



# Raise the Floor & Build Ladders: Workforce development that works for all

Workforce Development Leaders Forum

Kansas City, MO

September 9, 2015

Maureen Conway

---

# Why do we need Build Ladders and Raise the Floor Strategies?

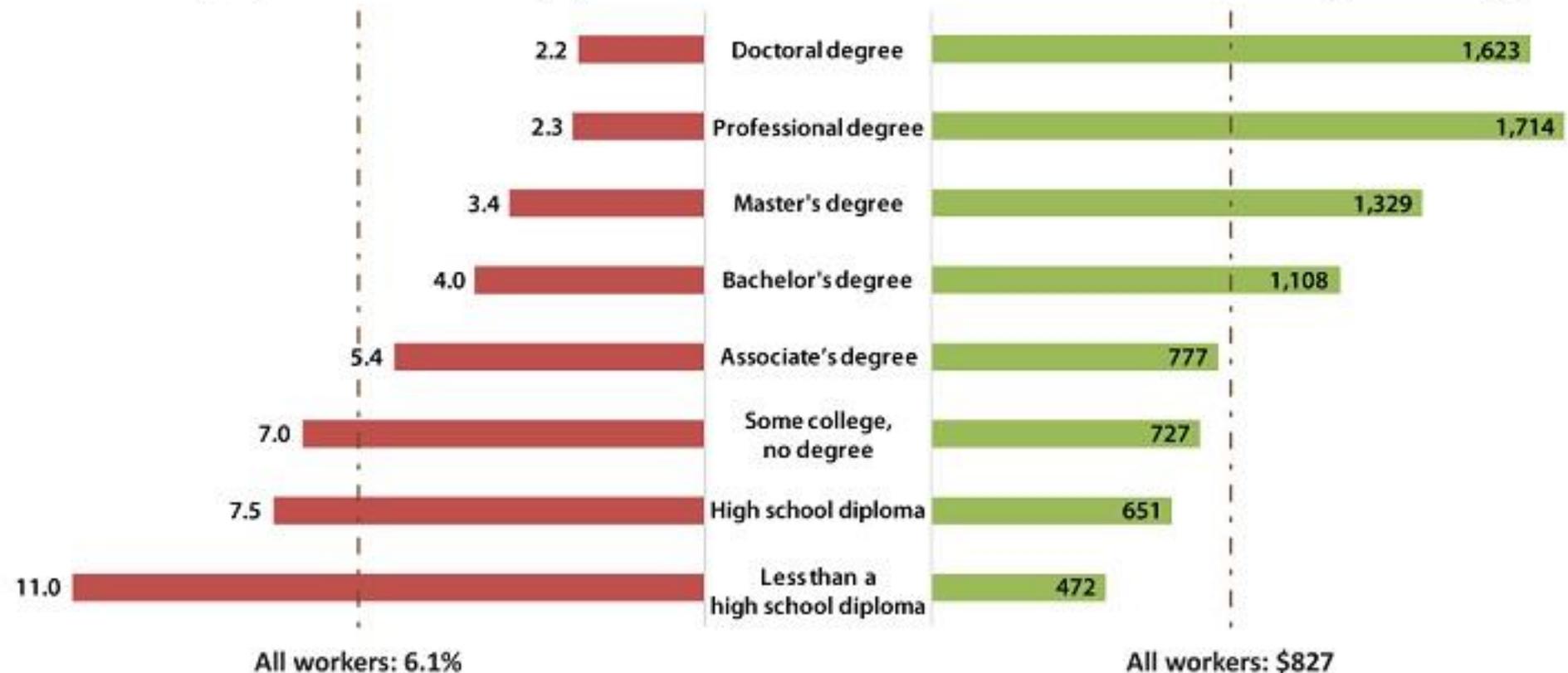
1. Education and skills are important
2. Education and training are not everything
3. Different industry sectors present different challenges and opportunities
4. Tools beyond training are needed to address the challenge of low-wage work

# Education is important...

## Earnings and unemployment rates by educational attainment

Unemployment rate in 2013 (%)

