INVESTING IN WORKFORCE PROGRAM INNOVATION:

A Formative Evaluation of Five Workforce Organizations' Experiences During the Human Capital Innovation Fund Initiative

By Ranita Jain, Amanda Newman and Marcela Montes

EXECUTIVE SUMMARY
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Finally, it is important to note that the findings and conclusions presented in this report are those of the authors alone, and do not necessarily reflect the opinions of the Capital One Foundation or any other individual or organization.
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Through its Human Capital Innovation Fund (HCIF), the Capital One Foundation invested in five workforce organizations testing new strategies that would enhance their ability to position low-income individuals for employment. Three HCIF grantees are workforce organizations that provide services directly to jobseekers; two are intermediary organizations that provide a range of capacity-building supports for workforce training partnerships comprising different types of institutions, including workforce organizations, community-based organizations, employers, and community colleges. The grantees are DC Central Kitchen in Washington, DC; the Greater New Orleans Foundation in New Orleans, Louisiana; and Brooklyn Workforce Innovations, The Door, and JobsFirstNYC in New York, New York. Between 2012 and 2016, these five workforce organizations received HCIF funds to plan, implement, and adapt strategic innovations while developing new capacity to support their missions.

Each of the HCIF grantees served different populations and targeted different industries in its regional economic context. All of their HCIF-supported projects focused on testing strategies in areas of practice that represent challenges shared by a number of other workforce programs. As the evaluator for the HCIF initiative, the Aspen Institute Workforce Strategies Initiative (AspenWSI) has had a window into the work of grantees that has enabled us to follow along as grantees learned and to document adaptations they made to their HCIF-supported projects over time. Also, because an important objective of our work has been to generate shared learning for the workforce field, we intentionally conducted an evaluation in which grantees’ experiences guided our research process. This report is intended to provide the type of
contextual details that we hope will offer insights to program operators and investors who are interested in building capacity for effective approaches to workforce development for low-income jobseekers in their own communities.

We describe HCIF-supported projects and the innovations they tested in Table 1 below. We then highlight key learning based on ways in which grantees have leveraged HCIF resources to support three areas of activity that workforce development organizations across the United States typically find challenging: developing and maintaining strategic partnerships with other organizations, engaging with employers, and delivering support service strategies tailored to the needs of training participants. We describe how the grantees’ experiences testing new approaches have resulted in enduring capacity for the grantee organizations and others in their local workforce systems. We conclude this summary with considerations for investors who are interested in building capacity for effective approaches to workforce development for low-income jobseekers in their own communities and invite readers to read the full report to learn much more about grantees’ programs and work during the HCIF initiative.

### Table 1: Overview of HCIF-Supported Organizations and Projects

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>ORGANIZATION TYPE</th>
<th>LOCATION</th>
<th>HCIF PROJECT</th>
<th>POPULATION SERVED</th>
<th>HCIF INNOVATION TESTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brooklyn Workforce Innovations (BWI)</td>
<td>Direct service</td>
<td>New York, New York</td>
<td>Brooklyn Workforce Collaboration</td>
<td>Residents in the low-income communities surrounding Brooklyn-based industrial parks</td>
<td>To test whether unemployed Brooklyn residents can be connected to new jobs created in Brooklyn’s expanding industrial parks through the timely development and delivery of customized skills training programs</td>
</tr>
<tr>
<td>DC Central Kitchen (DCCK)</td>
<td>Direct service</td>
<td>Washington, DC</td>
<td>Go-Team Initiative</td>
<td>Adults with criminal histories, housing challenges, and limited work experience</td>
<td>To experiment with a program delivery strategy that implements DCCK’s Culinary Job Training program at off-site locations in the greater Washington, D.C., metro area</td>
</tr>
<tr>
<td>The Door</td>
<td>Direct service</td>
<td>New York, New York</td>
<td>Advance in Retail</td>
<td>Young adults who are out of school and out of work</td>
<td>To pilot a training program to prepare and support young adults to enter and advance in the retail industry, and also change perceptions about opportunities for careers in the industry</td>
</tr>
<tr>
<td>Greater New Orleans Foundation</td>
<td>Intermediary</td>
<td>New Orleans, Louisiana</td>
<td>New Orleans Works</td>
<td>Jobseekers and incumbent workers in low-wage, frontline employment</td>
<td>To create new employer-led training partnerships in New Orleans’ healthcare industry with the objective of connecting local residents to well-paying middle-skill jobs and opportunities for career advancement</td>
</tr>
<tr>
<td>JobsFirstNYC</td>
<td>Intermediary</td>
<td>New York, New York</td>
<td>Young Adult Sectoral Employment Project</td>
<td>Young adults who are out of school and out of work</td>
<td>To test whether sector strategies can prepare young adults for careers by providing capacity-building and financial support to facilitate the development of partnerships — composed of at least one community-based organization, one industry training entity, and one employer or employer intermediary</td>
</tr>
</tbody>
</table>
Developing and Maintaining Strategic Partnerships with Other Organizations

