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FOREWORD

■ The Detroit Regional Workforce Fund's efforts to connect low- and moderate-income persons to emerging and growing career pathways have highlighted a number of challenges in our education and employment infrastructure.

We have identified that one of the most pressing of these challenges is the constrained capacity of Southeast Michigan's underfunded and fragmented public workforce development system to meet the tremendous needs of a worker population that is terrifically challenged by limited basic skills. This skills gap threatens to substantially limit the success of the Fund's education and training efforts, and ultimately participants' success in connecting to careers.

Increasing adult educational attainment is critical to connecting the one in two residents of the city who are unemployed and underemployed right now to good jobs in our new economy. This is a critical opportunity for Detroit, where we know that access to services to improve basic skills (e.g., reading, writing, math, digital literacy), especially those that relate to careers, is extremely limited in and around the city.

The Detroit Regional Workforce Fund has commissioned research to explore this issue further and has identified several opportunities to impact this issue as part of its efforts to support partnerships among employers and workforce development partners (workforce partnerships), effect change in the region's strategic workforce vision, and align public and private resources in new ways around workforce development.

The Fund sees great value in bringing attention to critical issues in our workforce and economic development landscape, and sees efforts like these as a central element of the Fund's value. We also anticipate providing an update on the basic skills crisis and our achievements in this area as our work progresses.



We would like to thank Leise Rosman at Corporation for a Skilled Workforce for her assistance with the research and construction of this report and consultation to identify opportunities for action.

We also would like to thank the many basic skills providers who serve our workers to the best of their abilities each day, and who shared information on their programs and helped us to identify key issues in our systems.

We look forward to continued dialogue on this and other issues.

EXECUTIVE SUMMARY

■ The Detroit Regional Workforce Fund's current efforts to develop innovative initiatives that connect low- and moderate-income persons to emerging and growing career pathways have highlighted the fact that the workers we are serving are terrifically challenged by limited basic skills.

This skills gap threatens to substantially limit the success of the Fund's education and training efforts, and ultimately participants' success in connecting to careers. No single entity has the resources necessary to address this issue entirely, but we are confident that a shared understanding of this issue and collaborative, strategic action can lead to impact.

Need at Crisis Levels

Various estimates of the scale of need for basic skills services in the region convey a crisis-level order of magnitude.

- The National Institute for Literacy estimates that 47% of adults (more than 200,000 individuals) in the City of Detroit are functionally illiterate, referring to the inability of an individual to use reading, speaking, writing, and computational skills in everyday life situations.
- We also know that of the 200,000 adults who are functionally illiterate, approximately half have a high school diploma or GED, so this issue cannot be solely addressed by a focus on adult high-school completion.
- The remaining 100,000 of these functionally illiterate adults (age 25 and older) lack a high school diploma or GED, another prerequisite for employment success.

While these numbers are less severe for the region as a whole, the region at-large is far from immune to this issue. Within the tricounty region, there are a number of municipalities with illiteracy rates rivaling Detroit: Southfield at 24%, Warren at 17%, Inkster at 34%, Pontiac at 34%.

Service Limitations

Based on outreach to Detroit-area basic skills providers to identify existing local adult learning resources and the challenges they face, it is clear that access to services to improve basic skills (e.g., reading, writing, math, digital literacy), especially those that relate to careers, is extremely limited in and around the city. Several key issues were identified:

- Conservatively fewer than 10% of those in need receive any services whatsoever each year.
- Only 27% of the programs surveyed provide services for learners at the lowest literacy levels.
- Only 18% of the programs surveyed serve English-language learners.
- The vast majority of program content is not related to future success in employment or continued training.
- The vast majority of programs are not offered in intensive formats that are shown to yield quicker results for learners.
- Programs lack capacity to provide adequate supportive services for low-income learners as they participate in education and training.
- Programs are not equipped to address learning disabilities that are prevalent among low-skilled learners.

