

# CONNECTING PEOPLE TO JOBS



**NEIGHBORHOOD WORKFORCE PIPELINES**



*Making Connections: an initiative of*  
The Annie E. Casey Foundation

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**THE ANNIE E. CASEY FOUNDATION** is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. It was established in 1948 by Jim Casey, one of the founders of UPS, and his siblings, who named the Foundation in honor of their mother. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and neighborhoods fashion more innovative, cost-effective responses to these needs. The Foundation offers technical assistance to *Making Connections* sites through its Technical Assistance Resource Center (TARC). For more information, visit the Foundation's website at [www.aecf.org](http://www.aecf.org).

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## **ACKNOWLEDGEMENTS**

In November 2004, at a Cross-Site Learning Exchange Conference held in Seattle, senior managers of the Annie E. Casey Foundation issued a challenge to *Making Connections* site teams: to develop and implement strategies for helping large numbers of residents of their target communities obtain the skills and employment opportunities needed to achieve a durable level of financial adequacy and stability. This publication describes some of the efforts that *Making Connections* sites have made in response to that challenge, and the operating framework the Foundation is developing through its *Making Connections* initiative. That framework has multiple contributors such as Bob Giloth and the Family Economic Success (FES) Unit at the Annie E. Casey Foundation, Scott Hebert of Abt Associates, Sara Griffen, and myself.

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John E. Padilla

# INTRODUCTION

Poverty and unemployment aren't spread evenly across cities or regions, but rather are concentrated in disinvested urban neighborhoods and rural communities around the country. These communities are home to the nation's most vulnerable children and families. Despite some signs of improvement in economic conditions for families in the United States, persistent and widening gaps in income, employment, assets, and school success exist. Many families remain cut off from the opportunities and supports they need to succeed as parents and in the workforce.

## WHAT IS MAKING CONNECTIONS?

*Making Connections*, an initiative of the Casey Foundation, works to improve the lives and prospects of families and children living in some of America's toughest neighborhoods. Common sense tells us that children do better when their families are strong and that families do better when they live in communities that help them succeed. *Making Connections* works to increase family income and assets; ensure that young children have what they need to do well in school; and promote strong resident leadership, civic participation, social networks, and community mobilization. It is our belief that improvements in all of these areas—income, education, and community connections—can add up to a better life for families in some of America's most distressed communities. *Making Connections* was launched in 1999 in ten sites around the country to put our ideas to work.

## MAKING CONNECTIONS GUIDES

This guide is one of four that the Foundation's Technical Assistance Resource Center has prepared that reflect what we have learned from this initiative and the amazing people who have led it. We offer the guides in the hope that you might find something useful and inspiring that will encourage you join us and will aid your own efforts. You may also want to take a look at the other three online guides at [www.aecf.org/mcguides.aspx](http://www.aecf.org/mcguides.aspx):

- *Starting Early, Starting Right: Children Healthy and Prepared to Succeed in School*
- *Building Family Wealth: Earn It, Keep It, Grow It*
- *Sustaining Neighborhood Change: The Power of Resident Leadership, Social Networks, and Community Mobilization*

# THE BASICS

*Connecting People to Jobs: Neighborhood Workforce Pipelines* is designed to help you—neighborhood residents, workforce agencies, community organizations, employers, local foundations, nonprofit groups, community colleges, and policymakers—decide whether a neighborhood workforce pipeline might work for you and how to go about building an effective collaborative organization to carry out the work. This guide documents some of the research, lessons, and best practices from our ongoing work in *Making Connections* neighborhoods around the country that have created successful workforce pipelines. Vulnerable families need help to connect to the kinds of economic opportunities that can improve their lives and the prospects of their children. Neighborhood workforce pipelines can add real value to the economic landscape of tough neighborhoods and have the potential to help lift significant numbers of families and communities out of poverty.

Below are some basic questions and answers, which will give you a sense of what neighborhood workforce pipelines are all about. If you

feel this is something that could be useful to you and your community, you'll find more information in the guide on how to build an effective workforce pipeline that can make a real difference to families.

*Connecting People to Jobs: Neighborhood Workforce Pipelines* outlines our theory and assumptions about building neighborhood workforce pipelines; why we believe the pipeline approach can be effective and is worthy of consideration; what we know so far about how to put theory into action; and a discussion of the inevitable challenges that the work entails.

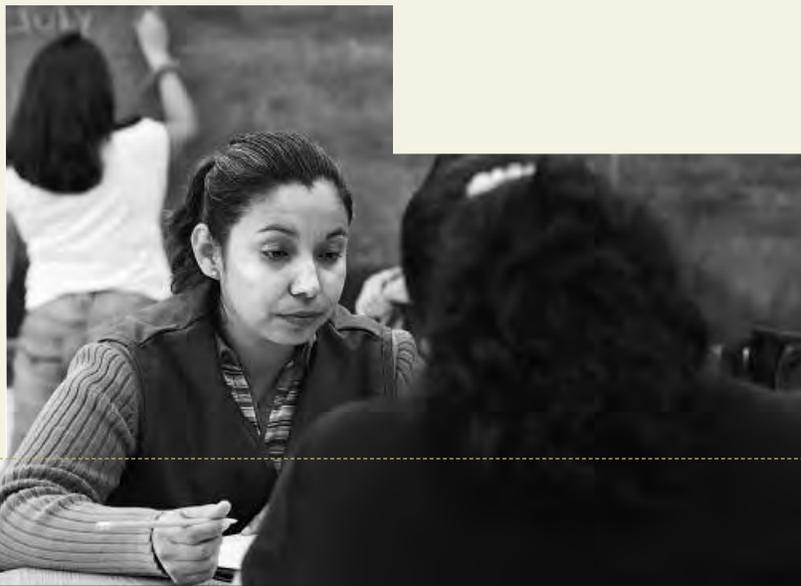
## **WHAT CHALLENGES DO NEIGHBORHOOD WORKFORCE PIPELINES ADDRESS?**

Residents of low-income neighborhoods face many difficulties in getting and keeping good jobs. Lack of training opportunities, poor transportation systems, race-based hiring discrepancies, and disconnection from well-paying jobs and supportive social networks all contribute to the challenge residents face. Low-income neighborhoods benefit when residents are able to find and keep jobs that enable them earn more, save more, and build family wealth.

## **MANY NEIGHBORHOODS ALREADY HAVE WORKFORCE PROGRAMS IN PLACE. WHAT MAKES A NEIGHBORHOOD WORKFORCE PIPELINE DIFFERENT?**

A few things distinguish this approach to workforce development. First, pipelines reach deep into the neighborhoods where low-income families live and build on existing relationships with families, friends, and organizations. Successful pipelines provide more than jobs. They offer formal and informal supports like training, child care, and transportation that help residents find jobs, stay employed, increase their earnings and assets, and move ahead. Workforce pipelines bring together people and organizations with a shared vision for change, to form partnerships that are accountable for achieving real results.

Secondly, neighborhood workforce pipelines recognize that good jobs often lie far outside the boundaries of poor neighborhoods—often in the suburbs miles from the inner city. A dual-customer approach that takes into account the specific needs of regional employers and of job seekers from tough neighborhoods helps to ensure that the needs of both customers are met. Workforce collaboratives that work in partnership with targeted employers from the beginning help to create a realistic path to employment that benefits businesses and workers alike. The point is to always recruit, train, and support job seekers for real jobs that offer decent wages, opportunities for advancement, and the support necessary for success.



Finally, the workforce collaboratives also encourage and support service providers to work in more effective ways. By assembling partners who work to their strengths and fill assigned roles such as recruitment, assessment, case management, job readiness training, and retention support, pipelines help providers operate more efficiently and increase performance and capacity. Engaging both residents and employers in planning and creating a clear path to job sources helps pipeline partners become known as reliable sources for quality employee placement.

#### **WHAT ABOUT FUNDING?**

As pipeline partners, providers may be able to access funding that they could not access on their own. Flexible dollars from sources such as foundations, large nonprofits, and private donors can help build in services that may not be fundable through public sources. By engaging partners who bring expertise, experience, relationships, and an interest in serving the neighborhood, it's possible to assemble the workforce service delivery system at a significantly lower cost than that associated with an organizational start-up. Collaboratives in *Making Connections* neighborhoods have also come up with new and creative ways to tap into public funding.

#### **WHY IS THE FOCUS ON NEIGHBORHOODS?**

Neighborhood-based community organizations are skilled at recognizing and tapping into neighborhood assets, and may have important personal relationships that public agencies and

employment training services lack. Neighborhood-based pipelines use those relationships to create an advantage for recruitment and outreach in a context where trust and connectedness matter. Pipelines offer neighborhood residents many points of entry to workforce services, customizing support for vulnerable populations, including immigrant and refugee families; people with limited education, literacy, and English-language skills; and men and women who have been in prison.

#### **HOW IS THIS BETTER FOR SOMEONE LOOKING FOR WORK?**

Pipelines are based right in the neighborhoods and are convenient to residents, steering them toward jobs and training that can help secure a decent wage and offer advancement opportunities and on-the-job supports. Pipelines help map, reorganize, and clarify job services that are often fragmented, creating visible pathways so that residents and neighborhoods can easily access career ladders. Through their advocacy role and focus on building employer relationships on behalf of residents, neighborhood pipeline partners can collectively act as job brokers for residents.

#### **HOW DO YOU KNOW WHEN A NEIGHBORHOOD PIPELINE IS WORKING SUCCESSFULLY?**

Performance tracking measures the effectiveness of community outreach, training, and job placement to help providers manage the service delivery process and make sure no one is left behind. Pipelines also help improve systems by identifying ways to streamline services. A pipeline effort that is recruiting for jobs in the construction trades can

use many of the same strategies, testing instruments, assessment tools, and case managers for jobs in other fields, such as health care, without having to reinvent the wheel for each opportunity.

#### **CAN A PIPELINE WORK IN ANY NEIGHBORHOOD? WHAT ARE THE KEYS TO SUCCESS?**

- Residents must want the services that a workforce pipeline can offer.
- There must be a core of organizations with sufficient organizational capacity—and political savvy—to work with residents, launch the work, and build it into a fully functioning service continuum.
- Residents and community organizations must view employers and area businesses as customers and clients.
- The pipeline needs to identify the people in each community who can get things done and lead the work, through commitment to the work and a “whatever it takes” attitude.
- Organizations need to be savvy enough to advocate, influence, or lobby multiple funders, government agencies, employers, organized labor, and service providers.
- The pipeline must offer partners a clear benefit, beyond funding, that makes participation in their best interest. Partners need a shared vision of economic success for the neighborhood, and an understanding of the programmatic benefits participation can bring them.

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**HOW DO WE ACTUALLY GO ABOUT BUILDING A NEIGHBORHOOD WORKFORCE PIPELINE? WHAT IS THE STRUCTURE AND WHO ARE THE PARTNERS?**

Each *Making Connections* site or neighborhood took a different approach, but they all considered local political, social, and economic conditions and how those would affect the development of a pipeline structure. Potential partners in the effort include neighborhood residents and leaders, employers, community organizations, service providers, and existing workforce agencies, all committed to working together to achieve real results. A results-based approach to workforce development has the best chance of succeeding when all parties mobilize around a clear set of desired outcomes. With the most to lose or gain by the process, residents are crucial participants. They bring energy and passion, their labor (often volunteer), and knowledge of local needs and realities to the table. The connections between residents and their partners in the neighborhood workforce pipeline effort literally fuel the ongoing effort. Without the meaningful and central involvement of residents, efforts to achieve results almost always fall short.

Once a broad group was identified and signed on to the vision of the

collaborative, developing an effective organizational model was crucial. Several models have been tried by *Making Connections* sites.