Over the course of the HCIF initiative, grantees initiated or further cultivated relationships with a range of other institutions. These included social service providers, education providers, economic development agencies, and other workforce and community-based organizations. Strategic partnering with other organizations helped grantees make new or deeper connections with businesses, increased their reach into new communities of individuals who need workforce development services, and provided access to new sources of supportive services for participants, among other benefits. Also, by reaching across institutional lines with a broad range of organizations, the grantees helped influence the way other organizations work and effect change in their local workforce systems.

Charting a path to work together, even when organizations have common goals, is challenging because organizations have different operating environments, cultures, resource constraints, and accountability measures. Therefore, working effectively together required HCIF grantees and partner organizations to learn a lot about one another to identify common ground, bridge differences, and build trust. It required not only leadership commitment, but also buy-in by other staff at different levels within organizations. Developing and maintaining partnerships required resources in the form of staff time, particularly to maintain progress when staff or leaders changed.

HCIF grantees’ experiences offer insights into the complex work of developing and maintaining relationships that cross institutions. Key findings include the following:

➤ The “getting to know you” stage of partnership development is time consuming (and can be ongoing if organizations experience leadership or staff turnover). The activities required for organizations to understand one another’s goals, motivations, and operating culture necessitate a commitment of resources.

➤ Buy-in and collaboration by frontline staff are important to the success of ongoing partner relationships. Maintaining a regular presence and continued engagement at partner organization sites can lead to more effective coordination and delivery of services.

➤ Partnerships may have an initial plan, but when partners have mutual goals, the nature of their work together can evolve and deepen over time as each partner learns about the value the other can contribute.

➤ As a partnership’s work unfolds over time, partnering organizations that remain flexible may find new ways to leverage one another’s strengths and adapt original plans to better meet their participants’ needs.

➤ Intermediaries can play an important role in providing the resources and dedicated time necessary for collaborations of organizations to explore opportunities, build new relationships with one another, and develop plans for implementing workforce programs.

Engaging with Employers

Over the course of the HCIF initiative, sustained and deep employer engagement emerged as a hallmark across grantees’ programs. Staff at all of the programs engaged with employers in a variety of ways to accomplish a number of different goals: informing program design, developing work-based learning opportunities for training participants, and learning about job openings, hiring trends, and workforce skill needs. Program staff also worked with employers to explore strategies to promote job quality and employment advancement of participants on the job, and to help participants get and keep jobs.
Grantees cultivated long-term relationships that informed workforce program design and promoted job placement. They explored the characteristics of opportunities provided by different employers with an eye toward identifying workplaces and jobs that are a good fit for their participants. They devised strategies to work with employers to develop or more clearly articulate pathways that can lead to advancement for entry-level workers. Intermediary organizations also created learning and capacity-building opportunities that fostered engagement between employers and workforce service providers. Business leaders involved in workforce partnerships engaged in assessment of their hiring and employment practices. Some discerned ways in which they could make changes to provide higher job quality, improve employee engagement, and increase retention.

Through our evaluation, we identified the following key learning from the grantees’ experiences cultivating employer relationships:

➤ **Employer engagement across HCIF grantees was characterized by sustained involvement and required consistent and ongoing dedication of resources, represented mainly by staff time, to learn about businesses’ operations and their workforce needs.**

➤ **When exploring “good fit” opportunities for participants, it is important to consider which industries and which employers within those industries offer opportunities that meet the needs of participants.**

➤ **Within an industry sector, there are usually a wide range of employment environments and workplace characteristics that affect how good a fit different jobs will be for a workforce program’s participants.**

➤ **By providing support for learning and capacity building, intermediary organizations can engage employers to consider the importance of training and advancement opportunities for their frontline workers.**

