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The Key for an Inclusive NYC Economy

Reimagining Youth Talent Development for the Next
New York City.

POLICY BRIEF

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About this Report

This report examines data on the labor market and educational outcomes of New Yorkers, with a specific eye toward Black and Latinx students. It finds that the existing NYC talent pipeline simply does not work for many New Yorkers, who are currently at a disadvantage compared to US-born jobseekers from out of state. However, labor market projections show that we have a chance to steer our policies in a new direction, with New York projected to add many mid- to high-wage occupations over the next few years. With this report, we hope to offer some policy solutions that can help the City ensure that young people born and raised here have a chance to compete for good jobs.



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Executive Summary

New data suggests the existing NYC talent pipeline is not working for many New Yorkers, who are currently at a disadvantage compared to US-born jobseekers from other states:

I. **Individuals born in NY have lower rates of college attainment, employment, and earnings than those born in other states.**

This dynamic is even worse for Blacks and Latinxs born in NY, who show even deeper disparities compared to those from other states, particularly in relation to landing in good-paying occupations.

■ **Only 14% of NY residents employed in mid-high wage occupations are NY-born Blacks or Latinxs. Two-thirds of Black and Latinx workers are in low-wage occupations, compared to only one-third of out-of-state born workers.**

II. **The story we tell ourselves that just getting our youth to college will address these disparities does not hold up to scrutiny.**

It is true that Blacks and Latinxs in NY are less likely to have attended college, but college attainment does not neatly predict positive outcomes for Black and Latinx New Yorkers.

■ **Blacks and Latinxs with college degrees remain twice as likely to work in low-wage occupations: 40% of in-state born Black and Latinx college degree holders work in low-wage occupations.**

III. **The challenges presented by these data suggest that policymakers need to consider new approaches to ensure that New Yorkers can compete in today's labor market, while offering employers better prepared local talent.**

The movement to expand braided pathways, which foster deeper connections between school and work, offer a set of policies and investments to accomplish this dual goal, including:

- **Support for all students to have paid, accredited work experiences during high school,** with schools having resources and staffing to support them.
- **Colleges, and particularly CUNY, should offer hands-on work experiences in every course of study/major;** as well as offering credit to students for working while attending school.
- **New York should expand paid, work-based programs that bridge transitions from high school and college,** such as apprenticeships and service years, to put students on a well-supported path toward success.

Introduction

We tell ourselves a story that anyone who attends school and works hard can succeed, particularly if a person follows the traditional educational pathway of high school, followed by college, followed by a series of jobs, all culminating in a family-sustaining career. Aggregate data tell us that those who graduate college earn more than those who do not, throughout their career. And since traditionally disadvantaged subgroups—such as Blacks and Latinxs—have attended college at lower rates, education policy has generally focused on getting students to enroll in college, and often, without the resources and direction to succeed there. But the earning gains for college graduates are averages, which obscure key differences that, when examined more closely, bring our current approach into question, as do increasing rates of college non-completion. Just going to college is not the success story we believe it to be, and it may be time for a new approach.

The data we present in this report make it clear that **the existing NYC talent pipeline simply does not work for many New Yorkers**, who are currently at a disadvantage compared to US-born jobseekers from out of state. New York City should be open to everyone, but we must ensure that those who are raised in our communities, attend our schools, and pay our taxes have a fair chance to compete for the best jobs.

It is true that we see disparate education outcomes, particularly in terms of college attainment, for subgroups of New Yorkers. But, a closer look at the data shows that college attainment in our system does not, in fact, neatly predict positive employment outcomes for New Yorkers, particularly for Black and Latinx students. Our current system benefits those families who have the resources to give their students the direction and supports necessary to succeed after high school, perpetuating the unequal conditions into which students are born already.

