



Allegheny County  
Department of  
Human Services

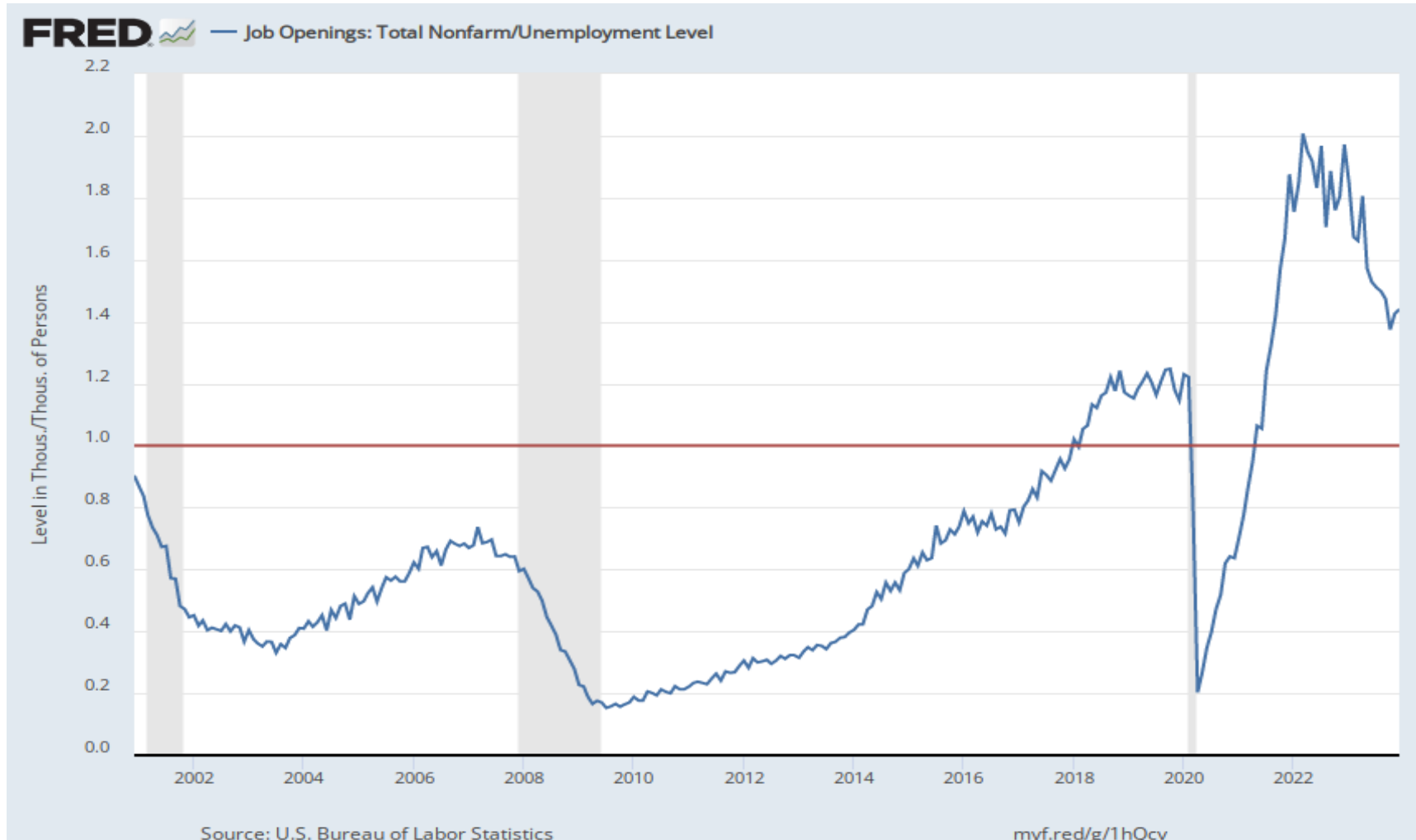
# **Workforce Development @ DHS – New Initiatives and Learnings**