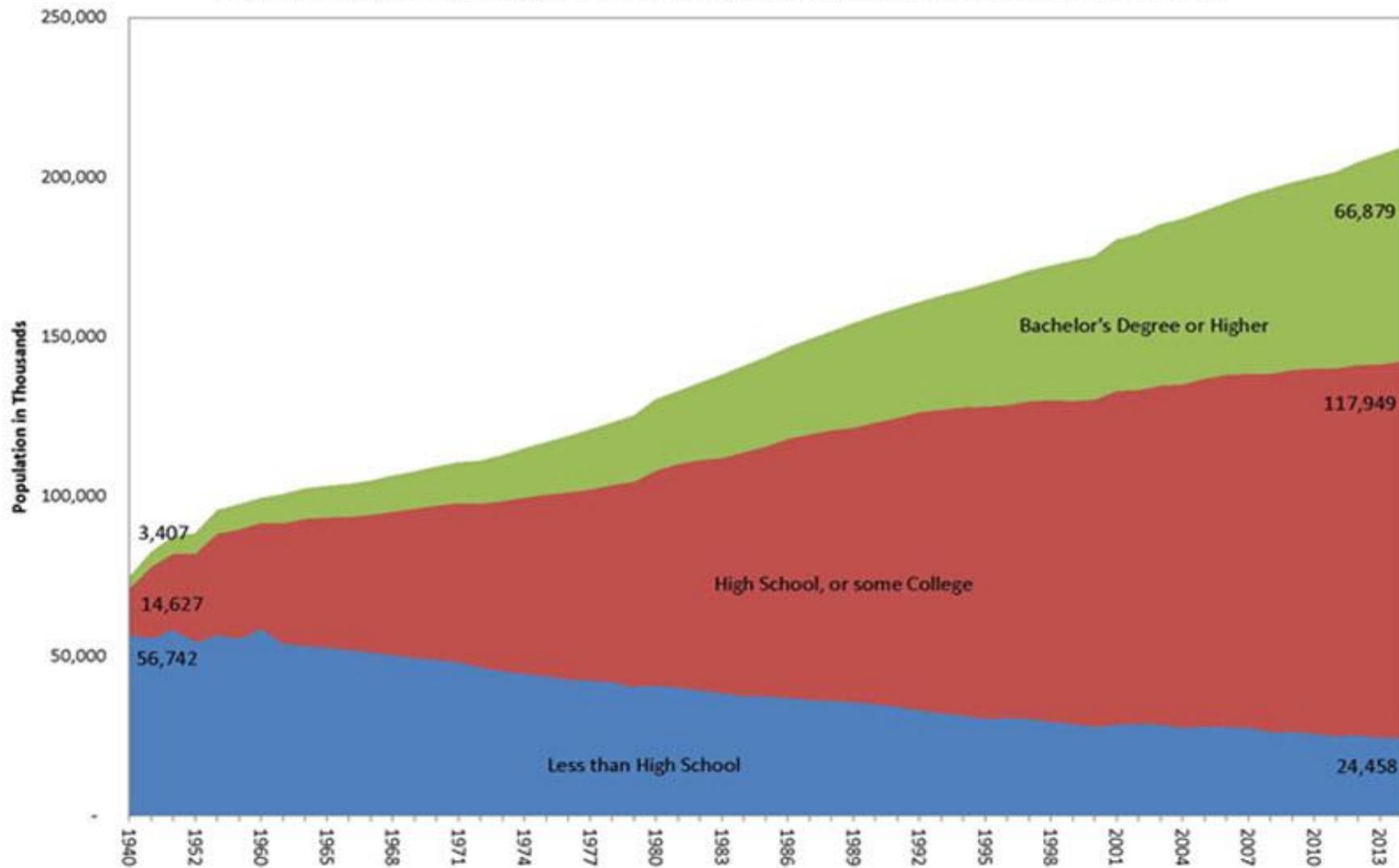
Median weekly earnings in 2013 (\$)



