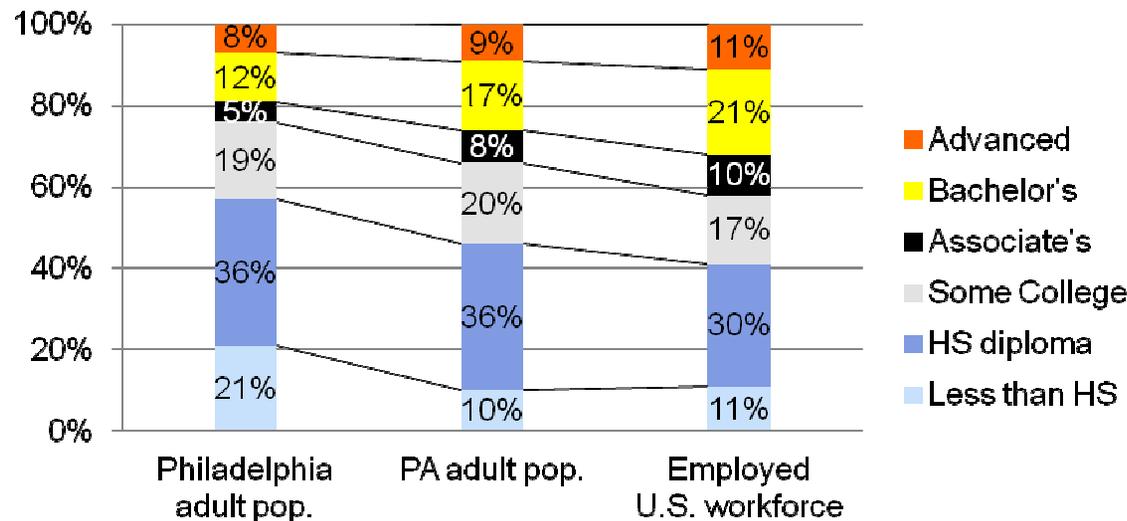
### Keys to success in the 21<sup>st</sup> century American economy:

- **Tech expertise:** Workers must be able to operate industry-specific technology in areas from nursing to green building.
- **Ability to learn continuously:** Since businesses are constantly changing their models to adapt to the economy, staff need to be constantly learning as well.
- **Economic security:** Workers need income stability in order to deal with the more frequent shocks of the modern economy.

## 2 Philadelphia residents lack the skills needed for today's economy, and thus a majority are either out of work or earning poverty wages.

**Philadelphia has a dramatic shortage of skilled workers compared to labor market needs.**

**Education of Philadelphia adults v. US workforce, 2007**  
Percent



- Philadelphia ranks 92nd of the 100 largest US cities in its percentage of adults with post-secondary attainment.
- Worse yet, education levels may “overstate” Philadelphia’s work readiness. Estimates indicate that as much as half of adults with only a high school diploma are functionally low-literate (6<sup>th</sup> grade or below) in math and reading.
- This low level of educational attainment is in the context of a Philadelphia employment market whose focus is on “meds and eds.” This means the percent of Philadelphia jobs requiring some college is ~5-10% higher than the nation.

