Working for Equity: Workforce Development and Advocacy to Connect Communities to 21st Century Employment

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Introduction

Recent years have brought increasing attention to issues of income inequality. For reasons both good and bad (on the one hand, it’s quite important; on the other, it’s more sensational), much of the focus has been on the massive shift in income to the top 1 percent, including the fact households in that thin slice of the public in California now make in one week just a bit less that what the average household in the Golden State makes in one year. Partly as a result, much of the policy attention has focused on whether limits can be placed on excessive compensation for CEOs or whether transactions taxes can be imposed on Wall Street.

As important as that debate may be, it misses another key part of our distributional dilemma: the polarization of wage growth at the top and bottom of the earned income spectrum, along with a sort of hollowing out of job growth for the middle of the skill and earnings distribution. Even more than high salaries in high finance, this tends to deeply affect low-skill workers and the communities, predominantly of color, in which they reside. For activists and policy makers concerned about alleviating poverty and generating opportunity, we need to devise workforce development strategies that fit the needs and the times.

In this brief, we offer some ideas about approaches that indeed suit the 21st century, including the changing sectors in which we might expect economic growth as well as the shifting geographic and social nature of poverty in the U.S. After highlighting what we see as some important background trends in those two parts of the overall context, we offer a new basic approach, first developed in our book, *Staircases or Treadmills: Labor Market Intermediaries in a Changing Economy* (Benner, Leete, and Pastor 2007), namely the need for workforce developers to take up three tasks: Meeting, molding, and making labor markets.

By meeting, we mean the traditional work of such labor market intermediaries (LMIs): helping employees connect to available employment, including the development of human capital and the removal of basic barriers such as racial discrimination and transportation gaps. By molding, we mean attempts to shift employment practices, such as efforts to secure family leave, facilitate labor market reentry for those existing the criminal justice system, and even increases in the minimum wage. By making, we mean more fundamentally changing the structure and dynamics of labor markets, shifting the very quantity and quality of jobs that are created, partly through leveraging procurement policies or other government levers (such as actions to address climate change) to raise job standards and improve connections to less advantaged workers.

In implementing this three-pronged approach, we suggest that a series of things matter: targeting key sectors, focusing on job quality, working with community colleges and anchor institutions, stressing links to less connected workers, and understanding the role of workforce developers as data providers and civic convenors. We conclude with a stress on this convening role for a reason that might be controversial in what is a conference organized around discussing the merits and effectiveness of different strategies to “activate markets” to achieve change: while we concur that there are indeed important gaps in our thinking and practice about what works in the 21st Century, we fundamentally believe the problem is not a scarcity of policy choices but rather a shortage of political will. So part of the job for job developers is advocacy for economic change – that is, the development of coalitions.
which favor both equity and growth, which create special onramps for communities and individuals often left behind, and which develop tracking systems to insure that prosperity is widespread.

**Jobs, Concentrated Poverty, and a Shifting Economy**

The idea of connecting low-income communities to work is not new: launched two years before the War on Poverty, the 1962 Manpower Development and Training Act was soon accompanied by the Job Corps, was allowed to lapse in 1969, and was then replaced by Comprehensive Employment and Training Act (CETA) in 1973. Undergirding all these efforts, particularly CETA, was the notion that the government and the non-profit sector could be employers of first resort for disconnected and economic disadvantaged workers.

In keeping with a general ideological shift to the private sector, the 1982 Job Training Partnership Act, succeeded by the Workforce Investment Act in 1998, which itself was replaced by the Workforce Innovation and Opportunity Act (WIOA) in 2014, included more private sector representation and responsiveness to private employer concerns. This was later accompanied by a more deliberative shift to sectoral strategies, that is, an emphasis on working with employers in certain key sectors of the economy, usually varying by region, to create a pipeline into more sustainable industries (Giloth 2004).

