

## Campaign Key Messages

---

- 1. In America, an opportunity divide exists between the 6 million young adults looking for a chance to succeed in today's economy,<sup>1</sup> and the more than 4 million vacant positions companies are struggling to fill.<sup>2</sup> This divide has serious financial implications for our young adults, employers and economy.**

### **The Effect on Employers:**

- During the next decade, the opportunity divide will continue to widen,<sup>3</sup> with businesses facing a shortage of 12 million skilled workers by 2025.<sup>4</sup>
- More than half (53 percent) of business leaders say their companies face a very or fairly major challenge in recruiting non-managerial employees with the skills, training, and education their company needs.<sup>5</sup>
- More than 40 percent of employers report that high school graduates lack the skills and capabilities required for entry-level jobs.<sup>6</sup>

### **The Effect on Young Adults:**

- While 6 million young adults are completely disconnected from school and work, millions more – an estimated 30 percent of young adults in total – lack a stable connection to either, and face similar, long-term employment challenges.<sup>7</sup>
- Only 8 percent of young adults graduate from a 4-year college by their mid-twenties and only 40 percent of Americans earn an Associate's Degree or above.<sup>8</sup>

### **The Effect on our Economy:**

- The United States is the only OECD nation in which postsecondary education rates have remained static over the last 40 years. At the same time, most new jobs in the U.S. – an estimated 64 percent of all jobs by 2018 – will require at least some postsecondary education and training.<sup>9</sup>
- The current cohort of disconnected youth will cost \$93 billion annually and \$1.6 trillion over their lifetimes in lost revenues and increased social services.<sup>10</sup>

- 2. Opportunity youth can be quality employees as evidenced by the successes of corporations nationwide sourcing these young adults for internships, training, mentoring, and entry-level positions.**

- Opportunity youth is a term for Americans aged 16-24 who may not have followed the standard education trajectory, but their life experiences have shaped them to be motivated, loyal, and resilient – qualities that benefit employers.

---

<sup>1</sup> Measure of America, Halve the Gap, 2013.

<sup>2</sup> U.S. Bureau of Labor Statistic's Job Openings and Labor Turnover Survey (JOLTS), August 2014, <http://www.bls.gov/jlt/>.

<sup>3</sup> Measure of America, Halve the Gap, 2013.

<sup>4</sup> Carnevale, Anthony P., & Rose, Stephen J. (2011). [The Undereducated American](#). Georgetown University Center on Education and the Workforce.

<sup>5</sup> Civic Enterprises, [Across the Great Divide](#), 2011.

<sup>6</sup> Jill Casner-Lotto and Linda Barrington, Are They Really Ready to Work? Employers' Perspectives on the Basic Knowledge and Applied Skills of New Entrants to the 21st Century U.S. Workforce. The Conference Board, Corporate Voices for Working Families, Partnership for 21st Century Skills, and Society for Human Resource Management, 2006.

<sup>7</sup> This is based on The Bridgespan Groups' analysis of several sources.

<sup>8</sup> Pathways to Prosperity Project. Pathways to Prosperity: Meeting the challenge of preparing young Americans for the 21st century. Harvard Graduate School of Education, February 2011. p6

<sup>9</sup> Schleicher, Andreas. Education at a Glance 2011: Country Note - United States. OECD, 2011.

<sup>10</sup> The Economic Value of Opportunity Youth, 2012. [http://www.serve.gov/new\\_images/council/pdf/econ\\_value\\_opportunity\\_youth.pdf](http://www.serve.gov/new_images/council/pdf/econ_value_opportunity_youth.pdf)

- Opportunity youth are accountable and aware of their responsibilities to achieve their goals, with 77 percent believing that getting a good education and a job relies on their own efforts.<sup>11</sup>
- Examples of employer successes:
  - Fifteen percent of graduates from “12 for Life” have been hired as full-time Southwire employees.<sup>12</sup>
  - More than 70 percent of participants graduated from the community healthcare pipeline program, called Stepping Up, and received jobs in the industry.<sup>13</sup>
  - To date, twenty participants have been hired long-term by Expeditors after participating in “Opportunity Knocks.”<sup>14</sup>

### **3. Employers who have created pathways to employment (internships, training, mentoring, or hiring practices) for opportunity youth report significant business benefits, including cost-effective talent acquisition, increased retention, higher productivity, increased diversity, and enhanced employee engagement, among others.**

