



Governor's Best Practices Awards for Workforce and Economic Development – 2011

This award recognizes practices that have demonstrated achievement and results in both the workforce development and economic development fields. Nominated projects should represent the intersection of both of these disciplines by elevating the skills and earning potential of participants while improving the bottom line for employers.

Nomination forms and any accompanying materials must be submitted no later than 10 a.m. August 22. Nomination materials can be sent to: tsweeney@wtb.wa.gov. Nominations that do not include this attached completed form will not be considered.

Nominations will be reviewed by a team of private and public sector workforce and economic development professionals. Additional information might be requested after review. The goal is to announce winners by early October.

Things to keep in mind when completing the form.

Identify what is different about this program/project – The objective of this award is to identify the practice that is creating success. Applications should identify the unique practice or practices contributing to success.

Combined Workforce and Economic Development Benefits – Nominations need to demonstrate how the project or program is contributing to the prosperity of both employers and workers. If a project creates jobs, it also must have a process for ensuring that local workers are getting the jobs. If a program provides new training for workers, it also must be benefitting employers by providing in-demand employees.

Demonstrate Results – A successful nomination will provide data that demonstrates how the program or project has provided both workforce and economic development benefits. Anecdotes are not sufficient. Contact Tim Sweeney (360-586-8678) if you have any questions on how to present the data.

Additional materials: Additional materials, such as brochures, news articles, can be included if they help explain the program or project. Avoid overloading your nominating packet since judges will have a lot of material to review.



Governor’s Best Practices in Workforce & Economic Development Award Nomination Application

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Nominated Project Title: Year Up Puget Sound

Project Lead Name: Lisa Chin **Phone number** 206-441-4465 **E-mail** lchin@yearup.org

Summary of nominated project (No more than two sentences.):

Year Up provides urban young adults who are neither working nor in school with a year of education and training that leads to livable wage jobs.

Region and/or communities benefitting from project: Seattle/King County

When (month and year) did nominated project launch: March 2011

Has the project/activity operated continuously since then: Yes

If not, explain:

Start-up costs N/A **Most recent annual budget:** \$1.5 million

List your major funding sources, including tax credits or incentives, grants, and other private sector support:

Year Up Puget Sound's current major funders include: The Seattle Foundation, The Bill & Melinda Gates Foundation, Aven Foundation, New York Life, Barton Family Foundation, Regis Family Community Fund, and The Runstad Family Foundation. Year Up Puget Sound also has received substantial funding from its employer partners: Alaska Airlines, JP Morgan Chase, REI, Liberty Mutual, City of Seattle, Google, PopCap Games, and Amdocs. This employer funding diversifies our funding base, reduces the risk associated with being funded entirely by private and public philanthropy, and represents an important component of our sustainable revenue engine.

Describe the purpose (need) and the unique approach taken by the nominated project to satisfy the stated need (450 words or less)

Founded in Boston in 2000, Year Up is a one-year intensive education and internship program for urban young adults, ages 18 to 24. Now open in nine cities nationwide, including Seattle, San Francisco, Boston, New York, Providence, Baltimore, Washington D.C., Atlanta, and Chicago, Year Up recognizes that both careers and higher education are critical to providing economic opportunity for low-income young adults. Our mission is to close the Opportunity Divide by providing low-income young adults with the skills, experience and support that will empower them to reach their potential through professional careers and higher education.

The Opportunity Divide is particularly stark for the more than 15,000 disconnected young adults in Puget Sound. More than 70% of low-income, minority youth leave high school and/or GED programs without a path toward either a post-secondary degree or a livable wage job, essentially guaranteeing that they will struggle to avoid a life of financial hardship. Some will enter college only to become discouraged and drop out; others will cycle in and out of job training and adult education programs, never getting beyond low-paying jobs with little prospect of advancement. These young adults must not only deal with historically high levels of unemployment, they must

compete in a Puget Sound labor market where the workforce is more highly educated than the national average. If we are unable to help these young people reconnect to education and training, our economy will suffer; an estimated 64% of all jobs will require at least some postsecondary education or training by 2018.

