

Madison Employment Plan



October 2, 2013

Employing Madison

Madison is blessed with a vibrant economy. We enjoy a below average unemployment rate, above average incomes, and one of the best educated workforces in the country. Our strong university leads the nation in research, the presence of state government contributes tremendous stability, and our diverse private sector excels in everything from food processing and insurance to software and life science technology.

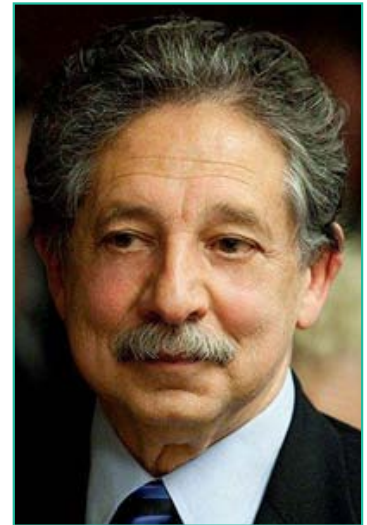
Yet, increasingly, a segment of our population is being left behind.

Almost one in five Madison residents live below the poverty line and many more with incomes just over the line are struggling to make ends meet. In conjunction with the Racial Justice Summit held by the YWCA and the Wisconsin Council on Children and Families, a new Race to Equity report was released with some stark statistics. Despite Madison's generally low unemployment rate, the unemployment rate for African Americans in Dane County was 25%, higher than the African American unemployment rate in Wisconsin or the United States. Seventy-five percent of African-American children in Dane County are living in poverty compared to 39% nationally. While the median Dane County income for white households is \$63,673, the median household income for African Americans was \$20,664. This gap is nearly twice as large in Dane County as it is nationwide. We know the Latino and Asian communities face similar challenges.

Over the next year, the city will develop a new economic strategy. This strategy will ensure that our prosperity is widely shared.

Our focus is five critical areas: housing, quality child care, transportation, health—which includes nutrition and trauma, and education/employment. We need to create good jobs accessible to people with a wide range of skills and to connect people to these jobs. We start by connecting young people to internships, making construction a gateway into employment, and focusing on adult employment initiatives aimed at workers with limited work experience, education, and training.

Paul R. Soglin
Mayor



Data: A Tale of Two Cities



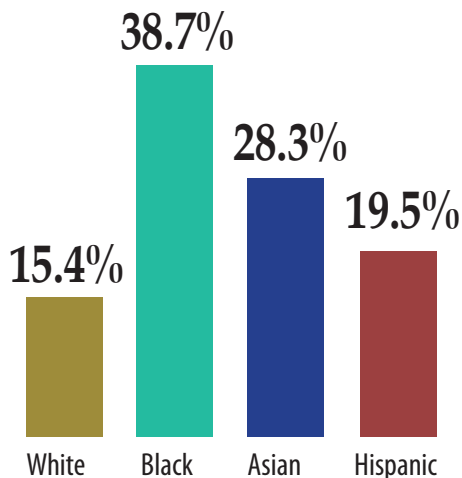
Over a third of the people in poverty in Madison are children and most of the rest are of working age.

In many ways, Madison's economic picture is a tale of two cities. Compared to the country as a whole, Madison is better educated on average, with 54% of our adults (over the age twenty-five) boasting bachelor's degrees or more compared to only 28.5% of the nation as a whole. These well-educated residents enjoy higher median earnings, about \$42,000 for those with bachelor degrees and \$52,000 for those with graduate degrees. For those with strong education backgrounds, poverty rates and unemployment rates are much lower. Less than 5% of the population with a bachelor's degree or graduate degree lives in poverty.

