



Partnering for Equity

How Sector Partnerships Are Tackling Workforce Disparities

June 2018

by Dazzie McKelvy, Sarah Oldmixon,
and Heath J. Prince

RMC Ray Marshall Center
for the Study of Human Resources
TEXAS LBJ School
The University of Texas at Austin
Lyndon B. Johnson School of Public Affairs

Background

The United States is presently faced with a critical workforce challenge that has important implications for the future well-being of our nation's families, communities, and businesses: The share of U.S. workers who are African American, Latino, or Native American is rapidly growing, yet disparities persist between the average education and employment outcomes of these populations and those of their White peers. While individual outcomes vary widely, on average people of color – who comprise the majority of our future workforce – are less likely to be engaged in school or work as young adults; are earning fewer postsecondary credentials; are more likely to experience unemployment; and are earning less.

If these disparities are not addressed, the U.S. could face widening inequality, a shortage of critical skills, and financial pressures on programs like Social Security and Medicare as fewer workers earn the middle-income wages needed to sustain those programs.ⁱ Moreover, addressing these disparities is urgent and imperative if the U.S. aspires to sustain its historical economic competitiveness and quality of life. In doing so, our nation could not only mitigate negative economic consequences, but also potentially realize positive financial returns that would benefit both people of color and the broader US economy. Recent research has found that:

- Ethnically diverse companies are 35 percent more likely to financially outperform their peers.ⁱⁱ
- If the average incomes of people of color were raised to the average incomes of Whites, total U.S. earnings would increase by 12 percent, or nearly \$1 trillion.ⁱⁱⁱ
- Gross Domestic Product (GDP) would have been \$2.4 trillion higher in 2014 if people of color had earned the same their white counterparts.^{iv}

Because skills and credentials are a key driver of wage

and employment outcomes, there is widespread interest in investigating the extent to which the field of workforce development might play an important role in helping to address America's equity challenges. But what kinds of workforce strategies are most likely to effectively address racial disparities in educational attainment, employment, and income? And how might the field of workforce development go about piloting, refining, and scaling up those strategies?

Over the past 20 years, “sector partnerships” – regional coalitions of employers and their partners who work to jointly develop and implement solutions to the workforce challenges facing a specific industry sector - have emerged as laboratories of innovation for workforce development, expanding adoption of a range of promising strategies like meaningful employer engagement, aggregating demand across firms, data-based decision-making, and pooled funding models, resulting in improved workforce outcomes when compared with many traditional approaches to training and employment.^v

Building on this history, this study sought to explore whether sector partnerships might also be a platform for developing, piloting, and spreading the adoption of new strategies that could help to narrow race-based disparities in education, skills acquisition, employment, and income, thus helping to advance race equity. To this end, we engaged with over 90 representatives of sector partnerships from across the nation and a range of industries to investigate how sector partnerships are – or are not - addressing race-based disparities.

Methodology & Respondent Profile

This study was structured as an environmental scan designed to help identify emergent trends, topics for additional research, and field-building opportunities. We used two methods to collect the data and information discussed in

this report: 1) An online survey - hosted on the Qualtrics survey platform - was open to the public from March 2017 to June 2017; and 2) A series of telephone interviews were conducted between July 2017 and September 2017.

Any individual who reported that they were affiliated with a sector partnership was eligible to participate in the on-line survey. While the research team sought to incorporate input from a diverse array of partnerships from across the United States, outreach specifically targeted those individuals and networks that were likely to yield unique perspectives and rich examples. Specifically, recruitment for the survey was conducted via three channels:

Direct email outreach to sixty individuals who were selected by the research team for their leadership of and/or access to various networks of sector partnerships (e.g., local National Fund for Workforce Solutions regional funding collaboratives, state sector partnership program leads, etc.). Each of these individuals were asked to help disseminate the survey invitation to their networks.

Social media outreach was conducted via a series of posts to Twitter and LinkedIn.

The **Annie E. Casey Foundation's Economic Opportunity newsletter** also publicized the survey to a broad audience.

Following the survey, a small group of interview participants was identified based upon a review of the information collected from the survey and recommendations from sector strategy experts. We sought to identify a sub-set of partnerships that would offer diversity based on geography, partnership age, industry sector focus, the type of organization participating in the study on behalf of the partnership, and respondent demographics.

