ON-RAMPs TO OPPORTUNITY
REIMAGINING CALIFORNIA’S TALENT MARKETPLACE

Year Up’s California Policy Agenda for Opportunity Youth
For more information about Year Up’s California Policy Agenda, please contact californiapolicy@yearup.org

The American Dream belongs to all of us.
- Senator Kamala Harris
INTRODUCTION
Home to one-eighth of the U.S. population and the sixth largest economy in the world, California is a global leader with limitless potential. Vital to our economic success is a growing pipeline of skilled workers trained to meet the demands of California’s employers. Current trends, however, show that California will confront a serious skills gap by 2030 – with a shortfall of 1.1 million workers with the skills needed to meet economic demand.¹ Industries that have helped push our economy forward, such as the technology and healthcare sectors, will be adversely impacted by this growing workforce gap, which could limit the state’s economic productivity and our ability to retain and grow leading employers.

In addition, degree inflation, the practice of seeking a college graduate to fill a job that does not require a four-year degree, has become increasingly corrosive to California’s competitiveness by causing a mismatch between the demands of jobs and the skills required to do them well.²

To preserve good jobs in California and continue fostering innovation, our state leaders need to invest in our workforce. To preserve good jobs in California and continue fostering innovation, our state leaders need to invest in our workforce, particularly young adults who are out of school and out of work. In California, approximately 12 percent of young adults, ages 16 to 24, are neither in school nor working.³ These Opportunity Youth, who may be overlooked by employers, are a viable talent source for California’s business needs. Training programs that provide a combination of hands-on skills development, coursework eligible for college credit, corporate internships, and wraparound support can expand postsecondary and career pathways for Opportunity Youth that lead to livable wage jobs and, ultimately, strengthen California’s economic prosperity.

OUR NEXT GOVERNOR
California’s next governor has the opportunity to expand our state’s talent marketplace by making bold changes to education and workforce systems and investing in initiatives that advance the health, safety, and availability of resources in our diverse communities. Through our direct service work, Year Up remains deeply committed to delivering quality programs in California that improve labor market outcomes for our students and meet the needs of our employer partners. We also aspire to change the perceptions, practices, and policies that perpetuate inequality of opportunity in the state. Our next governor will be uniquely positioned to serve as a leader that helps connect California’s young adults who need opportunity with California companies who need their talent.

¹ http://www.ppic.org/publication/will-california-run-out-of-college-graduates/
BUILDING BRIDGES TO THE FUTURE FOR OPPORTUNITY YOUTH

Year Up’s California Policy Agenda envisions an education and workforce system that is untethered by political constraints and resource restrictions – a system where employers view Opportunity Youth as a viable talent source for their business needs.

As skills have become the global currency of 21st century economies, we believe more coherent education and workforce pathways can provide all California youth more options in planning how to increase their employability skills and more opportunities to pursue their own career aspirations.

700,000 YOUNG ADULTS in California are currently disconnected from stable career paths

1.1 MILLION JOBS requiring training beyond high school will go unfilled over the next decade in California

CLOSING CALIFORNIA’S OPPORTUNITY DIVIDE
POLICY PRINCIPLES
In order to build these new bridges we need to reform our education and workforce systems and adhere to a set of policy principles that aligns with employer demand, facilitates cross-sector collaboration, focuses on outcomes and results, and secures opportunity for all youth.

Align Systems to Employer Demand

California’s current education and workforce systems do not adequately provide all young adults with the skills they need to pursue promising careers. In order for Opportunity Youth to become a source of entry-level talent, California’s education and workforce systems must be more responsive to employer demand. Seamless alignment with skills demanded in the labor market will ensure the state’s education and workforce systems are preparing Opportunity Youth for gainful employment and lifelong learning. To do this, we must:

- Allow innovative work-based education programs that provide Opportunity Youth with workforce training to access apprenticeship funding streams.
- Subsidize the cost of community college enrollment for Opportunity Youth to receive free training at campuses that prepare them for in-demand regional and local jobs.
- Launch a statewide “professional skills” challenge that uses a portion of existing workforce funding to define and measure professional skills such as leadership, grit, critical thinking, problem solving, communication, and teamwork.

The people where I grew up, they’re smart and talented, they just don’t have the same opportunities as others. I don’t believe that I would be in the position that I’m in today without Year Up; it really changed my life.