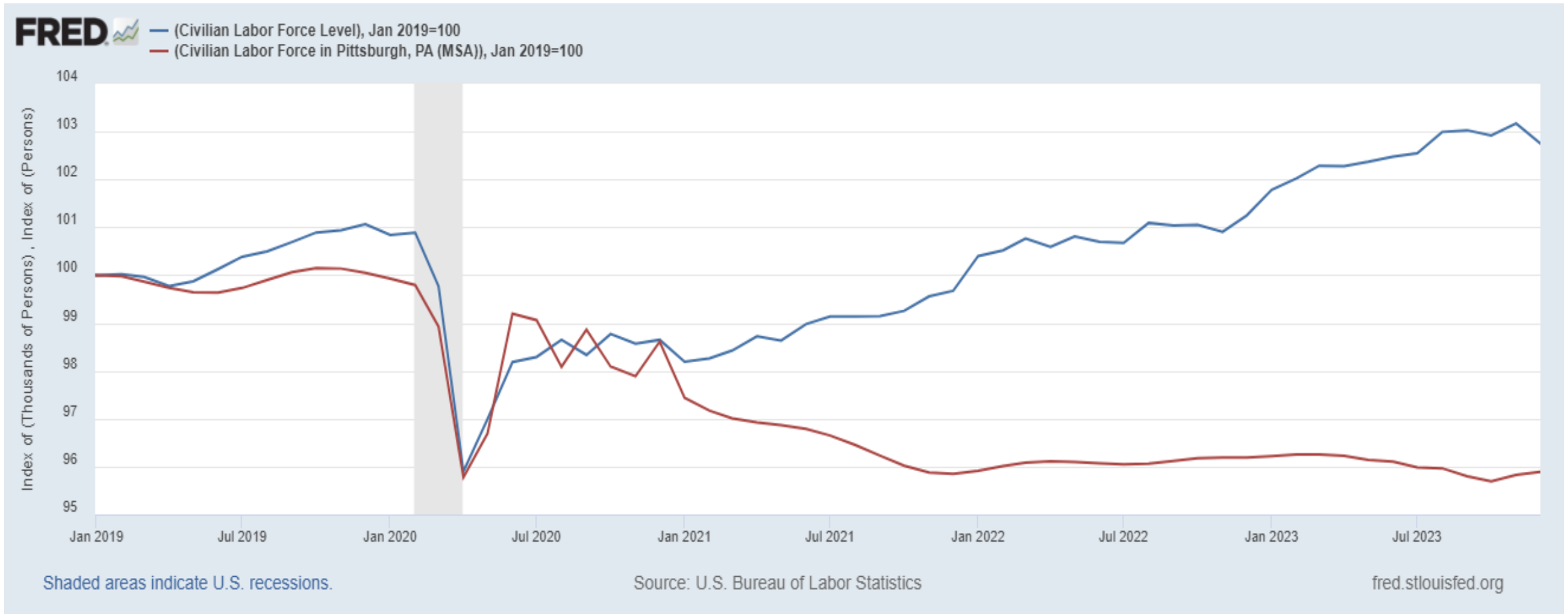
# Agenda

- Supporting workforce development at scale
  - Matching tools
  - Alleviating short-term financial barriers
  - Recruiting
  - Expanding cognitive therapy
- Increasing utilization of subsidies for hard-to-employ groups
- Reimagining social safety net for displaced workers

# What got us into this work?



# A new challenge for the local workforce



# Workforce trainers don't operate at scale

Source	Format and Duration	Total Current Capacity (Estimated Unfilled Capacity)
New Century Careers	Full-Time, In Person	40/year (30%-40%)
	Part-Time, In Person (Evenings)	16/year (30%-40%)
Per Scholas	Full-Time, In Person	60/year (50%)
	Part-Time, Remote	20/year (50%)
YearUp Pittsburgh	Full-Time, In Person (12 months; 6 months internship at \$500/wk)	70/year (80 enrollees)
Catholic Charities (Broadband)	Full-Time, In Person (10-12 weeks)	50/year

## Broadband worker shortage affecting Biden administration's high-speed internet goals



# Scale Challenge – Job Matching

“When asked to name the single most important thing they need assistance with to find employment, [unemployed] respondents most commonly requested help finding the right job opportunities....”

