

Career Pathways for New Mexico



Strengthening New Mexico's Workforce and Economy by Developing Career Pathways

Presentation to Members of the Economic and Rural Development Committee
Taos, New Mexico
September 2, 2014



Why Career Pathways, Why Now?

There is a need to increase access to post-secondary education, credential attainment, and economic security for New Mexico's many low-skill and low-income workers.

- New Mexico's **economy and families** are faring very poorly.
- The state needs a more **educated and skilled workforce** to attract businesses and industries.
- We have too few **middle-skill workers**, ones with more than a high school diploma but less than a 4-year degree.
- The current **adult education system** is underfunded and disjointed.

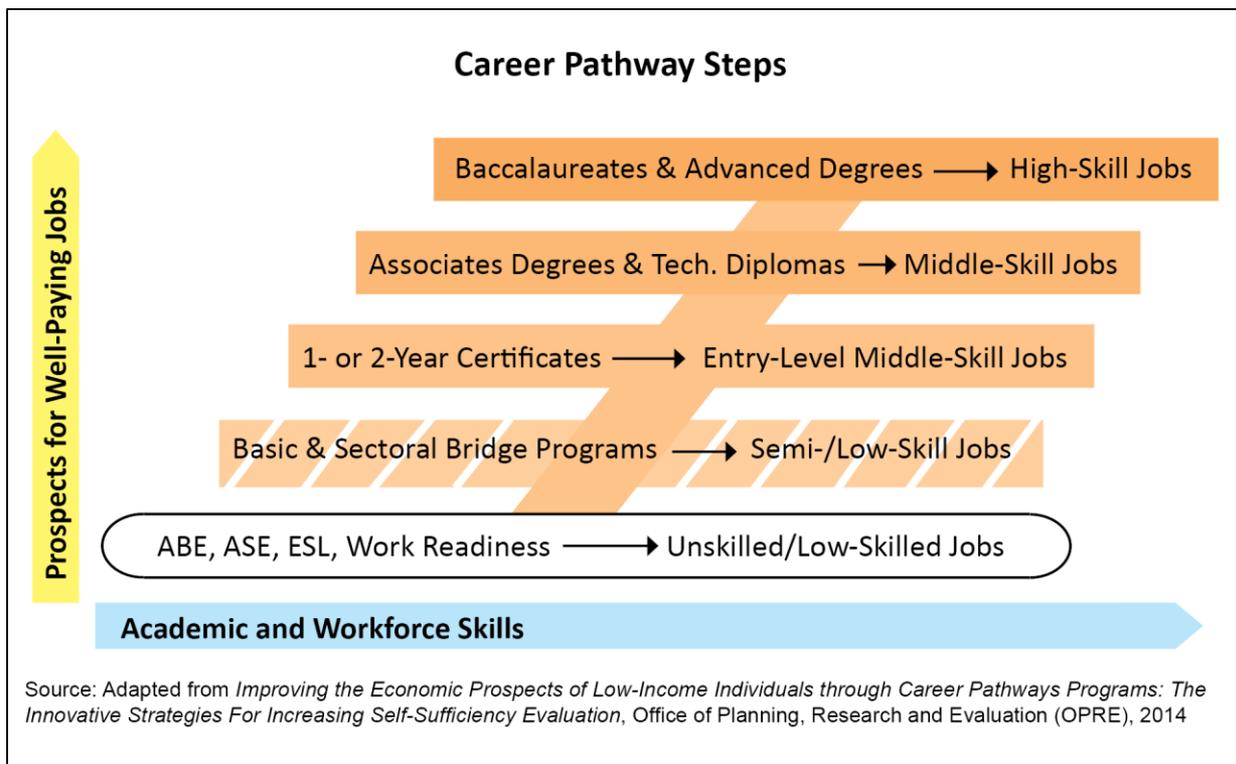
Streamlining Adult Education & Career Programs



Source: Jobs for the Future, Accelerating Opportunity Initiative

Career pathways weave together and align adult education programs, workforce and career skills training, and college courses while offering comprehensive student support services.

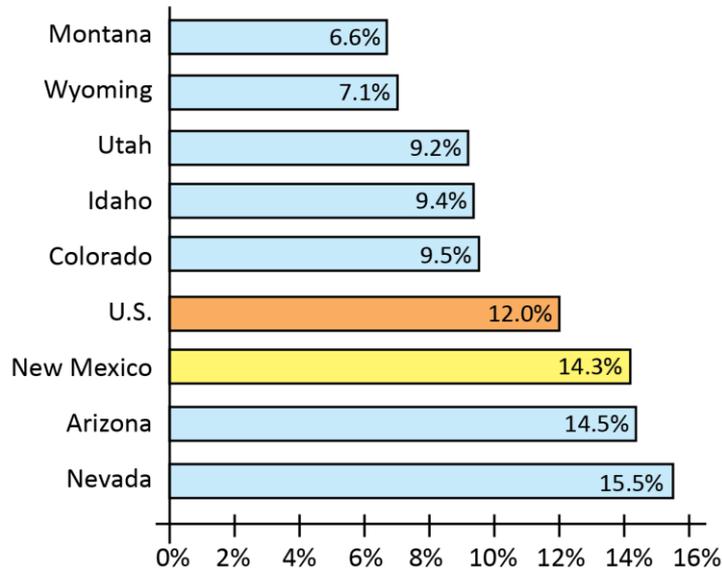
Continuum Into Post-Secondary Education



Manageable, stackable, interconnected, and credit-bearing steps help adults gain **industry-recognized college credentials** that can lead to employment in high-demand industries.

