



# Pathways to Change

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# Why systemic change?

- Given magnitude of workforce challenges, it's not enough to successfully implement isolated career pathways programs
- Only way to go to scale is through systemic change of workforce education policies and institutions
- Urgent need to come together across programs, agencies, cultures, histories, perspectives to achieve agreed upon goals for improving access and success by low income youth and adults to marketable postsecondary credentials
- Career pathways is effective way of identifying goals for system change because keeps focus on how well system as a whole serves individuals and employers

# Guiding principles for systemic change

- Most investment in skill upgrading for older youth and adults is private, either by individuals or business/industry. How to leverage this by using public spending to influence their choices?
- Publicly funded workforce education should be filling gaps—where are the market failures in the education and labor markets? What will happen for low income youth and adults that would not have happened without the public investment?
- How to make every public dollar count—unify state and local spending around goals of creating/retaining good jobs and increasing access to them. Think bigger than narrow funding streams for low income youth and adults.

# Key state policy tasks for systemic change

- Create a guiding vision about where the state should be headed, why change is needed, focus funds on it
  - Careful that vision includes a place for lower skilled workers to start, e.g. High Skills, High Wages may leave them out
- Ensure workforce education offerings reflect the skills that low wage workers need to advance and that businesses need to grow
- Track individual outcomes across workforce education agencies and programs and into the labor market to identify trouble spots
- Fix the leaky pipeline of low income youth and adults into postsecondary

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## Key state policy tasks for systemic change

- Support success in workforce education for low income youth and adults
- Fund innovation so that workforce education can better meet worker and business needs
- Partner with business/industry to advance all workers, esp. low income, low skilled workers

# Pathways to where?

- What is the vision? How is it being communicated and to whom?
  - Different frames needed for different audiences. E.g. KY's Education Pays, GoHigher aimed at public, WA's "tipping point" frame for policymakers, OH Gov.'s goal of 30% increase in postsecondary enrollment.
- Does funding flow in ways that support vision?
  - E.g. college funding formulas (ECS April 2005 study), TANF policies, WIA policies, incumbent worker trg. policies, child care subsidies, etc.
- How do workforce education offerings compare to workforce needs of employers?
  - E.g. WA Dec. 05 report assessing workforce supply and demand, IL project to project future workforce supply.

# Pathways to where?

- What measurable goals are needed to generate and track progress toward vision?
  - Do you have the data to track individuals' progress across program silos and into the labor market? E.g. WA state and CA studies.
- Who will lead the work to promote vision, align policies and track results across individual programs in workforce education system?
  - Need ongoing state leadership for this work, easier if key programs are within some overarching body that is responsible for the system.

