

Strategically Positioning Goodwill Industries of Central Texas:

Recent Research Results

Christopher King, Director

Dan O'Shea, Research Associate

Ray Marshall Center

LBJ School of Public Affairs, UT-Austin

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Research Objectives

Project goals for the Ray Marshall Center's research for Goodwill's Strategic Positioning Project (SPP) were two-fold:

1. Document and assess the effectiveness of Goodwill's existing workforce and employment services for youth, disadvantaged adults, and persons with disabilities. [Research Q #1]
2. Formulate mechanisms to improve outcomes by intensifying and/or expanding current services, extending geographic and/or target group coverage, or introducing new options to Goodwill's current program and service array. [Research Q #2]



Participant Characteristics & Labor Market Outcomes—Research Q #1

- Participant characteristics from Goodwill's Client Tracking System (CTS)
- Labor market outcomes based on CTS data linked to quarterly UI wage records through Sept. 2010
- Quarterly employment and earnings shown separately for 1) Job Source Services, 2) Community Rehabilitation Programs, and 3) Youth Services
- Annual participant cohorts for 2007, 2008 & 2009
- Outcomes: employment rate; and earnings if employed (conditional)
- Outcomes disaggregated by gender, age, race/ethnicity, other populations of interest (e.g., homeless, disabled)



