

# POLICY MEMOS

## Developing a Single-System Strategy for New York City's Out-of-School, Out-of-Work Young Adults

February 1, 2019

### ABOUT *Policy Memos*

*Policy Memos* is a JobsFirstNYC publication mini series designed to provide guidance to New York City policymakers to fully address the needs of today's untapped young adult population. Informed by JobsFirstNYC's 12-plus years of experience in developing innovative partnerships, this series analyzes best practices in developing systemic approaches to reducing the number of out-of-school, out-of-work young adults in cities across the country. *Policy Memos* builds off of other JobsFirstNYC publications, including our *Innovations in the Field* series, *Unleashing the Economic Power of the 35 Percent*, and *Barriers to Entry: Fewer Out-of-School, Out-of-Work Young Adults, as Warning Signs Emerge* report (co-published with the Community Service Society of New York).

### ABOUT **JobsFirstNYC** AND **Invest in Skills NY**



JobsFirstNYC is a nonprofit intermediary organization whose mission is to leverage all available community, corporate, human, organizational, private, and public resources to bring out-of-school and out-of-work young adults into the economic life of New York City. JobsFirstNYC was created in 2006 with an initial investment from the New York City Workforce Funders.

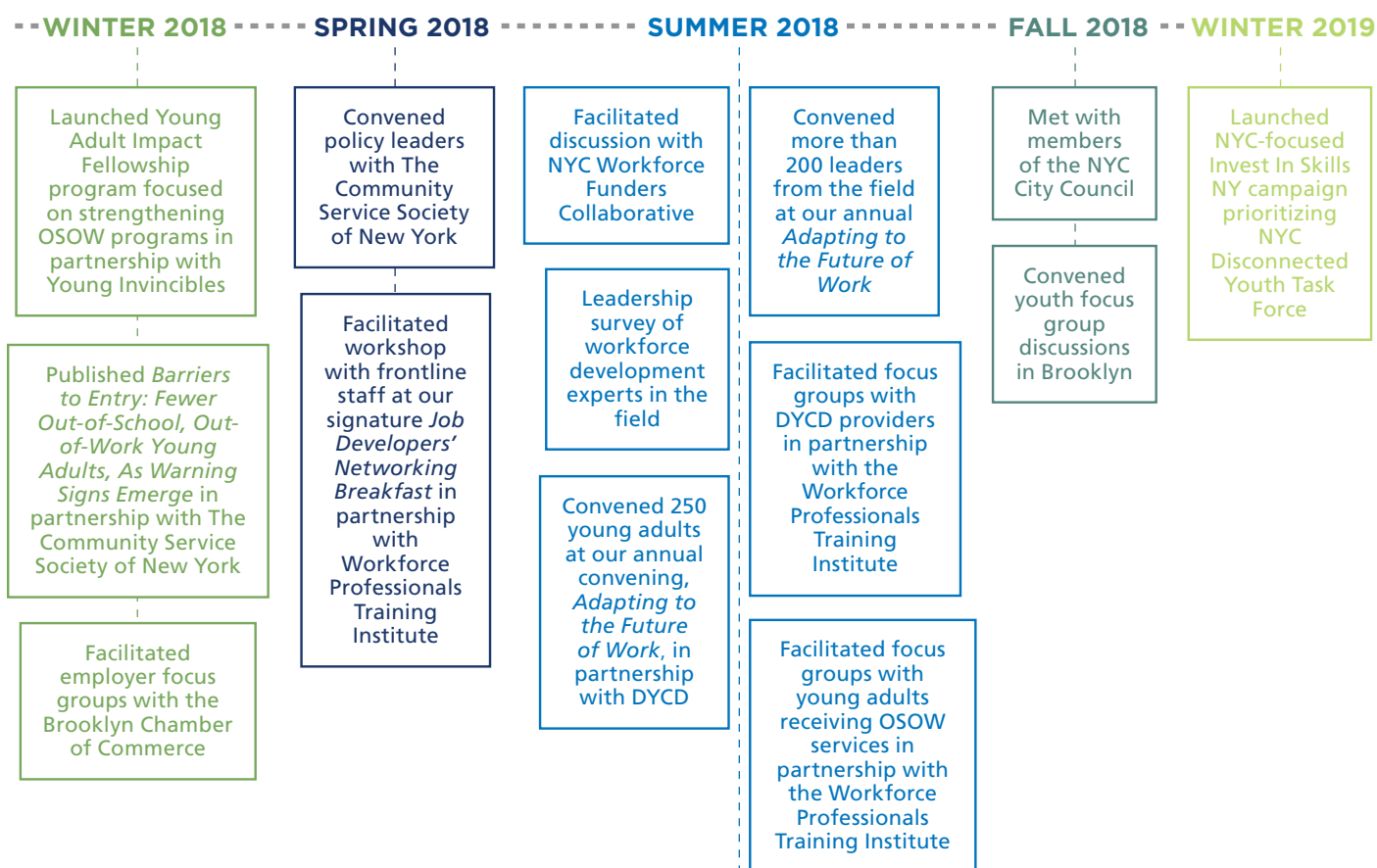


Invest in Skills NY is a statewide coalition that understands the economic imperative of investing in a skilled workforce for New York State and New York City. Funded by the New York Community Trust, the New York City Workforce Funders, and the Ralph C. Wilson, Jr. Foundation, the coalition aims to make workforce development an economic priority and achieve policy change that streamlines the workforce development system through significant sustained state and local investment. Invest In Skills NY is a partnership led by JobsFirstNYC, the New York Association of Training and Employment Professionals, and the New York City Employment and Training Coalition. Developing a single system strategy that supports young adults across a continuum of services is a priority of the Invest In Skills NY coalition.

