

BRIEF SERIES 1 OF 7

# Increasing Quality Employment for Residents

The COVID-19 pandemic has devastated millions of American workers. The Center on Budget and Policy Priorities estimates that in February 2021, as many as 38 million people, including nearly 10 million children, lived in a family where at least one adult did not have paid work in the last week because of unemployment or the pandemic. The impact has been particularly severe for people of color and women.

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These groups are employed in a large proportion of service and hospitality positions - industries that the pandemic's economic consequences have most negatively impacted. Millions of the jobs that have been lost during the pandemic will not be coming back.<sup>1</sup>

The disproportionate numbers of residents experiencing job loss and those barely hanging onto employment at businesses on the verge of failure has taken a formidable toll on communities, disrupting families' ability to pay for necessary living expenses such as food and housing. For city leaders, helping residents get and keep jobs is a critical component of an economic mobility strategy and ensures the city's economic health and vitality.

# Cities Taking Action

Municipal leaders have a significant opportunity to support their residents' employment stability, especially those most vulnerable to the pandemic's economic impacts. They can support those currently employed to stay on the job and create stronger connections to workers lacking an on-ramp to employment. Municipal leaders can develop long-term strategies to cultivate promising employment sectors to make their workforce more resilient and advance quality jobs with a living wage.<sup>2</sup> The American Rescue Plan Act (ARPA) provides additional financial support to the US education systems from K-12 to higher education that will impact workforce development. The direct investment that cities receive should be leveraged to support a shift to a more resilient employment system for residents.



## Keeping Workers on the Job

Many workers are employed in businesses at risk of closing because of COVID-19 related disruptions and need help.<sup>3</sup> Municipal leaders can educate business owners and their partners in the chamber of commerce on two federal programs that can keep workers connected to employment and benefits while ensuring businesses retain trained staff and are ready for the rebound in the economy. The Short-Time Compensation/workshare program allows employers to reduce the hours their employees work.<sup>4</sup> At the same time, these workers collect unemployment compensation to replace their lost wages while keeping their benefits. The National Employment Law Project has noted that work-sharing provides employers the opportunity to simultaneously navigate periodic business contractions and avert worker unemployment.<sup>5</sup> Rapid response layoff aversion funding can provide employers with access to loans to fund capital improvements and other services that may help prevent or minimize layoffs.<sup>6</sup>

Those businesses that remain viable but have owners choosing to retire or close the business can convert to a worker cooperative.<sup>7</sup> Worker cooperatives empower employees to own a share of the business, maintaining working income. They provide employees an opportunity to build wealth through ownership and keep the business in operation. Local leaders can educate business owners about worker cooperatives and connect them with legal services and back-office assistance to support their business' transition to employee-owned.

**The City of Richmond, Calif., developed a series of forums and workshops on worker cooperatives that educated entrepreneurs and business owners on the value of converting to a worker cooperative and steps to take to start the process. The forums led to more worker cooperatives in the city.<sup>8</sup>**



## **Re-Employing Workers Who Have Lost Their Jobs**

City involvement in their local workforce investment board (WIB) is a critical starting point for developing strategies and directing federal and private funding that connects residents to jobs in sectors that offer quality employment and is resilient in the face of economic downturn. Elected leaders often serve on WIBs or have authority over these boards. Federal funding from the Workforce Innovation and Opportunity Act (WIOA) supports and connects job seekers to childcare services through American Job Centers.<sup>9</sup> During the height of the pandemic, service providers had to move to remote or socially distant services. Local leaders can connect with workforce development providers within their communities to identify promising strategies that helped them reach more clients. They can share this information with their WIB representatives to better connect more residents to training and employment opportunities.