Survey Participants

The online survey received a total of 89 responses. Of those, 59 respondents reported that they were affiliated with workforce development efforts that aligned with the study's definition for sector partnerships (see "Definitions" on page 3). The survey findings presented in this paper reflect the responses from those 59 individuals ("qualified respondents").

To protect the anonymity of survey respondents, participants had the option to either opt-in or skip questions that requested potentially personally-identifying information. Among respondents who opted in, 35 were based at nonprofit organizations; 10 were based at workforce

key definitions

For the purposes of this report, the authors have adopted the following definitions:

Diversity, Equity, and Inclusion (DEI)

Diversity: When a range of races and ethnicities are represented within a group.

Equity: The systematic fair treatment of people of all races and ethnicities that results in equitable opportunities and outcomes for everyone. (Race Forward, 2014)

Inclusion: When any individual or group can be and feel welcomed, respected, supported, and valued to fully participate. (Kapila, Monisha et al, 2016)

Sector Partnerships

Sometimes referred to as "industry partnerships," sector partnerships are groups of employers with similar skill needs – typically within a specific industry or cluster of occupations – who are working together to jointly develop and implement solutions to their workforce challenges.

Sector partnerships coordinate resources and align strategies across a range of workforce development stakeholders, including businesses ("**business partners**") as well as education and training providers, the public workforce system, community-based organizations, and philanthropy ("**community partners**").

The operations of a sector partnership are typically coordinated by a "backbone organization," which is most often an industry association, nonprofit organization, or workforce development board.

Bias

Explicit Bias: Overtly racist attitudes, beliefs, and opinions that are consciously held by an individual.

Implicit Bias: Unintentionally racist attitudes, beliefs, and opinions that shape an individual's ideas, decisions, and actions in an unconscious manner.

development boards; six worked for foundations or other philanthropies; four represented schools, colleges, or universities; three were based at union-affiliated organizations; and one represented a business organization. The sector partnerships they represented focused on a range of industries (and, in some cases, more than one industry), including healthcare (16), manufacturing (12), construction (8), information technology (7), hospitality (5), education and social services (4), utilities (2), and transportation/logistics (1). Some survey respondents did not specify the focus of their partnership (3) or reported participation in partnerships with a focus on an occupational cluster (i.e., STEM) (3) or “Business” (2).

Among survey respondents who opted to disclose their location, 21 states were represented. When broken down by Bureau of Labor Statistics regions, 12 percent of responses came from the Mid-Atlantic, 17 percent from the Midwest, 5 percent from the Mountain Plains, 13 percent from New England, 7 percent from the Southeast, 5 percent from the Southwest, and 5 percent from the West (with 36 percent either serving more than one region or not reporting a region). Among those that shared information about the maturity of their partnership, they varied from less than one year old (3) to 1-2 years old (6), to 2-5 years old (6), to 5+ years old (19).

The survey did not request information from respondents on their race or gender.

To protect the confidentiality of respondents, the survey data reported in this paper are discussed in the aggregate and responses to open-ended questions are not attributed to individual survey participants nor their organizations.

Interview Participants

A total of 16 individuals representing 13 sector partnerships participated in interviews. Among interview participants, six of these individuals were based at nonprofit organizations, five were based at labor-management partnerships or other union-affiliated organizations, two were based at workforce development boards, one represented philanthropy, and two represented an industry association.

Interview participants were engaged in sector partnerships focused on a range of industries, including healthcare (7), hospitality (5), construction (3), information technology (3), manufacturing (3), and logistics/transportation (1). The partnerships we spoke with generally tended to be more mature (5+ years old) but ranged in age from less than one year old (1) to 1-2 years

old (2) to 2-5 years old (3), to 5+ years old (7). Interviewees represented 11 states (AK, CT, KY, LA, MA, MO, NV, OH, PA, RI, and TX) and one national organization. Most of the partnerships we spoke with served a mix of youth, young adult, and adult workers.

Interview participants included 12 females and 5 males, 10 individuals who identified as White, 5 as African American, and 2 as Latino.

Interviews were not confidential, although interviewees were given the opportunity to provide confidential, off-the-record responses when they wished to disclose information or insights that they did not want to have attributed to them individually or to their organizations.