**Philadelphia ranks 96<sup>th</sup> out of the top 100 cities in labor market participation.**

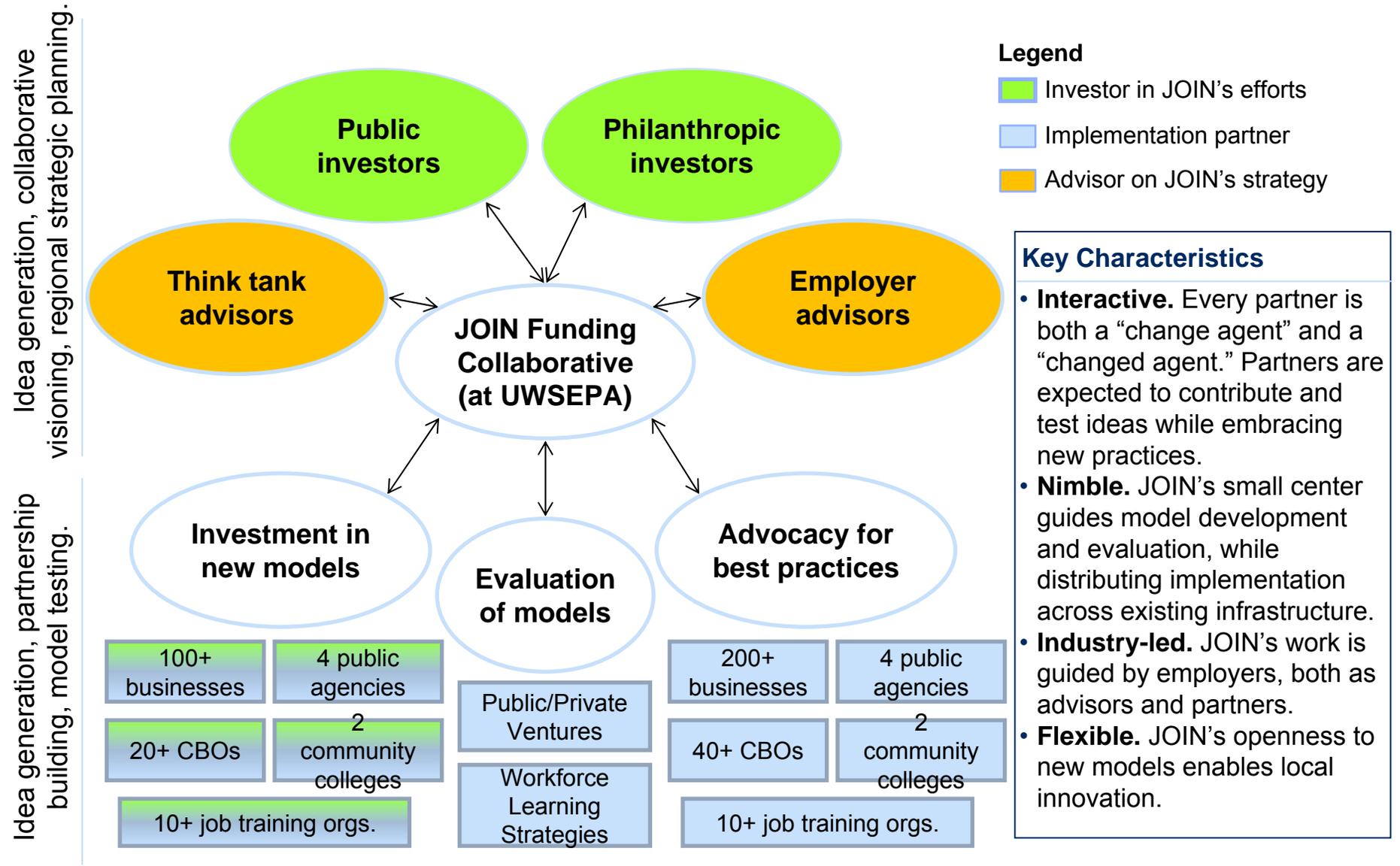
- 45% of Philadelphians are neither working nor looking for work.
- Another 40% of working Philadelphians are earning poverty wages.

**Philadelphia has a staggering poverty rate (25%) that is nearly twice the national average.**

**Philadelphia’s median household income (\$36,222) is more than one-third less than the U.S. average (\$52,175) and well below self-sufficiency standards.\***

\* Family Sustaining Wage for 1 adult, 1 preschooler is ~\$41,863 or approximately \$20 per hour/  
SOURCE: Business Week, Univ. of Southern California, NBER, Philadelphia Workforce Investment Board, American Community Survey, 2005-2009

### 3 JOIN creates a collaborative space for developing and testing models to build an industry-led, integrated, and career-oriented workforce system.