One model has a lead organization overseeing the work, inviting partner organizations to participate, securing funding for the partners, and being accountable for results. Governance of a lead organization can be a shared function where key stakeholders are represented and have input in determining service objectives.

A second model is a formal partnership of several organizations, with agreements that articulate expectations, roles, and responsibilities. Governance is typically a shared responsibility among the partners, though a lead organization can also play this role. Performance accountability is mutually enforced by the partners, and they have input in inviting new partners to participate, or removing partners for lack of performance.

In the third model, a neighborhood intermediary coordinates, networks, and provides support for its partner organizations. This is the role *Making Connections* site teams have taken on in implementing their pipelines. Their primary role has been to nurture the partnerships, coordinate mobilization of residents

and service providers in support of the pipeline strategy, act as a trusted broker, and attract flexible funding to the pipeline. The intermediary sets the stage for the service provider partners to collaborate, and keeps everyone focused on the big-picture goals.

Pipeline partners should be respected, credible community organizations that have positive relationships with residents. Providers can propose the roles they would like to play, but the pipeline partnership must negotiate agreements, based on performance, that meet the needs of the pipeline and residents.

The service components of a pipeline include outreach/recruitment, orientation, intake and assessment, testing, coordinated referral, placement, and retention. Related support services, such as second-chance bank programs, asset-building services, license recovery initiatives, and car ownership programs are also needed. These services help residents stay attached to the workforce and begin to accumulate savings.

The pipeline should enlist employers willing to become part of the effort. A neighborhood pipeline can only work if there are employers at the other end. Employers can provide job descriptions and profiles,

***“Making Connections Works has proven to be a valuable community partnership for Norton Healthcare. Through the Network we have hired nearly 100 employees. Their rate of retention has been better than average and that is critical in health care, a profession that often experiences workforce shortages. It’s a win-win situation for us.”*** –Russell F. Cox, Executive Vice President & Chief Operating Officer, Norton Healthcare

co-design training curricula, improve program quality, co-design operational process flows for the pipeline, and participate in pipeline governance, in addition to their commitment to hire qualified recruits.

#### **SHOULD WE GO FOR THE GUSTO OR START OUT SMALL?**

Launching a pilot program before scaling to a larger effort has proven very effective for *Making Connections* sites. Pilot programs allow partners to assemble the components that model the same workflows, use of data, and performance levels that will be needed for the larger effort. The pilot is the proof of concept and an opportunity for shared learning.

An environmental scan of the local workforce field and a closing-the-gap analysis are two planning strategies that provide the framework for quantifying employment goals and determining the scale of effort needed to achieve them. These strategies help identify funding sources for the pilot and the number of placements needed for program success.

Data are a crucial tool for strengthening program and policy outcomes. For the workforce pipelines, partners must share a commitment to use data to improve performance, and must be willing to share their performance data with other partners. *Making Connections* sites have used a web-based common client tracking system that is accessible by all the partners and sufficiently flexible to accommodate the different outcomes that each site wanted to track.

#### **CAN YOU OFFER EXAMPLES OF SUCCESSFUL NEIGHBORHOOD WORKFORCE PIPELINES FROM THE MAKING CONNECTIONS INITIATIVE?**

Certainly. Each *Making Connections* neighborhood has come up with something different that works for that neighborhood and reflects its particular strengths, assets, and needs. Below are three short sketches of successful efforts that show plenty of potential and may offer you ideas about how you might proceed in your community.

#### **LOUISVILLE, KENTUCKY**

People in Louisville simply call it the Network and 2,200 of them—including the mayor—count themselves as members. The Network is a group of friends, neighbors, and community partners who are working together in new ways to expand opportunities and improve life in Louisville's poorest neighborhoods, where unemployment runs three times the metro average. Norton Healthcare is the third largest employer in Kentucky. Though Norton's flagship hospital sits on the border of a *Making Connections* neighborhood, residents found it difficult to get a foot in the door. The Network worked in partnership with Norton to build a pipeline for workers that would function like a friend on the inside, pointing the way. Together they developed a package of training and supports that promote job success and retention. Norton gained trained, reliable workers and stronger connections with the community, and residents now enjoy a new source of jobs, income, and pride. The Network's pipeline partners also cultivated solid working relationships with other employers and

**"Almost everyone gets a job because they are so well prepared."**

*—Ruth Westerbeck,  
Program Manager,  
Airport Jobs*

unions in the region, including UPS and a state construction training program, and have steered more than 300 men and women to jobs that offer a decent wage and a new start. Eighty-four percent of the jobs include health benefits. All together, neighborhood pipeline jobs have yielded more than \$1.5 million in new income for families in *Making Connections* neighborhoods in the first two years of the effort.

#### **SEATTLE, WASHINGTON**

Sea-Tac Airport is a short bus ride from the *Making Connections* neighborhood of White Center, near Seattle, but it might as well be a thousand miles away. While new construction and security procedures have opened up new jobs at the airport, residents of White Center's refugee and immigrant communities have had trouble tapping into those opportunities. Enter Airport Jobs. With support from Seattle/White Center *Making*

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*Connections, Airport Jobs* is working with community organizations in White Center to recruit, screen, and refer job seekers to a training program to prepare for the airport's application process. The community-based recruiters are familiar to White Center residents and provide a handy, neighborly entry point into the neighborhood pipeline and the robust regional economy beyond. New employees with limited English skills find support from an airport-based case manager, who also helps new hires resolve on-the-job issues. Follow-up during the first year helps ensure good job retention. Wages start out around \$8.50 an hour. To support other pipeline efforts, the *Making Connections* team has tapped into the underutilized Food Stamp Employment and Training (FSET) program. A pilot program brought together community partners eager to generate additional revenue, collaborate with other agencies, and expand training programs with FSET dollars.

#### **SAN ANTONIO, TEXAS**

The Westside Education and Training Center (WETC) is no ordinary college. Housed in the heart of one of San Antonio's toughest neighborhoods, WETC grew out of

a grassroots effort among residents, advocates, community groups, elected officials, and educators to transform a closed-down school into a positive institution that would act as a neighborhood workforce pipeline to good jobs in the regional economy. Even though the region is enjoying an economic boom, unemployment in the West Side neighborhood is about 11 percent, nearly double the county rate. A staggering 55 percent of households scrape by on less than \$20,000 a year. When WETC opened its doors in 2006, administrators expected less than 400 students. More than 1,300 enrolled the first year. Alamo Community College District anchors WETC, offering classes and critical support services, and linking graduates and trainees to jobs in manufacturing, health care, utilities, and financial services. Community organizations and neighborhood associations have deep and genuine roots in the community and are critical to making the neighborhood pipeline work. They steer job seekers to opportunities at WETC, help them over barriers, and offer supports and services to help them reach their goals.

**"We don't just offer a service—'thank you' and out the door. We offer connections and opportunities. All these organizations, all these people that have come together—the city's involved, the college, neighborhood organizations. We walked the blocks. We invited people to meetings. We got to know the officials. Little by little it started to grow." —Irma DeLeon, West Side Resident, Coordinator, Centers for Work and Family**

# WHY A NEIGHBORHOOD WORKFORCE PIPELINE IS NEEDED

The residents of *Making Connections* neighborhoods face considerable challenges in finding and keeping good jobs that can support their families. They must contend with:

- few training opportunities for real jobs;
- few jobs nearby that pay family-sustaining wages;
- race-based hiring and advancement discrepancies that persist in the labor market even in times of relative prosperity;
- a disconnect between residents in low-income neighborhoods and good jobs in the regional economy;
- poor transportation systems between low-income neighborhoods and regional job centers;
- weak connections to the social networks that provide referrals to good jobs; and
- deep skepticism about existing workforce efforts that haven't resulted in jobs.

Neighborhood workforce pipelines have emerged as a strategy for combating these challenges and barriers by connecting residents to career-track jobs in health care, manufacturing, and the building trades. Successful pipelines provide more than jobs; they offer formal and informal supports—such as training, child care, and transportation—that help residents stay employed, increase their earnings and assets, and move ahead.

Pipelines reach into the neighborhoods where low-income families live and build on existing relationships with families, friends, and organizations to connect people to good jobs and new opportunities.

Pipelines also help address issues of fragmentation that have hindered traditional workforce development strategies. Workforce programs at the service provider level are often limited in scope and scale, or are so under-resourced that they must refer clients to other providers who offer additional needed services. The referrals may not be effective, a number of clients fall through the cracks, and lack of accountability for results contributes to an uncoordinated state of workforce development services. The issue of program quality is also a variable. Service providers often operate with a “we will serve everyone who comes through our doors” philosophy. Even when the provider is a large workforce intermediary that can operate on a broad scale, the very nature of its programs precludes focus on a designated neighborhood or community.

In addition, multi-agency collaboration is often, in effect, nothing more than the sharing of a contract. Each partner receives a negotiated portion of the funding and provides services to a pre-determined number of clients, with the results from all the partners rolled up to meet the contract requirement. The collaboration rarely touches the internal operations of each partner, and each partner provides only the data needed to confirm performance to the funder. Rarely is there true shared governance of the

collaborative. This enables business as usual with contract targets often related to placement numbers, 90-day retention rates, or starting wage rates.

Pipelines are different. By organizing service providers and employers into a continuum where each organization works within assigned roles, this approach plays to the strengths of each partner. Pipelines add value by improving coordination among providers and making better use of resources, which can then equate to better access to services for residents. Ultimately, pipelines can also help low-income neighborhoods better organize themselves to advocate for long-term improvements through policy and system funding changes.

# WHAT WE MEAN BY A NEIGHBORHOOD WORKFORCE PIPELINE

Neighborhood workforce pipelines are high-performing collaborations, where workforce agencies, employers, community-based organizations, residents, and other partners share a common vision for change in the neighborhood, understand that business as usual has not worked, and join together to develop new models and approaches. Pipelines present a programmatic opportunity for the service providers *and employers* that can lead to demonstrable benefits, including:

- access to new funding;
- opportunities to build program capacity and/or improve program quality;
- access to populations providers can't currently serve;
- a reliable source of quality employees for area business and industry; and
- an enhanced ability to better meet commitments on existing workforce contracts.

Pipelines are sparked by a shared vision to use large employment gains as a driver for economic revitalization in low-income areas. Several major characteristics set pipelines apart, including:

- **A focus on specific neighborhoods and residents with diverse needs.** Pipelines can offer residents multiple points of entry to workforce services within their own neighborhoods, and/or connect them to larger workforce efforts and opportunities outside

the neighborhood. Pipelines can customize support for vulnerable populations, such as formerly incarcerated men and women, immigrant and refugee families, and people with limited education, literacy, and English language skills.

- **Service providers work in new and different ways.** Pipelines aim to assemble partners who will work to their strengths and fill assigned roles such as recruitment, assessment, case management, job readiness training, retention support, etc.
- **User-friendliness.** Pipelines are designed to be convenient to residents. Pipeline staff are known to residents and are responsive to their needs, steering them toward jobs or training that are wanted and appropriate.
- **A clear pathway to employment.** Pipelines help map, reorganize, and clarify job training and support services that are often fragmented. Pipelines create visible pathways, so that residents and neighborhoods can easily access career ladders.
- **A dual-customer approach to needs of employers and workers.** Neighborhood workforce pipelines recognize that good jobs often lie far outside the boundaries of poor neighborhoods—often in the suburbs miles from the inner city—in the regional economy. A dual-customer approach that takes into account the specific needs of regional employers and of job seekers

from tough neighborhoods helps to ensure that the needs of both customers are met. Workforce collaboratives that work in partnership with targeted employers from the beginning help to create a realistic path to employment that benefits businesses and workers alike. The point is to always recruit, train, and support job seekers for real jobs in the regional economy that offer decent wages, opportunities for advancement, and the support necessary for success.