- DHS 2021 Community Needs Assessment

# Tale of 2 Job Seekers

Business

**From \$22 an hour to \$11: GM job cuts in Ohio show a hot economy is still leaving parts of America behind**







# My NextUp Jobs

Find your best job!

## Filters

Rank the importance of the following job characteristics:

Earning a high wage

Very Important

Being able to work from home

Not Very Important

Working similar hours each week

Very Important

No more than moderate physical activity

Very Important

Apply

## About Me:

Update this info to find jobs customized for you!

Age

Here are some jobs that might be a good match for you!

### Personal Financial Advisor

Advise individuals about budgeting, taxes, investments, and other financial activities.

- \$ You could earn **\$47/hour** on average
- 📈 Moderate job growth predicted
- 🏠 Typically offers health insurance

Learn More

### Police Officer

Maintain order and protect life and property by enforcing laws.

- \$ You could earn **\$37/hour** on average
- 📈 Fast job growth predicted
- 🏠 Typically offers health insurance

Learn More

### Paralegal

Assist lawyers by investigating facts, preparing legal documents, or researching laws.

- \$ You could earn **\$31/hour** on average
- 📈 Fast job growth predicted

Learn More

### Billing or Posting Clerk

Compile and compute financial data for various billing purposes.

- \$ You could earn **\$25/hour** on average
- 📈 Moderate job growth predicted

Learn More

# Job matching pilot goals

- How valuable is better information on available opportunities?
  - Employment
  - Search duration
  - Wages
  - Industry transitions
- Partnering with P4W for recruitment
  - Digital outreach + CareerLink

# Scale challenge – Reentry and behavioral health

- Pressing need for evidence on which interventions are effective, scalable, and cost-efficient
- Service coordination has been a favored approach, yet evidence indicates that might not be effective
- In contrast, good evidence on rehabilitation programs, especially CBT
  - Can be focused on client-chosen goals such as employment

# Why CBT?

“CBT might be remembered as among the greatest inventions of the 20th C. There are few more effective, widely applicable, general purpose techniques for improving happiness and stability. Even fewer are as fast or easy. And fewer still seem so unbelievable before you do it and so obvious after. I’d put CBT in the water with fluoride and statins if it was possible.”

# Reentry supports

- Aim to serve 700 high-risk probationers with CBT annually
- Pair CBT + short-term financial support to test vs. either option alone
- Goals:
  - Reduce recidivism
  - Increase wages and employment
  - Reduce needs for intensive behavioral health services
- Opportunity to link behavioral health treatments to workforce outcomes

# Scale challenge – Short-term financial barriers

- Short-term financial constraints could be significant barrier to accessing high-quality training
  - Strong outside options
  - Uncertainty on results after training
- Info silos: (1) prospective trainees and trainers and (2) completers and employers
- Can DHS recruiting mechanisms + short-term support increase volume?

# Financial barriers and recruiting

- Small-scale pilot with New Century Careers to fund living expenses
  - Evaluate impact on completion rates, duration, employment
  - Long-term design challenge on sustainability (e.g., ISAs)
- Recruitment
  - DHS can use data warehouse to conduct targeted outreach and referrals
  - Broad utility across use cases (e.g., CWTP)
- Skill gaps and training plans via workforce supply chains

