

# TAPPING NEW POOLS OF TALENT

PREPARING OPPORTUNITY YOUTH TO HELP FILL THE SKILLS GAP



## JOBS FOR THE FUTURE

Despite national economic growth, far too many Americans are stuck in low-wage jobs or unable to find work at all. Millions of people are struggling to gain the skills and credentials they need to land middle-skill jobs that can lead to careers and enable them to support their families.

Jobs for the Future, a national leader in developing college and career pathways to middle-skill work in high-demand industries, recently convened education and workforce innovators to share ideas about pathway strategies that:

- › best equip underprepared youth and adults to access and succeed in postsecondary education and the workforce
- › provide employers with a strong pipeline of qualified workers
- › strengthen regional economies.

### Looking for New Talent? We Can Help

For information on JFF services to prepare opportunity youth for work, contact Lili Allen, Associate Vice President, [lallen@jff.org](mailto:lallen@jff.org), or 617.728.4446 x105.

This brief is part of a series that highlights key issues and best practices discussed at Bridging the Gap: Postsecondary Pathways for Underprepared Learners, held in New Orleans. Other topics include: employer engagement, support services to help underprepared students succeed, and college and career pathways for people returning from correctional facilities.

The numbers are staggering: More than 6 million young people in the United States are out of school, out of work, and, often it seems, out of luck. That's 17 percent of Americans between the ages of 16 and 24.

This population includes dropouts and high school graduates, former foster children and juveniles in court custody; youth caring for siblings and teens cycling in and out of low-wage jobs. Once known as "disconnected," they are increasingly called "opportunity youth." Despite growing up in difficult circumstances—usually poor and sometimes homeless—they represent a large opportunity for investing in our nation's workforce and our future.

As millions of jobs go unfilled each year because employers can't find enough skilled workers, it is time to tap new pools of talent, says Mary Wright, a Jobs for the Future senior director, who focuses on how to better link workforce training with employer demand.

"Employers need to make greater efforts to consider nontraditional applicants, especially opportunity youth," Wright says. "And part of our responsibility is to convince employers that these folks have all the right skill sets and can certainly be as productive as those we think of as traditional students."

By recent estimates, employers leave 5 million jobs vacant each year.<sup>1</sup> If businesses continue to follow traditional hiring practices, there will be a shortage of 12 million skilled workers by 2025.<sup>2</sup> This brief focuses on strategies for strengthening education and employment pathways that prepare opportunity youth for jobs that can lead to productive careers.

## JFF MODELS GUIDE OPPORTUNITY YOUTH BACK ON TRACK

The odds often seem stacked against them, but opportunity youth are as capable of becoming college and career ready as any other young people in the country. They just can't do it alone.

Innovators in youth development are finding that with the right program designs, partnerships, and resources, this population can finish high school, enter postsecondary education, and complete credentials with labor market value.

Based on years of experience working with promising programs and the national organizations that support them, JFF has developed a Back on Track model to guide growth in this emerging field of practice. The three-phase model (see box) can be used to design:

- ▶ Diploma-granting and high school equivalency programs with career exploration opportunities, and academic and social supports
- ▶ Bridge programs that ease the transition to postsecondary education and training
- ▶ Postsecondary supports to increase the persistence of students who enter without key skills they need to succeed

Without effective interventions, disconnection from school and work as a young adult typically has negative ripple effects throughout a lifetime, with enormous impacts on society. For example, the estimated lifetime economic consequence of a single off-track 20-year-old is \$235,680. The total fiscal and social burden of today's off-track youth is calculated to be \$6.1 trillion over their lifetimes.<sup>5</sup>

### Who Are Opportunity Youth?

6.7 million young people ages 16-24:

- ▶ neither in school nor working
- ▶ 50% are people of color<sup>3</sup>
- ▶ represent 17% of all people ages 16-24

They may have:

- ▶ been involved in the foster care or criminal justice system
- ▶ grown up in underserved communities
- ▶ care-giving responsibilities in their families

Every year, these youth cost our country \$250 billion in lost revenue, earnings, and increased social services.<sup>4</sup>

Source: Belfield, C.R., H.M. Levin, & R. Rosen. 2012. *The Economic Value of Opportunity Youth*. Washington, DC: Civic Enterprises.

## What Do Opportunity Youth Want?

- 85% want a good career and job
- 77% believe that getting a good education and job are their responsibilities
- 67% want a college or technical degree

Source: Bridgeland, J.M. & J.A. Milano. 2012. *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*. Washington, DC: Civic Enterprises.

JFF works closely with community collaboratives, workforce partnerships, schools, districts, states, national youth-serving organizations, and community colleges to implement Back on Track pathways. Our initiatives currently span New York City, Texas, California, and dozens of urban and rural areas across the country.

