A Racial Equity Framework for Workforce Development Funders

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Executive Summary
A Racial Equity Framework for Workforce Development Funders

This framework is intended to identify concrete ways for funders in the workforce development field to interrupt the systemic racism embedded within the field’s practices, policies, and programs; the institution of philanthropy; our own organizations; and the labor market in communities we serve.

It asks each of us as funders to consider how we are using our power, influence, grant making, and roles within our institutions to contribute to or dismantle this racism.

An equitable workforce development ecosystem acknowledges the historical presence of structural and systemic racism that are barriers to prosperity for Black, Indigenous, Latinx/Hispanic, Asian American, Pacific Islander, and other People of Color; as well as the current policies and practices by which institutions have perpetuated that racism.

Many laudable workforce programs and practitioners are making strides in their communities to improve job opportunities for People of Color. Yet this is not enough.

Across the country, we continue to see stark disparities between People of Color and whites on almost every measure of economic well-being, including employment, income, benefits, and wealth, regardless of educational attainment.1

The recent report, Race and the Work of the Future: Advancing Workforce Equity in the United States,2 highlights racial inequity in the workforce, underscoring how systemic racism shows up in the labor market and how the COVID-19 pandemic has exacerbated existing inequities.

A few key findings from this and other reports:

- People of Color make up nearly two-fifths of the U.S. workforce ages 25-64.

- Workers of color are underrepresented in good jobs—those that are well-compensated, stable and resilient to automation.

- White workers are about 75 percent more likely than workers of color to hold good jobs.

- Higher education narrows racial disparities in labor force participation and employment but does not equalize income. White workers with a high school diploma and no college earn more than Black workers with an associate’s degree.

- Through fall 2020, looking at the impact of COVID-19, the unemployment rate for white workers has decreased faster and stayed lower than unemployment rates for Black, Latinx/Hispanic, Indigenous,3 and Asian American and Pacific Islander workers. Racial gaps in unemployment have widened since April 2020.4 Job losses for workers of color with disabilities have been the most dramatic and the slowest to recover.5

- Automation is accelerating in the wake of the COVID-19 pandemic, and workers of color are at significantly greater risk of losing their jobs to automation than white workers.

To improve employment equity, self-sufficiency, and economic stability for People of Color, what must change in the workforce development ecosystem? How can funders make a difference?
Funders and their institutions hold unique power to disrupt systemic racism and create a more equitable workforce development field.

They may harness grantmaking resources and leverage relationships to re-envision workforce programs, replace unfair employment practices, and influence policy changes to remove barriers to economic advancement for Black, Indigenous, and People of Color (BIPOC) workers, learners, and job candidates.

A Racial Equity Framework for Workforce Development Funders suggests springboards from which funders may lead change and cites examples of race-conscious workforce initiatives undertaken by the field as well as by philanthropy. To help move the workforce development ecosystem toward greater equity, the framework examines and proposes action in four primary areas:

- **Worker and Learner Voice and Agency** The framework starts here because workers, learners, and job candidates who are directly affected by workforce development investment, initiatives, practices, programs, and policies should be influencing the design of these. Yet, the field has a long way to go in learning to center and respect the voices, experiences, and leadership of the people it serves. Funders can take steps to ensure that Black, Indigenous, Latinx/Hispanic, Asian American and Pacific Islander, and other People of Color shape workforce development grantmaking, initiatives, practices, programs, and policies.

- **Employer Practices** Current employer practices in hiring, pay, benefits, retention, and advancement disproportionately disadvantage Black, Indigenous, Latinx/Hispanic, and other People of Color. By incentivizing employer practice changes and investing in the systems and structures that hold employers accountable, funders can set standards of equitable opportunity in communities they serve. In addition to investing in systems to hold employers accountable, funders also can examine the employment practices within their own organizations and promote the hiring and development of BIPOC leaders and staff among their grantees.

- **Workforce Program Design and Practices** The framing of the workforce system leads to both under-investment in and over-reliance on skills training as the answer to economic mobility. Workforce development practitioners are already under-resourced to do the tremendous work they do. Funders can provide the additional support needed to design and deliver race-conscious and equitable programming, and advocate for employment equity for Black, Indigenous, Latinx/Hispanic, and other People of Color. Funders can also support the tools and processes necessary to do the work, including capacity building, data disaggregation efforts, and practice changes that center workers, learners, and job candidates.
As COVID-19 and the resultant economic recession unfolded in the United States during spring of 2020, Workforce Matters funders witnessed the disproportionate toll these twin crises had on communities of color, particularly Black, Latinx/Hispanic, and Indigenous people. For these communities, we noted, even well-intentioned economic policy and philanthropic responses to the crises had the potential to perpetuate or exacerbate existing racial and ethnic inequities.

Even as companies and communities touted their support for essential frontline workers, who are disproportionately Black, Latinx/Hispanic, Indigenous and other People of Color, many of these workers earned low wages, worked unpredictable schedules, were not provided enough or adequate personal protective equipment, and had insufficient paid leave and inadequate healthcare coverage. Short-term “hazard pay” or paid leave benefits for COVID exposure or diagnosis, provided by some employers, were steps in the right direction. By themselves, however, these were insufficient to address the inequity baked into the labor market. The first round of expanded unemployment insurance benefits closed the gap for some part-time and gig workers but were complicated to access and available only short term; and stimulus payments excluded many immigrant families.

As a result, Workforce Matters focused its 2020 work on driving an equitable response to and recovery from COVID-19. We sought specifically to leverage the resources and influence of workforce development philanthropy to cultivate timely, equitable, and effective responses to education, training, and employment challenges posed by the pandemic.

Then, as the killing of George Floyd sparked uprisings for racial justice across the country, our goal expanded to include developing an intentional, defined racial equity framework for workforce development with a focus on the roles workforce funders can play.

How did Workforce Matters arrive at this document?
During the last four years, Workforce Matters has been supporting the funders in its network by providing capacity building support to address racial equity. As the pandemic and then the uprisings unfolded in 2020, Workforce Matters convened 13 members representing private, corporate, and community foundations, many of whom had participated in the network’s previous work, to build on this foundation and develop concrete, equitable responses to both crises.

The Racial Equity Working Group (see Acknowledgments on Page 37) started from a shared understanding that race and racism are present but often coded and not acknowledged throughout the workforce development ecosystem in the policies that shape the field; in employer practices and engagement; in the design, delivery, and assessment of training; and in how the workforce community speaks/talks about and treats workers, learners, and job candidates.

In a series of meetings, the working group examined four key areas of Workforce Matters’ 2020 focus: workforce policy, employer practices, workforce programs and services, and worker voice and agency. During each meeting, the working group asked three questions:

1. Where do race and racism show up in and shape this area of work?
2. What might it look like for funders in the workforce field to be “race explicit” – i.e., to identify issues of race and racism with the intention of fostering equity – in this area of work?
3. What would it look like for funders to use their power and influence to disrupt racism and support greater equity in workforce development?

The working group’s responses helped Workforce Matters develop the framework that follows.
Background

How to Use this Framework

This framework is for funders. It is intended as a tool for self-reflection on our priorities and practices. As we drive toward equity in our actions, our investments, and in our language, we can use this framework to set goals and hold ourselves accountable. Funders can also use this framework as a tool to engage in learning, advocacy and change with partners in the workforce field, which include other funders, providers, employers, policymakers, and the people served by our grantmaking.

Workforce Matters recognizes that many grantmakers are already engaged in the challenging but rewarding work of addressing racial equity in their organizations and communities. We acknowledge that this framework will not be a one-size-fits-all solution. Workforce funders represent institutions varying in size and programmatic scope and addressing the needs of different communities of workers, learners, and job candidates.

This framework offers many paths forward for advocacy and action on racial equity inside our organizations and beyond. Let’s see ourselves in this framework, identify levers we can pull or push, and take the personal and organizational risks to move toward greater equity.

Practice Examples

What Funders Can Do

Throughout this framework, Practice Examples showcase workforce initiatives, research projects, and programs addressing racial equity. These are included as conversation starters for funders who are seeking new and creative ideas and strategies to share or support in their regions and workforce areas.