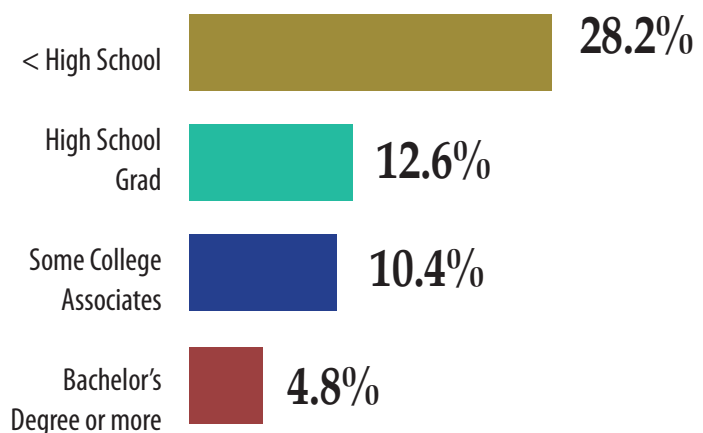
On the other hand, for those with less than a high school education, the poverty rate in 2011 was 34%. For those with a high school degree, the poverty rate was 16%; these individuals earn about half, on average, of those with college or graduate degrees, with median earnings of \$24,000. While only 4% of white adults over age 25 are without a high school degree, 13% of the African-American population does not have a high school degree. Education is clearly part of the long term answer to poverty and racial disparity.

Poverty Rate Varies by Race and Education

Poverty Rate Varies by Race/Ethnicity



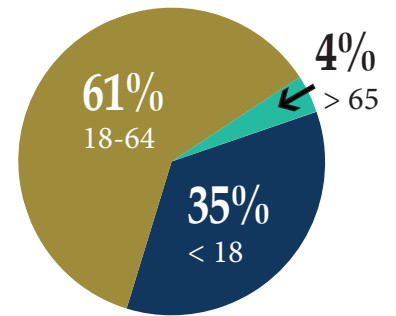
Poverty Rate Varies by Education



About 18% of Madison's population lives in poverty. Adults in this group are less likely to have earned an associate or bachelor's degree and are more likely to be members of a minority race or ethnicity. Over a third of the people in poverty in Madison are children and most of the rest are of working age. Less than 5% of people living in poverty are over the age of 65.

These data show the importance of education in helping people escape poverty and earn a family-supporting wage. For many, though, returning to school to earn additional credentials is difficult or impossible. But the data also show something else: continuing education and job training leading to employment pays off.

Poverty by Age*



*Excluding college and graduate school attendees

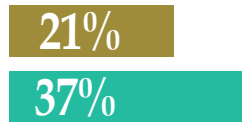
Source: American Community Survey, 2011, 5 -

Median Earnings: College vs. High School Grads

College Graduates



High School Graduates and Drop Outs



Median Earnings

\$46,531

\$24,118

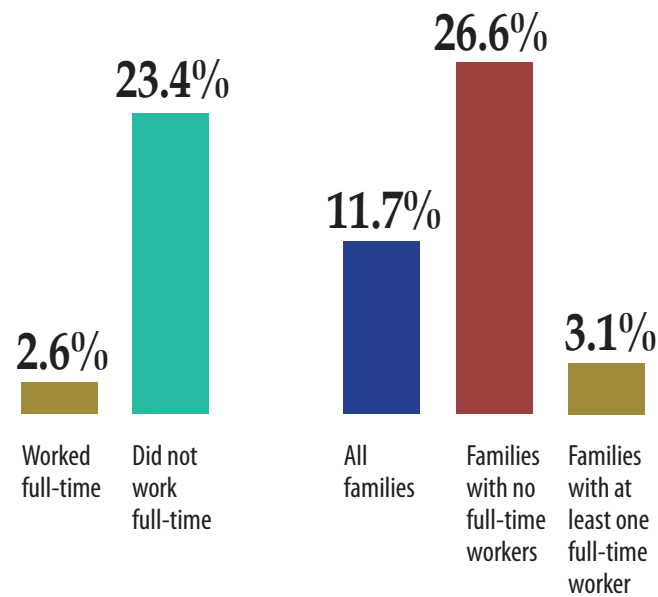
- White residents
- Black residents

Full-Time Jobs are Critical

For individuals who worked full-time, the poverty rate is only 2.6%. Among individuals who do not work full-time, the poverty rate was almost ten times higher, at 23.4%. And while about 12% of Madison families are living in poverty, only 3.1% of families with at least one full-time worker in household lived in poverty. For families with no full-time workers, 26.6% lived in poverty.

Creating full-time jobs accessible to individuals with a variety of skill sets is vital to broadening our economic base and creating a more widely shared prosperity.