### Opportunity Works: Proven Pathways to Postsecondary Credentials

JFF's newest venture, in partnership with the Aspen Forum for Community Solutions, is Opportunity Works, an initiative of communities implementing proven pathways to postsecondary credentials for opportunity youth, and scaling the pathways through a systemic approach based on the theory of "collective impact."

JFF was awarded a \$6 million Social Innovation Fund (SIF) grant from the Corporation for National and Community Service to support grants to communities and technical assistance as they build their pathways, along with an evaluation to assess the effectiveness of these pathways, especially for boys and men of color.

"Opportunity Works will help thousands of disengaged young people to achieve their aspirations while building the evidence base for Back on Track interventions," says Lili Allen, JFF's associate vice president for reconnection strategies and designs.

Opportunity Works builds on work that the Opportunity Youth Incentive Fund, led by Aspen with JFF, has been doing since 2012 supporting local efforts to forge connections among community-based organizations, education and training providers, and employers in high-growth sectors to improve outcomes for opportunity youth.

One strong example is Kids in Common, the backbone of the Opportunity Youth Partnership in San Jose, CA, which has made engaging the business community

a centerpiece of its strategy. Recognizing that many youth and young adults need to support themselves and sometimes their families as they pursue their education, the partnership is

working to ensure that young people have access to job training, internships, and employment.

The regional chamber of commerce has started an initiative with local employers offering internships and jobs to 75 opportunity youth over the next year. The chamber is also hiring a full-time business liaison to identify employer skill and training needs and cultivate commitments to intentionally hire opportunity youth. Employment coaches will help ensure that youth succeed on the job—for many their first job ever—through pre-employment training and ongoing support services.

Through Opportunity Works, seven community grantees will receive three-year awards of \$240,000 to \$270,000 per year to develop education and career pathways to success for unemployed or underemployed young people. They include organizations in Boston; Hartford, CT; New Orleans; Philadelphia; San Francisco; Santa Clara County, CA; and South King County, WA. JFF and Aspen will provide technical assistance and lead a peer learning community of all grantees.

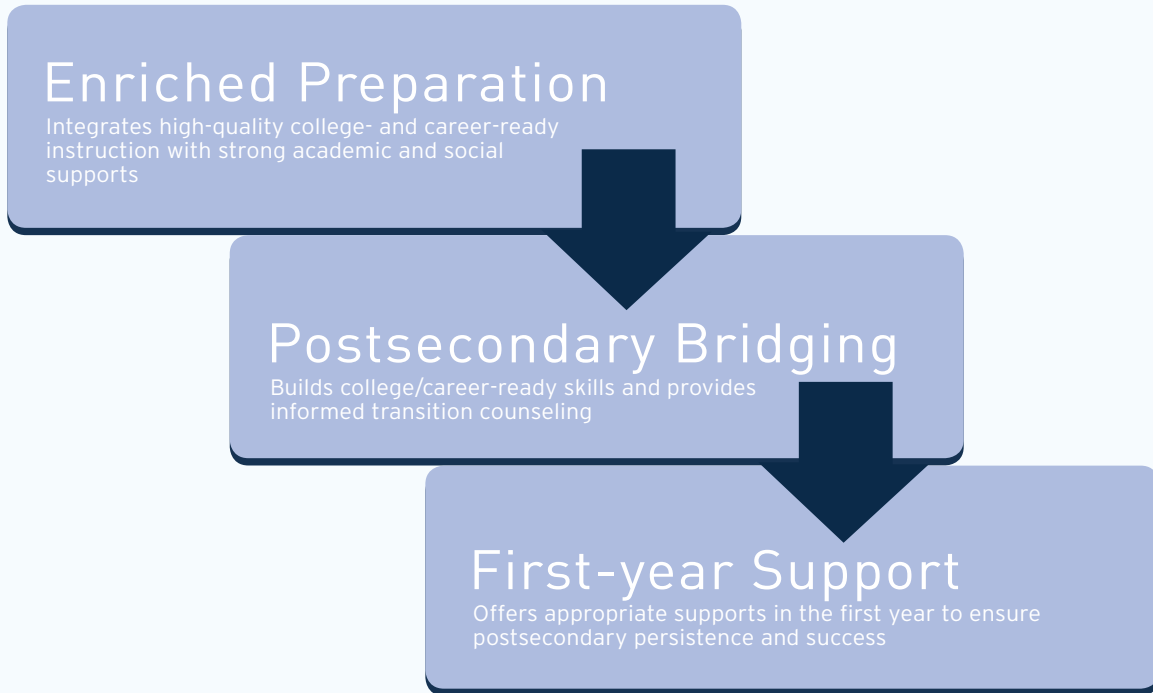
Several sites are reaching justice-involved youth through their pathways, including San Francisco, Santa Clara, and Philadelphia. (A future Bridging the Gap brief will focus on postsecondary pathways for students returning from correctional facilities.)