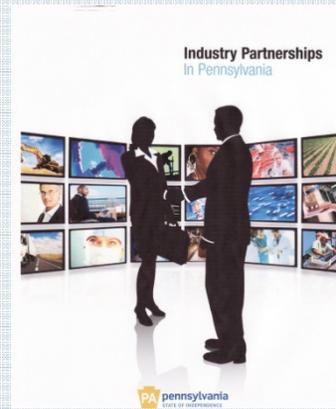


### 3 Organize workforce initiatives by sector, and have employers determine training deliberately based on their workforce needs.

#### Key features

#### Sector-based partnerships...

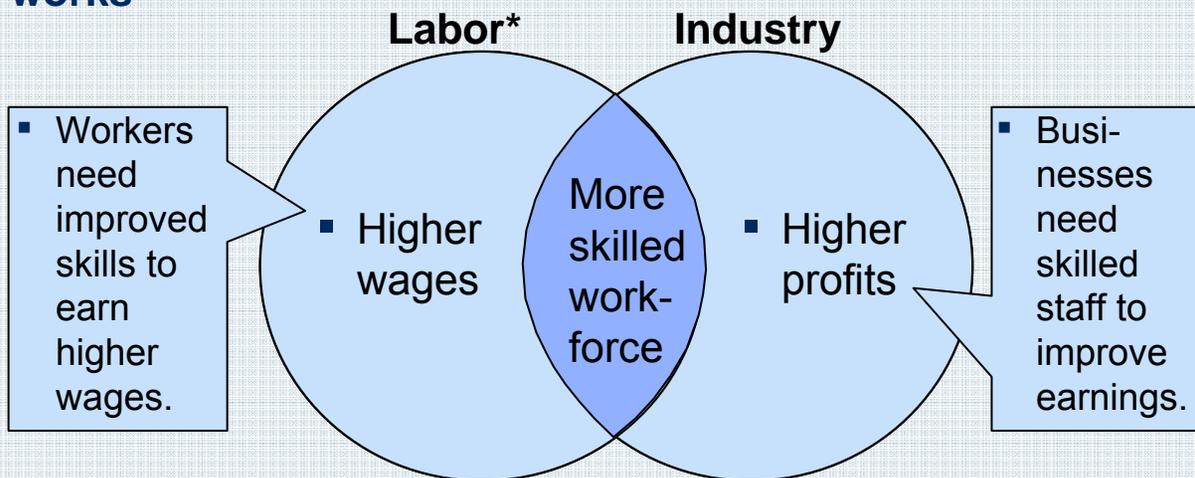
- Bring together **multiple employers** in the same industry.
- Identify and address common **workforce needs**.
- Train low-skilled workers for **higher-wage jobs**.



#### Why it works

#### Venn Diagram of interests

Industry partnership

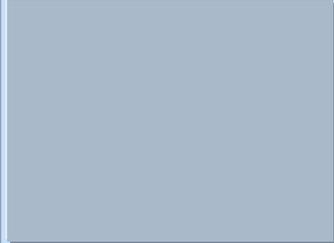


- Sector-based partnerships are **mutually beneficial**:
  - **Businesses** build their talent pipelines for the future.
  - **Workers** realize their skill and income potential.

### 3 JOIN's support of sector-based partnerships has proven highly effective, enabling over 400 adults to advance in their careers in the last year.

#### RESULTS FROM JOIN'S 2010 FISCAL YEAR

##### Workers



- More than 700 lower-skilled adults have received education and training.
- Over 400 have gained industry-recognized credentials or degrees.
- Over 400 have gained either a new job placement in a high-demand sector or obtained a wage increase in their current job.

##### Employers



- Over 100 employers have directly benefited from:
  - Hiring job seekers trained by JOIN partnerships.
  - Up-skilling their incumbent workers with co-invested funds.
  - Learning HR best practices from their peers.
  - Connecting their workers to valuable public services.
  - Receiving updates on key industry trends.

##### Community



- JOIN's model enhances the community as a whole by:
  - Improving services, such as better patient care at area hospitals.
  - Building a more skilled workforce, which benefits all workers in the regional economy.

