



BE FUTURE
READY

Building Future-Ready Workforce Pipelines

Recommendations for State and Local Policymakers

to Expand Work-Based Learning





Increasing Economic Opportunity Through Work-Based Learning

Young people who begin their careers without workforce skills and professional networks face long-term disadvantages in building rewarding careers, and this has consequences for talent pipelines and local economies.

According to a recent study, 40% of college graduates are underemployed in their first job, and two-thirds are likely to continue to be underemployed five years later.ⁱ Even STEM majors are not immune—three out of ten engineering majors have a first job that does not require a college degree. Those facing underemployment are most likely to come from working-class backgrounds and be the first in their families to go to college.ⁱⁱ

Fortunately, there are ways to counteract these trends. By developing in-demand workforce skills before entering the job market, employers can add up to 20% to a college graduate's earnings,ⁱⁱⁱ and in a survey of 300 employers, 89% said students who had high school internships have a competitive advantage when looking for a college internship, or a full-time job.^{iv}

For 40 years, NAF has partnered with hundreds of leading companies including Capital One, KPMG, Verizon, Marriott, Citibank and World Wide Technology to provide career-based knowledge and hands-on experiences, including job shadowing, mock interviews, and paid internships, to hundreds of thousands of high school students nationwide. Each year, NAF supports

more than 100,000 students in 600 academies at 400 public high schools across 33 states, Washington, D.C. and the U.S. Virgin Islands, with a focus on low-income and underserved communities.

NAF's educational design delivers results for all students. NAF academies are especially effective for young people who start with the least access to college and career preparation. **Successful work-based learning programs are an important driver of equity. They create pathways to high growth fields for underrepresented groups, and build students' professional networks and social capital.**

States and communities have helped to fast-track this movement with innovative measures to support, fund, and incentivize work-based learning experiences for all students. From Washington, D.C. and North Carolina to Los Angeles and Dallas, lawmakers, governors, mayors, and other leaders across the country are taking proactive steps with the same goal: building a more prepared workforce and a prosperous future for all.

The following spotlights policies and programs that have successfully encouraged work-based learning programs in communities across the country. Just as no two states or communities are alike, neither are these programs. As is the best practice, each is tailored to the needs and landscape of a specific community. Still, most approaches fall into one of five major categories, and each approach offers lessons for others looking to follow suit and build a stronger workforce for their communities.

Paying Interns Matters

Paid internships improve career development more and lead to higher levels of satisfaction for students than unpaid internships.^v

Meaningful internships should result in students producing work of value for their employer. To meet federal labor laws, this requires paying interns.^{vi}



What is Work-Based Learning?

Work-based learning brings the classroom to the workplace, and the workplace to the classroom. It is a continuum of activities, both in and outside of school, that provides opportunities for students to connect what they are learning in the classroom to the world of work; to learn about careers and their education and training requirements; to identify career interests and aptitudes; and develop and demonstrate workforce ready skills.

An October 2019 RealClear poll about K-12 education found that voters rank workforce readiness as a higher priority than college readiness.^{vii}

This strategy gives students opportunities to apply academic and technical knowledge, while fostering workforce ready skills such as working in teams, professionalism, problem solving, and critical thinking. These are the skills that students need to succeed in college and life, and that companies need from their employees starting day one.

Research shows that participation in work-based learning during high school has a positive impact on students and ultimately helps them secure higher-quality jobs in terms of wages, benefits, hours, and job satisfaction.^{viii} This is particularly true for students who may not otherwise be exposed to a variety of career paths. Work-based learning helps students build positive relationships with adults and expand their networks beyond their immediate communities.

Ultimately, work-based learning is a proven way to grow the talent pipeline and help students be future ready.

How Does Your State Stack Up?

For the first time, there is a federal definition of work-based learning. Under Perkins V, the definition requires sustained activities with professionals in real workplaces, or in simulated environments, that provide real experience with the kinds of tasks required in a given career field, aligned to curriculum and instruction.