# Background

On February 1, 2019, New York City’s Disconnected Youth Task Force met for the first time. The task force, led by Deputy Mayor Phil Thompson, is charged with building a plan to reduce the number of out-of-school, out-of-work (OSOW) young adults in New York City. The task force is the result of a recent City Council resolution—drafted with JobsFirstNYC support—that seeks to establish a comprehensive, fully funded, and responsive approach for integrating OSOW young adults into the economic life of New York City. We believe that the task force, to achieve this end, must develop a **single-system strategy** that supports young adults across a continuum. Specifically, this continuum (1) intervenes before a young person becomes OSOW, (2) engages and connects OSOW young adults to opportunities, and (3) supports the career development of young adults who are marginally connected to the labor market or pursuing postsecondary education.

## Over the last 12 months, JobsFirstNYC has been preparing for the launch of the NYC Disconnected Youth Task Force



JobsFirstNYC has more than 12 years of experience developing innovative partnership models, raising awareness of the barriers faced by young adults, advancing best practices with employers, and influences how public agencies and private philanthropy connect OSOW young adults to the economic life of New York City. We have spent the last year preparing for the launch of the city’s Disconnected Youth Task Force and are working collaboratively to change the task force’s name to the “Mayor’s Task Force on Out-of-School, Out-of-Work Young Adults.” JobsFirstNYC’s laser-focused work of more than a decade makes clear that young adults do not like to be considered “disconnected.”

# More barriers to entry

In the wake of the recession, the population of OSOW young adults has been steadily decreasing. Today, there are roughly 118,000 OSOW young adults between the ages of 18 and 24 in the city's five boroughs,<sup>1</sup> down from 187,000 in 2010. Four driving factors likely account for this change:

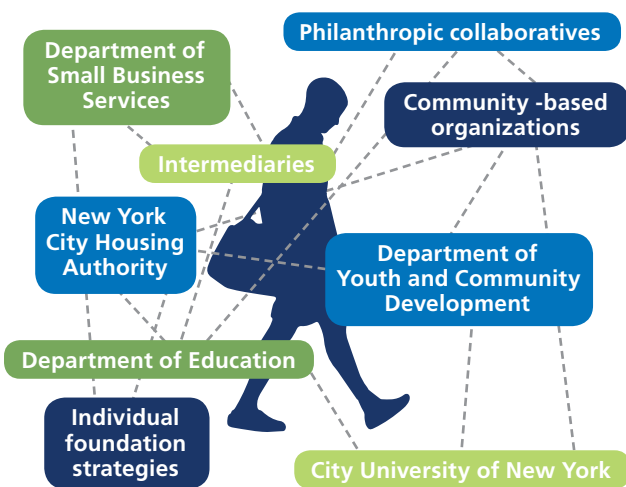
1. The overall population of young adults in New York City has decreased.
2. More young people are staying in high school rather than dropping out.
3. Overall unemployment is down in New York City and more people are working.
4. More young adults are enrolled in college.

While these trends seem promising, the remaining OSOW young adult population faces significant barriers to entry into the city's economic life. Such barriers include mental health challenges, justice involvement, disabilities, immigration challenges, homelessness, and traditional obstacles related to educational attainment and race continue to persist. The employment gains we have seen for this population have been almost entirely in part-time, low-wage work. And while college enrollment has increased, so has the number of college dropouts.<sup>2</sup>

Moreover, OSOW young adults are living in an economy that increasingly requires greater skills and credentials. With New York City's unemployment rate at a record low of 4.1%, the labor market is incredibly tight. The jobs that are expanding tend to be in skilled sectors such as tech and health care, meaning that young adults without college degrees or the appropriate credentials struggle to enter today's economy—and this trend is expected to become more pronounced over time.<sup>3</sup>

<p><b>Today's young adults face heightened barriers to entry</b></p> <ul style="list-style-type: none"> <li>• Mental health challenges</li> <li>• Justice system involvement</li> <li>• Disabilities</li> <li>• Immigration and English as a second language</li> <li>• Housing and food insecurity</li> <li>• Lower educational attainment</li> <li>• Racial inequalities</li> </ul>	▶	<p><b>In an economy that increasingly requires more skills and credentials</b></p> <ul style="list-style-type: none"> <li>• The current labor market is tight. Employers report difficulty in finding qualified people to fill openings.</li> <li>• All employment gains for 18- to 24-year-olds in NYC over the last 5 years were in low-wage, part-time jobs.</li> <li>• By 2020, 65% of jobs will require some kind of postsecondary education or training.</li> </ul>
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# But NYC's system is fragmented and not responsive enough...



Unfortunately, New York City's workforce and education ecosystem is extremely fragmented and not responsive enough to help young adults meet the needs of a rapidly changing economy. As a result, young adults, service providers, postsecondary programs, and employers are left to their own devices to navigate through a largely uncoordinated and disconnected web of services and programs.<sup>4</sup>

Given the size of New York City and the fact that there are still 118,000 young adults who are neither working nor in school, it is critical that New York City develop a coordinated strategy that focuses on intervening before young adults become OSOW, helping young adults connect to the economy, and supporting the advancement of marginally connected young adults.