- 3 While the long-term impact of JOIN's support is still to be seen, recent studies suggest it could increase individual workers' life-time earnings by more than 25% or nearly \$500,000.**

**Estimated average lifetime earnings by education level** *(in current dollars)*



### 3 As JOIN identifies best-practices, it leads federal, state, and regional advocacy efforts to put these practices into policy.

#### JOIN'S ADVOCACY ACTIVITIES



##### Federal

- Educated policymakers on workforce partnerships by organizing Philadelphia site visits for leaders from the U.S. Departments of Labor, Education, and HHS.
- Shaped federal legislation by presenting to U.S. House and Senate staff in Philadelphia and Washington, D.C., on WIA re-authorization.



##### State

- Published a widely read brief with workforce recommendations for the next governor.
- Hosted a workforce policy forum with all of gubernatorial candidates.
- Supported the development of and advocacy for state legislation that would institutionalize the workforce partnership model.

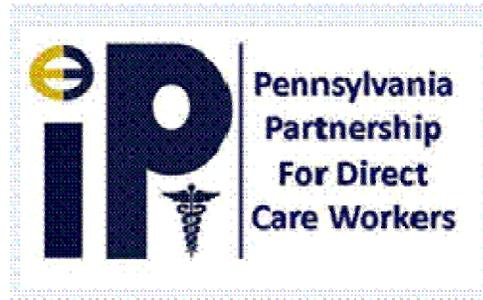


##### Regional and city

- Involved over 1,000 civic and business leaders in workforce policy discussions, while reaching over a million residents through earned media.
- Organized meetings at which workforce partnerships and funders shared their vision with city officials on how to build a more industry-led, integrated, and aligned workforce system.

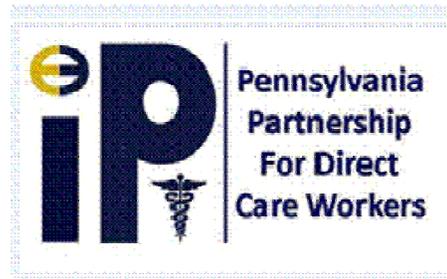
#### Progress that JOIN and its partners have made:

- **Recruited endorsements** of the sector-based partnership model from all gubernatorial candidates.
- **Supported legislation** that passed the PA Senate to institutionalize the sector-based partnership model.
- **Influenced** federal legislation and department practices to be more supportive of sectoral approaches.
- **Contributed** to the City of Philadelphia's assessment of the workforce system.



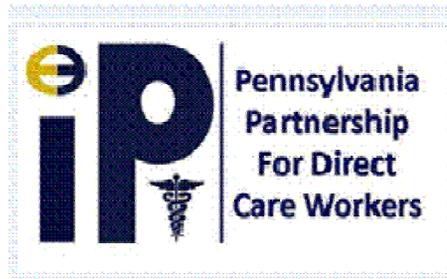
# **Pennsylvania Partnership for Direct Care Workers**

A Philadelphia Area Partnership Serving  
the Healthcare Industry



## Basics of the Industry Partnership

- Since 2005 - links healthcare employers, educators, labor, policymakers and workforce development
- Goals
  - meet employer needs for a skilled, credentialed workforce
  - meet needs of workforce for portable credentials with opportunities for career advancement
  - promote economic development



## What Have We Accomplished

- Trained over 3000 employees at 60+ healthcare facilities through 2010-11
- **Leveraged funding \$2.5mm** and growing
- Career Pathway Training:
  - Nurse Aide, HHA, LPN, Articulation to College
  - Behavioral Health Tech and Articulation to College
  - Allied Health technical training and credentialing
  - Electronic Health Information pipeline
  - Professional Development Suite
  - Youth Pipeline programs



## Why Advantageous for Employers

- Meet employer needs for skilled workers
- Meet employee needs for growth through occupational pipeline development
- Shared development of training
- Best practices – sharing of ideas
- Pooled resources – more ideas as well as cost efficiencies – pay only 25% of tuition and pay nothing if employer contributes to the education trust fund
- Reduced turnover and recruiting expense



