The Opportunity Youth “Crisis” and Emerging Best Practices

Kate O’Sullivan, National Fund for Workforce Solutions
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“Opportunity Youth (OY)”
what does that mean?

* Nationally, generally refers to young adults who are:
  * Between the ages of 16 and 24 or 25;
  * Not in school; AND
  * Not working
* May have dropped out, or gained HS diploma
  * Even those with diploma often have low skill levels
* May have no work experience, or have held unstable/low wage jobs
The National Crisis

* One in seven 16-24 year-olds are not in school or working (nearly 6 million young adults)
* Less education = higher unemployment
  * 35% unemployment rate for out-of-school 16-24 year olds with HS diploma or less
  * 5 times higher than for those with a bachelor’s or more
* Unemployment at young age = lasting negative effects on employability, earning potential

The National Crisis: Racial Disparities

* Unemployment rates for 18-24 year olds:
  * Black: 30%
  * Latino: 20%
  * White: 14%

* From Optimizing Talent.
“Economic burden” associated with youth who are not in education, employment or training

- each opportunity youth imposes, on average and compared to other youth, a taxpayer burden of $235,680 and a social burden of $704,020
- Taxpayer burden = resources for which the taxpayer is directly responsible (i.e. lost taxes, costs of welfare, health care, justice system)
- Social burden = broader resource implications despite who “pays” for them (i.e. lost earnings & productivity, additional costs related to crime & social supports)

Young adults who are employed:

- Disproportionately represented among the working poor (more than double the rate of older adults)
- Disproportionately in low wage jobs in retail, wholesale, hospitality

* From *Optimizing Talent*. 
Growing Attention to OY

- White House Council for Community Solutions, now within Aspen
- Increased focus of:
  - National and regional private funders
  - Employers (including Starbucks, Gap Inc.)
  - Public funding, such as WIOA
What Works for OY?
Overarching Elements

* Youth Development Approach
  * Adolescence into young adulthood: significant brain development
  * Youth as assets to be built, not problems to be solved
* Holistic approach; meet young adults where they are
* Opportunities to build skills & experience over time
  * Academic, “soft,” and “hard” skills
  * Informed by labor market demand
What Works?
Key Practices

* Connections to consistent, caring adults
* Positive peer groups; cohorts
* Comprehensive, coordinated supports to remediate barriers
* Contextualized, hands-on learning
* Career exploration, planning, goal-setting
* Work experiences
* Financial incentives, such as stipends, wages
What Works?
Key Practices

* Develop leadership skills, contribute to program & community
* Earn industry-valued academic & occupational credentials
* Preparation for and “bridging” into postsecondary
* Support continues once on the job or in further education
What Works? Ongoing Research

* Two recent publications from MDRC
  * review completed studies
  * preview evaluations in process
  * identify promising practices & emerging lessons


Sectoral Strategies

* Sectoral workforce development: building pathways within particular industries, in close partnership with employers
* Strong results for adults
* Promise for young adults
  * Initiatives: National Fund, JobsFirst NYC YASEP, Annie E. Casey Generation Work
* Collaboration = Essential
  * Community providers
  * Postsecondary institutions
  * Employers
  * Workforce intermediaries

Roles of Community Providers

- Recruit Youth
- Assess & build youth skills & work readiness
  - Prepare youth for sectoral training – serve as “on-ramp”
- Provide supports to youth
Roles of Postsecondary Institutions

- Provide training that results in employer-valued certification
- Coaching & support for student success
- Offer “stackable” certificates and longer-term degree options
Roles of Employers

* Labor Market Intelligence
* Advising on Skills & Curriculum
* Offering Exploratory Job Experiences & First Jobs
* Career ladders, support for further training/education
Roles of Workforce Intermediaries

- Finding the Right Sectors
- Brokering Relationships
- Piloting Approaches
- Developing Capacity
* Kate O’Sullivan
  * Consultant, National Fund for Workforce Solutions
  * kateosullivanUS@yahoo.com
  * (240) 476-1370