Opportunities

Even with all of these challenges, there are a number of opportunities that the Detroit Regional Workforce Fund believes can be leveraged to expand capacity and improve programming to meet the needs of our adult learners.

- An unprecedented public-private partnership is building a network of ten neighborhood-based Detroit Learning Labs that will link adults who need to refresh or strengthen their basic literacy to new skills and careers.
- State leaders are making bold policy changes to help communities work better together to align their resources and educate workers more effectively.
- The current focus on higher-level learners among the area's providers offers opportunities to connect the basic skills programs we may develop with higher-level programs that transition learners to postsecondary education and training.
- A diverse pool of providers offer a range of services that, once better connected, can more seamlessly move adults with low basic skills to and through postsecondary education and meaningful employment.

Priority Areas

Based on this analysis, the Detroit Regional Workforce Fund is pursuing several key policy and capacity-building efforts.

- Expanding pre-bridge and bridge programs to prepare adults with low basic skills for occupational training.
- Supporting the development of Adult Learning Collaborative Boards in the Fund's area, in alignment with state policy, as vehicles for resources alignment among providers.
- Supporting the creation of ten Learning Labs in Detroit.

- Facilitating peer learning among basic skills providers to accelerate the adoption of promising practices to address key issues.
- Advocating for educational attainment among low-skilled adults and policy changes needed to support these increases.

We know that a range of efforts are necessary to addressing our basic skills crisis, and we see our priorities as key to creating change in our region. We encourage other partners to identify similar efforts and commitments aimed at addressing these challenges.

INTRODUCTION

■ The Detroit Regional Workforce Fund brings together funders and leaders from the private, public, and nonprofit sectors to spark and pilot opportunities that connect low- and moderate-income persons to emerging and growing career pathways. Through employer-engagement and educational partnerships, the DRWF supports innovation by convening stakeholders, identifying barriers, aligning public and private resources in new ways, and creating solutions that lead to systemic changes in the public and private workforce ecosystem.

The Fund's current efforts to develop innovative initiatives that connect low- and moderate-income persons to emerging and growing career

pathways have highlighted the fact that the workers we are serving are terrifically challenged by limited basic skills. This skills gap threatens to substantially limit the success of the Fund's education and training efforts, and ultimately participants' success in connecting to careers. And we know that access to services to improve basic skills (e.g., reading, writing, math, digital literacy), especially those that relate to careers, is extremely limited in and around the city. No single entity has the resources necessary to address this issue entirely, but we are confident that a shared understanding of this issue and collaborative, strategic action can lead to impact. We hope this report helps move us toward solutions.



A CRISIS AT HAND

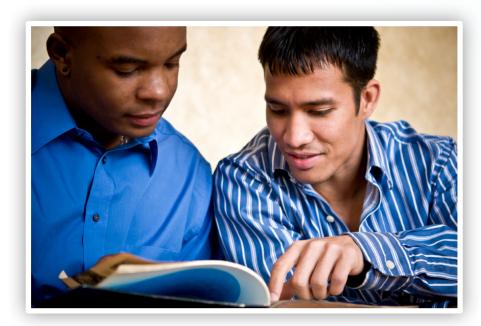
The issue of connecting adults to necessary basic and occupational skills for future economic success extends beyond the more than 3,000 participants the Fund seeks to assist over three years.

Various estimates of the scale of need for basic skills services in the region convey a crisis-level order of magnitude.

- The National Institute for Literacy estimates that 47% of adults (more than 200,000 individuals) in the City of Detroit are functionally illiterate, referring to the inability of an individual to use reading, speaking, writing, and computational skills in everyday life situations
- Generally, those adults who score at Level 1 (on a scale of 1 to 5, lowest to highest) have difficulty performing such everyday tasks as locating an intersection on a street map, reading and comprehending a short newspaper article, or calculating total costs on an order form.
- We also know that of the 200,000 adults who are functionally illiterate, approximately half have a high school diploma or GED, so this issue cannot be solely addressed by a focus on adult high-school completion.
- The remaining 100,000 of these functionally illiterate adults (age 25 and older) lack a high school diploma or GED, another prerequisite for employment success.
- These figures are aggregates and communicate a city-wide issue. We also know some neighborhoods and census tracts within the city have more significant concentrations of adults who are functionally illiterate and/or lack educational credentials.