- **Close connections with employers and unions.** Pipelines respond to what employers want and need, and help businesses recruit and retain their employees in more effective ways. Unions are often the gateway to training and apprenticeships. Successful pipelines cultivate close cooperative relationships with unions and their apprenticeship programs (often through community colleges).
- **Transparency.** Pipeline efforts are well known to community residents, demonstrating that there is no wrong door for accessing the services offered by the pipeline.
- **Use of data for continuous quality improvement.** Pipelines use performance tracking to measure the effectiveness of community outreach, training, and job placement. This helps providers manage the service delivery process and make sure no one is left behind.

- **Gathering data on how systems use their resources.** Pipelines can help improve systems by highlighting gaps in, and reducing duplication of, services.
- **Offering flexible dollars to help providers collaborate, rather than compete.** Pipelines can offer an attractive funding opportunity when a clear strategy and program design is articulated. Providers may be able to access new funding that they could not get on their own. Small grants can make a big difference when combined with other categorical funding, and can lead to innovations in data gathering and service delivery across cash-strapped workforce systems. Flexible dollars from sources such as foundations, United Ways, and private donors can help build in services that may not be fundable through public sources.

Working in new and different ways also means changing the service delivery, intake or assessment process, as well as agreeing to share data with other pipeline partners. While working to improve the

skills of neighborhood residents and bring new opportunities to the community, workforce pipelines also build an integrated system of labor demand and supply that connects neighborhood residents to regional businesses and sectors that need employees.

For low-income residents, the lack of quality job networks often puts them at a disadvantage with prospective employers, who frequently recruit new workers by asking existing employees for referrals. A neighborhood pipeline acts as a surrogate that helps rebuild these networks and connections by moving large numbers of residents into employment, so they can become a source of new employee referrals. Service providers, on the other hand, work to better understand the employer's business, engaging employers as partners in the effort to improve program quality, and gaining a clear understanding of their hiring needs. As staff from pipeline partner organizations demonstrate the ability to consistently provide employers with quality employees, relationships with employers are

strengthened. Pipeline staff become a trusted source of new referrals for employers.

The pipeline approach has the potential to improve overall program quality, build stronger connections to employers, and organize an efficient and value-added delivery of training and support services that neighborhood residents need to get and keep good jobs.



# WHY PIPELINES WORK

## RETHINKING THE SERVICE DELIVERY APPROACH

A fundamental premise of the pipeline approach is that no single entity has the capacity to address the scope of neighborhood joblessness. Building an organization large enough to handle a large-scale, multi-year project is impractical for most communities. Rethinking how workforce services can be packaged and delivered to hard-to-serve populations is a prerequisite for a successful pipeline implementation.

Building a workforce pipeline does not require implementation of all components at start-up. *Making Connections* sites have been encouraged to start with the most basic functions and build from there. This phased approach to implementation has helped sites assemble their partnerships, achieve some initial successes, map their service delivery processes, and secure funding for additional services.

An initial obstacle is the tendency of community organizations to want to provide the full range of workforce services—regardless of whether they have the capacity to deliver those services well. Pipeline partners are recruited in part on their ability and willingness to play assigned roles within the service delivery process, and

to be held accountable for results in their part of the process. Strong pipelines assign and enforce very specific roles and responsibilities. This helps a pipeline play to partner strengths and creates a programmatic scenario where service providers deliver at very high levels of quality.

## BENEFITS OF PIPELINES

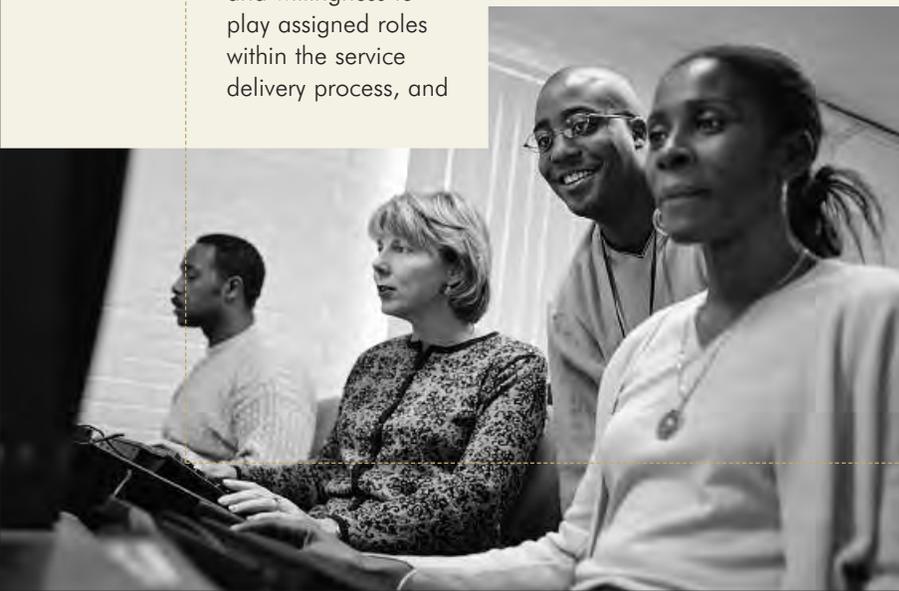
*Making Connections* can provide compelling reasons for using a pipeline approach, based on the site's experience to date of working with providers, residents, community groups, local government, and employers.

- **Cost effectiveness.** By engaging partners who bring expertise, experience, relationships, and an interest in serving the neighborhood, it's possible to assemble the workforce service delivery system at a significantly lower cost than that associated with an organizational start-up. Using a pipeline approach where partners focus on performing their well-defined roles at a high-quality level creates an environment where "the whole exceeds the sum of the parts." For example, *Making Connections* Seattle/

White Center has used targeted outreach and recruitment, coupled with pre-screening and assessment in the neighborhood, to dramatically improve the quality and number of applicants for jobs at Seattle-Tacoma Airport.

In all *Making Connections* sites, the partners have brought funding with them, from multiple sources. In many cases, the funding was categorically restricted, and providers had to be mindful of who was being served with the funds. However, since all the subpopulations that the funding was intended to serve—such as Workforce Investment Act (WIA)-eligible, Temporary Assistance for Needy Families (TANF) recipients, refugees, and returning prisoners—are found in the neighborhood, the use of blended funding streams was not an obstacle to pipeline implementation. In fact, many partners said the pipeline brought them clients they hadn't been serving.

- **Building on existing neighborhood assets.** Most community organizations are skilled at tapping into neighborhood assets that are often overlooked or dismissed. These organizations (formal and informal social networks, resident groups, the faith community, and neighborhood-based businesses) may have important personal relationships that public agencies or employment training services lack, and can use those relationships to create an advantage for place-based efforts at recruitment and outreach. Seattle/White Center's use of its Trusted Advocates



network is a good example of the untapped resources that can be employed by a pipeline when it carves out roles for different stakeholders. In Louisville, the emergence of a *Making Connections* Network with more than 2,200 members is making great strides in re-creating an employment-related social network.

- **Meeting employer and resident needs.** Employers in low-wage markets can exhibit behaviors and practices that work against people of color and other residents of low-income neighborhoods. Through their advocacy role and focus on building employer relationships on behalf of residents, neighborhood pipeline partners can collectively act as job brokers for residents. They can vouch for the employability of residents, offer support services to keep new employees on the job, and build relationships based on the ability of the pipeline to *consistently meet the needs of employers*. By working to understand employer needs, as well as bringing residents and employers into the design of the pipeline itself, partners can increase understanding of mutual workforce development needs and reconcile those needs with customized services.
- **Portability.** Once the pipeline has been established, and partners have ironed out the initial operating challenges that inevitably arise during implementation<sup>1</sup>, it is relatively simple to use that infrastructure in various sectors. *Making Connections* sites are realizing that prospective job

seekers can be served with a set of common services, and then led to specific pathways based on the career opportunities they wish to pursue. For example, a pipeline effort that's recruiting for employment in the construction trades can use many of the same strategies, testing instruments, assessment tools, and case managers for jobs in the health care field. While the profiles of successful candidates may vary, and the partnerships may be configured differently, a pipeline provides the vehicle for resident access to employment services without having to reinvent the wheel for each opportunity.

- **Modeling a functional system.** Pipelines offer an opportunity to model what a responsive workforce system—one that truly meets the needs of hard-to-serve populations—could look like in day-to-day practice. In a context where trust and connectedness matter, the pipeline assembles people who care about place, maximizes existing workforce funding to serve those most in need, and attracts and organizes supportive services—all while making them more accessible to neighborhood residents who are hardest to employ. Problems related to long distances between home and work opportunities, inadequate transportation systems, a lack of informal referral networks for information about work opportunities, and employer prejudices against residents of particular neighborhoods can all be addressed by workforce pipelines. In Hartford, Seattle, and Louisville we are

already seeing evidence of how the pipelines have influenced the design and functionality of regional workforce systems.

#### **CONNECTING THE DOTS**

The term “pipelines” is used often in the field of workforce development to describe high school-to-career transition programs, strategies to move workers from entry level to second- and third-tier jobs, or programs that work with special populations, such as those who have been involved in the criminal justice system, immigrant and refugee families, or people who have limited proficiency in the English language. Each of these pipelines shares some common characteristics:

- assembling employment, education, and/or training services that form clear pathways for participants to build skills needed to enter and advance in the labor market;
- providing job seekers with employment supports needed to facilitate job retention and career advancement;
- identifying key policy and system barriers that need change; and
- providing complete and timely information to participants

Pipelines also refer to vehicles for transporting large quantities of product from one point to another. Compared to other methods, such as railroads, shipping, or trucking, pipelines are more efficient because they carry higher volumes of product, which leads to lower costs per

unit. Workforce pipelines coordinate resources, programs, and services to move much larger numbers of people from a specific neighborhood to employment, more cost efficiently than if the public workforce system were left to conduct business as usual.

The schematic on pages 14 and 15 is a depiction of the functional components of the workforce pipeline. These are the steps that exist in almost any workforce program. While we know that the process of finding and keeping a job is not linear, the diagram illustrates a framework by which these processes could be reorganized, with assigned partner/provider roles for specific pieces of the work, to build a service continuum that can serve a neighborhood at a much larger scale than any single partner could.

The varying workforce needs, abilities, and interests of residents pose the greatest challenge to a neighborhood-focused employment strategy. Meeting that challenge requires assembling workforce partners who can bring together the range of resources and services needed to serve residents well, and

packaging and delivering resources and services with the intensity, care, and attention needed make a real difference at a neighborhood level. Attempting to build this level of experience and expertise within one organization is difficult, especially given the current funding environment that pushes workforce agencies toward broader-based employment programs at the expense of place-based strategies. In response, sites and local partners are developing strong collaborations that address these challenges through seven core elements:

1. **Targeted outreach/recruitment** to those residents interested in and able to meet the requirements of specific employment opportunities that may be available, or want access to education and training services to prepare them for employment.
2. **Orientation** on specific employment opportunities, job requirements, and services available through the pipeline.
3. **Standardized testing and assessment** with service providers using a common assessment instrument(s) that accurately determines the

educational skill levels of a prospective job seeker.

4. **Coordinated referral** to employment opportunities, as well as open-entry/open-exit educational training to improve job readiness skills, provide basic skill remediation, or occupational skill training.

5. **Access to jobs and quality training programs** that residents may not—or have not—been able to previously access. Employment opportunities are identified through neighborhood organizations, resident groups, or as part of a regional or sectoral strategy to meet employment needs in a given sector, such as health care or construction.

6. **Retention support** that is proactive, utilizes ongoing soft skills training and peer support groups, and uses income supports (public benefits) and other financial services<sup>2</sup> as the basis for developing a new retention relationship. Employment retention begins early on with a good match between the interests of the employee and the needs of the employer. Pre-employment training includes building skills in the areas of teamwork, conflict resolution, and timeliness.

