HALLMARKS OF EFFECTIVE YOUTH EMPLOYMENT PROGRAMS FROM RESEARCH AND PROGRAMS ACROSS THE UNITED STATES: IMPLICATIONS FOR DETROIT

EXECUTIVE SUMMARY MARCH 2017

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EXECUTIVE SUMMARY

Meaningful work is good for both the economy and lifelong well-being, making the promotion of fair employment and decent work a central focus of policy agendas and strategies for cities and municipal partners around the world. Employment and working conditions have powerful effects on all aspects of an individual's and a community's life. Meaningful and affirming work and supportive working conditions provide income security, social status, personal development, social relations, self-esteem, builds community and connections and serves to protect from numerous physical and psychosocial hazards important for long-term well-being. Work has a pivotal role in reducing gender, ethnic, racial, and other social inequities, and in promoting healthy and community outcomes. Unfortunately, research reveals the disempowerment of workers, unions, and those seeking work, job insecurity and precarious employment arrangements (such as informal work, temporary work, part-time work, and piecework), job losses, and a weakening of regulatory protections and a growth in health-damaging working arrangements and conditions has spurred the growth of negative individual and community consequences. Poor health and mental health outcomes are associated with precarious employment (e.g. informal work, non-fixed term temporary contracts, and part-time work).²³ Therefore, providing meaningful work experiences for youth, supporting their preparation for and transition to the labor force, and developing a foundation of positive experiences with the world of work is in the best interest of all, including young people, their communities, and the wider society.

Youth is society's future; individuals need to prepare and nurture them if they desire that future to be bright and productive. Moreover, deciding upon a career direction and entering the workforce is one of the most important markers of maturation. With numerous societal and industry changes, the overall employment prospects for many adults and youth has changed in many urban cores that had previously been strongholds of a manufacturing economy. Many youth are finding it hard to get work experience: the percentage of the overall national youth population with a job lingers close to 55%. 4 Many are not employed and neither looking for a job nor engaged in education or training. A large number of youth have already terminated their education, in many cases dropping out of high school, without making the transition to work or even into the labor market. When youth do not make smooth transitions through the educational system and into the workplace, they pay a price not only today, but also later in life. To the degree that youth lack sufficient education and work, they are likely to require public services and contribute minimally to tax revenues that support government services. There can be large social costs, from safety net expenses, substance use, illicit activities and other social and societal effects in addition to potential financial drains. These, opportunity youth, whose potential is not being fully realized--individuals' failure to harness that potential is an opportunity missed. These youth represent a social opportunity, but also an economic one. Thus there is an opportunity for raising future productivity through education and training, expanding economic growth through increased participation in the workplace, and relieving the burden to the taxpayer either through increased tax revenues or reduced reliance on public services.⁵

Youth summer jobs programs have experienced a resurgence of interest and investment since the Great

¹ Marmot, M., R. G. Wilkinson, and E. Brunner. "Social determinants of health. 2006." *NY: Oxford University Press New York* 366.

²Artazcoz, Lucía, et al. "Social inequalities in the impact of flexible employment on different domains of psychosocial health." *Journal of Epidemiology and Community Health* 59.9 (2005): 761-767. Kim, Il-Ho, et al. "The relationship between nonstandard working and mental health in a representative sample of the South Korean population." *Social science & medicine* 63.3 (2006): 566-574.

Economic News Release: Employment and Unemployment Among Youth Summary

³ Ferrie, Jane Elizabeth, et al. "Effects of chronic job insecurity and change in job security on self reported health, minor psychiatric morbidity, physiological measures, and health related behaviours in British civil servants: the Whitehall II study." *Journal of epidemiology and community health* 56.6 (2002): 450-454.

⁴ https://www.bls.gov/news.release/youth.nro.htm; US Dept of Labor; Bureau of Labor Statistics:

⁵ Belfield, Clive R., Henry M. Levin, and Rachel Rosen. "The Economic Value of Opportunity Youth." *Corporation for National and Community Service* (2012).

