DETROIT’S UNTAPPED TALENT: PARTNERSHIPS AND PATHWAYS TO SUCCESS

CSW WORKFORCE SYSTEM MAPPING REPORT: PART II
MARCH 2016
Data Sources

Data in this report were collected using a mixed-methods approach and reflect the Detroit workforce development landscape in early 2015. Sources of data include:

- Interviews with 32 stakeholders across 20 organizations in the Detroit workforce development landscape
- Existing data on organizations, educational institutions, and entities acquired through online searches, marketing materials, and phone calls with staff
- Prior work and data of several local partners, including the Detroit Employment Solutions Corporation (DESC), Workforce Intelligence Network (WIN), the Detroit Jobs Alliance GRID (funded by the Detroit Regional Workforce Fund), AmeriCorp VISTAS at the Michigan Nonprofit Association, and other local and state workforce development agencies, data shops, and community-based organizations cited throughout the report
- Labor Market Information on industries, occupations, and education and training programs from Economic Modeling Systems Inc
Detroit continues to attract positive attention from across the nation for its unprecedented progress on issues that have long plagued the city. From Detroit's record-breaking demolition of abandoned houses, to a notable decrease in the number of foreclosures in the city between 2014 – 2015, Detroit’s government, business, philanthropic and civic leaders are coalescing around strategies that are having measurable impact on the lives of Detroiters. Adding jobs and businesses is one key to the city's continued recovery; in fact, data show that there are 8,000 more Detroiters employed today than there were just two years ago. Business and job growth in the city is on the rise. And yet, there is much more to be done.

From auto-manufacturing and healthcare to construction and sports/entertainment, employers are moving back to and expanding their businesses in Detroit in record numbers. The Mayor’s Workforce Development Board is now a table of some of the city’s most senior business leaders—including more than 20 CEOs of global, national, and local companies. Detroit’s recovery has become a magnet for businesses that see value in ready access to international trade-ways, world-class manufacturing facilities and the raw energy of the city’s renaissance. For many Detroit job seekers, however, the opportunities that come along with the city's economic growth are still out of reach. Closing critical skill gaps for Detroiters and attracting jobs to the city that fit entry-level skills sets are key in the equation required to achieve shared economic prosperity. It is also important to understand and optimize the support systems required for job seekers to find, keep and advance in their jobs. Without both, the recovery that is so clearly visible in the heart of the city is unlikely to reach Detroit's most challenged residents.

With the goal of understanding the jobs, talent and the systems required to support pathways to opportunity in Detroit, we took on the research in this report. Developed as part of JPMorgan Chase’s $100 million commitment to the city's economic recovery, it is the second of a two-part series detailing the findings from a research project conducted by the Corporation for a Skilled Workforce. Part I of the series, Detroit’s Untapped Talent: Jobs and On-Ramps Needed, was released in January 2016. It included information about the complexities of Detroit’s resident labor pool, Detroit’s industry mix, and the mix of jobs and skills needed for the city to prosper. In Part II, we look at the mix of funding and investments, range of organizations providing workforce development services and programs, and partnerships as a system. In doing so, we investigate how all of the parts—talent supply, talent demand, and the system that supports both—work together in the interest of Detroit’s job seekers and employers.

Several of the observations we make in this report came directly from those who work most closely with the system. We hope the combination of information, observations, and the summary of the work underway by the Mayor, the Mayor’s Office of Workforce Development and other key leaders across the system are useful inputs in advancing an aggressive plan for jobs and advancement opportunities for all Detroiters.

Chauncy Lennon  
Head of Workforce Initiatives  
JPMorgan Chase & Co

Jeannine La Prad  
President & CEO  
Corporation for a Skilled Workforce
In our Part I Report, *Detroit’s Untapped Talent: Jobs and On-Ramps Needed*, we identified two key challenges for the city. One was a numerical shortage of jobs suitable for Detroit workers’ skill levels, and the second was a need for well aligned on-ramps to help workers attain the skills necessary to qualify for the jobs that are available. This section of the report provides a high level summary of what we know about existing on-ramp offerings in the city.

