## TESTIMONY OF JULIE L. SHAPIRO

Executive Director, The Door – A Center of Alternatives, Inc. New York, New York

House Ways and Means Subcommittee on Human Resources April 25, 2018

Chairman Smith, Ranking Member Davis, and members of the subcommittee, I am honored to be with you today at this important hearing on jobs and opportunities. My name is Julie Shapiro and I am the Executive Director of The Door in New York City.

For over 45 years, The Door has served as a vital resource for New York City's young people, including those facing homelessness, unemployment, poverty, and deportation. *The Door's mission has always been to empower young people to reach their potential by providing comprehensive youth programs in a diverse and caring environment.* 

Each year, The Door works with nearly 10,000 young New Yorkers, ages 12-24. 78% of our Door members identify as Black or Hispanic. Many of them face multiple personal and systemic barriers that hinder their ability to thrive. Our unique model is designed to support young people as they work to overcome these barriers. We offer comprehensive, integrated programs free of charge, confidentially, and all under one roof. They include: primary and behavioral health care; education and career training and internships; creative arts programs; healthy meals and nutrition counseling; legal and immigration services; and supportive housing.

Across the country, only one in four young people are employed—and the number of jobs available to teens and young adults continues to shrink. We know that youth unemployment, especially for young people of color, has long-term consequences. This includes lower wages and fewer work opportunities, resulting in a negative impact on economic mobility.

In New York City, this is a huge issue because there are over 136,000 disconnected young adults, who are neither in school nor working, between the ages of 16 and 24. Each year, The Door provides career and education services to 3.400 young people, and 1,200 are disconnected youth. We assist 800 youth to obtain an internship, or find a job. Nearly 50% of the disconnected youth with whom The Door works are dealing with multiple barriers to career and education success including transitioning out of the foster care system, juvenile justice backgrounds, homelessness, and/or being young parents.

## The Benefits of Youth Employment

For many low-income young adults, three intertwined challenges impact their ability to gain a foothold in the labor market. They are: 1), minimal educational attainment and basic skills; 2) limited job opportunities; and 3) limited access to living wage career paths. The retail industry, our nation's largest employer, provides genuine opportunities to address these challenges, due to a willingness to hire young adults, low entry-level skill requirements, anticipated growth, high demand for staff, and advancement opportunities. Part-time retail

jobs provide flexibility to meet competing needs for immediate work and continued education, and these jobs build skills valued throughout the labor market.

Many studies have proven the immediate benefits of youth employment. Findings from the Youth Development Study, a long-term longitudinal study that followed a group of teens through early adulthood, found that there was "remarkable continuity in patterns of working and studying during high school and the years thereafter". There was evidence that steady jobs that fostered a reasonable balance between school and work resulted in improved time management skills in college. Also, this type of job was beneficial for young people interested in joining the workforce after high school rather than immediately attending college.¹ Researchers from Northeastern University found that participation in Boston's Summer Youth Employment Program had a positive impact on teens and young adults. They acquired job readiness skills (i.e. resumes, cover letters, and interview preparation); were more likely enroll in a four-year college; developed personal skills to manage conflicts and emotions; and had a better connection to their community, resulting in a decreased likelihood of engaging in delinquent behavior.² A 2014 study of New York City's Summer Youth Employment Program found that high school participants' school attendance and academic performance improved the year after they participated in SYEP.³

## This Way Ahead

For more than 15 years, The Door has been committed to tapping into the retail sector. Our long-standing employer/nonprofit partnership model with Gap Inc has been the cornerstone of our pioneering retail sector training programs. We have been working together and building a team that finds solutions that work for Gap and for young people – from the development and first pilot site of This Way Ahead in 2007, with 11 interns. This year we are preparing to place 414 youth in internships across more than 60 stores in New York City and Westchester County. In 2019, we anticipate growing the program to 500 interns. As far as we know, this is *the largest employer-led internship initiative in the entire country*.

Our partnership has paved the way for Gap Inc. to expand the This Way Ahead model to ten additional U.S. cities and connect over 600 New York City youth to entry-level jobs. Additionally, Gap has shifted its hiring model such that by 2025, a total of 5% of all new entry level store employees will be This Way Ahead alumni.

This Way Ahead's program model includes three components: training; the application/hiring process; and the internship.

• **Training:** The Door holds recruitment sessions for over 600 young people interested in the program. Young people find out via our recruitment flyers, schools and community

Testimony of Julie Shapiro, House Subcommittee Human Resources

<sup>&</sup>lt;sup>1</sup> "The Benefits and Risks of Adolescent Employment," Jeylan T. Mortimer, Ph.D., January 2011.

<sup>&</sup>lt;sup>2</sup> "The Potential for Summer Youth Employment Programs to Reduce Inequality: What Do We Know," Alicia Sasser Modestino and Trinh Nguyen, Northeastern University, June 2016.