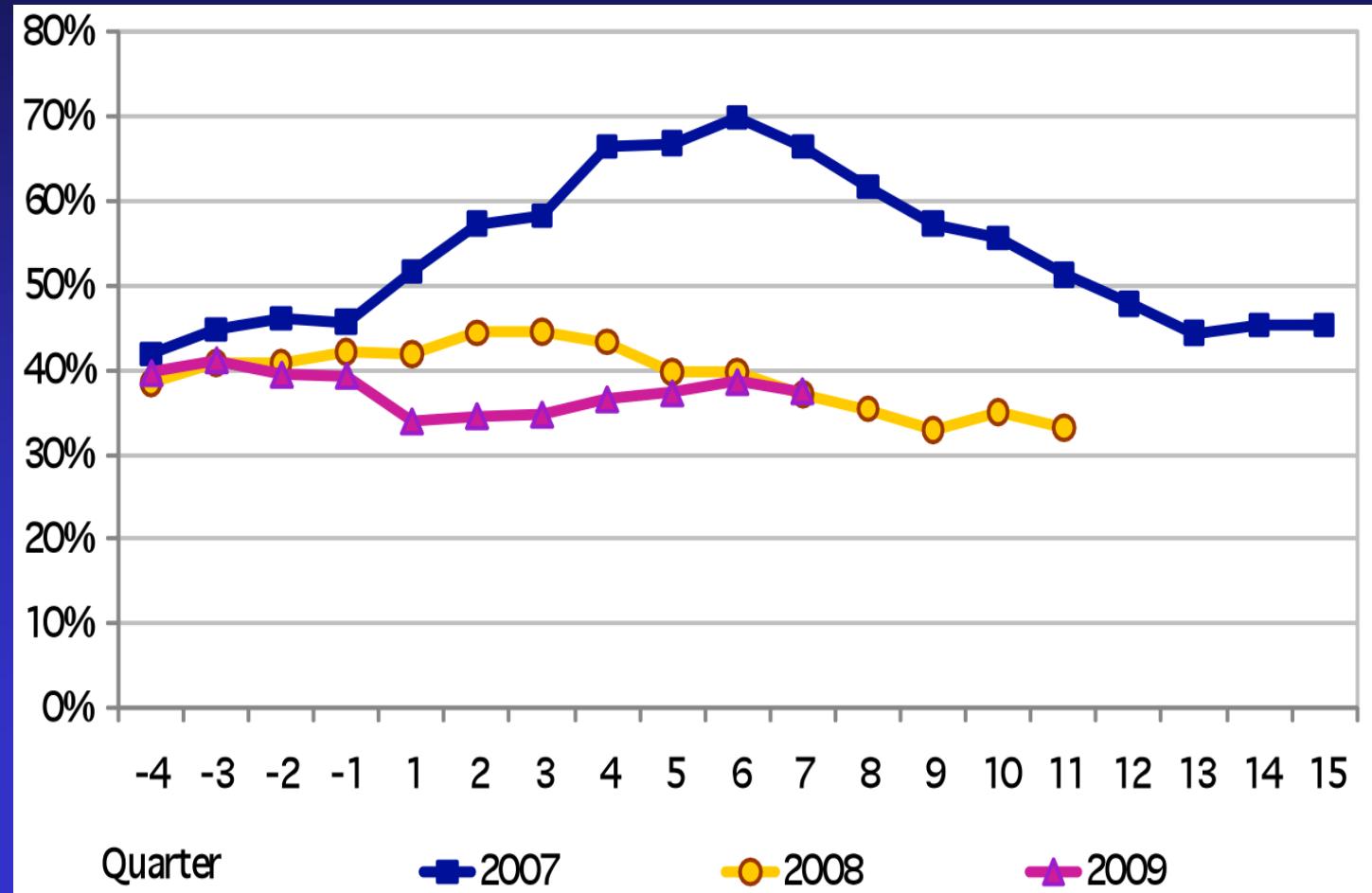
Job Source Services Overview

- JSS participant numbers have expanded to more than 3,200 by the end of 2009, and continued on through 2010. Around 5,800 individuals enrolled in JSS over the 3-year period.
- Two-thirds of JSS participants are male
- Participants 25-44 years of age comprise over half of all JSS participants.
- Most JSS participants (90%+) are White and African-American; Hispanics are significantly under- and African-Americans over-represented v. local population shares.
- Nearly two-thirds of participants are ex-offenders, by far the largest sub-group served. Only a small share (~6%) are veterans.