We need a system that ensures that young people from lower-resourced communities have the same advantages. The data we present here, along with those that show that increasing college enrollment has been accompanied by higher rates of dropping out, suggest that our education policies focusing on college enrollment in and of itself, without providing students with enough experiences to empower them to be educated consumers of college and career pathways, are limiting lower-income students' chances of postsecondary success.

As we reopen our economy, many New Yorkers are eager for a return to a pre-pandemic normal. But the crisis caused by COVID-19 has shown us that the gains made by the City since the end of the Great

College attainment in our system does not, in fact, neatly predict positive employment outcomes for New Yorkers, particularly for Black and Latinx students.

Recession were tenuous for many and virtually nonexistent for others. Even in the best of economic times, countless New Yorkers—predominately Black and Latinx residents living in neighborhoods of The Bronx, Central Brooklyn, Upper Manhattan, Eastern Queens, and Northern Staten Island—were barely scraping by, while more affluent communities were fortifying their advantages. This report examines data on the labor market and educational outcomes of New Yorkers and finds that stories we tell ourselves about who succeeds and why simply do not hold up to scrutiny, nor do the education policies that support these narratives.

We believe that it's time for a new approach to how we prepare our young people for success. By implementing a set of policies and programs under a braided pathways approach, which combine traditional academics with hands-on work experience, we can start to level the playing field so that New Yorkers educated in our schools can compete for the best jobs, without needing extra resources. In so doing, we can ensure that local employers do not have to look elsewhere for talent, offering us the chance to create a truly inclusive local economy.

In this report, we unpack data on employment and educational outcomes for New Yorkers, with a specific eye toward Black and Latinx students.¹ In brief, we find:

I. The System Isn't Working

Native New Yorkers, and Blacks and Latinxs in particular, are far less likely to land in mid- to high-wage occupations than US-born workers from other states. We are not positioning the young people who we raise in our communities and public schools to compete for the best local jobs.

The narratives we tell ourselves about who succeeds and why, do not hold up to scrutiny. Specifically, college attainment in our current system does not, in fact, neatly predict positive employment outcomes for New Yorkers, particularly for Black and Latinx students. Our current focus on just going to college, without providing students with the information and experiences to make them informed consumers of their next steps after high school, is not working for students without the extra resources to fill those gaps.

II. We Have a Clear Opportunity to Change

Labor market projections show that we have a chance to steer our policies in a new direction. New York is projected to add many mid- to high-wage occupations over the next few years. If we reinvent how we develop our local talent by incorporating braided pathways, we can ensure that young people born and raised here have a chance to compete for good jobs.

New York should invest in a range of policies to promote braided pathways, including:

- **Support for all high school students to have paid, accredited work experiences**, and that schools have the resources and staffing to support them. Students with these experiences develop the skills, networks, and most importantly, self-direction, that will willow them to become better consumers of postsecondary options, and make informed choices that align with their career interests.
- **Colleges, and particularly CUNY, should offer hands-on work experiences in every course of study**, as well as offering credit to students for working while attending school. every college should offer applied degree programs that are tied to occupations for which growth is projected, such as those highlighted in this report.
- **New York should expand paid, work-based programs that bridge transitions from high school and college**, such as apprenticeships and service years, which put students on a better-supported path toward success. Too many young people fail to make a successful transition after high school. These efforts can ensure that our young people are informed and empowered to succeed in the career of their choosing, regardless of their family connections or resources.

