

Mayor de Blasio, Rockefeller Foundation, JobsFirstNYC, Center for Youth Employment, and Social Finance Launch “Career Lift”

\$1.5 million public-private partnership to help formerly out-of-work and out-of-school young adults improve job retention

NEW YORK—This week, Mayor Bill de Blasio announced a \$1.5 million new initiative, “CareerLift,” driven by JobsFirstNYC, NYC Center for Youth Employment (CYE), and Social Finance. Supported by an \$850,000 grant from The Rockefeller Foundation, the pilot aims to grow targeted opportunities for formerly out-of-school and out-of-work young adults to help them stay employed and advance in their careers. This partnership will support vulnerable youth by working with private-sector employers to help reduce employee turnover rates and improve productivity. This project will also evaluate the feasibility of a “Pay for Success” model, in which employers assume the cost of job retention services only if proven successful — a first-of-its-kind funding model in the U.S. for employment retention services.

“Investing in the success of our emerging workforce is essential to a thriving local economy,” **Mayor Bill de Blasio** said. “Through CareerLift, we’re helping our young people succeed in the private sector. It’s a win for them, it’s a win for employers and it’s a win for New York City.”

“The support services offered by CareerLift will help to ensure that vulnerable youth are not only better equipped to connect to and stay in work, but to grow and thrive in their careers as well,” said **Abigail Carlton, managing director at The Rockefeller Foundation**. “We are proud to support this project, which sits at the intersection of The Rockefeller Foundation’s work to improve employment outcomes for vulnerable Americans and our long history of supporting pay-for-success financing models.”

“For young adults who face a myriad of structural challenges in accessing the economy and climbing the economic and social mobility ladders of opportunity, greater support to stay in a job is critical to ensuring their financial independence and security. CareerLift is an innovative partnership model signaling a timely shift that just getting a job often isn’t enough. A little support can be the difference in their success and ultimately the success of employers,” said **Sherazade Langlade, Vice President of Workforce and Economic Development at JobsFirstNYC**.

The program will be implemented by two nonprofit workforce development organizations: Seedco—supported in part through a \$150,000 grant from The Pinkerton Foundation—and Madison Strategies Group, as well as Q Services, the employer partnering with Madison Strategies to place young adults in office service jobs. Seedco will work with a number of food service employers to place young adults in jobs. In addition to testing the feasibility of the model, funding will support staff from the provider organizations to help workers and employers address challenges, from housing and transportation to healthcare and workplace conflicts that might otherwise lead to losing their jobs.

New York City’s job growth under Mayor Bill de Blasio has spurred new work opportunities for thousands of young adults. However, a major issue facing many businesses hiring entry-level workers is the cost associated with employee turnover. Similarly, for workers with relatively low educational

attainment and limited work history, finding a job can prove easier than keeping one. By improving retention and advancement outcomes, the CareerLift model has the potential to make a crucial difference in the lives of this new workforce, while also yielding savings for employers and the public programs that support this emerging workforce.

CareerLift draws from and builds upon proven local and national models, including Seedco's Youth Advancing in the Workplace and WorkLife Partnership in Colorado. Such an approach has the potential to assist employers of young adults entering the workforce by reducing employer costs related to turnover and helping to establish policies and procedures that support employee retention. The program will place staff from workforce development organizations on-site at employers to provide retention supports to employees. These staff members will connect employees to needed services at local service providers (e.g. housing, child care, benefits enrollment, up-skilling) on an individualized basis, and the support will help entry-level employees stay in their jobs and advance in their careers.

"Today we are thrilled to announce CareerLift, an innovative public-private partnership with the Rockefeller Foundation and Pinkerton Foundation. CareerLift helps advance Mayor de Blasio's goal to ensure that every New Yorker can achieve steady work at a living wage," said **Gabrielle Fialkoff, Senior Advisor to the Mayor and Director of the Office of Strategic Partnerships**. "This partnership will help newly employed young adults stay on the job and advance toward a career. Most exciting, it utilizes a first-of-its-kind funding model through which employers help themselves by financing retention services that will cut their turnover costs and boost workers' performance."

"Far too many young adults in New York City work hard to land a job, and then struggle to keep it," said **David Fischer, Executive Director of the NYC Center for Youth Employment**. "CareerLift steps in where most workforce programs leave off: it delivers ongoing support for both young workers and their employers to resolve challenges to retention and advancement as they arise. We see great potential in this model to advance the Center's mission of helping every young New Yorker achieve economic stability and get on a career path."