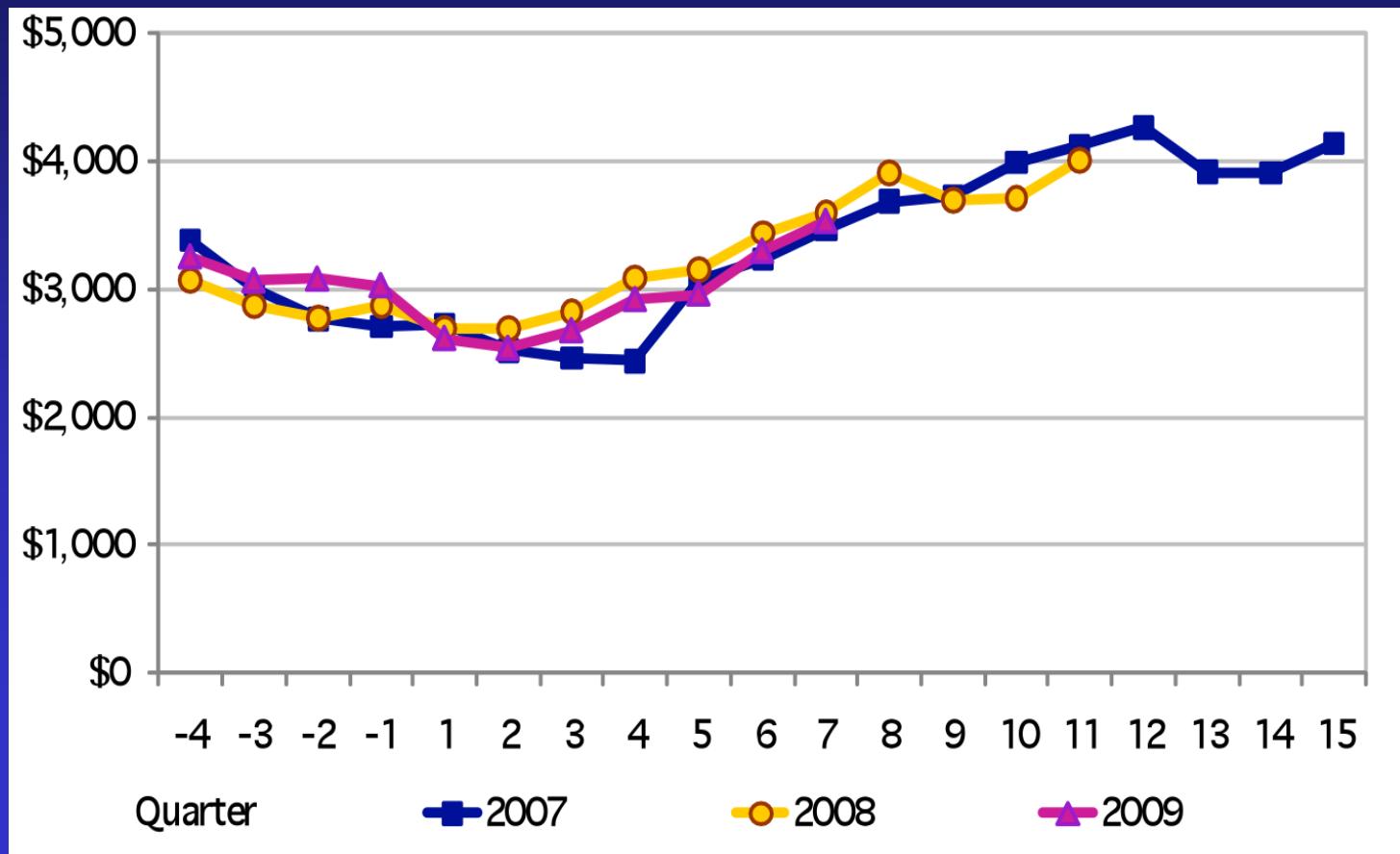
JSS Employment Rates, by Cohort

Securing and keeping jobs has been challenging, with increasing competition for jobs since mid-2008 with the recession and slow recovery.



JSS Earnings (if Employed), by Cohort

Quarterly earnings for employed participants followed a similar trajectory for all JSS cohorts. Though employment rates have fallen, those with jobs have experienced rising earnings, reaching \$16,000/year.



