



# 2018 EMPLOYMENT STUDY

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## **Executive Summary**

The purpose of this study was to determine how education level and industry have affected the wages of Interfaith Family Services graduates and how to use this information to increase their wages in the future. We set out to determine the top industries, based on hourly wage, for Interfaith graduates of fiscal years 2014–15, 2015–16, and 2016–17.

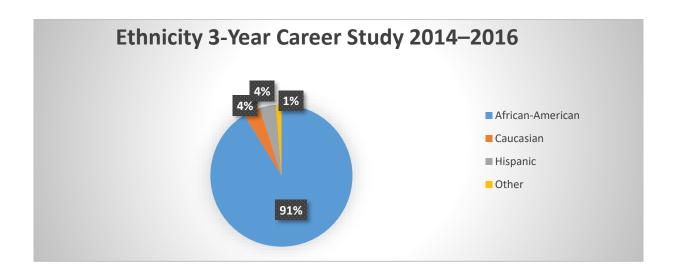
The study pool consisted of 79 graduates: 25 from 2014–15, 33 from 2015–16, and 21 from 2016–17. All were homeless and at or below the poverty line when they entered the program, and most were unemployed. All of them were employed upon exit. Their careers were in the following industries: customer service, education, insurance, financial services, medical, restaurant/retail, and other (including logistics, transportation, manufacturing and project management). These industries were ranked by graduate wages as follows: financial services (1st), education (2nd), insurance (3rd), medical (4th), and customer service (5th). The wages in these industries ranged from \$17.11/hour down to \$11.29/hour; the average graduate wage for all industries and graduation years was \$14.28/hour.

As we expected, education had a significant impact on wages. We categorized educational level by no high school, high school, certification, some college, undergraduate, and graduate degrees. Our most successful graduates had either some college or an industry-specific certification. Consequently, we recommend that Interfaith pursue partnerships with industry-specific certification providers and employers who provide on-the-job training and certification, and that Interfaith pursue more opportunities for clients in the transportation/logistics and financial services, as these fields are the highest paying.

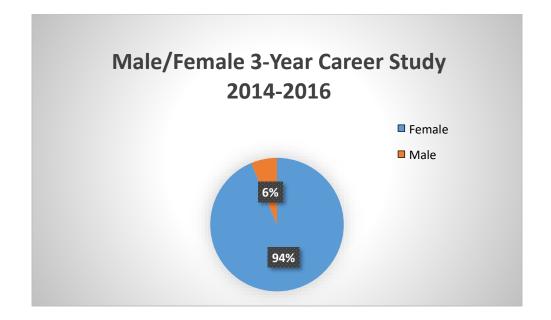
## **Overview of Clients Targeted in this Study**

#### **Overview of Working Poor Clients Served During the Study Period**

During the study period, Interfaith exclusively served homeless families. (We are currently expanding our programs to serve working poor families on the brink of homelessness, who do not reside in our transitional housing.) Of the 79 families in the study, 91% were African American. (See chart below.) Families are referred to Interfaith by emergency shelters such as the Salvation Army, the Family Place, Genesis Women's Shelter, and similar agencies. These families come from all over Dallas and from other states. They all have children ages 18 or under in their custody, as this is a program requirement.



In addition, single mothers head 94% of the households in our program. Although nearly half of the working poor in Dallas belong to households with two parents in the home, single women are more vulnerable to homelessness because they have no secondary wage earner. Therefore, the loss of employment or a decrease in hours/wages expedites the fall to homelessness. It is especially important for single mothers to obtain employment at a livable wage that will allow them to create a savings safety-net in the event of crisis. Below is a graph of gender percentage breakdown of families.



It is especially important for single mothers to obtain employment at a living wage that will let them create a savings safety net in case of crisis.