The shift in emphasis to a better fit with the private sector, including direct engagement with certain regional industries, is striking in some ways. After all, during a period when the private sector was actually generating tremendous employment growth (the 1960s and early 1970s), workforce development was primarily considered a public sector concern and responsibility; for example, it was thought that the first (or re-connecting) job should be through public agencies (see CETA) and the idea of the public sector as an employer of last resort for those left behind was not political anathema. Somewhat oddly, just as deindustrialization began to batter the economic landscape and downshift the quality of private sector employment – an era in which public employment alternatives might have been most useful – public policy was shifting away from the focus on the public sector and was instead asking a private sector actively shedding long-term employees to begin to provide the first steps for those whose who might be hard-to-hire.

A second background shift of importance had to do with the nature of concentrated poverty itself. The joblessness that had long characterized Black inner-city communities was exacerbated by deindustrialization as well as a wave of middle-class move-out facilitated by a decline (however slight) in housing discrimination in suburbs and a rise in push factors, including resident concerns about security and educational quality in inner cities. By the 1990s, it was not inappropriate for William Julius Wilson to pen a book called *When Work Disappears* (Wilson 1997), as a way of arguing that the central challenges facing many communities of concentrated poverty was, in part, a failure to secure employment (with an accompanying argument that this new workless environment helped to disorganize social and family life as well).

The problem with the analysis of disappearing work (at least as a full explanation of the opportunity task now at hand) was two-fold. The first was that just as deindustrialization was rising, immigrant flows to cities were on the upswing; this means that many areas, including distressed neighborhoods, actually began to experience very high rates of labor force attachment – but to low-quality employment. For
these communities, work has not disappeared – it has simply gotten worse in terms of the pay and job security conditions that faced a previous generation of immigrants and their children. This complicates the task of workforce development: it is not simply about trying to bring jobs to a locale or connecting individuals to jobs that exist but rather about figuring how to enhance employment conditions and career trajectories.

The Wilson-style analysis also did not emphasize something that is only now clearer several decades down the road: work, or at least high-quality work, is disappearing for far more people than just the urban poor. For example, for the five business cycles from 1961 through the 1980s, total jobs had increased by over 7% within three years of the business trough. Since the recession of the early 1990s, each of the three recoveries has been much slower and in the recoveries starting in 2001 and 2009, the net jobs growth three years into the recovery was still less than 2%--in both cases still below peak employment prior to the beginning of the recession.

What this means is that it is no longer a question of trying to connect ill-fitted workers to an economy that is working – that is, to what the conveners of this conference call “functioning markets”; rather, the performance of the economy itself is an issue. At first glance, this would seem to provide a sense of solidarity: what was once an issue confined to low-income Americans now affects everyone. But it can also generate a sense of resentment: why should we do anything for those in distressed communities when the distress is now so widespread?

We see these cross-cutting tendencies playing out in current presidential politics – a concern about inequality has made the campaign by a democratic socialist possible even as the desire to limit benefits to the “deserving” provides the undertones for a candidate actively stoking racial anxieties about which groups are now demanding public attention. What we don’t see is any detailed conversation about what to do about the economic shortfalls: one side has been largely stuck in a corner arguing against the one percent (which is only one part of the problem) while another counters the sense of scarcity and fears of competition with vague promises to make the nation “great again” – often promising to achieve high growth through policies that previously shipwrecked the economy. It’s enough to make an empiricist shiver – and not with anticipation of something good about to happen.

**Workforce Development for the 21\textsuperscript{st} Century**

In any case, workforce development is now actually being asked to do much more than it ever did. If “Job One” in an earlier era involved connecting workers to a vibrant and more or less self-sufficient industrial economy, the new task involves not just overcoming spatial and social mismatches but actually trying to change the underlying nature of an economy which is actually generating subpar employment opportunities.