State definitions of work-based learning vary widely.^{ix} As states develop and deliver on their Perkins plans, strengthening this definition can help guide educators and employers to provide students the highest value experiences.

Does your state definition of work-based learning promote more and higher quality experiences for students? Some common requirements include:



Workplace experience



Demonstration of workforce-ready skills



Alignment to career pathways



Internships



Mentoring

NAF's Approach

NAF started as one NAF Academy of Finance in New York City nearly 40 years ago. Today, there are hundreds of academies nationwide that focus on growing industries including finance, information technology, engineering, health sciences, and hospitality and tourism.

In a longitudinal study of career academies, including NAF academies, students realized sustained earnings gains over eight years of 11% over non-academy students. These effects are noteworthy both for their magnitude and persistence, and roughly represent the earning power of an associate's degree.^x

NAF serves more than 100,000 students in 33 states, D.C. and the U.S. Virgin Islands. As of 2019, NAF students are:



69%
**Black and Hispanic
Students**



69%
Low-Income Students



47%
Female

NAF's approach is centered on a continuum of work-based learning experiences that help students be future ready, beginning with career awareness activities, progressing to career exploration activities, and culminating in career preparation activities. Activities require interaction with employer partners and include, mock job interviews, resume writing workshops, networking events, job shadowing, and more. Work-based learning culminates in a paid internship that allows students to apply what they know, and to learn more about what it takes to succeed.

NAF works with employers—including businesses, community groups, and government agencies—to create custom internship programs that meet an organization's needs. We consult with employers to help them overcome common administrative hurdles to hiring high school students. Through the NAF experience, interns show up ready to work, learn, and make meaningful contributions from day one.

Together, NAF and our corporate partners crafted the pioneering NAFTrack Certification, a rigorous and comprehensive assessment system that validates high school students' career preparation and includes an employer assessment of internship performance. A growing number of top national and global companies have committed to NAFTrack Certified Hiring, a promise to give special consideration to internship and job applicants who earned NAFTrack Certification.

How NAF Works



We work with high schools to ensure students take career-relevant courses aligned to work-based learning activities to develop future-ready skills and accelerate their career paths.



We help schools create partnerships with businesses to provide access to career-building opportunities.



We support businesses in playing an active role in shaping the future workforce.

Five Strategies to Increase Work-Based Learning

The burden of implementing work-based learning too often falls solely on schools and school districts. There are many things that elected leaders and policymakers can do at scale to incentivize work-based learning, develop infrastructure, dedicated resources, and encourage local business to partner with schools to play an active role in shaping their future talent pipeline.

There are five policy strategies that have successfully encouraged and enabled work-based learning programs in communities across the country:



1. **Leverage Existing Funding and Mechanisms:** Lead by example by hiring high school interns at state and local government agencies, like transportation departments or school districts, and requiring or incentivizing vendors or other partners to do the same.



2. **Build Work-Based Learning Infrastructure:** Work-based learning requires partnerships between education and businesses, and well-constructed state and local policies are key to building the capacity to support these efforts at scale.



3. **Include in Accountability Systems:** Add work-based learning, including internships, to requirements for state and local funding allocations and certifications to encourage school districts and businesses to make investments in these programs and ensure students' effort is rewarded.



4. **Expand and Align Quality Summer Youth Employment Programs:** Often led out of a city mayor's office, summer youth employment programs match local businesses to skilled high school students looking for paid summer employment. Some programs also provide public funding.



5. **Create Local Funding Initiatives:** Through ballot measures or direct enactment, setting up specific state and local funding sources for work-based learning programs can give schools the resources they need to implement large-scale, districtwide, or statewide changes.



1. Leverage Existing Funding and Mechanisms

One of the simplest ways to support work-based learning is to leverage existing mechanisms to provide internship and employment opportunities for high school students.

