



**PARTNERS FOR A  
COMPETITIVE  
WORKFORCE**



# PCW IS OUR REGION'S EFFORT TO CLOSE THE SKILLS GAP

Partners for a Competitive Workforce is a tri-state partnership, managed by United Way

We are 150+ organizations joining efforts...

- > employers
- > workforce boards
- > chambers and economic development entities
- > education and training institutions
- > community organizations

... to go farther, faster.

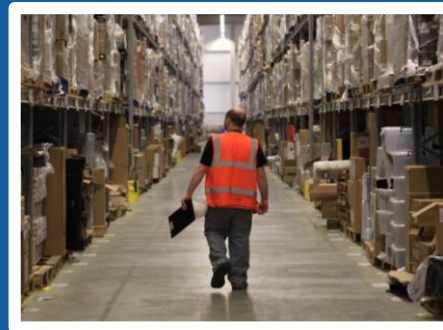
# Sector partnerships are closing the skills gap in key industries



**HEALTH CARE**



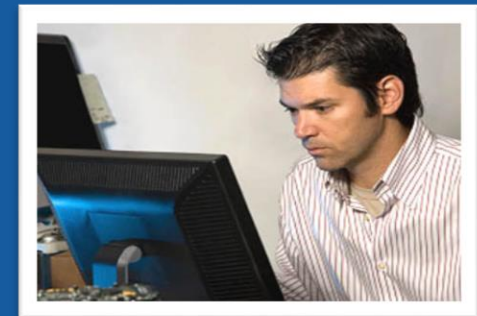
**ADVANCED MANUFACTURING**



**SUPPLY CHAIN**



**CONSTRUCTION**



**INFORMATION TECHNOLOGY**

# WE ARE DELIVERING RESULTS FOR WORKERS

11,270+ served

79% obtaining  
employment

67% retained for  
12 months

Increased annual  
earnings by up to  
\$7,500; \$7.3M  
per year total



LIVE UNITED™



# INDEPENDENT EVALUATION

Compared to traditional job training programs, PCW-supported programs deliver:

- **40%** higher employment rates
- Up to **58%** higher earnings
- Up to **\$3** returned for every **\$1** invested

# WE ARE DELIVERING RESULTS FOR EMPLOYERS

## Health Careers Collaborative ROI Studies

- Monetized benefits:
  - Increased retention provides up to \$69,000/year savings, **11.9% ROI**
  - Wage gains for employees: **\$18.95/hr. vs. \$16.15/hr.**
- Non-Monetized benefits:
  - Increased racial diversity: **8-12% difference in team composition**
  - Improved staff morale and engagement



## Manufacturing Industry Partnership ROI Study

- **875% ROI for entry level machine operator training**
- **30% reduction in OJT time for trainees**



# TALENT PIPELINE IMPACT

- Nearly 15,000 youth reached in 2016
  - Greater Cincinnati STEM Collaborative projects
    - Summer of STEM
    - 3D Printer Clubs
    - Bike Clubs
    - Girls in STEM
  - Industry-specific outreach, e.g.,
    - What's so cool about manufacturing video contest
    - Youth co-op, internship, and apprenticeship programs
    - Tours, job shadows, career fairs

