

New York City Sectors Initiative

New York, New York

The New York City Workforce Development Funders Group is a consortium of foundations and corporate philanthropies that have pooled their philanthropic resources to address a range of workforce development issues. In 2005, the Funders Group joined with the New York City Department of Small Business Services to create the Workforce Innovation Fund that supports the New York City Sectors Initiative.

The goal of the New York City Sectors Initiative is to create a new model of workforce development that links workforce development services to economic development strategies and investments. The NYCSI serves as a model for other sectoral and intermediary strategies of the Department of Small Business Services to foster intermediary capacity in key economic sectors. By helping workforce development policymakers, employers, and practitioners gain an understanding of business hiring practices and internal pipelines, the initiative aims to create more employment and advancement opportunities for New York City residents while meeting the needs of employers.

Funder Collaborative

The New York City Workforce Development Funders Group invests with the Department of Small Business Services, which manages the city's adult and dislocated workers services under the Workforce Investment Act, in sectoral employment initiatives and intermediaries. Together SBS and the Funders Group form the Workforce Innovation Fund, which is comprised of SBS, the Altman Foundation, the Clark Foundation, the Ira W. De Camp Foundation, Deutsche Bank, Bernard F. and Alva B. Gimbel Foundation, Independence Community Foundation, JP Morgan Chase, New York Community Trust, Rockefeller Foundation, Tiger Foundation, and United Way of New York City.

The Workforce Innovation Fund has commitments of \$500,000 in private funds and up to \$1.3 million in public funds annually. Grant making is done on a consensus basis by participating funders. Philanthropic members pool their funds in a grant managed by the New York City Community Trust, which awards them to the Workforce Development

Corporation, a private nonprofit established by the city to receive philanthropic grants. SBS also awards WIA customized training funds to the Workforce Development Corp., which awards them to sectoral workforce partnerships through an RFP process.

The Workforce Innovation Fund is staffed by Public/Private Ventures, which manages the Sectors Initiative on behalf of SBS and the Funders Group. In addition, the funding partners have contracted with P/PV to conduct a project evaluation of the Sectors Initiative.

Key Strategies and Interventions

The central approach of the NYCSI is to support sectoral employment efforts and increase sectoral intermediary capacity. The premise of NYCSI is that sectoral intermediaries can create true partnerships with employers by developing an acute understanding of a given sector or industry and meeting the needs of the industry's employers—for example, providing incumbent worker training, improving productivity, and meeting key personnel needs.

The NYCSI provides two types of grants: planning grants and demonstration grants. Planning grants allow intermediaries to identify employer and service provider partners and to understand employer needs before implementing full demonstration projects. Demonstration grants, which require 50 percent employer match, implement the Sectors Initiative workforce intermediary approach. Additionally, the initiative provides technical assistance from both P/PV and SBS to the funded intermediaries. To date, the initiative has invested in three planning grants and two demonstration grants to sectoral workforce intermediaries, which are responsible for:

- Managing a planning phase, which includes analyzing employer needs, assembling partners, and structuring the collaborative partnerships;
- Leading collaborations of service providers and employers during the demonstration phase; and
- Collecting outcomes data.

The Sectors Initiative Demonstration projects are:

- *Metropolitan Council on Jewish Poverty*: The Met Council focuses on the health care sector. It was funded in September 2005 with \$1.5 million over three years to undertake a demonstration phase. The project provides innovative, customized training, support, and employment services to 131 participants, who will be placed in high-demand target occupations: state-certified emergency medical technician, state-certified paramedic, medical office assistant, and radiology technicians.
- *SUNY Downstate Tech Center*: SUNY Downstate focuses on the biotechnology sector. It was funded with \$860,000 over three years to undertake the demonstration phase of its project. The goals are to increase the capacity of the biotechnology lab technician workshop at City University of New York's Hunter College, interest new people in the field through a scholars community, and create a pipeline of students that links CUNY's two-year and four-year programs in biotechnology. Specifically, the project will support the creation of a Biotechnology Scholars Community for laboratory technicians that includes participants recruited from four-year schools and community colleges from within the CUNY system. Project funds will support the recruitment of students, new curricula and internship design, increased capacity of an existing biotechnology workshop at Hunter College and an existing internship program, and a job placement component. The three-year goal is to place 127 participants in biotechnology positions.

To date, the major outcomes of the NYCSI are at the level of systems change and systems capacity rather than in individual outcomes, which will come out of the newly funded demonstration projects. Outcomes to date include:

- The creation of a public-private funder collaborative that strategically invests in workforce development capacity and services in key sectors in New York City;

- Securing new investment funds of nearly \$2 million annually for sectoral workforce services and intermediary capacity building;
- The formation and development of intermediary capacity in the health care and biotechnology sectors;
- Providing lessons to SBS on how to shape customized training grants in health care and other industries; and
- Engaging employers in financially supporting advancement programs for entry-level workers.

As the demonstration projects provide services to individuals and employers, they will track outcomes such as:

- Completion of education or training and receipt of certifications;
- Number placed in training-related jobs;
- Wages earned, hours worked, benefits received;
- Number of employers engaged and level of investment;
- Employer hiring of graduates; and
- Employer satisfaction.

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