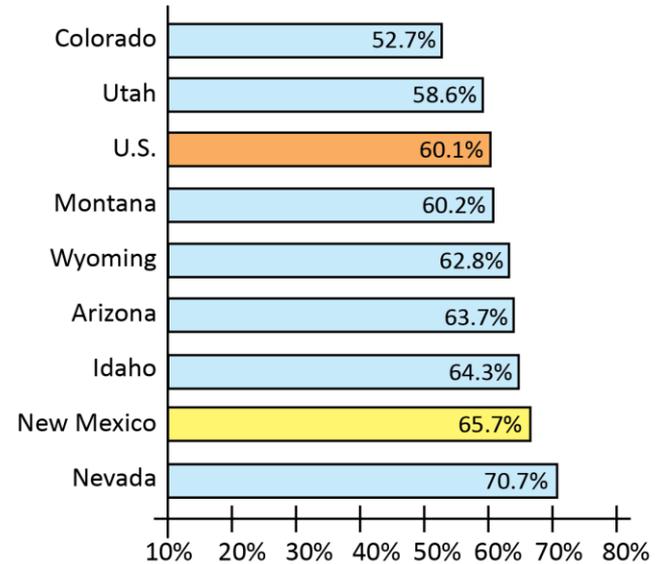
Low Educational Attainment of Adults in NM

Percent of Adults (25-54) with No High School Diploma or Equivalent (2012)



Source: Working Poor Families Project, analysis by Population Reference Bureau of 2012 American Community Survey (ACS) data

Percent of Adults (25-54) with No Associate's Degree or Higher (2012)

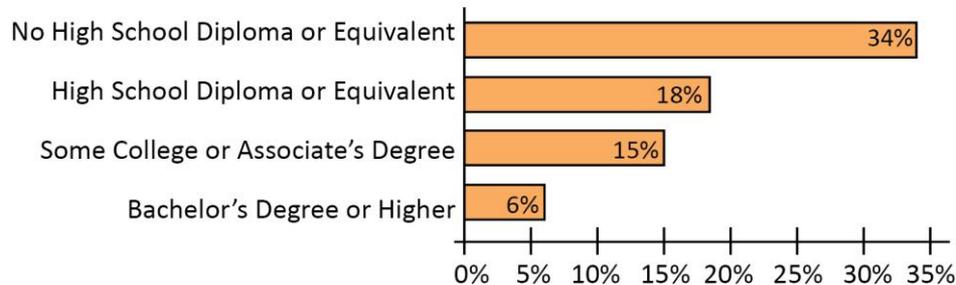


Source: Working Poor Families Project, analysis by Population Reference Bureau of 2012 American Community Survey (ACS) data

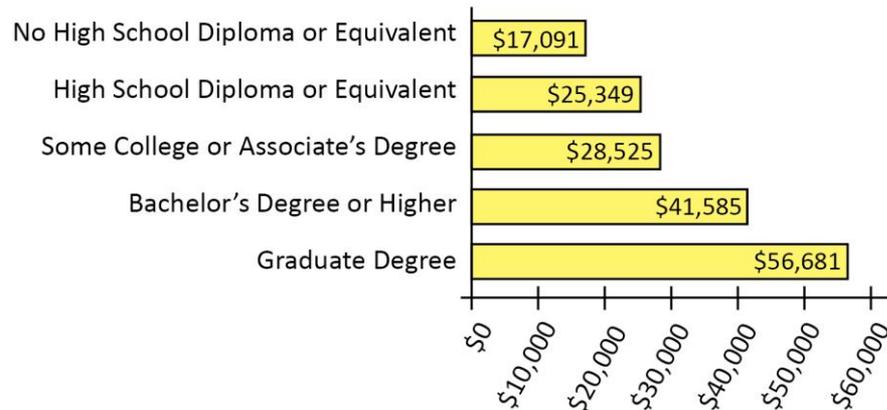
In this 25 to 54 age group, which makes up 2/3rd of adult education students:
 ~ 110,000 (14%) have no high school diploma or equivalent (NM ranks 45th)
 ~ 530,000 (66%) are without a college degree (NM ranks 41st)

Educational Attainment and Financial Stability

Percent of NM Adults (25 and older) in Poverty by Education Level (2012)



Median Earnings of NM Adults (25 and older) by Education Level (2012)