**WHY CAN'T YOU FILL YOUR OPEN  
POSITIONS...IS IT ONLY A SKILLS GAP?**



# SUPPLY – why can't you fill your open positions?

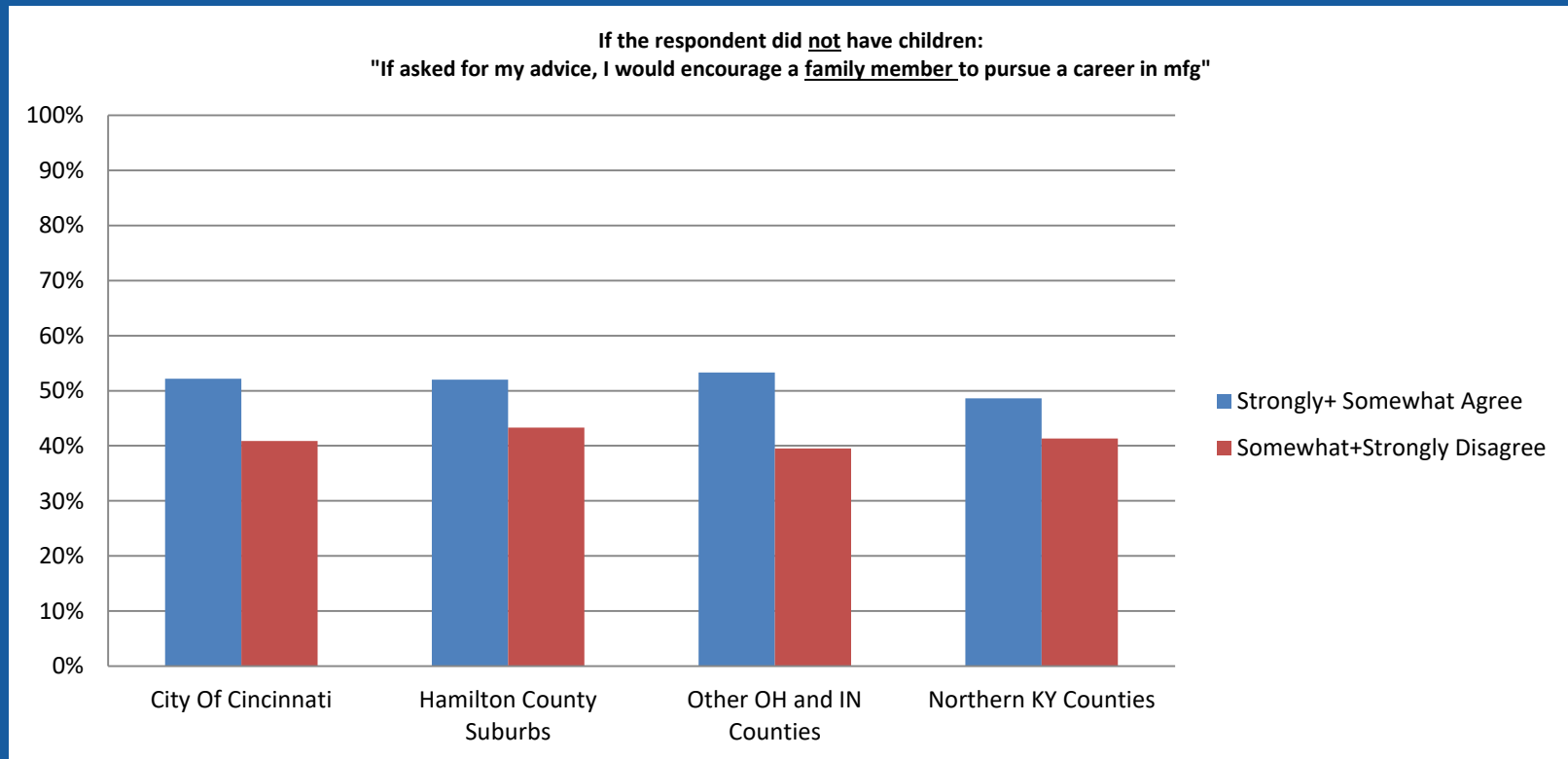
- Skills gap

Jobs Outlook 2020 report showed:

- 90% of jobs in 2020 will require SOME education or training after high school (but not necessarily a 4 year degree)
- Only about half of regional workforce has ANY education or training after high school

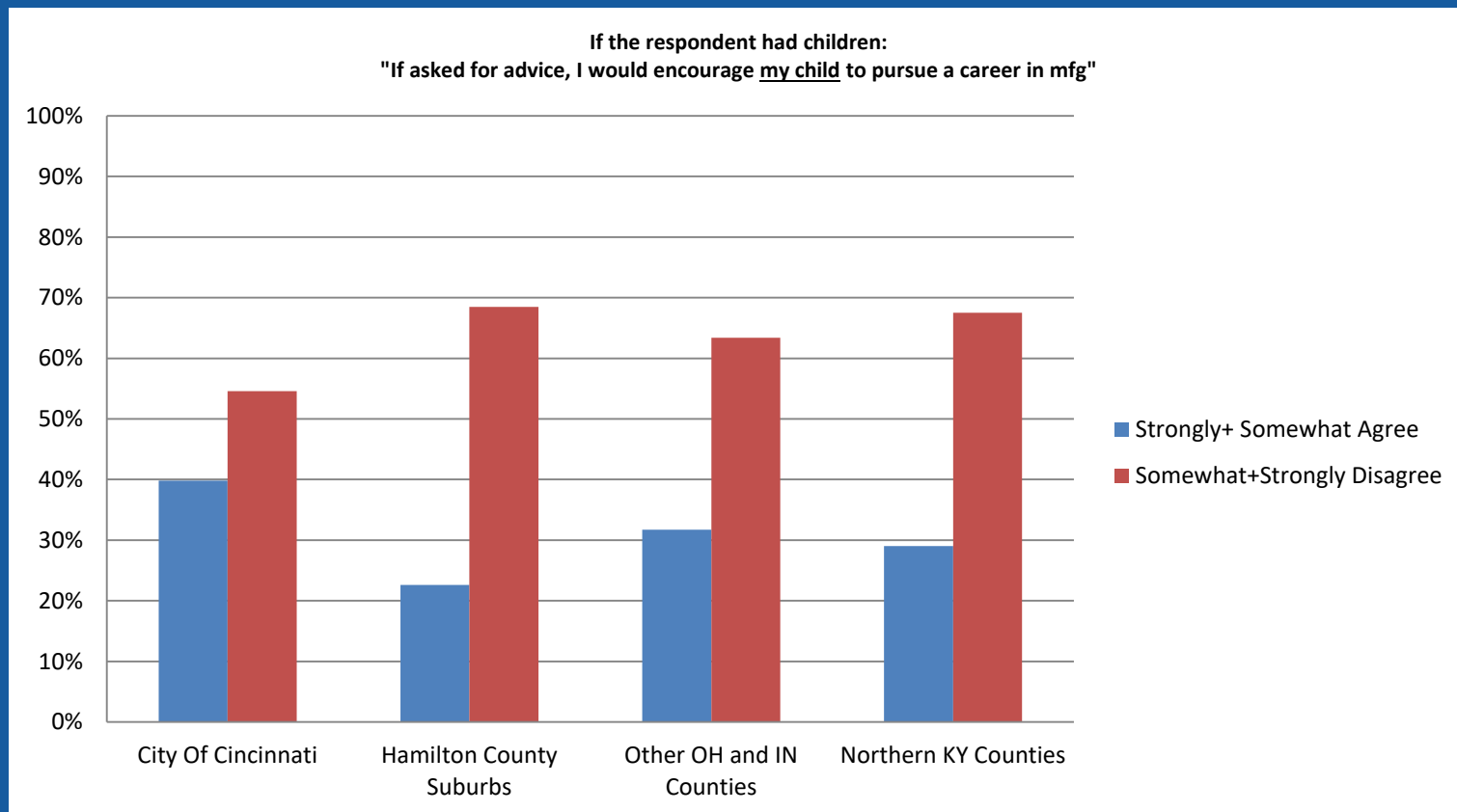
# SUPPLY – why can't you fill your open positions?

- Attitudes about certain industries



# SUPPLY – why can't you fill your open positions?

- Attitudes about certain industries - PARENTS



# SUPPLY – why can't you fill your open positions?

- Barriers to overcome

- Transportation to school and/or work

- Transit study/Regional indicators report – only 59% of regional jobs are reachable by public transit

- Access to affordable, quality child care that meshes with job and/or school schedules

- Quality child care is more expensive than college tuition
- Home based care vs. center based care is preferred for evenings/overnights i.e. 2<sup>nd</sup> and 3<sup>rd</sup> shift