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.  
Source: Current Population Survey, U.S. Bureau of Labor Statistics, U.S. Department of Labor

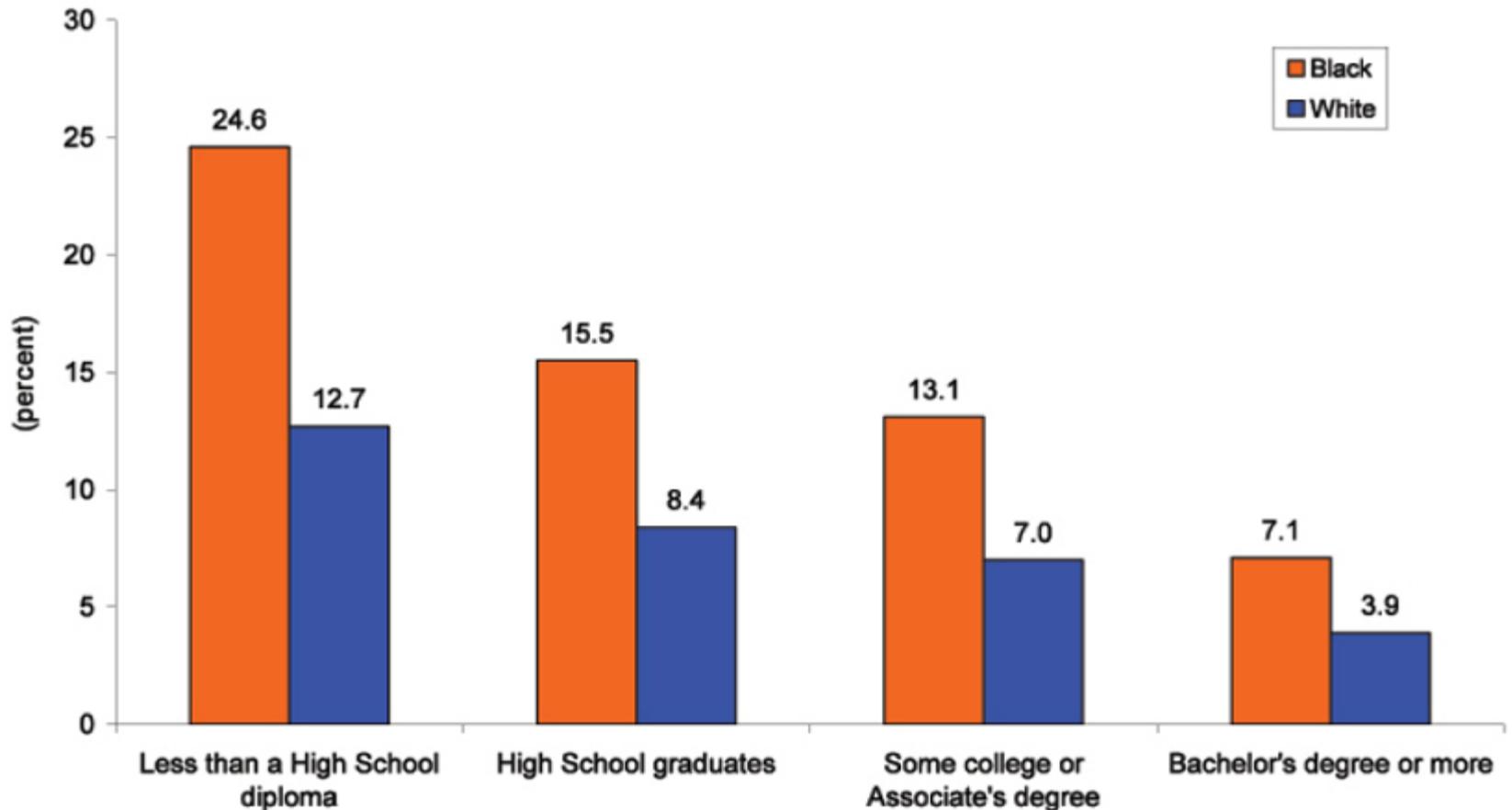