This is why we think it is important to categorize workforce development as needing to go beyond meeting the market – that is, linking up employers with job seekers, perhaps by improving human capital acquisition and transit connections. There also needs to be concerted efforts to both improve job quality and generate employment – what we call molding and making markets. And this is why we find the most hope in new efforts that try to understand the emerging economy, improve the conditions in new sectors, and, quite critically, offer explicit pipelines to less advantaged workers.
### Sectors Matter

There are numerous examples of different approaches that combine meeting, molding and making – and most of these involve targeting a sector that is slated to grow in the 21st Century and then figuring out how to improve job quality and make better connections to workers in low-income areas. For example:

- **The Utility Pre-Craft training program (UPCT)** developed by Los Angeles Department of Water & Power (LADWP) and the International Brotherhood of Electrical Workers (IBEW) Local 18 is designed to meet the demand for high-skilled weatherization workers. Of course, such workers are only needed because communities did not sit around waiting for the market to develop; instead, what is called the RePower LA coalition worked with others to generate support for a rate hike to finance energy efficiency measures, with the condition of their support being the development of programs, including with L.A. Trade Technical College, to create onramps for less advantaged workers.

- Leveraging public policy, particularly around the new de-carbonized economy has also been a focus of the Emerald Cities Collaborative. A national intermediary, Emerald Cities has tried to lever procurement and green building activities to share a “high-road” approach with 20 to 30 percent of jobs targeted for disadvantaged workers, utilizing project labor agreements, community workforce agreements, and as with the previous example, articulation with apprenticeship programs (Fairchild 2014). As important as coordinating the workforce development is coordinating the community organizing to demand green building investments.

- This has also been a key part of the Jobs to Move America initiative, an effort to utilize public spending on the expansion of rail and other mass transit to generate more jobs, particularly for less advantaged workers. One key tool in this initiative has been the development of a U.S. Employment Plan, essentially a way to score manufacturer proposals to supply rail cars or other rolling stock such that bids that include local hiring and/or targeting hiring of disadvantaged worker more easily and aggressively move forward in the queue.

- There are now a range of community-based technology training programs that have moved beyond the ‘digital divide’ motivated training of the 1990s and 2000s, towards linking training with technology creation, entrepreneurship, leadership skills, and support for small business development in poor neighborhoods. Hack the Hood in Oakland¹, for example, trains high school youth in web-design and programming, who then turn around and work with small businesses to develop new web-sites and mobile friendly marketing to expand their business. The Digital Nest² runs a similar program with mostly Latino youth in Watsonville. The Hidden Genius Project³ runs a 15-month intensive boot camp specifically with Black male high school

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¹ http://www.hackthehood.org/
² http://digitalnest.org/
³ http://www.hiddengeniusproject.org/
students that includes a strong entrepreneurship training component and is designed to integrate them into the broader Silicon Valley ecosystem of innovation.

**Quality Matters**

This combination of targeting sectors, job quality, and less advantaged workers is a basic premise of some of the work also occurring in the health care sector, another area where growth will occur (particularly given the nation’s aging population and expanded coverage through the Affordable Care Act (ACA) and create opportunity in the form of critical workforce shortages. In this and other arenas, attention is paid to upgrading the quality of available employment. For example:

- In 2000, the Health Care Workforce Development Program (HCWDP) was founded as a labor-management partnership between the Los Angeles County Department of Health Services (DHS) and Service Employees International Union (SEIU) Local 660 (now Local 721). As part of the county’s extension of a Medicaid Section 1115 waver, the state and county were required to jointly fund the program at $40 million with non-waiver funds. HCWDP functions as a workforce intermediary in coordinating with employers, unions, community colleges, education providers, and community-based organizations to create career pathway programs while improving the cultural competency and service delivery of the county’s health care safety net system. To date, the program has reached over 20,000 participants, who are predominately women of color with less than a college degrees.  