**The City of Sacramento, Calif., created a Workforce Development Recovery program to re-employ and upskill workers impacted by COVID-19, focusing on equity and inclusion. The program was also designed to address employment barriers such as a lack of transportation, childcare, educational attainment, or case management services.<sup>10</sup>**



## **Promoting Long-Term Quality Employment Resilience**

Strengthening relationships with local community colleges and the business community is critical for local leaders' seeking to strengthen the long-term employment prospects of residents.<sup>11</sup> Community colleges are essential partners that can develop industry-recognized credentials or stackable non-degree credential programs<sup>12</sup> when developed with input from the local business community or businesses that are cultivated to relocate.

**City leaders can leverage private funding to provide additional support for sector-based skills training. These local funds can also offer an opportunity for residents to earn a wage while learning. Cities can serve as promoters of these opportunities once they have launched and help connect residents to the community college.**



## **Expanding Access to Apprenticeships**

Apprenticeships offer an opportunity to build pathways to more resilient jobs and high-paying careers.<sup>13</sup> Apprenticeship programs also present an opportunity to increase the number of women or Black, Indigenous, People of Color (BIPOC) individuals working in targeted high-paying sectors. Municipal leaders can work with the public and nonprofit agencies under their direction that deliver services to residents to expand the apprenticeships operating within their community. New America's Center on Education and Labor has noted that cities can increase the supply of apprenticeships by working with the agencies they direct in key employment sectors such as construction, renewable energy, information technology, healthcare, and social services.<sup>14</sup>

**The City of Tacoma, Wash., Public Utilities Department offers apprenticeship programs to prepare individuals for different technician careers. The program actively recruits women and people from BIPOC communities for these positions to broaden the impact of these high-paying positions.<sup>15</sup>**

## Data Considerations

Information about the local labor market is generally collected by local WIBs. Cities can review the business sectors operating within their community and those that will be more resilient to automation and health emergencies. Additionally, the Atlanta Federal Reserve has compiled data showing the geographic breakdown by metro regions where there are jobs accessible to workers without a bachelor's degree that pay more than the national median wage.<sup>16</sup> Mapping this information at the neighborhood level could allow for targeted workforce investment funding and outreach. Funding from WIOA offers local leaders an opportunity to prepare and plan for workers to gain skills that would enable them to connect with jobs in sectors that are more resilient to economic downturns. Furthermore, the Philadelphia and Cleveland Federal Reserve Banks have designed an interactive application that shows how workers can transfer their skills to a similar but higher-paying occupation in the same labor market.<sup>17</sup> Local workforce systems can use this information to help residents move to higher-paying jobs without needing additional skills training, which is particularly important for low-income workers and those lacking savings or supports.<sup>18</sup>

# Action Steps

As cities identify options for supporting employment opportunities for residents, local leaders should consider these key action steps:

- 1 Engage** the local WIB to make sure residents can access resources to support their employment or reemployment. Additionally, utilize workforce analyses offered by the WIB to identify growth industries.
- 2 Connect** with local workforce training providers and community colleges to understand what services and credentials they are currently offering and confirm if they align with the needs of employment sectors that offer living wage employment and identified growth industries.
- 3 Increase** opportunities for employers to connect with potential workers by making sure residents know about employment opportunities through in-person or virtual job fairs, sharing positions through city communication channels, and targeted outreach to those workers who receive assistance from the city.

The actions that cities take to connect their residents to jobs that offer opportunities for economic mobility take time to develop. As the country recovers from the impacts of COVID-19, city leaders have the opportunity to connect and work with their local workforce system to be more resilient and address the needs of workers and employers within their communities.

## KEY RESOURCES

[Understanding Local Workforce Systems](#), Urban Institute.

[Powerful Partners: Businesses and Community Colleges](#), National Skills Coalition.

[Economic Recovery and Employee Ownership](#), National League of Cities

[Increasing Opportunities: Building Pathways with Stackable Non-Degree Credentials](#), National Skills Coalition.

[Occupational Mobility Explorer](#), Federal Reserve Banks of Philadelphia and Cleveland.

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Learn more about taking action to expand economic mobility for your residents and visit <https://www.nlc.org/initiative/equitable-economic-mobility-initiative/>

# Endnotes

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