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What do we get for the billions spent on job training? Connecticut wants to know.

By Mark Pazniokas, CT Mirror

Sandra Claxton always worked without a financial cushion. That's typical for the low-wage workers who perform the vital work of caring for the infirm and elderly as health aides, certified nursing assistants and personal care attendants. Still, her fall into homelessness after the end of her marriage in 2017 was stunning.

Her husband put her out. That's her phrase. On her own, she could not afford the $400 monthly payment on the Subaru that took her to assignments as a visiting home health aide, a job she had held for seven years. The dominoes fell fast. No car meant no job. No job meant no way to get an apartment.

"When he put me out, I was staying in hotels. Couldn't afford it," said Claxton, who also couch-surfed for a time before landing at a shelter. "Had all my stuff in storage. Lost it. Couldn't afford it."

She was what demographers at the United Way would call an ALICE: Asset Limited, Income Constrained, Employed. Of Connecticut's 1.35 million households, about 10 percent are below the federal poverty level. Another 30% are ALICE, the working poor unable to afford an unexpected expense of a few hundred dollars.

A chance referral at a homeless shelter in Norwalk put her on a bus to the Health Career Academy, a federally funded program in Bridgeport that provides career counseling and tuition for eligible recipients. It is run by The WorkPlace, a non-profit that, among other things, serves as the regional workforce development board for Southwest Connecticut, one of five in the state.

Claxton is a job-training success story, certified as a sterile processing technician and hired by a hospital in September 2019 at a starting wage of $16.31, with a promised raise to $17 and the potential to earn far more. But those basic job-training data points — successful placement, and a starting wage — are not consistently tracked in Connecticut.

A review in January of the state's workforce development programs by McKinsey & Co. found less a cohesive system than a loose confederation of fiefdoms — an array of regional councils and autonomous non-profits with varying funding sources and eligibility requirements that provide job-training at an estimated annual cost of $323 million.

How many people do the programs serve? McKinsey's best estimate was 125,000, a number that came with a caveat: "Connecticut data systems are not standardized across agencies, nor is it consistently collected."

Simply put, Connecticut doesn't precisely know what it was getting for the money. To be fair, most states don't. And neither does the federal government, a primary funding source for employment programs in the United States.

Based on research by the U.S. Government Accountability Office, the White House Council of Economic Advisors concluded in a 2019 report that the federal government spends $18.9 billion annually on dozens of job-training programs administered by 15 government agencies, most with little or no evaluation.

With an executive order signed more than a year ago, Gov. Ned Lamont set about changing that, at least in Connecticut. He rebranded the Connecticut Employment and Training Commission, a policy board required of states in order to get federal funding, as the Governor's Workforce Council and brought in new members.

Lamont drew corporate CEOs, academics and philanthropists into the council, an instinctive response by the businessman-turned-governor. Its members include top executives from Electric Boat, Stanley Black & Decker, NBC Sports, Bigelow Tea, Sound Manufacturing, Synchrony, AQR, Yale New Haven Hospital, Infosys, The Hartford, Indeed, Aventri and ReNetx.

To lead the council, Lamont went outside government and named Garrett Moran, a Wharton MBA and one-time investment banker with the Blackstone Group who ran Year Up, a non-profit with a stated goal of closing the "opportunity divide" facing disadvantaged youth. He also is a friend of Lamont's and helped lead the governor's transition team.

Lamont introduced him on Oct. 29, 2019, when he signed the executive order at Naugatuck Valley Community College in Waterbury.

Moran said the council might require a year to effect significant change.

"Six months," Lamont countered.

The audience laughed.

Moran proved to be the more realistic of the two.

It took one week shy of a year for the Governor's Workforce Council to issue a strategic plan that acknowledges the short-term crisis of high unemployment caused by COVID-19 yet focuses on chronic structural issues that hobbled economic growth and limited opportunities for the working poor before the pandemic.

But the 49-page document is really a prelude, not a blueprint. It articulates many of Connecticut's challenges to inclusive economic growth, including a wage structure that leaves thousands of workers, many of whom have been deemed essential during the pandemic, outside the stability of a middle-class life.

"We're focused on jobs that will pay living wages, middle-skilled jobs, whether it's there in manufacturing, healthcare, I.T., business services," said Mark Argosh, who recently succeeded Moran as the council's chair, a volunteer position.

The strategic plan is broadly ambitious, touching on the roles of everything from child care to higher education.