# Are there underutilized subsidies for hiring that could help?

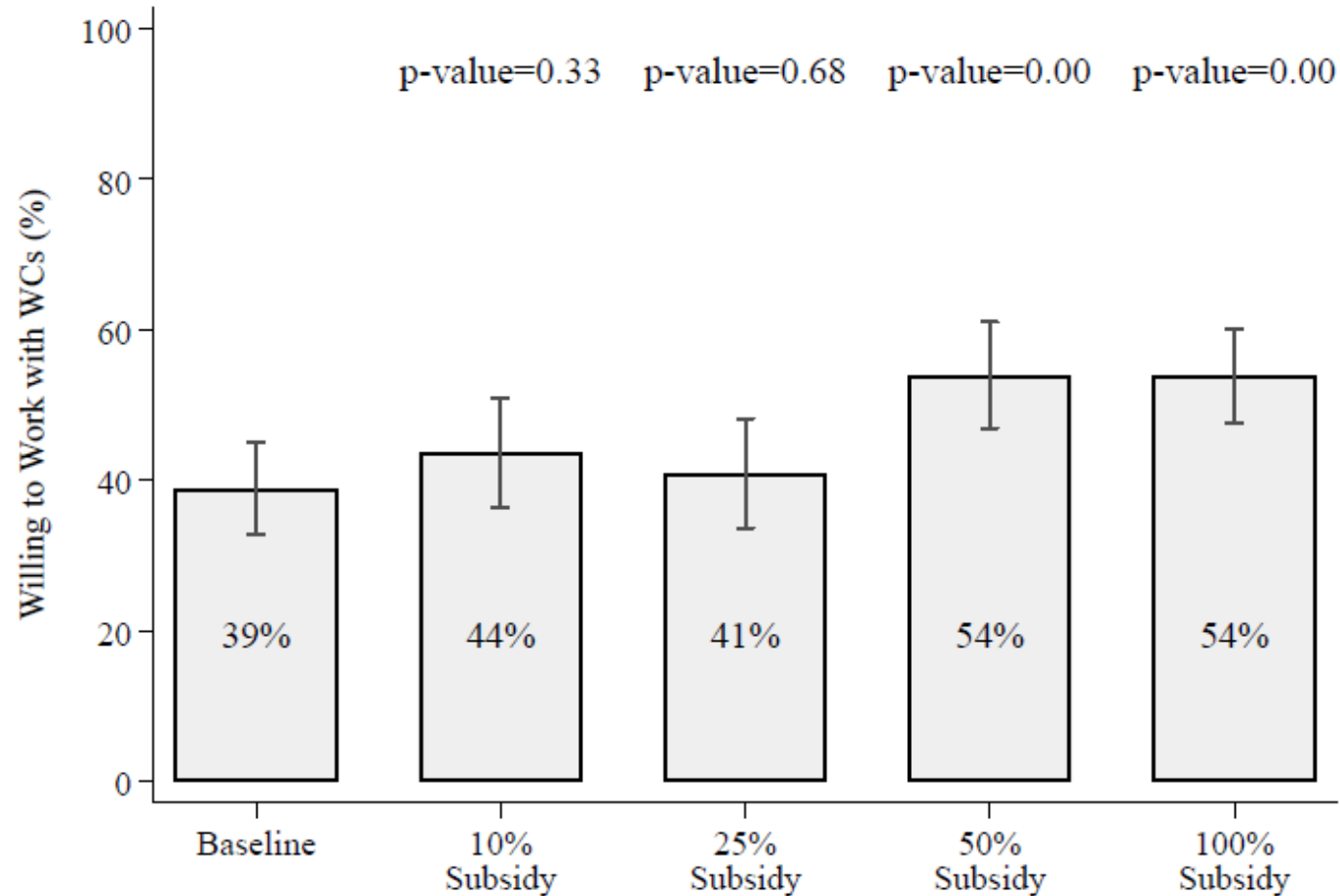
FEBRUARY 2023 **ARTICLE** QUARTERLY JOURNAL OF ECONOMICS