- Employment pathways allow employers to assess the skills of young adults on a trial basis to see how they fit with the company. Employment pathways can be customized, company-specific programs that train candidates in the precise skills that employers require. These training and hiring models are low risk-high reward initiatives for businesses while allowing opportunity youth to develop skills, build networks, and create self-sufficient futures.
- Employers report broad dissatisfaction with the skills of new employees across education levels, reflecting the need for work experience and job training at all levels of education. This creates an opportunity to pair employers with opportunity youth with work-ready skills and the ability and motivation to learn on the job.
- 65 percent of Year Up interns in the finance department at State Street are offered part-time or full-time employment and the rest decide to continue their education.<sup>15</sup>
- CVS Caremark reported a 30 percent retention rate as a result of pre-training opportunity youth with skills that are required for workplace success.<sup>16</sup>
- 60 percent diversity rate in applicant pool (on average) for PG&E’s PowerPathway™ program.<sup>17</sup>
- 100 percent of Gap Inc. employees described their experience working with opportunity youth interns as “professionally rewarding”.<sup>18</sup>

### **4. When businesses build pathways to employment, local economies are strengthened, and previously disconnected young adults are connected to living-wage jobs, becoming taxpayers, home buyers, and self-sufficient community members.**

- Research shows each opportunity youth who remains disconnected from the mainstream economy imposes an immediate taxpayer burden of \$13,900 per year and an immediate social burden of \$37,450 per year.<sup>19</sup>
- Only 25 percent of this taxpayer burden is incurred in youth (up to age 24), while 75 percent is incurred in young adults age 25 and older who were disconnected from school and work between the ages of 16 and 24.<sup>20</sup>

<sup>11</sup> Disconnected Youth Literature Review- February 2013. Pg. 8

<sup>12</sup> Employment Pathways Project. Southwire Company 12 for Life Case Study. 2014.

<sup>13</sup> Corporate Voices for Working Families. Stepping Up Case Study. 2012.

<sup>14</sup> Corporate Voices for Working Families. Expeditors’ Opportunity Knocks Case Study. 2012.

<sup>15</sup> Richard Curtis. Close It Summit 2013. Washington, D.C. November 5-7, 2013.

<sup>16</sup> Corporate Voices for Working Families. CVS Caremark. 2012.

<sup>17</sup> Pacific Gas & Electric Company. Video: <http://vimeo.com/58225752>

<sup>18</sup> Corporate Voices for Working Families. Gap Inc. 2012.

<sup>19</sup> Disconnected Youth Literature Review- February 2013. Pg. 7

- When disconnected youth reach the age of 25, they will each subsequently impose a future lifetime taxpayer burden of \$170,740 and a social burden of \$529,030.<sup>21</sup>
- Just 19 percent of employers report that workforce readiness is the responsibility of the hiring employer and 11.4 percent say it is the primary responsibility of the business community. To raise these percentages, the business community must be made aware of the proven benefits of training and hiring opportunity youth.<sup>22</sup>

## **5. Opportunity youth, many of whom have experienced challenging life circumstances, are hard-working, resilient, loyal and motivated candidates for the millions of unfilled jobs across the country.**

- Employers report large dissatisfaction with the skills of new employees across education levels – reflecting the need for work experience and job training at all levels of education. This creates an opportunity to pair employers with opportunity youth who are prepared for the opportunity to learn on the job.
- Opportunity youth face many challenges, but like most young people, they remain motivated to succeed and eager to learn and develop professionally.
  - Some 77 percent of opportunity youth believe that getting a good education and job are their responsibilities.<sup>23</sup>
  - Eighty-five percent want a good career and job.<sup>24</sup>
  - Sixty-seven percent want a college or technical degree.<sup>25</sup>
- Opportunity youth are resilient: they are optimistic and confident that they will achieve their career and life goals despite the obstacles they may need to surmount. Seventy-three percent are confident or hopeful about achieving their goals, and 65 percent have a goal to finish high school or college and know they can achieve it.<sup>26</sup>

## **6. With your help, we can change perceptions employers may have about opportunity youth, help businesses learn how to create employment pathways for these young adults, and subsequently, develop pipelines of work-ready entry-level employees who will benefit their companies.**

- The Grads of Life campaign, through its public service announcement, is designed to shift perceptions of opportunity youth from social liabilities to essential economic assets.
- At GradsofLife.org, employers can turn their inspiration into action, learn about opportunity youth and how to create employment pathways, develop an understanding of the business benefits/Return on Investment (ROI) and employer best practices, and connect with program partners.
- To find out how you can improve your business's bottom line by sourcing a great pool of untapped talent, opportunity youth, visit: [GradsofLife.org](http://GradsofLife.org)

---

<sup>20</sup> Disconnected Youth Literature Review- February 2013. Pg. 7

<sup>21</sup> Disconnected Youth Literature Review- February 2013. Pg. 8

<sup>22</sup> Disconnected Youth Literature Review- February 2013. Pg. 8

<sup>23</sup> Opportunity Road: The Promise and Challenge of America's Forgotten Youth (2012): <http://www.dol.gov/summerjobs/pdf/OpportunityRoad.pdf>

<sup>24</sup> Disconnected Youth Literature Review- February 2013. Pg. 7

<sup>25</sup> Disconnected Youth Literature Review- February 2013. Pg. 8

<sup>26</sup> Disconnected Youth Literature Review- February 2013. Pg. 8