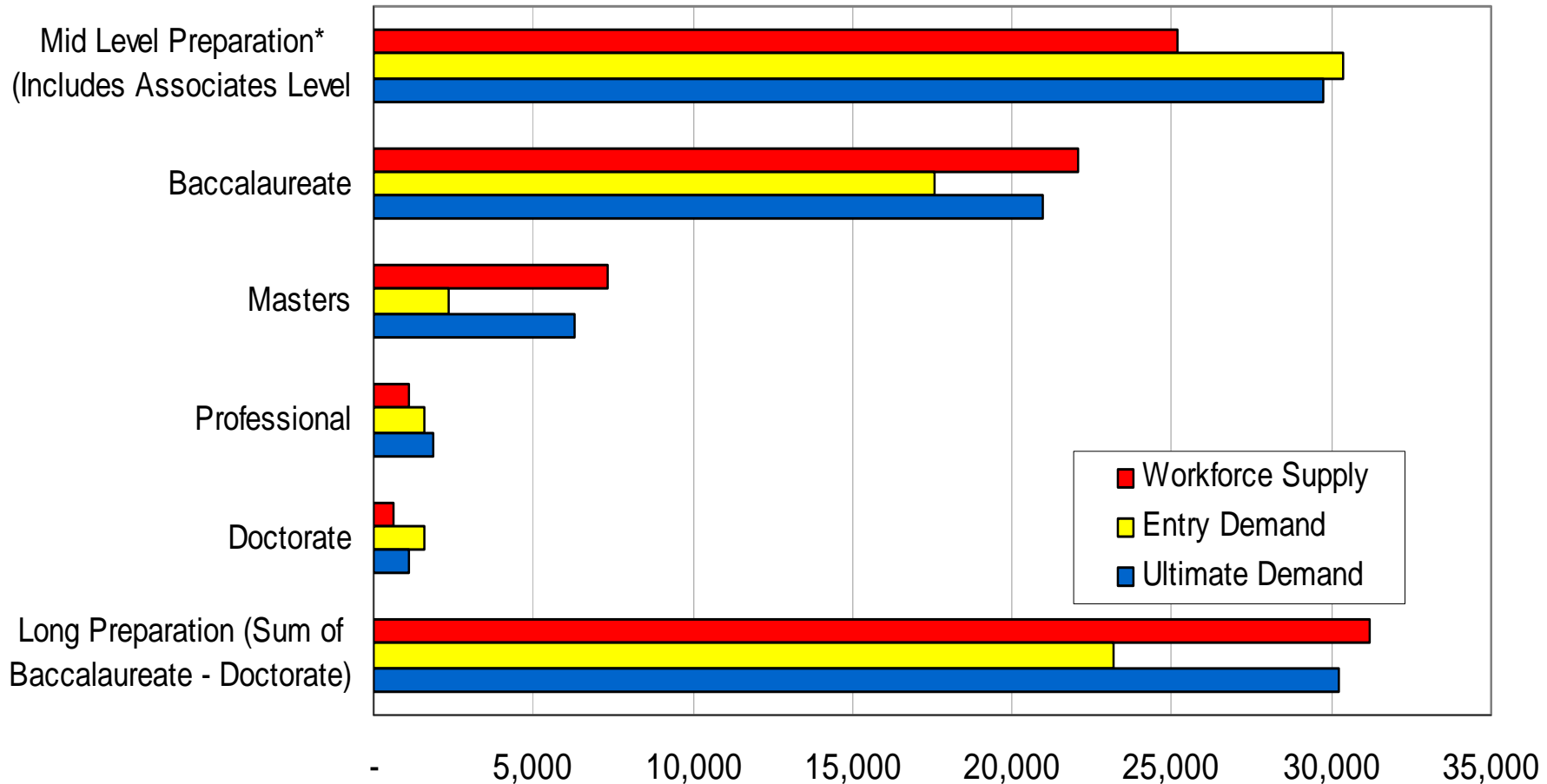


**EDUCATION  
PAYS**

## WA Example: “Tipping Point” as frame

- For college to pay off economically for low wage workers, WA study found the “tipping point” for substantial earnings increase is at least 30 vocational credits plus a credential. These results are consistent with other research.
  - \$2,700 and \$1,700 more per year (respectively) for workforce students entering with high school or GED
  - Even larger increases for lower skilled students and those with limited English; ESL students earn \$7,000 more per year and ABE students \$8,500 more per year
- By contrast those in short-term customized training stop before they gain enough skills to make a real difference
  - Earn \$3,800 less per year than those who reach the tipping point; \$6,800 less per year if they started from ABE. (SBCTC, 2005, outcomes for 35,000 students)
- The “tipping point” represents the same mid-level skills and credentials that WA employers find in short supply