"We need to build a better child-care system, at reasonable cost," the council concluded in the plan. "We need accessible, affordable transportation systems. We need to tap the potential of those with mental health challenges by giving them the support they need to enter the job market. And we must untangle the web of government support programs that often create disincentives to work."

Unclear is the degree to which Lamont will translate the strategic plan into legislative action and budget priorities. It calls for something government generally does poorly: Work across the lines that separate agencies and non-profits, the silos that Lamont decried in rebranding the workforce council. Lamont acknowledged last week that the COVID-19 pandemic and subsequent recession has taken away from what had been a front-burner issue a year ago.

"We kept going, but not with the same pace and urgency that I would have liked to see," Lamont said.

Moran stepped down once the plan was complete. His successor, Argosh, has an MBA from Stanford and an undergraduate degree in social change from Brown. He is the executive director of Social Venture Partners-Connecticut, a cross between a charity and a consulting firm, albeit one staffed by a network of volunteers.

Working to implement the plan from the inside of government is Kelli-Marie Vallieres, the executive director of the Office of Workforce Strategy. She is a former manufacturing executive active in workforce development.

The Office of Workforce Strategy is a new entity deliberately constructed as a bureaucratic free agent. It exists via a memo of understanding between the Department of Labor and Department of Economic and Community Development.

The dangers and opportunities of a 'silver tsunami'

In a report to the workforce council in January, McKinsey had warned that more workers will be reaching retirement age in Connecticut than entering their working years in 2025. In other words, the state was facing the prospects of a crippling labor shortage.

"We are at an amazing moment," Moran said in January. "At a time when employers are constrained, they can't find talent. It also is an enormous opportunity."

“What Platform to Employment has done, it basically goes to an employer and says, ‘Look, here is a deal you can’t refuse. You’ve got zero risk,’” Carbone said. “We cover wages from four to eight weeks. They are on my payroll. It gives them a sure thing.”

Connecticut had ended 2019 with an average annual unemployment rate of 3.8%, a tight labor market that presented challenges for employers and training opportunities for workers with limited skills and experience. Carbone said that market created a need for employers to consider his clients.

Then came COVID-19, putting more than 400,000 out of work in Connecticut. Overnight, the labor shortage became a glut.

“It sure as heck is a different environment,” Lamont said. “‘Twelve months ago, we had thousands of manufacturing jobs they couldn’t fill, and they weren’t training enough people to fill those jobs. I thought, ‘This is the greatest opportunity in my lifetime to lift young people up who might not otherwise have that opportunity.’”

Moran is optimistic that manufacturing, which relies on defense spending in Connecticut, will rebound relatively quickly.

Manufacturers had been sensitive to the need to train workers for five years. The regional workforce development board in eastern Connecticut addressed the need in 2016, using a $9 million federal grant to create the Manufacturing Pipeline Initiative that provides training for open jobs.

One of its principles is “de-risking,” using public funds to both train workers and initially place them in a workplace for a subsidized trial period. The program cost about $6,000 per worker, but the state considers the return on investment to be more than reasonable.

“Since it started in 2016, we’ve up-skilled, re-skilled and re-employed over 1,500 people. And in the course of doing that, we’ve generated over $50 million in wages,” said Vallieres, one of the manufacturing executives who helped develop the pipeline.

Manufacturing jobs declined from 300,000 in 1990 to about 150,000 in 2012, then began to climb in 2016. But technical training programs had withered.

“We had a whole generation of parents who lost their jobs telling their children, ‘Don’t ever go into manufacturing,’” Vallieres said. “We have a ton of people who are highly skilled, but we’re calling them the ‘silver tsunami.’ They’re all hitting retirement age.”

Employment in the industrial sector stabilized, and the state now was facing a shortage of 6,000 workers a year, at least before the pandemic. More than one-third of the manufacturing workforce is 55 or older.

The manufacturing pipeline has a 90% placement rate, attracting workers from other sectors. Argosh said the goal is to provide a career path, not just a job.

For example: Two years ago, Aaron Huntley was a 30-year-old father of two working as the manager of a Wendy's restaurant, a job that he says offered high stress, low pay and no room for advancement. He took a chance, quitting to enter a 10-week welding program run by Three Rivers Community College.

Garretson Creighton, 32, had bumped from job to job after high school. He had studied machining at Ella T. Grasso Technical High School in Groton.

"I really liked it, but then when I got out I couldn't find a job, and I ended up bartending and everything else under the sun," he said. He was running an indoor go-kart track when he took another shot at manufacturing, signing up for a training program through the pipeline.