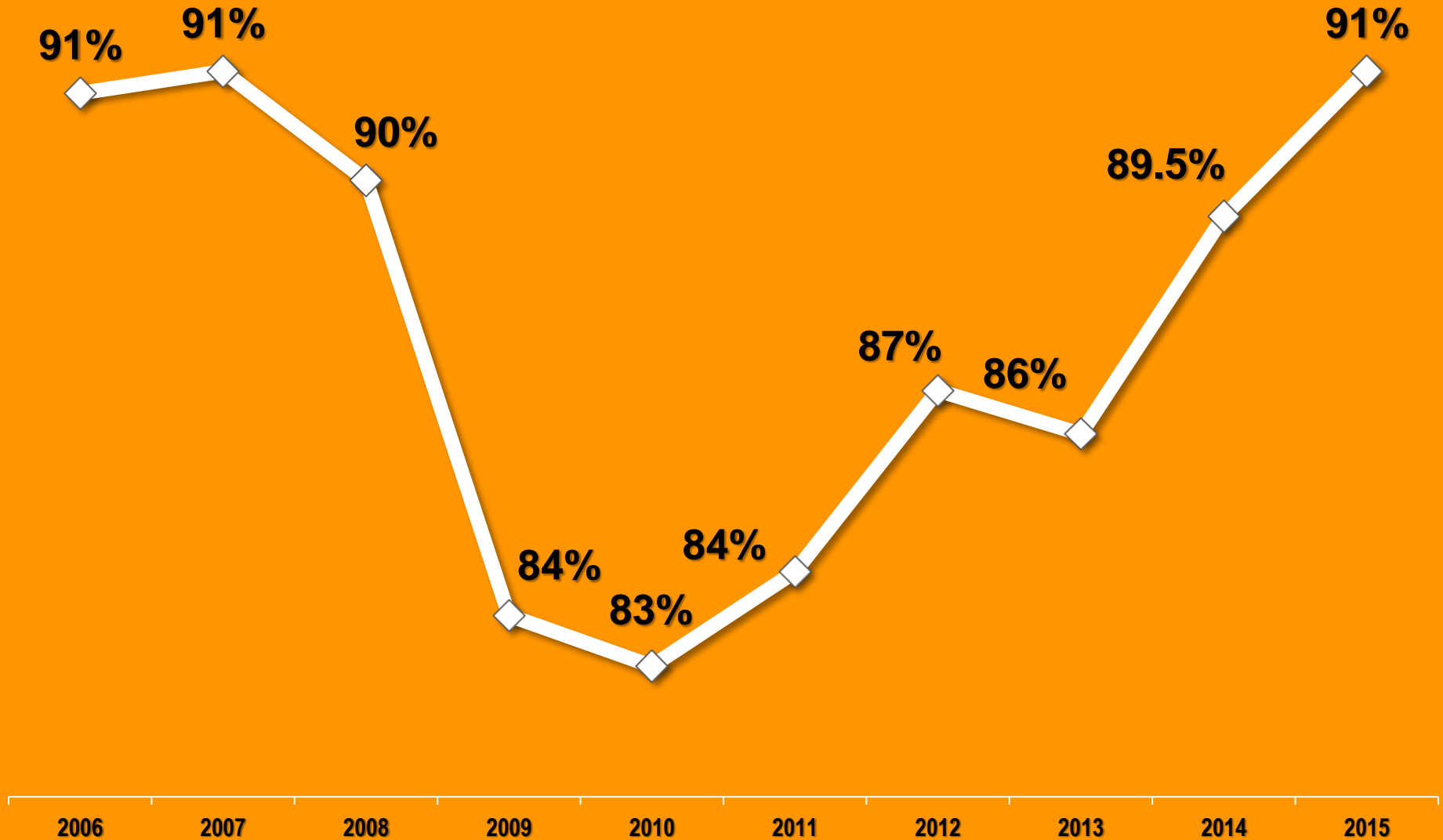
- Intimate Partner Violence

- On average, 30% (some sites 50%+) of job seekers (81% female/19% male) have some experience with intimidation/intimate partner violence
- 177 children in the homes of those reporting issues