Survey Highlights

The majority (68 percent) of qualified survey respondents reported that their sector partnership had established one or more goals that seeks to advance diversity, equity, or inclusion (DEI) for people of color. Common goals included:

- Expand access to education and training programs for people of color (60 percent)
- Increase the number of people of color who obtain a specific credential (50 percent)
- Increase the number of people of color working in a specific industry (50 percent)
- Improve persistence and completion of training programs by people of color (48 percent)
- Increase awareness among people of color of career options (45 percent)
- Increase the number of people of color attaining a specific wage (45 percent)
- Increase the racial/ethnic diversity of the targeted industry (45 percent)
- Increase the number of people of color working in a specific occupation (43 percent)
- Reduce wage disparities (i.e., different wages for comparable work) between people of color and other workers (25 percent)
- Increase the number of people of color who earn a promotion or raise (25 percent)
- Increase the number of people of color in supervisory positions (20 percent)

When asked why their partnerships had adopted these goals, the largest group of respondents (17) reported that their partnership was responding to a community need (e.g., poverty, income disparities) while seven reported that their goals were established in response to specific

employer/industry needs (e.g., diversity goals, hiring commitments); four reported that data on disparities drove the adoption of their goals; and three reported that funding requirements had driven them to focus on diversity, equity, and/or inclusion.

Despite the widespread adoption of DEI goals, the survey findings suggest that many partnerships are relatively new to this work and/or struggling to achieve their desired outcomes: Less than one-third (18) of respondents cited specific benefits of their DEI work to date. Among those that did so, they included:

- Improved employment outcomes for people of color (9)
- Increasing the number of people of color served by a program (7)
- Increasing the share of new workers within an industry who are people of color (3)
- Growing the wages earned by people of color (3)
- Improving educational outcomes for people of color (3)
- Increasing the diversity of program/partnership staff (2)
- Developing business allies who share DEI goals (2)

The majority of qualified respondents did not cite any benefits (i.e., left the survey question blank), while several others reported that they were not yet able to answer this question, noting that they were “still evaluating,” it was “very early in the project” and “too soon to say,” that they had “not captured this,” or were “not far enough along.” In addition, one respondent noted that their partnership had realized “minimal success” due to various challenges.

In fact, twenty-one (35.5 percent) of partnerships noted that they have encountered challenges in their efforts to advance their DEI goals thus far. Commonly-cited challenges included:

- The willingness of community stakeholders to embrace DEI goals (5)
- Insufficient funding (4)
- Difficulty recruiting a sufficient number of people of color (3)
- Challenges in securing access to education/training for people of color (2)
- Barriers to achieving equitable education/training outcomes for people of color (2)
- Overcoming program participant barriers related to criminal records (2)

Finally, when asked what additional tools or resources would be most likely to help their partnerships develop and implement DEI strategies, respondents reported that they needed more information (coaching, training, technical assistance and/or research) to help them develop effective strategies (10); funding to sustain or expand their DEI-related programming (10); assistance with disaggregating data or other research/analytic support (5); and communications coaching regarding how to lead conversations about race and ethnicity as well as how to develop culturally-competent communications (3).

Interview Highlights

The interviews allowed us to more deeply explore some of the key themes and issues that emerged from the survey findings, including discussing why partnerships become involved with diversity, equity, and/or inclusion efforts and how they approach this work.

What factors influence a partnership's decision to address race-based disparities?

When asked why their partnerships had decided to adopt DEI goals, interviewees reported a range of motivating factors:

Population Imperative: In some regions, partnership representatives reported that they had no choice: Due to the demographic composition of their region, most of the potential workers for their industry were people of color. As a result, developing strategies to strengthen the educational, employment, and wage outcomes of people of color was, by default, at the core of any partnership strategy.

Funding Requirements: In several regions, interviewees reported that philanthropic funding opportunities that required partnerships to create or expand programming for specific populations (e.g., African-American males) had created an opening for conversations about disparities – and strategies to eliminate them – among the members of their partnership for the first time.

Business Champions: In some cases, one or more business members of a partnership took it upon themselves to serve as a champion for equity issues and, through their leadership and influence, were able to win buy-in and support from other members.

Industry Scrutiny: In other examples, interviewees noted that the business members of their partnership had issued a call-to-action to reduce disparities in response to industry scrutiny. The IT sector, for example, has been the sub-

ject of several high-profile lawsuits and significant media coverage for its lack of diversity and inclusiveness, leaving many IT companies eager to demonstrate their willingness to take steps to affirmatively address these challenges.

