THIRD SECTOR

Economic Mobility

Transforming public systems to
advance improved and equitable outcomes

THE CHALLENGE

Our nation has created a racial wealth gap over many generations that we must eliminate. Many of the programs and services our government provides were designed to help address this problem. But despite our best efforts, we've created a complex, often confusing, system of public benefits, postsecondary education, and workforce training programs that fail to consistently deliver long-term outcomes for individuals and families that will enable them to thrive. Too often:

- People looking to use services end up **navigating the complex, siloed system of education, training, housing, food, and child care services on their own**, costing them time, energy, and dignity.

- Many services focus on placing students and jobseekers into short-term training programs or readily available low-wage jobs **without meaningful pathways to good jobs and sustainable careers**.

- We are **not delivering services in ways that effectively address people's unique circumstances and job aspirations**, especially black, hispanic, and other historically underserved people.

- Programs **don't consistently solicit and incorporate feedback from students, jobseekers and providers** making it harder to build and deliver relevant training, employment, and support services.
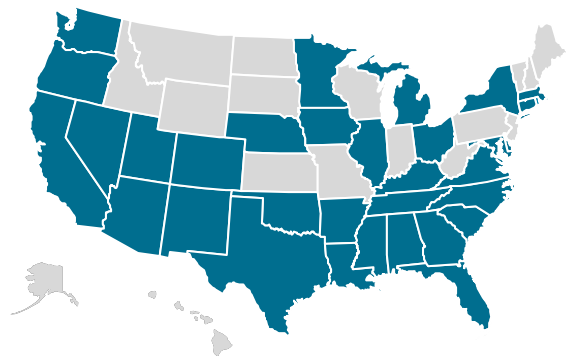
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OUR VISION

We envision a future where someone's worth and success in life are rooted in more than just the work that they perform, where we all **invest in everyone's aspirations** no matter their race or background or circumstance, and everyone has the resources they need to thrive. This is a future where we **eliminate racial wealth gaps by building multi-sector partnerships** that promote everyone's well-being and ensure accessibility to **free or affordable education and training opportunities** that support the whole person and lead to jobs and careers that pay **a living wage**.

Since 2011, Third Sector has worked with **50+ communities** to reorient more than **$1.2 billion** in public funds toward outcomes.

Third Sector is a national nonprofit technical assistance organization that advises our government agencies on effective ways to reshape their policies, systems, and services toward better outcomes for all people no matter their race, background, and circumstances.
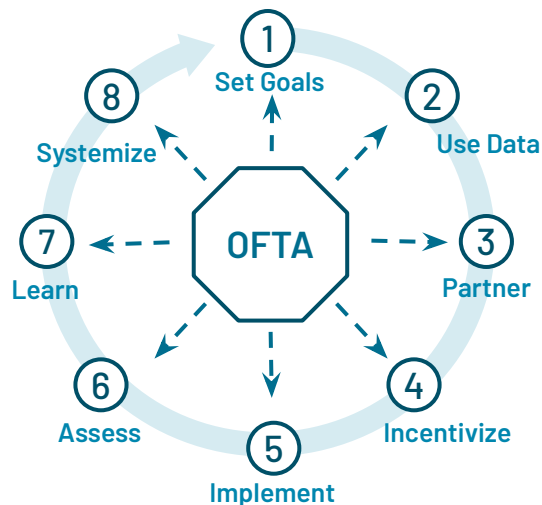
THE OUTCOMES-FOCUSED SOLUTION

When our work is complete, government clients, community partners, and people using our government's services can expect to see improvements in four areas:

- **Coordinated services:** Government agencies coordinate program requirements, goals, and services via new practices, partnerships, and data sharing structures to remove barriers, facilitate continuous improvement, and enable different services to better support individual and whole family economic mobility and well-being.

- **Clear outcomes aligned to long-term impact:** Shared long-term outcome goals, metrics, and incentive structures that help service providers understand the impact on individual and family outcomes over time.