# **SUPPLY** – why can't you fill your open positions?

They can't afford to go back to school...  
...or to take that job

# DASHBOARD : 90% GAINFULLY EMPLOYED

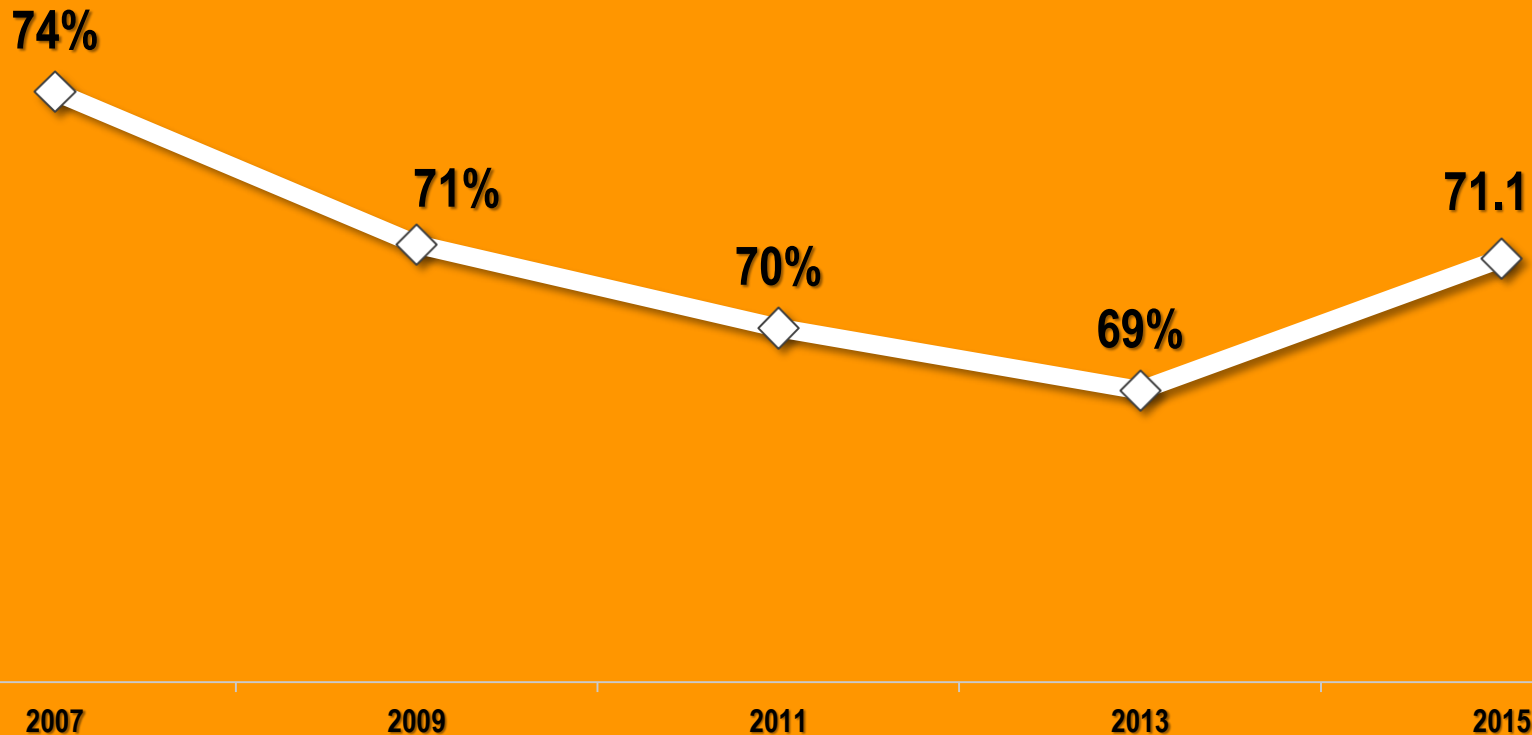




# EMPLOYED, BUT ARE THEY GETTING BY?

## Percentage Above Self Sufficiency (200% Federal Poverty Level)

*200% FPL for a family of four = \$49,200*



# Understanding “Self Sufficiency”

| 2017 Federal Poverty Level Guidelines |             |             |              |                              |
|---------------------------------------|-------------|-------------|--------------|------------------------------|
| Family Size                           | 100% Annual | 200% Annual | 200% Monthly | 200% Hourly<br>(2080 hrs/yr) |
| 1                                     | \$12,060    | \$ 24,120   | \$2,010      | \$11.60                      |
| 2                                     | \$16,240    | \$ 32,480   | \$2,707      | \$15.61                      |
| 3                                     | \$20,420    | \$ 40,840   | \$3,403      | \$19.63                      |
| 4                                     | \$24,600    | \$ 49,200   | \$4,100      | \$23.65                      |

**200% of FPL covers just the basics – food, rent, utilities. Nothing is left over for saving for college, or car repairs, or medical emergencies**

**52% of all families with children under 18 in the region, married or not, have a single wage-earner**

**72% of all jobs in the region (78% of manufacturing jobs) pay less than \$50,000/year.**

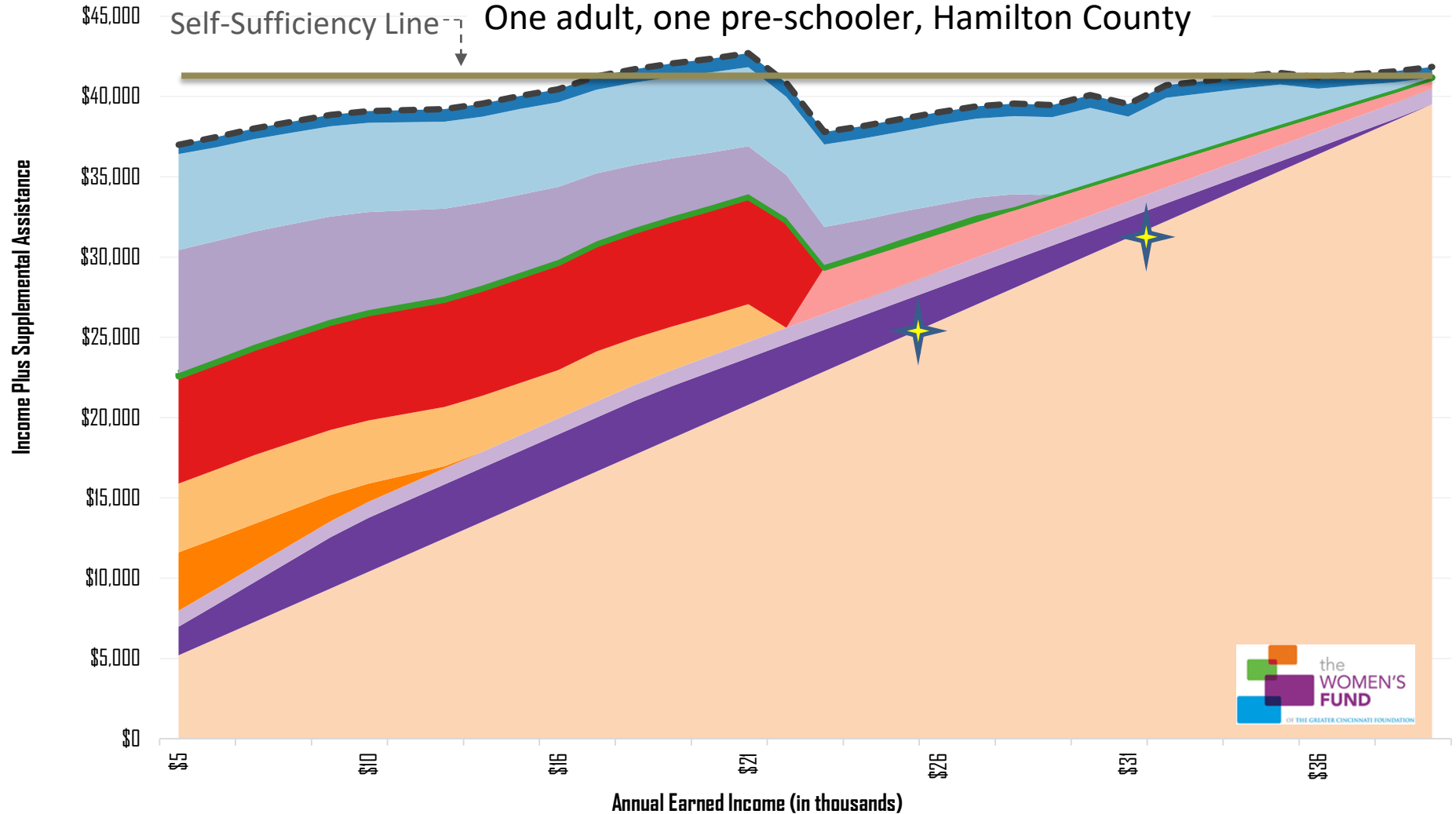
**70% of Gateway students have household incomes below \$25,000/year (similar for Cinti State).**