On-ramps are designed to help individuals enter or re-enter the labor market. In Metro Detroit, these on-ramps consist primarily of organizations providing foundational skills, general work-readiness services, and work-readiness training programs. They provide individuals the foundational and employability skills they need to succeed in a job (of any kind, in any sector) or in occupational training. Foundational skills include programs like literacy training and Adult Basic Education. General work-readiness services, like resume writing and interview preparation, prepare individuals for job seeking activities, whereas work-readiness training programs are cohort style courses covering similar material with defined enrollment and completion endpoints, often with an explicit goal of job placement upon completion.

**One of our major findings is that general work-readiness services are being provided by multiple types of organizations, beyond typical workforce development providers. These include community development and faith-based organizations, among others.**

Many organizations offer these services in the form of workshops, build it into occupational training, or weave it into case management services. We also found that work-readiness training (defined entry and completion point) programs are being offered by a handful of organizations (some of whom also offer general work-readiness services). Another important on-ramp are programs specifically targeted at youth. We found a number of youth development/work experience programs that help youth gain the skills needed for success in the workforce.

Foundational skills programs are also crucial on-ramps. These include services such as Adult Basic Education (ABE), English for Speakers of Other Languages (ESOL), GED or high school equivalency preparation programs, and literacy programs.
Although there are many organizations where participants can receive work-readiness services, we found fewer organizations that provided these foundational skills offerings. These programs are key to the success of job seekers beginning their career path with lower skill levels. They are also vital to successful access to and completion of many training and education programs that require specific minimum skill levels for entry.

These entry level programs and services are particularly important as workforce system stakeholders have stated that many participants come to occupational training without the necessary skills needed to participate. Many occupational training programs and community college classes, for example, have minimum required literacy levels, and stakeholders have made it clear that many participants do not meet this most fundamental and critical requirement.

Well designed on-ramps also include effective connections to supportive services and career navigation. Particularly for workers in low-wage jobs, supportive services could include necessities such as food, housing, or childcare assistance. Services related to helping individuals acquire a job or keep a job are also in this category, such as clothes for job interviews or transportation assistance.

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Another of our key findings is that supportive services are often offered by typical workforce development providers and by other kinds of organizations, ranging from churches, to government agencies, to social services organizations focused on basic needs.

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Effectively serving these populations requires strong communication and coordination among organizations, including those who may not be considered typical workforce development providers, such as faith-based and human services organizations.

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Program Spotlights

Center for Working Families

In Detroit, the Greater Detroit Center for Working Families (CWF) is an initiative of Detroit LISC and United Way for Southeastern Michigan. Its partners include Focus: HOPE, Southwest Housing Solutions, Operation ABLE of Michigan, The Guidance Center, Goodwill Industries, Lighthouse of Oakland County, Arab Community Center for Economic & Social Services (ACCESS), and SER Metro Detroit. Beyond work readiness and employment services, CWF provides financial education and coaching, and low-cost financial products that encourage investment and savings, since data show that families who achieve financial independence are better positioned to contribute to thriving, sustainable communities.

Reading Works

With nine Impact Partners across the Metropolitan Detroit area, Reading Works provides quality adult literacy programs and services, while consistently measuring and reporting their impact on learners. Each of these Impact Partners provide ESL, math, reading, and some digital training to participants. The delivery of these services varies slightly across partners, with some offering classroom settings and others small groups or one on one tutoring. In addition to these Impact Partners, Reading Works supports other organizations with education, the sharing of information, and a forum for discussion and contribution to regional impact. These organizations, called “Allies,” offer similar services as the Impact Partners but on a smaller scale.
**Location, Location, Location**

In *Detroit’s Untapped Talent* we identified access to transportation as one of the major challenges faced by Detroit workers and job seekers, due to the need of many to travel outside of the city for work that meets their skill level. Access to transportation is also a challenge for individuals looking to increase their skills by attending training.

In our research, we investigated program offerings throughout the Metro Detroit area. Most of the providers of workforce-readiness and foundational skills programs described above are within the Detroit city limits. However, for those trying to access postsecondary education and training, the opposite is true, as most of those institutions are located outside the city, or in the Tri-County area (defined as Wayne, Oakland and Macomb counties, not including Detroit). Due to the geographic size of the city of Detroit, even accessing programs within the city can be a challenge.