Poverty Rate and Full-Time Employment



Employment Initiatives

Youth Internships

Getting young people connected to work early sets them up for lifetime of success and advancement. Helping young people find internships builds their skills, their experience, their confidence, and their network. Working with Madison's non-profit community, Workforce Development Board, and the Greater Madison Chamber of Commerce, the City is launching new initiatives to train and connect young people to employment opportunities.

Youth Employment Programs

The Community Development Division currently invests approximately \$170,000 annually in six youth employment programs through the CDD Community Resources funding process. These employment programs vary in terms of target populations (culturally specific, neighborhood based etc.), work experience and wages. All of the programs assist teens in gaining skills in interviewing, job search, and resume writing and application processes. Some, programs offer school credit while providing hands- on work skills in food service, child care and agriculture. Additionally a business mentoring program links teens with employers in the private sector. These programs collectively engage about 225 youth annually and many of these programs receive many more applications than they are able to serve.

In the summer of 2013 an additional \$168, 300 was added to the CDD budget for youth employment programming for the summer of 2013. These funds were used to expand currently funded programs and secure summer work experience and mentoring for over 100 youth.

The Plan

The City of Madison will partner with the Greater Madison Chamber of Commerce, The Workforce Development Board of South Central and the youth-serving agencies who use private sector company-based internships as a critical tool to help high school junior and seniors learn essential workplace behavior and build work experience and strengthen their skills.

The effort's overarching goal is to help low income/disadvantaged youth, but it will be designed to serve all students. The partnership will utilize existing youth programs to prepare and support youth during the internship experience.



Employment Initiatives *continued*



Getting young people to work early sets them up for a lifetime of success and advancement.

The effort will be organized through a web portal where business can offer their internship opportunities and volunteer to be mentors. The web portal will be designed to provide an easy access for students and businesses. It will provide a matching feature that will assure that participating youth not only find an internship but are linked to a community agency that uses internships as their core service strategy and can mentor and coach students during the internship experience and beyond if necessary.

The web platform will:

- provide a place where companies can go and see the entry points,
- list the agencies and the services they can offer,
- help reach kids who are not plugged in, and
- help partner organizations make an extra effort to market to students and their parents who are not connected to a program.

Implementation Steps:

Step 1: Build Platform – the team will engage the technology and entrepreneurial community (Fall 2013 to Winter 2014)

Step 2: Build the Story – the team will design the outreach so there is one ask — no matter how many people are doing the asking — and one message. (Fall 2013 to Winter 2014)

Step 3: Engage Partners – The Workforce Development Board in collaboration with the City Community Development staff will work with the City, County, United Way and the Workforce Development Board contractors to organize the work group space in collaboration with the youth-serving agencies that utilize internships in their programming. The City will engage non-profits who work in housing, quality child care, health, transportation, and employment/education to support this effort. (Fall 2013 to Winter 2014)

Step 4: Formal Launch – Program implementation begins (April - May 2014)



Construction

Construction represents a strong opportunity to connect Madison workers to high paying jobs with career advancement opportunities. As our construction environment improves, Madison needs trained local residents in the pipeline for these opportunities. The City, through the Community Development Division, currently funds several construction based employment and training programs that link workers with training, apprenticeships and jobs in construction and skilled trades. More recently, the City has developed new partnerships with the South Central Workforce Development Board (SC WDB) and Wisconsin Regional Training Partnership (WRTP)/ BIGSTEP to create a new initiative aimed at expanding connections for Madison residents with apprenticeship and other construction opportunities.

The Plan

The South Central WDB, in partnership with the WRTP/BIG STEP will facilitate an industry-driven strategy to identify the workforce needs of contractors and key trades, develop and implement a comprehensive employment & training response, and facilitate community partnerships to maximize local impact. WRTP/BIGSTEP will coordinate with the South Central WDB and the Mayor's Office to complement broader efforts to build capacity and participation of local contractors and related businesses.

The South Central WDB is the local workforce development Board serving the City of Madison as well as the entirety of Dane County and surrounding Counties. SC WDB serves as the key agency for public planning, coordination, and implementation of workforce development strategy

WRTP/BIG STEP is a nationally recognized workforce intermediary serving the manufacturing and construction industries. The organization has established relationships within the construction industry, including Contractor Associations, the Building & Construction Trades, and the Registered Apprenticeship system, as well as expertise and experience in coordinating the delivery of workforce strategy with the public workforce investment system. As a strategic partner to the project, WRTP/BIG STEP will provide leadership and expertise at all phases.