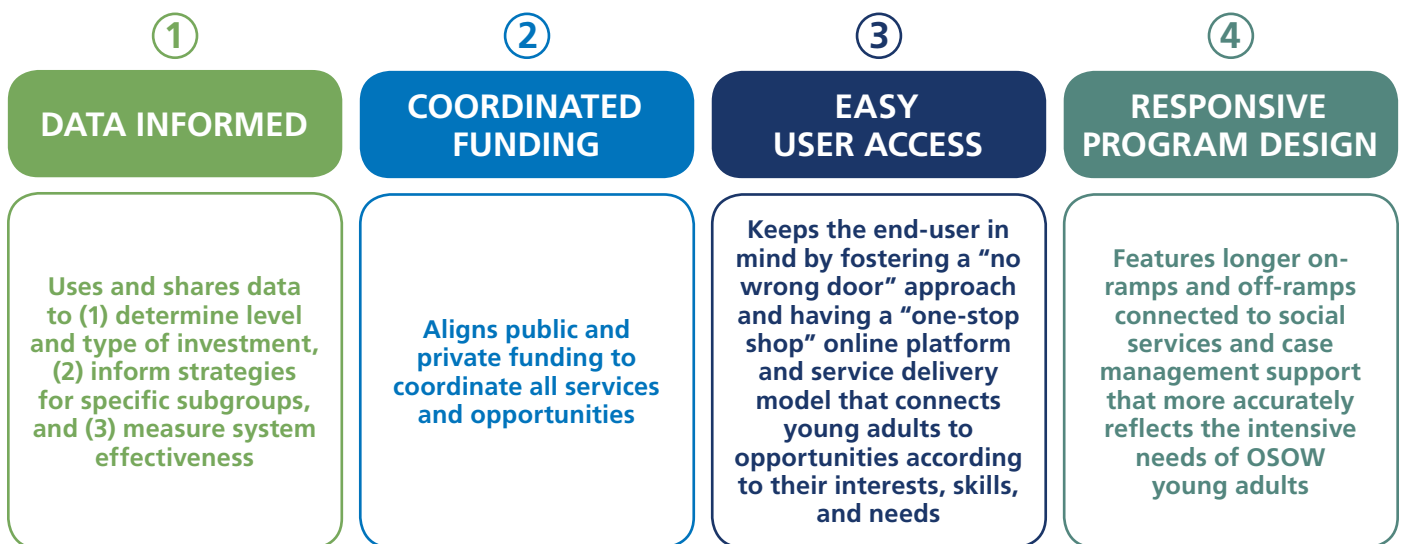
# Best practices from other cities in developing a plan

- ✔ Facilitate an inclusive and transparent process to developing a plan
- ✔ Build a planning infrastructure with work groups and time-bound, measurable goals
- ✔ Engage a variety of stakeholders, including young adults and employers
- ✔ Keep the end-users top of mind (employers and young adults)
- ✔ Develop a regional approach that invests in strengthening local neighborhood capacity
- ✔ Prioritize specific subgroups with unique challenges
- ✔ Use labor market information and employment data
- ✔ Spend time and resources asset and gap mapping the current system

Fortunately, there is a great deal of knowledge and practice on which to build. Other cities across the country have decreased their OSOW population by creating a well-funded, fully integrated strategy. For example, in 2017 Los Angeles launched its Performance Partnership Pilot Strategic Plan for Serving Disconnected Youth (LAP3).<sup>5</sup> The city’s first step was to conduct a thorough analysis of the challenges facing its OSOW population, such as homelessness, transportation shortages, and mental health challenges. In 2014, Chicago launched Thrive Chicago, which included the rollout of “Reconnection Hubs” in high-priority OSOW neighborhoods aimed at creating an entry point for young people to connect to services and opportunities.<sup>6</sup> New Orleans launched its Employment and Mobility Pathways Linked for Opportunity Youth (EMPLOY) collaborative, which created a data-sharing council to facilitate the distribution of

labor market information across partners and programs, as well as a single referral system for moving young adults between programs.<sup>7</sup> These cities’ plans feature several common traits that, together, make up a **single-system strategy**.