![Workforce Service Provider Locations and Post Secondary Educational Institution Locations](image)
Program Spotlight

Earn and Learn

Earn and Learn, a partnership between Focus: HOPE and Southwest Solutions funded by the philanthropic community and DESC, offers skill development, job training and employment to some of Detroit’s chronically unemployed populations. Since 2011, this initiative has ensured that some of Detroit’s most at-risk residents have access to education and income at the same time through a model that includes some subsidized employment. The most recent cohorts graduated in March and January of 2016, and additional cohorts are scheduled and open for enrollment throughout the rest of 2016.

Roadblocks for Some

Some individuals face extra challenges in even getting on the on-ramps. In our research we investigated to what extent there were organizations providing services especially for specific populations, such as persons with mental or physical disabilities, returning citizens (ex-offenders), women, people of color, immigrants, and veterans. While most large multi-service organizations serve anybody seeking services, only about half of service providing organizations offer targeted programming designed to address their particular needs. These disadvantaged groups frequently face multiple barriers and need the full complement of services to be ready for employment, and to retain a job once hired.

A few organizations provide entry points for those with the highest barriers, such as returning citizens and persons with disabilities. As reported in Detroit’s Untapped Talent, 39% of Detroit residents with disabilities who are in the labor force are unemployed, but are searching for work and need additional services. While data was not available at the time of our research in early 2015 on the number of returning citizens who are released to Detroit, related information indicates a high volume of individuals may be coming to Detroit. The Michigan Department of Corrections (MDOC) releases approximately 10,000 prisoners per year, according to their 2015 Performance Summary, and Wayne County operates the largest jail system in Michigan. In addition, Detroit operates one of only two residential re-entry programs in the state. Stakeholder feedback indicates that having a criminal record is a challenge faced by many program participants.

Those at the very low-skill/high-need end of the spectrum often need dedicated, specific supported or subsidized employment opportunities to succeed in employment. These kinds of services tend to require significant resources and deep employer engagement for success, and are only offered by a few organizations in Detroit.
While on-ramp programs and support services are essential to getting individuals prepared to enter a career pathway, they often require more training or continued support services to get and keep jobs. Occupational training can connect workers and job seekers to industry specific skills and occupations; the more effectively that training is linked to on-ramps and support services, the easier it is for individuals to progress on a career pathway. (On-the-job training or any other kind of in-house employer-directed training such as internships and apprenticeships were beyond the scope of this research project, although we recognize that these are important parts of a career pathway.) Occupation specific training, defined as a training program with a specific start and end date that is designed to place people into a specific industry or specific job within that industry, is commonly offered by post-secondary institutions. Even so, we found a few workforce service provider organizations offering occupational skills training.

This section of the report looks at occupational training programs that prepare people for specific jobs within the four private sector industries described in *Detroit’s Untapped Talent*, as well as two additional industries that have potential for growth and opportunity. The distribution of jobs in Detroit across these four major sectors are: Retail, Hospitality, Arts & Recreation (15%), Health Care (14%), Manufacturing (8%), and Transportation, Distribution and Logistics (6%). The Construction industry and IT occupations each make up 2% of Detroit jobs.

### Job Preparation Requirements by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Minimal Preparation</th>
<th>Moderate Preparation</th>
<th>High Preparation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail, Hospitality, Arts &amp; Recreation</td>
<td>75%</td>
<td>41%</td>
<td>25%</td>
</tr>
<tr>
<td>Transportation, Distribution &amp; Logistics</td>
<td>24%</td>
<td>29%</td>
<td>13%</td>
</tr>
<tr>
<td>Construction</td>
<td>7%</td>
<td>51%</td>
<td>66%</td>
</tr>
<tr>
<td>Health Care</td>
<td>18%</td>
<td>20%</td>
<td>83%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>36%</td>
<td>52%</td>
<td>21%</td>
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</tbody>
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To assess the variation among sectors in terms of entry-level job opportunities, CSW determined the distribution of jobs requiring minimal, moderate or high levels of preparation within each sector. More detailed analysis of each sector follows.
Health Care

- From 2011-2014, growth in the health care industry has been mostly flat - under 2% in the city and almost 0% growth in the region. This may be a consequence of recent health system mergers. Long-term projections expect substantial growth for the industry in the future, driven by an aging population, but at the current time those projections are at odds with recent performance.