They both now work for Sound Manufacturing, the precision sheet-metal fabricator run by Vallieres' family in Old Saybrook. Most of the work is custom, giving the workers a degree of autonomy. The company uses everything from old-school lathes to computer-driven lasers.

"I want to learn it all," Huntley said.

Vallieres, who was Moran's volunteer vice chair of the governor's council, left Sound Manufacturing in July to work full-time on what had been an extracurricular passion. The move brings her back to an earlier career interest. She has a doctorate from the University of Connecticut in adult education.

The strategic plan calls for the establishment of a data dashboard by the end of 2021 to measure what works and what doesn't.

"One of our strategic initiatives is to significantly enhance program evaluation and measurement and to make the results transparent to students and job seekers and program managers … so they can select the education and career opportunities that are going to match their interests and achieve their goals," Argosh said.

Washington state offers a potential model with a system that tracks employment and earnings of participants in various programs and measures a return on investment to participants and taxpayers.

For example, the Washington dashboard shows that a training program for low-income adults on welfare served 16,300 clients at a cost of $45.9 million in federal money and $459,000 in state funds. Sixty-two percent of participants exited the program to a job, with a median annualized income of $21,200.

The health care sector has employment needs now. With a workforce of 270,000, health care is Connecticut's largest employment sector. It has significant openings for registered nurses and surgical technicians, jobs that provide solid middle-class wages, as well as home health aides and other positions that pay less than a living wage.

Sandra Claxton's experience suggested some of the opportunities and challenges facing Connecticut.

Claxton entered the Health Career Academy after filling out paperwork to determine her eligibility, sitting through an orientation about the available programs and waiting to hear if she would be picked via a lottery. Within two days, she was assigned Christina Martorelli as a counselor and guide.

"She was the best. Any time I had an issue, she was there for me," said Claxton, who is 57. "I was nervous. I had been out of school for a long time."

The options in entry-level certificate programs included training to become a dental assistant, a certified nursing assistant, a home health aide, a pharmacy technician and a sterile processing technician. The others in her group were millennials, and she says they all chose training to become CNAs. The workforce council says low wages for CNAs contributes to an annual turnover of 30% to 50%.

Claxton chose sterile processing. The job entails rigorously cleaning and preparing instruments for surgery, which requires a knowledge of a wide range of surgical tools. "An open-heart surgery set has 250 pieces," she said.

Tuition and fees for a 10-week certificate course in sterile processing at Sacred Heart University are advertised at $1,675. Claxton took a six-week accelerated course, the tuition paid by the Health Career Academy and underwritten by the U.S. Department of Health and Human Services.

Martorelli said sterile processing is a growing health specialty, one available to people with a high school education. She said the median hourly wage in 2018 was $17.41. The online job-search company, Indeed.com, lists available sterile processing jobs in Connecticut with annual wages ranging from $33,000 to more than $63,000.

As calculated by the United Way, a "household survival budget" for a single person in the Bridgeport area requires an hourly wage of $18.14. At 40 hours a week, that's an annual income of $37,731.

Claxton completed the sterile processing course in March 2019, but all places for the certification test in March were full. The next test wasn't until September, so Claxton took a job as a live-in home health aide. Claxton wondered if the delay would make passing the test harder.

"The test is not easy," Martorelli said. "But Sandra passed the first time."

She was hired at St. Vincent's Medical Center in Bridgeport in September 2019 then was laid off in the spring after elective surgeries slowed during the pandemic. She was called back in August.

The health academy and other programs run by The WorkPlace serve about 30,000 clients annually.

Some are beginning their careers, like 20-year-old Kady Tracey of Bridgeport, who also completed a sterile processing course and hopes to begin as a per diem employee at St. Vincent's while she works on certification. She was laid off from one hospital job but is now working at a community health clinic in Stamford in a COVID-testing program.

Others are the first workers overlooked when there is a surplus of labor, the ones Joe Carbone of The WorkPlace says need a second look. They may be suspected as long-term unemployed, or having criminal records or histories of substance abuse. Before the pandemic, there was evidence of employers being more willing to consider them.

The Governor's Workforce Council concedes in its strategic plan that the task never was easy.

"It's an enormous task that will require a sustained commitment, with all hands on deck – business leaders, educators, social service providers, government policy-makers and community groups. The mission is no less than to rewrite the social contract with a fresh push to expand opportunity for all."

Claxton sees it more simply.

"We all fall down," she said. "And we all can get back up."