# ... and we're making progress

Figure 1: Population Age 25 and over by Educational Attainment: 1940-2014



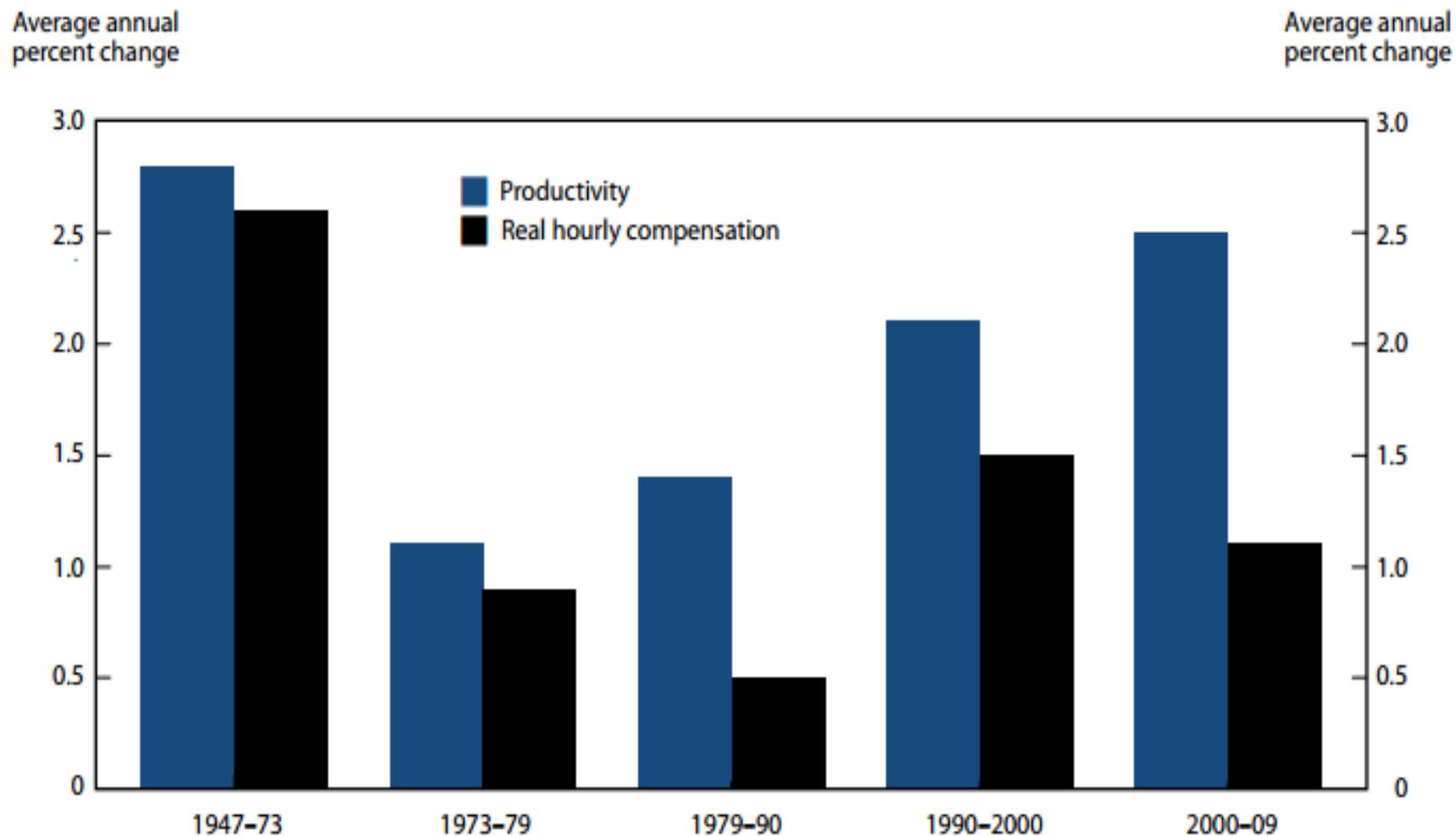
# But education isn't everything ...