- However, high turnover and the opportunity for advancement in the field have led to a continuous need for trained workers. In particular, job postings for Registered Nurses remain very high, even as industry growth is flat, most likely due to turnover, and perhaps structural changes in health care delivery.

- Fifty-one percent of jobs in health care pay high wages. Some moderate-preparation jobs (such as nursing assistants) pay low wages, but can be one path for middle skills or higher paying jobs. However, strong support services are needed to enable workers to move up the ladder to these jobs – the gaps between steps on the ladder are not equal. While someone with relatively low educational attainment can succeed in training to be a Certified Nursing Assistant, the path from Nursing Assistant to Registered Nurse requires a much higher level of skills.

- Training program completions are strongest at the minimal to moderate level of preparation, predominantly because of Certified Nursing Assistant training. However, the largest segment of job openings requires a high level of preparation, for which there were many fewer completions.

- Community-based organizations typically do not offer occupational training programs for this industry, as we did not find any evidence during our spring 2015 research of specific occupational training or contextualized bridge programs offered outside of traditional educational institutions. This may be a reflection of the clinical placements, licensing and credentials needed to find employment in health care.

- During the peak of healthcare sector growth in Detroit, several partnerships between health systems and service providers emerged across the area. Over time, however, a combination of limited places to meet clinical requirements, firm licensing regulations, and, according to stakeholder interviews, an increase in the volume of participants lacking work-readiness skills, has diminished the success of the most promising programs. We suspect that individual employers and educational institutions are providing skill development and educational opportunities in this sector, and believe that there may be new sector-specific partnerships on the horizon.
**Retail, Hospitality, Arts & Recreation**

- **The industry with the greatest percentage of jobs requiring minimal preparation is Retail, Hospitality, Arts & Recreation.** Seventy-five percent of the jobs in this sector require no more than a high school diploma or GED to enter the field (and/or short-term on-the-job training).

- Even though these industries show significant growth and entry level job opportunities, they typically do not pay a living wage. Turnover rates are high, which drives consistently high demand for new workers.

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**Traffic Alert: Career Mobility Roadblock Ahead!**

- While jobs in this sector can be effective for getting people initially employed and teaching them the skills they need to succeed in the workplace, research indicates that workers employed in this sector have very little upward career mobility within the sector, and worse yet, tend not to use transferable skills to move to another industry with more opportunities.

- Research by the Workforce Intelligence Network (WIN) found that more than a quarter of people holding an entry-level position in retail were still in that position after five years, without an increase in wages. Those who moved up typically received only a negligible wage increase.

- For restaurant occupations, 47% of individuals were in the same job five years later but only 20% percent of those employees had moved up from an entry level position. The hotel industry offers the most career mobility and the most lucrative entry level positions.

- The workforce system is not currently configured to provide career advancement services or supports to help employees move up the career ladder in this sector or transfer their skills to another sector.
Program Spotlight

ROC-Michigan

Restaurant Opportunities Centers (ROC) was established after September 11, 2001, to provide support to restaurant workers displaced due to the tragedy. After its success in New York, in 2008, ROC United, was founded and has grown into a national organization made up of 18,000 low-wage restaurant workers across 15 states. ROC Michigan was also founded in 2008 and is dedicated to winning improved conditions and opportunities for advancement for Michigan’s restaurant workers, many of whom work for low pay with little to no benefits. ROC Michigan operates the COLORS restaurant, where participants use their skills to prepare and serve meals using local ingredients to paying customers. The COLORS Hospitality Opportunities for Workers (CHOW) Institute provides professional culinary and hospitality training to restaurant workers seeking to advance to living wage jobs in the industry. The program uses a national curriculum that has successfully trained and placed more than 1,000 restaurant workers in Restaurant Opportunities Centers (ROC) affiliates around the country.

- The total number of jobs, however, is low — there are only 38,000 jobs in this industry in total in Detroit, while there are 41,000 unemployed workers with a high school diploma as their highest educational attainment. These jobs are more plentiful in the suburbs, and employment there grew by 3.9% from 2009 to 2014. This dynamic makes these jobs a frequent employment destination for Detroit’s out-commuting workers, but the lack of transportation options puts an additional burden on employees in these industries.