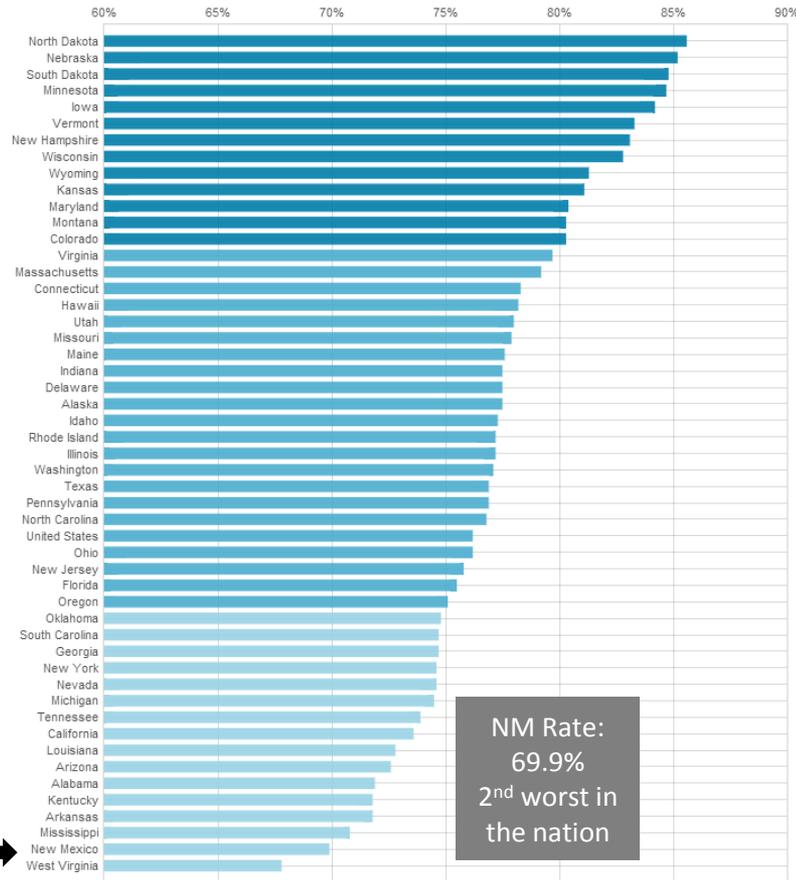
Source: 2012 Educational Attainment for New Mexico, table S1501, American Community Survey

Of the low-income families in New Mexico (below \$47,700 for a family of four):

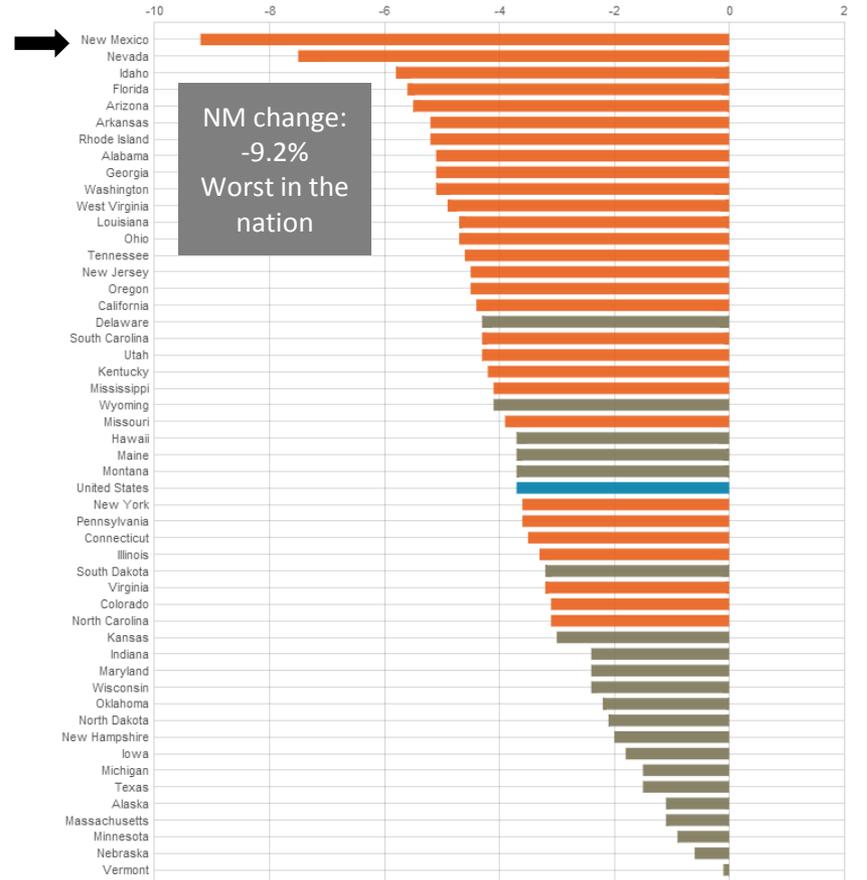
- 31% have at least one parent without a high school diploma or equivalent.
- 46% have no parents with any post secondary education.
- 25% have at least one parent who has difficulty speaking English.