## Annual Supply and Demand for Prepared Workers by Education Level\*

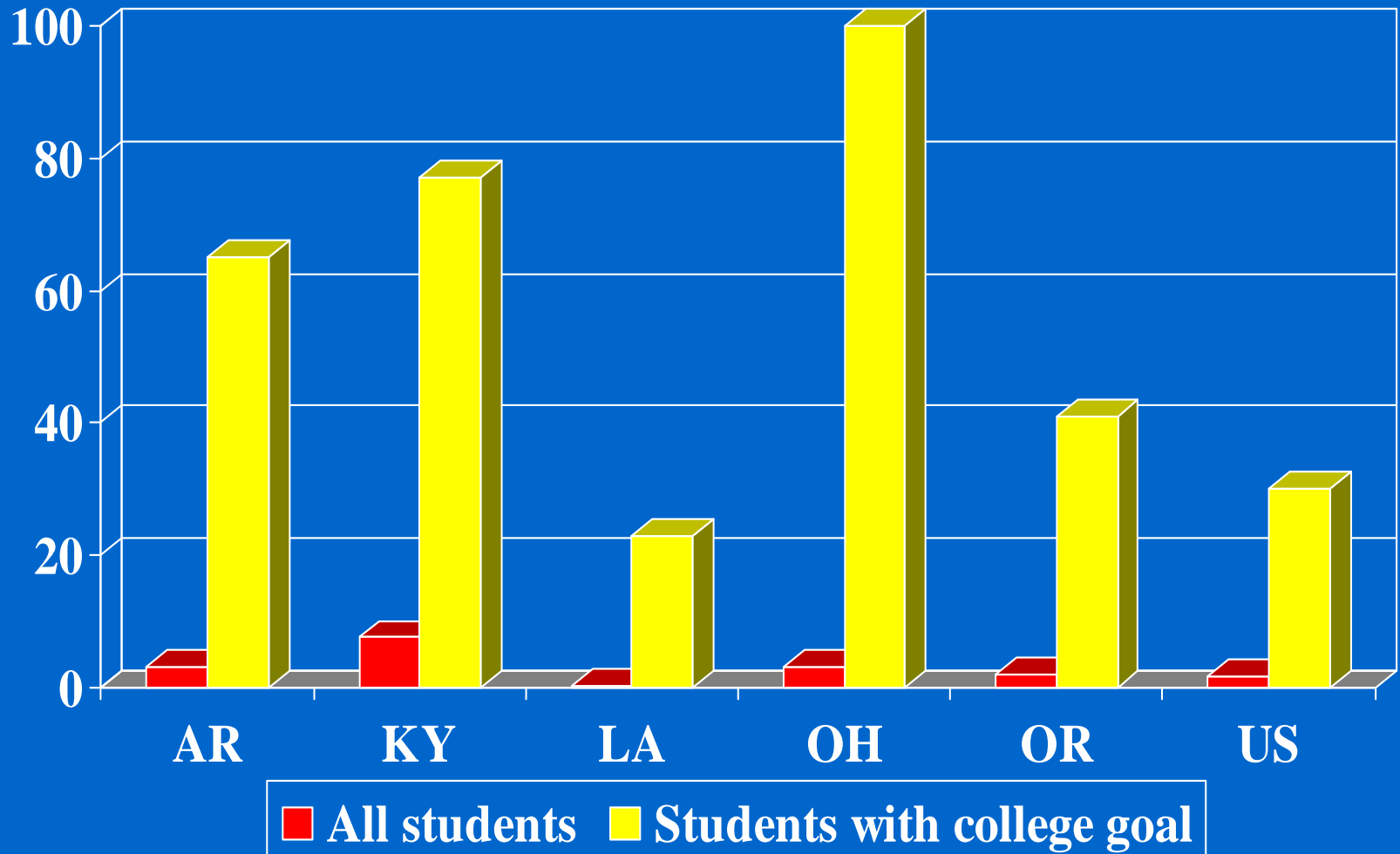


\* Mid-level supply is based on 2002-2003 data. Other levels 2003-2004. Demand is based on the projected annual average number of job openings 2007-2012

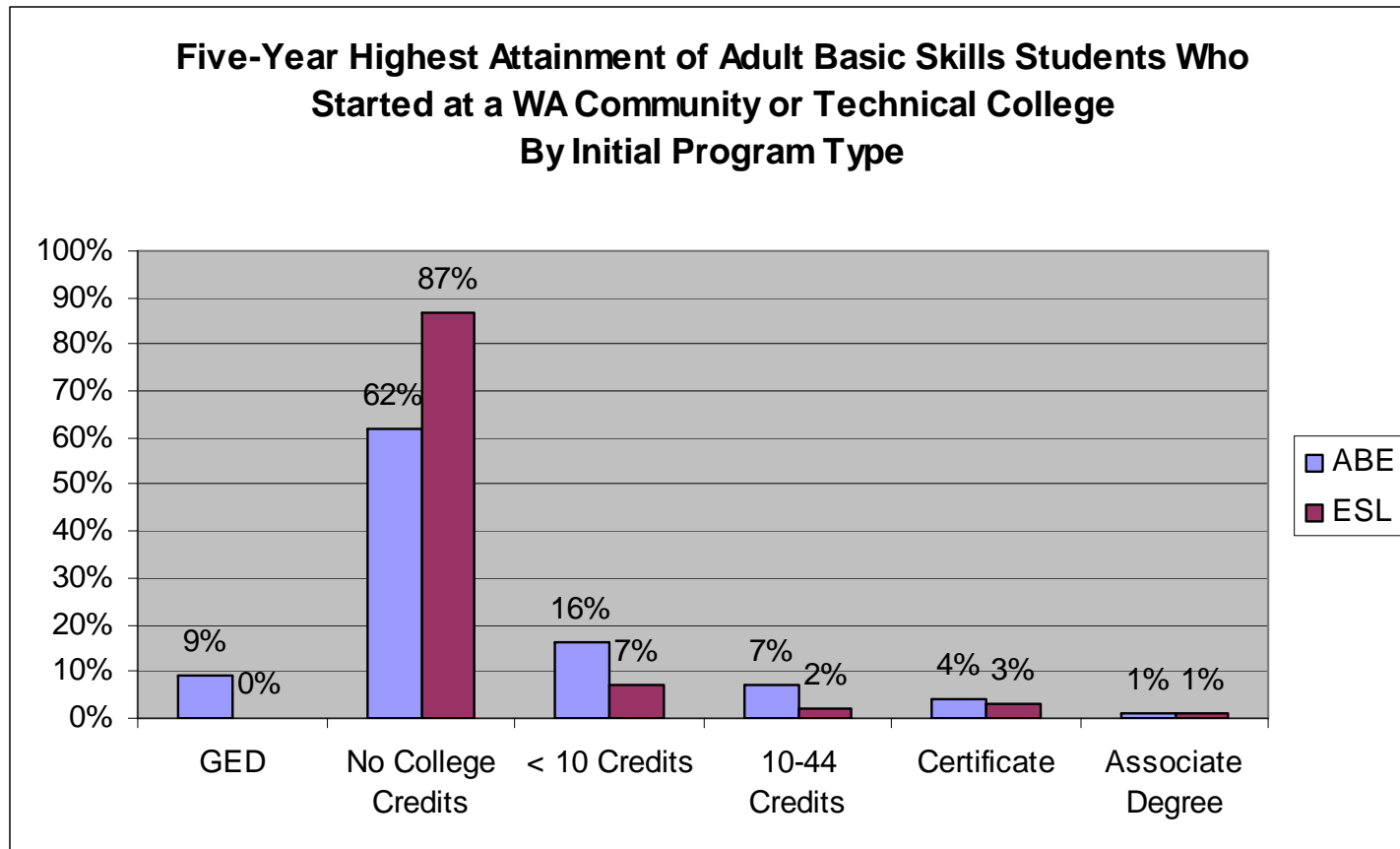
# Fixing the leaky pipeline

- Lack of alignment of goals and content between adult ed/ESL, developmental ed, and non-credit and credit
- Low rate of transitions from adult ed/ESL and developmental education to postsecondary occupational programs.
- Few adult education and developmental education students ever earn enough college credits to pay off in labor market
- For lower skilled adults obtaining marketable credentials takes too long, especially given competing work and family responsibilities
- Similar obstacles confront low income youth