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Employment Initiatives *continued*



The WRTP/BIGSTEP operates the Entry Level Construction Skills training program (ELCS), aligned to industry based standards and designed to attach individuals to employment. ELCS operates in tiers to create a training and career pathway to prepare workers with the knowledge, skills, competencies, and certifications to meet industry standards and advance through the industry.

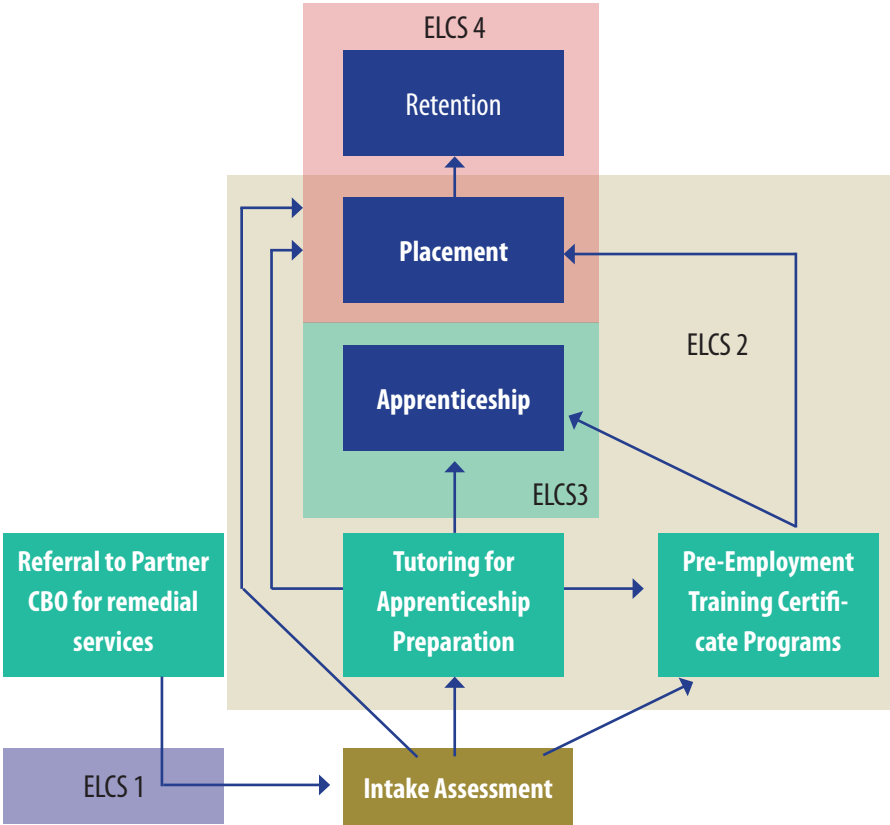
Under the umbrella of its Entry-Level Construction Skills (ELCS) program, WRTP/BIG STEP will assist Madison residents at all points on the career pathways. The following ELCS modules will be utilized and tailored by trade and classification:

- **ELCS 1** is an exposure course that targets those who are unfamiliar with the construction industry, but who want to learn more about it, or eventually advance in the sector. This non-credentialed exploratory module provides participants an introduction to the trades and the world of work. Targeted to K-12 youth programs, Youth Build and Out of School Youth programs, as well as CBO partner pre-training programs.
- **ELCS 2** is for those individuals who meet minimum requirements for training. The primary goal of ELCS 2 is to provide pre-employment job training and qualify participants for industry employment or an apprenticeship program.
- **ELCS 3** is for qualified apprenticeship candidates who have not yet been hired by an employer in order to begin an apprenticeship. WRTP/BIG STEP is currently working with the building trades to develop a process for participants to receive knowledge validation to receive advance standing and credit towards the Apprenticeship Program and/or Technical College.
- **ELCS 4** is the most advanced ELCS module and targets current journey workers or apprentices. ELCS 4 helps upgrade these experienced workers' skills, particularly as they relate to the new skills in the green economy.