Unemployment Rate for Blacks and Whites aged 25 and older, by Educational Attainment, 2011 Annual Average



# ... and the return to skills is uncertain

## Productivity growth and real hourly compensation growth, nonfarm business sector, selected periods, 1947–2009

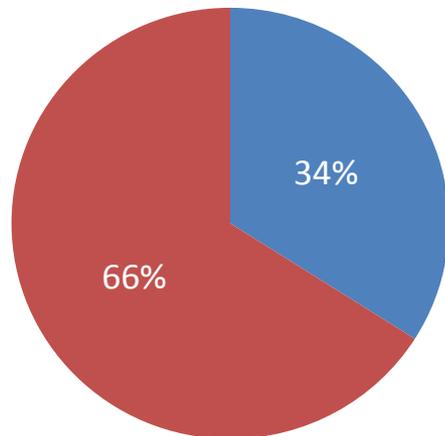


Source: Fleck, *Monthly Labor Review*, 2011 (BLS data)

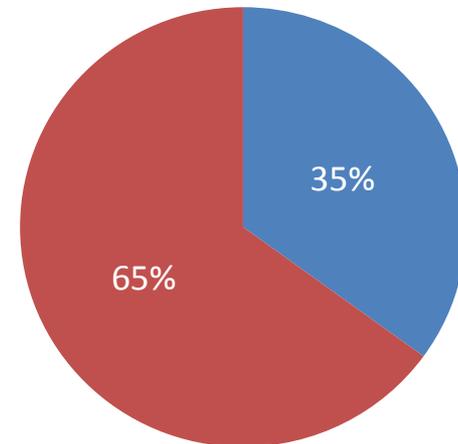
# Are skill needs really changing that quickly?

“Occupations typically requiring postsecondary education for entry generally had higher median wages (\$57,770) in 2012 and are projected to grow faster (14.0 percent) between 2012 and 2022 than occupations that typically require a high school diploma or less (\$27,670 and 9.1 percent).”

*But, the proportion of jobs that require any post-secondary education relative to those that require only H.S. or less won't be that different:* **2012**



