

### **Mission and Model**

### **Opportunity Talent Lack Access to Economic Mainstream**

Social and economic inequities, systemic barriers, & an inefficient talent marketplace leave **Opportunity Talent disconnected from the economic mainstream & without access to quality jobs.** 

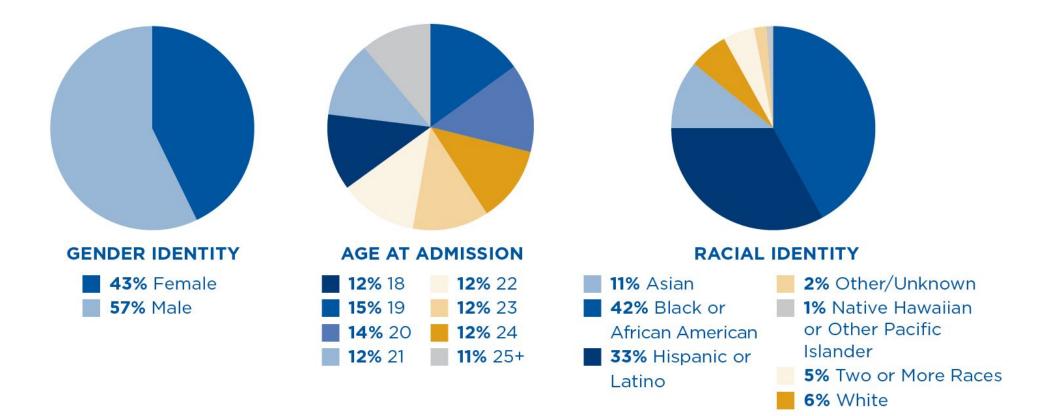


### **Employers Face a Growing Need for Talent**

Meanwhile, employers face a growing need for diverse, skilled talent—the talent they need for today's jobs and for those of the future.

### Who We Serve: National Reach

Year Up serves Opportunity Talent—underserved young adults who are often overlooked as a source of talent, but are motivated, resilient, and bring a diverse range of skills, experiences, and perspectives to the workforce.





Students that have taken college classes before Year Up



Students that experience financial challenges **53%** 

Students unemployed or underemployed at the time of application

### Where we Serve: National Presence





Pre-Program Recruitment & Admissions Phase 1 Learning and Development

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Phase 2 Corporate Internship

Post-Program Career & Higher Education

#### Year Up Model & Core Principles

### SUPPORT

- Educational stipends
- Coaches & Mentors
- Student Supports

### TRAINING

- Technical skills
- Professional skills
- College coursework & credentials

### GUIDANCE

- Behavioral contract
- Constant feedback
- Career guidance

### EXPERIENCE

- Hands-on training
- Corporate internship (virtual or in-person)

- HIGH SUPPORT, HIGH EXPECTATIONS
- COMMITMENT TO STRONG OUTCOMES
- INTERNSHIP AND CAREER READINESS
- **COACHING**
- COMMUNITY BUILDING
- WRAPAROUND SUPPORTS



Graduates employed and/or enrolled in postsecondary education within four months of program completion.



Employed graduates earn an average starting wage of \$22.00/hr, equivalent to a salary of \$44,000/yr. **250+** FORWARD-THINKING CORPORATE PARTNERS

FORTUNE 100 COMPANIES PARTNER WITH YEAR UP



**90%** PARTNER SATISFACTION RATE

1/3



#### FULL-TIME, TRAINING-ALIGNED ROLES

Graduates employed full-time in roles aligned with one of the five career pathways Year Up trains students.

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#### **GRADUATE EMPLOYMENT RETENTION**

Graduates placed in full-time, trainingaligned roles working for the same company at 12 months post-program.



Year Up: A Social Program that Conservatives (and Liberals) Can Love

> David Fein Abt Associates Inc.