Metrics to track success will be developed. Funding will be provided through the South Central Workforce Development Board, the City of Madison, private foundation funds, and industry funds.

The following chart shows how this system will operate:

Workforce Development Program Map



Adult Employment

Construction and youth internships are two areas where the community can take immediate action steps. The data shows that securing a full-time job is a better predictor of leaving poverty than a college degree. The community needs to create more full-time jobs with family-supporting wages and to help populations that need employment connect to jobs that already exist. While this third initiative is our biggest challenge, the need to start is urgent. To that end, the city is undertaking a series of initiatives.

Current Adult Employment Initiatives

The Community Development Division currently invests \$442,500 in employment programs with a goal to “improve the economic stability for residents encountering multiple barriers to employment including: criminal background and/or associations, language barriers, long term poverty, lack of skills and/or formal education”. To this end the Community Development Division funds support 10 employment programs that build basic employment soft skills, address employment access needs across the geography of the city, and address language and potential race and gender barriers.

2013 Adult and Youth Employment Allocations

Agency	Program Name	Goal Statement Final	Priority Statement Final	2013 Allocation
Centro Hispano	D. Escalera	Youth	Youth Employment	\$15,000
Common Wealth Development	A. Youth Business Mentoring Program	Youth	Youth Employment	\$71,998
Common Wealth Development	B. Summer Expansion-Youth Business Mentoring	Youth	Youth Employment	\$25,000
Construction Training Inc.	A. Skilled Trades Apprenticeship Readiness Training	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$56,247
Goodman Community Center	E. Teen Education & Employment	Youth	Youth Employment	\$12,000
Goodman Community Center	I. Supporting Successful Employment	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$10,000
Journey Mental Health Center	A. Hmong Youth Cultural Preservation	Youth	Youth Employment	\$12,000
Literacy Network	B. College Success	Employment	Adult Workforce Preparedness and Employment B1: Literacy to Employment (CONF)	\$15,000
Lussier Center	F. BEATS Building Employment & Tech Skills	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills (CONF)	\$10,000
Madison Urban Ministry	A. Just Bakery	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills (CONF)	\$19,505
Omega School	A. GED/Basic Skills	Employment	Adult Workforce Preparedness and Employment B1: Literacy to Employment	\$81,382
Operation Fresh Start	B. Youth Conservation Crew	Youth	Youth Employment	\$25,500
Simpson Street Free Press	Summer Employment	Youth	Youth Employment	\$15,000
TJ's Support Brokerage	A. MAP/TOP	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$87,534
Urban League	A. Job Services Network	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$77,818
Vera Court Neighborhood Center	H. Latino Academy of Workforce Development	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$72,500
Youth Services	C. Youth Work Crews	Youth	Youth Employment	\$33,000
YWCA of Madison	E. Comprehensive Employment Services	Employment	Adult Workforce Preparedness and Employment and Training A1 - Job Skills	\$17,500