## Increasing the Demand for Workers with a Criminal Record

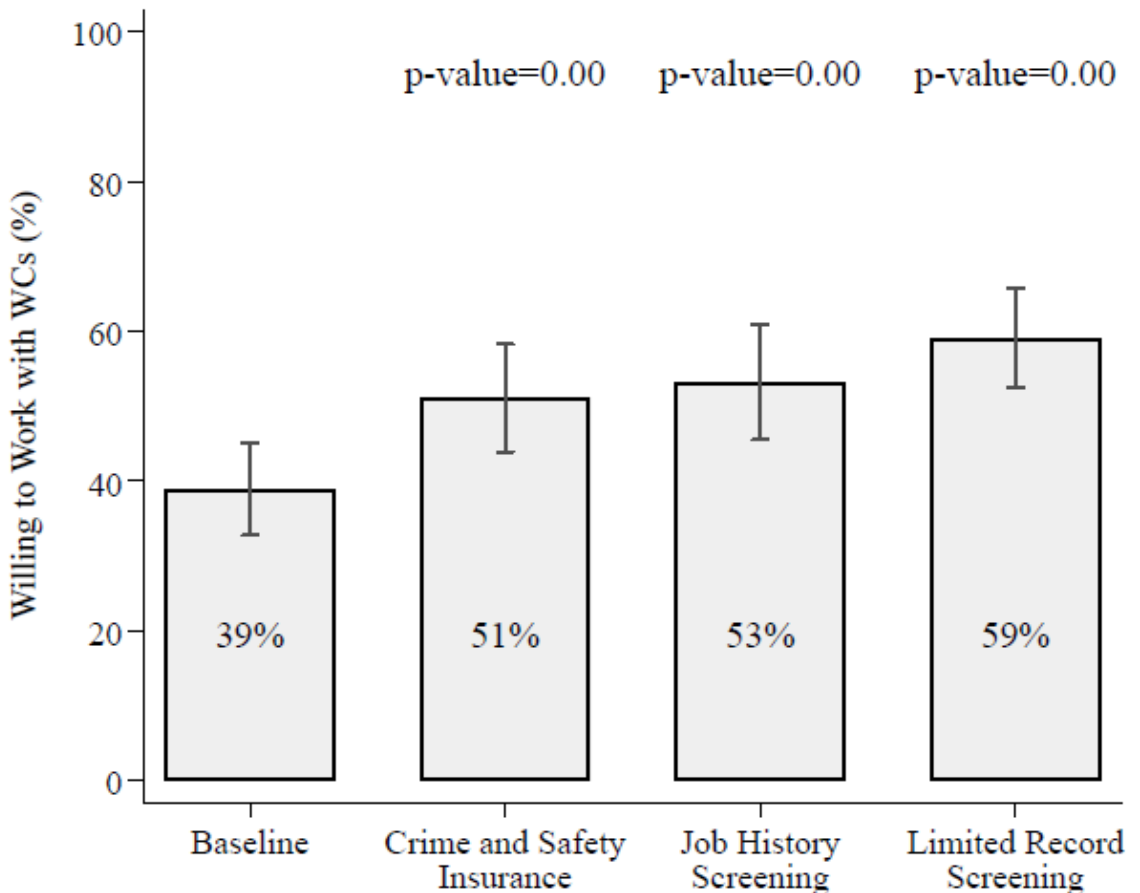
By: [Zoë Cullen](#), Will Dobbie and Mitchell Hoffman



# Wage subsidies: expensive way to increase 2<sup>nd</sup> chance employment



# Lower cost alternatives show promise



# Underutilized hiring subsidies

- Federal Bonding
  - Insurance to employers in 1-year tranches of \$5K
  - <10 individuals in PA enrolled in 1 quarter
  - 1,068 bonds last year versus 3.7M people under community supervision
- Workforce Opportunity Tax Credit (WOTC)
  - Same eligibility criteria as Federal Bonding: e.g. can include SNAP recipients
  - Credit against federal taxes of 40% of the employee's first-year wages, up to \$6K in wages (\$2.4K credit)
  - Evidence of underutilization for SMBs