<sup>&</sup>lt;sup>3</sup> "<u>The Impact of Summer Youth Employment on Academic Outcomes</u>," Journalist's Resource, Harvard Kennedy School, Shorenstein Center on Media, Politics, and Public Policy, August 2014.

partners, our marketing campaign (i.e. social media), and word of mouth. Young people who are accepted into the program first go through 4 weeks of training in basic customer service, professional development, and an introduction to the retail sector. Once they successfully complete this first phase, they move on to a 6-week "This Way Ahead Bootcamp Training" focused on preparing young people specifically for internships at Gap, Old Navy and Banana Republic stores.

- **Applying/Hiring:** Using the skills they learned in the training, young people apply for internships and are interviewed by store managers. They receive coaching and preparation from career coaches at The Door.
- Internship: A 12 hours per week for 10 weeks paid internship opportunity at a Gap Inc. store follows the first two components. These internships are designed to provide youth with invaluable, hands-on experience in the workforce, often for the first time. Participants gain essential and transferable job skills, as well as in-depth knowledge of the retail industry. Interns receive ongoing mentorship and supervision from store managers who have participated in training specific to TWA.

**Ongoing Retention Support:** Once a young person has been placed in an internship, they receive continued support and encouragement through group workshops, store check-ins, and individualized case management support. One of the strengths of The Door is that these young people work with the same job coach throughout the course of their internship. Our career development staff are experienced youth development professionals with training and access to resources for vulnerable youth. Participants are encouraged to participate in The Door's entire suite of support services to address any barriers they may face, and to ensure they remain engaged in their internship opportunity. For example, a young person in high school could meet with a college advisor for assistance on their college application, sharpen their leadership skills by leading a community service activity; or get subject-matter tutoring. A community college student can meet with a learning strategist for support on how to pass a remedial class, or develop a plan to transfer to a four-year college with one of our post-secondary coaches. If a young person has never had a physical, our staff accompany them to schedule an appointment at our Health Center. If they do not have consistent access to food, our staff will encourage the young person to stay for dinner after their appointment. Our unique model ensures that anything a young person needs is available at The Door.

**Transition to Permanent Employment:** After successful completion of their internship, youth have the opportunity to apply for permanent employment at a Gap Inc. store. Participants who secure a Gap Inc. job opportunity continue to receive one year of comprehensive job retention services to ensure they remain connected to the workforce, and persist and thrive within their employment opportunities.

The results have been remarkable to date. In 2017, 74% of This Way Ahead interns received job offers after completing their internships. This year we expect 85% of interns to successfully complete their internship, and at least 65% to be offered ongoing employment. This Way Ahead graduates stay with the company twice as long as their peers and have

higher engagement scores than their co-workers. Third party evaluations have demonstrated that This Way Ahead participants improve their confidence and on-the-job skills.

I spoke earlier about the short-term benefits of youth employment opportunities. I would like to end by pointing out a 2014 study by the Employment Policies Institute. It found that youth employment had an impact on participants 25-30 years after their internships ended, when individuals were in their 40s and 50s. It found that for high school students who had summer jobs in the late 1970s and 1980s, today their annual earnings are seven percent higher when compared to those who did not have summer jobs.<sup>4</sup>

This Way Ahead is a model of how companies and nonprofit organizations can collaborate together to make an impact on the lives of thousands of disconnected youth. Many companies want to do the right thing and hire young people in the community. Our partnership with Gap shows this can be brought to scale, but only if there is a strong partnership with an experienced youth development organization. The Aspen Institute has put a lot of thought into the important roles that youth development organizations can play as third party brokers to ensure young people succeed in their first jobs. In the words of many of my colleagues, "we need to meet young people where they are."<sup>5</sup>

Today there are an estimated 4.6 million disconnected young people in the United States.<sup>6</sup> Our country's lifetime underinvestment in them costs us \$4.7 trillion.<sup>7</sup> I am grateful to Gap for their outstanding leadership addressing this crisis, and I encourage the Subcommittee to look at ways to develop and fund programs like This Way Ahead.

Thank you for your time.

<sup>&</sup>lt;sup>4</sup> "New Study Finds Teens' Early Work Experiences have Long Lasting Career Benefits," Employment Policies Institute, August 2014.

<sup>&</sup>lt;sup>5</sup> "The Importance of a First Job," Alison Decker, The Aspen Institute, November 30, 2016.

<sup>&</sup>lt;sup>6</sup> "More than a Million Reasons for Hope," Sarah Burd-Sharps and Kristen Lewis, Measure of America of the Social Science Research Council, March 2018.

<sup>&</sup>lt;sup>7</sup> "The Impact of Summer Youth Employment on Academic Outcomes," Journalist's Resource, Harvard Kennedy School, Shorenstein Center on Media, Politics, and Public Policy, August 2014.