# Wages in our Region

Jobs EQ 2016 BLS

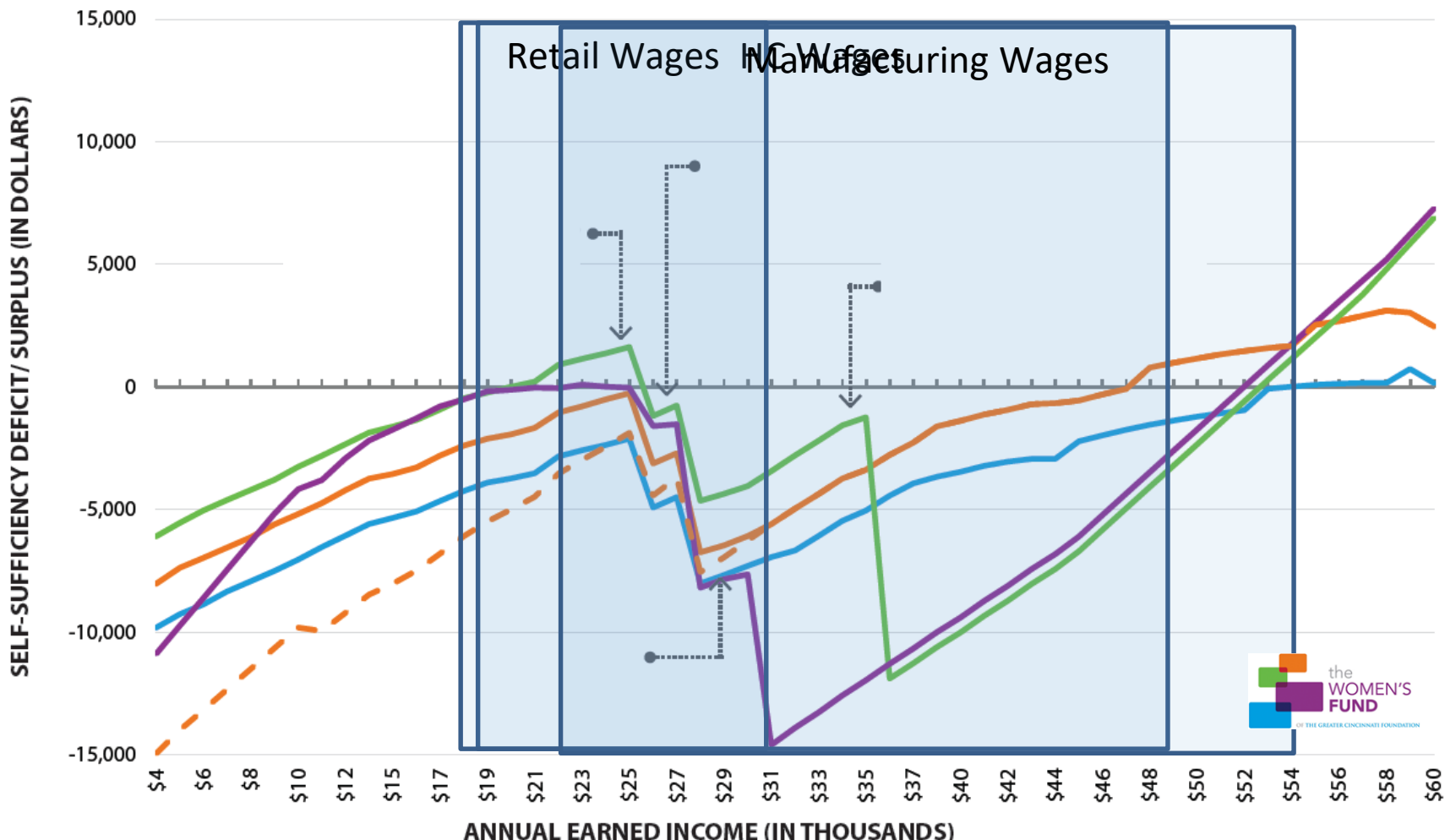
| Occupation              | Entry Level Wage            | Experienced Wage          |
|-------------------------|-----------------------------|---------------------------|
| <b>Manufacturing</b>    |                             |                           |
| Team Assembler          | <b>\$22,400 (\$11/hr)</b>   | \$37,800 (\$18.00/hr)     |
| CNC Machine Operator    | \$28,000 (\$13.50/hr)       | \$51,000 (\$24.50/hr)     |
| Machinist               | \$30,200 (\$14.50/hr)       | <b>\$54,100 (\$26/hr)</b> |
|                         |                             |                           |
| <b>Health Care</b>      |                             |                           |
| Home Health Aide        | <b>\$19,400 (\$9/hr)</b>    | \$24,100 (\$11.50/hr)     |
| Medical Assistant       | \$24,100 (\$11.60/hr)       | \$35,200 (\$17.00/hr)     |
| Phlebotomist            | \$23,800 (\$11.50/hr)       | \$35,300 (\$17/hr)        |
| Community Health Worker | \$31,100 (\$15/hr)          | <b>\$48,700 (\$23/hr)</b> |
|                         |                             |                           |
| <b>Retail</b>           |                             |                           |
| Cashier                 | <b>\$17,900 (\$8.50/hr)</b> | \$22,400 (\$10.75/hr)     |
| Retail Sales            | \$18,300 (\$9/hr)           | <b>\$31,700 (\$15/hr)</b> |

Self-Sufficiency Line One adult, one pre-schooler, Hamilton County



- Annual Wage
- Federal Earned Income Tax Credit (EITC)
- Child Tax Credit
- TANF
- SNAP
- Affordable Care Act (ACA)
- Medicaid
- HEAP Assistance Utilities
- Child Care Assistance
- Child Care Subsidies
- Federal Child and Dependent Care Tax Credit
- Total Gross Resources

# Single Mother Preschooler Infant



Hamilton County, Ohio Franklin County, Ohio Cuyahoga County, Ohio Boone County, Kentucky