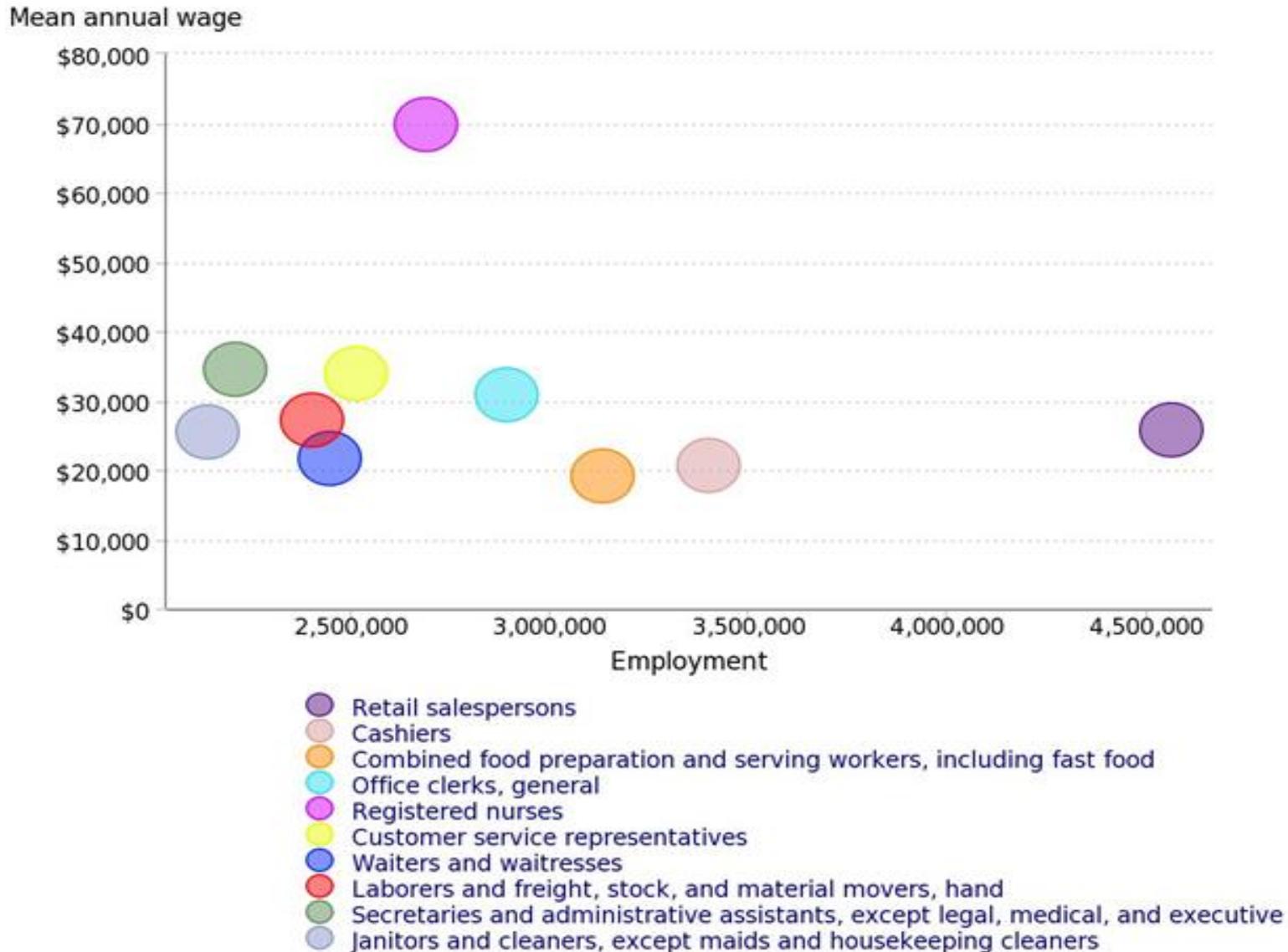
**2022**



**Source: U.S. BLS Employment Projections: 2012-2022 Summary, December 2013**

# Demand for low-wage workers remains substantial.

Employment and mean annual wages for the largest occupations in the United States, May 2014



Click legend items to change data display. Hover over chart to view data.