PACE Pathways for Advancing Careers and Education

Secretary's Innovation Group Meeting August 4, 2021 Washington, DC

# **Setting the Scene**



Two policy problems

Millions of young adults disconnected from work and school
 Employers face difficulties recruiting for middle-skill jobs in fast-growing occupations

- Publicly-funded workforce training has not boosted employment and earnings much
  - Small dosages, minimal supports, weak connections to employers
  - Short-lived grants, uneven provider quality, fragmented delivery systems
- Newer "sectoral training" programs are proving more effective
- Year Up is among the largest and most effective of these programs

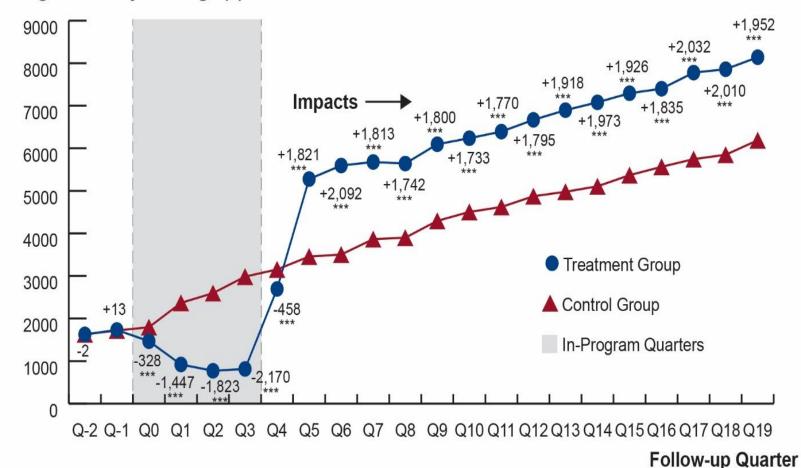
# **The Study**



- Auspices
  - Sponsored by the federal Administration for Children and Families
  - Part of PACE, a larger study of promising programs
  - Implementation, impact, and cost-benefit sub-studies
- Design
  - 2,544 young adults randomly assigned to treatment (Year Up) and control (existing services) group in 9 cities from 2013-14
  - Characteristics
    - Aged 18-24, w/high school diploma/equivalent
    - From low-income communities, screened for ability to benefit
    - 85% Black or Hispanic
- Analysis
  - Measure and compare outcomes for treatment and control groups
  - Over a 5 year-period (future reports will extend)

# Main Finding: Large Earnings Impacts Persisted to the End of the 5-Year Period





Average Quarterly Earnings (\$)

# **Other Findings**



- Large earnings increases for all subgroups (though size varies)
- Decreases in
  - Financial distress (-10%)
  - Debt (-\$2,495)
  - Public assistance receipt (-5 percentage points)
- No effects on
  - Further education and training
  - Psycho-social outcomes

## **Benefits Exceed Costs**



- @\$28,190 per participant: a relatively expensive program
- Net benefits to society outweigh costs: for every \$1 spent, the program returned \$1.66 over the initial 5 years
- Under the hood:
  - Payments from employers finance 3/5 of Year Up's costs
  - Philanthropy covers the rest (aiming to avoid restrictions w/gov't funds)
  - Key benefits
    - Increased earnings & fringe benefits (offset by diminished nonmarket activities), stipends, tax payments, returns on corporate investments
  - Net benefits likely to increase well beyond \$1.66 in longer-term (as earnings impacts extend beyond 5 years)

# What Makes Year Up Work?



- Strong implementation
  - 96% of treatment group members received some training, 78% of these completed the one-year program
  - Staff diligently enforced Year Up's contract: 96% received 1+ infraction, 45% received 10+ infractions. Infractions reduce stipends and can progress to being "fired" from the program. The average treatment group member nonetheless earned \$7,142 in stipends.
- Excellent management and a cohesive program culture
- Comprehensive services address the varied challenges that participants can face

# But Are All of Year Up's Components Critical?



- Study measured YU's overall impact, not effects of its individual components
- All seem plausible, embody best practices:
  - Careful <u>screening</u> of applicants for ability to benefit
  - High quality, work-focused training in technical and professional skills
  - Strong <u>supports</u> (e.g., coaching, learning communities, stipends) and high <u>expectations</u> (e.g., behavior contracts)
  - Authentic <u>work-based learning</u> and exposure to prospective employers through <u>internships</u>
  - <u>Employer financing</u> creates incentives for employers to ensure that interns succeed and for Year Up to optimize training to meet employers' needs
- Stakeholder sentiment: "comprehensive matters"
  - Synergies across YU components □ effects greater than sum of parts

# **Implication for Scaling**



- Replication with high fidelity is likely to produce comparable impacts
- Less comprehensive, lower intensity, lower-cost versions may not...
   ... But are worth testing!