Footnotes:


4 No data on unemployment were available for Native American/Indigenous workers in “Race and the Work of the Future.”

The framework discusses economic opportunity for workers, learners, and job candidates who have been disadvantaged by systemic racism in workforce policies, practices, and programs. Within the communities served by a funder’s grantmaking, they may include citizens or immigrants who are Black, Indigenous, Latinx/Hispanic, Asian American and Pacific Islander, and other People of Color. Throughout this framework, when the term “People of Color” is used by itself, it is referring to all persons who are affected by and disadvantaged by systemic racism.

The framework uses a variety of terms that may or may not be familiar. These terms and their definitions are provided below for reference and understanding. Workforce Matters recommends that you refer to this list of definitions as you read through the document.

**Terms Related to Racial Justice and Equity**

**Racial Equity** – The condition that would be achieved if one’s racial identity no longer predicted, in a statistical sense, how one fares. When we use the term, we are thinking about racial equity as one part of racial justice, and thus we also include work to address root causes of inequities not just their manifestation. This includes elimination of policies, practices, attitudes, and cultural messages that reinforce or fail to eliminate differential outcomes by race.

**Anti-racist** – Used as an adjective, this describes action to dismantle systems of racism; support for policies that reduce racial inequity; and expressions of the idea that racial groups are equals.

**Diversity** – Diversity includes all the ways in which people differ, and it encompasses all the different characteristics that make one individual or group different from another. It is all-inclusive and recognizes everyone and every group as part of the diversity that should be valued. A broad definition includes not only race, ethnicity, and gender, but also age, national origin, religion, disability, sexual orientation, socioeconomic status, education, marital status, language, and physical appearance. It also includes different ideas, perspectives, and values.

**Inclusion** - Authentically bringing traditionally excluded individuals and/or groups into processes, activities, decision making, and policy making in a way that shares power.

**Intersectionality** – The interconnected nature of social categorizations such as race, class, and gender, regarded as creating overlapping and interdependent systems of discrimination or disadvantage; a theoretical approach based on such a premise.

**Multicultural Competency** - A process of learning about and becoming allies with people from other cultures, thereby broadening our own understanding and ability to participate in a multicultural process. The key elements to becoming more multiculturally competent are respect for the ways that others live in and organize the world and openness to learn from them.

**Power** – Power is unequally distributed globally and in U.S. society; some individuals or groups wield greater power than others, thereby allowing them greater access and control over resources. Wealth, whiteness, citizenship, patriarchy, heterosexism, and education.

**Black, Indigenous and People of Color (BIPOC)** – a term that seeks to highlight the Black and Indigenous communities, who in the United States have historically experienced racism and discrimination in a unique relationship to whiteness and white supremacy. The term includes all People of Color, including people of Latinx/Hispanic and Asian and Pacific Islander descent.
are a few key social mechanisms through which power operates. Learning to “see” and understand relations of power is vital to organizing for progressive social change. Power may also be understood as the ability to influence others and impose one’s beliefs. All power is relational, and different relationships either reinforce or disrupt one another. The importance of the concept of power to anti-racism is clear: racism cannot be understood without understanding that power is not an individual relationship but a cultural one, and that power relationships are shifting constantly.

**Targeted Universalism** - Targeted universalism rejects the concept of a blanket universal solution, as that would likely be indifferent to the reality that different groups experience the institutions and resources of society in different ways. Targeted strategies to achieve a goal or solution address the realities of the different groups. Targeted universalism also rejects the claim of formal equality that treats all people the same as a way of denying difference. In targeted universalism, any proposal is evaluated by the outcome, not just the intent. For example, while a goal for employment may be universal, strategies used to achieve that goal may differ to be especially sensitive to the needs of the most marginal groups.

**Race Explicit/Race Conscious vs. Race Neutral** – This framework identifies a need for race-explicit (or race conscious) recommendations to drive toward equity in workforce development and philanthropic practices, policies, and programs. To develop effective approaches and achievable outcomes, it is necessary to disaggregate data by race and identify as well as engage the People of Color affected by grantmaking in shaping solutions and goals. It is not possible to achieve the goal of racial equity using race neutral methodologies or measures blind to the impacts and legacies of systemic racism.

**Terms Related to Race and Racism**

**Bias / Implicit Bias** – Also known as unconscious or hidden bias, implicit biases are negative associations that people unknowingly hold. They are expressed automatically, without conscious awareness. Many studies have indicated that implicit biases affect individuals’ attitudes and actions, thus creating real-world implications, even though individuals may not be aware that those biases exist within themselves. Notably, implicit biases have been shown to trump individuals’ stated commitments to equality and fairness, thereby producing behavior that diverges from the explicit attitudes that many people profess.

**Race** - A socially constructed system of categorizing humans largely based on ancestry and on observable physical features (phenotypes) such as skin color. There is no scientific basis for or discernible distinction between racial categories. The ideology of race has become embedded in our identities, institutions, and culture and is used as a basis for discrimination and domination. The concept of racism is widely thought of as simply personal prejudice, but in fact, it is a complex system of racial hierarchies and inequities.

**Racism** – is different from racial prejudice, hatred, or discrimination. Racism involves one group having the power to carry out systematic discrimination through the institutional policies and practices of the society and by shaping the cultural beliefs and values that support those racist policies and practices.

**Structural Racism** – Racial bias across institutions and society. It describes the cumulative and compounding effects of an array of factors that systematically privilege white people and disadvantage People of Color.

**Systemic Racism** – Policies and practices that exist throughout a whole society or organization, and that result in and support a continued unfair advantage to some people, and unfair or harmful treatment of others, based on race.

**White Supremacy** – the idea (ideology) that white people and the ideas, thoughts, beliefs, and actions of white people are superior to People of Color and their ideas, thoughts, beliefs, and actions. This term also refers to a political or socio-economic system where white people enjoy structural advantage and rights that other racial and ethnic groups do not, both at a collective and an individual level.

**White Supremacy Culture** – refers to the dominant, unquestioned standards of behavior and ways of functioning embodied by most institutions in the United States. These standards may be mainstream, dominant cultural practices; they have evolved from the United
Terms and Definitions

States' history of white supremacy. It is an artificial, historically constructed culture which expresses, justifies, and binds together white-controlled institutions into the United States’ white supremacy system. It is the glue that binds white-controlled systems into the global white supremacy system.

Terms Related to Workforce Development

Workers, Learners, and Job Candidates – This report does not refer to people served by workforce development programs as “clients” or “cases.” This choice recognizes their agency, aspirations, and expectations of quality service as they use the workforce ecosystem to advance toward their career goals.

Workforce Development - Workforce development aims to address the need for employment and advancement in the labor market through services, programs, systems, and networks that provide people with education, skill development and access to jobs. It also seeks to address the quantity, quality, and location of these jobs and to meet employer needs for a skilled workforce.

Workforce Development Ecosystem / Workforce Ecosystem - The Workforce Development Ecosystem includes but is not limited to the publicly funded system (e.g., WIOA, TANF, SNAP, higher education/community colleges). In this framework, we are including the broader ecosystem of public, private, and nonprofit actors that play roles in creating job opportunities, advocating for improved job quality, and filling labor market needs. These include businesses, economic development agencies, workforce boards, career centers, community colleges, community-based organizations, philanthropy, labor, labor-management partnerships, and workers themselves.

Footnotes:

9 Ibid
A Racial Equity Framework for Workforce Development Funders

VISION STATEMENT

Worker and Learner Voice and Agency

We envision an equitable workforce development ecosystem in which funders and others:

- Honor and value the skills and perspectives that workers, learners, and job candidates of color bring to the table.
- Invest in building the power and agency of People of Color in the workplace.
- Support the design, delivery, and evaluation of programs, practices, and policies that center People of Color.
- Recognize that the United States cannot train its way out of economic inequity, and therefore support multiple strategies to meet the needs of job candidates, learners, and workers of color.
- Describe learners, workers, and job candidates of color using asset-based, race-explicit frames that acknowledge systemic causes of disparity.
- Acknowledge explicitly the ways race, racism, and intersectionality (such as gender, disability, and sexuality) have been used unjustly to determine who has power and agency.
- Encourage and support collaboration with worker rights and other worker organizing institutions that are necessary to shape and improve employment terms and conditions affecting workers of color.
Worker and Learner Voice and Agency

Where are we now?