Catalyzing Events: In some regions, interviewees cited a specific galvanizing event that forced inequities to the forefront and launched a conversation about DEI goals among their partnership members. For example, two regions reported that police shootings of young black men in their communities had accelerate partnership conversations about the need to address racial disparities.

Regional Conversations: Finally, a few partnerships reported that broader, regional conversations about equity had captured the attention of their partnership members and prompted the development of DEI goals and strategies. Examples included Living Cities' Race Equity Here initiative and PolicyLink's "All-In" cities framework.

However, several interviewees also reported that their partnerships had bumped up against various barriers that made adopting or implementing DEI strategies difficult and time-consuming. These included:

Insufficient information: Data on race- and ethnicity-based disparities can be important for developing a shared understanding of challenges and potential solutions. While nearly all of partnerships that we interviewed reported that they had access to community-level data on disparities, the majority of interviewees reported that they were not yet disaggregating outcomes data for their own sector partnership programming. As a result, some partnerships reported that they were struggling to zero in on specific barriers to equity, goals for their partnerships, and/or strategies to reduce disparities.

Partner skepticism and "scope creep" concerns: In a few instances, partnerships reported that key members of their partnership were skeptical about the need for affirmative efforts to address disparities or the ability of their partnership to have a significant impact on inequality and, as such, resisted efforts to embed DEI goals within the work of their industry partnership.

Bias: Finally, three interviewees noted that there were members of their partnerships whose personal biases made it difficult to secure buy-in for DEI goals. In each of these instances, interviewees reported that these individuals expressed viewpoints that suggested implicit rather than explicit bias.

How are sector partnerships tackling race equity?

Interview respondents reported that their partnerships had adopted a broad range of strategies to advance diversity, equity, and/or inclusion. In some instances, these strategies were internal-facing approaches that reflected a partnerships' desire to "lead by example" and included a range of initiatives and practices designed to increase DEI within operations of the partnership itself. Other, external-facing strategies leveraged the resources and relationships of the partnership to implement efforts that sought to either better serve individuals (e.g., job-seekers, students, workers) or to help businesses embrace more equitable human resources and management practices.

Leading by Example

Many interviewees reported that their initial exploration of equity issues led to "soul searching" about whether their partnerships embodied the ideals they hoped to promote more broadly within their industry sectors and communities. Several interviewees reported that their partnerships had undertaken proactive steps to advance their own diversity, equity, and inclusion. These included:

Enhancing the Diversity and Inclusion of the Partnership/Partnership Backbone: Some partnerships reported that they have worked to attract more partnership members who reflect the racial and ethnic communities they seek to serve. Similarly, several organizations that serve as the backbone for their local partnership reported that their organizations have taken affirmative steps to grow the diversity of their board members and staff. In both instances, interviewees emphasized the importance of avoiding tokenism and ensuring authentic engagement of people of color that provides ongoing opportunities for individuals to share their perspectives and to have meaningful input on decision-making. In addition, several backbone organizations reported that they aspire to increase the diversity of their organizations' leadership teams, but that they have struggled to identify competitive candidates from diverse backgrounds.

DEI Training: A few of the interviewees reported that their partnerships or backbone organizations have participated in training on diversity, equity, and inclusion, including board development programs, workshops for frontline program staff and their managers, and professional development scholarships for program staff interested in DEI practices.

Data Analysis: As previously noted, a relatively small number of interviewees reported that their partnerships

How are Sector Partnerships Tackling Race Equity?



Leading by Example

Meaningful representation of/participation by affected communities
Investing in shared learning and professional development
Using disaggregated data to assess needs, set goals, and establish accountability
Leveraging financial incentives to shape priorities



Guiding People of Color to Promising Pathways

Targeted recruitment
Remediating barriers rooted in racial disparities
Strategic skills development for in-demand careers
Anticipating and confronting bias



Steering Businesses Toward Equitable Practices

Using data and communications campaigns to shine a light on disparities
Coaching trusted partners on human resources and management practices
Supporting equity champions

have disaggregated data to better understand how effectively their partnerships are serving different populations. Among those that have done so, they reported that the resulting information allowed them to narrow in on key disparities they wished to address (e.g., divergent pass rates for a certification exam between African American and White training participants), to set goals to reduce disparities, and to use those goals to establish internal accountability.