# Percent of adult ed./ESL going on to college



# Community College Adult Basic Skills Education Outcomes



## Policy options to increase transitions

- Make attainment of in-demand, for-credit postsecondary credentials a central goal of state adult ed/ESL policy—GED not enough to gain family-supporting wages
- Use dual enrollment/credits for youth and adults to increase basic and job skills, earn college credits at the same time, require local agreements
- Align adult ed/ESL content with college entry criteria, crosswalk assessments, to eliminate or reduce need for developmental ed.
- Customize adult ed/ESL and dev. ed content to skills needed for specific occupational programs

## Policy options to increase transitions

- Shine light on developmental education outcomes, make sure dev. ed. is integral part of workforce education system, including career pathways
- Adopt WIA state policies that encourage training for low income youth and adults that is part of a pathway
  - Use state WIA funds to encourage local WIBs to fund for-credit training and to work out agreements with colleges to give credit for non-credit training if it's equivalent to a for-credit prgm
  - Use Gov's authority to allow WIA contracts for cohorts in career pathways
- Adopt state incumbent worker/customized training policies that ensure low income youth and adults are served and that training is for-credit and part of a pathway

## KY's Adult Ed.-College Transitions Partnership

- State reform legislation gave adult ed. and comm. colleges common mission around workforce dev., also federal NRS goal of college transition
- Needed state leadership to send signal that collaboration between colleges and adult ed was encouraged and allowed
- Convened statewide transitions workgroup, regional meetings, sharing of models, ideas
- Crosswalk of college/adult ed assessments
- Funded joint transitions pilots with WIA Gov.'s funds, expanded to four year institutions
- State goal of having 40% of GED completers go on to postsecondary (12% originally, 22% in 2004)

# KY's Adult Ed.-College Transitions Partnership

KCTCS-KYAE partnership includes:

- Colleges refer students to adult ed for remediation
- Adult ed students can also choose this path
- Share web-based instructional software and assessments as well as traditional curricula
- Help students without GED dual enroll in adult ed and developmental ed
- Help students receive credit and obtain financial aid for dev. ed. taught by KYAE
- Rebranding adult ed.: differing roles invisible to student, e.g. adult ed.'s Education Enrichment Services in Louisville appear to be part of the college

## WA's Integrated Basic Skills and Skills Training (I-BEST)

- WA state goal: Increase number of adult ed/ESL students who reach “tipping point”
- Piloted integrated job training/adult ed. model I-BEST tracked results, decided to go statewide
- State offering colleges 1.75 FTE to expand I-BEST to take into account extra costs of two instructors, coordinating instructions, additional student support
- To do this have to rethink content/goals of adult ed/ESL—not GED, not entering dev. ed, but rather skills needed for next occupational program in pathway
- All I-BEST programs have to be part of a one-year certificate program or other occupational program with proven ability to place grads in higher wage jobs

## WA's Integrated Basic Skills and Skills Training (I-BEST)

- I-BEST pairs ABE/ESL instructors with prof./tech instructors in the classroom to provide integrated basic skills and job training.
- Goal is to earn a for-credit occupational certificate AND raise basic skills/English to level needed to take next career and educational step.
- Instructors co-teach 50% of the time, other half of the time teach the same students contextualized basic skills and job training separately. Pilot programs ranged from 1-3 quarters.
- I-BEST students earned 5 times more college credits and 15 times more likely to complete job training than traditional ESL students.

## AR's Adult Ed. Bridges into Career Pathways

- Created pilot project WAGE with 2 community colleges
- WAGE is adult education customized to prepare individuals to enter specific occupational pathways
  - Business, Education, EMT/Paramedic, Manufacturing, Nursing and Allied Health, Welding
- In 2005 set aside \$16 million of TANF funds to expand WAGE career pathways model to 11 community colleges, start spring 2006

## Fixing the pipeline for low income youth

- Efforts to increase high school to college transitions often leave out lower achieving youth and occupational pathways
- New report (CCRC 2006) identifies key state policies for supporting youth career pathways:
  - High school advising
  - Graduation requirements
  - Curricular alignment, articulation, dual enrollment/credit
  - College readiness

## Fixing the pipeline for low income youth

- Dual enrollment for out of school youth
  - Portland Community College Gateways to College. Goal is to complete high school, earn associate degree at the same time. Combines K-12 ADA \$'s with college FTE's to enrich services.
- Integrated adult education, dev. ed. and/or job training for out of school youth
  - Center for Employment Training
  - WA I-BEST, KY adult ed-dev. ed. partnerships also can work for youth