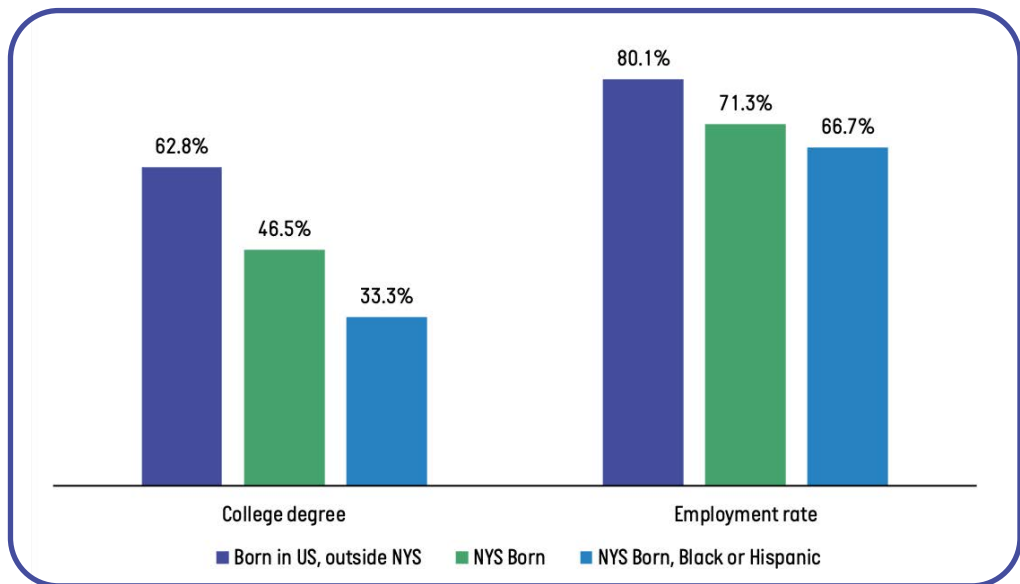
The System Isn't Working

Even prior to the COVID-19 pandemic, native New Yorkers², particularly those of color, were being left behind in the city's economy. The ability of New York City to attract talent from all over the globe has long masked the fact that young people who were born here are not sharing in the city's economic prosperity.

Native New Yorkers Cannot Currently Compete with US-born Jobseekers from Other States

Native New Yorkers, and Blacks and Latinxs in particular, are far less likely to land in mid- to high-wage occupations than US-born workers from other states, or White and Asian workers born in New York. The make-up of workers in mid-to-high wage occupations includes far fewer in-state born Black and Latinx residents, and more US-born individuals from other states. Black and Latinx workers born in New York are a much greater share of workers in low-wage occupations.³

Outcomes for NYC Residents
(Adults 25+) by Race/
Ethnicity and Place of Birth



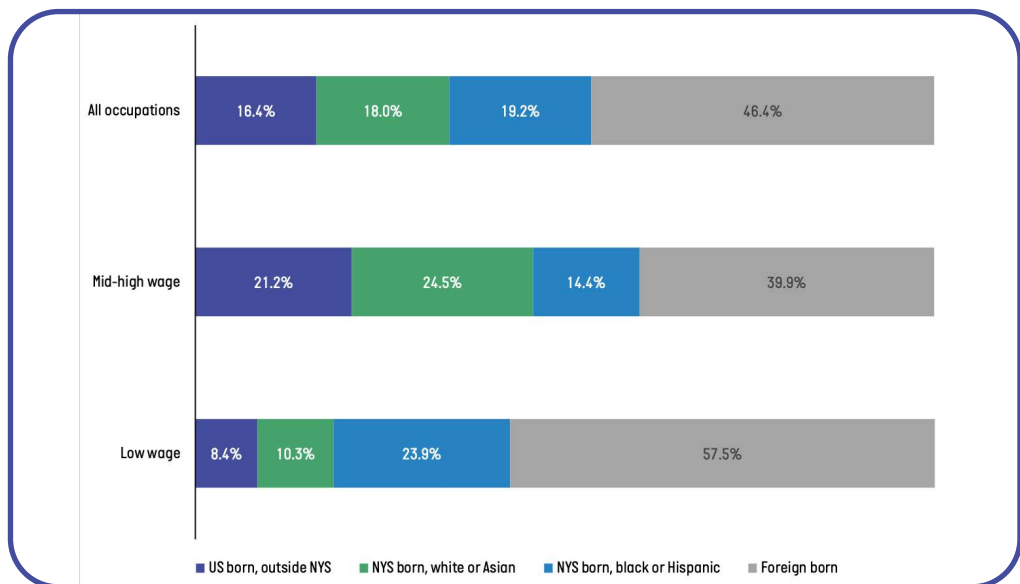
The above chart shows that native New Yorkers, and Blacks and Latinxs in particular, are less likely to attain college degrees or gain employment than US-born workers from other states. This finding alone should raise an alarm about how we are developing our local talent. Yes, New York should be