# Next steps to increase subsidy utilization

- Employer interest in programs, but high administrative burden
- Large employers contract with firms to perform eligibility certification
  - Ex.: Chipotle and Equifax
- Opportunity: procure and centralize access to WOTC assessment services
  - Allow SMBs to participate
  - Recoup costs (charged as % of WOTC) to finance long term

# Improving labor market outcomes after layoffs

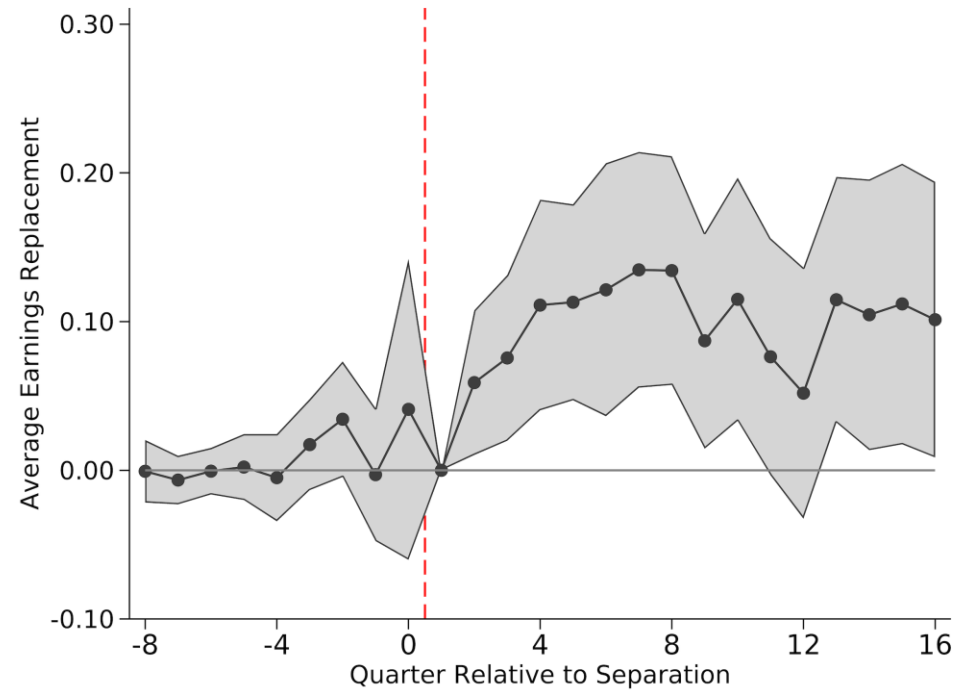
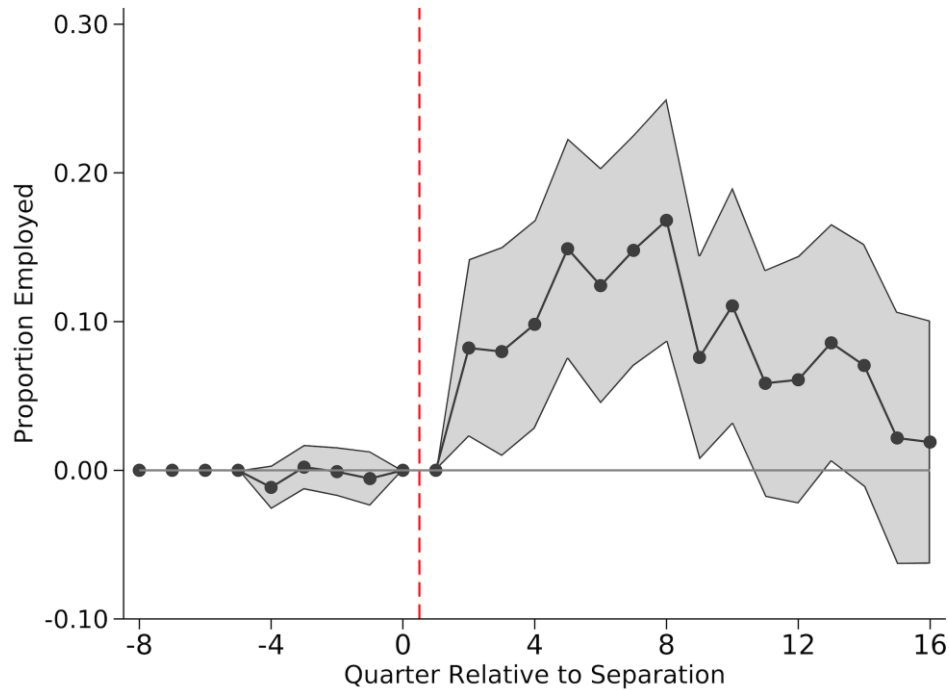
## Problem