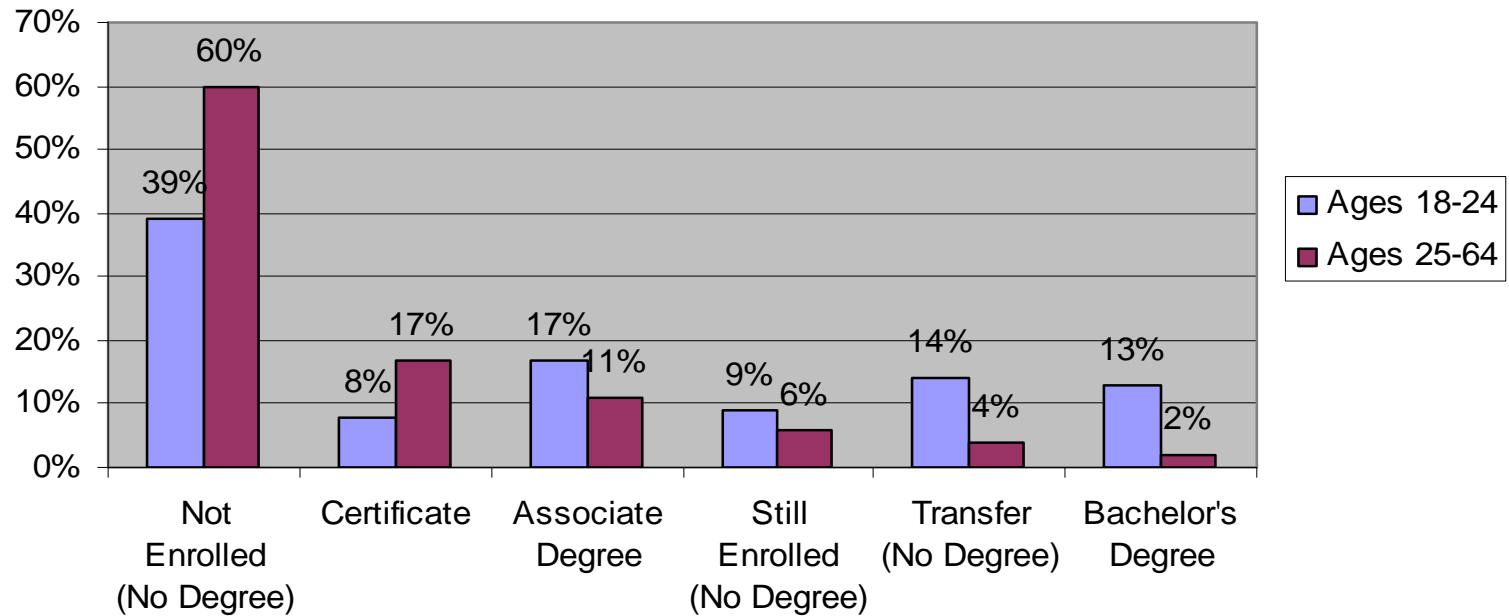
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## Supporting success for low income adults, youth

- Lack of confidence and personal support
- Lower skills and/or limited English
- Limited exposure to career possibilities
- Financial and logistical barriers
- Difficulty of navigating through college bureaucracy
- Juggling work, family and school

# Community College Degree Program Education Outcomes

Six-Year Highest Educational Attainment of Students who Started at a Community College in 1995-96  
By Age at Enrollment