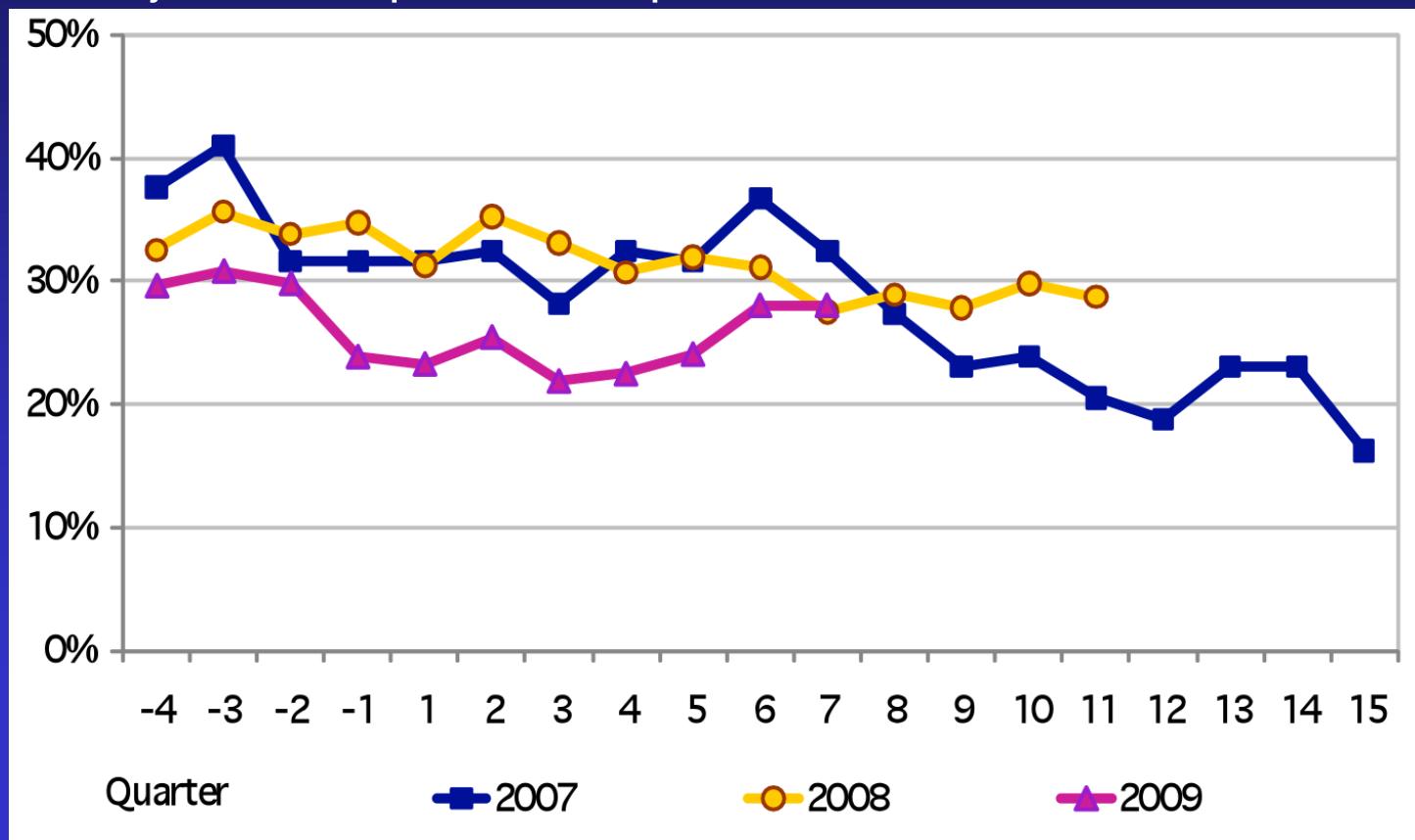
Community Rehab Program Overview

- CRP serves higher shares of males than females and more persons 24 and under.
- Racial/ethnic shares have remained constant over the period; as in JSS, Hispanics are notably under-served.
- CRP serves relatively small shares of homeless and veterans.
- Around 10% of participants are ex-offenders.



