PATHWAYS TO ECONOMIC SECURITY: SUSTAINING THE IMPACT OF WORKFORCE DEVELOPMENT PROGRAMS
HOPE POLICY INSTITUTE

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PATHWAYS TO ECONOMIC SECURITY:
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The number of Mississippi-based middle-skill jobs—those that require some training or education beyond high school but not a four-year degree—has grown in recent years and continues to grow. These skilled positions offer better benefits and pay opportunities for Mississippi workers in a state where forty-four percent (43.6%) of working families earn annual incomes of less than $47,100 for a family of four. For these families, affording basic necessities can be a struggle, particularly for households of color and female-led households, where wages are typically even lower.

Increasing access to workforce development programs designed to improve employment opportunities for working poor families will help to strengthen Mississippi’s economy and regional economic competitiveness. Without such programs, middle-skill jobs that offer better wages and benefits remain out of reach due to a lack of basic education and technical skills necessary to be competitive job applicants.

As labor markets continue to rebound from the recession, the need for workforce training will increase as the demand for middle-skill workers continues to grow. This brief will examine the implementation of MI-BEST by focusing on opportunities for sustainable funding, targeted outreach within vulnerable populations and program evaluation to measure MI-BEST’s impact.

MISSISSIPPI INTEGRATED BASIC EDUCATION AND SKILLS TRAINING (MI-BEST)

The MI-BEST program is based on a model developed by the Washington State Board for Community and Technical Colleges: the Integrated Basic Education and Skills Training (I-BEST) program. The I-BEST program is designed to integrate basic skills training with technical content to accelerate student familiarity with the subject matter and ensure an easy transition into sought-after occupations. Research has shown the I-BEST program model to be effective in transitioning low-skilled participants to college-level programs of study and increasing the rate at which students earn postsecondary credentials in career fields. Studies have also shown that investment in I-BEST returns a good fiscal yield that includes: (1) substantial increases in students’ earnings following I-BEST participation and (2) financial benefits to taxpayers that are equal to traditional workforce investments and reflect higher tax receipts and lower social costs.

Implementation of MI-BEST began in 2014, when the Mississippi Community College Board (MCCB) established a Statewide Planning Team that included key personnel appointed by the state’s community college presidents. In addition, each of the state’s community colleges formed its own MI-BEST Campus Planning Team that included a range of partners representing career and technical education, student financial aid, student support services, local business/industry partners and community-based organizations. The ongoing implementation of MI-BEST by MCCB will allow for the state’s community college system, which includes 15 community college main campuses and 33 satellite locations, to provide targeted, region-specific workforce training. The one-year planning process for MI-BEST was supported by a $150,000 grant from the W.K. Kellogg Foundation (WKKF), and the MCCB was subsequently awarded a $6 million, three-year MI-BEST implementation grant by WKKF.
MI-BEST, which provides adult education, workforce preparation, and workforce training concurrently, will provide participants with a streamlined and immersive experience that prepares them for workforce reentry with the added benefit of nationally based certifications and training. The MI-BEST approach to providing participants with this workforce development experience includes:

- Participants learn basic skills while receiving occupational training and earn a High School Equivalency Diploma (HSED).
- Students receive a career specific credential and college credits to help motivate them to take the next step in their chosen career pathway (e.g., welding, maritime craft technology, manufacturing, healthcare assisting).
- Participants build on these skills and show their readiness for work through internships and other work-based learning, and through earning a National Career Readiness Certificate (NCRC), a widely recognized and trusted work skills credential.

As a participant enhancement service, MI-BEST includes Student Navigators who function as a direct resource for MI-BEST participants who are at higher risk of dropping out due to external barriers. The Student Navigator works to coordinate access to social services, including programs such as the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), childcare and transportation assistance to help students overcome barriers that may limit MI-BEST participation and completion.

Additionally, with a $100,000 grant from the Women’s Foundation of Mississippi (WFMS), tuition/fee assistance and support services are available for low-income women enrolled in MI-BEST at seven of the fifteen community colleges. The community colleges are: Coahoma CC (Clarksdale), Copiah-Lincoln CC (Wesson), East Central CC (Decatur), Meridian CC (Meridian), MS Delta CC (Moorhead), Northeast MS CC (Booneville), and Southwest CC (Summit). Funding through WFMS is designed to help low-income, female students matriculate into nontraditional fields of study (such as technical fields where women are traditionally underrepresented) that provide family-sustaining wages.