While these numbers are less severe for the region as a whole, the region at-large is far from immune to this issue.

- The same research cited above estimates that 13% of adults in Macomb and Oakland Counties are functionally illiterate.
- And within the tri-county region, there are a number of municipalities with illiteracy rates rivaling Detroit: Southfield at 24%, Warren at 17%, Inkster at 34%, Pontiac at 34%.



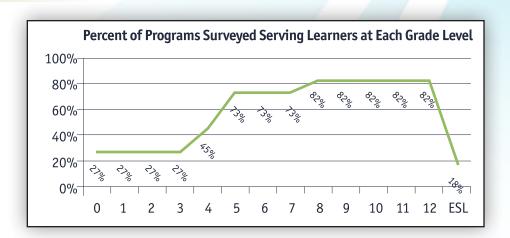
INSUFFICIENT CAPACITY

To learn more about current local capacity to address this crisis, the Detroit Regional Workforce Fund commissioned Corporation for a Skilled Workforce to conduct outreach to Detroit-area basic skills providers to identify existing local adult learning resources and the challenges they face. Corporation for a Skilled Workforce contacted local providers to learn more about their capacity to improve adults' basic skills, asking about the skill levels they serve, how they assess and instruct learners, how they structure their programs, their relationships with partner organizations, and what they would need to grow their capacity. Their responses are critical to the analysis that follows.

1) Service Supply Does Not Meet Demand

Our current knowledge of capacity in the region indicates that very limited resources are being cobbled together to address the region's overwhelming demand. Conservatively fewer than 10% of those in need receive any services whatsoever each year. And many of these 10% do not necessarily receive services over any significant period of time or achieve any learning outcomes, so the number of learners actually improving their skills each year is much lower.





2) Low-Level Learners Are Underserved

We know that 47% of adults in the City of Detroit are functionally illiterate, referring to the inability of an individual to use reading, speaking, writing, and computational skills in everyday life situations. Only 27% of the programs surveyed provide services for learners at these very low levels.

3) English-Language Learners Are Underserved

We know that 10% of adults (more than 75,000 individuals) in the City of Detroit speak English less than very well. And yet, only 18% of the programs surveyed serve these learners (versus 82% of programs which serve learners at other levels). The scale at which these learners are served comes nowhere close to meeting the needs of the more than 75,000 adults in need of these services. Additionally, vocationally-oriented English as a Second Language programs are almost non-existent locally. We are encouraged by an emerging recognition that increasing our immigrant population can yield tremendous economic benefits for our region, and associated efforts being orchestrated by Global Detroit. We look forward to the expansion of services that prepare speakers of other languages with English language skills and occupational skills so that we can fully realize the potential of these workers.

4) The vast majority of program content is not related to employment or postsecondary success

The majority of the programming offered is not related to individuals' occupational interests, success in postsecondary education, or future employment in key sectors. Most programs lack functional relationships with postsecondary partners to ensure that learners are adequately prepared for postsecondary occupational training, and to ensure learner transitions from basic skills to postsecondary education are seamless. Very few low-level learners ever make these transitions, and fewer ever complete postsecondary education.

Most programs also lack meaningful connections to employers which can provide on-site learning opportunities, financial support for learner activities, connections to employment opportunities, and concrete feedback on skill-building curricula. Employer engagement is critically important to developing contextualized curricula that demonstrate clear connections between basic skills development and future employment, which is recognized as having tremendous impact on learner retention in programs.