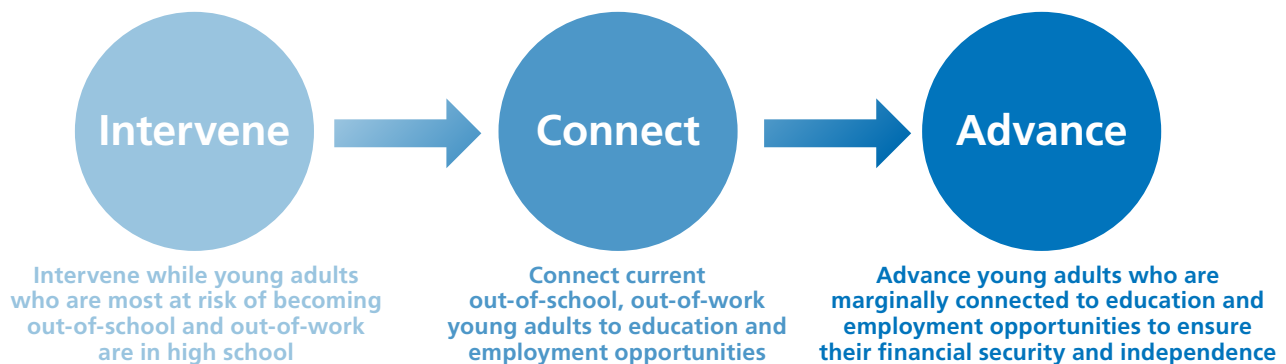
## The solution: Develop a single-system strategy...



A single-system strategy is a data-informed strategy that coordinates all public and private resources to create responsive programs that allow young adults to more seamlessly access economic opportunities. It embraces the following elements:

- 1. It is data informed.** In order to do their work effectively, stakeholders need access to labor market information, data on the range of barriers faced by young adults, and a standard system for measuring program effectiveness. In New Orleans, EMPLOY has created a data-sharing council that utilizes a single referral and evaluation system for all partners in the collaborative.<sup>8</sup>
- 2. It aligns the activities and funding streams of relevant institutions.** In New York City, such institutions include the Department of Education, the Department of Youth and Community Development, the City University of New York, community-based organizations, private philanthropic institutions, and more. These actors need to have access to the same information and agree on a set of goals and a strategy to achieve them. In Los Angeles, for example, institutions participating in LAP3 have united around the shared goal of identifying and receiving federal waiver opportunities, as well as establishing new channels for inter-institutional collaboration that will connect funding streams and programs to create clearer pathways for young adults.
- 3. It ensures that services and programs are easy to access.** Key to this is the development of a “one-stop shop” online platform where young adults can find services. Second, stakeholders should agree on a standard process for referring young adults between programs and across the system.<sup>9</sup> Third, it is important to embrace a “no wrong door” approach that allows young adults to access the services they need regardless of what organization or program they walk into.<sup>10</sup> Finally, a related aspect is ease of access: providers should meet young people where they are by creating centralized locations in neighborhoods that connect young adults to services. The LAP3 plan features such an approach by leveraging the strength of the city’s local YouthSource centers.<sup>11</sup> Thrive Chicago has engaged in a similar plan to build “Reconnection Hubs” in priority neighborhoods.<sup>12</sup>
- 4. It is responsive to market needs and the needs of young adults.** New York City should provide longer on- and off-ramps that provide young adults with individualized case management and deeper connections to wraparound support services. Such mechanisms offer guidance to young adults both as they enter training programs and as they transition into employment. Thrive Chicago has undertaken such an approach by placing a strong emphasis on building responsive program models that fully support the needs of young adults, including justice-involved young adults, young adults with disabilities, and other barriers many of the remaining out-of-school, out-of-work young adults face in accessing opportunity.<sup>13</sup> This is especially critical given how all employment gains over the last five years for 18-24 year olds have been in low-wage, part-time work.