MI-BEST is funded through a braided funding model. Braided funding is the interweaving of funding streams from two or more sources to support program costs. The table above provides a snapshot of current MI-BEST funding sources.
While supporting MI-BEST through a braided funding plan provides multiple funding sources for investment in an innovative, evidence-based workforce development program, continued support and opportunities to increase funding should be a priority in ensuring long-term systemic impact of MI-BEST and other workforce development programs.

MEETING THE DEMAND FOR THE MISSISSIPPI ECONOMY AND WORKERS: MIDDLE- SKILL JOBS AND WAGES

Traditionally, skilled professions in manufacturing, nursing, and other fields that require some education or training beyond high school, but not a four-year degree, have underpinned the national economy. These middle-skill occupations, including jobs in clerical support, construction, welding, manufacturing, transportation and material moving, offer the security of family-sustaining wages and benefits, which were major contributors to the creation of the post-war American middle class.

Decades later, with the Great Recession still in recent memory, the economic landscape has noticeably changed. Middle-skill jobs, these same positions with competitive benefits and salaries capable of supporting families, have become increasingly difficult for employers to fill. Based on Harvard Business School and partner surveys, employers and executives routinely cite the lack of soft and technical skills as primary barriers to filling open positions. In an Accenture companion survey, a majority of respondents (54%) noted the lack of available trained talent as the major obstacle to filling open middle-skill positions. Evidence of the skills gap is more than anecdotal; the Accenture companion survey also revealed that the lack of adequately trained candidates has negatively affected business productivity across multiple sectors.

Mississippi has been similarly affected by the middle skills gap. In 2012, a majority of all jobs in Mississippi were middle-skilled. However, the skilled workforce has lagged behind. This trend is expected to persist as middle-skill jobs continue to comprise fifty-five percent (55%) of openings in the state until 2020. The gap between unfilled middle-skill jobs and the available middle-skill workforce is not mirrored at other skill levels. Low-skill workers are much more abundant than low-skill jobs in Mississippi, while high-skill positions and high-skill workers (e.g., surgeons, physicists, aerospace engineers) are approximately equal.

Closing the skills gap through targeted workforce development efforts and skills training will go a long way toward meeting the demands of Mississippi employers and strengthen the Mississippi economy. While the solution to closing the disparity between demand and supply of an eligible workforce requires comprehensive strategies, a significant component is helping low-skill workers specialize and qualify for available middle-skill jobs.
Raising Wages and Improving Economic Security

Earning a good hourly wage at a steady job provides an opportunity for working poor families to improve their economic security; however, low wages and salaries in Mississippi can stand in the way. Mississippi has the lowest average hourly wage ($17.67) and average annual wage ($36,750) of not only all of Mid South states (Arkansas, Louisiana, Mississippi, and Tennessee), but of all 50 states and the District of Columbia.

Low wages make it difficult for working poor families to afford the basic necessities. These workers and families must then find other avenues to make ends meet; according to the Economic Policy Institute, more than half of low-wage workers rely on public assistance to stay afloat from month to month. Keeping wages low tethers the working poor to public assistance that subsidizes necessities like food, housing and healthcare but on the taxpayer’s dollar, rather than businesses’.

Preparing Mississippian to meet the demand for skilled workers will help many families by increasing their opportunities for better paying jobs. According to the U.S. Bureau of Labor Statistics, middle-skill occupations—which require a high school diploma plus training—provide higher annual wages than median earnings for individuals without high school diplomas. Workforce development programs that provide training in targeted high-need, middle-skill fields help to support Mississippian in obtaining employment opportunities that offer higher wages, better benefits and stable incomes.

WORKFORCE DEVELOPMENT: AN OPPORTUNITY FOR DEEPER IMPACT

Deepening Impact: The Working Poor

Many families with a full-time income—or even two full-time incomes—do not earn enough to make ends meet. In 2013, forty-four percent (43.6%) of Mississippi working families were low-income, or earned incomes below 200% of the federal poverty line ($47,100 or less for a family of four), and eighteen percent (17.7%) of Mississippi working families lived in poverty ($23,550 or less for a family of four).