An additional challenge is finding faculty who have both industry expertise and experience working with low-level learners. These skills are not typically found in the same person, making professional development critical to expanding faculty members' industry knowledge so they can develop and deliver contextualized curricula, or their ability to work with low-level learners requiring highly-specialized instructional approaches.

5) The vast majority of programs are not offered in intensive formats that are shown to yield quicker results

Current programs seldom feature intensive, accelerated instructional methods that make it possible for adults to quickly improve their skills along a pathway to advanced credentials. One key barrier to offering more intensive programs is the ability of students to participate in these programs with a closer to

full-time focus, which generally requires a range of supportive services and financial supports.

Approaches that allow learners to earn while engaged in learning—like transitional jobs programs, paid internships—provide financial supports so workers can focus on their studies, while also providing work experiences that provide useful context for workers' studies. Unfortunately, these programs are few and far between.

6) Programs lack capacity to provide adequate supportive services for learners

Low-income and low-skilled adult learners require a range of supports to ensure they can participate in education and training (like transportation, childcare, food and shelter, disability services). Current programs lack the internal capacity to offer these services to learners and require stronger, integrated partnerships with other community-based organizations that can be useful to seamlessly providing a full range of supportive services.

7) Programs are not equipped to address learning disabilities that are prevalent among low-skilled learners

Adult learners with literacy levels below the fifth grade, and especially those at low levels who possess high-school diplomas, very frequently face undiagnosed learning disabilities and/or require adaptive instruction to address learning differences. Currently, programs are not equipped to accurately diagnose these challenges, and, even more concerning, many of them lack the internal capacity and connection to specialized services necessary to address these challenges.

OPPORTUNITIES

Even with all of these challenges, there are a number of opportunities that we are confident can be leveraged to expand capacity and improve programming to meet the needs of our adult learners.

1) Detroit Learning Labs are bringing services to neighborhoods

An unprecedented partnership among the Michigan Department of Energy, Labor & Economic Growth, the Detroit Public Schools, the Detroit Public Libraries, partners in Hamtramck and Highland Park, the Southeast Michigan Community Alliance, area foundations, community-based organizations, and the City of Detroit and its Department of Workforce Development is building a network of ten neighborhood-based Learning Labs that will link adults who need to refresh or strengthen their basic literacy to new skills and careers. These Labs are expected to double the current scale of publicly-supported services in and around the City, serving more than 2,500 learners each year.



The Learning Labs will demonstrate new ways to connect adults with very limited literacy skills with occupational training opportunities and new careers, through programs that are:

- Customized: Learning Labs are flexible, offering online learning that is tailored to the needs, goals, and pace of each participant.
- Neighborhood-based: Each Learning Lab is operated through a trusted local agency where learners can find additional support including one-on-one tutoring, counseling for training and job skills, and help solving problems that can interfere with learning or work.
- City-wide: All of the Detroit Learning Labs are connected, so learners can use any of the locations at any time.
- Accessible: Each Learning Lab location is easily accessible with extended operating hours to ensure that learners are able to access services regardless of work and life constraints.

The Detroit Learning Labs are open to all eligible adults who want to improve their skills and prepare for postsecondary education and/or job training. As part of building the customized training for each learner, each Learning Lab offers:

- General Education Development (GED) Preparation;
- Basic reading, writing, math, and computer skills enhancement;
- English for Speakers of Other Languages (ESOL) services; and
- Access to job readiness skills and occupational job training programs.

All learners are provided with an assessment, learning plan, orientation, and computer literacy services to ensure they are fully prepared for and comfortable

with the online activities. Each Learning Lab is staffed by an instructor providing individual or group help to learners, and individual tutors for those who prefer one-on-one support. Learners seeking a specific training opportunity may take advantage of an offering at any of the sites, regardless of location.