**"Employers say, 'We don't have the right people. We don't have a big enough pool to find people for all the jobs that we have.' Employers need to make greater efforts to consider nontraditional applicants, especially opportunity youth."**

*—Mary Wright, Jobs for the Future*

## JFF's Back on Track Model: 3 Steps to Success

Opportunity youth need much more than a high school diploma or GED in order to get back on track. Few good jobs are available to young people who lack skills, postsecondary credentials, work experience, and connections to working adults. JFF has designed a three-phase model called "Back on Track" that high schools, youth-serving organizations, and postsecondary institutions are using to help disconnected young people achieve their college and career ambitions. Here is an overview:



For more information on JFF's Back on Track Design Services, see <http://www.jff.org/initiatives/back-track-designs>

## 100,000 Opportunities

Twenty-nine top U.S. employers—including CVS Health, JCPenney, JPMorgan Chase, Macy's, Microsoft, Starbucks, Taco Bell, Target, Walgreens, and Walmart—announced an initiative in July 2015 to create pathways to meaningful employment for opportunity youth. The [100,000 Opportunities Initiative](#) aims to be the nation's largest employer-led coalition committed to engaging opportunity youth, and it plans to reconnect 100,000 people to apprenticeships, internships, training programs, and both part-time and full-time jobs by 2018.

Jobs for the Future will act as the core design and technical assistance partner to the Aspen Forum for Community Solutions Opportunity Youth Incentive

Fund. JFF will help Aspen support "100,000 Opportunities Demonstration Cities." This effort will make grants to several communities within the Opportunity Youth Incentive Fund initiative, to enhance their work engaging employers and capitalize on their commitment to hire opportunity youth. This effort will also provide new resources through an innovation fund to a subset of communities that will build employer-led pathways and document innovative approaches to this work.

This is some of the first real evidence of companies operating with the demonstration of commitment and belief that, with the right skills and training, opportunity youth represent an unrealized pipeline of talent that can help fuel our nation's economy.

## YEARUP PROVIDES CRUCIAL CONNECTIONS TO CORPORATE PARTNERS

While the 100,000 Opportunities Initiative marks great progress, it is currently the exception, not the rule. In order to convince more employers to consider hiring opportunity youth, it is important to understand the roots of their reluctance.

**“We want to transform perceptions of these young adults from social liabilities to economic assets.”**

—Valerie Beilenson, YearUp

helps opportunity youth gain access to meaningful work opportunities, says business concerns generally include education levels, preparation for a specific position, and cultural competencies.

A particularly common barrier: traditional corporate screening practices seek Bachelor's degree holders, even though an occupational credential or an Associate's degree signify sufficient entry-level skill for many fields. “A lot of companies are stuck in old hiring practices and don't necessarily even know how to access some of the populations we work with,” Beilenson says.

Some employers acknowledge they are a little anxious at the prospect of working with people from different populations than they usually hire. But when a young person has the opportunity for high-quality training, and the employer can see the individual's demonstrated abilities, concerns typically disappear.

YearUp has 250 employer partners, ranging from international investment banks to health care companies and high-tech start-ups. The one-year, intensive training program provides low-income young adults, ages 18-24, with a combination of hands-on skill development, corporate internships, and intensive support.

Participants spend their first six months in the classroom learning skills employers demand—technical skills such as network support, fund accounting, or customer service, and professional skills such as time management, business writing, or conflict resolution. Students then intern for six months with one of YearUp's partner companies, applying their skills, gaining critical work experience, and meeting with

mentors. They also earn college credits and stipends for performance.

YearUp, which was created 15 years ago in Boston, now serves about 2,000 opportunity youth around the country each year. About 85 percent of graduates are employed or attending college full time within four months of completing the program.

The organization's goal is to grow into a permanent source of high-quality talent for American companies, eventually training and placing up to 10,000 students annually. Beilenson's advice for any group doing similar work? Focus intensely on business needs. “Employers need to see why this is not just valuable as a feel-good thing to do, but this is valuable as an economic decision,” she says.

One example: By hiring YearUp interns, the Swiss global financial services company UBS has increased workforce diversity, solved business problems from new perspectives, and started thinking about how to recruit in innovative and strategic ways. Like many large companies, UBS has traditionally recruited entry-level talent by targeting graduates from top colleges, though this approach limits access to local talent, particularly people of color.

The partnership with YearUp provides UBS with a low-risk way to assess potential employees from more diverse backgrounds, while they are on the job in information technology support, business analytics, back office operations, quality assurance, or project management. The interns who are hired result in higher initial productivity and lower turnover costs. Ultimately, they help the company create a future talent pipeline that more closely mirrors its client base.

