

## Work Advancement and Support Center

The Work Advancement and Support Center (WASC) has two primary goals: 1) to reduce poverty and increase income for low-wage workers through job upgrades, access to work supports and asset-building activities; and 2) to strengthen the competitiveness of local businesses by providing employer-based retention and advancement services to meet workforce skill needs, address shortages of qualified workers, and increase worker productivity.

<i>Agency</i>	<i>Start Date</i>	<i>Number Served per year<sup>1</sup></i>	<i>CEO Budget<sup>2</sup> (City FY 08)</i>	<i>Total Budget (City FY 08)</i>
The Department of Small Business Services	July 2007 May 2008 <sup>3</sup>	1st yr: 200 per center 2nd yr+: 500 per center	\$3,463,743	\$3,463,743

### ***Problem Statement***

Over 350,000 working New Yorkers are living in poverty, constituting approximately 46% of poor households in New York City.<sup>4</sup> Due to a lack of skills, including limited English and an inability to access training, many working poor cannot secure permanent well-paid jobs with growth potential.<sup>5</sup> Employment opportunities for this population are often unstable, lack benefits, and offer few chances for advancement or increased income. Low-wage service workers, for example, are much less likely to receive health insurance through an employer as compared to all workers.<sup>6</sup>

### ***Research and Evidence***

The WASC is a model program that grows out of the Department of Small Business Services' (SBS) workforce development experience as well as a rich body of research evaluating similar demonstration projects around the country and in England. SBS collaborated with MDRC, the nonprofit, nonpartisan social policy research organization to develop its WASC models. MDRC is currently evaluating WASC models across the nation and early findings indicate that many programs found increased job retention and wages for participating employees and reduced worker turnover and increased worker turnover for participating employers.

MDRC also studied employer-based retention and advancement programs in the US and United Kingdom. The Employment Retention and Advancement project (ERA) was designed to promote job retention and increases in income among welfare recipients and other low-wage groups. Those evaluations found support for employer based interventions and demonstrated increased retention, leading to increased wages, job stability, and opportunities for advancement for employees. For employers, the program reduced worker turnover, leading to greater workforce stability, decreased training costs, and increased productivity. Other program models worked with public assistance recipients to provide post employment services and work supports and resulted in increased earnings and higher employment rates.<sup>7</sup>

SBS also incorporated best practices from other workforce development programs throughout the country, including The Advancement Project (Seattle, WA), San Francisco Works (SFWorks), Center for Working Families, The Source (Grand Rapids, MI), Boston SkillWorks, and Ohio Bridges to Opportunity Program.

### ***Program Description***

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In recent years, public policy guiding employment services has focused on placing public assistance recipients and other low-income individuals into jobs quickly. While this approach can help place large volumes of clients, it does not always lead to permanent employment or jobs that offer potential for career advancement.

The WASC uses a business-driven approach to develop the skills of working poor adults to increase their job stability and economic self-sufficiency. The Center provides services that assist low-wage workers to advance in the labor market while helping businesses to strengthen their workforce.

SBS is piloting two WASC models in fiscal year 2008.

#### *Career Center Model*

The Career Center model expands the advancement and retention services available for currently employed individuals at the City's career centers. The first program, EarnMore, is administered by Seedco at its Central Harlem career center. EarnMore offers intensive career coaching and skills training to help participants develop and fulfill career aspirations. The program offers individual advancement coaching, access to training and education programs, enrollment in work supports, income and asset building information, peer support groups, financial incentives, and workshops. Coaches are based in CBOs in Manhattan and the Bronx and at the career center. Through partnerships with local community colleges and CBOs, WASC clients also receive job skills training as needed, with access to free vocational training and certificate programs in industries targeted for advancement. The Center develops and maintains a strong employer network of career upgrade positions in industries related to the career advancement needs of program participants. This model will be replicated in 1-2 additional Workforce1 Career Centers in the spring of 2008.

#### *Employer-Focused Model*

The Bedford-Stuyvesant WASC, the second WASC model SBS will be piloting, will conduct advancement and support activities by targeting employers who are committed to employee retention and advancement. This WASC program will not be based in a Career Center and will serve businesses and employees citywide. The WASC's location in Bedford-Stuyvesant is expected to generate benefits for local businesses and employees as well. Retention and advancement services will be located at the employer site when possible. Providing services at the job site can lessen the burden placed on workers to balance work and family and minimize transportation and child care costs. In addition, the Bedford Stuyvesant WASC will connect eligible employers with SBS' *Customized Training Funds* to help support employee training needs.

### ***Target Population***

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The program serves adults age 18 years or older, who are earning \$14 an hour or less, or who have an income at or below 200% of the federal poverty level. Participants must have been employed continuously for the last six months and currently working a minimum of 14 hours a week. In addition, participants may not be in receipt of cash public assistance (e.g., TANF).

## ***Expected Outcomes***

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For the *Individual*:

### **Short-Term:**

- Increased earnings through accessing one or more of the following work supports: Earned Income Tax Credit and other related tax credits, subsidized Health Insurance, Food Stamps, subsidized childcare

### **Long-Term:**

Increased individual gross weekly earnings from employment as a result of a job upgrade defined as:

- Earnings gain at current employer or new employer through an increase in wages and/or hours
- Receipt of new employer sponsored fringe benefits (specifically subsidized health insurance, subsidized childcare or paid sick or vacation time) at current employer or new employer
- Movement from a temporary into a permanent position

For the *Employer*:

- Improved retention and productivity
- Increased employee engagement
- Skills upgrades

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<sup>1</sup> These numbers refer to outcomes achieved. The number served is higher.

<sup>2</sup> New York City Department of Small Business Services, projected CEO funding FY07-FY11.

<sup>3</sup> The Upper Manhattan WASC started in July 07; a Bedford–Stuyvesant WASC will start in May 2008.

<sup>4</sup> US Census Bureau, 2006 American Community Survey.

<sup>5</sup> CEO Report, 16-17.

<sup>6</sup> CEO Report, 14.

<sup>7</sup> Results from five out of the fifteen sites are available on MDRC's website: [http://www.mdrc.org/project\\_publications\\_14\\_9.html](http://www.mdrc.org/project_publications_14_9.html).