Hamilton County, Ohio (without housing)

SELF-SUFFICIENCY STANDARD \$ 61,048 \$ 63,355 \$ 56,634 \$ 56,252


# So, \$50K/year seems high...

- For perspective – purchasing power over time
- CPI – Consumer Price Index on-line tool:

|   | P&G Engineer |
|---|--------------|
| 1983 wages  | \$27,600     |
| 2017 wages needed<br>for equivalent<br>purchasing power | \$68,000     |

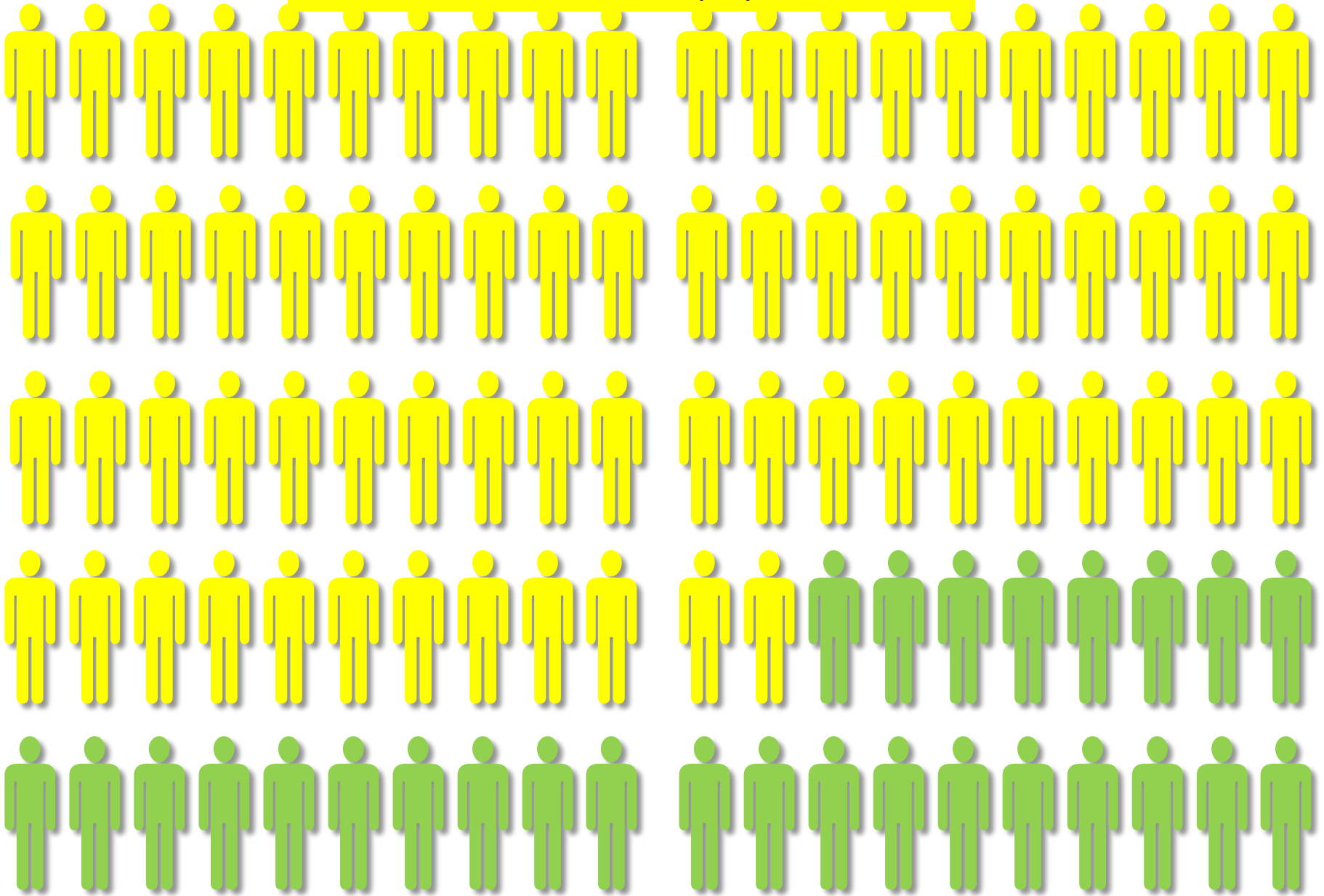


**COME ON, THERE HAS TO BE  
SOMEONE OUT THERE, RIGHT?**

A grid of 100 green human icons, arranged in 10 rows and 10 columns, representing a population. A yellow banner is overlaid on the grid, containing the text: "If our region's 20-65 year old population were 100 people...".

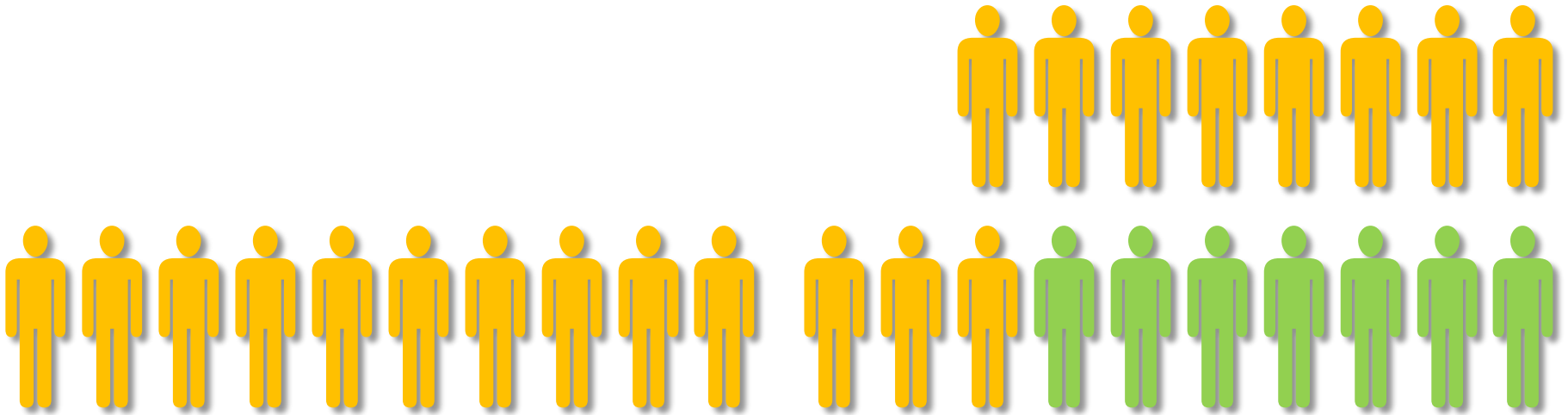
If our region's 20-65 year old population were 100 people...