The top skills today's employers are looking for include listening skills, attention to detail, effective communication, critical thinking, interpersonal skills, active learning/learning new skills.^{xi}

Incentivize Government Contractors

Government agencies or school districts can leverage contracts and procurement to encourage or even require vendors to engage in work-based learning. The Los Angeles Unified School District, for example, incorporated into every vendor contract a requirement to provide high-quality work-based learning opportunities for LAUSD students, including but not limited to, internships, job shadow days, guest speaking, professional development for teaching and support staff, or mentoring students.^{xii}

Reward Business Investments in the Future

Iowa,^{xiii} Missouri,^{xiv} and South Carolina,^{xv} among other states, have implemented tax credits for businesses that engage in work-based learning for high school students. These tax credits not only energize efforts statewide, they help businesses cover the cost of the programs and provide a financial incentive for more employers—big and small—to hire young people.

Utilize Federal Incentives

State and local governments can encourage student and business participation in work-based learning through federal programs like WIOA, ESSA, Perkins, Department of Labor apprenticeship grants, and others. For example, banks can build local talent pipelines and earn Community Reinvestment Act (CRA) credit for providing internships and other work-based learning opportunities. The Center for Financial Training at Miami Dade College uses this recognition to recruit banks for its Future Banker Camp. In 2019, 104 NAF students enhanced their math, communication, and financial skills in the classroom and completed internships at 30 banks and credit unions.^{xvi}

Lead by Example

Local agencies at school district, city, county, and state levels can hire high school interns for their offices and facilities. Broward County Public Schools (BCPS) in South Florida, the sixth largest school district in the nation, places approximately 400 students in internships each year with various BCPS district departments. During the summer of 2019, the district's IT department hired 26 interns who worked in teams to reimage and repair more than 22,000 office and classroom computers.

This strategy is particularly effective in rural communities where there may be fewer employers. In California's Central Valley, the Porterville Unified School District (PUSD) partners with the City of Porterville to help find placements for approximately 2,000 students each year. The city's library, animal shelter, engineering, parks and recreation, and transportation departments all hire interns. In addition, the PUSD has an annual cross-pathway competition in which students help design, build, and market city beautification projects—including the city's new library^{xvii} and homes on previously vacant lots.

Leverage Local Resources

Resources we rely on every day in our professional lives can often be unobtainable for students. Leveraging existing infrastructure, like access to public transportation, allows students to get to their work-based learning activities and internships. In 2018, D.C. Mayor Muriel Bowser established Kids Ride Free, a program to ensure that District students can get to school and school-related activities—including jobs and internships—for free on Metrobus, Metrorail, and the D.C. Circulator. This program increases low-income students' ability to access internship opportunities.



2. Build Work-Based Learning Infrastructure

States, cities, counties, and community groups such as chambers of commerce can encourage work-based learning by creating and sharing guidelines, providing technical assistance, or establishing and funding programs/organizations to support the public-private partnerships behind it. Some organizations act as intermediaries and lead the charge, matching businesses with nearby schools or students that fit their needs. Others share knowledge and best practices on everything from what students can be employed to do, to payroll issues.

When hiring, employers are looking for industry experience and technical training even more than degrees. **92%** of employers are very or somewhat influenced by those who have completed an internship in their industry.^{xviii}

Partner with Local Businesses

Massachusetts runs a unique public-private partnership called Connecting Activities through the commonwealth's sixteen MassHire Workforce boards. More than 10,000 students participated in work-based learning activities at more than 4,000 employer sites in fiscal year 2018.^{xix}

By 2030, more than half of Texans will need a certificate or a degree to stay competitive in that state's industries. To meet the rising needs of postsecondary attainment, Texas launched 60X30TX, with the goal of 60% of Texans receiving a certificate or a degree by the ages 25-34. A key component is requiring higher education institutions to consult with local chambers of commerce, workforce development boards, and other similar groups to boost student workforce-ready skills and build networks of paid internships.^{xx}

Tennessee Pathways is part of a campaign led by former Governor Bill Haslam and former Commissioner of Education Candice McQueen to ensure that 55% of state residents attain a postsecondary credential by 2025.^{xxi} This unique program leverages partnerships among school districts, higher education institutions, employers, and community organizations to align K-12, postsecondary programs, and career opportunities. It includes a \$2 million state investment in coordinators, plus grant funding under New Skills for Youth, a program with JPMorgan Chase, that help prepare students for the workforce.^{xxii}