Adult Employment *continued*

Meadowood Neighborhood Based Pilot Program 2014

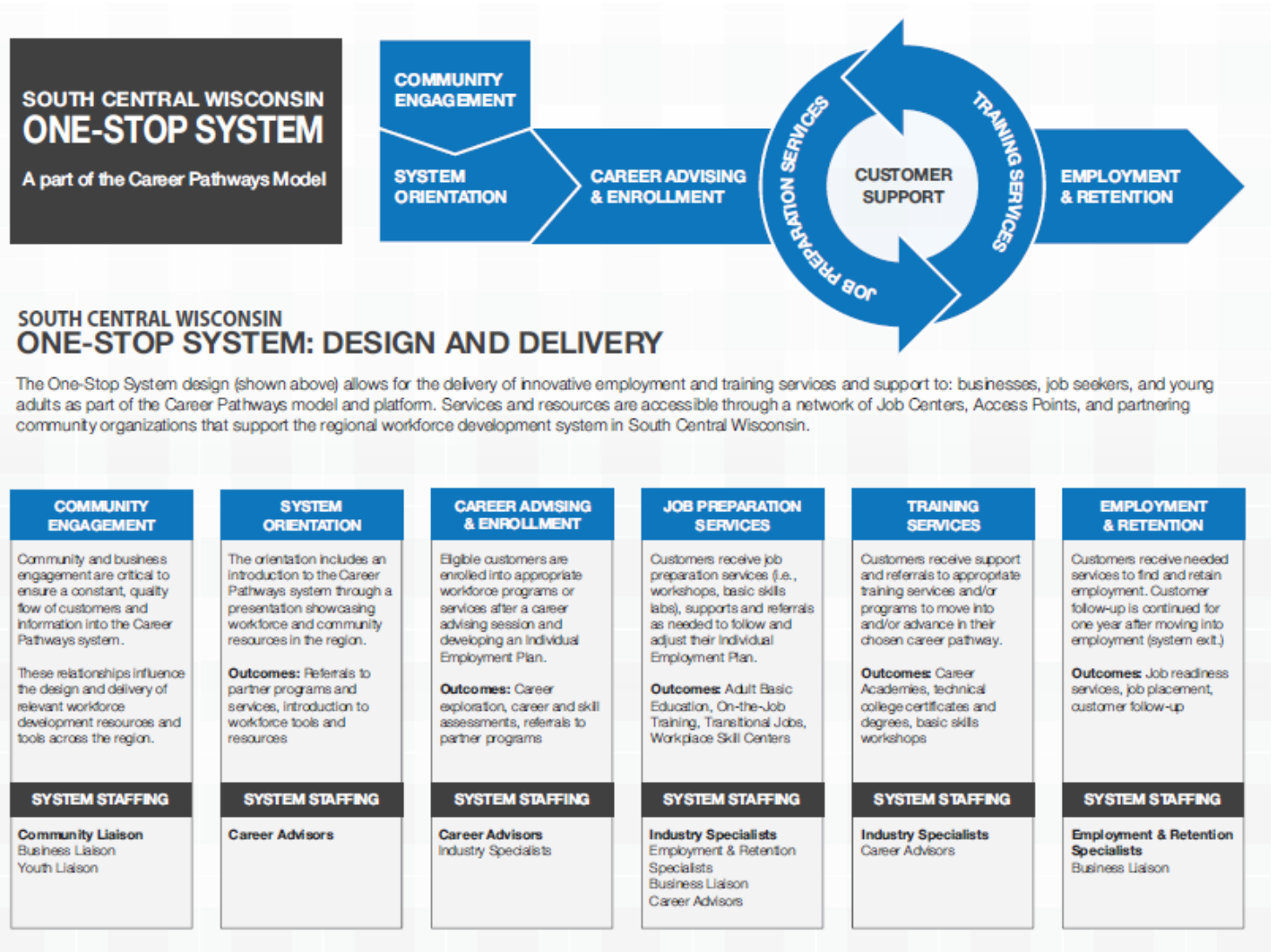
A pilot program has been created and recommended for funding that utilizes grassroots organizing work with residents, faith based organizations, nonprofit providers and private businesses to address unemployment in the Meadowood neighborhood. This pilot project, led by Common Wealth Development and supported financially by the city will coordinate the efforts of these community partners with multiple City Divisions, the neighborhood center facility and the Workforce Development Board to impact unemployment in this neighborhood. This project will reach out to families and individuals, assess the employment needs of all members of the household (including employment age youth), and work to link these individuals to transitional employment, support services and training and education programs.

The Workforce Development Board staff and WorkSmart team will assist the City-funded contractors targeted to establish a WorkSmart Access Point in the Meadowood / Theresa Terrace neighborhood. This Access Point can offer career advising, job interview workshops and coaching, and employment and retention services. In addition, the Workforce Development Board is prepared to support 10 work slots for youth eligible for Workforce Investment Act Funding.

This pilot represents an investment of over \$70,000 and will leverage additional resources among partner organizations.

The following chart demonstrates the career pathways model that will be utilized.

South Central Wisconsin Workforce Development Board's Career Pathways Model



City of Madison Economic Strategy

The city's most recent 3-5 year economic development plan was created and adopted in 2008, just prior to the Great Recession. Over the next year, the city will undertake the development of a new economic strategy. This strategy will identify a vision and priorities for both growing prosperity and making sure it is more broadly shared. In other words, we need to identify strategies to both make the pie bigger and cut larger slices. While the plan focuses on things the city can do, we hope to engage a wide variety of partners to magnify the impact.