- Displaced workers face
  - Large earnings losses
  - Persistent non-employment
  - Increased mortality
  - Lower wealth
  - Lower edu. attainment of children
  - Increased political polarization

## Promising Solution

- Wage insurance
  - Subsidy for displaced workers earning less at their new job than their old job
  - Covers fraction of gap between old and new wages
- Reemployment TAA
  - For trade-displaced workers
  - Subsidy: 50% of old vs. new wage gap
  - 2 years eligible with \$10K max benefit

# Effects of wage insurance



- Increases employment in the first 2-3 years following displacement

- Persistently increases earnings

# Next steps

- Randomized experiment
  - Do younger workers respond by migrating or switching industries?
  - Can wage insurance help with green transition?
  - How might a larger-scale program work when employers are aware of it?
- Displaced worker interviews
  - Job search goals / strategies / expectations
  - Ability to sustain job search (savings)
  - Knowledge of existing programs and reaction to wage insurance option

# Upshots and opportunities for collaboration

- Job matching: expand partnership with P4W
- Reentry supports: P4W for employer engagement post-CBT
- Underutilized benefits: Where/how to centralize? Which firms?
- Financial barriers: coordinating expansion opportunities and planning
- DHS recruiting: use cases and training
  - Workforce Supply Chains - estimate gap between skill supply and demand, help design training for missing skills
- Wage insurance: focus group participants