72 would be employed



28 would be unemployed or not looking for work

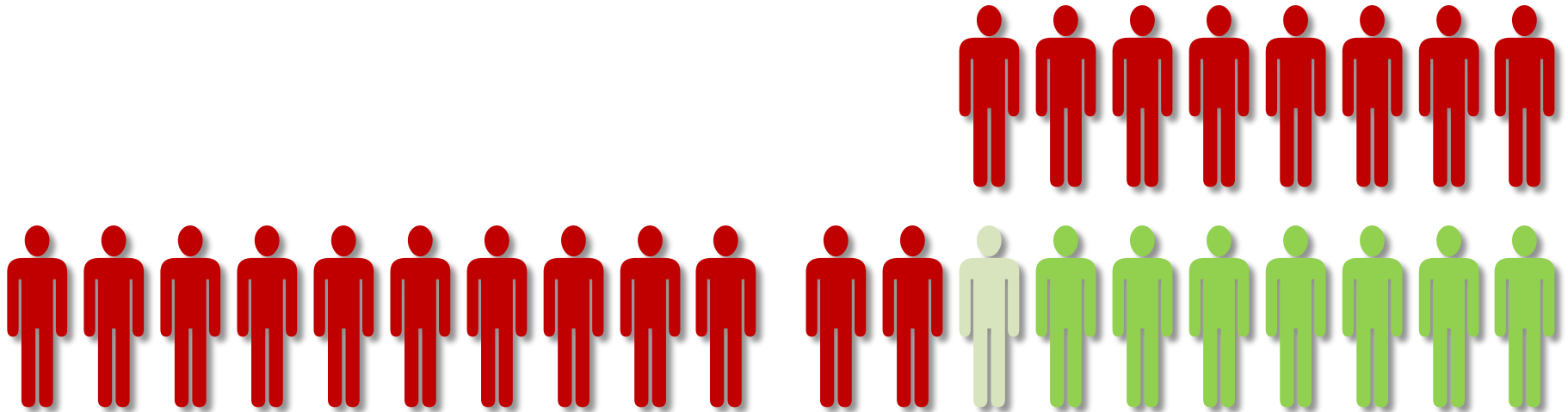
Of those not employed, 21 of them would not be looking for work



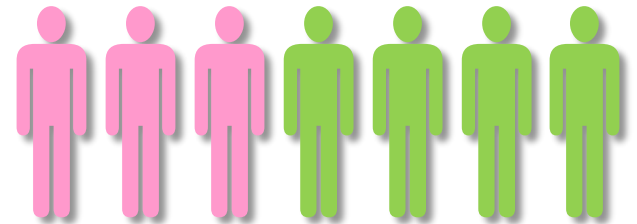
Of those not employed, 21 of them would not be looking for work

And of those 21 not looking for work, 20 have not looked for years.

1 wants a job, but has not looked in the last 1-12 months.

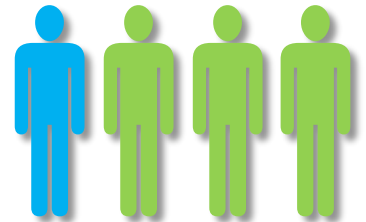


Of the unemployed who are looking for work, 3 would be women

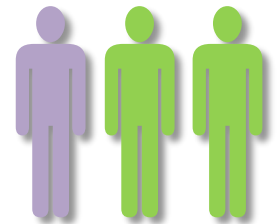




Of the unemployed job-seeking men who are left, 1 would not have a high school diploma

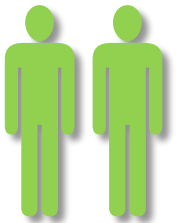


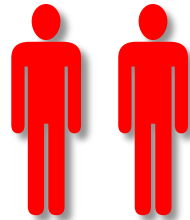
But, of the unemployed job seeking men who have a HS diploma, 1 has an arrest record



Once we take out people who are employed, people who are not looking for work, women, men without a HS diploma, and men who have an arrest record, we are left with ...

2 unemployed men who are seeking a job, have a diploma, and a clean background check