The U.S. economy was built on extractive and exploitative policies and practices that have systematically disadvantaged and marginalized Black, Indigenous, Latinx/Hispanic, and other People of Color for generations. Among many government policies and institutional practices that helped create and maintain our economic system, the legacies of Native American displacement and genocide, of slavery, and of Jim Crow are today some of the biggest contributors to inequality in America. In addition, historic anti-immigrant legislation, such as the Chinese Exclusion Act and Japanese Internment, as well as contemporary analogs, such as California’s (now repealed) Proposition 187 and Arizona’s infamous SB 1070, have scapegoated immigrants and contributed to economic insecurity, discrimination, and harassment for people of Asian and Latinx/Hispanic descent. These policies and practices have perpetuated a false and enduring narrative about the relative worth and abilities of People of Color, especially Black and Brown people, while upholding white supremacy. Furthermore, this narrative has been baked into the design of the workforce development ecosystem and it has been internalized over time by funders and other people who work in the field.

The current moment acknowledges the importance and even the heroism of essential workers, many of whom are frontline workers who earn low wages. However, workforce and economic policies ensure the continued vulnerability of these workers, who are disproportionately People of Color and chronically undervalued, and who often lack safe working conditions, living wages, affordable health care and other benefits. Furthermore, many frontline workers are excluded from policy design and decision-making that directly affect their economic well-being.

Many funders work within white-led organizations, which consciously or unconsciously tend to embrace white-dominant cultural norms about professionalism, values, social frames, language, and experiences. Many funders also lack actual lived experience with workforce programs and are in the position of funding programs for “others.” These blinders, as well as the long-standing narratives cited above, have led to the development and use of deficit-based, racially coded language and stigmatizing labels such as “low-skilled,” “low-income,” or “hard to serve” to describe People of Color and workers, learners, and job candidates in workforce programs. Framing narratives such as the “skills gap” have been problematically used to focus on the perceived failings of workers, rather than on the economic systems that have let People of Color down again and again and that have failed to deliver on the results promised to them and their families.

Furthermore, funders rarely put workers’ expertise and lived experience at the center of grantmaking decisions, and often fail to encourage providers to engage workers, learners, and job candidates in a meaningful way in program design, delivery, and evaluation.

Workers, learners, and job candidates are described as clients, not experts in the design and delivery of programs and services. Where the workforce ecosystem does engage workers, it is primarily for the purposes of needs assessment, program feedback, or program promotion, all of which are important, but which do not center (include, respect, value, and use) worker voice.

At worst, funders have used stories about workers, learners, and job candidates as evidence to support the narratives of bootstraps individualism and exceptionalism—i.e., if this one individual was able to overcome huge odds to get a good job through a program we funded, everyone should be able to, given the opportunity. The role of funders is especially fraught, as they often drive programming in ways that prioritize their organizational needs and not those of workers, learners, or job candidates. In addition, funders often expect grant applicants to frame the “problems” they are trying to address as the people rather than systems.

Skills training strategies and a broad range of policies that contribute to a more equitable economy can be discussed without stigmatizing BIPOC workers, learners, and job seekers. Recent reports from the National Fund for Workforce Solutions and the National Skills Coalition, for example, describe the needs of displaced workers in economic context when discussing safety-net programs, publicly-funded job creation, and automation resilience strategies.
What funders can do

Center BIPOC Workers in Developing, Supporting, and Evaluating Workforce Initiatives

Use asset-based, race-explicit, and systemic frames and language to describe workers, learners, and job candidates of color.

● Stop using terms such as “skills gap,” “low-skilled,” and “hard to serve” in communications and RFPs, and instead use systemic language and frames such as “employment discrimination,” “policies and practices” or “lack of institutional support.” Language that describes the evolving economy and new skills that are required is also helpful.

● Recognize and communicate that BIPOC workers, learners, and job candidates are constantly navigating a system that was designed to be inequitable, and therefore bring a valuable skill set to the table.

● When telling the stories of BIPOC workers, learners, and job candidates, identify how structural and systemic racism affect them. Frame their stories within the larger economic context and identify historical barriers to success, and job training and placement as part of the larger goal of ensuring economic security.

● Support initiatives designed to shift from a deficit frame to an opportunity frame to describe BIPOC workers, learners, and job candidates: They are assets in the workplace.

● Use race-explicit language such as “Black” or “Hispanic” rather than racially coded language such as “inner city,” “urban,” or “low-income,” and acknowledge intersectional identities (gender, disability, sexual orientation, etc.) that have been used to deny worker power, agency, and opportunity.

Practice Example

Beyond Training and the “Skills Gap”: Research and Recommendations for Racially Equitable Communications in Workforce Development

To provide a broad picture of how workers, particularly workers of color, are portrayed in the media coverage of two growing industries, Race Forward, with support from the W. K. Kellogg Foundation, analyzed more than 200 mainstream newspaper and wire articles about technology or healthcare jobs and a sample of workforce development organizations. Race Forward then issued this 2019 report, which found that individualist framing dominates media coverage. The report makes recommendations for how funders and the workforce development field can be more intentional in their communications to explicitly address race, use systemic frames, and help drive equitable and inclusive change.

Practice Example

Strategies that Center the Voice of the Underestimated Job Seeker

The Minneapolis Saint Paul Regional Workforce Innovation Network (MSP-Win), a workforce funder collaborative in the Twin Cities, commissioned community-based research to gain insights from job candidates and workforce practitioners, and to identify strategies that center the voices of job candidates who earn low wages in the workforce development system. The research introduced many funders to worker organizing and its relationship to workforce development. Following the report release, MSPWin made grants for the first time to worker organizing and advocacy initiatives.
What funders can do

Invest in building worker power and agency as a part of workforce development.

- Bridge the silos within and across grantmaking institutions that currently separate workforce development investments from investments in organizations devoted to worker rights, economic justice, legal rights, movement building, and worker power building. Provide adequate funding for meaningful partnerships and capacity building across these sectors and types of organizations.

- Invest in integrated approaches in which workers, learners, and job candidates are educated about their rights and become able to name the unique skills that they have acquired to navigate white-dominant cultures and systems.

- Support job-quality strategies that build worker power, including strategies that make it easier for workers to change employers or to take legal action against employers that use discriminatory or abusive practices.

- Support training and capacity building for workforce development practitioners to develop race-explicit and multiculturally competent approaches to working with and supporting workers, learners, and job candidates.

- Support training and capacity building for workforce development practitioners to use human-centered design principles.

Practice Example

**New Orleans Workers’ Center for Racial Justice**

The New Orleans Workers’ Center for Racial Justice was founded in the aftermath of Hurricane Katrina to advocate for all workers. One of its first hurdles was to address tensions between Black and Latino immigrant workers caused in large part by government actions and inactions that had loosened employment regulations such as requirements for prevailing wages, affirmative action rules, and verification of workers’ documentation for employment.

With funds from the Advancement Project and the National Immigration Law Center, the New Orleans Workers’ Center for Racial Justice invested in grassroots leadership development and organizing. It conducted more than 700 interviews and oral histories, surveyed the employment landscape to document the exploitation of Black and Latino workers, and illuminated the structural racism and inequity faced by both communities. The resulting report, *And Injustice for All: Workers’ Lives in the Reconstruction of New Orleans*, was highlighted in briefings and town meetings. It also became a critical tool to building alliances between Black and Latino workers and communities, fostering joint action against companies that violated the Fair Labor Standards Act. One key lesson for funders is the need not only to support advocacy but the vehicles for building worker power — organizing, grassroots leadership development, and alliance building — that are resource-intensive and that happen over time.
What funders can do

Center (include, respect, value, and use) the perspectives of workers, learners, and job candidates of color in measuring the impact of investments in workforce development.

- Redesign impact measurement to include worker agency and power. Provide financial support to grantees to build their impact tracking and reporting capacity to adapt to the changes.

- Structure funding (and metrics for future funding) to incentivize the authentic engagement of all workers, learners, and job candidates, especially those who are People of Color, in the design and delivery of workforce programs and services.

- Provide support to pilot methods that enable workers, learners, and job candidates to hold service providers, funders, and policymakers accountable for outcomes.

- Provide capacity building support to organizations that want to learn how to authentically engage workers, learners, and job candidates of color.