The percentage of Mississippi working families living in poverty and living below 200% of poverty is greater than the U.S. national average for working poor families living in poverty (10.8%) and families living below 200% of poverty (32.5%). Racial and ethnic minorities are at a compound disadvantage in Mississippi and are significantly more likely to be poor or low-income than their white, non-Hispanic peers. Six in 10 minority-led families in Mississippi are low-income, and three in 10 minority-led families live in poverty.
The working poor make up a sizeable portion of the state’s workforce, which means that Mississippi families, particularly minority families, are increasingly vulnerable to economic shocks (e.g., sudden job loss or a costly car repair) that threaten their economic security. In addition to being the state with the highest percentage of working poor families, Mississippi has the second highest rate of households that are liquid asset poor: Sixty-two percent (61.9%) of Mississippi households do not have sufficient cash savings to sustain themselves at the poverty level for three months in the event of a sudden loss of income. Providing opportunities for the working poor to enhance their skills through workforce development programs positions them to earn higher wages in better paying jobs. Higher earning potential and better benefits will go a long way toward supporting family economic security by providing income that can help protect families through sudden economic hardships.

**Deepening Impact: Males of Color**

Males of color are one of the most financially insecure groups in Mississippi. The factors influencing outcomes for males of color include complex challenges across the educational, social, economic and political spheres. One such challenge is a lack of employment opportunities. Males of color, especially Black men who make up eighteen percent (18%) of Mississippi’s population, are more likely to be unemployed and chronically unemployed.

In all but 2 Mississippi counties (Perry and Greene) the unemployment rate for Black males exceeds the county unemployment rate, reaching nearly twenty-seven percent (26.6%) in Kemper and Webster counties.

The wide gaps between county unemployment rates and county Black male unemployment rates highlight the relative disadvantage Black males experience in the search for employment. Higher rates of unemployment for Mississippi’s Black males make it difficult to adequately support their families and communities, and to contribute to the Mississippi economy.

Overcoming the complex challenges that lead to worse social, educational and economic outcomes experienced by males of color requires a comprehensive approach. One part of the solution is addressing higher rates of unemployment among males of color by providing workforce training to aid in the development of skills that will increase opportunities to secure stable, high-quality jobs.
**Deepening Impact: Women’s Economic Security**

Mississippi has some of the highest poverty rates in the nation, and the impact of poverty is even more pronounced among female-led households. This vulnerability comes in part from the types of jobs that women frequently occupy. Employment for Mississippi women is overwhelmingly low-wage, meaning a majority earn $10.10/hour or less. For the women who fill seventy-two percent (72.3%) of low-wage jobs in the state, job security and benefits like parental leave are slim to non-existent, squeezing working mothers from both sides. This issue specifically affects Mississippi women, who are 2.8 times more likely to staff a low-wage position than men despite comprising less than half of the workforce.

Paving the way to better jobs and careers for working mothers can dramatically improve their economic situation and quality of life. While multiple challenges exist, targeting low-income female heads of household to participate in programs that will support career and technical education can be a bridge in connecting them to quality, higher wage employment opportunities.

<table>
<thead>
<tr>
<th>Low-Wage Workforce</th>
<th>Number of Women</th>
<th>Women’s Share in Low-Wage Workforce</th>
<th>Women’s Share in Overall Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mississippi</td>
<td>171,700</td>
<td>124,100</td>
<td>72.3%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>289,000</td>
<td>208,800</td>
<td>72.2%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>369,000</td>
<td>255,400</td>
<td>69.2%</td>
</tr>
<tr>
<td>Arkansas</td>
<td>178,100</td>
<td>123,200</td>
<td>69.2%</td>
</tr>
<tr>
<td>United States</td>
<td>19,889,200</td>
<td>13,103,500</td>
<td>65.9%</td>
</tr>
</tbody>
</table>

**SUSTAINING IMPACT**

Workforce development programs can only have measurable impact if they are sustained. Building collaborative partnerships over time that are both dynamic and adaptive to the evolving needs of the labor market, employers, and workers can both strengthen communities and advance regional economies. MI-BEST provides an example of the implementation of an evidence-based, innovative workforce development program to support Mississippians in becoming competitive in meeting current labor market demands. Thus far in the implementation process, early indications of the potential impact of MI-BEST have included:

- **Involvement in Mississippi’s strategic plan to create an integrated workforce development system.**
  The Workforce Innovation and Opportunity Act (WIOA), signed into law as a reauthorization and expansion of the Workforce Investment Act (WIA), opens the door to greater usage of sector partnerships and career pathway models. By putting added emphasis on these methods (which are key components of Integrated Education and Training programs such as MI-BEST), Title II of WIOA paved the way for detailed and impactful adult education program implementation prioritizing low-income and otherwise disadvantaged populations. To comply with WIOA legislation, Mississippi was required to craft a state workforce plan.