**RECRUITMENT/REFERRAL**

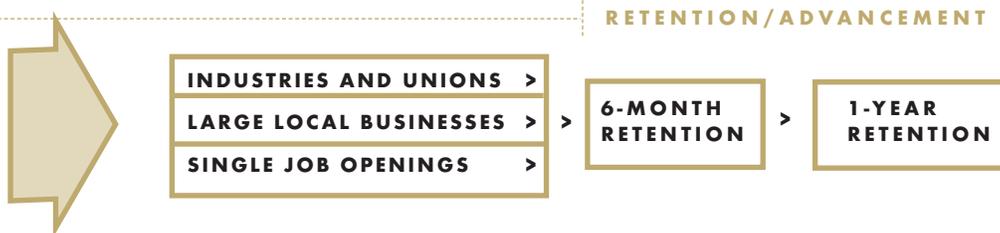


**7. Case management** oriented toward income improvement. Layered throughout the pipeline framework is a *case management* philosophy that addresses career advancement; the employee's ability to earn a bigger paycheck and learn the skills needed to move ahead.

The income improvement approach to case management departs from traditional social service models and moves toward a financially-oriented philosophy that focuses on three objectives for worker advancement and earnings:

- help new employees assume responsibility for their own advancement: learn how to find help when needed, and understand the skills that employers desire and will pay for;
- maximize family income by combining earned income with access to cash and non-cash income supports (public benefits); and
- use the income supports to provide financial assistance that will help relieve pressure on the employee so s/he can focus on the job.

Income improvement case management begins before actual job placement, and emphasizes the problem-solving skills an employee needs to advance within the workplace. Case managers who focus on income improvement teach a range of job advancement skills, such as how to ask for a raise or more hours at work, as well as how to inquire about job shifts that pay more. At the same time, case managers screen job seekers to determine which income supports they are eligible for, such as the Earned Income Tax Credit (EITC), Child Tax Credit, food stamps, medical coverage, low-income heating assistance (LIHEAP), and others. One assumption of this approach is that when residents become engaged in their own income growth, they will deal with their barriers more effectively.<sup>3</sup>



# IDENTIFYING PARTNERS

## FOR A PIPELINE STRATEGY

### WHO ARE POTENTIAL PARTNERS FOR A PIPELINE STRATEGY?



#### ASSEMBLING THE PARTNERS

The workforce pipeline is greatly enhanced by the involvement of partners that are respected, credible community organizations who enjoy positive relationships with residents. Since trust relationships are so important to establishing the work, the credibility of the staff will influence the community's perceptions of the program as well as their ability to maintain good relationships over longer periods of time. Other considerations for partner selection include:

- **Which service providers are already working in the community** and what services do they provide? Consider the reputations—real or perceived—of providers who could be potential partners. If residents are reluctant to go to a particular provider, how will that reluctance be addressed if the service provider is counted on to play an integral role? Ask providers to self-assess

their organizational capacities, strengths, and weaknesses and propose the roles they would like to play, but negotiate agreements based on performance that meets the needs of the pipeline and residents.

- **Assemble the needed service components.** These include outreach/recruitment, orientation, intake and assessment, testing, coordinated referral, placement, and retention. In addition to direct workforce services, there will be a need for related support services such as second-chance bank programs, asset-building services, license recovery initiatives, and car ownership programs. These services will help residents stay attached to the workforce and begin to accumulate savings.
- **Enlist employers willing to be partners with the pipeline effort.** Employers should be treated as both partners and customers of the pipeline. A neighborhood-

focused employment strategy can only work if there are employers willing to work with the other end of the pipeline. Beyond the commitment to hire qualified referrals, employers should be enlisted to provide job descriptions and profiles, co-design training curricula, improve program quality, co-design operational process flows for the pipeline, and participate in pipeline governance.

- **Determine the organizational and governance structures.** There is no single model for organizing this work. Each *Making Connections* site considered its local conditions and how those might affect how everything comes together in developing pipeline structures. Regardless of the structure ultimately chosen, there should be signed memoranda of agreement (MOA) outlining agreements, expectations, and performance requirements, as applicable.



### DEVELOPING THE PARTNERSHIP MODEL

The best pipelines provide residents with a continuum of seamlessly integrated, high-quality services, and remain accountable to improved neighborhood-level outcomes. In Louisville and Seattle/White Center, the sites have developed an operating model where the *Making Connections* site team plays the convener role and takes the lead in organizing the work. For the Neighborhood Jobs Initiative demonstration, MDRC selected lead organizations in five cities. In contrast, the Hartford Jobs Funnel (HJF) is overseen by an advisory board that includes state and city representatives, funders, the Workforce Investment Board, the organized building trades, and others.<sup>4</sup>

Here are some partnership examples:

- **A lead organization** oversees the work, invites partner organizations to participate, secures

funding for the partners, and is accountable for results. Governance of a lead organization could be a shared function where key stakeholders are represented and have input in determining service objectives.

- **A formal partnership** of several organizations where there are memoranda of agreement that articulate expectations, roles, and responsibilities. Governance is typically a shared responsibility among the partners, though a lead organization could also play this role. Performance accountability is mutually enforced by the partners, and they have input in inviting new partners to participate or removing partners for lack of performance.
- **A neighborhood intermediary** coordinates, networks, and provides supports for its partner organizations. This is the role *Making Connections* site teams

have taken on in implementing their pipelines. Their primary role has been to nurture the partnerships, coordinate mobilization of residents and service providers in support of the pipeline strategy, act as a trusted broker, and attract flexible funding to the pipeline. The intermediary sets the stage for the service provider partners to collaborate, and keeps everyone focused on the big-picture goals.

Regardless which governance/management structure is selected, the lead organization or intermediary should not be a service provider that is competing for resources with pipeline partners. This situation will often lead to tension, create service gaps when partners drop out, or distract attention from the primary work of serving neighborhood residents.

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## TARGETING SERVICES TO REACH VULNERABLE POPULATIONS

Strategic outreach to the formerly incarcerated, immigrant and refugee populations, and other groups requires a proactive approach. *Making Connections* sites are paying attention to questions such as “Who is being served?” “What services do they need?” “And where do they live?”

One of the most important lessons of the Casey Jobs Initiative<sup>5</sup> was the need for employment-related strategies and investments that specifically addressed the needs of people of color.<sup>6</sup> The Jobs Initiative found that, even during a time when employers were in hiring booms, race-based discrepancies persisted in the labor-market experiences of low-income people of color. The following generalizations can be made about employer hiring behavior in low-wage and low-skill labor markets:

- employers seek basic work-readiness in prospective employees, while many seek additional hard or technical skills and soft skills such as teamwork and punctuality;
- employers generally seek applicants with certain credentials that signal employability and skill, and tend to avoid those with certain stigmas, such as ex-offenders;
- recruiting and screening choices (as well as compensation, promotion, and retention decisions) are often made informally, and can reflect employer prejudices, perceptions, and experiences; and

- employer access to a reliable and steady pool of applicants is also affected by their physical proximity to various neighborhoods and groups, their employee networks, as well as the tightness of the labor market locally and/or nationally.

Employers with limited experience with African Americans and Latinos may be less able to assess their employability simply because they have little social experience with them. Since many employability qualities and skills are often not directly observable, employers use credentials such as attainment of a high school diploma, previous work experience, and references to assess job readiness. It is also not uncommon for employers to make inferences regarding basic skills on the basis of the quality of writing on the application, and/or verbal interviews for screening. Though more difficult to prove, employers can also discriminate against job seekers who live in certain zip codes because they exhibit biases—or make unfounded assumptions—about the employability of all residents of that area. In contrast, Latino immigrants are frequently perceived as being reliable and having good work attitudes and are thus preferred for jobs where cognitive skill or language demands are minimal.

*Making Connections* sites are learning that opportunities to work outside the neighborhood are not either/or propositions. Partner organizations involved in neighborhood-focused workforce pipelines can take advantage of funding, training, services, and supports provided by the public system, or

others, by acting as brokers. For example, a sectoral employment initiative operating outside the neighborhood through a workforce intermediary, or the local One Stop operator, may have a need to fill 100 positions in the health care field, or with a large employer with which the pipeline partners have no relationship.

It is appropriate for pipeline partners to assume the role of connecting qualified neighborhood job candidates to the sectoral initiative’s programs—even though they are outside the scope of services offered by the pipeline itself. In this instance, the pipeline staff may negotiate to fill (recruit) a number of slots, helping the intermediary or employer fill their positions more quickly. The pipeline would fill those slots with neighborhood residents, bringing more opportunities into the neighborhood.

This way, the pipeline is working more systematically on behalf of residents, and improving opportunities for the neighborhood because it’s identifying more opportunities and resources that meet the needs of residents. By identifying high-quality skill training, education, and employment services, and building new relationships with other programs, the pipeline can literally deliver candidates to the front of the line for the better workforce development programs and job opportunities. This linkage role allows pipeline partners to participate in larger programs that may not be place-focused, by providing the kind of access that residents would have if the training program were operated directly by the pipeline.

# BUILDING A NEIGHBORHOOD PIPELINE

Neighborhood surveys, focus groups, and soliciting input from residents are activities that provide a much deeper understanding of system issues, residents' perceptions, frustrations, priorities, opinions, and desires. Involving neighborhood residents early in the design process contributes to building trust, establishes credibility, gains buy-in from residents, and should lead to a program design that reflects residents' needs and addresses their stated employment priorities. Similarly, surveying area employers can provide invaluable information about employer attitudes and experiences hiring local residents as well as their experiences working with local community-based organizations. This can start the process of identifying which employers are open to working with the pipeline.

Building a neighborhood-focused pipeline also requires a cadre of provider partners who can embrace the vision that a different approach to serving neighborhood residents can make a demonstrable difference. Without a shared vision, and an unwavering commitment to pursuing large-scale employment gains for neighborhood residents, there is a risk of the pipeline becoming another employment program whose results get diluted once the emphasis on a neighborhood and a large number of job placements is compromised.

Can a pipeline be implemented in any neighborhood? The presence of opportunity is not enough for a workforce pipeline to be successful. Building a pipeline is complicated work. And even though pipelines can be simplified—particularly as

start-ups offering limited services—*Making Connections* sites have learned that there are critical elements that neighborhood-focused pipelines need to become successful:

- **Demand from within the neighborhood.** Residents must want the services that a workforce pipeline can offer. Employment—or the lack thereof—has to be the issue that mobilizes residents to action. Community-based organizations can support residents by facilitating, advocating, and coordinating activities on their behalf, but no one can impose solutions for which there is no community support.
- **Sufficient organizational capacity.** The pipeline relies on community organizations that are already serving the neighborhood, so there must be a core of organizations with sufficient organizational capacity—and political savvy—to work with residents, launch the effort, and build it out into a fully functioning service continuum. Community organizations should be experienced providers of workforce development services, with experience administering public and private funding. They should have an automated client-tracking system and staff that know how to use the data to do more than produce reports. These organizations must be willing to embrace focused technical assistance aimed at improving their results and organizational infrastructure.
- **Meaningful involvement of the business community.** Residents and community organizations

must view employers and area businesses as customers and clients. This dual-customer focus should lead service providers to forge stronger connections with employers, better understand their businesses, be more responsive to their changing needs, and better understand their hiring processes and job requirements. Moreover, employers should be engaged to help providers improve program quality, and participate in the governance of the pipeline.

- **The right staff, in the right positions.** In each community, the pipeline needs to identify the people who can get things done and lead the work. They are not necessarily the heads of the partner organizations, but they demonstrate a commitment to the work with a “whatever it takes” attitude, and they are results-driven. They understand that the workforce pipeline is a process that can be managed, fine-tuned, and eventually “throttled open” to serve large numbers of people as the work matures. They must be adept at management by influence as they will be responsible for outcomes of people or groups that do not directly report to them.
- **Political savvy.** Organizations need to be savvy enough to use advocate, influence or lobby multiple funders, government agencies, employers, organized labor, service providers, etc. They must be experienced working with local, state, and federal legislators and officials, as well as funders.