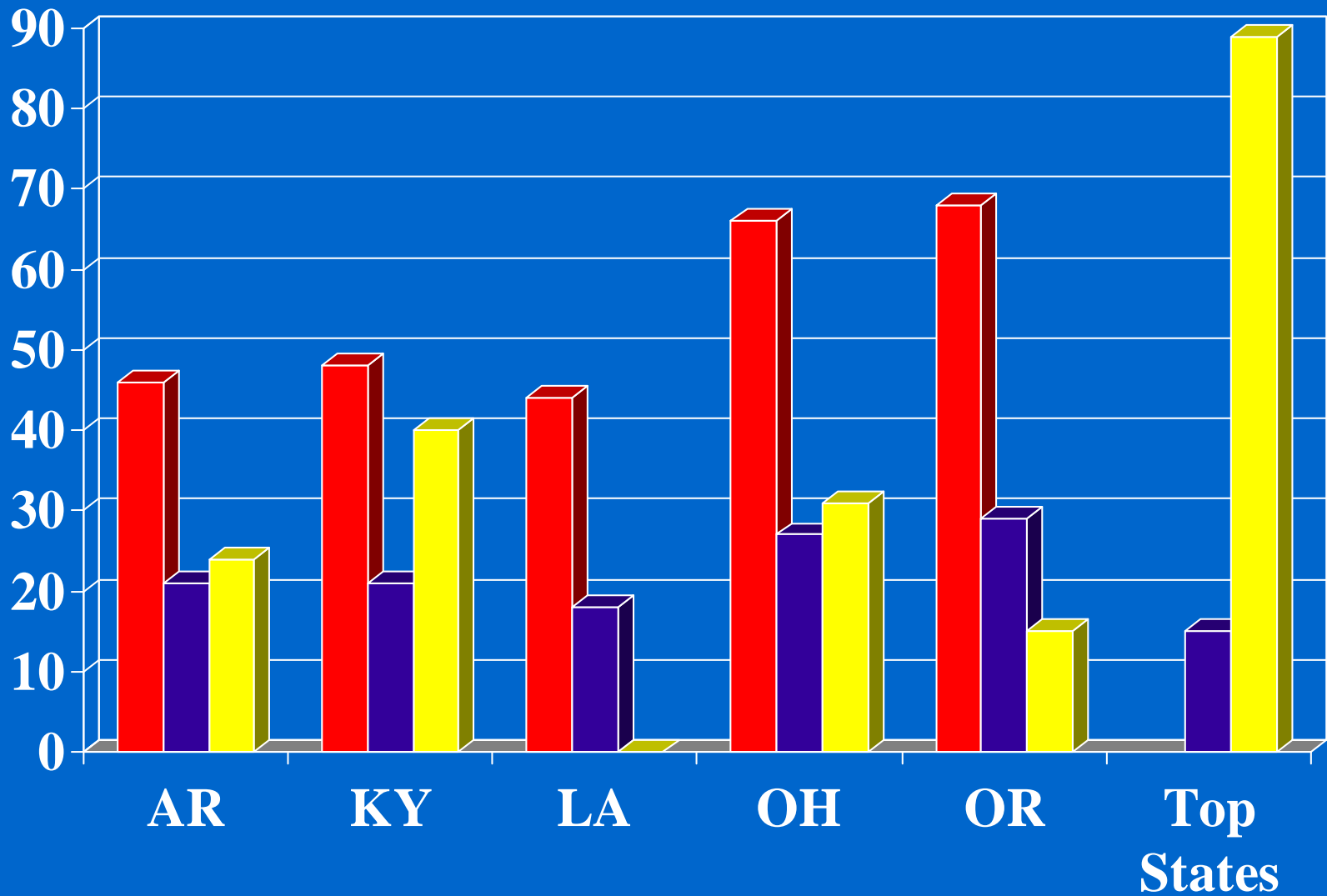


# Policy options to support student success

- Make successful completion of in-demand postsecondary credentials a central goal of higher education policy, shine light on outcomes
- Prioritize flexible financial aid that works for nontraditional students, both youth and adults
- Ensure that formulas for state funding of colleges support components critical for student success.
  - E.g. Comm. College of Denver model for costing this out.
  - AR, IL, WA revisions of formulas.

## Policy options to support student success

- Use state funds to encourage promising models for supporting success—
  - Case management model of advising for at-risk students
  - Use of cohorts (such as career academies, learning communities)
  - Flexible delivery modes (evening, weekend, distance)
  - Opportunities for integrating work and learning



- Share of income needed for net CC costs, bottom 1/5 of families, 2004
- Share of income needed for net CC costs, all families, 2004
- State spending on need-based fin. aid as % of fed. spending, 2004

# Supporting success: flexible state aid

Key elements of flexible aid that works for low income adults and youth:

- Less than half time students are eligible
- Can be used for developmental education
- Can be combined with Pell grants
  - Not double-dipping because cover different things and neither sufficient alone to cover costs
- Not merit-based
- Students without a high school diploma or GED are eligible

# Supporting success: flexible state aid

## GA HOPE Grants

- Open to any GA resident without a BA. Pays tuition, books and fees for technical certificates and diplomas (not degrees). Average amount of aid is about \$900 annually. Can cover developmental ed, open to those taking as few as 3 credits at a time, can be combined with Pell grants. Served 116,000 students in FY 04 with funding of about \$102 million. WA state considering similar program.

## IL Monetary Assistance Program

- Need-based student aid open to less than half time students who do not have a BA. Serves about \$128,000 students; FY 06 funding is about \$347 million. Expanding to year-round aid in 07-08.

## Supporting success: flexible state aid

### MN State Grants, Postsec. Child Care Grants, State Work-Study

- \$115.3 million in need-based grants to 70,000 students. Can take as few as 3 credits.
- \$4.7 million in child care to 2,700 students, \$18.1 million in state work study jobs to 11,000 students.

### AR Workforce Improvement Grant.

- Need-based aid for adults over age 24 pursuing certificate or degree at public institutions. Can take as few as 3 credits per semester. Recently expanded from \$500,000 annually to \$3.7 million annually.

## Supporting success: other sources of student aid

- TANF
  - Not just for TANF recipients (can be used for parents up to 200% of poverty)
  - Allow Career Pathways ed. and trg. to meet work requirements for TANF recipients for long enough to obtain marketable credential (18 months to 2 years)
  - Provide TANF supportive services (child care, transportation) for time spent in class
  - Use TANF funding as student aid, e.g. tuition, work study jobs, book allowances, uniforms, etc. Many not eligible for Pells.
- Trade Adjustment Assistance
- Unemployment Insurance

# Supporting success: programs for low income parents

## Louisiana TANF Financial Assistance Program

- Financial aid, case manager based at the college, child care, creation of workplace literacy labs at the colleges. Program ended 2004.

## Kentucky Ready to Work

- Financial aid, case manager based at the college, child care, work-study jobs.

## California Community Colleges CalWorks Services

- Financial aid, case manager based at colleges, child care, work-study jobs.

## Louisiana TANF Financial Assistance Program

- Financial aid, case manager at colleges, child care, creation of workplace literacy labs at the colleges. Program ended 2004; MDRC evaluating it.

## Riverside County, CA, New Visions Demonstration

- Same as above, plus 24 week core of academic and workplace skills followed by 4-7 month occupational certificate programs, and innovative scheduling (same course repeated at three different times of the day with ability to attend whichever time fits best each day). Most only received core course.