Unlike traditional job training programs or community colleges, Year Up combines marketable job skills, stipends, paid internships, and college credits. We place special emphasis on students' social and emotional development. To identify and recruit motivated students, we have partnered with the YMCA, YouthCare, Southwest Youth and Family Services, Latino Community Fund, and Youth Source Renton. Students are put through a rigorous application process, which includes a written application, an interview, and a learning assessment. Of the 16 young men and 11 young women who enrolled in our first class in March 2011, all are low-income and 74% are people of color. We will enroll a second class in September and, over the next three years, plan on serving 480 young people in Puget Sound.

Describe how the nominated project incorporates both workforce and economic development practices and provides a benefit to workers and employers. (See cover page) (250 words or less)

During the first six months of the program, students work in our Seattle classrooms, developing technical skills in Information Technology and learning soft skills in business norms, professional etiquette, and communications. Students must maintain high attendance rates, be on time, and complete assignments. They earn up to 18 college credits from Bellevue College for this work. In the second half of the program, students apply their skills during a six-month internship with one of our corporate partners. Those partners include some of the top employers in the region: Alaska Airlines, JP Morgan Chase, REI, Liberty Mutual, City of Seattle, Google, PopCap Games, and Amdocs.

Two recent reports by the Workforce Strategy Center (2009) and Jobs for the Future (2010) present Year Up's employer engagement strategy as a best practice for other programs to adopt. Our approach involves:

- * Crafting a long-term value proposition to corporate partners that matches their core business needs, and developing a sales approach and "pitch" that makes this value-add clear.
- * Training students with the wide range of skills needed to succeed in the workplace – both hard and soft – and continue to learn on the job.
- * Offering a "low risk, high reward" talent solution: employers gain access to a reliable source of potential employees whom they can observe and help train without an obligation to hire.
- * Soliciting and responding to corporate partner feedback, then using that input to improve the program and better meet employer needs.

Will the nominated project continue into the future? Yes

If yes, how will it be funded and sustained. (200 words) Year Up Puget Sound has launched a three year, \$4.5 million campaign to raise funds from private and public donors and expect to supplement this with approximately \$4 million from our corporate partners. On a national level, Year Up is seeking to raise \$55 million of growth capital by 2016 (nearly \$20 million has been committed) in an effort to close the Opportunity Divide on a national scale.

With a current national annual operating budget that exceeds \$40 million. Year Up is one of the fastest growing non-profits in the nation. It has been recognized by Fast Company and The Monitor Group as one of the top 25 organizations using business excellence to engineer social change.

In an attachment, demonstrate how this project/activity has made a quantifiable difference to the economic health of working people and employers. (Tables and graphs based on verifiable numbers. Words should be used only to support the data and should be kept to a minimum)

Check when done.

A short concluding statement on why you believe this project/activity is noteworthy or unique and should serve as a best practice model. (100 words or less)

Year Up's approach to workforce development is proven. A rigorous, two-year external evaluation found that attending Year Up boosted a young adult's annual earnings by an average of 30%. In addition, 84% of Year Up graduates are employed or enrolled in college within four months of graduation.

Year Up also works for its corporate partners:

- We provide our partners with a cost-effective, reliable source of pre-trained, pre-screened entry-level employees.
- We positively influence corporate perceptions about low-income individuals from diverse backgrounds.

Program or Project's website or webpage: yearup.org and www.yearup.org/locations/pugetsound

List the leading individual(s) or organization(s) that should receive special recognition for their role in the project or activity. Please provide name, title, role, address and phone number.
Lisa Chin, Executive Director, Year Up Puget Sound, 2607 Second Ave., Seattle, WA 98121, 206-441-4465.