An altruistic vision of community change is not enough to motivate service providers to partner in a pipeline strategy. There has to be a clear benefit that makes participating in the pipeline in their best interest. The sooner the “What’s in it for me?” question is addressed and answered, the better the likelihood of assembling the right partners and developing a program design that works for everyone. While funding is often the most sought-after benefit, typically no individual partner stands to receive so large a portion of the total dollars that funding alone is the motivating factor. Partners may need help in seeing the pipeline as a programmatic opportunity, and the other benefits that participation can bring them.

In several *Making Connections* sites, workforce partners quickly saw the added benefits that a pipeline strategy could bring, including access to new funding such as FSET<sup>7</sup> dollars. Others saw the opportunity to build program capacity and/or improve service quality with assistance provided by

the Casey Foundation’s Technical Assistance Resource Center (TARC), the sharing of data with other providers, and access to a client tracking system provided by the site team. Some simply realized that the pipeline could help them reach more people than they were currently serving, which helped them reach their contractual numbers more quickly.

For most of the *Making Connections* sites, building a shared vision of ways to achieve large employment gains is a continuing process. Several sites have been very successful in building collaboratives committed to a new approach. In other sites, the local environment is such that this is more challenging. Sites used a variety of tactics to engage with residents and local workforce stakeholders, including bringing teams of local partners to Foundation-hosted *Making Connections* Cross-Site Learning Exchanges in Baltimore. The exchanges provided a forum for site teams to learn about successful pipeline projects in other cities, hear from consultants and practitioners who had

done this work on the ground, and work in teams to brainstorm ideas with Casey staff and

consultants to consider what it would take to launch a project in their respective community.

Vision-building sessions often began with asking basic questions in order to flesh out new ideas, surface underlying assumptions, and identify the sacred cows—those things on which service providers would not be willing to compromise as part of their participation in a pipeline. The vision-building process is greatly helped by the use of neighborhood-level data to build the case for an employment-driven approach to community change. The data tools used by *Making Connections* sites are a workforce environmental scan and a closing-the-gap analysis.

#### CONDUCTING AN ENVIRONMENTAL SCAN OF THE LOCAL WORKFORCE FIELD

*Making Connections* sites used two planning strategies to collect the preliminary data needed to build the local case for a pipeline approach. The first was an environmental scan of all local activity in the workforce field within the community. The second was a closing-the-gap analysis to determine the scale of effort that would be needed to increase the employment rate of the neighborhood to a level closer to that of the city.

### VISION-BUILDING QUESTIONS

1

**“What do you think would happen in our neighborhood if 1,000 residents went to work and held on to those jobs over the next 3–4 years?”**

2

**“What do you think it would take to double—or even triple—the number of neighborhood residents that we [service providers] are currently placing in jobs?”**

3

**“If we could design a workforce service delivery system that really worked for our residents, what would it look like?”**

4

**“Are we willing to change the way our organization operates workforce programs in order to achieve large employment gains for our community? How so? What am I not willing to do in order to help large numbers of neighborhood residents find jobs and hold on to them?”**

The environmental scan<sup>8</sup> proves to be an invaluable exercise for local sites teams as it collects data on all the different workforce efforts under way in the community and the approximate levels of funding associated with each. The scan seeks answers to several basic questions:

1. Which organizations are providing workforce programs in our community?
2. Which population (i.e., TANF, income-eligible, displaced workers, etc.), if any, do these programs target?
3. How many people are served by these programs?
4. What is the funding source and approximate level of funding for each program?

The scan is conducted by a small group that interviews the One-Stop system, community colleges, community-based organizations, workforce intermediaries, vocational schools, proprietary schools, and others. As each program is identified, the interview team also determines the number of people the programs serve and the approximate level and sources of funding, including WIA and other federal dollars, such as Housing and Urban Development (HUD) or FSET, state and local funds, foundation grants, corporate contributions, and other private funding.

In almost every *Making Connections* site, the results of the environmental scan were strikingly similar. *Sites quickly learned that a lack of money was not the overriding problem or a barrier to providing workforce*

*services.* In fact, in most *Making Connections* sites the environmental scan revealed that there was far more money flowing in the workforce system than anyone imagined! And when the numbers of persons to be served by the different programs were rolled up, the total number of people far exceeded the number of unemployed persons in the city. As a result, the scan provoked a number of core questions regarding program quality, duplication of effort, and effective use of financial resources. The data seem to indicate that there is a lot of money flowing through the workforce system, and many people are already being touched by the system in one way or another—but with an unknown result.

#### **CONDUCTING A CLOSING-THE-GAP ANALYSIS**

The idea of using large employment gains as a driver for comprehensive community change was articulated by the Neighborhood Jobs Initiative (NJI), a national demonstration designed and managed by MDRC during 1998–2001. NJI’s goal was to increase adult employment rates in target neighborhoods to those of the surrounding region. Defining a clear result at the outset helped mobilize NJI’s community-based partners and communities and reinforced that genuine collaboration was the only way to achieve large gains.

For *Making Connections*, a closing-the-gap analysis provides a framework for quantifying the number of job placements, as well as the scale of workforce efforts needed to achieve significant employment results. Unlike other approaches

that might target numbers of available job openings in a particular sector, employer, or region, the *Making Connections* approach focuses on raising the number of neighborhood residents who are actually working to a level that approximates the city and/or region employment rate.

Traditionally, the prevailing labor market measure of workforce activity in a given area has been the unemployment rate. Yet we know that unemployment rates do not account for people who are not actively looking for work, “discouraged workers” who have stopped looking for work, or those who are no longer collecting unemployment benefits.

Keeping the focus on “employment rates,” sites sought to understand how many people in their communities were actually working, as well as what the employment rates were at the county, city, and neighborhood levels. It was not surprising when sites found that the employment rate for the region was higher than that of the city, which is higher than that of the neighborhood. This pattern was consistent across all *Making Connections* sites; in some sites, the spread between the three was as much as 25 percentage points. The reasons for lower employment rates in the urban centers are well known: urban disinvestment, concentration of poverty, the relocation of many jobs to areas outside the city, transportation barriers, and low skill levels.

We believe that calculating an employment rate is the better indicator to measure because *it accounts for everyone potentially*

available to work. To estimate an employment rate among a given population, compare the number of working age adults in the area (people age 16–64) who are employed, to the total number of working-age adults in the area, using the following equation:<sup>9</sup>

$$\frac{(\# \text{ of employed adults in area})}{(\text{total } \# \text{ of adults 16-64 in area})} = \text{Employment Rate}$$

For example:

In the *Milwaukee Making Connections* target neighborhood, there are 8,726 employed persons out of a total labor force (person ages 16–64) of 19,080. Using the above calculation, this equates to a 45.7 percent employment rate.

**FIGURE 1:  
COMPARISON OF EMPLOYMENT RATES  
IN MILWAUKEE**

	Number of Persons Employed	Total Size of Labor Force	Employment Rate (A/B)
	A	B	C
MC Neighborhood	8,726	19,080	45.7%
City	256,244	442,845	57.9%
County	436,878	718,569	60.8%

**WHAT DOES CLOSING THE GAP MEAN FOR MAKING CONNECTIONS COMMUNITIES?**

The concept of closing the gap with significant employment gains (saturation) is premised on implementing workforce strategies that lead to a notable increase in the employment rate of a defined geographic area over time by adding a significant

amount of net new workers to the local workforce. The measures used to develop the target employment rates involve comparisons to neighborhood, city, and region. Ultimately, if the work is sustainable, the goal is to bring the neighborhood employment rate up to a level that mirrors the employment rate of the city or region.<sup>10</sup>

Using the same calculation, we established that the employment rates for the city of Milwaukee were 57.9 percent, and 60.8 percent for the county. Starting with the size of the labor force in the *Making Connections Milwaukee* neighborhood (19,080), the following numbers establish a baseline for closing the gap so that the employment rate in the neighborhood is closer to the employment rates of the city and county:

**FIGURE 2:  
CALCULATING THE TARGET NUMBER OF  
NEW WORKERS IN MILWAUKEE**

	Total Number of Adults in MC Labor Force	Employment Rate	Target # of Employed Adults in MC Neighborhood (AXB)
	A	B	C
TO REACH THE LEVEL OF:			
City	19,080	57.9%	11,047
County	19,080	60.8%	11,601

For the employment rate of the *Making Connections* neighborhood to be equal to the employment rate of the city (57.9 percent), 11,047 adults would need to be permanently employed. If the goal is to raise the employment rate to that of the county (60.8 percent),

11,601 adults need permanent employment.

**CLOSING-THE-GAP CALCULATION**

The gap is the comparison between the number of target workers needed to equalize employment rates, and those who are actually employed. The number of adults in the *Making Connections Milwaukee* target neighborhood who would have to find and keep jobs (the new workers) to meet regional employment rates is:

**FIGURE 3:  
CALCULATING THE NUMBER OF NEW  
WORKERS NEEDED IN MILWAUKEE**

	Target Number of Employed Adults	Employed Adults in MC Milwaukee	Number of New Workers Needed (c-b)
	C	D	E
TO REACH THE LEVEL OF:			
City	11,047	8,726	2,321
County	11,601	8,726	2,875

It is highly unlikely that any single organization will produce these types of placement numbers in a neighborhood. However, where there are several service providers already involved with workforce development programs in a given community, these numbers are not as daunting as they first seem. The following table breaks it down even further by calculating the rate at which new workers would need to be placed in permanent employment over a three- to five-year placement period.

**FIGURE 4:  
CALCULATING AN ANNUAL PLACEMENT  
RATE IN MILWAUKEE**

	Number of Net New Workers in MC Neighborhood	Annual Number Employed at 3-year Pace (E/3)	Annual Number Employed at 5-year Pace (E/5)
	E	F	G
TO REACH THE LEVEL OF:			
City	<b>2,321</b>	<b>773</b>	<b>464</b>
County	<b>2,875</b>	<b>958</b>	<b>575</b>

Using this methodology, *Making Connections* sites developed a clearer sense of what it would take to close the employment gap in their respective communities. The next step was for them to determine achievable goals, which required accounting for a number of factors such as available resources, the capacity of their workforce partners, existing skills levels of residents, etc. For example, a site may have chosen—for any number of reasons—to select a closing-the-gap goal that would bring it closer to, but still below, the city employment rate.

Employment placements are only one of several metrics that *Making Connections* used to define and measure workforce gaps. *Making Connections* site teams also addressed two additional elements in their closing-the-gap analyses:

- reducing the number of *Making Connections* residents who are at 150 percent and 200 percent of poverty levels; and
- increasing the number of *Making Connections* residents with jobs that include health benefits.

Experience also tells us that the path from unemployment to sustained employment is not linear, and is often characterized by false starts. The goal of the closing-the-gap approach is to add a predetermined number of net, new workers to the neighborhood’s workforce. This analysis assumes a new worker has joined the workforce once having been employed for a minimum of 12 months, but not continuously with the same employer. Sites need to understand the 12-month retention rates of the programs run by partner organizations to develop a sense of how many people actually need to be placed to achieve the target results. Using the same sorts of calculations, we can estimate the effect on the employment rate of different numbers of new workers finding and keeping jobs each year.

In all the *Making Connections* sites, completion of the closing-the-gap analysis helped local partners aspire to a better way of doing business which achieves concrete results. Time and again, the common reaction was, “Is that all we need to do to make a difference in the neighborhood’s employment rate?” When broken down over a three to five year timeframe, the annual number of required placements was between 250 to 400 people. The number became more manageable once the partners realized that there would always be some number of residents who would be served through other workforce efforts, including the public (WIA) system.