- Since so many of these jobs require only minimal preparation, there are very few specific education and training programs. General work-readiness services and training programs, along with GED and Adult Basic Education programs, serve as the necessary training and education for these lower skilled jobs, along with on-the-job training provided by employers. The programs that do exist focus on teaching participants specific job skills such as food preparation and service skills, customer service, and other foundational skills.

- Despite the fact that these industries are experiencing a period of growth and high demand for workers, during our 2015 research we found little evidence of active workforce development-led partnerships or alliances in this sector.
Program Spotlight

LIFT

Opened in the Corktown neighborhood of Detroit in 2014, LIFT (formerly the American Lightweight Materials Manufacturing Innovation Institute) is a public-private partnership that develops and deploys advanced lightweight materials manufacturing technologies for defense and commercial applications. The Institute’s mission is to act as the bridge between basic research and final product commercialization of innovative manufacturing technologies and practices.

Integrative education, training, and workforce development is a core aspect of the LIFT mission. LIFT is convening industry, government, economic development, non-profit, academic, and workforce development partners to design and deliver education and workforce development programs to help ensure an educated and skilled advanced manufacturing workforce.

Manufacturing

- In recent years, Manufacturing has seen steady growth in both the city of Detroit and the surrounding Tri-County area. In 2014, there were almost 20,000 jobs in this industry, representing 8% of Detroit’s industry mix. The sector has grown 9% in Detroit since 2011.

- Most jobs in the manufacturing industry require at least a moderate level of preparation, primarily in the form of moderate to long-term on-the-job training. Strong work-readiness programs are needed to help prepare workers to succeed in this training and these occupations.

- In other cities, work-readiness programs have been contextualized to be manufacturing specific; however at the time of our 2015 research we found no evidence of such programs in Detroit.

- Educational program completions in manufacturing are strongest at the Bachelor's degree level, most significantly in the engineering disciplines.
**Transportation, Distribution and Logistics**

- Transportation, Distribution and Logistics is emerging as an important sector for Detroit. It makes up 6% of all employment in the city, and grew by 12% from 2009 to 2014, although recent growth has been slower.

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**Forty-one percent of jobs in the industry require only minimal preparation, yet almost 60% of jobs pay moderate wages, making it a potentially good pathway for lower-skilled residents of the city.**

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- In response to this high demand, training activity is also high. **Our research found over 1,100 education and training program completions related to this sector, from six traditional educational institutions and seven proprietary training facilities.** These were primarily for minimal and moderate preparation jobs. In addition, there are many small, proprietary schools offering training for commercial drivers.

- There have been several partnerships or alliances that were very active in the past several years, but have since disbanded. Stakeholder feedback reveals that the regional initiatives to build a transportation workforce hub in Southeast Michigan were in response to the new international trade crossing bridge, which has not yet materialized.
**Program Spotlight**

**ACCESS for All**

ACCESS for All is a partnership between organized labor for the skilled trades and SER Metro, a large community-based organization in southwest Detroit. Funded by Detroit Regional Workforce Fund of United Way for Southeastern Michigan, ACCESS for All delivers basic skill building, skilled trade training and apprenticeships, and an unconventional support model that helps ensure success above and beyond job placement. ACCESS for All focuses not just on work readiness and placement, but on helping its students build long-term life skills that make strong families and communities. Since 2014, they have graduated three cohorts of Apprenticeship Readiness Students with plans to graduate Cohort 4 in April 2016. Cohort 5 begins in May of 2016.

**Quick Look: Construction**

The construction industry as a whole represents only a small percentage of Detroit’s overall economy and the job opening count has decreased over the last few years. However, with large infrastructure projects in Detroit’s near future, it is sector of interest for policy makers.

In general, we found that training in the construction sector maps well to the hiring trends. Completions are strong at the minimal to moderate level of preparation, which is also where the jobs are. This sector has a solid number of minimal-preparation level job openings, but the highest proportion of job openings require moderate preparation. While the work-readiness training offered by CBOs may meet the needs for the minimal-preparation jobs, the academic institutions offering credentials attainable in less than one year show a high completion rate, which feeds into higher skill jobs.