Name and contact information of person completing this nomination form: Lisa Chin

Year Up Growth Performance2008

Program Outcomes						
Student outcomes						
	Students Served			2010 Year Up graduates		
	2010 Actual	2011 Goal	2011 Projected	Employed 4 months post graduation	Average Starting Salary	Entering College Full-Time
National Total	1023	1382	1362	76%	\$30,000⁺	17%
Site Detail	Site Detail					
Boston	295	304	304	79%	\$29,006	19%
Providence	80	80	80	75%	\$29,182	9%
Washington, DC	160	200	200	72%	\$32,646	24%
New York City	202	270	270	66%	\$30,888	14%
San Francisco	118	160	160	85%	\$31,127	54%
Atlanta*	119	160	160	78%	\$27,664	9%
Chicago**	25	80	80	NA	NA	NA
Baltimore**	24	64	44	NA	NA	NA
Seattle***	NA	64	64	NA	NA	NA
Site Totals	1023	1382	1362	76%	\$30,086	17%

* 2009 New Site Launched

** 2010 New Site Launched

***2011 New Site Launched

⁺2010 National Goals

The New York Times

Training Youths in the Ways of the Workplace

By David Bornstein

January 24, 2011

The most frustrating economic news of 2010 wasn't that the recession had worsened — it was that things had improved markedly for corporations, but not for the labor force. Even Alan Greenspan expressed concern that the U.S. is evincing “fundamentally two separate types of economy” — one in which big companies and high earners thrive, the other in which millions struggle to find jobs and make ends meet. One group that has been particularly hard hit by the recession is youth. Among workers aged 16 to 24, the unemployment rate is almost 20 percent. For young Latinos, it's over 24 percent, and for young African Americans, it's over 32 percent. Some 4.4 million youths are currently unemployed.

This is of serious concern to a country with a rapidly aging population. And while today's best jobs require post-secondary schooling, 30 percent of U.S. public school students fail to graduate from high school, and more than half of those who enroll in higher education fail to earn a degree or credential within eight years.

We all know the education system needs fixing; 1.3 million high school dropouts per year is untenable. But youth unemployment gets far less attention and policy makers have few new ideas to offer. In fact, government investments in workforce development for youth have declined precipitously — from about \$1.6 billion in 1994 to about \$900 million in 2010, even while gross domestic product doubled during that period (representing a real drop of 70 percent).

Why the cuts? Because for years there has been a lingering perception that workforce development programs don't work. That's why I'm focusing today on an organization called Year Up, which is demonstrating fresh promise in this area.

Year Up, a nonprofit, was founded by Gerald Chertavian, a social entrepreneur who started his career on Wall Street before building a technology firm that he and his partners sold for \$83 million. When he was a college freshman, Chertavian began volunteering as a mentor and Big Brother to low-income youths. He did this for decades. He was impressed by the ambition and talents of the young people he got to know. But he saw that they had little scope to “plug in” to the mainstream economy.

It wasn't just that some had attended poor schools or lacked college credentials; they lacked exposures to the “professional culture” — and this, as much as any skill gap, kept them marginalized.

Year Up assists disadvantaged, mostly minority youths, whose only academic requirement is a high school degree or equivalency degree. It offers a six-month training program followed by a six-month internship in a large corporation like State Street, Fidelity Investments, JP Morgan Chase, Partners Healthcare, or AOL. Since its founding in Boston in 2000 with a class of 22 students, Year Up has expanded to eight cities and served 4,000 young adults. About 70 percent of its students complete the program and the organization reports that, within four months, 84 percent of graduates are either enrolled full time in college or have secured a job. The average starting wage is \$15 per hour—roughly \$30,000 per year.

A recent random assignment study conducted by the Economic Mobility Corporation compared Year Up program participants with a control group of students who had applied to the program but couldn't enroll because of limited capacity. The researchers looked at students in the year following graduation — during the middle of the recession — and found that participants earned, on average, almost \$3,500, or 30 percent, more than the students outside the program. “These are the most exciting evaluation results we've seen in youth employment in 20 or 30 years — and the first to show a really substantial earnings gain,” said Mark Elliott, Mobility's president. Studies of other job training programs have shown modest gains if they show any gains at all.