Strategic Fundraising: Finally, recognizing that funding is a key driver of organizational behavior, a few interviewees reported that their partnerships have taken proactive steps to solicit funding for the specific purpose of advancing their DEI goals. For example, some partnership leaders reported that they have intentionally pursued grants that require programming for targeted populations in order to incentivize hesitant partnership members to be more supportive of DEI goals.

Guiding People of Color to Promising Pathways

Among those partnerships that have developed specific strategies to better serve African Americans, Latinos, or Native Americans, their approaches typically incorporated

a combination of the traditional services that might be employed to effectively serve any population of individuals with barriers alongside race-conscious services that address the unique needs of specific racial and ethnic groups. Some of the most common approaches reported by interviewees included:

Targeted Recruiting: Most of the partnerships we interviewed reported that they had modified some of their recruiting practices to attract and engage specific populations. Some of the practices interviewees reported included:

- Utilizing **culturally-sensitive communications** that speak to the needs or concerns of specific populations. For example, when the BEST Hospitality partnership in Boston, Massachusetts decided to focus on attracting more US-born African Americans to the hospitality sector, interviews with past program participants revealed that hospitality jobs have a negative stigma within Boston's African American community. In response, BEST has developed a "myth-busters" flyer designed to dispel stereotypes about hospitality careers and increase awareness about the good wages and benefits available to union hospitality employees in their region.

- **Employing people of color and/or native speakers** of languages other than English to conduct outreach. Several interviewees emphasized that outreach messages were much more effective when delivered by individuals who share a background with the community members they are seeking to recruit.
- Locating partnership programming (e.g., training sites, recruitment offices) in **strategic locations** selected to increase the partnership's access to and visibility within specific communities.
- Partnering with **culturally-affiliated organizations** that are well-known and highly respected within targeted communities. For example, the Urban League - a national civil rights organization with a long history of economic empowerment work in the African American community - was cited as a valuable partner in attracting and serving African American workers in three regions.
- **Barrier Remediation:** Many of the partnerships we spoke with emphasized the importance of barrier remediation to ensure that people of color successfully complete and fully benefit from partnership programming. Commonly cited supports included language supports for non-native English speakers; mental health services (including trauma-informed care approaches to service delivery); re-entry services for returning citizens (who are disproportionately people of color); financial counseling and education (i.e., to combat racial disparities in credit scores); and general career coaching.
- **Strategic Skills Development:** Again, in keeping with broader, evidence-based workforce development strategies for individuals with barriers, partnerships seeking to advance DEI goals generally embraced education and training approaches that have a strong track record for advancing the career prospects of individuals with less than a four-year degree. Helping people of color acquire high-demand, industry-recognized certifications was most common, followed by an emphasis on trying to help more people of color enter into apprenticeships. Some partnerships also reported experimenting with new approaches. For example, noting that many Alaska Natives live in remote areas with limited options for education and training, a partnership led by the Alaska Primary Care Association has launched an online apprenticeship program to help individuals prepare for careers as Community Health Workers, Certified Billing and Coding Specialists, Certified Clinical Medical Assistants, and Certified Medical Administrative Assistants.
- **Anticipating Bias:** Finally, several partnerships reported that they had adopted specific strategies or programming to help individual prepare for any bias - implicit or explicit - that they might encounter in the workplace. Examples included coaching on workplace expectations, role-playing exercises to help individuals anticipate how to respond to difficult situations, and connecting new hires with workplace mentors who come from a similar background. In addition, when placing workers within an industry where there is known to be the strong potential for racial bias, interviewees recommended that partnerships take steps to "over-prepare" trainees for those jobs (i.e., to ensure that workers of color have training above and beyond what is required for the job and what the average candidate would be expected to bring to the job, so as to make them beyond reproach).

Steering Businesses Toward Equitable Practices

While services for individuals were most common, several interviewees reported that their partnerships had also undertaken some equity-related programming directed toward their business members and their colleagues. Importantly, interviewees emphasized that business-facing efforts were highly dependent upon trusting relationships between the individual business representative and the individuals carrying out activities on behalf of the partnership (e.g., education and training program leaders, partnership backbone staff). In the majority of examples that interviewees cited, the business partner was either a long-standing participant in the sector partnership who has fully bought-in to the quality and value of the partnership's programming, or the business partner represented an organization that recognized it had critical challenges related to diversity, equity, and/or inclusion that they required outside help to resolve.