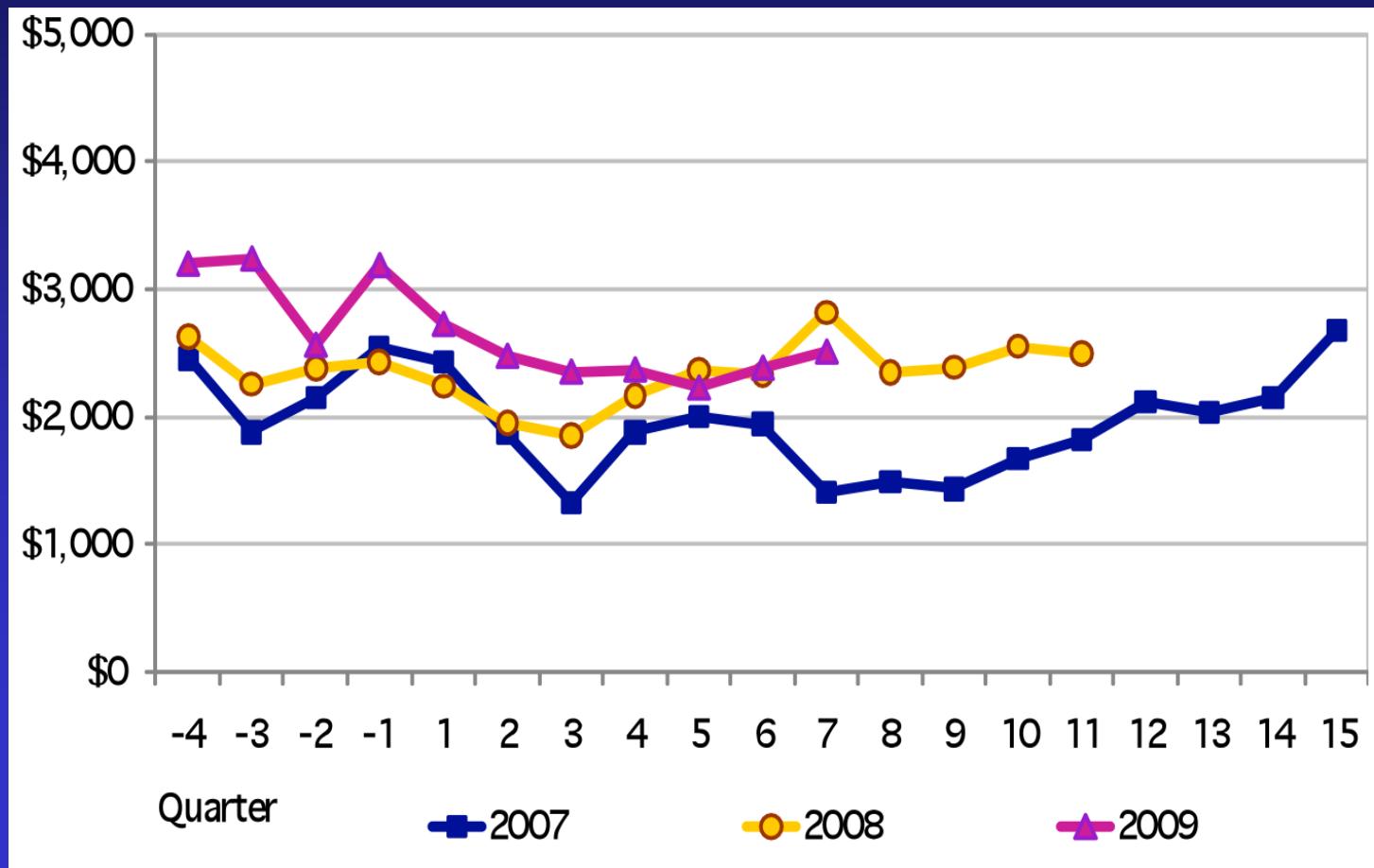
CRP Employment Rates, by Cohort

CRP participants have a harder time securing and keeping jobs than JSS participants and also have been hit hard by recession and slow recovery. The 2008 & 2009 cohorts have fared better, likely benefiting from enhanced GICT job development and placement services.



CRP Earnings (if Employed), by Cohort

Employed CRP participants ultimately earn around \$2,500-\$2,700/qtr or less than \$12,000/year, about the same as before enrolling. Earnings for 2009 CRP participants are higher Q-4 through Q4 than for earlier cohorts.