#### **Work History and Other Key Factors**

All our graduates have work histories that qualify them as the working poor. They are also all drug-free upon entry and have no violent or sexual offenses in their criminal histories; most do not have any criminal history. These factors have historically had a positive impact on the overall employability of Interfaith graduates. Interfaith has maintained an overall employment rate of 75% or higher for each of the last seven years. However, we made significant changes to our Career Services Program in 2011 to increase the average wages of graduates, which at that time was \$9.48/hour. Today, our graduates' average wage is more than \$14/hour because of those changes.

#### How we served our families: The ADVANCE Model

Interfaith served unemployed and underemployed clients via our **ADVANCE** Career Services Program during the study period. This model was introduced in 2013 to help clients develop and pursue career goals that would quickly increase their wages, obtain better benefits, and create a path for future advancement that would lead them out of poverty. The objective of this model is to not only help clients find suitable employment, but to help them develop long-term career strategies to create stability for themselves and their children.

The **ADVANCE** Career Services Program © is carried out in these stages:

**Step One** Assessment: Clients complete career assessments using the Occupational

Information Network developed by the US Department of Education and the

North Carolina Department of Commerce and complete personality

assessments (e.g., Myers-Briggs, Colors).

**Step Two Determine Career Path**: Using information gained from the assessments,

previous work experience, career goals, and education, clients decide on a

career path in a designated field with the assistance of a career coach.

**Step Three** Vocational Training: Eligible clients participate in 10 to 12 weeks of training

to help families gain skills, training, and certifications that will let them move

into or upward in their career fields. Interfaith covers the cost of this

training.

**Step Four** Apply: Working with a career coach, clients develop resumes, create sample

cover letters, and complete mock interviews. After which, they are ready to

apply for appropriate jobs in their identified career fields. The application

and job-search process is aggressive. Clients complete an average of 10 job

applications per day. Each client is given a target job date and is typically

employed within eight weeks of beginning the job search process.

**Step Five** Networking: Clients attend job fairs, industry-related training sessions, and

association events, and conduct cold calls to build professional networks and

generate additional job leads.

**Step Six** Career Obtainment: Clients gain employment at a livable wage in their

chosen field. Our goal is to ensure that clients reach the 90-day mark prior to

graduation.

**Step Seven** Excel: Clients develop a five-year career plan, including a timeline and

resources for education, training, and networking associations.

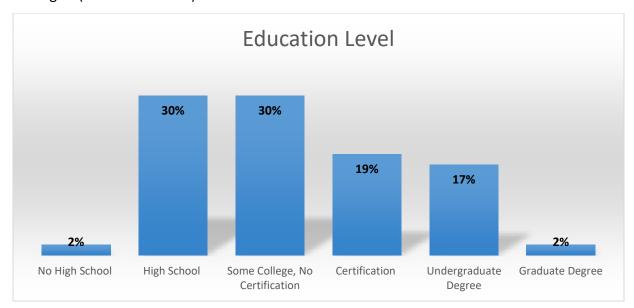
**General Results of the Program** 

Of the 79 graduates in the study period, 100% were employed at exit, and all remained employed for 12 months or more after graduation at an average wage of \$14.28/hour.

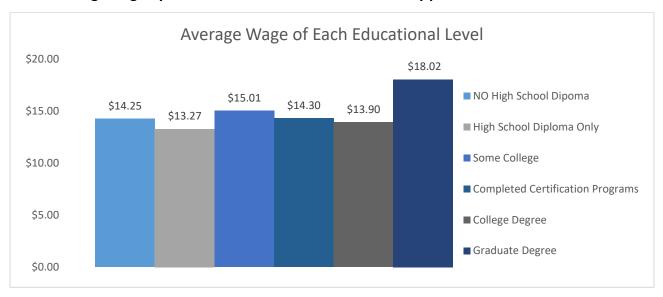
## I. How Education Influenced Employment

#### **Breakdown**

The majority of the graduates in this study, 68%, exited with some college or specialized training. The clients with certifications had completed programs in the following: CPR/AED/BLS, certified nurse's assistant, pharmacy technician, notary, dental technician, and esthetician. The clients with undergraduate degrees held a wide range of positions before coming to Interfaith, including substitute teacher, bookkeeper, retail supervisor, and poultry inspector. Interfaith accepted only two clients without high school diplomas and two with graduate degrees. The last two held the following positions upon graduation: house pastor/facilitator and project manager. (See chart below.)



