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Testimony - December 2014

Making “Career Pathways” a Reality

CUF workforce fellow David Jason Fischer testified about the Jobs for New Yorkers Task Force report before the New York City Council’s Committees on Community Development, Economic Development and Civil Service and Labor. In his testimony, Fischer provided his perspective on the challenges for implementing the report's recommendations within the city’s current workforce development system.

by David Jason Fischer

Good afternoon. I am David Jason Fischer, Senior Fellow for Workforce Development at the Center for anUrban Future, an independent policy research institute that reports on issues of economic growth and equity in New York City. The Center’s recent workforce publications include “Bridging the Disconnect,” a report on workforce services for youth and young adults in the five boroughs, and a number of shorter commentaries on workforce systems change, recent reforms at the NYC Human Resources Administration, and other matters.

I’d like to share some observations about the Mayor’s Office of Workforce Development and the recently released final report of the Jobs for New Yorkers Task Force, titled “Career Pathways: One City, Working Together.” Before beginning, I should disclose my involvement with that report, as a compensated editorial contributor and adviser. My testimony will focus on implementation of its proposals and related concerns.

It’s helpful first to briefly consider the workforce development landscape when Mayor de Blasio took office. Over the previous ten years, New York City’s workforce programs achieved substantial progress, demonstrating for the first time the ability to make job placements at scale and earning credibility with employers who previously had never looked to city programs to fill their hiring needs.

Unfortunately, these improvements had somewhat limited value for most jobseekers and employers. The emphasis on rapid attachment at maximum scale—putting as many people into employment as quickly as possible—meant that job quality was an afterthought. Average hourly wages for those mostly low-skilled jobs remained at poverty or near poverty levels, and employers could not turn to the system to fill most vacancies above entry-level.

Nor was this the only problem. NYC had a workforce “system” in name only: a more accurate description would be of a half dozen or so mostly uncoordinated subsystems, operating in defiance of the idea that they essentially served the same customers with the same needs and challenges. The result was an uneven and intensely frustrating user experience. Worse, with no clear governance or accountability structure there was little prospect of getting all these efforts in harness.

The city has taken several important steps to address these concerns. The Mayor’s Office of Workforce Development is unprecedented in its explicit and exclusive focus on helping New York City jobseekers, incumbent workers and employers get what they need from workforce programs. The Jobs for New Yorkers Task Force, comprised of more than 30 business leaders, philanthropic funders, city officials, service providers and advocates, has charted a promising new course for the system, emphasizing career advancement and job quality rather than quick placement that often accomplishes little beyond churning individuals through working poverty at the low end of the labor market.

A number of challenges stand between this vision and its fulfillment. For one, changing the overall mission of the system means little without reconsidering the countless smaller choices made in service of the prior mission. City agencies have made many years’ worth of decisions regarding staffing and management, resource allocation, employer engagement and customer service, data collection, recordkeeping, evaluation and more, all with an eye toward achieving the old objective of rapidly attaching as many people as possible to employment.

New priorities will require some new choices, within and across city agencies. The Office of Workforce Development is well positioned to play a prominent role in this effort, spotting and eliminating potential redundancies, keeping track of total capacity—and making sure agency staff don’t fall back into the old paradigm of non-cooperation and services in siloes.

Indeed, the success of the proposed reforms will depend in large part on whether key agencies with workforceresponsibilities can effectively collaborate. Many of the recommendations in the report, including proposals to create bridge programs for very low skilled jobseekers and to greatly expand work experience opportunities for youth and high-need jobseekers, cut across agency lines. The Office of Workforce Development should convene and facilitate cross-agency working groups for each new initiative, to map out action steps and timetables.

Another implementation concern has to do with the Industry Partnerships, which the report touts as a key vehicle to accomplish the transformation of the system. Industry Partnerships reflect a welcome realization that to deliver significant value for workers, programs must solve problems for employers. Done well, they will more closely align supply and demand to fill a wider range of job openings and open new roads for worker advancement along the new Career Pathways framework for the full system.

But there are many potential pitfalls. These partnerships must be adequately resourced and developed with unique goals, organization and partners, rather than molded to a one-size-fits-all model. And they must be not only demand-focused, but employer-led. Government will not have all the answers here, and might not even have the most important questions. To avoid the dangers, the Office of Workforce Development and NYC Economic Development should convene “mini-Task Forces” of key stakeholders for each Industry Partnership, to determine a specific scope of work, resource needs and accountability structures that will inform RFPs for each.

Finally, the report was silent on the question of governance for the workforce system. This has been a fraught issue for many years. Like every jurisdiction that receives funds through the federal Workforce Investment Act (WIA), New York City has a Workforce Investment Board (WIB) responsible for approving budgets and conducting general oversight.

The idea behind the WIB is that key local actors—business leaders, education officials, nonprofit executives, and others—should work with government to set an agenda that best serves the area's needs and priorities. In practice, however, the NYC WIB has been an appendage of whatever city agency received federal funds. An indication of its disconnection is that the WIB had no institutional involvement in the Jobs for New Yorkers Task Force.

As New York City embarks on a much more ambitious—and expensive—workforce mission, it must find a way to embrace the private and philanthropic sectors as full partners in the work. The member organizations of the NYC Workforce Funders, a group of about twenty foundations that support training and employment programs in the city, collectively grant tens of millions of dollars every year for innovative and high-quality initiatives. Businesses spend billions every year on recruitment, training and other HR services.

A sizable share of these dollars could and should align with and support the activities of the public workforce system. But to leverage these resources, the city must give these actors a seat at the table and a meaningful voice in policy deliberations. The mayor should appoint some of the key private and philanthropic sector leaders who served on the Jobs for New Yorkers Task Force to the Workforce Investment Board, where they can continue to help drive change in the system.

The Office of Workforce Development and Jobs for New Yorkers Task Force has shown commendable audacity in bringing us to this moment of unprecedented possibility for workforce progress. To fulfill the promise will now require prudence and humility on the part of city government.

Thank you for the opportunity to testify today. I would be happy to answer any questions you might have.

This testimony was presented on Thursday, December 11, 2014.

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