Employment Rates for Adults (25-54) Nationwide

Employment Rate in FY 2014



Percentage-Point Change in Employment Rate from CY 2007 to FY 2014

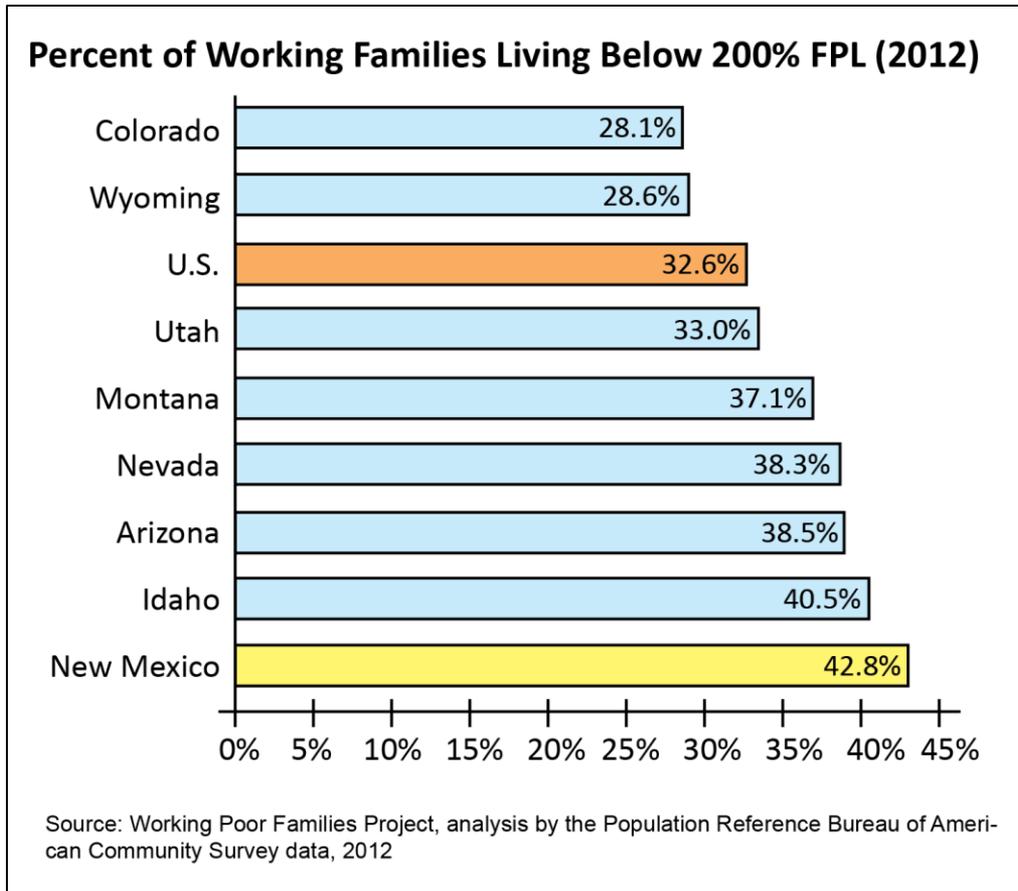


■ Above 80% ■ 75% to 80% ■ Below 75%

■ Statistically significant ■ Not statistically significant ■ U.S. average (statistically significant)

Source: The Pew Charitable Trusts' analysis of data from the *Current Population Survey*, a joint venture between the U.S. Bureau of Labor Statistics and the U.S. Census Bureau