Practice Example

Learn and Earn to Achieve Potential

The Annie E. Casey Foundation’s Learn and Earn to Achieve Potential (LEAP)™ initiative aims to help youth and young adults, especially those of color, find and navigate successful pathways to school and work after experiencing homelessness, foster care, or the justice system. Young people play a critical role in developing LEAP strategies and have helped with site selection, participated in local and national leadership meetings, facilitated peer support groups, supported the national learning community, and helped design national evaluation activities, including the protocol used to interview youth and interpretation of data.

Footnotes:


11 Human-centered design is a creative approach to problem solving. It’s a process that starts with the people you’re designing for and ends with new solutions that are purpose-built to suit their needs. Human-centered design is about cultivating deep empathy with the people you’re designing for; generating ideas; building a bunch of prototypes; sharing what you’ve made with the people you’re designing for; and eventually, putting your innovative new solution out in the world. Source: IDEO.org

12 Authentic engagement consists of listening to and hearing people and valuing what you hear. This engagement is designed to build relationships, establish trust, and empower those you are engaging to create community-led solutions. Authentic engagement must go beyond tokenism or symbolic engagement. Adapted from “Principles of Authentic Community Engagement,” Minnesota Department of Health, https://www.health.state.mn.us/communities/practice/resources/phqtoolbox/docs/AuthenticPrinciplesCommEng.pdf
VISION
STATEMENT

Workforce Policy

We envision an equitable workforce development ecosystem in which workforce policies:

● Are actively anti-racist.

● Are based on program impact and outcomes data that have been disaggregated by race and ethnicity, to inform and shape the development of targeted programs that drive toward equitable workforce outcomes for BIPOC workers, learners, and job candidates.

● Are developed with the involvement of leaders from impacted communities, particularly workers of color.

● Actively center structural narratives and solutions that reflect understanding of the historical context, especially where past policies and mandates were rooted in or contributed to inequity.

● Policymakers must be accountable for being explicit about the roles of race and racism in determining who benefits from or is harmed by current or proposed economic and workforce policies and practices.

● Drive investment to change the conditions that perpetuate the devaluation of workers of color and low-wage work.

● Reflect and meet the needs of workers who are disproportionately concentrated in low-wage or contingent employment, or who are unemployed.

● Prioritize benefits for workers who are disproportionately impacted during economic crises.
Federal public workforce policy has its roots in the New Deal legislation during the Great Depression, when the Wagner-Peyser Act of 1933 established a nationwide network of public employment service offices. This network was designed to respond to unemployment in a time of crisis, referring jobless workers to private sector jobs and to newly created public works and public service jobs. The Act was built on an individual meritocracy framework, “rewarding and advancing people based on individual merit, talent, and ability without accounting for implicit or explicit biases or barriers that maintained an uneven playing field,” which ensured disproportionate benefits to white workers over workers of color.

Both the 1935 Social Security Act and the 1938 Fair Labor Standards Act excluded agricultural and domestic workers from their benefits and protections, leaving about two-thirds of Black workers ineligible.

In 1964, President Lyndon B. Johnson signed into law the Economic Opportunity Act. Civil Rights Era organizing and demands for improvements in working conditions for Black workers influenced this Act, which was the only federal workforce legislation to employ an explicit equity lens and acknowledge the need to address structural racism as the root of Black unemployment.

Unfortunately, gains were short-lived, as subsequent federal workforce development legislation, from the 1973 Comprehensive Employment and Training Act (CETA) to the Job Training Partnership Act of 1982 to the most recent Workforce Innovation and Opportunity Act (2014), have targeted services to populations earning low incomes and experiencing barriers to employment but shifted away from a race-conscious approach.

In addition, an individualistic “bootstraps” narrative continues to shape workforce policies at the local, state, and federal level. This narrative emphasizes individual worker assets and deficits, leading to an over-reliance on training as the solution to economic mobility, while ignoring larger systemic and structural barriers as well as a long legacy of discriminatory policies and practices affecting workers of color.

Footnotes:

13 This section offers only a brief overview of the history of race and workforce development policy. For a fuller discussion, please see Prosperity Now’s Exploring “Racial Economic Equity in Workforce Development” (2020); Race Forward’s Race-Explicit Strategies for Workforce Equity in Healthcare and IT (2017); and the Center for American Progress’s “A Design for Workforce Equity” (2019).
What funders can do

Advocate for Equity for BIPOC in Workforce Policy and Public Funding

Use and communicate a race-explicit and anti-racist narrative about workforce development and workforce policy.

- Develop a baseline understanding of the historical and current policies and narratives that have embedded inequity in the workforce development ecosystem, including who benefits and who is harmed by current policies. Create spaces for trustees, staff, and grantees to learn about and discuss the history and narratives and their impacts on workforce policies and People of Color.

- Develop communications strategies that are explicit about the structural inequities embedded in workforce policy and public funding. These communications strategies should be public, bold, and urgent about the need to address racial equity in our sector.

- Lift up alternatives and approaches to workforce development beyond those focused on jobs, skills, training, and individual worker assets and deficits. Specifically, consider strategy and policy approaches that expand access to our nation’s safety net; address “digital redlining” and invest in digital access and learning; and support access to high quality jobs and benefits.

- Recognize workers, learners and job candidates of color who access workforce services as equal to, not less talented than, workers, learners and job candidates of color who do not access workforce services.

- Present a clear case for how communities of color need to be equitably represented at all levels in industries, occupations, and companies that benefit from growth and investment, and in all COVID-19 economic recovery packages.

Practice Example

Re-Imagining a Bay Area Workforce System Grounded in Racial and Gender Equity

This report, released by the Insight Center for Community Economic Development, examines how women and People of Color have made untold contributions across industries, despite being denied basic rights and fair wages due to racism, sexism, and xenophobia baked into workforce policies and practices.

Supported by ReWork the Bay, a collaborative of funders, advocates, workers, and employers housed at The San Francisco Foundation, the report focuses on a growing low-wage workforce, disproportionately comprised of women and People of Color, and forced by policy decisions to live on the edge long before COVID-19. The full report includes “Steps and Stops to Building Wealth by Race in the Bay Area, 1700–1918,” a graphic timeline that exposes the inequities caused by underlying structural racism in local, state, and federal policy choices made over time. An accompanying policy landscape report provides more information about these policies.
What funders can do

Collect, use, leverage, and communicate data to highlight BIPOC workers’ needs and work conditions, and drive investment in targeted and differential responses and resources to address these.

- Gather and share data on industries and occupations in which BIPOC workers are disproportionately concentrated, and the conditions these workers face, in order to highlight unequal positions and needs. Use these data to advocate for differential and targeted resources and policy responses.

- Fund research and programs that increase understanding of how proposed workforce and economic policies may affect BIPOC workers, learners, and job candidates, with a specific focus on intersectional identities, such as women, people with disabilities, and LGBTQ+ people.

- Support grantee efforts to gather, synthesize, leverage, and share data on the workforce and economic impacts of crises like COVID-19 on communities of color. Specifically, identify differences in job and income losses by and within communities, and juxtapose this data with a clear case showing how communities of color need to be represented in industries that do benefit from growth and investment in economic recovery packages.

- During times of economic crisis, support monitoring and transparency efforts to reveal how relief funds are expended and who is benefiting.

Support the capacity of the workforce development ecosystem to advocate for equitable investments and programs.

- Support the capacity of workforce ecosystem stakeholders to gather, synthesize, and use disaggregated data to advocate for more effective and equitable investments.

- Support the capacity of direct service practitioners to capture and use qualitative data to document systemic barriers that BIPOC workers and learners face, and to inform advocacy efforts.

- Invest in power-building strategies, especially for workers of color and workers who earn low wages.

- Support community engagement and organizing that amplify/highlight worker voices in developing responses to COVID-19 and other economic crises.

- Purposefully convene and build relationships between economic justice advocates, including advocates for citizens returning from incarceration, and workforce development stakeholders and funders; and invest in alignment of these efforts.

- Support and incentivize the bridging of advocacy/policy-focused organizations and direct service organizations and the individuals they serve.