# How Year Up Squares with Conservative Values



- Limited government
  - Operates well with minimal strictures
  - A "trust but verify" philosophy w/strong performance measurement (e.g., RADIO\*)
- Work
  - A heavily work-based curriculum including six months of workplace-based learning
  - High levels of employer engagement
- Self-sufficiency
  - Generates large, sustained earnings impacts

\* Year Up's performance measurement system tracks <u>Retention</u>, <u>Admissions</u>, <u>Development (\$)</u>, <u>Internships</u>, and post-program <u>Outcomes</u>

# A Candidate for Bipartisan Policy?



- Many would agree that disconnection and skill shortages are problems
- And that it is better to invest in proven solutions
- For example: The Expanding Pathways to Employment Act
  - Co-sponsored by Reps Sherrill (D, NJ) and McKinley (R, WV)
  - Commits \$700 million over 9 years to "help workers access good-paying jobs by supporting proven workforce development programs"
  - Stresses evaluation
  - Administered by Dept of Treasury
- A helpful start, but well short of resources needed to scale to level of problem

# **What Scaling Might Entail**



- A financial illustration
  - Fund Year Up for 100,000 young adults at \$14K per (employers cover remainder)
  - \$1.4B total cost x \$1.66 = \$2.3B return to society at large
- Open questions
  - Potential to mobilize state and federal dollars for scaling?
  - What might a state-level initiative look like?
  - Can Year Up be adapted for broader populations than served to date? (e.g., lower-skilled, wider age band, more occupations, rural communities)



### **For More Information**

For the report and much more, visit:

https://www.abtassociates.com/projects/evaluating-year-ups-programs-for-youn g-adults

And/or contact:

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The *Pathways for Advancing Careers and Education (PACE) Study* is supported by the Office of Planning, Research and Evaluation (OPRE), Administration for Children and Families (ACF), U.S. Department of Health and Human Services (HHS) (Contract #: HHSP23320095624WC). Supplemental funding for PACE from the Open Society Foundations also has helped to support the Year Up study.

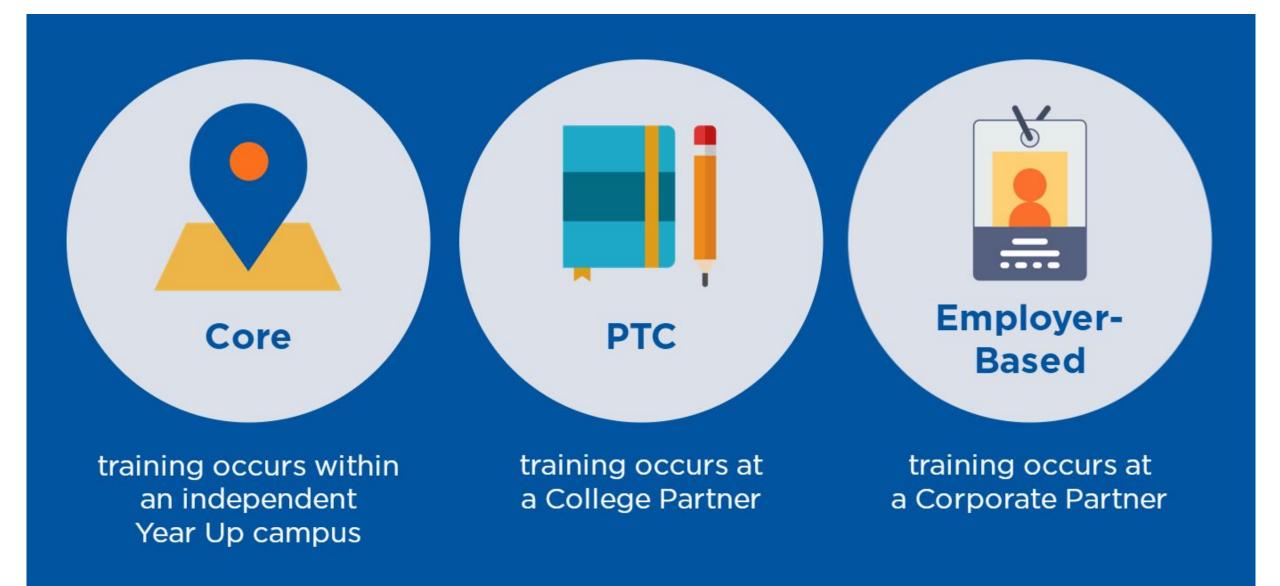
The contents of this presentation do not necessarily represent the official views or policies of OPRE, ACF, HHS, or foundation sponsors.