Still Working, Still in Poverty



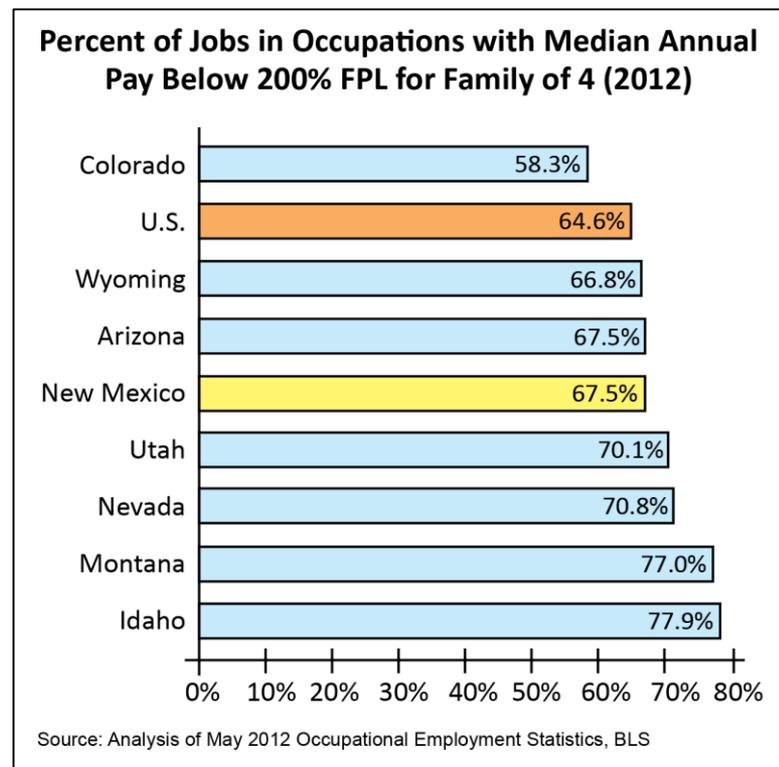
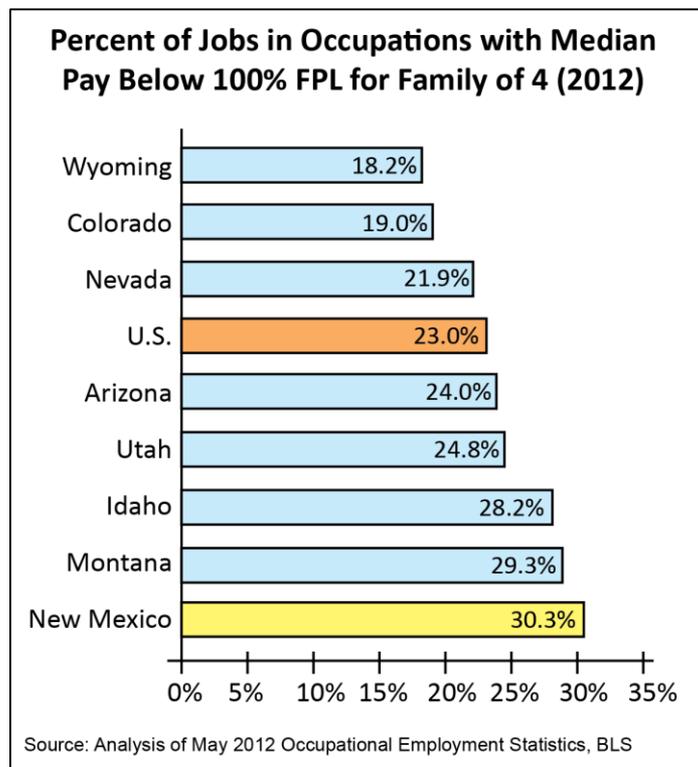
New Mexico ranks 49th in the nation in this category.

What's bad for working families is bad for their children. Of children under 18 in New Mexico:

~208,000 (48%) live in working families that are low income.

~83,000 (19%) live in working families that are poor.