Practice Example

Disaggregating Occupational Data by Race to Uncover Patterns and Drive Investment

Associated Black Charities’ 2018 report, Analysis of Patterns of Employment by Race in Baltimore City and the Baltimore Metropolitan Area, is an example of research that funders might support in their regions or workforce areas to uncover racial disparities in employment and wages, and to advocate for new workforce policies and strategies. This report found that Black employment is concentrated in lower-wage industries and occupations, and Black workers tend to earn less than their white counterparts and experience higher employment turnover. These findings are informing current workforce efforts in the region.
What funders can do

**Advocate for change -- not just recovery.**

- Invest in approaches that reimagine workforce development and reorient its values towards equity and anti-racism, rather than strategies to retool the existing ecosystem or get us “back to normal.”

- Partner with and convene colleagues and grantees who are already proposing, developing, and/or advocating for workforce and economic policies that explicitly address systemic causes of racial inequity to amplify their impact.

- Support efforts to address collateral consequences of justice-involvement, particularly those that prevent justice-impacted individuals from accessing employment and occupational licenses.

- Integrate approaches that lead to workforce development strategies and portfolios adopting equitable employment practices and increasing job quality.

- Focus on increasing job quality for essential workers, including compensation, benefits, safety, training, career pathways, and power. Explicitly fund work on job quality changes affecting the low-wage, frontline jobs in which BIPOC workers are over-represented.

- Build momentum and support for larger efforts, such as the Essential Workers Bill of Rights.

- Advocate for new or revised funding formulas that prioritize services to employers that meet minimum job quality standards.

- Fund workforce partnerships that include employers that invest their own resources in worker skill building and equitable employment practices.

**Advocate for impactful uses of existing public funding to achieve equity for BIPOC in the workforce system.**

- Use research and communications capacities to shine a light on places where public workforce funding results in equitable outcomes.

- Participate in the development of state and local workforce plans. Advocate for plans that focus on equitably serving BIPOC through the public workforce system, prioritizing services for populations that have been systemically marginalized, and for the additional financial incentives needed to implement these plans.

- Support the creation of policy that requires employers to pay into workforce development funds, with the amount dependent on jobs lost to automation.

- Advocate for public funding that prioritizes, incentivizes, and measures long-term outcomes and impacts, such as economic mobility.

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**Practice Example**

**PHI’s Direct Care Worker Story Project**

The Direct Care Worker Story Project aims to enhance the visibility of this workforce, amplify its voices, and draw on workers’ unique wisdom to inform policy and practice.

The Project seeks to address the lack of representation of direct care workers in public narratives and ensure images used to depict long-term care work are grounded in workers’ and clients’ real experiences. Through interviews and original photography, PHI is working with direct care workers nationwide to document their stories and share their ideas for transforming jobs in long-term care.
What funders can do

Practice Example

**Families and Workers Fund Combines Direct Relief, Longer-Term Advocacy for an Equitable Recovery**

The Families and Workers Fund is a pooled fund launched by Ford Foundation, Schmidt Futures, Open Society Foundations, and Amalgamated Foundation to help the workers, families, and communities most devastated by the COVID-19 pandemic and address the economic crisis caused by COVID-19.

From March through December 2020, the Families and Workers Fund raised over $28 million from 18 funders. Over this time period, it made grants to more than 40 organizations to provide both direct relief to workers and families excluded from safety net programs and to lay the groundwork for a more equitable recovery.

Grantees have been critical in advocating for improvements to the unemployment system at every level and in making the case for expanded unemployment insurance and anti-austerity measures, drawing on their direct experience supporting workers and families. They have also worked to improve on-the-job health and safety measures for vulnerable workers and advocated for a more equitable federal paid leave policy that centers workers. Going forward, the fund will increasingly focus on growing jobs with greater opportunity for economic security and mobility and ensuring that impacted workers are connected to these areas.

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**Footnotes:**


Workers’ needs are prioritized alongside those of employers.

Stakeholders acknowledge the ecosystem’s role and responsibility in breaking down structures and practices that reinforce occupational segregation, and unequal access to well-paying jobs and opportunities for advancement.

Employers are held accountable for meeting job quality and fair labor standards.

Major corporations and their shareholders acknowledge the legacy of structural racism and inequality, and the resulting benefits that have accrued to them.

Employers commit to equitable employment practices and working conditions.

Employers use hiring practices that explicitly prioritize and value greater diversity and inclusion, reduce the effects of implicit and explicit biases in hiring decisions, and use metrics to ensure inclusion of candidates of color in hiring processes.

Employer policies, practices, and investments support all workers and explicitly address inequities in health, safety, and advancement experienced by People of Color in the workplace.

VISION STATEMENT

Employer Practices

We envision an equitable workforce development ecosystem in which:
Many economic and labor market trends have contributed to employer practices that disadvantage the BIPOC workers, learners, and job candidates who have the least income and opportunity.

Large corporations have captured a growing percentage of revenues and profits within their industries during the last two to three decades, as competition has decreased. The largest corporations also have gained an outsize influence on labor markets and labor practices. Their concentration of power tends to suppress wages, worker power, and labor mobility. At the same time, a focus on maximizing profits and shareholder value has contributed to growing automation, offshoring, and outsourcing of workers in temporary labor arrangements. These trends have disproportionately affected frontline workers of color, most of whom earn low wages. Also, structural and institutional racism within workplaces and industries historically have resulted in People of Color being granted little influence and few opportunities for input into the working conditions.

Employment practices at most U.S. companies reflect the organizational culture, expectations, and norms of white-dominant culture, specifically white and male, heterosexual, and able-bodied. Commonplace hiring practices and processes, including automated hiring systems; “up-credentialing” (requiring degrees for positions that did not need them in the past); questions about criminal history on job applications; and reliance on word of mouth to fill positions, have disadvantaged workers, learners, and job candidates of color by failing to mitigate implicit and explicit biases, and upholding structural and institutional racism. Race-neutral employment policies and practices, which may dictate pay, safety, benefits, and access to training based on occupation, also have negatively affected BIPOC who are disproportionately concentrated in low-wage and contingent jobs.

Even as these trends have developed, public funding streams and philanthropy have moved workforce development practices and policies steadily toward meeting employer needs, as a way to create opportunities for workers and job candidates. While the intent of this approach may have been well-meaning, it has shifted more power to employers and made it even more difficult for practitioners and other stakeholders to question employer practices that disproportionately and negatively impact workers of color.
What funders can do

Use Philanthropic Levers to Drive Employer Practice Change

Walk the walk: Make employment practices in our own institutions more equitable.

- Identify and move away from the white-dominant cultural norms that uphold racism and contribute to inequitable employment practices within our institutions.

- Transform the organizational culture in our institutions so they are more supportive, inclusive, and equitable for BIPOC and other marginalized populations.

- Transform our institutions’ own hiring and employment practices to explicitly prioritize the hiring, inclusion, and advancement of BIPOC. Examine position descriptions, the use of referral networks, job application questions, including those that ask about criminal history, credential requirements, and promotion pathways for bias and for disproportionate impact on workers and job candidates of color.

- Acknowledging that BIPOC are disproportionately impacted by the criminal justice system, adopt the recommendations noted in Fair-Chance Hiring in Philanthropy to develop a more welcoming organizational culture, conscientiously extend opportunities to those who may have an arrest or conviction record, change hiring practices, and work to transform our institutions’ approaches to justice-impacted individuals.

- Support the development of leaders of color within our own organizations.

- Examine any race-neutral employment and workplace policies funders have been using to ensure that these do not disadvantage BIPOC employees.

- Communicate our progress in these areas to stakeholders, grantees, and communities served by our institutions. Invite feedback and welcome these stakeholders to hold our institutions accountable.

Practice Example

W.K. Kellogg Foundation’s “One Journey”

In August 2020, the W.K. Kellogg Foundation released One Journey: Racial Equity, Diversity & Inclusion at the W.K. Kellogg Foundation. This guide is intended for foundations, nonprofit organizations, and others looking to advance racial equity. Using the foundation’s own racial equity journey as a roadmap, the guide explores the role of board leadership; how the foundation approached reviews of internal policies and practices; and how and where the foundation has leveraged its networks, research and voice.