  In Mississippi’s official WIOA combined plan, MI-BEST is presented as an extension of existing dropout recovery strategies targeting adult basic education (ABE) and an example of where Mississippi is succeeding in “implementing best practices designed to recover and accelerate postsecondary credential attainment among high school dropouts and other nontraditional students.” The inclusion of MI-BEST in the state plan by the State Workforce Investment Board (SWIB) and Mississippi Department of Employment Security (MDES) signals the state’s commitment to improving workforce development and skill attainment to meet the demands of Mississippi’s labor market.
• **Utilization of a braided funding model.** Utilizing braided funding has been a critical component in establishing MI-BEST as an integrated career pathway program. Current braided funding efforts include matching Workforce Enhancement Training Fund dollars ($4.5 million) to the three-year implementation grant from the W.K. Kellogg Foundation ($6 million) and a grant from the Women’s Foundation of Mississippi ($100,000) that directly supports low-income women participating in MI-BEST. Securing multiple funding streams makes MI-BEST less susceptible to the volatility of the evolving funding landscape, which includes reductions in federal funds and increasingly costly higher education that often prices out lower-income students. Thus, the continued weaving of sustained, diverse funding streams for MI-BEST is important for ongoing implementation as a workforce training option for working poor families.

The early work to implement MI-BEST as a sustainable model to develop a competitive Mississippi workforce has laid a foundation to advance career and technical training in the state. Continued support and opportunities to deepen the impact of MI-BEST will be vital to ensuring that more Mississippians are able to benefit from MI-BEST. Future considerations for MI-BEST implementation include:

• **Increase investment to support MI-BEST.** MI-BEST has provided a unique opportunity for a public and private funding collaborative to support building an educated, well-trained Mississippi workforce. While similar funding models have been utilized to support I-BEST programs in Kansas, Kentucky and Illinois, it is important to seek and increase stable sources of funding to sustain MI-BEST as a key component in the state’s workforce development strategy. Some options for continued MI-BEST funding include direct state appropriations, opportunities to engage the private sector as funding partners for MI-BEST, and continuing to seek philanthropic support. While multiple funding alternatives may exist, it is important to highlight the need for sustained funding to support MI-BEST.

Increased investments in workforce development programs like MI-BEST go a long way toward providing skill-building opportunities to low-skilled workers while strengthening Mississippi’s workforce to meet the needs of employers.

• **Target MI-BEST outreach to Mississippi’s vulnerable populations.** Ensuring that MI-BEST and other adult education programs are purposeful in their inclusion of disadvantaged populations is crucial in helping to uplift these communities. Mississippi women and males of color in particular experience economic disadvantages, including the gender pay gap and higher rates of unemployment. Inclusivity in workforce skills training that leads to higher paying jobs means Mississippi women and males of color can more easily afford the things that help make families secure (e.g., healthcare services, quality housing, and healthy food) and aid in improving their families’ futures. Recruitment and outreach for MI-BEST must include an intentional plan to engage historically disadvantaged populations to ensure that a diverse group of Mississippians is able to benefit from the training and opportunity MI-BEST offers. Continuing education can mean earning a better, more stable living for Mississippi’s most economically vulnerable, but only when they are included.

• **Incorporate a strong evaluation component to measure MI-BEST impact.** Previous research on and evaluation of I-BEST program models have found it to be an effective approach for increasing the rate of students earning postsecondary credentials in career fields. However, while MI-BEST is designed on the I-BEST model, it will be important to evaluate the impact of MI-BEST implementation in Mississippi. While a MI-BEST evaluation plan must include impact measures such as determining the number of students who obtain postsecondary credentials as a result of participating in MI-BEST, the evaluation process should also seek to include MI-BEST program leaders, faculty and students.
Creating opportunity in the form of quality jobs spreads positive impact beyond the individual employee. Family-sustaining wages mean economically and physically healthier families, just as a skilled workforce means a more productive and efficient economy built on a larger contributing tax base. With a mix of federal monies, state appropriations, WIOA funding and community organization support at its core, MI-BEST can become a permanent fixture in Mississippi’s campaign to empower and educate its adult population. In addition, linking at-risk populations to gainful employment also acts as a poverty prevention and alleviation strategy, effectively strengthening communities. For these reasons among others, advancing the implementation of workforce development programs, like MI-BEST, that provide career pathways and technical training is important in increasing the economic security of Mississippi families, providing a competitive workforce to meet the needs of employers, and growing Mississippi’s economy.

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