### **5 CAREER PATHWAYS**





### Deliver the Model through Three Distinct Channels



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### **Appendix: Philadelphia & South Florida Pilot**

Year Up has established an accelerated, technology-enabled version of its program to **test the effectiveness and scalability of a shorter, primarily virtual experience** to meet the needs of students & corporate partners.

#### **PILOT OVERVIEW**

- 3 months of highly supportive, primarily virtual learning and training leveraging third-party platforms for content delivery.
- 4-month work immersion experience with employer partners. Participants are matched with employers for a work-based learning experience, while continuing to enhance their professional skills and build their resume with added support from a dedicated YUPRO representative.
- Robust wraparound support to encourage participants' persistence and success. Participants have access to an on-staff social worker; academic tutoring; group, peer, and one-on-one coaching; and a virtual community.

#### **MODEL BENEFITS & POTENTIAL FOR SCALE**



#### Increased Program Flexibility

An asynchronous, self-directed curriculum enables students to balance work, home, and other demands while completing the program in a shorter timeframe.



#### Ability to Serve More Young Adults & Employers

Because of the remote nature of the pilot, we can serve a broader geography of young adults by eliminating the commute to a central training location, and can scale to serve a broader geography of employers.



#### Lower Cost Per Participant

Shorter duration & tech-enabled means lower cost for program delivery, with significant savings in real estate & personnel compared to Year Up's traditional model.



#### Early Integration of YUPRO's Suite of Talent Placement & Support Services

Creating earlier connections with YUPRO is designed to increase the number of students who obtain quality jobs after graduation.

### Year Up's Expanded Model: For an Equitable Future

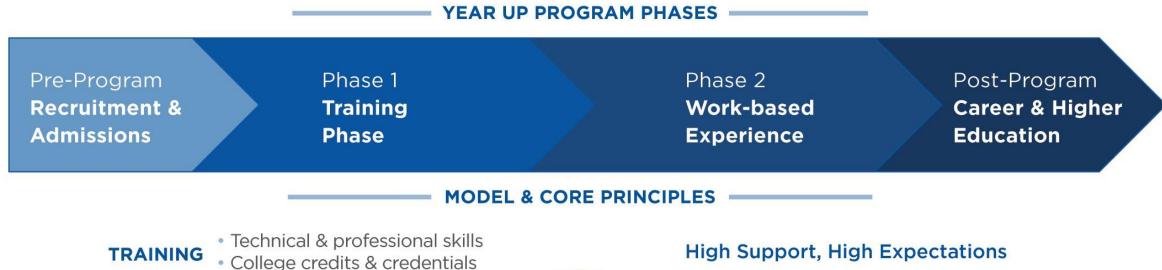


**GRADS** of LIFE Promotes Equitable Talent Practices among Employers

YUPRO::ii Y Alumni Support Year Up Alumni Career Advancement



**APPENDIX** 



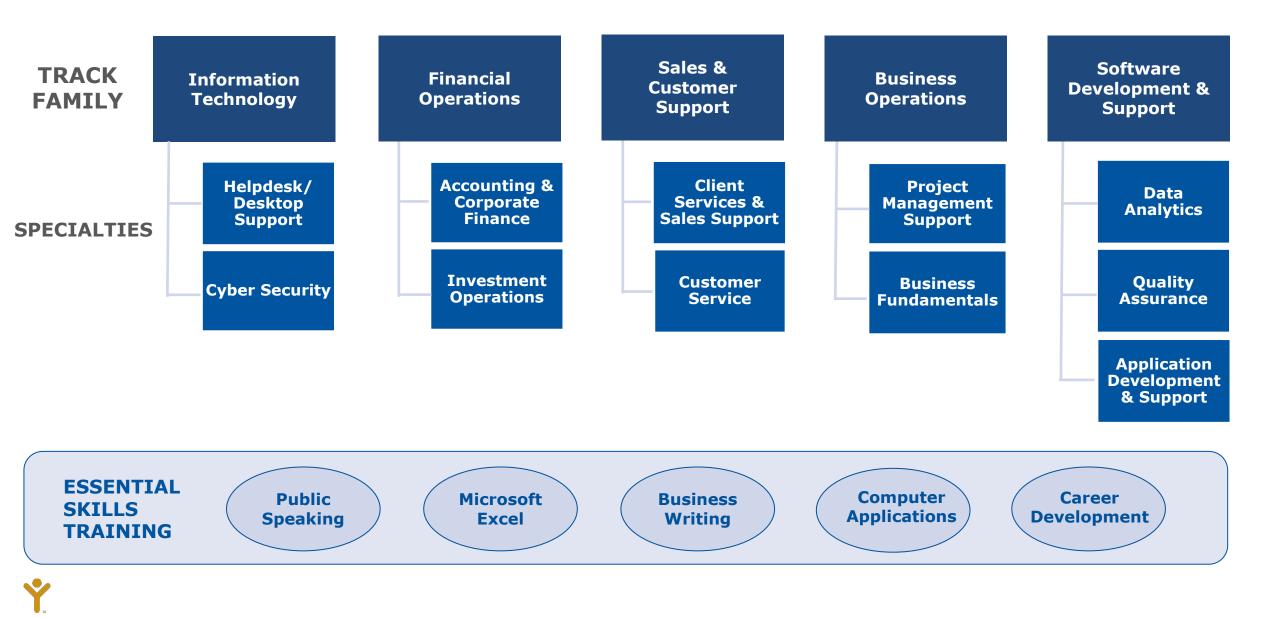
- College credits & credenti
- SUPPORT
- Educational stipends
  - Coaches & support services
- Hands-on skills application
  - Work-based experience
  - GUIDANCE
- Accountability frameworkOngoing feedback



