

State Recovery Now



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a project of America Achieves

AMERICA ACHIEVES

WHY DOES THIS MATTER?

Policymakers need an actionable, comprehensive strategy to help unemployed or underemployed residents attain or leverage the skills and support needed to transition into well-paying, family-supporting careers in high-demand sectors.

WHY USE ARP FUNDS?

Improving employment rates in underserved communities — helping youth and adults attain jobs in high-demand, well-paying sectors — directly meets workforce developments critical to economic recovery.

WHY DO THIS NOW?

COVID-19 has exacerbated existing trends for both workers and employers — workers who have lost jobs in hard-hit sectors are struggling to reposition themselves in the workforce, while employers in high-demand sectors are left with vacant positions, finding it challenging to find and hire qualified workers.

An Evidence-Based, Good Jobs-Driven Approach



What are we trying to accomplish? Employing more residents in good jobs in high-demand sectors, leading to sustained wage growth over time.



Problem we're addressing: Employers face an unmet need for diverse pipelines of skilled workers, especially in high-demand sectors, while workers in need of employment face too many barriers to attaining the necessary skills and credentials for secure, sustainable jobs that offer a livable wage.



Why does this matter? Millions of workers already have required skills or credentials for good jobs today, but need support connecting to these jobs. Millions more need support to gain the skills necessary to transition into well-paying, family-supporting careers.



What is the policy intervention? Using ARP funds, jurisdictions can establish a program to help youth and adults land well-paying jobs through evidence-based job training and career coaching. Recipients would be eligible for a scholarship that would cover program costs, career coaching, and wraparound supports such as child care and transportation. Jurisdictions would establish an evaluation system to determine the quality of existing programs, using evidence-based criteria and real job demand in their communities — informing which programs to fund and scale. This model should be adapted to local needs and priorities for target populations and sectors.



Cost: Depending on context, between \$13,000-\$25,000 per trainee, including both the individual benefit and administrative costs. A \$12,000 individual benefit, for example, could include \$6,500 for program costs, \$3,000 for income support, and \$2,500 for wraparound supports.

Effective programs require proper investment.

ROI: Policymakers can expect to see **long-term, sustained wage growth over time.**

They should build rigorous design into the program to assess impact on jobs and wages. Similar models have seen annual increases in earnings for participants between 20 and 40 percent.



Why now? The COVID-19 pandemic has exacerbated these trends for both workers and employers. Workers want well-paying, safe, and stable jobs – especially those who have lost jobs in hard-hit sectors, struggling to reposition themselves in the workforce. At the same time, employers in high-demand sectors are left with vacant positions, finding it challenging to hire qualified workers.



What does success look like?

- In the short-term, a stronger evidence base for what works in communities, helping policymakers and career advancement services better understand successful workforce development strategies.
- In the long-term, more residents are employed in high-demand, well-paying jobs.
- Sustained wage growth over time for job training participants.
- Closing labor shortage gaps in key economic sectors with good jobs to fill.
- Advancing equity in workforce development outcomes by gearing programming to historically underserved populations.



Why ARP funds? Improving employment rates in underserved communities — helping youth and adults attain jobs and build careers in high-demand, well-paying sectors — directly meets workforce development goals critical to economic recovery. One-time ARP funding can be used to design and implement a job training program evaluation process, allowing state and local governments to gather data about the quality and effectiveness of programs in their jurisdiction. This data can be used to inform long-term initiatives to get residents onto sustainable, higher-paying career paths.



Author

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TAKEAWAYS

Outcomes	Equity	ROI
Improves long-term employment outcomes in well-paying, high-demand sectors, with sustained wage growth over time.	By targeting state and local programs to serve populations most in need of support, jurisdictions can close gaps in workforce development outcomes by employing more residents in well-paying, in-demand fields.	Similar programs have seen annual increases in earnings for participants between 20 and 40 percent.