<b>OVERALL RETENTION PERFORMANCE</b>	<b>50%</b>	<b>55-60%</b>	<b>60-65%</b>	<b>65-70%</b>	<b>+75%</b>
Numbers of Net Workers Placed Annually	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
Numbers of Total Placements Required to Yield (B)	<b>400</b>	<b>363-333</b>	<b>333-307</b>	<b>307-285</b>	<b>&lt;266</b>

Stronger retention rates mean fewer placements will be needed to achieve the net placement goals. As the above chart illustrates, a 25 percent difference in the quality of retention rates can equate to 134 additional placements to achieve the same net goal of 200 permanent placements. It is easy to see how programs with low retention rates create undue stress for staff due to the added work and pressure, and consume more resources to achieve the same result.

# LAUNCHING A PILOT PROGRAM

To test their respective pipeline efforts, *Making Connections* sites launched prototypes, or pilots, of their program designs prior to broader-scale implementation. Louisville piloted its partnership with Norton Healthcare by setting a goal of 30 placements during a six-month period. Seattle/White Center implemented a one-year pilot program before moving to scale to target more residents. In Denver, where the *Making Connections* team has been a partner in securing a community benefits agreement for a major urban redevelopment project, the pipeline pilot will target 150 placements in the construction and building trades apprentice programs over the coming year.

*Making Connections* sites were encouraged to get their pipelines up and running in pilot to begin building partnerships and assembling services. The pilot is the proof of concept and an opportunity for shared learning. In sites where there was little experience with similar community development efforts, the site teams were breaking new ground. Bob Watrus of the Seattle/White Center site team recalls that “The light went off for us at our cross-site exchange meeting where we realized we did not have to have all the answers figured out prior to implementation. Knowing that our initial assumptions about the process would probably need to be revised, we did not try to plan out the program design in great detail—we just got started and developed it from there. Our partners also brought ideas so they had an opportunity to shape how the services would be coordinated.” The Airport Jobs pilot ran for one year and placed over 40 residents

at the airport before moving to larger scale.

Based on the sites’ experiences, there are some early lessons learned on developing the pilot pipeline:

- **Start small and put the pieces in place.** Decide on a target number of placements for the pilot and assemble the components. Deploy or hire staff that have or will develop trust relationships with residents. Staff will make or break the program, so they should be carefully chosen and fully oriented to the overall goals of the pipeline strategy. Hiring staff that reflect the ethnic or racial makeup of the neighborhood is important. Staff of the same ethnic/racial groups who happen to know the neighborhood can build relationships more quickly or bring those relationships with them. Include support services at implementation so the early residents placed into employment have the supports they need to remain employed. Pursue flexible funding that is not categorically restricted, so all pipeline clients can be served in creative ways. Model the workflows, use of data, and performance levels that will be required of the larger effort so those are established early in the partnership. Pay particular attention to how clients move through the service delivery process, how they are handed off from one provider to another, and the quality of case management provided to clients. Once all the partners are satisfied with how the work is operating, move to target a larger number of residents.

- **Focus on program quality.** Build in performance requirements and quality levels, and use data to manage the overall performance of the service delivery process. If partners are contributing staff to the pipeline, clarify how those day-to-day reporting relationships will function. Establish protocols for making referrals to programs both in and outside the pipeline’s scope of services so clients are not lost in the referral process. Through targeted assistance that promotes shared learning, *Making Connections* sites are provided with consultant support (from Casey’s Technical Assistance Resource Center) to work on all facets of the pipeline strategy, including drafting of MOAs, standardization of workforce functions among partner organizations, process mapping to better understand the workflow, and other components of the strategy.
- **Use data to assess and improve overall performance.** Data are a crucial tool for strengthening program and policy outcomes. Data can be used to assess labor market opportunities, as a management tool to improve program performance, and to influence state and federal workforce policy on behalf of neighborhood residents and working poor families in general. For the workforce pipelines, partners must share a commitment to use data to improve performance. Therefore, they must be willing to share their performance data with other partners.

## COLLECTING DATA

Relevant data for planning work can be found in a number of sources. Census data, population surveys, and similar sources provide information on numbers of neighborhood residents. Labor market analyses describe current and future employment opportunities. Resident surveys and focus groups can provide a deeper understanding of residents' experiences, perceptions, and desires. Resident voice also provides insight into how community needs can be served by the program design, and which services are needed to address skill gaps. Because resident experience may also contradict what the data indicate, it is important to understand these differences and how they might impact program designs. Additional sources of information could come from other nonprofits, local colleges or universities, chambers of commerce, city or county government, and other research sources. Some questions to be answered during data collection are:

- **Where are the jobs?** What labor market conditions will the project be operating in? What are the demand occupations, and are those found in a sector or group of employers, or are they driven by 1–2 larger employers? What does the labor market analysis project as the number of potential openings that will be available in coming years? What do the job profiles or hiring requirements look like? What career paths exist in the occupations or sectors being identified? Answering these questions will help determine the number of people to be targeted for a particular sector, and

identify who the initial employer partners might be.

- **What does the labor supply look like?** Demographic information on residents' skills and assets, education levels, employment histories, and other employment-related needs, such as transportation, are needed to inform the program design and provide for the needs of residents. Attention should also be given to specific needs of subpopulation groups such as the formerly incarcerated, limited English speakers, and immigrant and refugee families. For example, in East Baltimore, a workforce pipeline has a strong basic education component to address the fact that 50 percent of residents lack high school diplomas.
- **How can we use the completed environmental scan?** With a comprehensive inventory of community service being provided, pipeline partners can broker access to high-quality training, education, and support service resources. Other providers can be invited to formally join the pipeline effort, or simply serve as referral sources for those clients

in need of their services. The environmental scan should be kept current and used by all partners.

- **What will it take to close the gap?** Once actual calculations are completed (see Appendix 2), convene the pipeline partners to assess the number of placements needed to completely close the employment gap and establish targets accordingly. Partners may conclude they cannot close the gap entirely and choose a lower target. Be mindful that these targets can change as the work matures and partners become more confident in their pipeline and ability to find jobs for residents. As the goal is to increase the number of net permanent additions to the workforce, partners must factor in their retention rates in order to accurately determine the scale of work needed. Translate the overall targets into monthly placement rates, and consider other elements such as target goals for starting wage rates, and numbers of jobs with employer-provided benefits, etc.

## DEFINING THE TARGET AREA

- **Define the neighborhood.** Target areas for a place-based approach may not always align with what local residents consider to be the neighborhood.



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Residents' definitions of the geographic boundaries may differ, or the target areas might be defined on a political basis (wards, council districts) or census tracts. For the *Making Connections* sites, communities were defined during the initiative's planning phase, so those boundaries were known to all the partners as they entered the work. In other instances, the partners can negotiate the boundaries of the target area based on their own criteria or local conditions.

- **Set numerical targets.** Initial targets are largely focused on employment outcomes at a community level. Pipeline targets should answer questions such as:
  - How many more employed residents is the pipeline trying to add to the workforce?
  - How much of an increase in the level of household income is sought?
  - How do we improve the quality of jobs that residents are gaining?

Consider the possibility of creating different targets for different sub-population groups within the neighborhood. The formerly incarcerated should have different targets than limited English speakers; men might have different targets than women.<sup>11</sup> Lastly, numerical targets should be aggressive enough to reinforce the need for a large-scale effort that requires strategic partnerships and program linkages. Focusing on large numbers can keep partners

from letting the pipeline become just another workforce program.

- **Decide how to handle serving clients who live outside the target area.** The tension created by service providers who are inclined to serve everyone who comes to them and the need to focus on place to make a difference is an operational challenge. In reality neighborhood boundaries are often somewhat blurred, and programs will inevitably draw people from outside. Rather than turn away non-residents, a practical solution is to set a parameter for how many of the total number of people served will come from outside the neighborhood. For *Making Connections* sites, this goal has been negotiated among the partners. In general, 70 percent is considered an adequate degree of focus; that is, the pipeline is meeting its intent to geographically target a neighborhood when at least 70 percent of all people served come from that neighborhood.

#### ASSESSING EARLY OUTCOMES

Preliminary outcomes or success indicators for workforce and community development could include:

- increased employment opportunities for residents;
- increased entry into the economic mainstream for some residents;
- increased asset accumulation;
- improved organizational capacity among nonprofit providers, and improved leadership potential of local residents;

- expanded network and connections between individuals, business, and organizations relative to economic development;
- increased number of residents who can serve as resources and role models for unemployed youth and/or residents; and
- improvements in the price, quality, and mix of goods and services that are locally available to community residents as more residents are employed and consumer demand increases.

#### CONTRACTING FOR SERVICES

Assembling the pipeline partners requires identifying which organizations can best fill defined roles in the service delivery process, then contracting for those specific services. For example, when the Hartford Jobs Funnel initially launched in 1999, two organizations with strong community connections were selected to provide the outreach and recruitment services for the Funnel. The focus of the initiative was to place Hartford residents in construction employment with the unionized building trades, so the goal of initial outreach efforts was to recruit candidates who could meet the requirements for entry to the apprentice training programs.<sup>12</sup> As the work of the Funnel evolved, additional supports were put in place to assist candidates who could be job-ready within 1–6 months if given support to improve their math and reading skills.

At first, this notion of contracting for services that did not include job placement or retention support

seemed difficult for the service providers. The result was to craft contract language that specified: (1) numerical goals for the number of people who were recruited to attend weekly orientation sessions; (2) the number of people in attendance that met the job requirements; and (3) the number of people who enrolled for services as a result of attending the weekly orientation sessions. The goal was not to simply fill the room with neighborhood residents. The goal was to fill the room with neighborhood residents *who were interested in construction employment and could meet the entry-level apprenticeship requirements*. The contract requirements supported this objective by defining a weekly rate of recruitment, as well as quality indicators. Performance results were reviewed on a regular basis and data were used to inform the overall management of the pipeline and its functional elements.

The Seattle/White Center *Making Connections* site provides another example. Through a subcontracting process, five neighborhood-based organizations with strong ties to area residents were selected and awarded performance-based funding to do outreach, recruitment, and pre-screening in White Center/Park Boulevard. Training was provided to the organizations so they understood the needs of airport employers and developed a clear sense of who would be a suitable employment candidate.<sup>13</sup> By screening prospective candidates, neighborhood-based organizations have been able to provide a richer pool of candidates to Airport Jobs, thereby increasing the success rate

of hires from the neighborhood. Prior to implementing this project, White Center residents hired at the Airport accounted for less than 11 percent of all hires. The rate now is approaching 22 percent. For 2006, 221 residents of White Center/Park Boulevard were hired at Seattle-Tacoma International Airport.

In Louisville, the initial attempts by the *Making Connections* team to recruit prospective employees for Norton Healthcare using the pipeline approach was done by a variety of groups and partner organizations. Responding to what everyone acknowledged was a problem, Career Resources, Inc., one of the pipeline partners, agreed to deploy one of its staff as a neighborhood recruiter dedicated to *Making Connections* and Norton. The recruiter is solely responsible for identifying suitable candidates, and referring them to Career Resources, where they attend mandatory preparatory workshops before they are referred to Norton. Career Resources plays a defined role in the pipeline by providing the Neighborhood Recruiter and offering the group workshops on a regular basis.

Another example of contracting for defined services is the use of Retention Support Specialists with the Hartford Jobs Funnel. These specialists, provided under contract with a partner organization, are responsible for maintaining regular contact with apprentices once they have been placed, and providing follow-up services as needed for up to two years. The retention specialists have no other role in the service delivery process, and only meet

their clients once they have been placed in an apprentice slot.