- **Improved access and equity:** Services regularly incorporate provider and individual feedback, disaggregate data by race and other demographics, and improve recruitment and retention strategies that address racial disparities.

- **Human-centered services:** Reshaping services to center the needs and experiences of individuals with customized services to support people and families where they currently are.

OUR ENGAGEMENT STRATEGY

Through our signature "Outcomes-Focused Technical Assistance (OFTA)", Third Sector guides our partners through an 8-step system change process:

1. Set Goals
2. Use Data
3. Partner
4. Incentivize
5. Implement
6. Assess
7. Learn
8. Systemize

OFTA

ECONOMIC MOBILITY SERVICE AREAS

Funding Stream Transformation: Transform how SNAP E&T, TANF, WIOA, and apprenticeship programs are designed, delivered, and assessed.

System Coordination: Collaborate on aligning program requirements, goals, and service delivery across workforce, education, and support services.

College Access and Success: Identify specific needs of historically underserved students (e.g., adult learners, student parents, and students of color) and implement program and policy solutions.

Financing: Design and deploy innovative funding mechanisms such as Lifelong Learning Accounts (LiLAs) and Pay for Success (PFS) contracts that enable and realign incentives for individuals and services providers.

ECONOMIC MOBILITY PROJECT EXAMPLES

MINNESOTA SNAP EMPLOYMENT & TRAINING DATA

Funding Stream Transformation: Funded by a USDA's Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T) Data and Technical Assistance (DATA) grant, Third Sector is supporting the Minnesota Department of Human Services as they develop SNAP E&T data collection and reporting system changes that support continuous improvement. Building on a comprehensive analysis of existing data about program participation, performance, and equity, Third Sector is helping DHS develop new metrics of program success, along with recommendations for changes to the state's data systems, culture, tools, resources, and partnerships so DHS can continuously assess and revise its programs against these new metrics.

CALIFORNIA BETTER CAREERS DESIGN GROUP (BCDG)

System Coordination: Third Sector supported four regions of California to strengthen system coordination by mobilizing and building the capacity of place-based teams of diverse workforce and education entities. Through six interactive workshops, applied activities, and one-on-one technical assistance, Third Sector helped each team identify a common challenge, a collective vision, and a concrete solution to address their challenge. For example, the Inland Empire team (comprised of Chaffey College Foundation, Riverside Community College District, the Unified School Districts in San Bernardino City and Fontana, and San Bernardino Department of Industrial Relations) realized that they were not effectively engaging and enrolling youth in their apprenticeship programs. As a result of their participation in BCDG, they hired two Apprenticeship System Navigators to enter schools and other workforce training programs to intentionally reach and recruit youth experiencing barriers.

COLORADO FINISH WHAT YOU STARTED

College Access and Success: Third Sector supported the Colorado Department of Higher Education's Opportunity Scholarship Initiative to plan and launch the Finish What You Started (FWYS) pilot program, which provides social, financial, and career supports to help adult learners 25 and older with some college, no degree in Adams County – particularly those identifying as Black/African American, Hispanic/Latino/a, and Native American – return to higher education and complete a degree or certificate. Third Sector helped the department re-align incentives with a support service provider to enable the provider to do "whatever it takes" to ensure program participants achieve enrollment, persistence, and completion outcomes. Less than one year later, the department received $48 million in American Rescue Plan funding to expand FWYS statewide.

NORTHERN VIRGINIA PAY FOR PERFORMANCE

Financing: Third Sector worked with Virginia Works, the Northern workforce development board, to develop an outcomes-focused contracting structure with the goal of aligning financial incentives to long-term outcomes. Recognizing a need to better reach and effectively serve youth experiencing barriers due to experience with the foster care and criminal legal system, the workforce board worked with Third Sector to take advantage of the pay-for-performance (PFP) provision in the Workforce Innovation and Opportunity Act (WIOA). Third Sector helped the workforce board restructure the provider contract with a bonus pool tied to youth effectively enrolling, graduating, and achieving longer-term employment outcomes. To date, the workforce board has seen a 400% increase in enrollment of youth prioritized for the program.

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