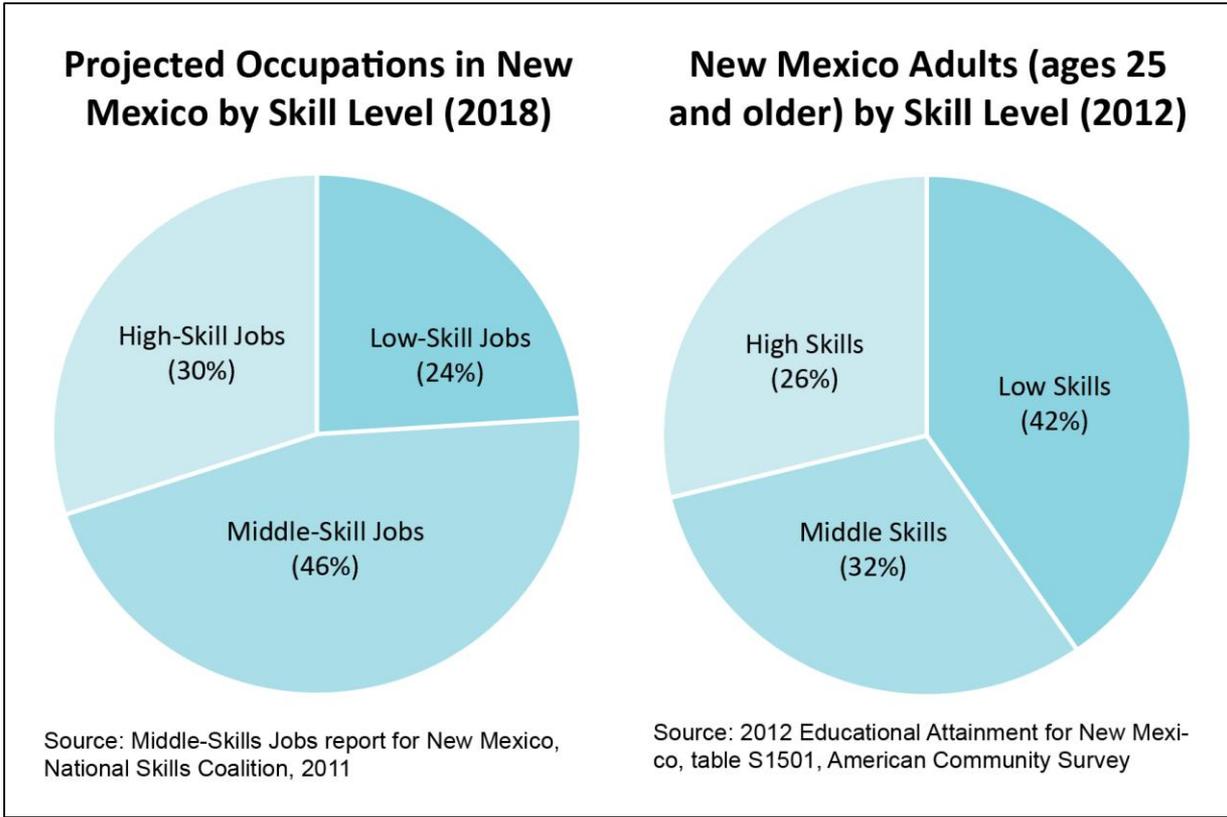
Too Many Low-Wage Jobs



About 250,000 out of 840,000 jobs in NM are in occupations with poverty-level wages for a family of four (\$23,850 or less). This places New Mexico 43rd nationally.

We need a more educated/skilled workforce to attract companies and higher-wage jobs.

Not Enough Middle-Skill Workers



States with high educational attainment levels are also high-wage states.

Educational solutions need to go beyond the traditional high school-to-college pipeline since current working adults make up the majority of the future workforce.

Current Status of Adult Education in NM

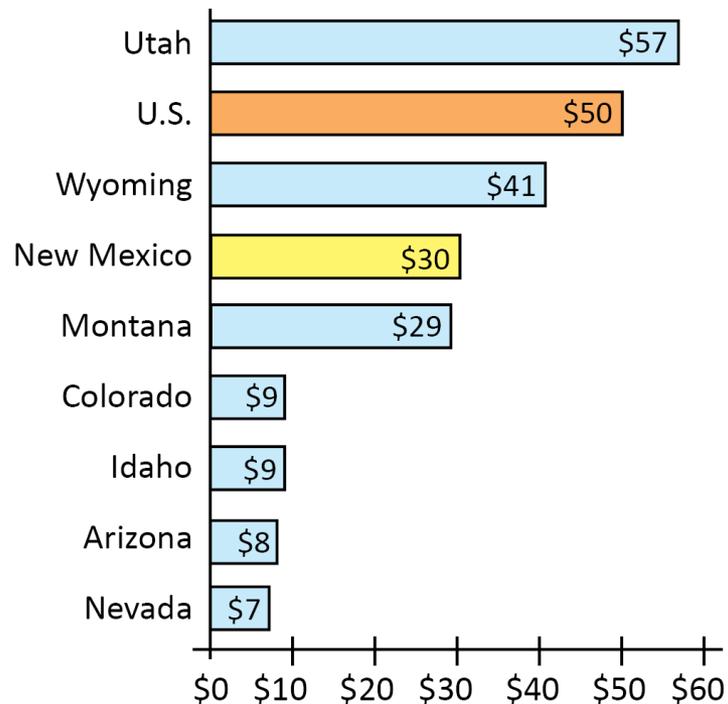
In program year 2012-2013, about 19,400 New Mexicans participated in adult education programs (only 5% of the eligible population).

- 16% needed basic literacy instruction (below 4th grade equivalency)
- 38% entered at adult basic levels (~4th to 8th grade equivalency)
- 9% entered at adult secondary levels (~9th to 12th grade equivalency)
- 38% entered as ESL students

- 75% were poor (below 100% federal poverty line)
- 69% were not in the labor force
- 62% were 25 years of age or older
- 72% were Hispanic and 10% were Native American
- 55% were females

An Insufficient Investment

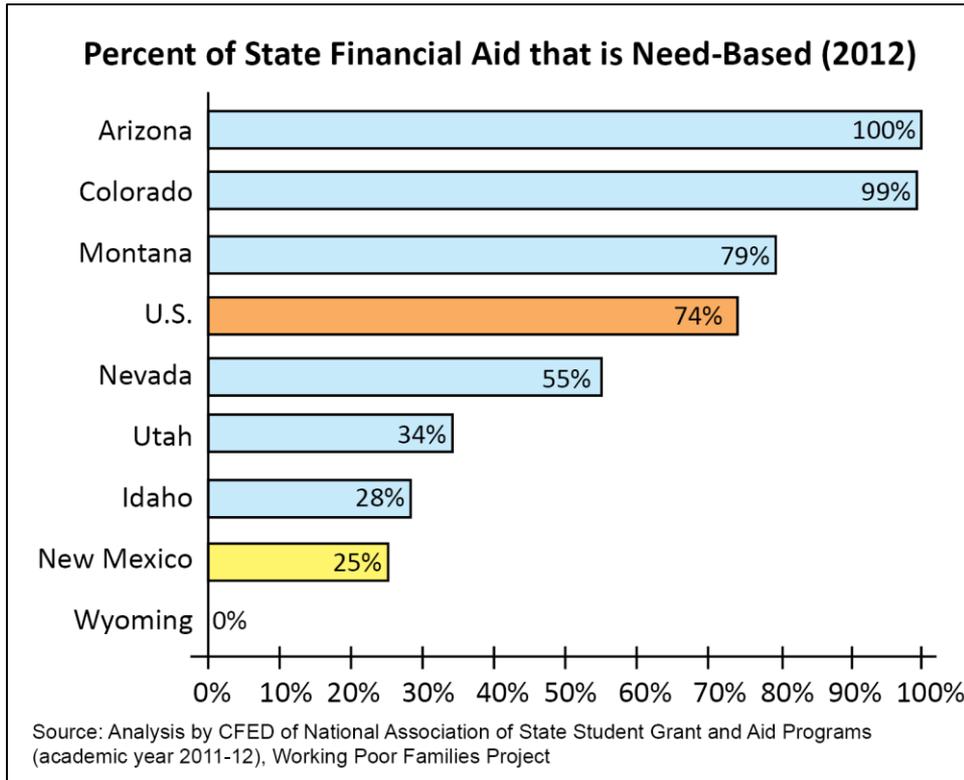
State Allocations for Adult Education per Adult without H.S. Diploma/Equivalent (2012)