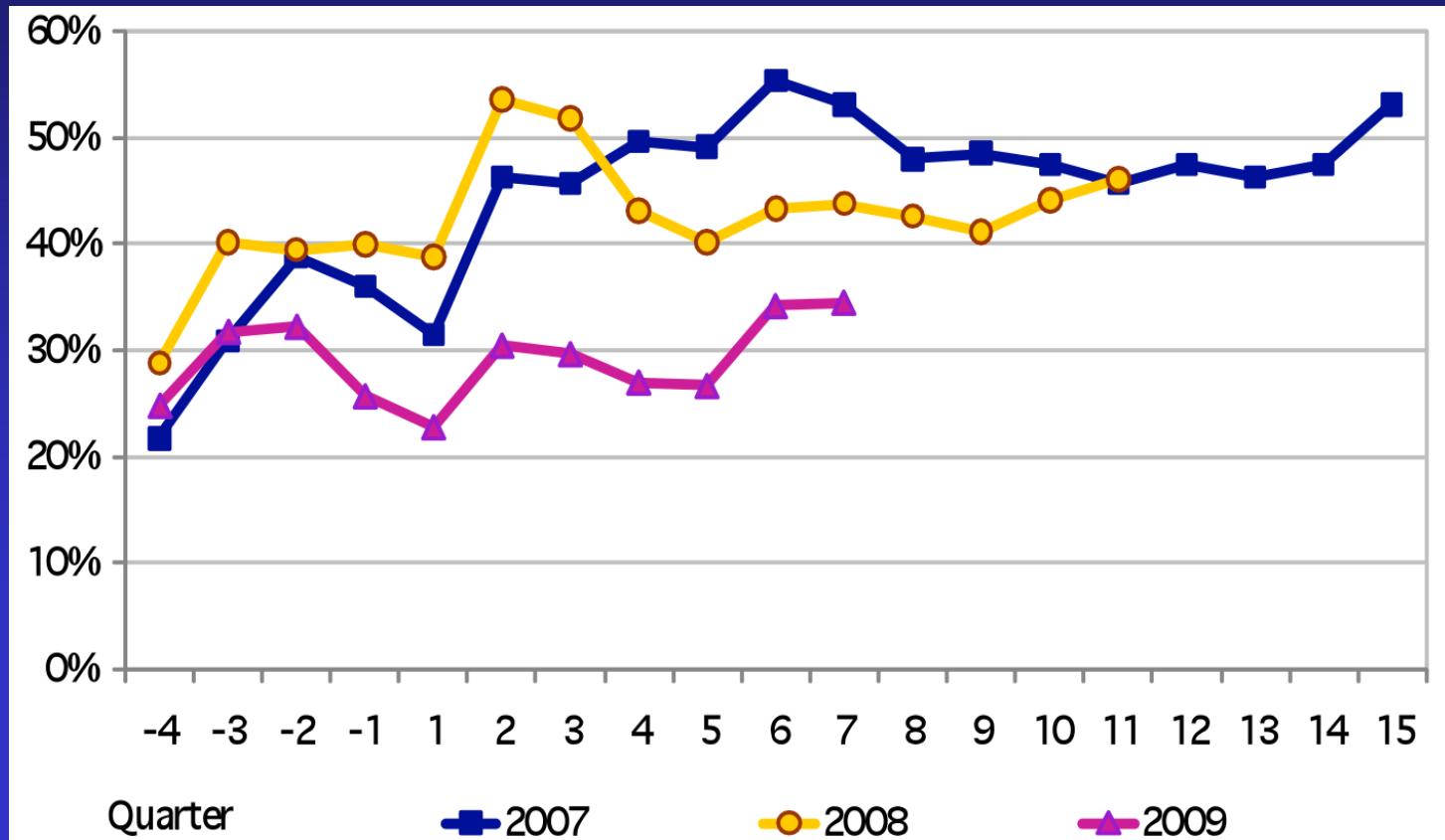
Youth Services Overview

- The number of YS participants expanded rapidly in recent years, when service capacity ramped up with ARRA funds.
- Females enrolled at slightly higher rates than males.
- Shares of White and African American participants varied across years, but were served at equivalent rates (~39%) overall. Hispanic shares dropped steadily across the 3 years. At 18% over 3 years, Hispanic youth are under-represented as a share of the region's youth population.