Or consider what seems to be an entirely different effort: the Restaurant Opportunities Center (ROC). Close to 11 million people work in restaurants in the country, and 7 out of the 10 lowest paying occupations in the country are in restaurants. But rather than accept that these will be low-wage jobs forever, ROC has developed a three-prong strategy to improve conditions in the sector:

- First, ROC has been one of the consistent national leaders in advocating for an increase in the minimum wage, and particularly focused on getting rid of the separate federal tipped minimum wage, which has been stuck at $2.13 an hour since 1991. Second, ROC has developed a workforce training program designed to help people get into good paying front-of-the-house positions in fine dining restaurants, where some people can even earn six figure salaries. In a similar light, the organization has focused on confronting racial and gender discrimination in the industry, molding employment practices in a highly segregated workforce. Third, ROC has developed a high-road employers association called RAISE (Restaurants Advancing Industry Standards in Employment), designed help boost the bottom-line of firms promoting a “high road” to sustainability. Along with its own cooperatively run restaurant Colors, this helps expand good jobs and demonstrate to both consumers and business owners that equitable business practices are possible.

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5 [http://www.bls.gov/oes/2014/may/high_low_paying.htm](http://www.bls.gov/oes/2014/may/high_low_paying.htm)
Institutions Matter

Aside from targeting sectors and job quality, the field has been paying more attention to the key institutions needed to promote job linkage and job creation. On the linkage side, community colleges are increasingly becoming a core part of a workforce development system transformed for the 21st century. They can provide a critical role in integrating services and resources (Carnevale and Hanson 2015). They can provide focused technical training to link high school graduates, disconnected workers, and returning students to career opportunities as well as provide the basic education that leads to further post-secondary educational opportunities. They can form partnerships between educational institutions, workforce development providers, and regional industries and employers in ways that leverage resources strategically. For example,

- In recent years, California Community Colleges has adopted a “Doing What Matters for Jobs and Economy” initiative to invest funding and resource in 10 priority regional industry sectors. It leverages several state and federal funding sources, such as the Career Technical Education Pathways Initiative (SB70), Carl D. Perkins Career and Technical Education Act, Proposition 98 funds for Apprenticeship, Economic and Workforce Development, and Career Technical Education, and brings together employers, unions, community colleges, and community partners around regional strategies to close the skills gap, meet industry workforce needs, and promote student success.6

- Another innovative approach: Pathways in Technology Early College High School (P-TECH) was established in 2011 in New York through a collaboration with New York City Department of Education, the City University of New York, New York City College of Technology, and IBM. It created an innovative grades 9 to 14 model in which students graduate with a high school diploma and associate’s degree in applied science in six years.7

Another set of institutions that are key, in this case to job creation, are what are called “anchor institutions” – large fixed assets such as hospitals and Universities in poor communities that can be leveraged for local economic development. Of course, most of our examples above involve job training that can connect residents in low-income communities to jobs elsewhere – and we do think that connecting to the larger regional economy is probably what will work best for most workers. However, there is also an interesting set of possibilities being raised by many in the field that has to do with leveraging the spending of anchor institutions such as hospitals, universities, and others, to facilitate localized employment. For example:

- Consider what is increasingly being referred to as the Cleveland Model, an effort that involves a unique partnership between the public sector, Northeast Ohio’s philanthropic community, and anchor institutions in Cleveland’s University Circle neighborhood. As part of a larger, socially responsive redevelopment strategy, a number of partners including the Democracy Collaborative, and the Ohio Employee Ownership Center, have created the Evergreen Cooperative Initiative, an effort to implement a model of large-scale worker-owned and

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6 http://doingwhatmatters.cccco.edu/
7 http://ptechnyc.org/Page/1.
community-benefiting businesses modeled after the Mondragon Cooperative network in Spain (which employs nearly 100,000 people and generates about $20 billion in annual revenues). In Cleveland, Evergreen Cooperative Laundry provides commercial laundry services for large-scale clients in the local hospital, hotel and nursing home industries. Green City Growers focused on providing hydroponic-ly grown lettuce, specialty greens and herbs to foodservice companies, grocery stores, major institutions and fine dining establishments within a 150 mile radius of Cleveland. By linking political ties with major anchor institutions in the city with strong training and technical assistance to worker-owned businesses, the initiative is simultaneously promoting economic development, green job creation and neighborhood stabilization.