Source: Analysis by the Population Reference Bureau of U.S. Department of Education 2010-2011 expenditures and American Community Survey 2010 number of adults without HS/GED, Working Poor Families Project

- \$9.6 million was invested in FY 2013 (\$4.2 million from federal government and \$5.4 million from state government).
- The number of funded students is still down 20% since program year 2009-2010.
- Less than 4% of adults enrolled in education programs were participating in career pathways programs.

Need-Based Financial Aid



Too many community college students are excluded from the NM Lottery Scholarship:

- 65% are taking courses part-time (many need to work to pay for living expenses).
- 75% of part-time students are 22 years old and older.
- 50% of full-time students are 22 years old and older.

First Career Pathways Step in NM: I-BEST

- NM I-BEST (Integrated Basic Education and Skills Training) started in 2011 at six community colleges.
- Classes are contextualized and co-taught 50% of the time by adult education instructor and career/technical instructor.
- Fields of study include nursing, electrical trades, wind energy, and early childhood education.
- Preliminary data (on ~840 students thus far) show a 51% program completion rate with earned credentials, with another 32 percent of students still in process.



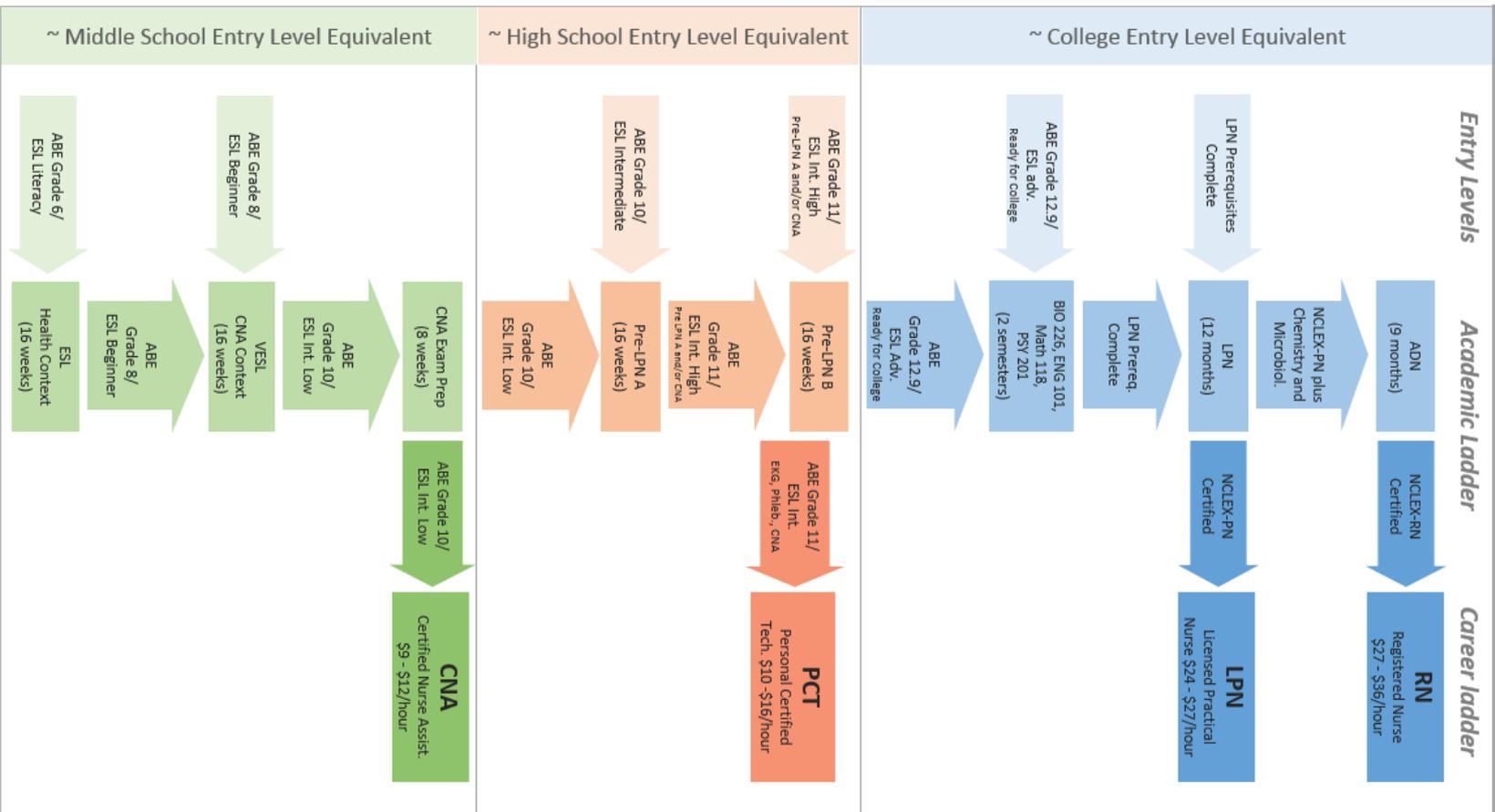
Returns on Investments

- **Current adult education system:** NM HED estimates that the \$5.4 million invested in adult education last year generated almost \$36 million in public assistance savings, economic growth through higher earnings, and increased income for participants.
- **I-BEST model in Washington state**
 - ROI of 329% for completers based on wage gains over lifetime
 - ROI of 42% in the form of higher tax receipts and lower social costs
 - I-BEST students, when compared with non I-BEST students, were 3 X more likely to earn college credits, 9 X more likely to earn workforce credentials, and employed at 2 X the hours per week.
- **I-BEST model in New Mexico (LFC study)**
 - ~\$3,800/5 semesters to complete for consecutive method
 - ~\$2,000/2 semester to complete for I-BEST program

Effective Career Pathways Framework

- **Well-articulated, short-term, and stackable training** steps with multiple entry/exit points that encourage student persistence
- **On/off ramps** to ease access to programs and transition into the workforce
- **Well-defined/updated pathways** with clear paths to key sector credentials
- **Contextualized learning** so students can improve their language and college skills within the context of their chosen field of study
- **Comprehensive assessments** so participants enter at appropriate steps
- **Accelerated and flexible programs** for nontraditional adult student populations
- **Comprehensive support services** including academic supports, personal guidance, child care assistance, and financial aid
- **Strengthened partnerships between stakeholders** including community colleges, ABE providers, state agencies, workforce development boards, and employers

Nursing Career Pathway Example