open to everyone, but if native New Yorkers cannot compete with US-born individuals coming here from other states, then we need to be doing more to ensure that our education systems are performing as well as they can—and these data suggest otherwise. New York benefits tremendously by attracting highly qualified talent from throughout the US and the world, which we hope continues. It also challenges us to create a talent development system locally that enables those educated in NYC institutions to compete. Otherwise, inequality in this city will continue to grow, solidify, and become more difficult to address.

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But a deeper look at the types of employment across subgroups of New Yorkers raises even more alarms. Native New Yorkers, and Blacks and Latinxs in particular, are far less likely to land in mid- to high-wage occupations than US-born workers from other states, or White and Asian workers born in New York.⁴ Much of the conversation around employment revolves around industry or sector. In some cases, this can be useful. We know, for example, that industries such as retail trade and leisure and hospitality (which includes food services) predominantly provide low-wage jobs, and that employees in these industries are more likely to be Black or Latinx. However, for most industries, such as healthcare, which employs high numbers of Black and Latinx individuals, there are a range of both low- and mid-high wage jobs: e.g., a hospital employs doctors, IT workers, and cleaning staff, who perform widely different tasks. Thus, to get a better understanding of how employment is or isn't contributing to economic security, it can be more instructive to look at the occupations in which workers are employed. Occupations also offer a more efficient lens in which to create policies and programs that can match talent to opportunity, since they are based on the actual tasks of a job, regardless of the field in which it sits, and thus share a set of required skills, in ways that jobs within an industry or sector do not.

Race/Ethnicity and Place of Birth by Occupation Type (Employed NYC residents)



In the 50 most prevalent occupations among New York City residents (which represent nearly 60

Only 14 percent of residents employed in mid-high wage occupations are Black or Latinx and were born in-state.

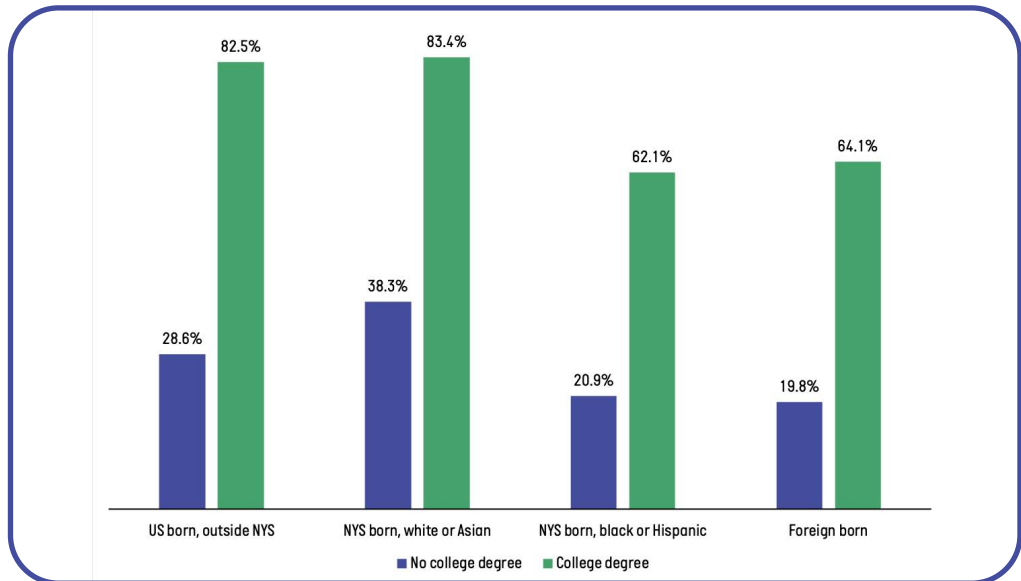
percent of New York City resident employment), New York State-born Black and Latinx residents represent a much smaller share of workers in mid-high wage occupations, compared to those born outside the state and in-state born white and Asian residents. Only 14 percent of residents employed in mid-high wage occupations are Black or Latinx and were born in-state. By contrast, Black and Latinx workers born in-state make up 24 percent of the low-wage workforce, a far higher share than those born out of state (8%) or in-state born white and Asian residents (10%).⁵