**Connections Matter**

While it is a welcome turn to see more efforts trying to connect with sectors of the economy that are growing (or could, with the right public policy nudges, grow), you also have to make sure that these link up to communities in need. This can be addressed through the anchor approach outlined immediately above and some of the rest can be built into the metrics of performance evaluation—which can be ensured, in part, by insisting that local community organizations be part of program design—and by community advocacy for demand-side policies (such as energy efficiency retrofits as in the case of RePower LA) that set the stage. But there are also certain obstacles at the community level that are quite important to overcome in order to make the mechanics of workforce development more successful.

Probably the central obstacle involves education systems that underprepare young people for either higher education or employment. After all, connecting people to jobs is a challenge when little of the basic initial human capital development is being accomplished by existing systems. This is a large topic and one deserving of its own session (or even its own conference), particularly given debates over what might constitute effective reforms of public school systems. Given the breadth of the topic – and the fact that it is well-worn – we confine our attention here to three other key challenges facing job developers in low-income communities. They are as follows:

- The first has to do with reducing the barriers to reentry into the labor force from the criminal justice system. An extraordinary share of young men, particularly African American men in low-income communities, have records that give employers pause (Pager 2008). This is condemning a whole generation to subpar performance in the labor market, with deleterious effects on the communities where they live (or at least try to live given all the recidivist pressures built into the system). On the big picture side, we need to stop the pipeline through efforts to reduce over-policing and over-incarceration. We also need to continue efforts like California’s Proposition 47 which can remove a certain range of felonies from records. Efforts like “ban the box” can also help but further counseling for both job seekers and employers is needed to make employment successful. Transitional jobs are certainly part of an overall strategy needed to reduce recidivism – but there is no simple solution as recent evaluations have shown (Redcross et al. 2012; The Joyce Foundation 2010).

- A second key challenge has to do with the immigration experience, including but not limited to issues of legal status. Whatever fantasies some may have of sharply reducing the
undocumented population, immigrant labor is deeply embedded in the U.S. economy and the patterns of unauthorized entry are such that most experts believe that well over half of the undocumented have been in the country for longer than a decade – many of them have U.S.-born children and are clearly not going anywhere. Leaving this permanently situated population entirely outside the workforce development system is likely to perpetuate communities of concentrated poverty. While the best solution is comprehensive immigration reform (so as to regularize employment status and provide more leverage and stability at work), there could also be attempts to reform workforce development to better suit immigrants. This would include a bigger focus on English classes, more night-time learning opportunities to accommodate the working poor, and working with employers to promote naturalization (which seems to yield a “citizen gain,” partly through access to a wider range of employment and partly through securing worker loyalty (Pastor and Scoggin 2012)) to those immigrants who are Lawful Permanent Residents (LPRs).

A third key challenge has to do with the incorporation of single female heads of household into labor market activities. On one hand, it requires sufficient and comprehensive supports for child care, family responsibilities, and other barriers to employment. On the other, it requires breaking down barriers to male-dominated and better-paying jobs such as in construction, engineering, and other technical fields. Barriers are both explicit, such as lower levels of female participation in math- and science-based academic trajectories, and implicit, such as intangible cultures and norms embedded in worksite environments. None of these are easy nor short-term fixes. But RePower LA and its Utility Pre-Craft training program, Women in Non Traditional Employment Roles (WINTER), and others are leading the way.

The summary point here is simple: if we want job growth, even with intelligent sectoral and institutional approaches, to actually connect with low-income communities and the workers that live there, we need to consider the full range of impediments and the full range of possible connections.

*Relationships Matter*

Targeting sectors cannot just be a matter of pointing at growing industries; one needs to develop relationships with the employers. The same could be said about the institutions as well as the communities: if you want to overcome structural barriers, you need partners. And some of the most interesting efforts are very much focused on utilizing data to get workforce actors on the same page about needs and then consciously building relationships between those actors. For example:

- Consider the oft-celebrated Project Quest in San Antonio, an effort that has developed occupational analyses but also developed relationships with targeted area employers, and in some cases contributed to employers restructuring positions to make them more attractive to area workers. With deep roots in poor neighborhoods, training partnerships with multiple campuses of the Alamo Community College District, and a diverse set of funding relationships, Project Quest has helped stitch together collaborative response to area economic and workforce challenges. And the spirit of collaboration has had ripple effects in the region: in 2014, the Chamber of Commerce supported a sales tax increase to expand pre-K educational
funds to disadvantaged kids, with the rationale being that this would meet workforce development needs for the future.