#### **SELECTING A DATA TRACKING SYSTEM**

A robust client tracking system is perhaps one of the first tools that the lead agency or pipeline implementer can bring to the partnership to add immediate value. Many organizations lack computerized client tracking systems and rely on either Excel spreadsheets, small database systems developed in-house, or pencil and paper to manually track client data and results. Lack of funding is often the reason for the absence of a client tracking system, which could range in cost from \$10,000 to \$50,000. *Making Connections* sites have used a web-based common client tracking system that is accessible by all the partners and sufficiently flexible to accommodate the different outcomes each site wanted to track.

The real value of the client tracking system is that it informs managerial decision-making. A client tracking system will allow a program director to monitor the overall progress of the pipeline, review performance of individual staff, and look for events or trends that could impact the program or might be cause for improvement. For example, a program director can use the data system to determine the following:

- How many clients enrolled in the pipeline this month? How many of those clients were from the target neighborhood?
- Which services are being used the most? By whom?

- How are clients progressing through the services they need?
- Which staff are producing the strongest results?
- What are the characteristics of our most successful clients?
- What are our process outcomes (pipeline performance) looking like?

Process and organizational-level data should be reviewed by the partners on a regular basis—preferably more frequently as the work begins, then less so as it matures. The goal is for the partners to review program reports and use data analysis as a learning experience, and develop a thorough understanding of what is actually happening at each functional stage of the pipeline process. This information is only useful if the partners act upon it to make program improvements.

#### **SECURING FUNDING FOR PIPELINE EFFORTS**

*Making Connections* sites have launched their neighborhood-focused pipeline efforts by coordinating existing programs, resources, and supports, including public funding streams for workforce development. As sustainability of the work is an ever-present concern, it is critically important that public funding is incorporated into financing the pipeline from the outset because (1) public funders generally represent the largest amount of money available for employment services in a community, and (2) the pipeline can better connect those funds to the people

they are intended to serve. By itself, WIA funding will not support a person’s path through the full continuum of pipeline services, or pay for the type of case management that is really needed. But even though most workforce development funding is structured to support specific types of populations and programs, it can be used to support a neighborhood-focused employment pipeline. This is because residents who meet the funding criteria also live in the neighborhood. The environmental scans conducted by *Making Connections* site teams are invaluable in identifying potential funding sources that may already be present in the community.

#### **LEVERAGING FSET**

With technical assistance from the Casey Foundation’s Technical Assistance Resource Center (TARC), some *Making Connections* sites have had strong success with the use of the 50 percent match funding from the Department of Agriculture’s Food Stamp Employment and Training (FSET) program. FSET is a generous, user-friendly, and readily available source of funds for state and local agencies, community colleges, non-profit community organizations, and other education and training entities. When state FSET plans include access to these funds as part of their food stamp administration plans, they can receive millions of dollars of additional support for education and employment activities that serve food stamp recipients. Although FSET funding is restricted to people who receive

food stamps, it is a remarkably flexible funding stream that will pay for a number of services not fundable through WIA. Moreover, FSET is ideal for financing most of the front-end (pre-employment) services provided in the pipeline. The services FSET program participants can engage in include job search, English as a second language, adult basic education, GED, vocational training, and work experience. For program providers, allowable costs under FSET include (but are not limited to) direct and indirect costs for education, training, job placement, case management and career coaching as well as for the administrative costs of managing the program. The Seattle/White Center *Making Connections* site has drawn down over \$700,000 in reimbursable funding from the Department of Agriculture under its FSET program!

*Making Connections* sites have been able to accomplish three specific objectives using FSET funding:

1. Increase the number of able-bodied adults without dependents (ABAWDS) and food stamp recipients receiving employment services, including education, training, and employment assistance;
2. Leverage the current local investment of public and private non-federal funds in the workforce development system to improve and broaden services for this population; and
3. Increase the enrollment rate for food stamps among eligible persons who are not currently enrolled.

Financing the pipeline requires creativity in assembling and blending public funds expressly designated for employment with funds designated for special needs populations, then augmenting them with flexible, public/private funding to finance the pipeline's wrap-around services. Case managers, for example, can access funds that support services for ex-offenders, TANF recipients, or people with employment barriers. A foundation or United Way grant can be used to fund a job club, life skills workshops, and so forth. In addition to WIA funding, sources of funding to support the neighborhood-focused pipeline model include:

- **Community Development Block Grant (CDBG)** funding managed through the local municipality, which is often an existing part of an organization's government funding stream.
- **U.S. Department of Health and Human Services** programs such as Refugee Assistance or Compassion Fund dollars for faith-based organizations providing employment services.
- **Foundation funding and funding from workforce intermediaries**, such as Seedco (NYC) and the Local Initiatives Support Corporation (LISC) can be used as gap funding to pay for those services not covered by public funding dollars.
- **Other federal, state, and city** sources of funding for designated populations such as ex-offenders, recovering substance addicts, female-headed households, public housing residents, food stamp recipients, etc.
- **The local United Way** supports economic development projects through its focus on community impact.
- **Incremental Tax Financing (ITF) and developer fees** have also been used to partially finance services by those projects that focus on employment in the organized construction building trades. Developer fees can come from a wage tax of one or two cents per hour for all hours worked by tradesmen on a project.
- **State and city budget allocation.** The Hartford Jobs Funnel has been successful in securing both state and City of Hartford budget allocations to fund its work.

# LOOKING AHEAD

Much of this guide has described the science behind a framework that seeks to reorient and reorganize the way service providers, government and residents work together to use large employment gains as a driver for economic development. This work is a combination of both art and science, and the art is hard to capture. Work in sites to date demonstrates that the art often comes from the people power and assets that exist within a community: the program capacity of community-based organizations and their ability to act opportunistically; having the right individuals in leadership roles who know how to get things done, or have the ability to manage laterally as well as manage by influence.

A principal operating assumption of the strategy for neighborhood-focused workforce pipelines is that, if operating at sufficient scale, the return of large-scale employment among residents will lead to a positive spiral or related positive influences that can help-jump start neighborhood revitalization. Higher employment leads to higher incomes, which then lead to increased consumer demand, which will spur increased investments in

the community by residents and small businesses, and could lead to other changes such as reduced crime, increased education levels, and a general improvement in opportunities for all residents.

The challenge, however, is that no neighborhood exists in a vacuum. All communities are part of larger economic markets, and while they are influenced by the economic activity and decision-making that happens in those markets, neighborhoods have little influence over them. We know neighborhood pipelines exist in a labor market context where nonprofits, for-profits, and government entities play different, if not complementary, roles. We also know that, within the labor market, people move in and out and up and down. In addition, high-poverty, inner-city neighborhoods often suffer from a broad range of social, economic, and environmental problems. The same broad economic trends and governmental policies that contributed to conditions of isolation and poverty in urban neighborhoods continue to have a major impact.

A secondary challenge is that while the theory of change guiding the pipeline strategy seems plausible, there is precious little evidence that it works. Few if any studies provide good evidence or guidance to

community development practitioners about the relative effectiveness of an employment-driven economic development approach. The evidence is weak or lacking largely because there have been few systematic efforts to articulate and then evaluate the hypothesized theory of change and outcomes. MDRC's Neighborhood Jobs Initiative, for example, had an explicit goal of using increased employment as a driver for economic revitalization, but no research component. Currently, the field is left to rely on examples of best cases, such as the Alameda Construction Jobs Coalition, the Hartford Jobs Funnel, Airport Jobs (Seattle/White Center), and others, to gather insights into what works and what doesn't. As the *Making Connections* sites continue their work, they are capturing and using data, to track progress and adapt their efforts as needed to better support program goals.

Assembling and managing a workforce pipeline is complicated work that will test the organizational capacity and management skill of all its partner providers. Core operational issues emerge: building workforce development capacity in community-based organizations with minimal prior experience in the workforce field; fostering effective partnerships among community-based organizations and with existing public workforce systems; providing technical assistance that is clear, timely, and not overwhelming to local staff; and maintaining the focus on employment as local partners are tempted to address multiple issues at once.



As *Making Connections* sites build out their pipelines, many have learned valuable lessons about the issues common to complex community change initiatives. Sites continue to track, measure, and document progress as they address the following areas:

#### **OWNERSHIP OF THE PIPELINE**

In most *Making Connections* sites, site teams have played the role of convener-broker for the local pipeline efforts, with partners coming together to implement the work. The situation that may result is, as one site team member put it, “If everyone owns the pipeline, then no one owns it and accountability for results get muddled.” As the focus on sustaining the work of *Making Connections* increases, and sites transition management to Local Management Entities—including United Ways, community foundations, or new organizations—governance mechanisms that include residents, service providers, and employers are being developed to ensure accountability to results, track performance, expand services, secure funding, and advocate for policy and practice change.

#### **PROGRAM QUALITY**

The issue of program quality connects directly to the organizational capacity of prospective partners and cannot be ignored as the price of collaboration. The landscape of nonprofit organizations in *Making Connections* communities varies. Some sites have significantly more program capacity to implement a

pipeline framework and have been able to launch pilots quickly and achieve results. Staff turnover, another problem common in community-based organizations, is another challenge. Site teams are working with their partners to address program quality issues by attempting to respond quickly and effectively to staff turnover. In addition, site teams have brokered focused technical assistance to address specific needs of their partners, including the need for a robust client tracking systems.

#### **FUNCTIONAL TRANSITIONS AND PIPELINE LEAKAGE**

We know some participants drop out of—and often drop back into—the pipeline for any number of reasons. While we recognize some of this leakage is endemic to the nature of the work, developing a solid understanding about why participants drop out is important to building a quality pipeline that is responsive to resident needs. We know from experience that there are critical points in the pipeline—the functional hand-offs and transition points—where the drop-off tends to be more acute. Examples include the point between an orientation session and actual enrollment/intake for services; the time between testing/assessment and returning to discuss the results or get referred to additional service; and the transition from literacy to training. This is an area where site teams are building knowledge to better manage these transitions and handoffs and minimize the loss of pipeline participants.

#### **INTEGRATING WORKFORCE SERVICES AND INCOME SUPPORTS**

Case management based on income improvement is enhanced when the workforce pipeline bundles and sequences a continuum of employment and training services with economic supports and resources, organized by the goal of residents achieving financial stability. The goal is to repackage opportunities, information, resources, and benefits so that residents not only find jobs, but also maximize earnings (through supports such as the Earned Income Tax Credit), take advantage of child care and health insurance programs, and pursue career advancement. In practice, sites must be relentless about connecting the dots between workforce, income supports, and asset services.

#### **DATA FOR PERFORMANCE MANAGEMENT AND QUALITY IMPROVEMENT**

One of the defining legacies of *Making Connections* is the role residents have played in using community-level data to inform local planning and implementation strategies. Every site has a Local Learning Partnership (LLP), whose role is to collect, manage, and analyze data for the local team, as well as to help residents develop their own capacity to use data to advocate for public policy and practice change. While partner organizations recognize the need for continuous quality improvement for all pipeline activities, putting this into practice is difficult. In some sites, pipeline partners continue to work at overcoming inherent reluctance to share internal program or

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performance data. Some partners are not at the point where they appreciate data as fundamental to improving the overall performance of their programs. To help address this issue, the Foundation has developed a series of dashboard indicators for sites to use to better manage their pipelines.<sup>14</sup> As sites begin to build out their pipelines and engage larger numbers of participants, they are realizing the need to better manage and track pipeline participants, and are asking for technical assistance to use the dashboard indicators to better understand what happens to residents at different points in the service delivery process.