#### A. Average wage by education level at the end of the study period.



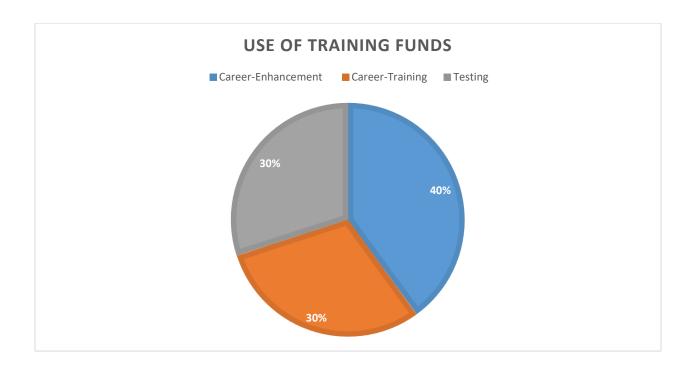
The average wage, based on education level, is what would be expected. Those with no high school diplomas or GEDs are at the low wage end of the spectrum. The wages of the graduates with post-secondary education were predictably higher. However, it is interesting that those with undergraduate degrees (\$13.90/hour), who make up 19% of the pool, have slightly lower wages than those with certifications (\$14.30/hour), who make up 17% of the pool. Furthermore, those with some college, making up 30% of the pool, earn more on average than those with certifications.

The most common positions in the "some college" category were customer service, warehouse/forklift driver, and case manager. The most common positions in the certification category were certified nurse's assistant, pharmacy tech, medical assistant, and warehouse/forklift driver. The most common positions in the undergraduate degree category were customer service representative, education-related, and nonprofit industry positions.

#### B. Educational Institutions and Training Partnerships

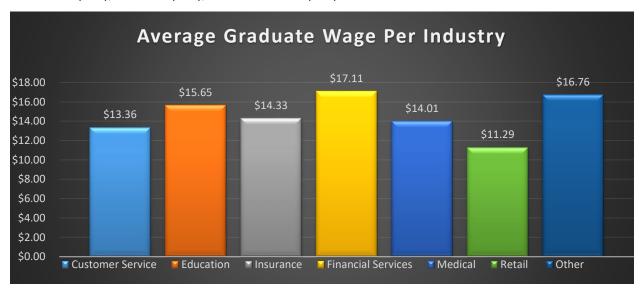
The education and training providers we have used in the past three years include community education agencies, national industry-specific training programs, and online testing and training programs. Interfaith paid for training for 21 clients, or 27% of our graduates, during

the study period. Career development training such as CPR (20%), specialized licensing (10%), and notary licensing (10%), accounted for 40% of training. Career training and certification programs accounted for 30% and included management training (5%), phlebotomy tech (5%), pharmacy tech (10%), and GED training (10%). The remainder of our training funds (30%) were spent on testing, including certified nursing assistant testing (14%), project management testing (1%), and teacher certification (15%).



## II. Industry's Impact on Wages and Longevity

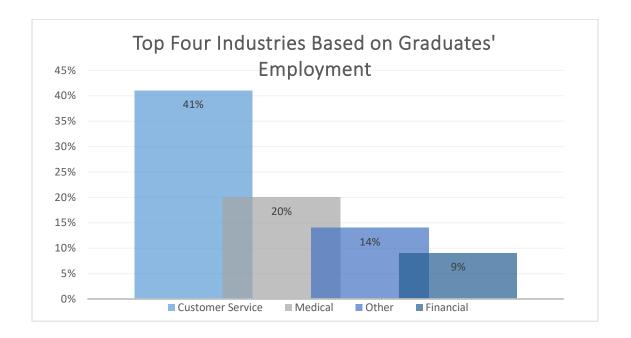
The top five industries in wages were financial services (1st), logistics/transportation (2nd), insurance (3rd), medical (4th), and education (5th).