At the time of our research in early 2015, there were relatively few programs operating to train new workers to enter this industry. Layoffs of construction workers during the Great Recession means that future demand may well be met by “on the bench” workers who typically have a higher skill level than new workers to the industry. This may explain why there are relatively few programs operating to train new workers to enter this industry.

**Program Spotlight**

**Grand Circus**

Grand Circus, in partnership with local employers and the Detroit Employment Solutions Corporation (DESC), is bridging the gap between Detroit residents and the businesses who want to hire great IT people in Detroit. Through intensive experiences that teach skills that have been validated as relevant by local technology companies, Grand Circus and their partners directly train and help ensure, upon graduation, middle-skills employment opportunities for local residents.

**Quick Look: Information Technology**

Based on job postings analysis, software developers and other information technology workers are in high demand in Detroit. However, at time of our 2015 research, we identified no minimal-preparation level job openings within this field, and more than three times the number of high-preparation level jobs compared to the moderate-preparation level.

There is potential within the industry, since in addition to degree programs, the IT industry relies heavily on certifications, such as those sponsored by Cisco and Microsoft. These can provide stackable credentials that allow workers to qualify for higher preparation jobs without a degree. Additionally, programs such as Grand Circus are specifically tailored to Detroit residents. However, a high level of education and literacy is required for success in these programs, which makes them out of reach of many of those in need.
CSW's Systems View

In the workforce development field, “system” often refers to the funding and work that is managed through public-sector investments, such as Workforce Investment and Opportunity Act funding. CSW's review and analysis of Detroit’s workforce infrastructure reflects a holistic perspective: a diverse mix of funding and organizations that support workforce development more generally as well as what’s in place to specifically support career pathway development into middle-skill and middle-income opportunities. In this report, we reflect on how all of the actors — funders, service providers, educators, etc. — work together as a system. We draw on some key principles of systems thinking: 1) A system is made up of parts that each have their own attributes, and all contribute their individual value to the whole; 2) The way that the components of a system work together is essential; 3) A system is effective only to the degree that its parts work together; and 4) Feedback loops are an essential component of all systems, because feedback is the catalyst for behavior change. Understanding scale and impact of the workforce development landscape in Detroit were critical inputs into our systems analysis. Equally as important was the process of asking over 30 key stakeholders from 20 organizations about how and how well the system works in the interest of Detroit’s job seekers and employers. From a systems perspective, partnerships reflect how connected the parts of a system are, and the health of the connective tissue among the components of a system.

When Detroit’s ‘vehicles’ for service delivery are operating at top efficiency, and traffic flows smoothly onto and off exit ramps, Detroit job seekers land jobs and employers fill vacancies. When these components aren’t optimized, the system can get pretty congested. When we looked at the components and how well they might be aligned, we found roadblocks: lack of data about the scope, scale and impact of the overall system, and fragmentation among actors in the system despite strong collaborative desire and well-known partnerships.
Lack of data on scope and scale

There are a lot more organizations involved in this landscape than one might expect (resulting in a wide range of organizations providing programs for on-ramps and job lanes). Our research revealed that services needed to support employment by Detroit residents were being provided by a much larger set of organizations than just typical workforce development providers. Additional providers included educational institutions, economic and community development organizations, health and human services organizations, and entrepreneurship service providers.

There is a lack of outcomes data to understand system outcomes: Identifying and securing data to determine how well the system is functioning and how well residents fare in the labor market is extremely difficult. Absent a reliable public database of the outcomes of programs and services, the only way to secure outcome data is organization by organization, many of which use differing metrics and definitions.

Individual agencies and organizations have no shared way of knowing the scope, depth or breadth of programs and partnerships in the city or region. There appears to be, however, growing interest in collecting more and better feedback data so that Detroit residents have a clearer view into the opportunities and assets within the workforce development landscape.
**Fragmentation**

A bird’s-eye view of Detroit’s workforce development landscape reflects pockets of clear collaboration and dedicated efforts to partner across organizations. These kinds of partnerships are essential to ensuring there is alignment, consistency, and transparency of on-ramps, supports and job lanes for job seekers and employers navigating Detroit’s workforce development landscape.