The guide concludes with a set of Racial Equity Standards that the foundation has applied to its own work and that other individuals and organizations can adapt. These standards include: applying all policies, procedures and processes fairly, consistently and equitably; always seeking to disaggregate data; requiring racially diverse candidate pools for vendors, staff, and contractors; using the foundation’s influence to advance racial equity; ensuring that pictures, presentations, stories and examples recognize and honor people and their cultural ways as assets; recognizing that language is racialized; and honoring all cultures.
What funders can do

Incentivize and support inclusive and equitable hiring and employment practices.

- Highlight employers that are hiring, promoting, and investing in BIPOC, and employers with inclusive and equitable employment practices.

- Invest foundation dollars in employers that demonstrate equitable hiring and employment practices. Apply this standard to grantees, consultants, vendors, and investments made through endowments, as well.

- Support hiring practices and policies such as affirmative action, to create opportunities for BIPOC and other populations that have experienced the impacts of a long legacy of discrimination and racial inequity.

- Support, engage, or invest in employers and employer groups to enable or further their work in examining biases in their hiring practices and developing tools and strategies to eliminate such biases.

- Fund and publicize research that demonstrates the value of diversity, equity, and inclusion in the workplace.

- Know an employer’s track record on equity and fair employment practices before highlighting the company in research, publications, and convenings, to avoid the appearance of condoning or excusing its track record.

- Encourage workforce development practitioners to partner with employers that use equitable hiring and employment practices and are intentional about building an inclusive workplace culture. Provide funding and technical assistance to workforce practitioners to build their capacity to challenge and influence employers whose practices are not equitable.

Practice Example

California’s High Road Training Partnerships

The California Workforce Development Board’s publicly funded High Road Training Partnerships (HRTP) initiative incentivizes job quality while investing in worker training.

HRTP is a $10 million demonstration project designed to model partnership strategies for the state. In industries ranging from transportation to health care to hospitality, HRTP has funded training partnerships that are built on the principles of equity, sustainability, and job quality.

The HRTP initiative was designed to advance a field of practice that simultaneously addresses urgent questions of income inequality, economic competitiveness, and climate change, through regional skills strategies designed to support economically and environmentally resilient communities across the state.

The industry-based, worker-focused training partnerships build skills for California’s “high road” employers — firms that compete based on quality of product and service achieved through innovation and investment in human capital, and can thus generate family-supporting jobs where workers have agency and voice.
What funders can do

Hold employers accountable for their employment practices.

- Develop a public accountability framework with race-explicit employment practice recommendations and ask funders, major employers, employer associations, and workforce leaders to commit to adopting some or all recommendations.

- Support data transparency efforts that track progress on hiring, occupational segregation, advancement, and other metrics that are part of the accountability framework.

- For funders involved in impact investing, consider using “side letters” (supplemental documentation) for outlining expectations and reporting metrics around diversity, equity, and inclusion, including the reporting of disaggregated data on employee composition, wage equity, retention, and development. Hold internal conversations about these metrics early in the process of sourcing investments.

- Support the adoption of local hire policies and community benefits agreements, with enforcement mechanisms. Ask major employers, employer associations, and workforce leaders to support these as well.

- Enlist the influence and power of foundation trustees and board members, and use funders’ own influence and power, to help open doors to sectors and occupations where BIPOC are underrepresented, and to make changes to organizational culture to ensure BIPOC workers are valued and treated equitably.

- Invest in and support worker organizing efforts, particularly among organizations representing and led by BIPOC, to build worker power, to hold employers accountable, and to advocate for increased regulation granting and enforcing worker protections.

- Provide funding, cover, authority, and connections to allow workforce development practitioners to have more power and influence in advocating for the rights and interests of workers, learners and job candidates, and in seeking to improve job quality.

- Use foundations’ convening power: Convene partners such as unions, worker centers, and other worker advocacy groups, together with employers and stakeholders in the public and private sectors, to develop an explicit anti-racism framework for working together, and to develop shared power and decision-making.

Practice Example

**Fund for Employee Ownership @ Evergreen Cooperatives**

In late 2018, the Evergreen Cooperative Corporation announced the launch of The Fund for Employee Ownership. With support from The Kendeda Fund, The Fund for Employee Ownership pools impact capital to make equity and equity-like debt investments to help accelerate employee ownership transitions. These conversions can lead to greater wealth-building opportunities, growth in quality jobs, and investments in local communities.
What funders can do

Build stronger local economies that more equitably invest in BIPOC-owned businesses.

- Invest in and support businesses that implement policies and practices supporting BIPOC employees and building worker power and equity.

- Support and invest in local ownership and local businesses, especially those that are BIPOC owned, with a goal of increasing job stability and quality.

- Commit to supporting or increasing support for BIPOC-owned businesses through procurement processes, and set specific and progressively increasing procurement goals for supporting businesses.

- Invest in and support a transition to worker ownership, including through helping businesses plan for conversion to employee share ownership plans (ESOPs) and supporting and scaling worker cooperatives. Funders can also play a role in advocating for more conducive policy environments and in building supportive infrastructure for ESOPs and co-ops. Provide support for the replication of worker cooperatives and other alternative and worker-based ownership models, and support efforts to build more conducive policy and enabling environments for these alternative ownership models to thrive.16

- Create a more supportive ecosystem for local businesses, and broker relationships among small business advocates, workforce development providers, and worker organizing efforts.

- Convene key stakeholders in the financial sector to identify and implement anti-racist strategies that increase equitable access to capital for BIPOC-owned businesses.

Practice Example

High Road Kitchens Project

High Road Kitchens is an initiative conceived of by One Fair Wage during the COVID-19 pandemic as a response to three challenges facing workers in the restaurant industry: food insecurity, employment security, and job quality. Initially launched in California with a combination of public and private support, High Road Kitchens Relief Funds and efforts had been launched in Boston, New York City, Detroit and Chicago by the end of 2020.

The High Road Kitchens model provides an initial grant to restaurant owners for retaining or rehiring their employees or other vulnerable foodservice employees who have lost employment due to COVID-19. In return, participating restaurants provide free meals and/or food on a sliding scale to workers with low incomes, health care workers, and others in need. They also commit to high road employment practices, including livable wages and increased equity, after the pandemic ends and the industry fully reopens. In addition, participating restaurants are highlighted for their employment practices and receive technical assistance from One Fair Wage to help them move profitably toward livable wages and increase race and gender equity in wages, recruitment, hiring, training, and promotional practices.

Footnotes:

VISION
STATEMENT

Workforce Program Design and Practices

We envision an equitable workforce development ecosystem in which workforce programs:

- Are framed as a set of investments that build the economic security of every worker and strengthen business and communities.
- Receive investment for innovation to address workers’ new needs emerging during the COVID-19 pandemic and economic recovery, especially the needs of BIPOC and other populations and frontline workers most disadvantaged in this crisis.
- Collaborate, with the support of funders, to hold employers accountable for creating and maintaining equitable working environments as a condition of their partnerships.
- Receive robust and adequate investment from funders (public, private and philanthropic) to support capacity building and curricula development, as well as professional development strengthening practitioners’ multicultural competencies.
- Are equipped with the technology and expertise to disaggregate outcomes data by race and analyze this data to develop targeted strategies that improve long-term outcomes for BIPOC workforce program participants.
- Are equipped with the tools, power, agency, and support they need to design and deliver culturally sensitive, inclusive, and equitable programming.
- Receive more patient capital from funders, to provide targeted services for BIPOC workers, designed to help with longer-term retention and advancement.
- Receive funders’ support for the work of acknowledging and dismantling the systemic roots of racial inequity, as well as for delivering programs that address the symptoms.
Workforce practitioners do tremendous work to understand the labor market; build employer partnerships; offer high-quality coaching, training, and supportive services to participants; and track outcomes. They achieve this while significantly under-resourced. It would be disingenuous to expect frontline practitioners to carry the full burden of delivering more equitable outcomes for BIPOC workers, learners, and job candidates without robust support from funders.

Narratives that shape workforce programs

The public workforce development system was designed to provide employment assistance and create jobs during the Great Depression, when the nation’s unemployment was at an all-time high. That system left behind many Americans, including thousands of Black workers in agricultural and domestic labor categories excluded from the New Deal’s benefits and protections. Economic mobility and generational wealth eluded them, and many of their descendants were unable to “lift themselves,” according to a persistent and unjust narrative that fails to acknowledge the systemic causes.