Each site has a wide range of community partners ready to help ensure learners succeed and to respond to local area needs. For example, the Knight Foundation has partnered with the Detroit Public Library to renovate, wire, and equip a Learning Lab at the Parkman branch library. These partners connect learners to the Learning Lab for educational services, and provide additional support services to ensure learners are able to achieve their goals. These services may include:

- Career navigation and educational advising to connect learners to relevant postsecondary education and training;
- Access to wrap-around services including child care, transportation, and other assistance;
- Tutoring and access to academic support; and
- Additional community supports

The Detroit Learning Labs are being positioned as trusted community resources offering innovative opportunities for Detroit's adult learners to gain new skills for better jobs. We can leverage these Labs to expand local capacity to reach adult learners, especially at the neighborhood level.

DETROIT LEARNING LAB SITES

- Detroit Public Library Parkman Branch
- Detroit Public Schools East and West Campus
- Hamtramck Public Schools
- New Center Community Mental Health in Highland Park
- New Prospect Baptist Church
- Southwest Solutions
- Wayne County Community College District
- Warren/Connor Development Corporation and Dominican Literacy

2) State-encouraged efforts helping communities work better together and educate workers more effectively

For the past three years, the Michigan Department of Energy, Labor & Economic Growth has been building and implementing a new statewide approach to creating good jobs and economic opportunity for all, especially the one in three Michigan workers (1.7 million adults) who lack the basic skills and credentials they need to pursue postsecondary education and obtain family-sustaining jobs. Through No Worker Left Behind: Everybody In! Michigan is making bold policy changes to help workers reach better jobs quickly and efficiently by learning new skills. These new policies and practices will:

■ Help communities work better together. Lifelong learning will be delivered through regional partnerships that involve all three core partners: adult, postsecondary and workforce education. This will help regions to better serve more people by aligning resources and maximizing the strengths of each partner.

■ Educate workers more effectively. Regional partnerships will provide education that is flexible, expeditious, and relevant to the workplace. Promising, powerful approaches will become standard ensuring more people are able to get new skills and better jobs.

Regional partnerships of adult, postsecondary, and workforce education partners in 17 regions around the state are being encouraged to assemble. The Detroit Regional Workforce Fund area contains four of these 17 regions: Oakland County is Region 12, Macomb and St. Clair Counties comprise Region 13, Wayne and Monroe Counties comprise Region 16, and the City of Detroit is Region 17. A diverse range of partners in each region will be developing Adult Learning Collaborative Boards to create a systemic approach to lifelong learning activities within a region that ensures strong pathways to and attainment of meaningful postsecondary credentials for learners with low basic skills.



A number of the organizations which participated in our research are also participating in the development of their local Adult Learning Collaborative Boards to:

- Discuss regional needs, develop a collaborative vision for meeting these needs, and identify how each partner (including non-educational partners) can contribute to achieving the shared vision.
- Develop regional strategies for aligning and integrating innovative adult learning services to produce improved basic skills, postsecondary attainment, and employment for low-income, low-skilled workers, including integration of basic skills and occupational skills training, modularization, contextualization, and navigation.
- Orient their resources and services to advance the collaborative work of the partners and to support the regional vision.

We believe these Collaborative Boards have great potential for creating systemic approaches that address the basic skills crisis in our region by creating infrastructure in which relevant partners can continually come together and align with one another to meet our region's needs over time.

3) The current focus on higher-level learners among the area's providers offers opportunities for momentum beyond the lower levels of learning

While the focus of our current range of programs on higher-level learners results in insufficient services to our lowest-level learners, this specialization offers an opportunity to connect the pre-bridge and bridge programs we may develop with higher-level programs that can feature enhanced transitions to postsecondary education and training. We can leverage the programs that are currently available at the 9th-grade level and above and better connect them both to lower level programs and to advanced educational pathways and postsecondary partners who can provide occupational training for our adult learners.