Recession, driven by concerns about high unemployment rates among young people, particularly those who are low-income, black, or Hispanic. While there is a clear conceptual case for summer jobs programs—providing early work experience for those who might otherwise flounder in the labor market—promoting employment and economic security among youths who have been traditionally marginalized is not a straightforward proposition. To succeed in today's economy and earn middleclass wages, a young person needs to 1) graduate from high school or earn an alternate credential, 2) enroll in and complete some post-secondary education or training, and 3) then enter the labor market with skills that match employer demand. The path above is rather straightforward but usually takes six years or more to complete however, there are many points along that pathway at which a young person can get off-track, particularly marginalized youth who may be from high-poverty neighborhoods, face language barriers, implicit bias or may be at educational disadvantage. However, a summer jobs program is a relatively short-term intervention that has value, and does not involve intensive services. Though of value, summer youth employment as a stand-alone intervention does not show long lasting results; the promise lies in a continuum of summer youth employment experiences as a component of a comprehensive fabric of education, supportive programs, mentoring experiences and wrap-around services that have proven to be successful based on a range of international and national research.

This document highlights these broad international and national trends to a circumscribed focus on select US cities and implications for Detroit, Michigan. The monograph outlines research, program models, organizational components and promising practices of summer jobs programs in New York City, Boston, Hartford, Chicago, Philadelphia and others demonstrating the role that a summer jobs program can play in a young person's life.

Based on resurgence of interest even international research has taken summer youth employment models into consideration; a recent study by international scholars and the World Bank outlines evidence on the impact of youth employment programs on labor market outcomes. The analysis looks at the effectiveness of various interventions and the factors that influence program performance including country context, targeted beneficiaries, program design and implementation, and type of evaluation. Overall, they found that about one-third of evaluation results from youth employment programs implemented worldwide show a significant positive impact on labor market outcomes – either employment rates or earnings. In general, programs have been most successful in middle- and low-income countries; this may be because these programs' investments are especially helpful for the most vulnerable population groups – low-skilled, low-income – that they target; and innovations in program design and implementation matter. In high-income countries, the role of intervention type is less decisive – much depends on context and how services are chosen and delivered, a result that holds across country types. However, there is strong evidence that programs that integrate multiple interventions are more likely to succeed because they are better able to respond to the different **needs of beneficiaries.** They also report evidence on the importance of targeting specific participants to specific services and determining the intensity of services (e.g. program duration). A key element of this is that the program collects detailed information and proactively assigns services and follow-up systems in determining program performance. There is also some evidence that points to the importance of incentive systems for services providers. ¹⁰ This acknowledges the importance of program philosophy, approach, aligned structures, how programs are delivered, and the level of

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⁶This terminology will be utilized throughout this monograph to include: youth of color, LGBT youth, immigrant and undocumented youth, youth in the juvenile justice system, pregnant and parenting youth, and youth in the child welfare system.

⁷ M. Ross and R Kazis; Youth Summer Jobs Programs: Aligning ends and means, July 2016; Brookings, Washington D. C.

⁸ Kluve, Jochen, et al. "Do Youth Employment Programs Improve Labor Market Outcomes? A Systematic Review." (2016).

⁹ Needs of beneficiaries may range from varied learning styles and approaches, language barriers, social and economic challenges of inadequate food, clothing, shelter; health and/or mental health issues, etc.

 $^{^{10}}$ Kluve, Jochen, et al. "Do Youth Employment Programs Improve Labor Market Outcomes? A Systematic Review." (2016).

engagement of worksites in their endeavor to provide meaningful work. It also speaks to the pivotal role of data in informed decision making.

Across the USA, summer youth employment programs are usually operated by community-based nonprofit organizations who recruit and connect youth and employers, provide job-related educational services to youth, and monitor youth worksites. ¹¹ The increased attention and resources directed to summer jobs programs has been based on a thin body of research as to their effectiveness. In the past few years, however, several new evaluations have expanded the research base on summer jobs programs finding some distinct strengths. Though clearly not a panacea, summer jobs have many potential merits. ¹² Studies of programs in Chicago and New York City found that participation in a summer jobs program led to reductions in violent crime arrests, incarceration, and mortality, as well as improved academic outcomes. Notably, however, the research to date has not found increases in earnings or employment rates.