Yet, due to the size and complexity of the range of providers, and lack of shared information, CSW’s analysis reveals a generally fragmented picture. While there are certainly outstanding examples of partnerships deemed successful through any lens, these shining models exist alongside a disconnected patchwork of one-off, underfunded, uncoordinated initiatives delivered by a network of providers who are keenly aware of their disconnectedness. If and when there are partnerships, there appears to be no way to ensure clarity on where partnerships exist or whom they serve. Likewise, agencies and providers lack an infrastructure to understand collective program outcomes, as noted above.

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**Stakeholders across the system echo a common sentiment:** A growing concern that their programs and services are not nearly orchestrated or integrated enough to deliver what the community needs.

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Inadequate alignment of resources and partners, coupled with lack of information or transparency, can hinder the ability of job seekers, employers and stakeholders to effectively navigate the on-ramps, supports, and job lanes within Detroit’s workforce development landscape. Based on our review of data and stakeholder input from late 2014 to spring 2015, we reflected, via the following observations, on how all of the actors in the system — funders, service providers, educators, etc. — work together.

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**Investment Snapshot**

Because financial resources are a key input into any system, our research also included a preliminary funding analysis of public and philanthropic funding. We identified $119M in investment into the Detroit Workforce System in the two calendar year period from 2013-2014 (note that funding duration can extend beyond 2014). Nearly 60% of the funding was from Federal sources, including Workforce Investment Act (WIA) Title I funding for adults, dislocated workers, and youth, and the Michigan PATH program, and Carl D. Perkins Career Technical Education (CTE) Title II funds.

Philanthropic funding was the second largest source of investment into the system, with $35M or 29% of the total. Two-thirds of philanthropic funding was contributed by a variety of foundations, with the remaining one-third representing JPMorgan Chase’s multi-year investment in the city. Philanthropic funding supported programs that provide adult and youth training opportunities or asset building among low-income families, such as the Greater Detroit Centers for Working Families network and the Earn and Learn Initiative, among other initiatives.

State funding made up 12% ($14M) of the total, with the majority devoted to adult basic education. State funds also supported re-entry funds for returning citizens and the Skilled Trades Training fund, among other initiatives.

**Total Detroit System Funding by Source**

Jan 2013-Dec 2014

- 29% Philanthropic
- 12% State
- 59% Federal
While research findings from this project were still being finalized during spring 2015, Mayor Duggan and JPMorgan Chase jointly invited leaders across Detroit to review the research and begin aggressive action-planning through a special task force, the Workforce Development Advisory Council (WDAC). The WDAC, comprised of workforce leaders and practitioners, educators, community-based organizations, employers, union leaders, and other civic leaders, was charged with ensuring that the research review and strategy development remained transparent and fully representative of the interests, needs and ideas of Detroiters. At the Mayor’s request, WDAC members recommended specific workforce system priorities that were informed by the observations below, and which set the stage for an accelerated plan of action. The Mayor and WDAC previewed the Council’s recommendations at the 2015 Mackinac Policy Conference. The Council’s recommendations then became a key input to the Mayor’s workforce strategy for the city.

2014-2015 Workforce System Observations

The system lacked an overarching vision, shared agenda, and unified commitment toward achieving outcomes.

- The vision for Detroit’s workforce development system was unclear.
- The absence of a vision means goals and outcomes are driven by funding requirements and specific customer needs.
- Across the system, roles are unclear, and organizational capabilities lack alignment and coordination.
- The absence of a unified vision and plan may cause duplication of effort or gaps in service for Detroit residents.

Detroit’s lowest skilled job seekers still face complex challenges.

- Low-skilled Detroit job seekers still face literacy, numeracy, and work-readiness challenges.
- The lack of public transportation makes it hard for low-skilled Detroit residents to find and keep jobs.
- Policies and practices are sometimes in conflict with sustainable solutions to deeply rooted problems.
- The system is sometimes inaccessible to those who need it most.

Although promising relationships have formed, employer engagement is still low.

- Low levels of employer engagement means information about workforce needs and job and career pathway opportunities isn’t readily exchanged.
- Employers don’t have current insights into the labor market.
- Public and private investments into the system aren’t optimized.

Funders and investment strategies are not always aligned.