High Support, High Expectation Commitment to Strong Results Internship & Career Readiness Coaching Community Building Wraparound Supports

Year Up Program									
Pre-Program Recruitment & Admissions	Phase 1 Learning and Development	Phase 2 Corporate Internship	Post-Program Career & Higher Education						
<ul> <li>Info Session</li> <li>Application</li> <li>Academic Review</li> <li>Interview</li> <li>Decision</li> </ul>	<ul> <li>Track/Specialty technical skills training (Coursework eligible for college credits)</li> <li>Professional skills training</li> <li>Guest speakers &amp; career development/networking events</li> <li>Community feedback sessions</li> <li>1:1 and group coaching</li> <li>Behavioral Contract</li> </ul>		<ul> <li>Alumni Association</li> <li>Career resources &amp; advancement support</li> <li>Higher Education &amp; certifications</li> <li>Financial literacy</li> <li>Quality of life supports</li> </ul>						

### Standard Offering: In-Demand Training Solutions



Year Up's corporate internship partners span across a wide range of industries; with the largest presence in the following five industries:



#### **Other industries served include:**

Media Agenc	_	Professional, Consulting, & Tech Services			Retail (B2C)	М	Manufacturing		Energy, Oil, & Gas	
Telecommunications Legal		ıl	Automotive		Government		Transportation & Travel			
<b>Hospitality</b> P			Biotechnology/ Pharmaceutical Manufacturing		Consumer Packaged Goods		ckaged			

### Partnership Portfolio: Example Corporate Internship Partners by Industry



### **Appendix: Los Angeles Pilot**

Year Up is serving as a connector between employers and community colleges and testing new capabilities in recruiting, assessing, and upskilling young adults who have already acquired, or nearly acquired, a credential, as well as placing those young people in work-based experiences with employers looking to hire talent. **This program model streamlines participants' pathways to family-sustaining wages.** 

#### **PILOT OVERVIEW**

- Partnerships with community colleges to recruit talent who have earned or are close to earning an industry-recognized credential but lack access to professional networks & meaningful career opportunities.
- Talent assessment to determine and prioritize skill development needs for participants.
- 2-week intensive last-mile professional skills training bootcamp to upskill young adults and ensure they are career ready.
- 24-week, paid work-based learning experience with employers looking to hire. Year Up assesses, matches, & places young adults in immersive work-based experiences; participants earn \$15/hour.

#### **MODEL BENEFITS & POTENTIAL FOR SCALE**



#### **Expanded Student Profile**

Leveraging partnerships with training providers to connect young adults who have some technical training, but otherwise lack access to upwardly mobile careers, with work-based learning experiences and ultimately jobs.



#### Lower Cost Per Participant

Lighter touch and shorter Year Up-led interventions lead to lower cost of delivery & more young adults connected to living-wage jobs.



#### **Technology-Enabled Scale**

Tech-enabled strategies to recruit, assess, and upskill talent enables us to intentionally match and place young adults in work-based learning experiences at scale.



#### **Industry Representation**

Partnering with a variety of training providers and employers enable us to expand the industries & role types available to young adults.