-Tiana Robinson
Year Up Bay Area Graduate
Facilitate Cross-Sector Collaboration

Traditional siloed approaches to workforce development have limited the ability of Opportunity Youth to have successful labor market and life outcomes. When public, private, and nonprofit partners come together and collaborate, Opportunity Youth are more likely to attain a job that leads to a W-2 that grows over time. Greater cross-sector collaboration that mobilizes businesses, training providers, and advocates will lead to improved perceptions of Opportunity Youth as a source of talent for employers and shape policies that improve their labor market and life outcomes. To do this, we must:

- Launch a statewide campaign aimed at shifting employer perceptions of, recruitment, and hiring of talent in California’s marketplace.
- Commit another round of funding for the California Career Pathways Trust.
- Create a statewide task force responsible for redefining California’s talent marketplace and providing recommendations to California’s next Governor on how to more effectively connect employers with Opportunity Youth.

Focus on Outcomes and Results

Accountability provisions in our education and workforce systems have inadvertently made compliance a measure of success. To encourage competition in the education and workforce-training field so that public resources are awarded to programs and providers that succeed, we need to shift systemic policies and procedures from a compliance focus to an outcomes-driven orientation. Higher education and workforce systems must share responsibility for labor market outcomes by adopting goals and adapting use of public resources to continuously improve labor market and life outcomes that matter for Opportunity Youth. To do this, we must:

- Improve state and local procurement processes to incentivize vendors that provide workforce development opportunities to Opportunity Youth.
- Provide talent acquisition tax incentives for employers to recruit Opportunity Youth and identify diverse talent pipelines.
- Allow training programs that meet performance-based metrics to use public funding to pilot new innovative training models.

On-Ramps to Opportunity

The latest perception change campaign from Grads of Life, 7 Second Resumes, is built on the fact that the average time a hiring manager spends reviewing a resume is 7 seconds. In this campaign, real Opportunity Youth star in 7 second videos that highlight the assets they have acquired through life experience, which add to their value as employees.

7SECONDS.GRADSOFLIFE.ORG
Secure Opportunity For All Youth

Given California’s rich diversity, it is critical that all communities have access to meaningful employment opportunities, which our most vulnerable communities are too often denied, and which would enable them to provide for themselves and their families. Removing barriers to employment helps to ensure that employers are not missing out on talented individuals who want to contribute to the economy, and that we are not marginalizing young adults who are assets to our workforce and our state’s economy. To do this, we must:

- Protect immigrant communities from employment discrimination and deportation.
- Remove barriers to employment for system-involved youth.
- Create a Secretary of Youth cabinet-level position tasked with expanding economic opportunities for Opportunity Youth across the state.

We provide internships for many Year Up students...because it provides Salesforce with access to a talented group of graduates whom we hire to meet our skilled labor needs, which in turn increases our competitiveness.

-Ebony Frelix
SVP, Philanthropy & Engagement
Salesforce.org

CONCLUSION

Inequality of opportunity hurts our ability to thrive as a society. We believe California’s lawmakers, corporate leaders, and community advocates have the power to level the playing field for Opportunity Youth and close the state’s Opportunity Divide. Minor tweaks to our education and workforce systems, however, will not do the trick. This policy agenda aspires not just to correct the inequities Opportunity Youth face, but to comprehensively change the laws, policies, and economic drivers that prop up California’s education and workforce systems.
Year Up’s mission is to close the Opportunity Divide by providing urban young adults with the skills, experience, and support that will empower them to reach their potential through professional careers and higher education.

We achieve this mission through a high support, high expectations model that combines marketable job skills, stipends, internships, and college credits. Our holistic approach focuses on students’ professional and personal development to place these young adults on a viable path to economic self-sufficiency.

Grads of Life is a national initiative that catalyzes market demand for Opportunity Youth by transforming employer perceptions and hiring practices. Our innovative focus on the demand side of the talent marketplace harnesses the power of the private sector to catalyze an employer-led movement to build talent pipelines that are inclusive of Opportunity Youth.

Through a multimedia public awareness campaign, which includes public service announcements, a website, and a broad set of thought leadership and employer engagement activities, Grads of Life targets hiring decision makers, ranging from CEOs to HR managers, to change hiring practices and expand economic opportunities for Opportunity Youth. We provide employers with resources such as a centralized training provider directory, toolkits, and best practice models.