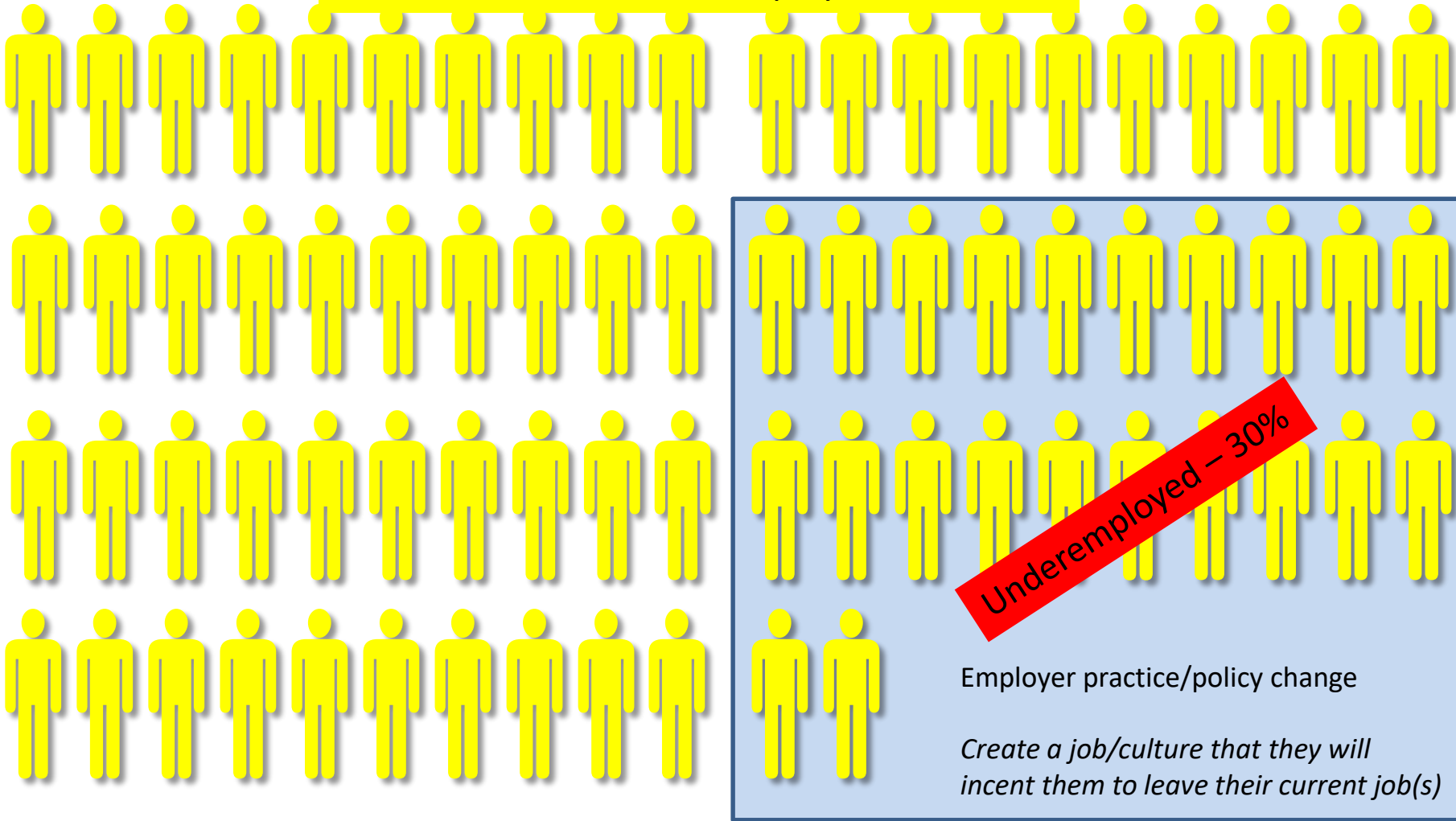
For perspective, the high school seniors add 2 more people to the pool/year

1 of them will enroll in post-secondary education

# So what does this mean?

- Focus on unemployed men with a HS diploma and clean background is too limiting
- Adding in HS students does not add much more to the already limited pool
- *We need to be fishing in better stocked ponds i.e. the currently employed/underemployed and expanded use of programs serving those with many barriers (criminal records, disabilities, etc.)*

72 would be employed



There are 10X more people who are underemployed than there are unemployed or are coming out of HS.

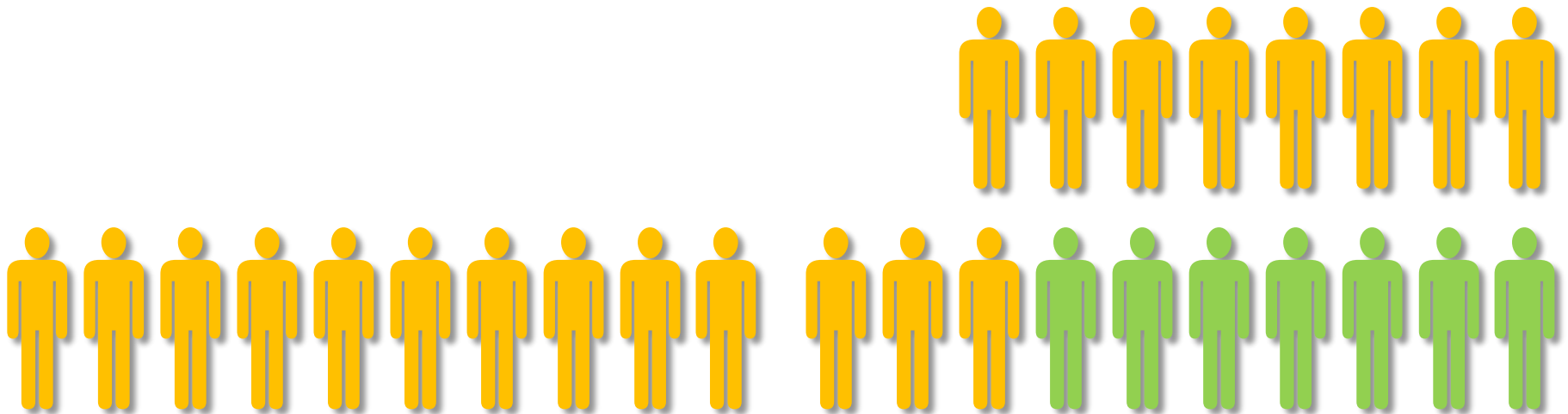
versus





Programs serving women, returning citizens, people with disabilities, etc. e.g. Nehemiah, Center for Employment Opportunities (CEO), ODEP/Regional Chamber...*create a job/culture that will incent and support their transition into the workforce*

Of those not employed, 21 of them would not be looking for work



**SO, ARE YOU TELLING ME THAT RAISING  
WAGES IS THE ONLY ANSWER?**

**No, but it is a consideration in a  
broader Good Jobs Strategy**

# FSG – Investing in Entry Level Talent

FIGURE 1. STRATEGIES FOR RETENTION



# CINCINNATI GOOD JOBS INITIATIVES

- Child Poverty Collaborative Employer Roundtable
  - Women's Fund Employer Tool Kit
- NFWS/Hitachi Fdn – 3 small manufacturers

# CALL TO ACTION

## **Employers:**

- Calculate your cost of turnover
- Survey your managers & front line workers to identify issues/opportunities
- Use tool-kit to identify interventions that can be co-created with your staff
- Look at your pay structure vs. self-sufficiency
- Don't leave talent on the table!

## **LISC/Community/Economic Developers:**

- How can CDFI's or other funding incentivize better jobs vs. just any job?
- How can you influence large businesses to drive better jobs through their supply chain/procurement practices?

# CONTACT US!



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