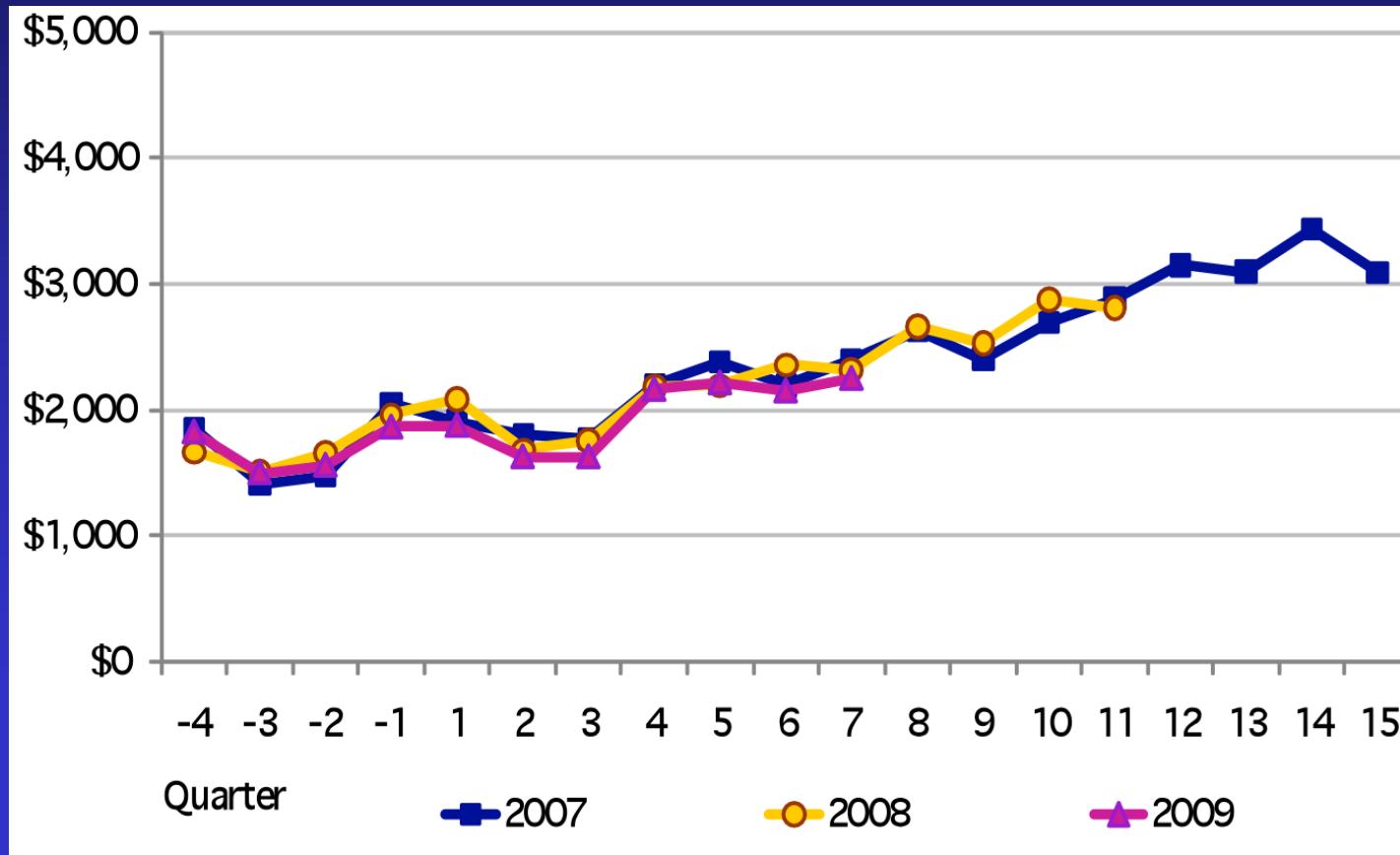
YS Employment Rates, by Cohort

Employment rates for YS participants show sharp initial improvement post-services, jumping 15 points for the earlier cohorts and 7 points for the 2009 cohort, reflecting summer employment entries. Effects of the recession and slow recovery are evident for the 2009 cohort.



Youth Earnings (if Employed), by Cohort

Quarterly earnings for employed YS participant cohorts are nearly identical, with lower pre-program earnings steadily surpassed in post-service quarters. Despite the recession and slow recovery, those with jobs experienced rising earnings to about \$3,000/quarter or \$12,000/year.