➤ **Intermediaries can help bring employers and workforce providers together to plan sectoral training programs and engage employers to reflect on their workplace practices, a topic that can be difficult for workforce service providers to broach on their own.**

### Delivering Support Services Tailored to the Needs of Participants

Low-income jobseekers who participate in workforce training programs face a range of life challenges. Some are juggling training and education while trying to raise and support their families; some are homeless, transitioning from jail or prison, or recovering from addiction; some have limited work experience and low levels of educational attainment. The experiences of low-income jobseekers vary greatly, and it is often the case that training participants face more than one of these challenges. This was true for the HCIF grantees, and each of the programs supported by HCIF differed in terms of the types of barriers its participants faced and the types of services they needed. Therefore, the HCIF grantees focused on designing and delivering training programs that targeted their participants’ specific needs.

By providing support services such as counseling, case management, and connections to public benefits such as transportation, childcare, and medical and housing assistance, HCIF grantees helped their participants succeed in and beyond training programs. However, finding funds to pay for supportive services in the resources typically available for workforce programming is challenging because much of the funding that is available cannot be used to provide the types of comprehensive and ongoing support necessary to help participants achieve stable, long-term employment. Through the HCIF initiative, grantees were able to augment their existing resources for support services and learn about the effectiveness of services and service delivery approaches to meet their participants’ needs.
We identified the following important observations from this work:

➤ **Programs can more effectively support participants when all of their staff (not just counselors and case managers) are engaged in identifying and communicating about participants’ support needs. This approach requires setting expectations about and providing time for program staff to communicate and coordinate with one another.**

➤ **Extending supportive services to participants after they have obtained jobs is an important strategy for helping them achieve long-term success in the workplace.**

### Examples of Program Capacity Built During the HCIF Initiative

Although the HCIF initiative has ended, grantees’ work testing out new approaches has resulted in creation of new areas of capacity that continue. In addition, in response to learning and collaboration with HCIF grantees during the initiative, some partner organizations and employers have made changes to the ways they operate, including the following examples:

➤ **Brooklyn Workforce Innovations (BWI)** has established itself as a valued partner in Brooklyn industrial parks, creating paths to employment with new businesses for local unemployed and under-employed residents. When the organization first set out to experiment with developing employer-customized trainings, BWI staff faced a steep learning curve. Today, BWI has the capacity to respond quickly and implement training programs that prepare local residents as new jobs are created. Staff have developed capability for scoping out skill needs, and the organization has a deep bench of training providers engaged with the work. Additionally, one industrial park has recently incorporated a provision into new leases that requires business tenants to begin searches for new employees by working with BWI and its partners.

➤ **DC Central Kitchen** adapted its Go-Team plan as it learned what worked in real time, experimenting to develop effective working partnerships with different organizations. By the end of the initiative, through partnering, DC Central Kitchen had expanded its capacity to effectively serve many more Washington, DC, residents who have very high barriers to employment. DC Central Kitchen staff also developed knowledge about and new relationships with employers in a variety of types of food service employment environments to identify those that offer “good fit” jobs for its participants.

➤ **The Door** , through exploratory work with retail employers to design sector-focused employment programming, developed new capacity for its work helping youth and young adults prepare for and succeed in employment in the sector. The Door staff enhanced their understanding of industry needs, identified opportunities for participants to secure good employment, and developed a new ability to design training for participants to advance in retail careers. The organization has leveraged learning from these experiences to inform approaches to working with employers to develop strategies adapted for other sectors.

➤ **The Greater New Orleans Foundation** piloted a process that resulted in local healthcare employers thinking differently about the workforce development needs of their frontline staff. In a shift from long-standing professional development resource allocation practice, which had focused on higher-wage medical staff, two employers are now paying for training for lower-level frontline workers. Healthcare employers have begun evaluating their wage structures, and one hospital, the state’s largest nongovernmental employer, has raised wages for medical assistants. During HCIF, the Greater New Orleans Foundation developed capacity for organizing and managing this new approach for engaging with healthcare employers to explore workforce development practices. It plans to expand this approach and engage with employers in other sectors around workforce development issues for frontline positions.
JobsFirstNYC set out to demonstrate that sector strategies can prepare out-of-school, out-of-work young adults for careers. To accomplish this, JobsFirstNYC facilitated the development of new partnerships between youth development and workforce development providers and employers. During the planning phase, partners received funding to support their participation in learning community activities designed to help them plan together and bridge the types of differences that typically keep organizations that have different primary missions siloed. Five of the seven partners that joined the Young Adult Sectoral Employment Project (YASEP) at its inception have received funds from other investors to pilot new sectoral employment strategies. Although JobsFirstNYC provided partnerships with financial resources only during their planning stage, most partners have continued to participate in YASEP learning community activities. Also, four new collaborative programs serving youth and young adults have joined YASEP.