The data make clear that even prior to the COVID-19 pandemic native New Yorkers, particularly those of color, were being left behind in the city's economy.

Counter to Existing Narratives, College-Going Does Not Fully Explain Job Disparities

Native New Yorkers do have lower levels of educational—and specifically, college—attainment than US-born workers from other states, but those differences do not fully explain the disparities in the types of jobs obtained by these groups. Even among those with a college degree, in-state born Black and Latinx residents are more likely to find themselves in low-wage occupations when compared to their out-of-state born peers.

Share of Workers in Mid-High Wage Jobs by Race/Ethnicity, Place of Birth, and Educational Attainment (Employed NYC Residents, Age 25+)



Our current K-12 education policy focus on just going to college is not working.

Blacks and Latinxs with college degrees remain twice as likely to work in low-wage occupations: 40 percent of in-state born Black and Latinx college degree holders work in low-wage occupations. That number is just 20 percent for out-of-state born and in-state born white and Asian college graduates.⁶ Our current K-12 education policy focus on just going to college is not working. Unless students are empowered with the information and experiences to make them

informed consumers of their next steps after high school, they will neither succeed in college—as illustrated by increasing rates of college non-completion—nor be able to position themselves for success even after they graduate.

We Have a Clear Opportunity to Change

The existing NYC talent pipeline simply does not position New Yorkers well for good-paying jobs in New York

The data tell a clear story: the existing NYC talent pipeline simply does not position New Yorkers well for good-paying jobs in New York. Students who attend New York public schools are at a disadvantage compared to those coming with degrees from other states. Our informal, ad hoc process of matching talent to opportunity has increased disparities between those that grow up and are educated in New York versus those that aspire to succeed here from other parts of the country. New York can tackle this disparity head on by intentionally connecting its students to the world of careers, beginning in high school. Braided pathways can be a “market maker,” that provides students with professional connections, the deeper knowledge of their own skills and interests, what careers in the real world align with them, and create a more efficient process of matching New York students to promising career opportunities in the regional labor market.

Labor Market Projections: A Chance for Change

Labor market projections show that we have a chance to steer our policies in a new direction. Projections show substantial growth through 2028 in a wide range of mid-high wage occupations. The table below presents the five high-paying occupations with the greatest projected job growth in New York State (the same five occupations have the greatest projected job growth in New York City).

NYS Occupations with Greatest Projected Growth (2018-2028), with Median Salary of at Least \$50,000 Per Year⁷

Occupation	Projected Employment (2028)	Net Growth from 2018	Percent Growth from 2018	Median Salary
Registered nurses	249,100	49,230	24.60%	\$86,780
General and operations managers	184,880	16,230	9.60%	\$132,200
Software developers, applications	73,130	16,120	28.30%	\$113,910
Accountants and auditors	136,510	15,400	12.70%	\$84,860
Market research analysts and marketing specialists	80,590	14,870	22.60%	\$72,840

These opportunities have already begun to reemerge after being somewhat dormant during the height of the pandemic. **There were over 41,000 job postings between late March and late June 2021 in just the five most in-demand mid-high wage occupations in New York City, compared to under 400 postings during the same period in 2021.**