Exploring New Directions—Research Q #2

Three approaches were combined to develop options for enhancing, expanding or introducing new elements into Goodwill's current service delivery mix:

- ✓ Consulting with community stakeholders
 - ✓ Surveying promising programs and practices at other Goodwills, state entities and nonprofits nationally
 - ✓ Reviewing practice and service trends in programs for low-income and disadvantaged populations
- GICT is widely recognized by community leaders as a predominant provider of workforce services to the region's hardest-to-serve populations, an outstanding community collaborator and a "model for social entrepreneurship."



Community Leader Perspectives

- Key concerns: academic preparation for advanced education/training for adults, youth; and improving outcomes for failing high schools.
- Opportunities include:
 - Introducing entrepreneurial training building on GICT's retail sales model as well as small business/micro-enterprise training
 - Enhancing employer outreach/awareness, better marketing
 - Developing links to ACC certificate programs
 - Targeting program services and resources at “idle-youth”
 - Expanding services and employment for ex-offenders through access to advanced skills and basic computer skills training
 - Addressing current workforce readiness and emerging occupations skills gaps.



Five Scenarios: Looking to the Future

- **Scenario A:** GICT operates the *Austin Area Community Advancement Center*, a charter adult high school and college-readiness academy. This school guides lower academic achievers from across socioeconomic strata to obtain regular high school diplomas, while gaining the knowledge, skills and abilities to successfully enter advanced training and education.
- **Scenario B:** GICT engages in an advantageous partnership with the local One-Stop system to establish a *more systemically integrated employment and training service continuum* in Central Texas with its many community partners.
- **Scenario C:** GICT operates a *comprehensive community and One-Stop career center*, aligning with community, City and Travis County partners to operate a One-Stop career center and centralize access to multiple diverse services in one location.



Five Scenarios...

- **Scenario D:** GICT *incubates microenterprise and experiential learning while earning*, building upon the resale-and-reuse success of its retail stores at raising revenues to support programs while providing work experience and training. Goodwill expands the retail model to encompass a wider array of entrepreneurial, microenterprise and work-based learning experiences.
- **Scenario E:** GICT introduces the *Alliance for Shared Prosperity in the Regional Economy (ASPIRE)*, a uniquely local, comprehensive, sectoral employer/employee membership network that matches the human capital needs of small-to-medium-sized local businesses with the skills and aspirations of its workforce participants.



Concluding Observations

Elements of successful practices and programs have been incorporated in current efforts to serve disadvantaged populations (e.g. Fatherhood Works, Goodwill Goes Green).

GICT can build on individualized, case-managed services, community collaboration, flexible funding, and dedication to those on the economic margins through:

- ✓ *Pursuing a workforce intermediary approach*
- ✓ *Advancing academic achievement and college readiness*, e.g., Excel Center in Indianapolis, Austin Polytechnic Academy in Chicago
- ✓ *Adopting a comprehensive, community-based model*
- ✓ *Developing pathways beyond basic job search services, which are linked to advanced skills training* available in the public workforce system, e.g., the Marion (IN) Workforce Investment Board's *EmployIndy* Initiative



Next Steps

Next steps could include working with GICT to:

- ✓ Conduct *deeper outcomes analysis* of workforce services overall and for key subgroups of interest. In a few years, this analysis might rely on more detailed services data available from GICT's new MIS system
- ✓ Continue to pursue *spatial analysis* with GII
- ✓ Conduct *advanced feasibility analysis of selective new directions* GICT opts to pursue, focusing on design, planning, implementation and performance measurement. Factors to be addressed might include evidence bases; appropriate scope, scale and intensity; alignment of partners and resources; and lessons and experience from similar programs, services and practices.



For More Information

Christopher T. King, Director

512/471-2186

ctking@austin.utexas.edu

Dan O'Shea, Research Associate

512/471-2626

dos@mail.utexas.edu

Ray Marshall Center, LBJ School

University of Texas at Austin

www.raymarshallcenter.org