Considerations for Workforce Investors

Through its Human Capital Innovation Fund initiative, the Capital One Foundation made investments that supported its five grantees to engage in sustained planning, relationship building, and adaptation over time. This investment strategy provided a foundation for innovation and learning. Throughout the formative evaluation period, grantees cited ways in which flexible and long-term funding provided by HCIF was key to their ability to sustain the activity necessary for building the type of program-to-program collaboration and employer engagement that underpinned their progress on these fronts. This is the type of long-term investment that is needed in the workforce development field to make inroads toward systems changes within and among agencies and businesses and build capacity in workforce programs that will ultimately help jobseekers.

The following are considerations for investors that are interested in building capacity for effective approaches to workforce development for low-income jobseekers in their own communities.

➤ Workforce programs need planning resources that support strategy development over time.

Designing change-focused strategies that leverage the expertise and resources of a range of partners is no small undertaking. Change requires planning, and planning takes time. Collaborating with external partners to make a plan and building the relationships and staff capacity needed to implement a plan takes even more time. Resources to support staff time for planning and relationship building are among the most difficult to secure. Through the HCIF initiative, the Capital One Foundation provided nine-month planning grants to support the development of HCIF change-focused projects, and notably, it also recognized that planning is not a one-off activity but rather an activity that must be sustained to support project implementation and adaptation over time.

The HCIF grant program provided not only flexible funding but also a forum within which grantees met peer to peer throughout the initiative. This learning community convened twice per year and provided time and space for grantees to both plan within their organizational teams and learn from the experiences of other HCIF grantees engaged in change strategies in other communities. Grantees provided input on topics they wanted to focus on as well as made suggestions to the Foundation to invite outside subject matter and workforce policy experts to facilitate sessions. Grantees described this range of ongoing support as instrumental to their ability to learn from one another and develop and refine their approaches over the years of the HCIF initiative.

➤ Workforce programs need resources that can support flexible approaches to implementation.

The five HCIF focus projects did not unfold in a vacuum. Each was implemented in a dynamic environment, and programs encountered factors that were sometimes beyond their control. In addition to responding to changing labor market conditions, including effects of the Great Recession and changes
in employer hiring practices and trends, grantees contended with other challenges. These included natural disasters such as Hurricane Sandy, staffing and financial condition changes experienced by grantees and important partners, and changes in the needs of local residents seeking workforce development services. The Capital One Foundation recognized that the HCIF projects were testing new strategies and operating in a constantly changing environment. Therefore, the Foundation’s investment approach was supportive of the reality that plans would be adapted over time. The HCIF funding strategy helped grantees be in a position to nimbly respond to changes within their organizations and in their environment. Rather than being tied to an initial plan, HCIF grantees were afforded a great deal of flexibility to respond to challenges (and new opportunities) during the multiyear implementation period and to refine and adapt their strategies in response to both learning and environmental changes.

Traditional workforce program outcomes measures do not capture activity and outcomes of work designed to build capacity and create systems change.

The direct service providers and intermediary organizations in the HCIF initiative worked to develop programs that support populations facing multiple challenges to achieve employment and income goals that require long-term work on a variety of fronts. Progress in this work can be challenging to measure and is not always quantifiable. Typical performance measures used to assess progress focus on training completion, certifications earned, job placement, wage rates, and short-term employment retention. While these indicators certainly point to important participant milestones, they fail to document the ongoing work of relationship building and employer engagement that is required to design and deliver effective workforce development services. Questions that help capture progress in this ongoing work and that can be explored through evaluation include the following: In what ways has an organization engaged with employers or partners, and how have they responded? Did employers change their workplace practices by, for example, investing resources in entry-level employee training, increasing wages, or changing scheduling practices? Have partner organizations increased the level of resources devoted to supporting workforce programs?

These activities contribute to the efforts of organizations to create lasting changes in workforce development systems or employer practices that benefit both workers and employers.
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