A few partnerships reported that they had undertaken strategies to raise awareness about disparities within their industry sector of focus. For example, **communications campaigns** can be used to raise awareness among industry leaders about racial disparities. Per Scholas - a national network of sector partnerships focused on information technology occupations - recognized the tech industry's continued struggle to develop and retain a more diverse workforce and launched *Diverse by Design*, "a national conversation series focused on increasing diversity and inclusion in the tech workforce." Through a series of executive convenings in New York, Washington DC, and Kansas City, *Diverse by Design* is creating a space for explicit conversations about racial disparities in the IT industry while

also allowing Per Scholas to cultivate new relationships with businesses. Similarly, several partnerships reported working with business and industry representatives to **track and analyze data on hiring patterns, apprenticeship selection committee outcomes, and workforce demographics** to better understand where and when disparities are occurring - and how they might be addressed.

In some instances, partnerships reported that they offer coaching or advisory services that seek to enhance the ability of individual employers to embrace and advance DEI goals within their workplaces. Sample coaching topics included:

- **Recruiting Processes:** Businesses may be unintentionally limiting their pool of prospective applicants through recruiting practices that favor one group over another, that fail to generate awareness among some potential applicants, or because they do not recognize external factors that may be deterring some populations from applying for certain jobs. For example, one interviewee noted that one of their partnership employers was struggling to attract applicants from a nearby, predominantly African American neighborhood because human resources staff were unaware that the “digital divide” left many local residents unable to complete the company’s online job application.
- **Candidate Vetting Processes:** Though often intended to produce meritocratic outcomes, the process of reviewing and narrowing the applicant pool can inadvertently perpetuate broader societal disparities. For example, one backbone organization reported coaching one of their partnership members on degree inflation. While the skills developed as part of a specific college degree program may be required for some jobs, in many instances companies use college degrees as a proxy for skills, knowledge, and abilities in order to expedite the process of identifying promising candidates. Degree inflation disadvantages workers of color by perpetuating the impact of broader disparities in educational achievement and harms their potential employers by eliminating from consideration workers who may have all of the skills and experience required to effectively perform a job. Some partnerships also reported counseling employers on the use of criminal background checks and credit checks for similar reasons.
- **Inclusiveness:** Interestingly, one partnership cautioned that the enthusiastic engagement of some business champions around DEI goals can have unintended consequences: One business partner

enthusiastically launched a new internship program that brought a sector partnership’s training program’s graduates into their company for internships (and the possibility of permanent employment). A series of internal communications highlighting the new interns emphasized the sponsorship of the internships as a charitable initiative of the company. As a result, the interns were left feeling like they were valued less for the skills they brought to the company than for their token diversity. The partnership concluded that they needed to do more to coach business partners on how to build truly inclusive workplaces.

While reports of overt racism or bias were rare among the partnerships we spoke with, several interviewees did report encounters with business representatives who expressed ideas that suggested implicit bias. In rare instances, partnership members reported working with the leaders of companies or labor unions to address the roles of problematic individuals in hiring decisions, apprenticeship selection panels, or the supervision of new hires.

On a similar note, several partnerships also reported **developing and supporting champions** within specific companies. Champion development and support activities included:

- Working with champions to establish specific goals or commitments then helping them to develop the internal buy-in and accountability required to effectively advance those goals.
- Working through champions to secure frank and honest feedback on the effectiveness of partnership programming for targeted individuals (e.g., Are Latino graduates of our training program succeeding in your workplace? Why or why not?) to support the continuous improvement of partnership programming.

Importantly, for the sake of sustainability, interviewees also cautioned that partnerships should not become too reliant upon working through a single contact at a business.

Seven Opportunities to Advance Diversity, Equity, and Inclusion

It appears that many - if not most - sector partnerships across the country are thinking about the intersection of racial disparities and workforce development. Nevertheless, we also found that, with a few exceptions, most partnerships are in the early stages of this work and hungry for resources - both financial and informational - that can help them to accelerate their progress. There are several concrete opportunities for workforce development

practitioners, funders, and thought leaders to accelerate the adoption - and successful implementation - of diversity, equity, and inclusion goals by sector partnerships. These include:

1. Grow Data Disaggregation

Disaggregating the data collected by workforce development programs can help to shine a light on disparities, including enrollment patterns, program participation trends, and divergent education or employment outcomes for program graduates. Yet, the Sector Strategies for Equity Study found that relatively few sector partnerships are disaggregating data by race and ethnicity to evaluate how diverse, equitable, and inclusive their programming is.