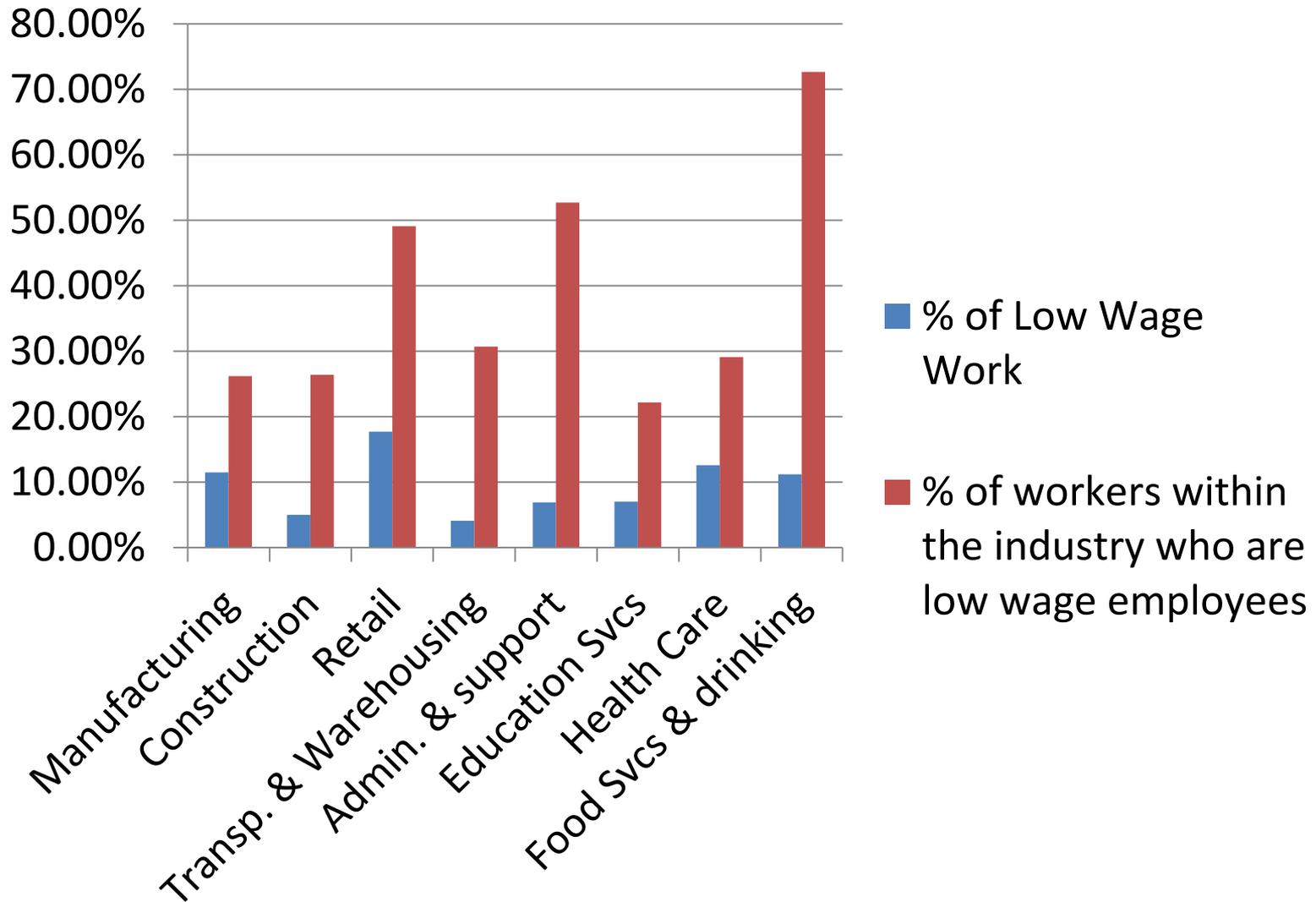
Source: U.S. Bureau of Labor Statistics.

## The challenge of low-wages is borne by some more than others...

- In 2013, 20.6% of *adults (between 24 and 65)* worked in jobs that paid \$11.27/hr or less (threshold for 125% of poverty, family of 3) and 30.8% earned \$13.53/hr or less (150% of poverty)
- 49% have at least 1 **child** under 18 in HH
- 35.8% of **women** (v. 26.2% of men) are low-wage workers
- 49% of **Hispanic**, 41.5% of **black** and 24.1 of non-Hispanic white workers are low-wage

# ...and industries differ in their reliance on low-wage work

## Distribution of low-wage work by industry, 2013



Only those industries which account for 3 percent or more of sub-standard employment are included

**Raise the Floor**  
*and*  
**Build the Ladder**

# Career Advancement



**Skill Building**

**Job Experience**

# Economic

# Stability

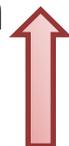
**Wages**



**Transportation**

**Benefits**

**Respect**

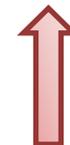


# Job Quality

**Communication**

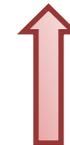
**Supervision**

**Legal**



**Safety**

**Schedule**



**Job Design**

# Raise the Floor Strategies

Strategy	Approach	Examples
Persuade	Appeal to biz self interest to improve design of jobs	<ul style="list-style-type: none"><li>• The SOURCE</li><li>• Manufacturing Works</li></ul>
Advocate	Appeal to policy makers and general public to support laws and policies that encourage job quality	<ul style="list-style-type: none"><li>• IAF</li><li>• ROC</li><li>• School of Labor &amp; Emp. Relations; UI-Urbana</li></ul>
Create	Develop model business that highlights job quality issues and shows viability of better jobs; use as platform to influence public and private decision making	<ul style="list-style-type: none"><li>• CHCA/PHI</li><li>• Primavera Works</li></ul>

# Example:



Coaching & consulting for  
eldercare and disability  
service providers



Training & support  
for direct-care  
workers and those  
they assist.