There is promise in the research but it is critical to note that massive investments in one single strategy may not be entirely propitious. There is persuasive evidence that summer employment "works" – and that there is significant heterogeneity in the treatment effect. Yet, we know little about the underlying determinants of this heterogeneity. Are some jobs better than others? Do they reflect differences in the efficacy of the provider, the job itself, the mentoring experience, or the characteristics of the youth? Further research is needed; because limited resources are available for the provision of these programs, it is important to understand whether the positive impacts vary for participants and why. These findings will aid in targeting resources to the jobs or programs that are most effective, or to students who may benefit the most. These results, therefore, have the potential to maximize the benefits of summer youth employment programs to positively affect the educational outcomes of low-income youth, thereby reducing inequality in education (and potentially later outcomes) between low-income students and their higher-income peers.

A recent study using data from the New York City's Summer Youth Employment Program (SYEP) to study why summer jobs are more effective for some kids than others used the NYC data base where jobs to youth ages 14-24 are provided through a random lottery system, which creates a treatment and control group and allows the estimate of the causal effects of program participation. Previous studies show larger effects for students participating in the second year and even larger effects for those in year three. Summer youth employment programs have been found to not only provide many students with their first workplace experience but have also been found to improve educational achievement and future success.

With its inception in the mid-1990s, the Boston Summer Youth Employment Program (SYEP) has grown into a national model that relies on city, state, and private funding of nearly \$10 million a year to employ about 10,000 city teens each summer with hundreds of local employers. Compared to other cities, the Boston SYEP also incorporates distinct program features that may further enhance youth outcomes:(1) a high share of job placements with private sector versus community-based employers, (2) a new career readiness curriculum designed to teach participants how to search and apply for a job, (3) a summer youth employment program that was initiated and designed by youth infusing youth voice and perspective throughout and 4) a full time corporate liaison in every public high school in

[&]quot;Hossain, Farhana. "Assessing the Academic and Labor Market Impacts of New York City's Summer Youth Employment Program." 2016 Fall Conference: The Role of Research in Making Government More Effective. Appam, 2016.

¹² Ross, Martha. "Building the Knowledge Base on the Effects of Summer Youth Employment Programs." 2016 Fall Conference: The Role of Research in Making Government More Effective. Appam, 2016.

¹³ Schwartz, A.E., J. Leos-Urbel, M. Wiswall (2015). Making Summer Matter: The impact of youth employment on academic performance. Working Paper 21470, http://www.nber.org/papers/w21470. MA: National Bureau of Economic Research.

Boston who facilitates summer job placement, information about career trajectories, educational preparation, college and post-secondary options and the like. Recent research on the academic, labor market, and behavioral outcomes of opportunity youth using a mixed-methods approach that combines administrative data on academic, economic, and behavioral outcomes with the responses from a survey that was conducted by the City of Boston during the summer of 2015 indicate that program participants reported significant increases in job readiness skills, financial literacy, community engagement, and college aspirations that were significantly different from the control group. In most cases, the largest gains were observed for youth of color suggesting that the program may have the capacity to reduce inequality across groups. ¹⁴

Many of the strongest programs in the country were built over decades and trace their histories back to numerous federal funding streams and initiatives. Almost all have a collaborative leadership structure that includes senior officials in municipal government, youth development, education, human services, and the private sector. It is beneficial to develop a strong platform among employers that brings their depth of knowledge, contributions, emerging models, and sector analysis in order to develop a more intentional approach. The city of Hartford provides a prototype for this type of intentional metropolitan area process. Hartford developed a comprehensive collaborative regional model that includes all public schools (94% of Hartford youth attend public school), Capital Workforce, City of Hartford, business leaders, independent associations, Chamber of Commerce, funders, and academicians working together to develop comprehensive systems for youth. Central to the developmental process was the mayor, superintendent of schools and a couple of CEOs looking to develop a progressive structure. A sector analysis was conducted to look for growth areas and job mapping. Schools were aligned with each sector and each youth was expected to complete at least 3 summers of work ending in a capstone project that received academic credit toward graduation. Each middle and high school has a full time internship specialist who works with employers in crafting appropriate opportunities and in matching youth to job opportunities. The program is anecdotally credited with increased high school graduation rates, increased post-secondary school enrollment, and creates a valuable pipeline for the Central Connecticut business community. Intentional public sector financing streams have been developed at the state and local levels in all of the five cities ensuring ongoing resources that underwrite the costs of year round staff and planning.

