

WORKBOOST NYC BRIEF

Integrating Financial Security in Workforce Development

INTRODUCTION

Financial insecurity is pervasive and often stymies many nonprofit organizations from fully and effectively serving their communities. Few organizations have the expertise, support, or resources to fully address their customers' financial insecurity. The Clinic has created the financial security ecosystem or "ecosystem," a holistic partnership approach that builds financial security for the working poor at scale and accelerates sector-specific missions and outcomes. This complete bundle of the Clinic's best practices and services is designed to seamlessly collaborate with a partner organization's existing services through capacity building, direct services and lasting change, seamlessly connected through the use of Change Machine. The first fully-fledged ecosystem, WorkBOOST NYC, is a comprehensive organizational change strategy that integrates financial security building strategies into workforce organizations to improve program outcomes of job placement, retention, and advancement.

In the first cohort of WorkBOOST NYC, which launched in May 2016, the Clinic was proud to partner with four high-performing workforce development organizations in New York City: Madison Strategies Group, Opportunities for a Better Tomorrow, Phipps Neighborhoods, and the Stanley M. Isaacs Neighborhood Center.

Through February 2017, the first cohort has had the following accomplishments:

- ▶ 372 job seekers have received "light touch" financial coaching, in which they completed key coaching activities such as creating a budget, developing a savings strategy, or pulling a credit report. These actions took place in over 1,000 meetings with workforce professionals at the Clinic's four partner organizations.
- ▶ After meeting with frontline workforce development staff, 104 job seekers went on to meet with the Clinic's Implementation Lead for in-depth financial coaching to troubleshoot the more challenging barriers to financial security.
- ▶ Through this process, job seekers have achieved a total of 72 financial security outcomes such as improving their credit scores, contributing to savings consistently, or reducing their financial transaction costs.

WHY DO THIS WORK?

Financial Security and Workforce Development

Dedicated and sustained attention to financial security has proven to be an important addition to workforce programming. It can, at a minimum, reduce the barriers to employment, but it also sets up candidates to success even after they get the position. Decisions about day care and transportation may be personal but are fundamentally work supports as well. The impact of financial insecurity and job placement and retention can be devastating:

- ▶ Lack of a bank account can limit positions with direct deposit-only employers;
- ▶ Wage garnishments can reduce incentives to stay employed;
- ▶ Understanding how government benefits are affected by new wages can be difficult to navigate.

Preliminary Success

The results so far have been promising! In the participants served by WorkBOOST NYC, Madison Strategies Group has reported gains in completion of its program, an increase in the rate of jobs placement, and increased average salary after graduation.

WORKFORCE DEVELOPMENT CHALLENGES AND WORKBOOST NYC SOLUTIONS

Challenge: Opportunities for Better Tomorrow wanted to ensure that its students would receive systematic exposure to all of the main points of the Clinic’s financial security model to comply with WIOA requirements.

Solution: The Clinic worked with Opportunities for Better Tomorrow to design a new “coaching curriculum” that the program can employ in its existing classroom model (in addition to the one-on-one coaching offered by the frontline staff).

Challenge: Madison Strategies Group wanted to get the most impact out of the time that its already-busy staff are able to commit to financial coaching.

Solution: Working with the Clinic, Madison Strategies Group decided to concentrate on the three areas of the Clinic’s financial security model that would have the most tangible impact on the customers they serve: Credit, Goals, and Taxes.

ONWARD TO THE SECOND COHORT

With the success that the Clinic has seen with the first cohort of WorkBOOST NYC so far, it is that much more excited for the launch of the second cohort. Four more great organizations--CAMBA, Comprehensive Development Incorporated, Seedco, and Year Up--are embedding financial security building into their own unique programs.

HOW IS WORKBOOST NYC ACHIEVING SCALE?

A Change in Practice

At the heart of WorkBOOST NYC is the philosophy that by embracing this work, the Clinic’s partner organizations are not merely providing an additional service to their participants, but are also integrating a new fundamental approach to financial security in the job seeking process. To do this, the Clinic engages staff at every level, from the top leadership to the frontline job developers and case managers. Practices are changed from the bottom-up (e.g. frontline staff performing one financial coaching action with each participant) as well as top-down (e.g. implementing weekly “financial case conference sessions” with staff).

How Workforce Organizations Use Financial Security Strategies to Meet WIOA Requirements

One of the goals of WorkBOOST NYC is empowering organizations to meet the requirements set by their funders: For example, using WorkBOOST NYC to meet the financial literacy requirements set by the Workforce Innovation and Opportunity Act (WIOA). Opportunities for a Better Tomorrow, a WIOA grantee, fulfills these requirements by using the tools and lessons from Change Machine to design a Financial Literacy curriculum, sending its staff to The Clinic's core training to learn how to weave these lessons into the classroom setting, and empowering staff to integrate these weekly lessons into their previously-scheduled classes. This classroom setting for financial security building is also supplemented with one-on-one financial coaching from frontline staff. Using this model, Opportunities for Better Tomorrow has cemented financial security into its programs, to the great benefit of the young job seekers it serves.

HOW IS WORKBOOST NYC ACHIEVING SUSTAINABILITY?

Reinforcing the Changes

WorkBOOST NYC is designed to make permanent changes in an organization's approach to financial security and financial coaching, removing the need for the Clinic to have a permanent onsite presence. For this reason, as soon as the basic ecosystem supports are installed, the Clinic prioritizes developing organizational sustainability of financial security by promoting the full spectrum of supports it offers. For example, one organization met with the Clinic's development department and subsequently received the funding needed to hire a financial coach of their own. Other organizations have taken advantage of the Clinic's support and expertise to change the job descriptions of staff at several levels, design flyers to promote their programs as a whole, and even launch social media campaigns!

How WorkBOOST NYC is Redefining the Roles of Workforce Development Staff, Formally and Informally

One way that the Clinic supports its partners in sustaining the impact of WorkBOOST NYC is by advising them on incorporating financial security into the job descriptions of staff at several levels. For example, the job description of the Director of Strategic Initiatives at one of the first Cohort organizations now includes "Directing WorkBOOST NYC and Financial Literacy Initiatives," and other organizations are including financial coaching in the job descriptions of their frontline case managers and job developers. Even if an organization does not formally change the job descriptions of its staff, the Clinic has found that an emphasis on financial security will trickle down to all staff in the organization. For example, at one organization's program's weekly staff meetings, their staff now share and discuss the progress they are making toward their own financial goals!

TOOLS IN DEVELOPMENT THAT ASSIST WITH ECOSYSTEM REPLICATION AND EXPANSION

Change Machine: Incorporating the *lessons learned and best practices* surfaced in the first year of WorkBOOST NYC in new capacity building tools and a new portal, so that organizations not in the initiative have a starting place for launching their own integration programs.

Job readiness checklist: A practitioner tool connecting financial security to workforce development; this checklist lists several actions in Change Machine that, when completed, optimize job search and placement transition.

Roadmap: The roadmap documents collection of resources; data collection reports; outcomes framework; and WorkBOOST NYC events and milestones to create a replicable guide for future financial security ecosystems.

FINALIZING THE WORKBOOST NYC POLICY AGENDA

The Clinic and its WorkBOOST NYC partners have identified a policy agenda based on three predominant barriers faced by New York's low- and moderate-income job seekers:

- ▶ Navigating challenges of a minimum wage increase
- ▶ Inspiring the road to work: tackling the benefits cliff
- ▶ Bridging the digital divide: increasing access and building proficiency

For more information, please see the WorkBOOST NYC Policy Prospective