"Finding and developing new approaches to critical local issues is work we take great pride in, which is why we are thrilled to see the Center for Youth Employment partner with this great group of social innovators to launch this new, and first-of-its kind, "pay for success" effort," said **Darren Bloch, Executive Director of the Mayor's Fund to Advance New York City**. "Programs that support new entrants into the workforce provide well-established benefits to both businesses and employees alike. And the promise of delivering a new model for funding and supporting these important interventions will provide a valuable and lasting benefit for businesses, the local talent they hire, and our city as a whole."

"Madison Strategies Group is excited to be part of this innovative initiative to support workers in sustaining employment and increasing opportunities for career advancement," said **Debbie Beeber, Executive Director of Madison Strategies Group**.

"When a young adult gets a job, it is the next steps – keeping the job, advancing in the job, and developing a career – that can feel insurmountable," said **Tara Colton, Executive Director of Seedco**. "Seedco's career case management model works with young adults and employers at every step

along the pathway, which has resulted in better jobs for young people and an increase in employers' bottom line due to higher retention rates and improved productivity. Seedco is proud that our model will help guide the development and expansion of CareerLift, and thrilled to be on the forefront of finding innovative solutions to both solve and pay for the success of our future workforce."

"The CareerLift pilot will help us learn whether social supports – targeted toward life outside of work – can help unleash the untapped potential of youth employees, resulting in a better trajectory for them and a stronger business for employers," said **Jake Segal, Vice President of Advisory Services at Social Finance**. "Following a successful pilot, a unique financing mechanism called Pay for Success would allow employers to pay only for better outcomes, for their business and their employees."

"Seedco helped me to recognize what I could accomplish at work, and then supported me as I achieved my goals. In 10 months I got my food handler's certificate, a job, and a promotion to manager! I also increased my credit score by 70 points! Seedco helped me find goals that I didn't even know that I had, both at work and with my personal finances. I had goals, but no idea how to go about achieving those. Seedco made me feel professional in my approach to work, people and difficult subjects. Before Seedco, I didn't even feel comfortable wearing work clothes!" said **Tierra, a participant in Seedco's 'Youth Advancing in the Workplace' program**, whose model is helping guide the development of CareerLift.

"If the workforce programs are producing successful employees like Tierra, then it should be up to the employers to pay the freight," said **Rick Smith, President of The Pinkerton Foundation**

About JobsFirstNYC

JobsFirstNYC is a youth workforce intermediary working to reduce the number of out of school, out of work young adults in New York City. Its model is to design, test, and scale innovative partnership models responding to the unique needs of communities they are invited in to. As a neutral intermediary, JobsFirstNYC raises consciousness about the challenges young adults face, coordinates and leverages community assets, builds institutional and field capacity, and convenes stakeholders like employers, philanthropy, workforce development agencies, and policymakers.

About The Center for Youth Employment

The Center for Youth Employment (CYE) was launched in May 2015 by Mayor de Blasio to expand, improve and coordinate publicly funded programs that help prepare New York City's young adults for steady work and career success. A public-private initiative, the Center was conceived and launched by the Mayor's Fund to Advance New York City in collaboration with City agencies and private partners.

About Madison Strategies Group

Madison Strategies Group leverages deep strategic partnerships with employers to prepare people for employment and advancement. Working in partnership with other community organizations, Madison Strategies Group specializes in providing support to a diverse population. This includes low income individuals such as young people, immigrants, justice involved and the homeless with the tools to overcome barriers and regardless of background, to distinguish themselves as job candidates and workers. Madison Strategies currently operates programs in New York City and Tulsa, Oklahoma. More

information can be found at www.madisonstrategies.org.

About Seedco

Founded in 1987, Seedco is a national nonprofit organization that advances economic opportunity for people, businesses, and communities in need. Using a long-term career case management model, Seedco's workforce development programs help individuals with barriers to employment obtain, retain and advance in jobs. Seedco's work and family supports programs help low-income families successfully enroll in benefits and assistance programs and move towards self-sufficiency. Seedco currently operates programs in five states: New York, Tennessee, Maryland, Georgia and Connecticut. Learn more at www.seedco.org

About Social Finance

Social Finance is a 501(c)(3) nonprofit organization dedicated to mobilizing capital to drive social progress. Social Finance is committed to using Pay for Success to tackle complex social challenges, facilitate greater access to services for vulnerable populations, and direct capital to evidence-based social programs—all with the goal of measurably improving the lives of people most in need.

Social Finance has deep experience in the design and implementation of Pay for Success projects, from early-stage feasibility assessment, to project development and capital formation, to post-launch performance management and investment support. Our sister organization, Social Finance UK, launched the world's first Social Impact Bond in 2010. For more information and to learn how to support our work, visit www.socialfinance.org.