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A promising start for NYC's new approach to workforce development

In this testimony before NYC Council's Committees on Economic Development, Small Business and Civil Service & Labor, CUF's Christian González-Rivera analyzes the first year of the Career Pathways initiative, the city's new and comprehensive approach to workforce development.

by Christian González-Rivera

My name is Christian Gonzalez-Rivera, and I am a senior researcher at the Center for an Urban Future, a non-partisan public policy think-tank based here in Manhattan that publishes studies about how New York can expand economic opportunity and grow its economy. We've published studies ranging from the importance of ESOL and adult basic education programs to the need to improve the city's youth workforce development system. We have been writing about and influencing workforce policy in New York City and the State for over a decade. Thank you for the opportunity to testify.

The need for cities to strengthen and modernize their workforce development strategy in the face of a rapidly transforming labor market is very clear. After all, we know that decent jobs have become scarce for high school graduates and non-existent for dropouts; that lifelong learning is now essential to keep up with changes in employer demand; and that increasing numbers of workers are working on a contingent basis. Importantly, policymakers around the country, not least here in America's largest city, increasingly understand that a 'Bachelor's or bust' approach to training the workforce of tomorrow has serious limitations. Postsecondary options that include occupational training, community college programs, and certificate programs all have a role to play in preparing students to compete in the labor market, rather than assuming that only a four-year college degree can get New Yorkers on a path to jobs with self-sufficiency wages.

Fortunately for us, New York City is one of only a handful of cities in the United States to rethink its workforce, education,and social services programs to respond to these important changes in the labor market. And to its credit, the Career Pathways initiative is arguably more comprehensive in its vision, and certainly in its scale, than that of any other American city. Though it is not perfect, it draws from the evidence and experience of great programs here and in other cities. It needs to succeed for the sake of our city's future prosperity, and we believe it can succeed.

After one year, so much is still in the pipeline, most importantly the contracts that will determine what providers are asked to do and the metrics with which the city will measure success. But I can make some preliminary observations, based on research the Center for an Urban Future is conducting for an upcoming study.

- **The Human Resources Administration (HRA) has come the furthest in a year.** HRA adopted its work-first strategy in the mid-1990s, even before passage of the federal Personal Responsibility and Work Opportunity Act of 1996, but then maintained that strategy through the high unemployment era of the Great Recession. Now HRA is moving on a multifaceted plan to replace the outmoded work-first strategy with a more sophisticated approach that incorporates career counseling, education and training, and coordinated service delivery, all in alignment with the Career Pathways framework. Importantly, HRA posted concept papers and took public input to improve the final product.

- **The two Industry Partnerships are finding their way.** The New York Alliance for Careers in Healthcare and the Tech Talent Pipeline are both up and running, executing strategic plans and building programs with employers, providers and other partners. They have also been working closely with CUNY to develop training curricula that is informed by input from their respective industries. While the idea of having a formal system for soliciting and acting on employer input is promising, it is still an open question whether the model that has been applied to industries with more clearly defined career pathways and skill requirements like healthcare and tech can be applied to industries that lack clear roadmaps for advancement, notably food service and retail. The manufacturing and construction industries also have complex challenges to address.

- **City agencies should be transparent in their implementation of Career Pathways.** HRA has been fairly open about its plans for implementing Career Pathways. But we still need to hear more from the Department of Small Business Services (SBS) about how it will implement Career Pathways. For instance, four Industry Partnerships still remain to be established, but the workforce community has limited information about the strategic approaches that SBS envisions for each one. There are also open questions about the Workforce1 Centers. How will the Workforce 1 Centers be reconceived to harmonize with Career Pathways? What role will the Workforce1 Sector Centers play? How will provider contracts embody these changes? SBS has not disclosed its plans in these areas. The concern here is not so much government transparency and accountability, but effectiveness. SBS has traditionally been among the strongest entities in the city developing workforce policy and running programs, but despite their demonstrated capacity, these highly complex initiatives benefit from the input of experts, stakeholders, and elected officials. More input is better than less, so the policy dialogue should be opened as widely as possible.

- **CUNY is highly important, yet not adequately integrated into Career Pathways.** In a system that relies on education and training, all roads lead to CUNY. Some aspects of CUNY's role appear to be going well, such as its participation in the Industry Partnerships and its expansion of CUNY ASAP. But key elements of the Career Pathways framework do not appear to be making headway at CUNY, such as credit for prior learning, stackable credentials, and competency-based learning in general. These elements are important for CUNY's ability to support the career needs of adult students, engage more effectively with employers, and coordinate its programs with those of non-profit workforce providers. This is another area that would benefit from more open conversations about what progress is being made.

- **New York State lags behind in developing its own career pathways initiative and supporting New York City.** The state role in career pathways is critical. Governor Cuomo oversees the Regional Economic Development Corporations, disburses the WIOA governor's set-aside fund, and manages the Tuition Assistance Program. The Department of Labor oversees the city's implementation of the state workforce plan. The Board of Regents disburses all adult literacy funding and approves new career and technical education programs. The State Legislature has an important voice in all of these and many other workforce-related decisions. Unfortunately, state policymakers have not yet come to grips with the changing labor market in the intentional way New York City has. So educating these policymakers over time will be essential to the city's ability to operationalize the Career Pathways strategy.

These are a few of our concerns, but our overall assessment is that the Career Pathways framework as it is being implemented bears much promise to radically improve the city's ability to improve the lives of people who face barriers and disadvantages to achieving self-sufficiency through work. And if we were to pick one achievement of Career Pathways that stands a head above the rest, it is the very fact that through the efforts of the Mayor's Office of Workforce Development, the New York City Employment and Training Coalition, and others, New York City's workforce community is now speaking the language of training, basic skills, job quality, and meaningful employer engagement. The primary discussion about public workforce development programs used to be about the hustle to meet job placement targets. Today the workforce community is now more aware that getting someone into a job is not the end goal, but only the beginning of a jobseekers path to self-sufficiency through employment.

Closely related to that big achievement is the city's newly enlarged appetite for innovation in the workforce area. Recognizing that many of the strongest and most effective workforce programs in the city have been catalyzed and funded by private philanthropy, the city, particularly HRA, SBS, and the Mayor's Office for Workforce Development, have been working more closely than ever with the Workforce Funders Group, a group of foundations that collectively represent the most generous infusion of private money by far of any American city. By joining forces to build on philanthropy's legacy of innovation, the workforce system stands a better chance of lifting up what works and measuring what matters.

This testimony was presented on January 27, 2016.

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