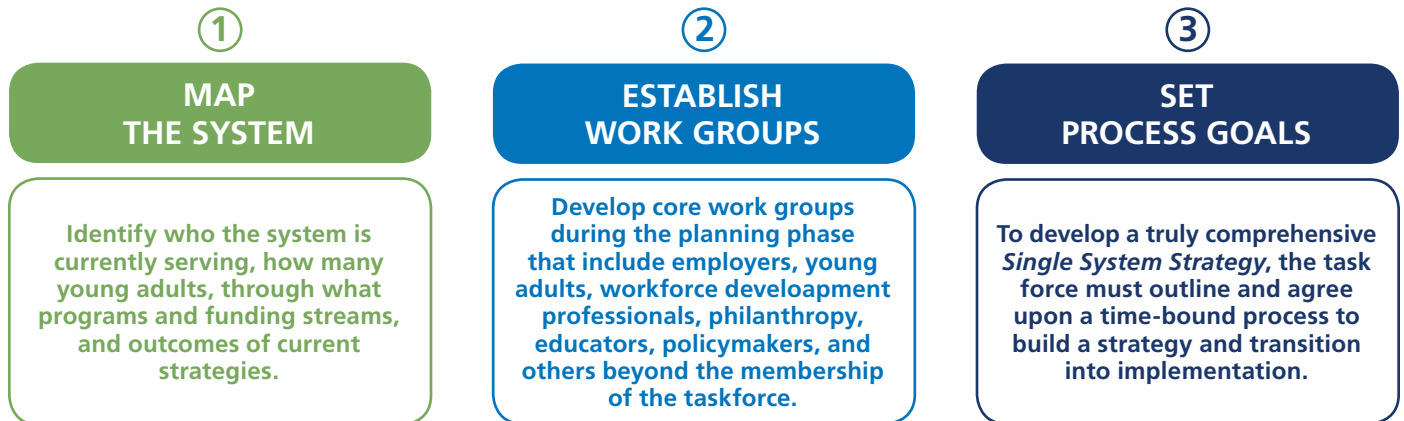
## ...that supports young adults across a continuum



New York City’s single-system strategy should support young adults across a continuum that intervenes while young people are still in high school to prevent them from joining the OSOW population, that connects existing OSOW young adults to employment and training, and that supports their advancement into sustainable careers through wraparound services and continuing skill development.

# Next steps:

JobsFirstNYC is working collaboratively with the task force on the following next steps to advance a single-system strategy:



## Acknowledgements

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## Endnotes

- <sup>1</sup> Lazar Treschan and Irene Law, *More Connections, but Looser Ties?* (Community Service Society, 2019).
- <sup>2</sup> Lazar Treschan and Irene Law, *Barriers to Entry: Fewer Out-of-School, Out-of-Work Young Adults, as Warning Signs Emerge* (Community Service Society and JobFirstNYC, 2018).
- <sup>3</sup> Madison Hubner and Melinda Mack, *State of the Workforce: A Labor Market Snapshot for New York State, 2018* (New York Association of Training and Employment Professionals, 2019).
- <sup>4</sup> Margaret Stix, *Unleashing the Economic Power of the 35 Percent* (JobsFirstNYC, 2014); Invest in Skills NY, *Leveraging Opportunity, Meeting Demand: A Blueprint for Building New York State's Workforce Development System* (Invest In Skills NY, 2018); Steve Dawson and Stacy Woodruff, *Workforce Agenda for New York City* (Workforce Field Building Hub at the Workforce Professionals Training Institute, 2018).
- <sup>5</sup> Los Angeles Performance Partnership Pilot, *2017–2020 Strategic Plan Serving Disconnected Youth: Improving Education, Employment, Housing and Well-Being Services for Los Angeles Disconnected Youth* (City of Los Angeles, 2017).
- <sup>6</sup> Thrive Chicago, *Reconnecting Chicago's Youth: Annual Impact Report* (Thrive Chicago, 2018).
- <sup>7</sup> EMPLOY, "EMPLOY Opportunity Youth Data Sharing Council," <https://www.employcollaborative.org/data> (accessed January 15, 2019).
- <sup>8</sup> *Id.*
- <sup>9</sup> EMPLOY (*supra* note 7).
- <sup>10</sup> Los Angeles Performance Partnership Pilot (*supra* note 5).
- <sup>11</sup> Los Angeles Performance Partnership Pilot (*supra* note 5).
- <sup>12</sup> Thrive Chicago (*supra* note 6).
- <sup>13</sup> *Id.*
- <sup>14</sup> Los Angeles Performance Partnership Pilot (*supra* note 5).