Mid-High Wage Occupations with the Most Job Postings in NYC (3/26/21-6/23/21)⁸

Occupation	Job Postings, 90-Day Period 2021	Job Postings from Same 90-Day Period 2020
Software developers, applications	9,767	129
Computer applications, all other	8,787	101
Managers, all other	8,610	55
Sales representative, wholesale and manufacturing	7,396	60
Marketing managers	6,767	32

The labor market data in the previous section illustrate our challenges, but these projections offer some guidance for solutions. Employers need talent for a set of growing, high-paying occupations, and we have an opportunity to ensure that all young people are developing their skills, networks, and pathways in a way that will allow them to fill these roles. Our challenge is to overcome the inertia that has limited how we develop talent, and use both these data, and the wide range of strong program practices in better connecting young people to opportunity. This work will also help local employers in their search for talent to grow their businesses. If we can do both of these, we will create the conditions for the inclusive economy that New York City has found elusive.

The most straightforward way for this to happen is for us to abandon our current “hit and hope” approach, that providing students with a largely theoretical academic education will, somehow, help them land a good job in the future. A better approach would be to reorient our education systems so they build clear pathways for students into their careers of choice and in-demand positions with promising career trajectories.

Conclusion and Recommendations

The Time is Now to Invest in Braided Pathways

Our public education system—despite substantial gains in graduating students at both the high school and postsecondary level—still works best for those with the networks and resources to get into the best high schools; supplement their school experience with paid enrichments and internships; and go to well-endowed colleges where they can further develop their skills and professional networks. Far too many families cannot provide these experiences that ensure the needed professional connections for their children. Our current approach to education policy that predominantly favors a focus on academics heightens this inequality.

Our high schools and public colleges focus on “what” students know, when success in today’s labor market depends just as much on “who” and “how” to make the connections and develop skills for successful transitions. As a result, low-income New Yorkers, and particularly those of color, even with a college degree, are too often shut out of higher-wage occupations. But the real-world, work experiences that come with a braided pathways approach to education mean that all students would get the skills, connections, and knowledge of self that are currently the privilege of those who can supplement today’s standard education.

We have the opportunity to create a new talent development system that allows us to get our kids into the jobs of the future. A braided pathways approach to talent development places the focus on empowering students with the information, experiences, and connections they need as part of their standard high school and post-secondary programming, without requiring families to invest their own extra resources or for students to either get lucky or win the school-choice Hunger Games to get into limited slots in the “right school.” This includes policies such as:

- **Ensuring that students graduate high school making an informed postsecondary choice**, supported by a set of experiences that give them greater understanding of (a) who they are—their skills and interests—and; (b) the range of careers available to them and the postsecondary pathways to pursue their goals; and (c) professional mentors in fields of their interest to help advise them. This can only happen when high school education features real work, such as accredited internships, summer jobs, and longer-term apprenticeships, and that schools have the resources to provide staffing to create them. Less emphasis on high stakes tests, in favor of

A braided pathways approach to talent development places the focus on empowering students with the information, experiences, and connections they need as part of their standard high school and post-secondary programming.

rigorous, real-world work experiences can ensure that students do not continue to complain about graduating high school knowing the Pythagorean theorem, but not how taxes or interest rates work.

- **At the college level, all majors should include applied work experiences**, such as internships and apprenticeships. And since most students work, at least part-time, while they attend, colleges should offer credit for work so that a student can structure and reflect on the skills they gain in the workplace.

- **Alongside traditional K-12 or higher education policy, New York should invest in more apprenticeships and service year programs**, which can bridge the tricky transition from high school and college. This will require the meaningful engagement of New York's vast base of employers.

- **All of the above needs to be supported by systemic engagement of employers** to provide paid work experiences to New York high school and CUNY students and hiring practices that provide a level playing field for local talent, with citywide infrastructure to make it clear and easy for companies to do so.

The COVID-19 pandemic put the city's disparities front and center, with Black and Latinx New Yorkers overrepresented in the ranks of the sick and dying, and having worked in the industries suffering the greatest job losses. We must use this time as an opportunity to create more opportunities for people of color to succeed.