Adapted from Chicago's Carreras en Salud Program from How to Build Bridge Programs that Fit into a Career Pathway guide

Policy Recommendations for New Mexico

At a 2010 Skills2Compete-NM convening, advisors including state agencies and business, education, workforce, and advocacy groups recommended a strategic move towards career pathways. Their outlined priorities are very much in line with the ones recommended by other states, the federal government, and NM Voices for Children.

■ Revamp the 2006 adult education state plan

- Revised plan should focus on career pathways, transition to college, and credential attainment.
- HED and other state agencies should work together and with colleges and universities to design/implement a career pathways framework.
- DWS could help reduce hurdles in data sharing, integrate staff on campuses, and advise students on careers and workforce transition.
- HSD could help recruit TANF-eligible participants and oversee support services for low-income adults.



Policy Recommendations for New Mexico

- **Determine adult education funding and workforce development needs**
 - Support a work group to study the feasibility of fully funding the formula for adult education.
 - Fund a workforce gap forecasting study to determine how HED, DWS, and the Economic Development Department can identify strategies to address future workforce development needs.
- **Expand and refine performance measures to focus on educational and economic outcomes**
 - Implement additional well-defined accountability and outcome measures to help incentivize post-secondary education outcomes.



Policy Recommendations for New Mexico

- **Restore the College Affordability Fund and broaden eligibility**
 - State-funded need-based financial assistance is crucial since part-time and older students do not qualify for the lottery scholarship.
 - Use non-recurring funds to endow the currently empty fund.
 - Expand eligibility to include certificates and degrees from 2-year colleges and students enrolled at less than half-time.
- **Provide integrated student support services**
 - Increase eligibility for child care assistance from 150% to 200% FPL. An estimated 65% of community college students are dependent on child care services to continue their education.
 - Expand the use of achievement coaches/case managers to help with academic supports, financial guidance, and accessing services like transportation vouchers.



Policy Recommendations for New Mexico

- **Tap into unspent TANF funds**
 - Temporary Assistance for Needy Families block grant is targeted for low-income parents to help them achieve economic self-sufficiency.
 - Other states, like Arkansas, have successfully used TANF funds to pay for career pathways program components.
 - New Mexico has recently rolled over tens of millions of dollars of unspent TANF funds.
- **Integrate with other programs like Education Works, NM Works, SNAP E&T, and JTIP**
 - Synergize with existing programs and funding streams to help adults gain workforce skills.



Contact Information

James Jimenez

Director of Policy, Research and Advocacy Integration

jjimenez@nmvoices.org

Armelle Casau

Research and Policy Analyst

acasau@nmvoices.org