## PSA AIMS TO CHANGE ATTITUDES ABOUT OPPORTUNITY YOUTH

*A young woman of color, dressed in a business suit, answers questions from an older, white man sitting behind a desk. “So, what would you bring to my company?” the man asks. “I need problem-solving skills.” Confidently, the woman replies: “I got through high school without a car, a phone, or a computer.” He glances at her resume, and adds, “No college degree though?” No, she does not yet have a college degree, but she has learned a lot from life and she is ready for more. “You're not the typical kind of candidate that I hire,” the businessman says, pausing, then standing to*

“You’re not the typical kind of candidate I hire, but you are exactly what I’m looking for.”

—*Grads of Life public service campaign*

of “Grads of Life,” a national public service campaign that seeks to erase the negative perceptions some employers have of young people with nontraditional resumes and showcase their atypical, but valuable, skill sets.

The ultimate goal is to encourage businesses to hire from this “great pool of untapped talent,” according to Beilenson of YearUp, a lead partner in the multiyear effort. JFF is also a partner.

Since January, the video ads have appeared on the CNN airport channel; print ads have been in the *Sunday New York Times*; posters have adorned Chicago public transit trains and billboards from Boston to San Francisco. Produced pro bono by Arnold Worldwide and distributed for free by the Ad Council, the campaign also targets radio and digital media. Each spot focuses on common marketable traits of opportunity youth, such as determination, resilience, and loyalty.

*shake her hand,  
“but you are  
exactly what I’m  
looking for.”*

This scene, part of a 30-second video, is the heart

“We want to transform perceptions of these young adults from social liabilities to economic assets,” Beilenson says.

Grads of Life emphasizes the benefits many bring—especially life experience, motivation, and dedication not always found in other young candidates. The range of positive outcomes that employers see when they hire from this population include:

- Increased loyalty and retention
- Increased diversity
- Higher productivity
- Enhanced engagement among current employees, regardless of their socioeconomic background
- Development of a pipeline of skilled talent
- Cost-effective talent acquisition
- Stronger community ties

The [GradsofLife.org](https://gradsoflife.org) website provides resources for building employer-driven pathways, including mentoring, internships, and hiring support.

**More than 6 million young people in the United States are out of school and out of work, while employers leave 5 million jobs vacant each year.**

## ENDNOTES

<sup>1</sup> U.S. Bureau of Labor Statistic's Job Openings and Labor Turnover Survey (JOLTS), July 2015. <http://www.bls.gov/jlt/>

<sup>2</sup> Georgetown University Center on Education and the Workforce.

<sup>3</sup> Measure of America. 2012. "One in Seven: Ranking Youth Disconnect In the 25 Largest Metro Areas."

<sup>4</sup> The Aspen Institute.

<sup>5</sup> Belfield, C.R., H.M. Levin, & R. Rosen. 2012. *The Economic Value of Opportunity Youth*. Washington, DC: Civic Enterprises.

## RESOURCES

These publications and tools highlight promising models that employers, nonprofit organizations, and community colleges are using to diversify the talent pipeline.

### Civic Enterprises

- › [The Economic Value of Opportunity Youth](#) (2012)
- › [Opportunity Road: The Promise and Challenge of America's Forgotten Youth](#) (2012)

### FSG Consulting

(in collaboration with Jobs for the Future)

- › [Collective Impact for Opportunity Youth](#)

### Grads of Life

- › [Public service campaign and web site](#) encouraging employers to hire opportunity youth

### Jobs for the Future

- › [Back on Track Designs](#)

- › [Opening the Door: How Community Organizations Address the Youth Unemployment Crisis](#) (2015)
- › [Creating Pathways to Employment: The Role of Youth/Industry Partnerships in Preparing Low-Income Youth and Young Adults for Careers in High-Demand Industries](#) (2015)
- › [Promising Practices in Young Adult Employment](#) (2015)
- › [Pathway to Recovery: Implementing a Back on Track through College Model](#) (2012)

## PRESENTERS

The following leaders from education, workforce development, and nonprofit organizations led conversations at Bridging the Gap about preparing opportunity youth to join the workforce. Material for this brief was drawn from their sessions. More information about their backgrounds is available on the list of [biographies](#).

### Lili Allen

Associate Vice President, Reconnection Strategies and Designs, Jobs for the Future

### Valerie Beilenson

Director, Employer Demand, YearUp

### Olga Merchán

Director of Workforce Strategy, YouthBuild USA

### Adria Steinberg

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### Mary V.L. Wright

Senior Director, Demand Side Engagement and Analytics, Jobs for the Future

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**Jobs for the Future** works with our partners to design and drive the adoption of education and career pathways leading from college readiness to career advancement for those struggling to succeed in today's economy. Across the country, we work to improve the pathways leading from high school to college to family-supporting careers. Our work aligns education and training to ensure that employers have access to a skilled workforce.



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