Though the workforce development system has evolved many times in nearly 90 years, this narrative persists. Today’s version stigmatizes workforce development as a “second chance” system primarily serving BIPOC workers, learners, and job candidates who need to “fix” something about themselves in order to gain employment. As a result, some employers offering well-paying jobs avoid hiring from workforce programs. For this and other reasons, many workforce programs rely on large employers that offer low wage and frontline jobs, which may employ people quickly, but at a cost: economic security may not be attained.

Systemic and structural challenges

Individualistic framing and the continued focus on re-employment contribute to two seemingly contradictory trends – chronic under-investment in and over-reliance on skills training as a pathway to economic mobility. Both unfairly shift onto BIPOC workers, learners, and job candidates a greater responsibility for overcoming the system’s inequities and the challenges of displacement caused by economic disruption, automation, and trade or industry change. Funders can help dismantle obstacles to the workers’ success, one of which is systemic racism.

Federal funding for skills training has been declining for the last two decades. Since 2001, funding for the Workforce Innovation and Opportunity Act (WIOA), the United States’ signature workforce development legislation, has been cut by 40 percent. Career and Technical Education funding has declined by 29 percent, and Adult Basic Education funding has been cut by almost 15 percent. The United States under-invests in workforce training compared to its peers. The White House Council of Economic Advisers reported in 2019 that the United States would need to invest $80 billion more a year just to reach the median level of investment in workforce development of other industrialized nations.

Vision is needed as much as funding. Too much has been expected of workforce training programs. To support eco-
Where are we now?

Economic mobility for BIPOC workers, learners, and job candidates, a variety of interventions are needed, not just training. While it is true that education, training and credential attainment can lead to wage increases, they do not by themselves close income or wealth disparities between whites and People of Color. In fact, disparities in median income between Black and white workers nationally stay about the same even as educational attainment increases.

Workforce practitioners need funding for professional development and capacity building to ensure better outcomes for their BIPOC workers, learners, and job candidates. As the COVID-19 pandemic shapes an increasingly digital labor market, workforce programs also need support to reorient and innovate to prepare workers for evolving and emerging industries.

Power dynamics affect workforce program design and practices

Many workforce trainers are unprepared to help BIPOC workers who encounter on-the-job racism, unfair labor practices, poor working conditions, white-dominant organizational culture, or punitive “zero-tolerance” culture. Funder-program-employer power dynamics present structural challenges to creating a more equitable system. Plainly speaking, workforce providers receive funding from powerful institutions--public, private and corporate funders--to train and support job candidates. However, providers are not often empowered to address issues of racism, inequity, cultural competencies, or job quality within employment institutions.

Employers hold the key to providing employment opportunities for job candidates. In fact, funders often require or expect providers to meet a certain percentage placement in order to secure continued funding. So, if providers challenge inequitable employment practices, they may alienate employer partners and risk both their ability to secure employment opportunities for their clients as well as their ability to secure funding. Competition for employer relationships, or a feeling of unease that it is not their role, also may inhibit providers from speaking up.

Obscured outcomes: The lack of data disaggregated by race

Current practices make it difficult to tell how well or poorly workforce development programs serve People of Color and whether these programs achieve equitable outcomes. While most workforce practitioners collect demographic data about participants, relatively few disaggregate and analyze their program outcome and impact data by race and ethnicity.

It is not enough to know how many BIPOC workers are enrolled in workforce programs. Outcome data disaggregated by race would inform operational improvement, program evaluation, and accountability on racial equity goals. Workforce practitioners need greater support and resources to build their capacity to access and disaggregate outcomes by race, ethnicity, and other key demographic indicators; to crosswalk that data with employment-related data at the city, region, and state levels; and to analyze how effective their programs are at serving People of Color, immigrant workers, people with disabilities, and other historically marginalized populations. Granular data is not always easy to get. The lack of data about Indigenous people and disaggregated data about Asian American and Pacific Islander populations is a perpetual issue that stymies understanding about these populations’ outcomes. For example, when Asian American and Pacific Islanders show up in the data at all, they have incomes, educational attainment, and employment rates as a group that are similar to whites. However, Asian Americans are not monolithic, and there are significant within-group variation and disparities that are masked by aggregate numbers.

Black, Indigenous, and Latinx/Hispanic workers are disproportionately concentrated in low-wage, low-mobility jobs and occupations, but many workforce programs do not track or analyze placement data for indicators of occupational segregation. A recent Joint Center for Political and Economic Studies report found that out of 27 career pathway program evaluations, only six reported outcomes by race. Notably, all six received a combination of public and philanthropic funding. Of these six, five reported positive outcomes for African Americans. This mirrored a similar finding in Partnering for Equity: How Sector Partnerships Are Tackling Workforce Disparities, which found that very few partnerships disaggregated outcomes data for their sector partnership programming, and as a result, some interviewees struggled to pinpoint the specific barriers to equity or strategies to reduce disparities.
What funders can do

Support Workforce Practitioners in Changing Program Design and Practices

Center the goals of racial equity and justice in workforce development grantmaking, including in RFPs, grant reports, and outcome metrics

● Discuss and acknowledge the root causes of workforce disparities with colleagues, boards, peers, stakeholders, partners, and grantees.

● Acknowledge the impact of race and racism and the need to address intersectional identities in workforce grantmaking that focuses on target populations such as people with disabilities, opportunity youth, immigrants and refugees.

● Create a set of standards to which funders may hold themselves accountable, including goals for changing internal policies, practices, and grantmaking opportunities and initiatives, to advance racial equity and justice; and set goals and develop strategies to center the experiences and needs of communities of color.

● Value different ways of knowing and measuring progress and results. Utilize qualitative and quantitative data; include process and quality goals as well as ways to measure progress toward those goals.

● Broaden philanthropic goals and outcome metrics beyond job placement, training completion, short-term retention, etc. Assign greater weight and support to longer-term outcomes and to efforts that increase worker agency and power and address discriminatory practices at places of employment.

Provide funding for high-quality professional development, capacity building, and curriculum development for workforce development practitioners.

● Support racial equity assessments, such as the Ready for Equity in Workforce Development assessment, training, and coaching for workforce programs, services, and organizations, to improve their equity and multicultural competencies.

● Invest in BIPOC-led workforce development organizations, especially with support for leadership development.

Practice Example

Advancing Racial Equity in Workforce Development - A model for growing the capacity of workforce intermediaries to address racial equity

In 2019, the Annie E. Casey Foundation partnered with Associated Black Charities and Workforce Matters to launch the Advancing Racial Equity in Workforce Development initiative. The initiative was designed to build the capacity of workforce field-building organizations to integrate and apply a racial equity lens to their organizational, operational, and programmatic practices in addition to their policies and strategies. The idea was to help interested national and regional organizations better address the race-based educational, economic, and employment disparities seen across the country and be better equipped to influence and build the capacity of their local members and affiliates. The initiative made flexible funding available through an RFP process. Grantees could use the funding for consulting, facilitation, training, assessment/evaluation or staff time to develop or deepen their analysis and understanding of structural racial inequities and develop a plan for their organization to address these inequities.

The seven selected grantees were asked to complete a self-assessment, identify areas in which they wanted to grow as an organization, and check in regularly with project consultants. At the conclusion of the initiative, grantees were invited to share their learning, progress, opportunities, and challenges with funders and field leaders to inform next steps.
What funders can do

● Support capacity building for workforce development organizations to equip and educate staff at all levels and in all roles to address workforce equity issues with employers, without unfairly burdening practitioners with responsibility for changing their partners’ employment practices.

● Build capacity for workforce organizations to engage community members in human-centered design processes, to ensure the programs and their services meet community needs and the needs of individuals with different intersectional identities.

Provide support for changes in workforce development programs and practice, especially those that center workers, make services more accessible, and improve working conditions.

● Provide funding for workforce development programs to develop more culturally and linguistically appropriate programs and services, to acquire and use language translation and accessibility resources, and to develop services accessible to BIPOC workers with disabilities.

● Provide funding to make programs and services accessible outside of traditional 9-to-5 hours.

● Increase funding to support retention and advancement, especially targeting improved outcomes for BIPOC workers and learners.