*Making Connections* believes that organizing neighborhood-focused workforce pipelines adds real value to the economic landscape of the neighborhood—even if they fail to achieve all the significant

*employment outcomes.* The quality of community organizations' relationships with neighborhood residents, and their knowledge of employment barriers, has improved the type, quality, and accessibility of employment services offered in sites, and has accelerated progress in the pilot projects. In addition, pipelines have packaged and made accessible a range of programs and services that provide significant benefits to residents. These include basic skill building, pre-employment skills, child care, asset-building programs, access to financial services, transportation, and jobs. Most important, pipelines afford community-based organizations the chance to partner and cast deeper and wider nets to reach and connect highly vulnerable and isolated families to the kinds of economic opportunity that improve their lives and the life chances of their children.

## ENDNOTES

1. Implementing the pipeline, then managing it operationally presents continuing issues that need constant attention. The challenges associated with operationalizing a pipeline are discussed later in this document.
2. Examples include access to financial education, credit repair counseling, membership in a credit union, lower-cost loans, etc.
3. MDRC has used this income-oriented approach to case management with several demonstration programs, most recently the Worker Advancement Support Center (WASC) demonstration.
4. The Hartford Jobs Funnel is not an independent 501(c)(3). It is a program housed within the local workforce investment board, yet it has a distinct Advisory Board that oversees its functioning.
5. The Jobs Initiative was a six-city, eight-year, \$30-million demonstration launched in 1995 by the Annie E. Casey Foundation. The purpose of the Jobs Initiative was to explore new strategies for helping disadvantaged, low-skill workers secure family-supporting jobs.
6. *Jobs and Race*, Annie E. Casey Foundation, 2001.
7. Funding for employment and training services available for food stamp recipients.
8. See the template included in Appendix 2.
9. Note that in this context, adults will refer to people age 16–64.
10. For the purpose of this analysis, *Making Connections* sites assume that a permanent placement is a minimum of 12 months of employment. The data needed to make the calculations are available from Census data and/or city planning data.
11. During the Neighborhood Jobs Initiative demonstration, the Fort Worth, Texas, site developed different targets for men and women based on the findings of the neighborhood planning survey. The lead organization, the Near Northside Partners Council (NNPC) found that neighborhood men were already largely employed (over 75%) at a rate commensurate with men throughout the city. However, their wage rates were 30% lower than the city median, confirming that many men were stuck in low-wage jobs. Women, on the other hand, were employed at an approximate 38% rate. Understanding that one cause of the low employment rate for neighborhood women was, in part, a decision to stay home with young children, NNPC did find neighborhood women were interested in part-time work for that time while their children were in school. In order to improve overall neighborhood employment and household income rates, NNPC's pipeline aggressively targeted women, while working on career advancement skills with men.
12. The minimal requirements were U.S. citizenship, high school diploma or GED, proficiency in reading, writing and math at an eighth-grade level, and a valid driver's license.
13. Among the requirements that prospective employees needed to meet were level 3 English proficiency, willingness to work evenings, ability to pass a security screening, in some instances a valid driver's license, and a high school diploma or GED.
14. See Appendix 3: Performance Management and Dashboard Indicators for a thorough description of the process measures used for the workforce pipeline framework.

# APPENDIX 1: TEMPLATE FOR A LABOR MARKET ANALYSIS

## WORKFORCE DEVELOPMENT TOOLKIT

DESCRIPTION	KEY STEPS	TOOLS
<p>This Labor Market Analysis template was developed by Seedco to assist workforce development providers with program design and planning. The instructions are included below, along with a summary of resources for your research and assessment processes.</p>	<p>There are four key steps to completing a Labor Market Analysis:</p> <ol style="list-style-type: none"> <li>1 Create a list of the questions you want to answer.</li> <li>2 Consider your target population and add questions to the list based on what you already know.</li> <li>3 Customize the attached Labor Market Analysis Research Template to reflect your questions and objectives.</li> <li>4 Complete your research using the attached resources for labor market information, as well as any local resources you may have (e.g. contact at a local workforce development research organization).</li> </ol>	<ul style="list-style-type: none"> <li>• Instructions and Key Steps (this document)</li> <li>• Labor Market Data Sources (attached) List of good places to begin your research</li> <li>• Labor Market Analysis Template (attached) Key data fields for your research</li> </ul> <p>Copyright@ 2007 Seedco</p>

## CASE STUDY

**The Stonyfarm Fathers Program (SFP) is deciding which training to offer to participants in the Fall. They have not been able to place many of the customers who graduated from their hospitality program in jobs. Key staff met to discuss why they thought they were not successful in the past and agreed that they needed to research jobs available in the local area to determine which ones would be the best match for their customers.**

### Specifically, they wanted to know:

#### The Basics

- High-growth opportunities in their area
- Skill/Education requirements
- Starting wages and benefits

#### Reality Check

- Do those jobs match their customers' skills? (e.g. Does your customer's knowledge of another language strengthen his/her application?)
- Will employers hire applicants with their customers' barriers? (e.g. criminal records)
- Are the wages high enough for their customers? (e.g. Most non-custodial parents need higher-wage jobs because of child support arrears).

**If you worked at SFP, what other questions would you add to your list?**

## LABOR MARKET ANALYSIS

### WORKFORCE DEVELOPMENT TOOLKIT

LABOR MARKET DATA SOURCES

SOURCE	INFORMATION PROVIDED/USES	PROS	CONS
Bureau of Labor Statistics www.bls.gov Wages, Earnings, and Benefits	<ol style="list-style-type: none"> <li>1 Wages by industry and occupations within industries</li> <li>2 National wage calculators</li> <li>3 Demographic workforce information</li> <li>4 Industry overviews</li> <li>5 Job openings and labor turnover</li> <li>6 Employment projections</li> </ol>	Provides data and analysis of an enormous span of labor market and workforce developments and trends nationally.	Massive data-bank. Can be difficult to navigate.
America's Career Info Net www.acinet.org	<ol style="list-style-type: none"> <li>1 Occupation information including fastest-growing and highest paying industries</li> <li>2 Highest paying occupations by median hourly wage</li> <li>3 Wages by occupation and local area</li> <li>4 Employment trends and comparisons by industry and occupation</li> </ol>	<p>Local and state information.</p> <p>Efficient breakdown of workforce information most relevant to workforce providers' needs.</p>	
New York Career Zone www.nycareerzone.org	<ol style="list-style-type: none"> <li>1 Find trainers in the New York Metropolitan and NYS area</li> <li>2 Description and breakdown of high growth industries</li> <li>3 Comprehensive resources for youth</li> </ol>	<p>Break-down of occupations within industries to show opportunities within sectors.</p> <p>Trainer information relevant to these opportunities.</p>	New York-specific
Workforce New York www.workforcenewyork.org	<ol style="list-style-type: none"> <li>1 Mapping career ladders in key industries (Department of Labor)</li> <li>2 Eligible training provider list</li> <li>3 Links to local labor market information in New York State</li> </ol>		New York-specific

Notes:

- Bureau of Labor Statistics. www.bls.gov. Upper right-hand corner on front page in Employment and Unemployment contains industry information. Wages, employment, wages for occupations within the industries.
- Census Bureau Community Fact Finder for workforce information both at local and national level(s). American Community Survey is in People and Households. Economic Census-draws information.

## APPENDIX 2:

# SETTING NEIGHBORHOOD EMPLOYMENT TARGETS: CLOSING-THE-GAP ANALYSIS

**1. Calculating Employment Rates**  $\frac{(\# \text{ of employed adults in area})}{(\text{total } \# \text{ of adults 16-64 in area})} = \text{Employment Rate}$

### 2. Comparison of Employment Rates

	Number of Persons Employed	Total Size of Labor Force	Employment Rate (A/B)
	<b>A</b>	<b>B</b>	<b>C</b>
The Neighborhood	<b>8,726</b>	<b>19,080</b>	<b>45.7%</b>
The City	<b>256,244</b>	<b>442,845</b>	<b>57.9%</b>
The County (region)	<b>436,878</b>	<b>718,569</b>	<b>60.8%</b>

### 3. Calculating the Target Number of New Workers

	Total Number of Adults in Neighborhood Labor Force	Employment Rate	Target # of Employed Adults in Neighborhood (AxB)
	<b>A</b>	<b>B</b>	<b>C</b>
TO REACH THE LEVEL OF:			
The City	<b>19,080</b>	<b>57.9%</b>	<b>11,047</b>
The County	<b>19,080</b>	<b>60.8%</b>	<b>11,601</b>

### 4. Calculating the Number of New Workers Needed

	Total Number of Employed Adults	Employed Adults in MC Milwaukee	Number of New Workers Needed (C-D)
	<b>C</b>	<b>D</b>	<b>E</b>
TO REACH THE LEVEL OF:			
The City	<b>11,047</b>	<b>8,726</b>	<b>2,321</b>
The County	<b>11,601</b>	<b>8,726</b>	<b>2,875</b>

### 5. Calculating on Annual Placement Rate

	Number of Net New Workers in MC Neighborhood	Annual Number Employed at 3-year Pace (E/3)	Annual Number Employed at 5-year Pace (E/5)
	<b>E</b>	<b>F</b>	<b>G</b>
TO REACH THE LEVEL OF:			
The City	<b>2,321</b>	<b>773</b>	<b>464</b>
The County	<b>2,875</b>	<b>958</b>	<b>575</b>

## APPENDIX 3:

# PERFORMANCE MANAGEMENT AND DASHBOARD INDICATORS

The following slides dissect the functional elements of a generic workforce service delivery process to illustrate what a process management approach could look like. At each major step of the process, data indicators can be looked at to continually assess and answer the question “How are we doing?” in terms of how the pipeline is working. Rather than wait for periodic

reporting, a process management approach promotes continuous learning and quality improvement, and allows partners to respond quickly to process problems and understand what is happening at various steps of the service delivery process.

The questions identify data indicators that can be used to support the

performance management approach, and keep sites focused on achieving high employment results for the target neighborhood.

**E&T PROGRAMS OFTEN SEEM LIKE FUNNELS: THE END VOLUME DEPENDS ON THE FLOW AT THE START.**



## APPENDIX 4:

# ASSET-BUILDING PATHWAY FOR INCOME IMPROVEMENT CASE MANAGEMENT

### ASSET-BUILDING PATHWAY

- Inform & Engage Participants (re: savings, increasing assets, building a secure financial future)
- Explore Ways to Increase Family Income through Use of Income Supports
- Build Relationships
- Knowledge & Awareness
- Participant Develops Financial Improvement Plan
- Reduce “Bad” Debt
- Car Ownership
- Stable Bank Account
- Housing and Food Security
- Increase Family Income (cash and non-cash)
- Stable Employment
- Savings Account with Pattern of Savings
- Reduce or Eliminate Use of Predatory Lenders
- Improved Credit Score
- Career Advancement
- Wage Progression
- Visible Homeownership Path
- Asset Protection
- Career Advancement
- Homeownership
- Accrued Savings
- Retirement Security
- Education Savings (for children)
- Investments
- Manageable Debt
- Homeowner
- Secure Retirement
- Significantly Higher Net Worth
- Accrued Savings & Investments
- Estate Planning (wealth transfer)

### GOALS & OUTCOMES



### STRATEGY & TACTICS

- VITA/EITC Services
- Referrals (from faith-based groups, CBOs, employers, etc.)
- Offer Access to Workforce Services
- Screen to Increase Take Up of Income Supports
- Credit Union Membership
- Access to Other Financial Institutions (accounts)
- Financial Education
- Credit Repair
- Financial Counseling
- Enroll in Income Supports
- Second Chance Bank Programs
- Low-cost Remittance Services
- Car Ownership Programs
- Credit Builder Loans
- Individual Development Accounts (IDAs)
- Alternative Financial Products
- Workforce Advancement Coaching
- Down-Payment Assistance
- Section 8 and FSS Programs
- Favorable Rate Mortgages
- Refinancing of Sub-Prime Mortgages
- Retirement Counseling
- Matched 529 Plans
- IRAs
- 401(k)/401(b) Accounts
- Term Life Insurance
- Home Equity Loans
- Reverse Mortgages



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