# APPENDIX

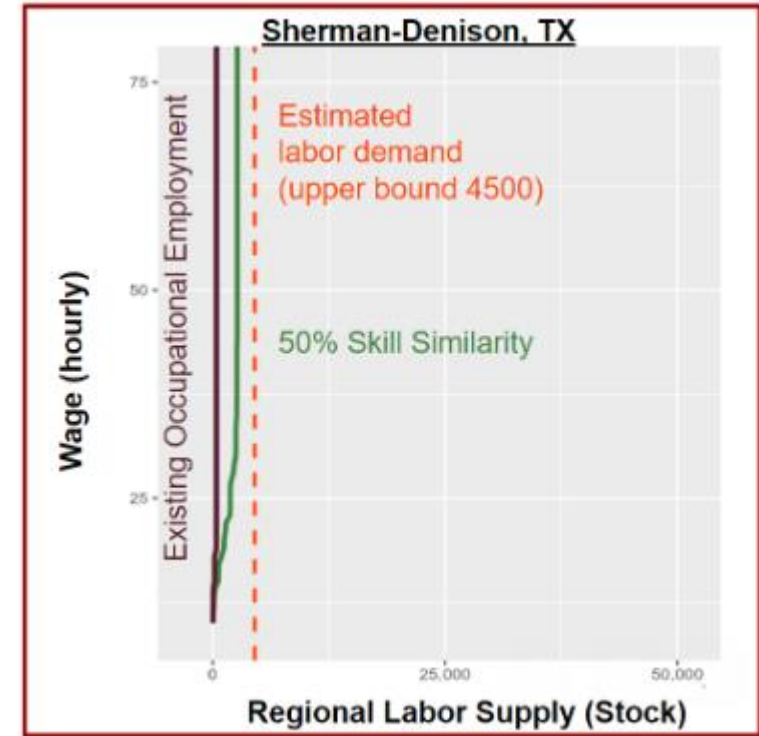
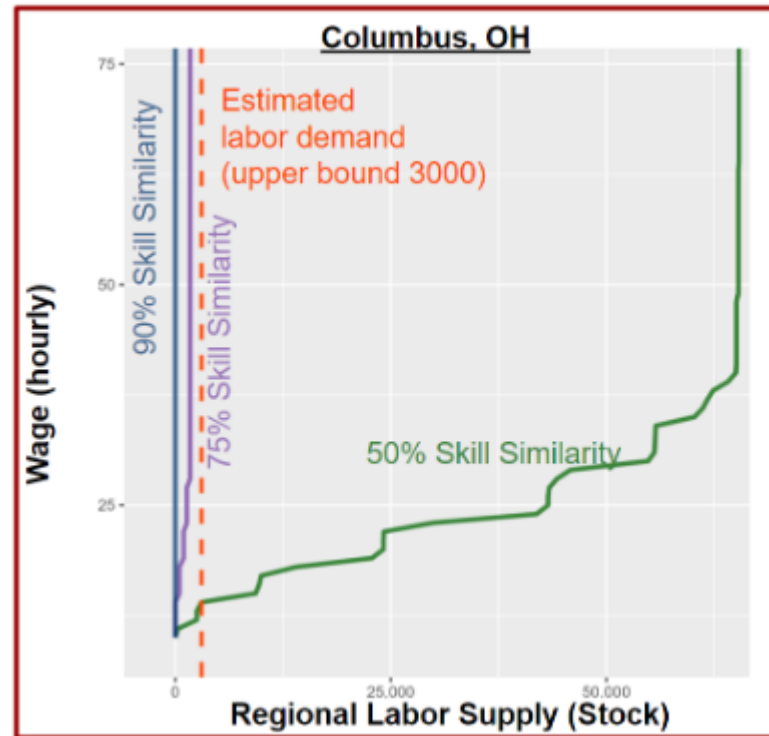
# Current DHS Workforce/Economic Security Investments

Program	Description	Clients served	Amount allocated	Providers/partners
Learn & Earn	Summer jobs	2,068 youth applied	\$700K	Partner 4 Work
Braddock Youth Project	Summer and after-school work skills excellence program that employs high school-aged youth	62	\$265K	8 nonprofit partners
Asset Matching Program	Matched savings + financial literacy	260	\$229K	ACTION Housing, PNC
ACTES (READI)	Cognitive Behavioral Therapy + Jobs Training and Program to reduce community violence	60	\$900K	Focus on Renewal (Stowe Rox) Greater Valley Community Services (Woodland Hills) Divine Intervention Ministries in (South Hilltop)
Self-Sufficiency Programs	Case management coupled with family coaching, basic needs assistance, transportation assistance, and employment assistance.	300	\$951K	Allegheny Valley Association of Churches Human Services Center Corporation Mon Valley Initiative North Hills Community Outreach South Hills Interfaith Ministries
OST	Out-of-school opportunities for school-age youth from ages 5-18	7,966	\$14.1MM	50 providers at more than 80 locations
Youth Support Partners Training Cohort	3-month apprenticeship	8-12 Mentoring Apprentices		Diversified Care Management

# Workforce Supply Chains: Finding and Closing Skill Gaps with DHS Clients?

- CMU virtual "Workforce Supply Chains" tool
- For any US metropolitan statistical area, estimates the gap between skill supply and demand.
- Could help design training programs for most salient missing skills
- **Needs validation:** employer partners with unmet skill demand at scale
  - Interest in drawing workers from non-traditional backgrounds
  - New battery manufacturers drawing from DHS clients?

Tradeoff Between Skill Match and Availability of Talent is Not Equal:  
Not All Regions Meet CHIPS Semiconductor Technician Demand by Training Alone



Combemale, Gonchar, Krishnan (2023)