

NEW YORK

ABOUT THIS REPORT

The state report is a resource to inform donors and funders about the local context of social issues affecting at-risk populations. This analysis can be used to better understand current local trends and the unique

social and economic situation in which the social issue exists. The information below complements the social issue report and the guide to giving by drawing attention to local initiatives related to the social issue.

FACTS: WORKFORCE DEVELOPMENT IN NEW YORK

Number of unemployed adults in New York¹

1,408,483
2009

Annual state spending on workforce development²

\$10.1 billion
2010-2011

Individuals in lower income deciles are significantly more affected by unemployment³

	In Poverty	Average
Unemployed	28.6%	9.0%
	2009	

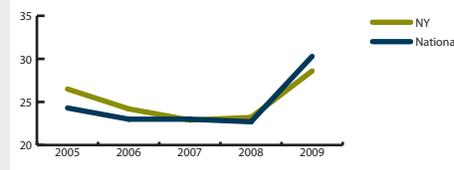
SOCIAL ISSUE INDICATORS

Social Impact Research (SIR) identified two indicators to assess short- and long-term progress towards helping adults facing multiple barriers to employment obtain and retain jobs with opportunities for advancement.

Unemployment in Poverty Rate refers to the unemployment rate among adults living below the poverty line.

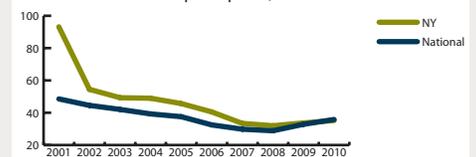
Welfare Qualifying refers to the number of adults who are qualified to receive Temporary Assistance for Needy Families (TANF) benefits, more widely known as welfare. Because eligibility criteria regarding factors such as income level, family assets (e.g., car, home), marital status, and age vary by state, aggregate data are not available for this indicator; SIR therefore uses the number of TANF recipients as the best available indication of the number of individuals who are eligible for the program.

Unemployment in Poverty Rate⁴



Welfare Qualifying⁵

TANF Recipients per 10,000 residents



WHAT'S HAPPENING IN NEW YORK

GOVERNMENT SEEKS TO STREAMLINE FUNDING ALLOCATION, IMPROVE PROGRAM PERFORMANCE, AND MEET DIVERSE REGIONAL NEEDS

Since taking office in 2011, Governor Andrew Cuomo has made improving economic opportunities, including workforce development, a key priority for New York. He campaigned with the promise to “right size” the state’s government and has taken several steps to restructure the workforce development field.

- Commitment to industry-focused economic development:** New York has made a strong commitment to the industry-focused (sectoral) approach to job training by integrating workforce development programs with the state’s economic development efforts. By aligning the two, the state is working to ensure that workers are being trained and retrained for existing jobs.⁶
- Regional Economic Development Councils:** To leverage local insight into industry needs and reduce bureaucracy in funding allocation, New York has increased the power of regional stakeholders in allocating workforce development funds. In early February 2011, Governor Cuomo established 10 Regional Economic Development Councils to create more regionally-focused workforce development

strategies for the state.⁷ By empowering multiple-stakeholder regional councils to make funding allocation decisions, New York aims to improve alignment and coordination among the 115 local industrial development agencies, more than 600 local investment boards, and 28 relevant state agencies.⁸

- More than \$340 million in existing economic development funding will now be administered by these new councils for regional initiatives.⁹
- Each board includes representatives from all state agencies that affect economic development, area community colleges, industry representatives, and other relevant stakeholders.¹⁰
- Results-driven funding:** The state is seeking to link funding to performance and has committed to making the economic development funding application a competitive one. While major changes to the application process have yet to be made, the new administration expects that two-thirds of funding will be available for competition among projects across regions, while the remaining one-third of funding, which is managed by regional councils, will be allocated based on competition among projects within each region.¹¹

■ **Incentivizing job creation:** Beyond its industry-focused economic and workforce development strategies, New York also seeks to incentivize job creation through two programs to benefit employers:

- As part of a new emergency tax relief program, employers hiring workers who have been unemployed for more than 60 days will receive a tax credit of up to \$3,000, based on the amount paid in payroll taxes for the new employee.¹²
- New York will strengthen the Excelsior Jobs Program, which provides a tax credit on income tax revenue generated by new employees to employers that are relocating to or significantly expanding their workforce in New York. Established in 2010, the program currently provides a credit of up to \$5,000 per employee at the end of a five-year period of employment. The revised program will give a tax credit equal to 100% of tax revenue generated by the employee over 10 years, with payouts for the employer occurring at different milestones in the employee life cycle.¹³

NEW YORK-BASED CROSS SECTOR INITIATIVES AIM TO CREATE A RESULTS-ORIENTED CULTURE AND SPREAD BEST PRACTICES

■ **New York City Workforce Development Fund:** The Workforce Development Fund was established in 2001 by the NYC Workforce Funders, a group of 19 foundations that support workforce development within New York. The fund focuses on testing innovations to make workforce development programs more accessible and effective for job seekers. It has funded programs that have supported more than 140 organizations to date. Current projects

include the Sector Strategies Practicum, the NYC Benchmarking Project (both described below), the New York Alliance for Healthcare, which seeks to build multiple partnerships among all industry stakeholders to promote careers in healthcare, and programs that seek to create bridges between education and healthcare careers for low-skilled individuals in the Bronx.¹⁴

- **Sector Strategies Practicum:** Building on years of research into effective, industry-focused workforce development strategies, Public/Private Ventures (P/PV), with the help of the Aspen Institute, administers a nine-month intensive workshop for workforce development practitioners. The goal of the Sector Strategies Practicum is to foster effective, sector-focused partnerships in New York by training and educating practitioners and other stakeholders. In 2010, 10 organizations were chosen to participate in the practicum, which focused on the healthcare industry.¹⁵
- **Benchmarking project:** Administered by P/PV, the New York City Benchmarking Project seeks to strengthen New York City-based workforce development providers' ability to use data as a tool to improve program effectiveness. Since 2009, staff from more than 35 organizations have participated in the project by providing information about current data collection, attending workshops, and sharing best practices with peer organizations through bimonthly gatherings. Some organizations also received more intensive on site technical assistance from P/PV. In 2010, the project had a specific focus on "interim outcome" data used by programs and funders to track the progress of young adults both in terms of education and employment.¹⁶

REFERENCES FOR FURTHER RESEARCH

ORGANIZATION	WEBSITE
New York Department of Labor	www.labor.ny.gov
Regional Sectoral Strategies	www.labor.ny.gov/workforcenypartners/sectoral.shtm
NYC Center for Economic Opportunity	www.nyc.gov/html/ceo
NYC Workforce Funders	www.nycommunitytrust.org/FunderCollaboratives/NYCWorkforceDevelopmentFund/tabid/445/Default.aspx

ABOUT SOCIAL IMPACT RESEARCH

SIR is the independent research department of Root Cause, a research and consulting firm dedicated to mobilizing the nonprofit, public, and business sectors to work together in a new social impact market. SIR aggregates, analyzes, and disseminates information to help donors identify and support the most effective, efficient, and sustainable

organizations working to solve social problems. Modeled after private sector equity research firms, SIR produces research reports, analyzes philanthropic portfolios, and provides educational services for advisors to help their clients make effective and rigorous philanthropic decisions.

ENDNOTES

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3. United States Census Bureau, "2009 American Community Survey 1-Year Estimates: New York: Employment Status," <http://factfinder.census.gov>.
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14. The New York Community Trust, "The New York City Workforce Development Fund," <http://www.nycommunitytrust.org/FunderCollaboratives/NYCWorkforceDevelopmentFund/tabid/447/Default.aspx>.
15. Public/Private Ventures, "Sector Strategies Practicum," http://www.ppv.org/ppv/initiative.asp?section_id=26&initiative_id=46.
16. Public/Private Ventures, "New York City Benchmarking Initiative," http://www.ppv.org/ppv/initiative.asp?section_id=26&initiative_id=85.