4) A diverse pool of providers offer a range of services that, once better connected, can more seamlessly move adults with low basic skills to and through postsecondary education and meaningful employment

Connecting educational programs to one another to ensure efficient and effective transitions from basic skills education to postsecondary education and training requires strong relationships among community-based organizations, basic skills providers, and postsecondary institutions. These partners currently provide services in the area, care deeply about these issues, have trust and relationships in the community, and are trying to overcome similar challenges individually. The opportunity here is to provide the leadership, time, resources and space needed for these partners to work together to ensure alignment among them that creates clear pathways that articulate from low basic skills to postsecondary education.

Effective programs also require faculty who can align basic skills training with the skills learners will need to move on to occupational training and who can contextualize basic skills training to the occupational content and employment opportunities learners will encounter as they continue their studies and move into careers. These institutions can often share their areas of expertise among them using a framework where each partner sees themselves as providing specialized services along well-connected pathways that connect learners to a full range of services.



PRIORITY AREAS

Based on this analysis, the Detroit Regional Workforce Fund is pursuing several key policy and capacity-building efforts.

1) Expanding pre-bridge and bridge programs to prepare adults with low basic skills for occupational training

Given the need to prepare our adult learners for meaningful employment opportunities, and given the potential of our programs to transition our higher-level-learners to postsecondary education that prepares workers for employment, we will seek to dramatically expand the volume of pre-bridge and bridge programs in the region.

2) Supporting the development of Adult Learning Collaborative Boards in the Fund's area

Given the potential of the Adult Learning Collaborative Boards to create focused and aligned solutions to our region's basic skills crisis, we will support the development of these Boards and the full engagement of regional partners in developing comprehensive regional adult learning strategies by providing access to research and capacity building for local partners.

3) Supporting the creation of ten Learning Labs in Detroit

Given the commitment from the Michigan Department of Energy, Labor & Economic Growth and its partners to support the development and operation of the Learning Labs for three-years, and given the need to sustain these Labs as permanent basic skills infrastructure for the City, we will support the partners in establishing a collaborative structure and long-term funding model that ensures the sustainability of the Labs.

4) Facilitating peer learning among basic skills providers facing similar challenges and testing similar approaches

Given the challenges providers face in meeting the needs of adults with low basic skills, and given their use of similar approaches in attempting to meet these needs, we will facilitate peer learning and networking among them to accelerate the adoption of promising practices to address key issues.

5) Advocating for educational attainment among low-skilled adults and policy changes needed to support these increases

Given the importance of educational attainment in ensuring long-term economic viability, and given our region's inability to provide adequate access to educational attainment for the majority of our residents, we will advocate for increased educational attainment among low-skilled adults as key to accessing employment opportunities and for public policies that dramatically expand access to education for all of our region's residents. We plan to identify necessary policy changes as we engage partners in the range efforts we have identified here.

We know that a range of efforts are necessary to addressing our basic skills crisis, and we see our priorities as key to creating change in our region. We encourage other partners to support this effort by identifying similar efforts and commitments aimed at addressing these challenges. Working together, we can focus our resources on solutions that work and bring them to unprecedented scale in the coming years.

ABOUT THE FUNDERS OF THE DRWF

Ten national and local, public and private funders have committed \$3.5 million to this three-year collaborative, which promotes regional economic growth through the development of a skilled workforce. Individuals from this group of funders also make up our Steering Committee.

- Knight Foundation
- Kresge Foundation
- W.K. Kellogg Foundation
- National Fund for Workforce Solutions
- Michigan Department of Energy, Labor & Economic Growth (DELEG)
- United Way for Southeastern Michigan*
- Skillman Foundation
- Blue Cross-Blue Shield of Michigan Foundation
- Ford Foundation
- U.S. Department of Labor (through Jobs for the Future)



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^{*} The United Way for Southeastern Michigan, which also serves as the Detroit Regional Workforce Fund's fiduciary agent, administers The Detroit Regional Workforce Fund.