## Challenges for Employers

- Shrinking labor force
  - 2014: Shortage of >10 million skilled workers
- Difficulty meeting demand for higher skilled workers and quality care
- Vacancies and turnover
  - CNA's: 8% vacancies, 71% turnover
  - LPN's: 38% vacancies
  - Health Information – 20% growth through 2018



## Making the Case to Employers

- Cost effective training delivery
- Engagement of employee in learning & improving competency-based skills
- Increased employee effectiveness & performance
- Requirements for training & program improvement met in meaningful way
- Maximize \$'s invested in training – less turnover and recruitment expense



## Engaging Frontline Workers

- Engage union if workers are represented
- Provide workers with ACCESS to:
  - Seamless educational pathway that addresses basic skill needs
  - College credits and credentials
  - Career development & coaching
  - Career advancement and higher wages



## Getting Started

- Identifying and engaging stakeholders
- Agreeing on career ladder opportunities
- Conducting needs assessment-skill gaps
- Agreeing on customized training content related to skill sets/credentials/outcomes
- Agreeing on delivery of training
- Engaging management, HR, and supervisors



## Integration of Workforce and Education Skills

- Bridge programs with blended foundation and skills training
- Employer-driven customized workplace programs
- Contextualized, accelerated curricula aligned with credentials
- Collegiate articulation of technical training with degree programs



## Program Components

- Comprehensive case management/career coaching
- Individualized educational plan/blueprint
- Work-based learning
- Immersion in industry/culture of workplace
- Flexibility in program delivery (location, program hours, blended online delivery)
- Release time where possible



## Sector-based Approach Requires Systems Change

- Internal systems change: continuous program improvement
- Higher education systems change: articulate technical and work-based learning curricula
- Employer-based systems change: link education to career ladder advancement; create new career ladder opportunities
- Direct pipeline to jobs

# CAREER PATHWAYS IN HEALTHCARE

**Entry Level Hospital Workers**  
Requiring a HS Diploma and minimal on-the-job training  
*Dietary, Housekeeping, Laundry*



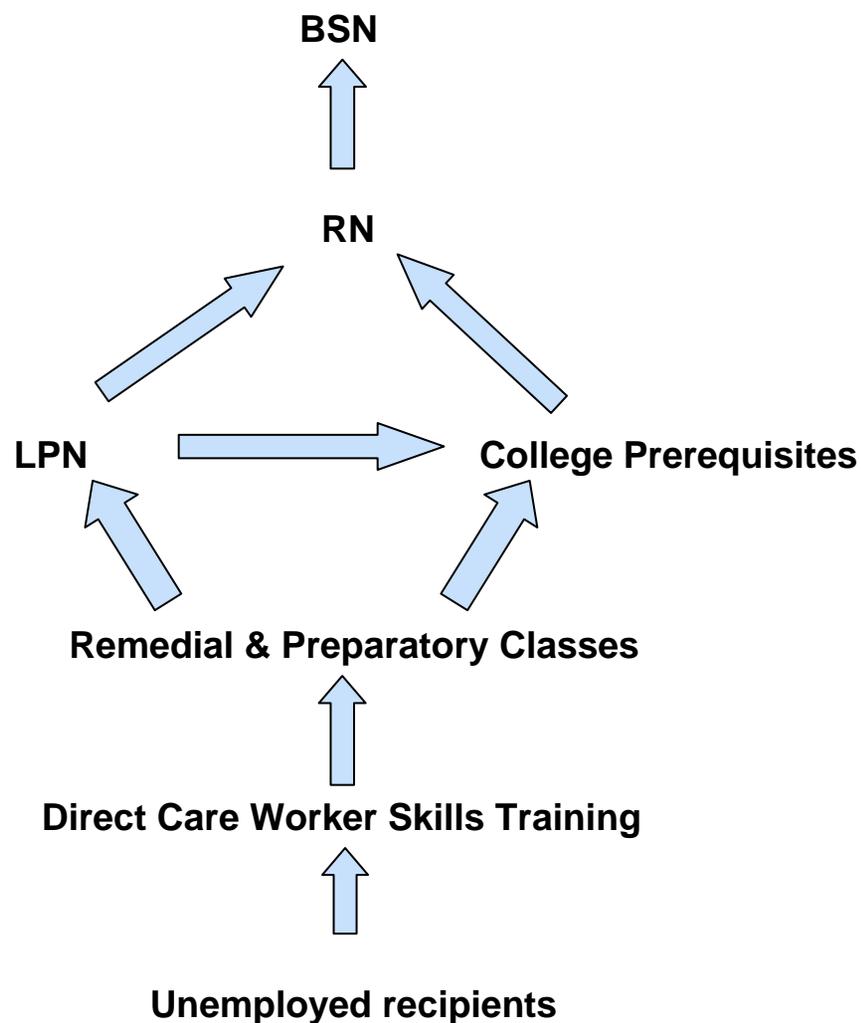
**First level Credentialed Workers**  
Technical Jobs requiring a HS Diploma + short term training  
*Pharmacy Technician, SPD Technician, Telemetry Technician, Nurse Aide, Unit Clerk, Phlebotomy Technician, Patient Registrar, Billing Clerk, Medical Records Clerk*