● Fund workforce organizations that support employers in implementing “high-road” strategies. (High-road business strategies value well-paid, well-trained workers with the understanding that resulting productivity and profits connect to better living standards and stronger communities.)

● Support a range of strategies to improve job quality, including voluntary action by employers to increase worker pay, benefits, and agency; and regulatory and legal action to improve working conditions.

● Support communities of color when they advocate for worker organizing and employment policy changes to improve economic opportunity, fair employment practices, and equity in the workplace. This might include support for class-action lawsuits, legal advocacy, and other accountability measures.

Practice Example

Integrating Workers Rights into Workforce Development Programming

The *Workers’ Rights for Workforce Development: A Practical Guide For Instructors and Job Seekers* is designed for use by workforce development staff to educate program participants -- workers, learners, and job candidates -- about their rights and strategies for protecting those rights. The open-source curriculum is free to use and is organized into eight units:

- Introduction and Methods
- Introduction to Workers’ Rights on the Job
- Wage and Hour Laws and Protection
- Getting Hired, Disciplined and Getting Fired
- Leaves of Absence
- Discrimination on the Job
- Worker Health and Safety
- Organizing Workers

The guide was produced by The Labor Education Program, School of Labor and Employment Relations at the University of Illinois at Urbana-Champaign, with support from the Chicago Jobs Council, and the Great Lakes Center for Occupational Health and Safety. The same partners also published *Workers’ Rights in Workforce Development: Successes and Struggles of Chicagoland Workforce Practitioners Pursuing Higher Job Quality*, the 2019 report on lessons learned from implementing this curriculum and from efforts to rate employer quality in workforce programs.
What funders can do

- Build connections between workforce providers of all types, advocates for job quality, worker rights organizations, and legal services and advocacy organizations. Provide adequate support and investment for their partnerships and collaborative activities.

- Invest in innovation, especially curriculum development initiatives and pilot projects that focus on the new and emerging needs of BIPOC workers, including those with disabilities, as industries rapidly evolve during the pandemic and economic recovery, new business models emerge, and remote and hybrid work and education become the new normal. Appropriately resource practitioners as they continue to provide vital services and pivot to the post-COVID economy.

Support data disaggregation and dissemination efforts, especially at the workforce program level, and throughout the workforce development ecosystem.

- Fund the efforts of workforce development programs and community-based organizations to build capacity to collect, disaggregate, and analyze program outcome data by race and ethnicity.

- Incentivize workforce development programs and employers to use disaggregated data that identifies program outcomes by race, thereby enabling the development of targeted solutions. When the data pinpoints opportunities for improvement, support the development of innovative solutions.

- Advocate for and support public access to public workforce development program outcome data disaggregated to show results by race and ethnicity and other intersectional identities.

- Provide long-term support for workforce data management systems and connectivity of these systems.

- Fund new research that highlights racial disparities in workforce development outcomes and provides recommendations for change.

Practice Example

**Baltimore Wage Record Study**

Since 2017, the Harry and Jeanette Weinberg Foundation, the Abell Foundation, and the Annie E. Casey Foundation have supported the Baltimore Workforce Funders Collaborative’s partnership with the Jacob France Institute at the University of Baltimore to conduct analysis of pre- and post-training earnings for participants of Baltimore’s workforce development programs.

Data from the Maryland’s Unemployment Insurance records supplement demographic and training outcomes collected from workforce development grantees, helping understand the impact of workforce interventions and differential outcomes by demographic features such as race, gender, ethnicity, and age. The effort should help programs and funders to better understand the impact of workforce programs over time and is intended to advance a unified system for data reporting and analysis.

As part of this effort, the funders have supported nearly 30 nonprofit workforce development service providers in submitting data on their programs, including participant demographics, program features and costs, and completion rates. The intent is not only to support continuous improvement but also to understand the collective impact of workforce services and to improve and demonstrate the value of these services so as to inform and promote investment in workforce development.
What funders can do

Explore strategies for empowering workforce programs to negotiate with employers to develop equitable hiring, retention, and advancement practices.

● Support and provide cover for workforce development practitioners in their efforts to engage employers around implementing the JUST Principles (guides for corporate America during COVID-19), with a focus on racial equity.

● Develop and communicate a race-explicit analysis for communities in which we do grantmaking that makes clear the narratives, funding practices, and systemic, economic, and political pressures in the workforce ecosystem that have favored employers and disadvantaged BIPOC workers, learners, and job candidates.

● Educate donors and board members on racial equity and justice priorities and opportunities to improve outcomes for BIPOC workers, learners, and job candidates.

● Convene and support funders who are working to research and develop funding models and strategies, workforce practices and policies, systems change strategies, accountability measures, and advocacy efforts to reduce disparities and increase positive outcomes for BIPOC workers, learners, and job candidates.

● In corporate philanthropy: Collaborate with colleagues on the for-profit side of the corporation, to improve employment practices that affect BIPOC workers, then share successful partnership strategies with grantees and their partner employers.

Practice Example

Building Workforce Providers’ Capacity to Address Employer Practices

The Annie E. Casey Foundation’s initiative, Generation Work: Equipping Young People with In-Demand Employment Skills and Credentials, has invested in building the capacity of workforce development organizations and professionals, including the frontline staff who engage with employers, to work with the employers to develop hiring, retention, and advancement practices that promote employment opportunities for young People of Color.

Support for capacity building has included training on racial equity concepts, case studies of employer practices that promote equity, and communications/messaging workshops to build skills for talking with employers about equity.

Footnotes:


18 Ibid.


21 U.S. Department of Labor Training and Employment Guidance Letter 3-18 specifies that eligible training providers (ETP) supported under the Workforce Innovation and Opportunity Act shall disaggregate service provision by race, ethnicity, sex and age as well as by barrier to employment. However, there is no requirement to disaggregate outcome data by these same elements.

Conclusion

Envisioning a More Equitable Workforce Development Ecosystem

Transformational change is needed in workforce development as the COVID-19 pandemic exacerbates pre-existing economic disparities for BIPOC workers, learners, and job candidates. Many are disproportionately disadvantaged by the sudden shift to remote schooling and work, stalled industry sectors, waves of businesses shuttering and reopening, and potentially life-threatening health risks encountered on the job. As the nation steers toward recovery, industries and occupations changed by new technologies, new ways of working, and automation will demand new skills.

As essential as training programs will continue to be, they cannot alone overcome systemic obstacles to economic prosperity that have held back BIPOC workers and communities. It is time to acknowledge that we cannot, nor have we ever been able to, train our way to workforce equity. Funders with vision and conscience will seize this opportunity to help dismantle the systemic and structural economic barriers that have disadvantaged workers, learners, and job candidates of color. The country’s economic stability will depend upon it. This is the moment to reimagine not just rebuild, to ensure “recovery that fosters economic advancement for all.”  

Workforce development funders can lead the way. Achieving equity within the workforce development ecosystem requires individual and collective commitment to change. It requires an acknowledgment of the current structures, priorities, strategies, and practices that create disparity for workers, learners, and job candidates of color. It also necessitates a recognition of funders’ individual and collective roles — unintentional, historical, systemic, or otherwise — in perpetuating policies and practices that contribute to economic disparity for People of Color. Change involves commitment to action, including adopting anti-racist processes, practices, policies, and “ways of being” for and by all operating within the ecosystem.

Funders occupy a unique position in the workforce ecosystem. They have a vital leadership role to play in envisioning, directing, and supporting innovation and change to produce a more equitable and inclusive workforce development system. They can make decisions that improve both short-term and long-term outcomes for all workers, learners and job candidates. They can help close income and employment gaps that disadvantage many People of Color, particularly in Black, Indigenous, and Hispanic/Latinx communities. Funders have resources that can be applied to address economic inequities and injustices that have been exacerbated by the COVID-19 pandemic.

With this framework, the Racial Equity Working Group has outlined a vision for a more equitable workforce ecosystem. It is a starting point for conversation and action: The authors acknowledge that a final vision cannot be articulated or realized without the input of grantee partners, community leaders, and BIPOC workers, learners, and job candidates.

Workforce Matters shares the working group’s hope that this framework will energize key stakeholders to dream big and drive change toward a more equitable workforce development system with better outcomes for all.

Footnotes:

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