- Funding and investment strategies in Detroit are largely uncoordinated.
- The public system has tough choices to make about its target customers and scope of services.
- Funding and investment strategies are the key drivers of how Detroit’s system operates.

Data, information and knowledge sharing are inconsistent.

- The system lacks common ways to collect or evaluate system-wide quantitative and qualitative data and outcomes.
- There are very few — if any — shared communication channels across the system.
- Though available, labor market data is not as widely used as it could be.
- The absence of data is costly.

Individual and organizational capacity is unclear.

- The lack of shared metrics makes it difficult to identify, test, or share promising practices.
- There’s no clear line-of-sight between what the system promotes, measures, or rewards.
- Front-line staff has little opportunity for professional development.

Detroit’s system does not yet reflect a culture of transparency, accountability, collaboration, or innovation.

- Detroit’s system still reflects an historical culture of competition.
- Despite decades of distrust, many are hopeful that this process will produce markedly different outcomes for the system and those it serves.
In October 2015, the Mayor announced the completion of two major undertakings: 1) completely reconstituting the local workforce investment board to include more than 20 global, national, and local CEOs among other business, philanthropic and civic leaders; and, 2) establishing the Mayor’s Office of Workforce Development—a system-wide vision-setting and strategic partner for the Detroit Employment Solutions Corporation (DESC), the city’s public workforce funding agency. Both moves were recognized as leading-edge practices that would set a new bar for workforce strategy in the City.

The Mayor’s Workforce Development Board, Office of Workforce Development, and the DESC and its new corporate board are leading a unified city-wide vision and plan with clear priorities and metrics that address the complexities of Detroit’s resource-challenged, multi-layered workforce ecosystem. Alongside the philanthropic investments made by JPMorgan Chase, other philanthropic investors, including participants in the Detroit Regional Workforce Fund, chaired by Kresge Foundation and WK Kellogg Foundation, are coming together to form new partnerships in support of the City’s workforce strategy. To ensure that youth are fully included in the city’s workforce strategy, Skillman Foundation’s CEO chairs the Youth Committee of the Mayor’s Workforce Development Board.

Across the system, initiatives for Detroiters are being connected and aligned around literacy and work-readiness, transportation and child-care, access to postsecondary education and credentials, and career pathways in the growth sectors identified by the Mayor’s Workforce Development Board (Auto/Manufacturing, Healthcare, Construction, Sports/Entertainment, and IT). Youth and young adults, Returning Citizens and residents with disabilities are among the populations who stand to benefit from increased attention to the barriers which most affect them. Beyond the initiatives already identified, research is underway to understand the flow of funding and investments in the workforce system, and to more comprehensively map the landscape of workforce services and providers serving Detroiters.

While the Mayor and other leaders are strategically evaluating the needs and interests of Detroit’s job seekers, others across the system are busy taking action on the front lines. Establishing 24-hour bus service on major routes is one example of a real solution to a real problem for many Detroiters. While it is impossible to know how many of Detroit’s 100,000 public transit users are now using the system to access employment and employment-related services, we know that the routes selected for 24-hour service provide access to some of the city’s leading and growing employers. Detroit’s cross-training program for Detroit fire-fighters and emergency medical technicians is yet another example of an action that serves two purposes: implementing leading-edge practices that save more lives, and piloting programs that advance the skills and career opportunities of public safety and healthcare workers.

While workforce systems across the nation restructure their workforce investment boards and adjust priorities to meet the requirements of changing federal regulations, Detroit is taking a comprehensive, head-on approach to understanding and tearing down the barriers and building on opportunities facing its city’s job seekers and employers. The Mayor’s Workforce Development Board, Office of Workforce Development, and other partners across the system look forward to sharing with and learning from other system leaders across the nation.
Corporation for a Skilled Workforce is a national nonprofit that partners with government, business, and community leaders to connect workers with good jobs, increase the competitiveness of companies, and build sustainable communities. For more than 24 years, we have been an effective catalyst for change. We identify opportunities for innovation in work and learning and provoke transformative change in policy and practice. We have worked with dozens of workforce investment boards, state and local workforce agencies, community-based organizations, foundations, federal agencies, and colleges to create lasting impact through their collaborative action.

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