What drove the earnings gains were the kinds of jobs that Year Up graduates were landing. About 40 percent of the participants in the study found positions working in information technology or investment operations with Year Up's 100-plus partner firms. A survey of Year Up students in Boston who graduated between 2002 and 2004 showed that, by 2009, average earnings had climbed to \$19.69 per hour, higher than the national median income. Many were hired by the companies where they did their internships. In one survey, 97 percent of Year Up's corporate partners said they planned to take on more interns in the future.

There are several things that Year Up does that distinguishes it from run-of-the-mill job training programs. It involves employers in the design of its programs to make sure its trainings are matched to market demand. It offers students extensive support from counselors and, where necessary, social workers. It forms partnerships with community colleges, which offer course credit for Year Up classes. And at a time when government policies favor short-term trainings, Year Up gives students a full year to make the transition to the professional world. It pays students about \$200 a week so they can afford to stick out the year (some still drop out for economic and other reasons). It helps participants find corporate mentors. And it charges employers serious money to receive interns: companies pay Year Up about \$875 per week or \$22,750 for a six month internship. This ensures that companies will insist on getting employees who can perform. The fees cover about half of Year Up's operating costs; the rest comes mainly from philanthropy.

But none of the above fully explains Year Up's success. The real difference is that Year Up takes great care to prepare its students to succeed in a professional culture. "We often talk about hard and soft skills," says Chertavian. "To me, it's actually hard and *harder* skills." The merely hard skills are things that many training programs cover — for IT, it might be using software applications or installing hardware. The harder skills are more nuanced. They involve questions like: Do you know how to communicate in a team? If you're running late, do you know to call ahead? If you don't have enough work, do you know to be proactive and ask for more? Do you know how to write a professional sounding e-mail?

Chertavian points out that the social signals new employees send can make all the difference. "It's how you make eye contact, it's how you dress, it's how you shake hands, it's how you make small talk at a Christmas Party," he says. "It's when we speak, are you nodding your head? Are you leaning in and asking questions? It's knowing how to introduce yourself. It's knowing what's appropriate for conversation. All of those things are learned. If you don't have that context, boy, it feels real foreign to go through the security gate at Fidelity and exist in that environment."

Every day in Year Up, students practice speaking before a group, working in teams, introducing themselves to strangers, soliciting feedback in a professional manner. They learn how to approach a potential mentor. They practice taking notes in meetings. They practice making water-cooler style chit chat. And they exchange lots of handshakes.

Year Up makes sure that students know exactly what they can expect by providing daily feedback in a caring

and respectful fashion. At the beginning of the program, students sign contracts which outline their responsibilities. They receive 200 points. Over the six-month training, points are gained for consistent performance and forfeited for things like coming in late, missing meetings or assignment deadlines, checking text messages in class, or failing to dress appropriately (business casual is the norm). "If a student gets to zero, he has fired himself from the program," says Chertavian.

They don't bend the rules, but they're willing to arrange a wide range of support — tutoring, advising, even wake up calls.

To get ahead, Year Up's students have to be more conscious about working within the professional culture than their more privileged Generation Y counterparts, who are more likely to be indulged by their bosses when they display a lack of professionalism — like walking through office halls listening to iPods or coming to meetings with midriffs exposed. Chertavian acknowledges that there is a double standard at play. "In a better world, all young employees would be judged equally," he says. But we don't live in that world. In the absence of shiny academic credentials and professional-class parents to ease their way, Year Up's students learn to make maximum use of their main competitive advantage: the way they present themselves.

This past November, Year Up formed a partnership with the Department of Agriculture to place interns with the federal government, which could open up a big new pipeline for jobs. Chertavian envisions a network of "professional training corps" offices housed on community college campuses — analogous to ROTC offices — that could reach out to far more students than the 2,500 annually that he anticipates Year Up serving within five years.

For the nation's two economies to re-unite, it will be necessary to build and strengthen the connective tissue. Clearly, this begins with our schools and our preschools. But we can also do far more to expand opportunities for those entering the work force today. And one key, as Year Up has shown, is to make it easier for top companies to recognize the talent that remains unseen, and largely untapped, in millions of our nation's youth.

For more information, please contact Roberto Zeledon at (617) 542-1533 ext. 1563 or rzeledon@yearup.org.