Increasing the number of sector partnerships that are disaggregating data should be a top priority. Three options for doing so include:

Awareness Building: Webinars, conference panels, and publications could raise awareness about why data disaggregation is important.

Capacity Building: Some partnerships told us that their data systems made disaggregating data by race/ethnicity difficult; others told us that they had data quality concerns due to inconsistent collection of race/ethnicity data by frontline staff; and others still told us that their data analysis teams lacked either the skills or time to disaggregate data. Offering technical training on data disaggregation, coaching in the form of consulting support, or financial support to upgrade data systems could help to address these challenges. Alternately, partnerships and their funders could also engage third-party evaluation and research firms to disaggregate program data on their behalf.

Funding Requirements: Grantmakers can help to accelerate the adoption of data disaggregation by making it a requirement of grants reporting. To be most effective, any funder requirements should be accompanied by awareness and capacity building resources.

2. Develop Evidence About What Works

While the Sector Strategies for Equity Study was able to identify several common strategies and practices that partnerships are adopting to advance diversity, equity, and inclusion, the limited availability of disaggregated outcomes data made it impossible to compare the relative effectiveness of any single strategy or practice versus another. As more partnerships develop the ability to disaggregate program data by race and ethnicity, additional research

approaches will be feasible, including comparative analyses that help to develop evidence around which strategies and practices are most effective in reducing disparities, thus making it easier for sector partnership leaders to select and implement those approaches that are most likely to help their partnerships achieve their equity goals.

3. Support Board and Professional Development

The Annie E. Casey Foundation's Race Equity and Inclusion Action Guide aptly notes that "people find it hard to talk about race without feeling blame, shame, guilt and grievances — which do little to move us forward." Some partnerships reported that they had been able to address disparities more directly after bringing in outside experts on diversity, equity, and inclusion for board development workshops or by providing funding to allow staff to participate in related professional development opportunities. Doing so allowed them to "get everyone on the same page, using the same language" and "invited people into conversation that didn't think there was a seat for them at the table." To scale up these offerings to more partnerships, interviewees reported that they could use both financial resources as well as guidance on selecting curricula or consultants.

4. Cultivate Diverse Leaders

Sector partnerships want to model the diversity, equity, and inclusion that they are promoting to their business and community partners, yet many reported that they struggle to do so. Often, it was the frontline, community-based nonprofits that serve as backbone organizations or training providers for a partnership who reported that they struggled to attract and retain diverse talent to their staffs. This was particularly true for leadership positions within their organizations, despite the fact that many organizations reported that their frontline staff were highly diverse.

Workforce leaders should take affirmative steps to help more frontline staff acquire the skills, experience, and leadership development they need to more effectively compete for leadership positions in workforce development organizations. Study participants also suggested the creation of a professional network and job posting hub for workforce professionals of color.

5. Define a Policy & Systems Change Agenda

Only two of the partnerships that participated in the Sector Strategies for Equity Study reported adopting policy advocacy as a strategy for reducing racial disparities. In both instances, local hiring ordinances had been leveraged

to craft more opportunities for people of color to enter employment within specific industries (i.e., hospitality and construction). Given the growing interest in “inclusive” or “equitable” economic development approaches at the regional level and the large percentage of sector partners that are utilizing state or federal funding, research by policy analysts or advocacy groups could help to identify policy levers that might yield additional options for supporting sector partnerships’ diversity, equity, and inclusion efforts.

6. Philanthropic Leadership

Additional resources were, not surprisingly, a popular request from many partnerships that are seeking to develop or grow diversity, equity, and inclusion efforts. Study participants not only requested financial resources to help them implement or scale current strategies, but also access to expert coaches and advisors who can work with partnerships to develop and refine their diversity, equity, and inclusion strategies.

7. Develop a Community of Practice

Finally, as examples like the National Fund for Workforce Solutions and Aspen Institute’s Sector Skills Academy have shown, peer-to-peer learning and information sharing can be important catalysts for capacity-building and systemic change among sector partnerships. A facilitated, national community of practice for sector partnership leaders who are working to advance diversity, equity, and inclusion could help to further clarify key challenges, identify and disseminate information about promising practices, and continue to innovate around new approaches.

Interested in learning more about the intersection of workforce development and race equity?