Set Goals for Schools

Government leaders can rally their communities and set a high bar for work-based learning. Collier County, Florida, which includes Naples, set a public goal in 2018 "to provide community-based internships for 100% of career academy and other interested students." This is one of the county's four goals to help prepare young people for college and increase the number of college degrees, certificates or other high-quality credentials from 27% to 55% by 2025.^{xxiii}

Align Credentials with Workplace Needs

To be meaningful, credential programs must align with workplace needs. But after an in-depth study, *Credentials Matter*, the education organization, ExcelinEd together with Burning Glass Technologies found that half of all states are not collecting the necessary data to know how well aligned their high school credential programs are with local employer demand.

There is a significant opportunity for local governments to improve their credential programs by convening stakeholders to identify, evaluate, and help implement the most relevant credentials that offer the best return on investment for students.^{xxiv}

3. Include in Accountability Systems

Including work-based learning and paid internships in state or local education accountability programs, Perkins, and ESSA measures, is a fiscally neutral way to encourage schools to include a focus on career preparedness. These programs also encourage local business to teach the most critically needed skills. By including measures of work-based learning in accountability systems this also ensures that decision makers can monitor which student populations are or are not getting access to these opportunities.

By 2020, **65%** of all jobs, and nearly all high-paying jobs, will require some form of postsecondary education or training.^{xxv}

Make Quality Work-based Learning Count

Perkins V requires states to select a program quality indicator and offers participation in work-based learning among the options. By choosing work-based learning as a quality indicator, states can create incentives for school districts and education leaders to build out their work-based learning programs and tie them to the state's economic needs. States must set high standards when defining participation to ensure the full benefits of work-based learning.

Reward Students and Schools for Internships

All school districts have systems for assuring school quality and student preparedness based on student skills and knowledge. Their programs should measure and incentivize work-based learning and internships as part of the evaluation process and incorporate these experiences in high school graduation requirements.

The North Carolina Department of Public Instruction recognizes NAFTrack Certification as an industry-approved credential that counts towards school districts' documentation of work-based learning competencies. The credential is included in data that is reported on North Carolina school report cards and is included on the official student transcript. By successfully completing a series of career-focused courses as well as a paid, 120-hour, paid internship, students are able to demonstrate workforce readiness that has been assessed on-the-job by an employer.

In addition to being paid for their work during internships, students should earn credits and/or meet graduation requirements. Illinois has created a new system for school districts to award college and career pathways endorsements on high school diplomas.^{xxvi} Students are required to take part in professional learning experiences as part of the endorsement program and in turn receive credit toward graduation for such experiences, including internships.

4. Expand and Align Summer Youth Employment Programs

Often run through the city mayor's office, Summer Youth Employment Programs (SYEPs) are a great way to connect local businesses to qualified students looking for summer job experiences and set talented students on their career paths early. These programs employ a variety of funding mechanisms. By focusing on quality though aligning jobs to student interests and career pathway focus, as well as expanding access, these programs can maximize the benefit to young people.

As of August 2019, the unemployment rate for youth age 16 to 19 years old was **12.6%**—more than three times the overall rate of **3.7%**.^{xxvii}

One program, Grow Detroit's Young Talent (GDYT), now in its fifth year, has been particularly successful. Students are exposed to careers in school and through community service programs, and then they are connected with a first employment or vocational training program focused on career-readiness skills. The program then helps students find and complete internships once they have developed the skills to succeed. Prior to GDYT, about 2,500 Detroit youth had summer jobs through a series of smaller independent programs. By 2018, more than 8,200 youth between the ages of 14 and 24 had employment at 669 work sites through 233 employers.^{xxxviii}