A similar intentional partnership could be developed between educational systems in Detroit, the Detroit workforce development system and business leaders. A sector analysis of present and anticipated growth areas, requisite skills and credentials, and anticipated salaries could serve to build a pipeline for children and youth, informing educational partners and youth employment programs. High growth high demand jobs would be featured; predictive analytics could be utilized to give appropriate lead time for youth to complete their educations. This type of insight could be aligned with all educational institutions that serve Detroit children and youth. A K to 12 model would include: field trips to worksites, visits by professionals to schools to expose children and youth to the broad range of employment options and the skills needed for those careers. This could be paired with more intentional training academies that might align their curriculum so that, throughout K to 12, youth would be better prepared for post-secondary opportunities. Additionally, for some entry level positions, it is possible that briefer six-to nine-month trainings could be fashioned to enable youth to graduate from high school, complete the 6- to 9-month training and move directly to full time work. Additionally, a more intentional system would include community colleges and four year institutions to provide a continuous structured pipeline to numerous employment options. Additional workforce preparation could be woven into the school curriculum so that youth would develop soft skills that are needed in

¹⁴ Sasser Modestino, Alicia. "An Evaluation of the Boston Youth Summer Employment Program to Reduce Inequality Across Groups." *2016 Fall Conference: The Role of Research in Making Government More Effective*. Appam, 2016.

the workplace including interview skills, completing a job application, writing a resume, or selecting appropriate workplace attire.

It is critical that an inclusive partnership with schools, employers, and the workforce development system be developed with particular sensitivity to the needs of youth who have been traditionally marginalized. This group may include youth from very poor neighborhoods, adjudicated youth, LGBTQ youth, disabled youth, youth in the child welfare system, homeless youth, and all other populations who have traditionally been unfortunately left at the margins. Additional training may be needed for teachers, administrators, employers, and others to directly overcome implicit and explicit bias.

Detroit has many strengths to build upon; *Grow Detroit's Young Talent* (GDYT) has grown to serve more than 8,000 youth in the summer of 2016. The mayor, the city, philanthropic partners, employers, and the Detroit Youth Employment Consortium (DYEC) have worked diligently over several years to build the infrastructure to support this significant program. Philanthropy has played a critical and catalytic role in the initiation of youth employment in Detroit. The generous contribution of philanthropy is outstanding and GDYT would not exist without the leadership, gravitas, and resourcefulness of philanthropic partners. The mayor's office has worked to raise the visibility of the program and formed central partnerships to build the engagement of senior leaders across the city. Employers are an essential partner and many have been at the table with funders since 2008.

Yet, Detroit faces many of the same challenges faced by other metropolitan areas including but not limited to a skilled labor shortage which simultaneously faces attrition and an aging workforce; and issues of a skills mismatch that highlights the need to improve basic skills within the current talent pool and job readiness. There is a wealth of information that can be gleaned from the experiences of other cities as Detroit works to solidify its summer youth employment program.

RECOMMENDATIONS

- Have a clear mission and vision that everyone knows and can stand behind; the GDYT program is then refined to align with the clearly articulated priorities and theory of change.
- Establish/Confirm a collaborative leadership body with the authority to set and oversee policy, protocols, process, engagement, strategic communications, and partnerships/affiliation, comprised of those with authority to make the systemic and collaborative changes needed across requisite sectors.
- Define and implemen clear, intentional and sustained links to education, post-secondary education, and other health and human services to create a comprehensive system of synergistic supports needed by all youth prioritizing the needs of opportunity youth. Include mentorship model design.
- Expand and solidify resource/revenue streams so there is sustainable funding thereby establishing continuity and building year-round capacity to crystallize the program model.
- Have a common data system that includes enrollment, matching, payroll, job descriptions, and follow-up. This will help streamline reports and evaluation.

• Engage youth directly in leadership, evaluation, and feedback of GDYT. Develop a youth advisory component comprised of and led by Detroit youth.

By identifying promising practices in other cities, this report aims to offer Detroit stakeholders, policymakers, and civic leaders with options to strengthen GDYT and ensure that an infrastructure is refined and constructed that endures over time with requisite protocols, systems, revenue streams, and capacity to promote the career, educational, and social development of Detroit youth.

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