#### Rank by Industry

- 1. Nine percent of graduates were employed in the financial services industry in positions such as account receivables, debt-collection, and loan processor, with an average wage of \$17.11/hour. These positions required some college.
- 2. Fourteen percent of graduates were employed in the "other" category, which includes logistics, transportation, and manufacturing, with a wage of \$16.76/hour. The majority of these positions required some type of industry certification.
- 3. Four percent of graduates were employed in education in a variety of roles, including teacher, teacher's aide and records controller. The average wage in this industry is \$15.65/hour. The majority of these positions required an undergraduate degree.
- 4. Four percent of graduates were employed in the insurance industry, in positions including producer, patient coordinator representative, credentialing coordinator, and enrollment specialist, with an average wage of \$14.33/hour. The majority of these were educated to the high school or undergraduate level.

5. Forty-one percent of graduates were employed in customer services, in positions including CSR I, CSR II, travel care professional, and parking attendant, with an average wage of \$13.36/hour.



Many of our graduates have some customer service experience, and it is not unusual for them to look toward further advancement in this field. Customer service jobs span multiple industries, and the pay grades range from entry-level to more complex roles that can lead families down long-term career paths and give opportunities for advancement. Careers in the top four industries provide a level of stability that is often overlooked by people serving the working poor—hours that are compatible with childcare and public transportation hours can reduce work stresses that affect a client's ability to retain employment.

#### **Future Partnerships at Industry and Education Levels**

As we look to the future, we must ensure that more clients complete our training programs. To that end, our future partnerships should include families who have opportunities to earn higher wages in industries where the DFW area is facing a shortage of trained workers. According to the *Dallas Business Journal* (11/17), DFW middle-skills positions (IT, pharmacy tech, and electricians) pay a median hourly wage of \$24.47/hour, with 62% of jobs requiring some form

of post-secondary education.

To prepare our families to fill the worker gap, our Interfaith partner list should include the following

- Methodist Hospital, for its on-site patient care tech program.
- Texas Workforce , which has Workforce Investment Act (WIA) funding for high-cost certification.
- PerScholas, for its help desk training (for IT and customer service).
- Electrical Unions, for journeyman, service tech and licensed apprentice training.
- Community resources such as Bill J. Priest and City Square for construction, logistics,
  supply chain management, OSHA standards, and ISO quality certification.
- Community colleges for onsite pharmacy tech, phlebotomy, and patient care tech programs.
- Microsoft for IT help desk, office management, trainers, and administrative assistants.

## III. How Employer Partners Influenced Employment

Interfaith has a referral network of employers that has placed eleven of our employed graduates (14%). The overall impact of the network was not large. Leads and referrals included Horace Mann Insurance, State Farm Insurance, Towers Watson, Parkland Hospital, Schumacher Clinical Partners, Interfaith Career Services, and Highlands Residential. Three of the referrals were donors and volunteers.

- Horace Mann: One hire from graduate referral and board member.
- State Farm: One hire (resident took another job). Cultivated by Career
  Services Manager via State Farm recruiter.
- Schumacher Clinical Partners: Two hires from graduate referral.
- Parkland: Two hires by job fair resource.
- Highlands Residential: 1 hire (customer service), Interfaith apartment sponsor.
- Towers Watson: Four hires, cultivated by Career Services.

Most families find employment by using the ADVANCE method and pursuing openings on job boards. Future partners should include Toyota (\$15/hour in customer service), Pegasus Logistics Group (\$20/hour plus), and Hisun Motors (\$15–\$20/hour).