For too many of the city's young people, however, traditional academic success leaves them short of the tools they need to compete in today's labor market. Data shows that graduates from CUNY—where the majority of NYC students enroll—do not earn, on average, as much as their peers graduating from other postsecondary institutions; and for the high numbers of those who do not complete a degree—over one in five 18-24 year olds in NYC left college without completing—the road to economic security is even more uncertain.¹⁰

We hear concerns from employers, who tell us that even college graduates lack necessary workplace skills.¹¹ New York City youth are already raising their voices for greater equity and opportunity, and demanding action. Our collective failure to tap the talent of all New Yorkers sets us back and puts our competitiveness as a global city at risk.

Braiding learning from work into traditional academic programs positions New Yorkers and New York competitively as a global city and promises a path to a thriving, inclusive economy. The good news is that New York City has a vast array of ongoing programs and initiatives upon which to build quickly, as soon as our public officials are ready to incentivize and invest in this direction.

End Notes

- 1 Data from this report comes from HERE to HERE's own analysis of several publicly available data sources: education, employment, and occupation data for New York City residents are based on HERE to HERE's analysis of the United States Census Bureau's American Community Survey (ACS). Data on occupational projections come from the New York State Department of Labor and job posting data is from Burning Glass. All specific analyses in this report are cited individually.
- 2 Using existing available data, we are limited to using whether or not an individual was born in New York State for our definition of native New Yorkers.
- 3 Two notes on race/ethnicity and nativity: First, we use the term Latinx to describe individuals who self-identify in survey responses as "Hispanic." The United States Census Bureau first asks respondents their race (White, Black, etc.), then, separately, whether they identify as Hispanic or not. In our analysis, we include individuals who identify as Hispanic, regardless of their response to the race questions, and we refer to this groups as "Latinx" throughout this report. Second, in analyzing data on different racial/ethnic groups, we use the four categories that are typically found in this kind of analysis (white, non-Latinx; Black, non-Latinx, Asian, and Latinx). We recognize that this hides important differences in outcomes between subgroups within each category. This is particularly relevant for the Asian population, whose positive outcomes overall mask the existence of subgroups that face a variety of challenges and have outcomes in line with the low-income Black and Latinx populations that are the focus of this work. Related, while this paper focuses on data for native New Yorkers (those born in-state) as a way to show the need for a new talent development system, it is important to mention that our vision and strategies are designed to improve outcomes for all students in New York City's public education institutions—particularly those in low-income communities—and this, of course, includes foreign-born New Yorkers. Data shows that the vast majority of young people - even in immigrant families and communities - were born in New York.
- 4 HERE to HERE's own analysis of microdata from a combined five year sample of the 2015-2019 ACS.
- 5 HERE to HERE analysis of the 2015-2019 American Community Survey, 5-year sample. Mid-high wage occupations include the 26 of the city's 50 most prevalent occupations that have a median income of at least \$50,000 a year. Low wage occupations include the 24 of the city's 50 most prevalent occupations with a median income of less than \$50,000 per year.
- 6 Ibid.
- 7 New York State Department of Labor, Occupational Projections.
- 8 Analysis of real-time job posting data from Burning Glass
- 9 Treschan, Lazar and Diana E. Cruz. "New York's Latinx College Completion and Career Success Crisis: A Case for Work-Based Learning." <https://www.heretohere.org/wp-content/uploads/2020/10/New-Yorks-Latinx-College-Completion-and-Career-Success-Crisis-A-Case-For-Work-Based-Learning.pdf>
- 10 Wilkie, Dana. "Employers Say Students Aren't Learning Soft Skills in College." <https://www.shrm.org/resourcesandtools/hr-topics/employee-relations/pages/employers-say-students-arent-learning-soft-skills-in-college.aspx> SHRM. October 21, 2019.

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