**Mid level Credentialed Workers**  
Skilled Jobs requiring higher level academic competency with some college credit or college degree  
*LPN, RN, Radiographer, Medical Technician, Respiratory Therapist, Medical Diagnostic Technician, Medical Records Coder, OT Assistant, PT Assistant*

# Nursing Program Education Ladder

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# Behavioral Health Education Ladder

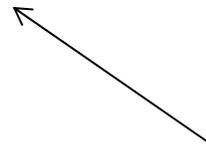
**Bachelor's Degree in Behavioral Health**



**Associate's Degree in Health & Human Services**



**Behavioral Health Collegiate Certificate (30 credits)**



**Integrated Preparatory  
and Work Based  
Learning:  
Technician Certificate  
plus 21 credits**



## Industry Partnership as Change Agent

- Creating employer-driven sector partnership that aggregates workforce needs
- Creating career ladders or pathways with industry-recognized credentials
- Connecting education and credentials to advancement
- Ensuring access

# Philadelphia Green Job Readiness Partnership



Philadelphia Workforce  
Investment Board

*Advancing our economy through our people.*

# What jobs can this program help me prepare for?



Weatherization



Solar Panel Installation



Green Construction

## *Major Strategies*

- **Engage employers** through sector-based employer intermediary
- **Create contextualized literacy** and wrap-around program to prepare and support low-skilled adults at the neighborhood level
- **Leverage other federal job training funds** – workforce and weatherization
- **Contract for green building skills** training not otherwise available

## *Partners - Operating*

- Philadelphia Workforce Investment Board (grant management, connection to workforce system and funding)  
[www.pwib.org](http://www.pwib.org)
- Federation of Neighborhood Centers (program implementation), with 2 member agencies:
  - Diversified Community Services
  - United Communities Southeast Philadelphia[www.federationnc.org](http://www.federationnc.org)
- Sustainable Business Network of Greater Phila (employer engagement and training program alignment)  
[www.sbnphiladelphia.org](http://www.sbnphiladelphia.org)

## ***Partners - Coordinating***

- Jobs for the Future (technical assistance)
- PA CareerLink® Suburban Station (one-stop)
- Philadelphia Workforce Development Corp (WIA Operator)
- Philadelphia Council AFL-CIO and apprenticeship coordinators

## ***Skills Training Providers***

- ECA's Knight Green Job Training Center (energy efficiency training and certification)
- Both non-profit and for-profit training vendors (solar training and certification)
- No community college involvement

# *Accomplishments*

- 2+ grade level increase in math/reading
- Employers engaged to identify skill needs, speak, conduct mock interviews, hire trainees
- 60% enter and complete skills training

# Challenges

- Staff-intensive planning, coordination, relationship building with partners
- Jobs and career ladder still emerging
- Skills gap larger than initially anticipated; participants need longer training time without income
- Difficult to deliver on economic value to employers (small businesses, emerging sector)
- Reliance on (few) training providers for job placement

## **4** *You can contact us for more information*

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