# KY's Ready to Work Initiative

- Statewide network of Ready to Work Coordinators based at each community college to serve low income parents who are TANF eligible (but not restricted to TANF recipients).
- Provides intensive case management and work-study jobs which allow many RtW parents to earn up to \$2500 annually while in school at jobs connected to their field of study.
- Establishes peer support groups by providing initial college readiness class in cohorts

# KY's Ready to Work Initiative

- Coordinators provide or facilitate access to recruitment, assessment, retention, tutoring, mentoring, career counseling, financial aid job development, job placement, and post-placement services. Participants also have access to TANF support services such as child care and transportation.
- Newer “Work and Learn” initiative serves adult ed students preparing for GED to help them transition into postsecondary. As state prepared for TANF reauthorization, identified as major gap the lack of job training for those without a H.S./GED.
- Outcomes: Higher GPA's, program completion rates than average KY community college student, highest increase in earnings and in steady work of any TANF activity, and the longer the participation the bigger the wage increase

## Supporting success: maximizing federal fin. aid

- Rethink where state support for higher education goes—i.e. subsidies to keep tuition low vs. need-based aid.
- Streamline curriculum approval process so can do more of workforce education on for-credit side of college
- Ensure that shorter “chunks” are part of longer certificate so that meet minimum program length requirements for financial aid
- Reexamine Ability to Benefit policies—is GED being used as AtB test? If so, works against dual enrollment model.
- Are cutoff scores for entry to for-credit occupational programs set at level that accurately reflects what’s needed to succeed?

# Venture capital for innovation

- WIA Gov.'s funds: OR, MA
- Perkins and Adult Ed. state funds: WA
- TANF funds: AR, CA, KY, WA
- Incumbent worker/customized training funds: KY, MA
- Private grants: Ford, Lumina, Mott, etc.

# Linking workforce education to labor market

- Statewide policies that link employer demand to workforce education programs on ongoing basis.
  - E.g. Career Pathways, MI Regional Skill Alliances, IL Critical Skills Shortage Initiative, WA Skill Panels and Centers of Excellence, GA Statewide Skills Certifications. Ideally doing this for all workforce education programs, not just special initiatives.
- Partnering with employers for worksite training, paid release time, guaranteed raises for completing trg.
  - E.g. MA Extended Care Career Ladder Initiative. Targeted on helping lower skilled, lower paid nursing home workers move up. Can be used for on-site technical, basic skills, soft skills, and other training. 1 in 5 nursing homes now part of it. Career ladder with raises at each step.