Promoting policies to strengthen  
the direct care workforce

Create better jobs....



...& leverage experience  
to advocate for change



## For Employees

We remove barriers to employment and find the resources that people need in order to be able to keep their jobs and take care of their families.

## Services



HOUSING



HUNGER



LEGAL ASSISTANCE



HEALTH



SUBSTANCE ABUSE



SUPPORT FOR FAMILIES

## Member Companies

SPECTRUM INDUSTRIES, INC.



**BUTTERBALL FARMS, INC.**

**7000+**

EMPLOYEES

**97.6%**

DHHS RETENTION

**19**

MEMBERS

**283%**

RETURN ON INVESTMENT



Pridgeon & Clay

# Industrial Areas Foundation:



Faith

Democracy

Relationships

Leadership

Impact



Opening opportunities for education that leads to high wage jobs



**Workers Defense Project**  
*Proyecto Defensa Laboral*

Advocating for safety standards and lawful employment practices



Community Organizing

**Economic development that includes Community**

# WIOA Framework: Sample Indicators of Effectiveness (Employer Engagement)

Transactional relationship  Transformational relationship

Transactions with an Individual Employer	Transformation with an Individual Employer	Transformation with a Group of Employers as in a sector strategy
Place individuals in jobs	Place individual from excluded group into job	Place indiv.s from excluded group w/ many employers -> chg industry norm
Provide OJT	Co-invest in credentialed learning	Employers create earn & learn models that facilitate cross-industry career advancement
Provide post-placement retention supports	Engage company in problem-solving for worker transportation issues	Employers provide economic stabilization and retention services as a group to workers
Encourage cross-training, better scheduling practices, etc. with individual employer to address workforce challenge	Employer redesigns entry-level job position	Many employers re-design entry-level position to support stability and success

# Final Thoughts

- One organization doesn't have to do everything
  - Partnerships / relationships essential
- No one model
  - Variety of factors influence strategy
- Leadership and innovation critical
  - Nascent field—experimentation needed
- Can't make change unless we're willing to change
  - Courage required to question conventional wisdom, pose tough questions & try something new

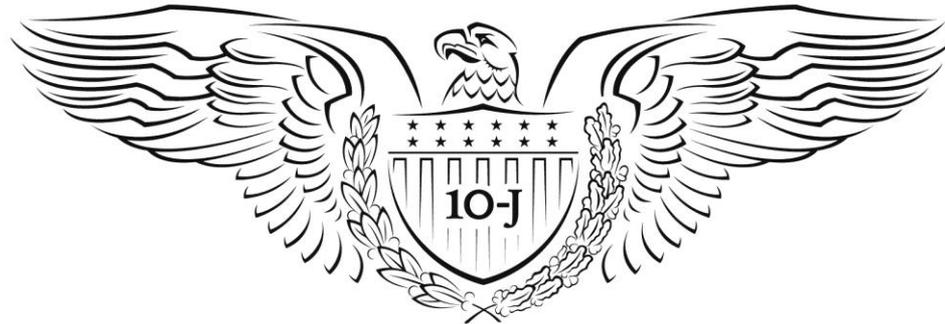


Maureen Conway  
Executive Director, Economic  
Opportunities Program

The Aspen Institute

[Maureen.conway@aspennst.org](mailto:Maureen.conway@aspennst.org)

@conway\_maureen



FEDERAL RESERVE BANK *of* KANSAS CITY  
*Denver • Oklahoma City • Omaha*

[www.kansascityfed.org/community/workforce](http://www.kansascityfed.org/community/workforce)