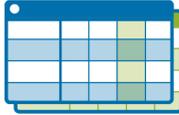
Visit the Resource Directory on the Partnering for Equity Project website for information about additional research and resources: <http://partneringforequity.org>

seven opportunities to advance diversity, equity, and inclusion



grow data disaggregation

Build awareness of why disaggregation is important, grow the capacity of partnerships to analyze data, and embed disaggregation requirements in grant reporting.



develop evidence about what works

Use data analysis to develop evidence around which strategies and practices are most effective at reducing disparities for various groups – and which are not.



support board and professional development

Foster a shared understanding of issues, common language, and safe space for discussing race-based disparities.



cultivate diverse leaders

Partnerships and their supporters need help developing, recruiting, and retaining leaders from affected communities.



define a policy & systems change agenda

Leverage public interest in inclusive economies to create pathways to good jobs for people of color.



philanthropic leadership

Increase partnerships’ access to key information, resources, and experts.



develop a community of practice

Bring together leading partnerships to clarify key challenges, identify and disseminate information about promising practices, and continue to innovate around new approaches.

Endnotes

- i Brownstein, Ronald. (May 19, 2016). The Challenge of Educational Inequality. The Atlantic. Retrieved from <https://www.theatlantic.com/education/archive/2016/05/education-inequality-takes-center-stage/483405/>
- ii Hunt, Vivian, Layton, D., & Prince, S (January 2015). Why Diversity Matters. Retrieved from <https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>
- iii Turner, Ani, et al. (October 2013). The Business Case for Racial Equity. Retrieved from <https://www.wkkf.org/resource-directory/resource/2013/10/the-business-case-for-racial-equity>
- iv See <http://nationalequityatlas.org/data-summaries>
- v See <https://www.mdrc.org/publication/encouraging-evidence-sector-focused-advancement-strategy>, <https://www.aspeninstitute.org/publications/tuning-local-labor-markets/>, and <https://www.amazon.com/Connecting-People-Work-Intermediaries-Strategies/dp/1499297637>

Acknowledgements

Many individuals contributed their ideas and expertise to support the development of this report. The research team wishes to express their gratitude to the following:

Allison Gerber and Laura Burgher, Annie E. Casey Foundation

Andrew Cortés, Executive Director, Building Futures

Angela Hall, STEPS-St. Louis Program Director, Family and Workforce Centers of America

Bridgette Gray, Executive Vice President, National Program, Per Scholas

Carolyn D. Seward, President/CEO, Family and Workforce Centers of America/MET Center

Cherise Fowler, Apprenticeship Training Coordinator at Alaska Primary Care Association

Cheryl Feldman, Executive Director, District 1199C Training & Upgrading Fund

Dennis Bagneris, Director of Youth Success, Liberty's Kitchen

Eva M. Rios-Lleverino, Deputy Executive Director, Capital IDEA

Harry Schnur, Director of Development, Liberty's Kitchen

Janice Urbanik Executive Director, Partners for a Competitive Workforce

Joan Abbot, Assistant Executive Director, BEST

Marie Downey, Executive Director BEST, BEST

Michael Gritton, Executive Director, KentuckianaWorks

Nancy Boone, Director, Hartford Generation Work/United Way of Central and Northeastern Connecticut

Pamela Egan, Interim CEO, The Culinary Academy of Las Vegas

Patty Linduska, R.N., Alaska Primary Care Association, Senior Director of Training & TA

Tom O'Brien, Neighborhood Connections

In addition, the researchers wish to acknowledge the valuable anonymous contributions of the 89 individuals who responded to the survey, the staff of the Annie E. Casey Foundation Library, and Ray Marshall Center research assistants Chance Nettles and Charles Demakis, both of whom provided valuable assistance with this project.

About Us

The Ray Marshall Center for the Study of Human Resources is a research institute at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. The Center identifies and fosters creative solutions to challenging education, workforce, and social problems through applied research, policy analysis, and innovative program design. raymarshallcenter.org

Austin, Texas based consulting firm Workforce Matters provides innovative strategies and workforce solutions for business, education, and employees that meets the needs of an ever-changing global workforce driven by integrity, innovation, teamwork and passion. dazziemckelvy.com

This report was prepared with funds provided by The Annie E. Casey foundation. The views expressed here are those of the authors and do not represent the positions of the Foundation or the University of Texas.

© Copyright 2018. Permission to copy, disseminate or otherwise use information from this report is granted as long as appropriate acknowledgment is given.