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# Additional background

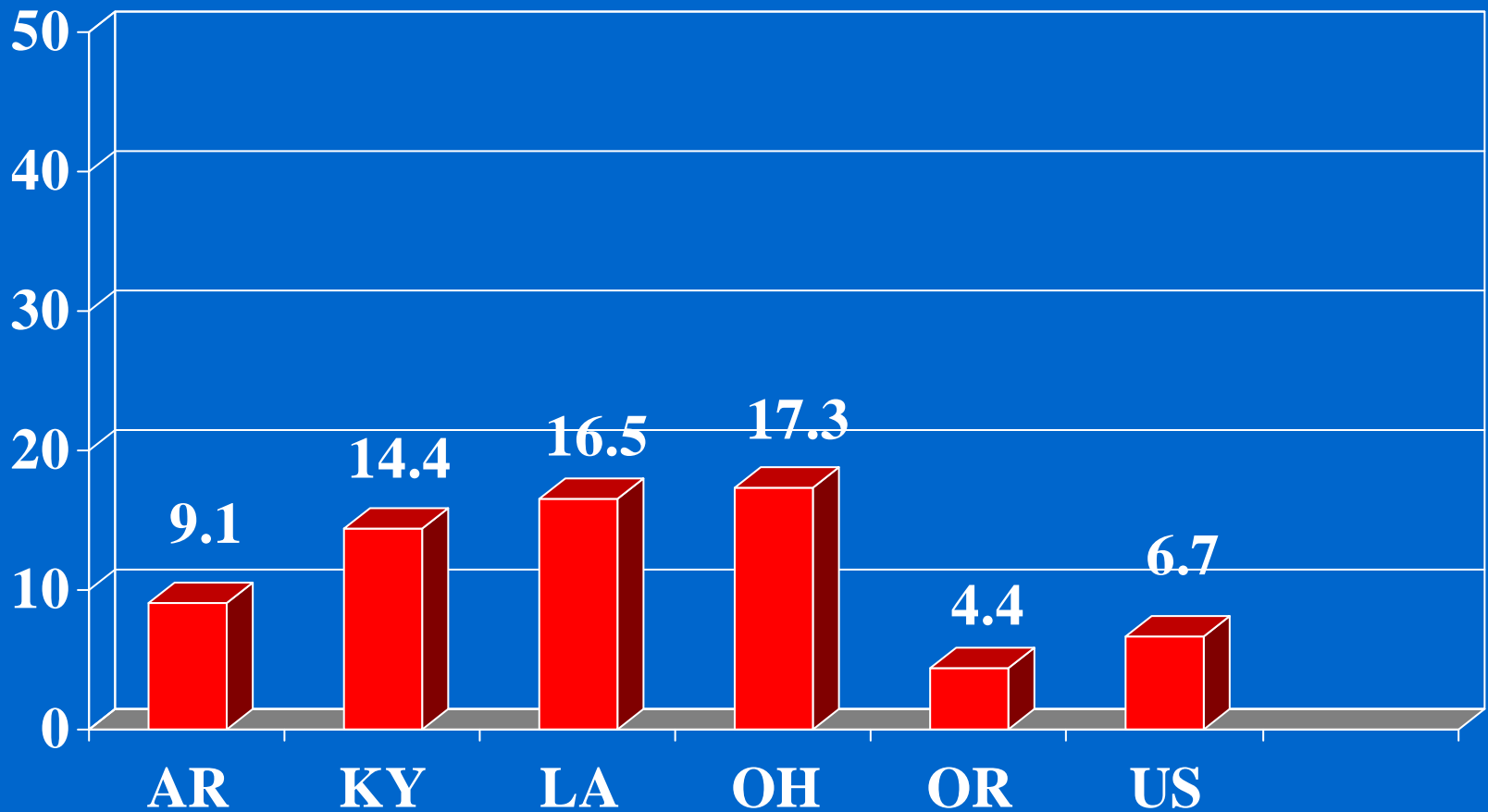


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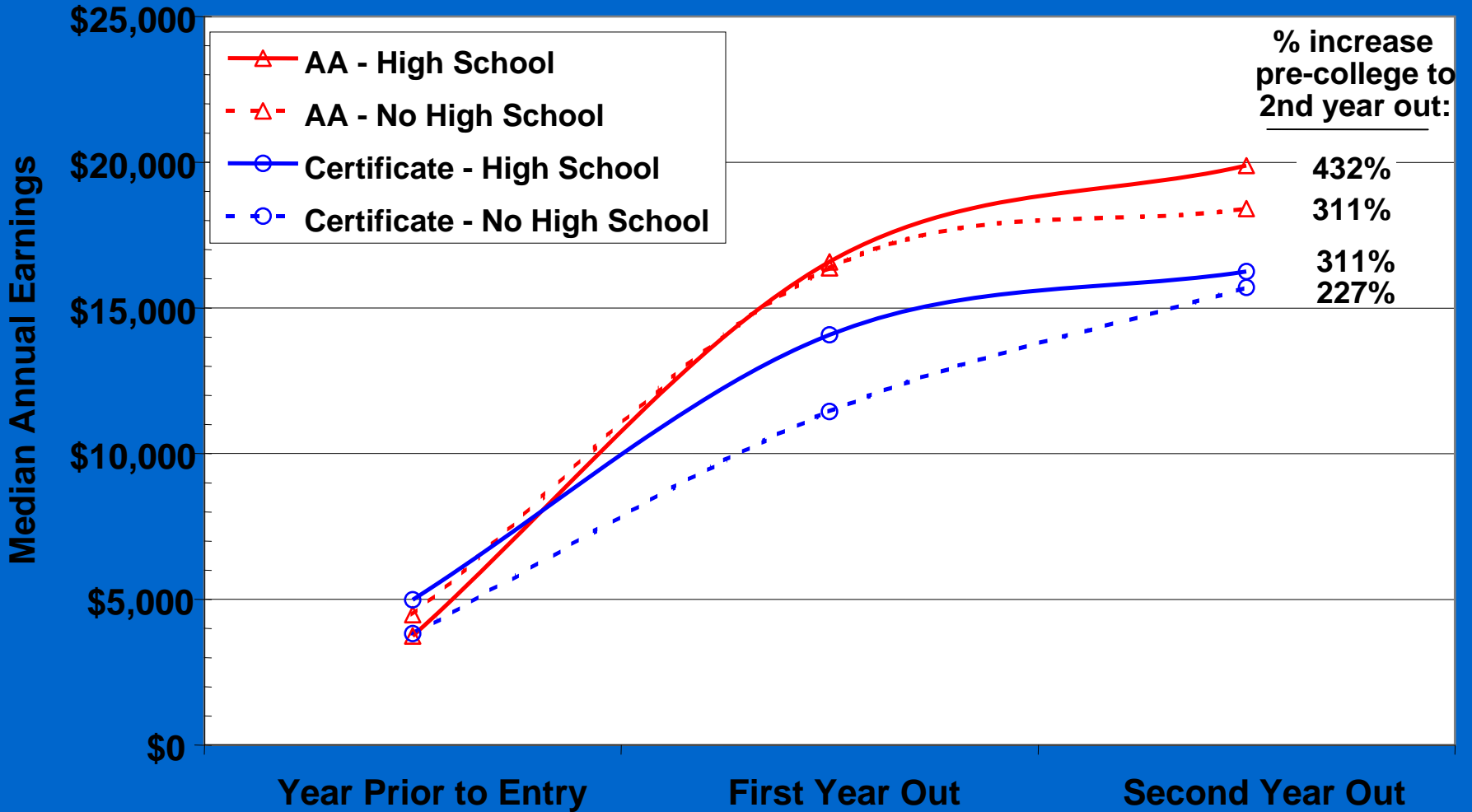
# Can one year credential fit in TANF?

- Under TANF states have discretion to set own policies for counting education and training so long as they meet work rates for the caseload overall.
  - 12 months of full-time vocational educational training counts toward rates, part-time education and training count after 12 months.
  - No more than 30% of those counting toward rates can count through vocational training. (and 50% of TANF adults must be in work activities by Oct. '06)
- 15 states currently allow full-time job training or education by itself to satisfy the work requirement (4 have separate MOE-funded student aid program-ME, NM, VT, WV).
- 23 states allow more than 12 months of job training/education to count toward work rates, sometimes requiring additional hours beyond class time to meet minimum hours set by state.

Parents in voc ed. trg./hs as % of all TANF adults



## Median Annual Earnings by Education at Entry For CCC CalWORKs Women Exiting College in 1999-2000



# General CalWORKs Population Vs. CCC CalWORKs Entering w/o High School Median Earnings

2000 Q2 (last qtr in), 2000 Q3 (1st qtr out), 2001 Q2 (4th qtr out)