#### **Success Stories**

While we are proud of the outcomes that we produce, we are most grateful for the transformation and stabilization our graduates achieve as a result of this program.



Whitney's Story. Before coming to Interfaith, two tragedies struck Whitney and her family. First, she was suddenly laid off from her well-paying job. Then, she shockingly lost her home to the December 2015 tornados. Whitney and her 2-year-old son came to Interfaith looking for a fresh start. Through hard work and dedication, she was able to secure employment within eight weeks of being at Interfaith. Whitney started working as a Customer Service Representative

at VIXXO making \$15/hr and graduated from the program with \$2,409.15 in her savings. She also worked on a budget plan every Tuesday night with her financial coach and reduced \$8,866.30 in debt.

Kendra's Story. Prior to Interfaith, Kendra and her four children were staying in her sister's two-bedroom apartment. Because Kendra was unemployed and could not pay rent on time, she and her children were asked to leave. With nowhere to go, Kendra turned to Interfaith Family Services. After going through job search at Interfaith's Career Center, she landed a job at TBK as an Operations Administrator making \$18.75/hr. Upon graduating the program,



Kendra left with \$3,722 in savings and reduced \$1,144 in debt.



Amber's Story. Amber came to Interfaith following a sudden job loss. With no alternatives and no place to go for her and her son, she came to Interfaith looking for guidance and hope. Not only did she gain employment while in the program, she paid off \$1,321.22 in debt. Amber landed a temporary job at Presbyterian Hospital as a Staff Accountant and was later hired for a permanent position. As a Staff Accountant making \$42,000 annually, Amber was

able to save \$5,124.78 while paying off her debt. She and her son moved out the program and into their own 2-bedroom apartment in Dallas.

## **Recommendation Summary**

Historically, our clients have depended heavily on staffing companies, retail industry, and restaurant positions prior to coming to Interfaith. Several local nonprofit organizations use staffing companies to employ clients who complete their training programs, particularly IT programs and construction programs, which result in short-term employment (90 days or less) for most clients. Retail and restaurant positions are also a focal point of nonprofits seeking to quickly employ the poor and homeless. However, our graduate data indicates these positions pay poorly, with average wages of just \$11.28/hour. Additionally, they often provide no health benefits and have monthly wage fluctuations, resulting from hours that differ from week to week, making it difficult for a family to manage its budget. Consequently, we recommend that Interfaith clients choose a job path that requires specific certification or training and pursue those trainings within the first two weeks. Our most successful clients had either some college or an industry-specific certification. Their average length of employment is 19 months.

We also recommend, regarding industry, that Interfaith seek partnerships with more vocational training providers, especially in logistics, transportation, and financial services, as these offer high-paying jobs. Logistics and transportation certifications for positions such as forklift driver and warehouse associate are typically affordable, with an average cost of \$200, and quickly obtainable, one week in general. It is also recommended that Interfaith seek out more employment partners who are willing to provide on-the-job training and certification opportunities.

Clients who lack college or certification have often found jobs in customer service in a wide range of industries, including insurance, telecommunications, transportation, and medicine, with employers such as Towers Watson, Securus, American Airlines, VIXXO, and Greyhound. The requirements for success in this field include 1 to 2 years of customer service experience (which is easily transferable from retail or restaurant industries), clerical skills, strong typing, writing and grammar skills, time management, and a high school diploma. With more industries

providing customer service online, high-quality customer care is in strong demand.

In summary, it is important that we strategically channel qualified candidates to industries that will lead them to higher wages and better benefits, given that the majority of our clients are the single wage earners for their families. We also need to increase the number of our clients who have access to short-term training or who become employed with companies that offer on-the-job training. Interfaith will add metrics related to these goals to its weekly and monthly dashboards, and the Director of Family Services will review job plans to ensure that qualified clients are given access to the training on a regular basis. Our goal is to increase our average graduate wage to \$17.00/hour by 2020 through these efforts.