Likewise, the Miami-Dade County Public Schools offers a summer internship program as part of career technical education programs, including in engineering, finance, health sciences, hospitality and tourism, and IT. More than 3,000 students worked at paid internships through this program in 2019.^{xxxix} Mayors also have vibrant programs in Chicago,^{xxx} Dallas,^{xxxi} San Francisco,^{xxxii} Seattle^{xxxiii} and Washington, D.C.^{xxxiv}

Ohio developed OhioMeansJobs.com,^{xxxv} a job search portal for prospective candidates, including high school students. Through the portal, students can personalize a virtual profile, receive guidance on resume building and career planning, and research potential jobs and postsecondary options. Once students complete their profile, they are matched with jobs that fit their skills and interests.

5. Create Local Funding Initiatives

Municipalities across the country have used parcel taxes to fund work-based learning programs. Oakland voters in 2017 approved the Oakland College and Career Readiness for All Act to specifically support career pathway programs. The tax raised an estimated \$24 million in its first year, and funds were used to hire work-based learning liaisons, create new pathways, and increase the number of high schools that were 100% pathways.^{xxxvi}

Miami-Dade County approved a parcel tax that established The Children's Trust to administer grants to support children and families.^{xxxvii} The Children's Trust has since partnered with CareerSource South Florida, Royal Caribbean, JPMorgan Chase, Miami-Dade County government and Miami-Dade County Public Schools to facilitate and fund a paid summer internship program for high school students to build workplace-ready skills.^{xxxviii}

Create a Budget Line Item

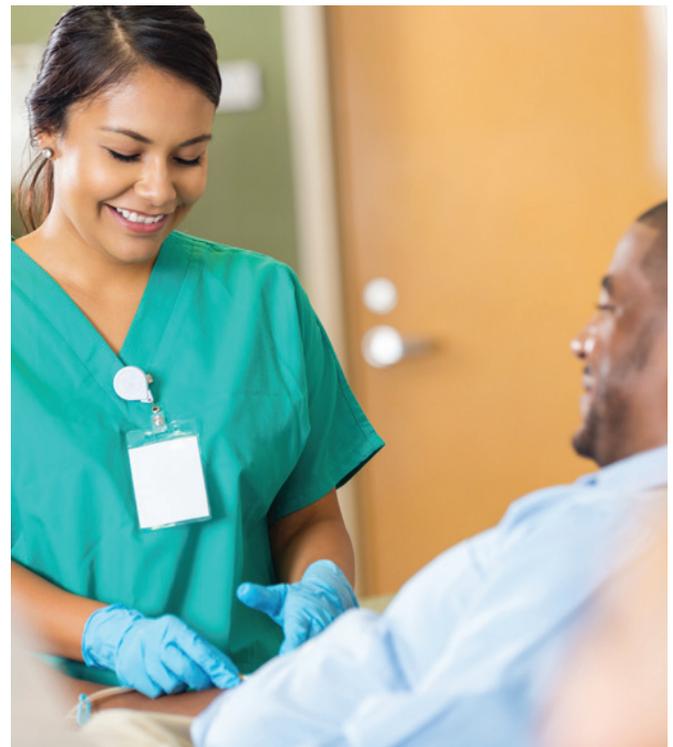
EARN Maryland is a state-funded and industry-led partnership program that aims to cultivate a more skilled workforce for the state.^{xxxix} Similarly, Massachusetts has a budget line item to support its Connecting Activities program which provides structured work-based learning activities for students that support both their academic and workforce-ready skill attainment.^{xl}

Provide Grants and Subsidies

Programs like Connecticut's Apprenticeship Subsidized Training and Employment Program assists small businesses and manufacturers in hiring high school and college students. The program, among other things, offers on-the-job training and wage subsidies for new apprentices.^{xli}

Conclusion

Building a future-ready workforce requires the cooperation of policymakers, community organizations, educators, and business leaders. When policymakers lead and provide a strong foundation for educators and organizations to work together, students develop the workplace skills needed to be successful. That, in turn, builds a robust and diverse talent pipeline that leads to a more prosperous economy and brighter future for us all.



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