- The lessons of the importance of diverse regional collaborations have been making their way into the highest levels of workforce development policy in the state of California. In keeping with a recent analysis by Melendez, et al (2015) that identified fragmentation in regional workforce development systems as a key challenge for the field, SlingShot, an initiative of the California Workforce Development Board, encourages and supports regional partnerships across the state. The SlingShot initiative specifically provides seed funds to bring together collaborative efforts of employers, government, workforce and economic development organizations and education stakeholders within a region to identify and then work to solve employment challenges that slow California’s economic engine. Most promising: this initiative takes seriously the notion that conversations matter and so provides funding for the “soft” infrastructure of collaborative planning.

This is a new set of skills for many workforce developers for a role that is quite critical: the workforce developer as a part of the fabric of civic engagement, providing hard data that can tether a conversation about the future, face-to-face relationships that can build trust, and a commitment to inclusion in policies and actions. And this sets the platform for not just working to make systems better but to actually alter policies and the trajectory of economies.

Making Change

This brief has tried to look at some of the issues facing those hoping to better connect communities to 21st century employment. We have reviewed the evolution of the workforce development field, sketched some key changes in the nature of urban poverty, and then laid out a series of examples where groups working in this field have developed a series of principles – target sectors, raise job quality, strengthen key institutions, emphasize the hard-to-employ, and act as civic convenors – that might underlie successful efforts.

We have, of course, merely scratched the surface of a field where a series of creative innovations are being tested and gaining ground. Among the many questions left unanswered are some nitty-gritty details about best practices. For example, how do we develop the capabilities to identify and intersect with growing sectors and employer needs? Do we know exactly what job characteristics matter to insure quality employment? Do we have all the right strategies in place to reach the hard-to-reach? How do we measure progress and also insure that any benefits extended to employers are retracted if they fail to deliver on moving the needle for those so often left behind?

Yet the real question facing the field may be far less technical and far more political: do we have the will to address the rising challenges of inequality, particularly in distressed communities?

This is why we have argued that workforce developers should not just meet markets but also seek to mold and make them. And it is why so many of the efforts outlined above – RePower LA, Emerald Cities, Jobs to Move America, ROC, the Health Care Workforce Development Program, the Evergreen Cooperative Initiative, Project Quest, etc. – have had important elements of community organizing and
public advocacy built right in, both to change policy and to more broadly raise public consciousness about the issues at hand.

In our most recent research, Equity, Growth, and Community: What the Nation Can Learn from America’s Metro Areas (Benner and Pastor 2015), we tried to look at when such advocacy and consciousness-raising actually persuades regional actors to simultaneously address the twin imperatives of equity and growth. Aficionados that we are of hard data, hazard ratio regressions, and arcane discussions of significance levels (yup, those are in the book, too), we were surprised to find that the magic elixir was rather “soft”: a key factor in a region’s inclusivity had to do with whether it was creating cross-sector conversations about the future.

This is why we have stressed the emerging roles for workforce developers as data providers and civic convenors. If we are to address the challenge that faces us, we do need to scale up best practices in workforce development but we also need to scale up the organizing, advocacy, and multi-sector collaborations that focus on connecting communities to opportunities.

For it is not a question of markets that are well-functioning but just not connected to communities being left behind – something has gone wrong in the American economy as a whole. As a result, you cannot solve the problem of concentrated poverty by better slotting individuals into low-quality employment – you need to shift conditions at work and generate better work in the 21st Century. And part of getting there involves exactly the sort of discussions that are taking place at this conference and then scaling and spreading those conversations and concerns to a broader public.
References


