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## Arkansas Career Pathways Initiative: Progress Report of Activities and Outcomes during Program Year Two

PREPARED FOR THE ARKANSAS DEPARTMENT OF HIGHER EDUCATION  
PREPARED BY WORKFORCE STRATEGY CENTER

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## **Who We Are**

Workforce Strategy Center (WSC) is one of America's most experienced nonprofits working to strengthen the nation's economy by producing a prosperous and globally competitive workforce.

WSC seeks to build more responsive education, workforce development, and economic development systems to help workers advance and businesses prosper in a changing economy. We are a leading disseminator of innovative strategy, providing technical assistance and cross-site learning to policy makers, educators, and industry leaders. Learn more about us at our website: [www.workforcestrategy.org](http://www.workforcestrategy.org).

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### **EXECUTIVE SUMMARY**

This report summarizes the activities and descriptive statistics from the second year of the Arkansas Career Pathways Initiative (CPI). CPI is administered by the Arkansas Department of Higher Education (ADHE) in association with the Department of Workforce Services (DWS), Department of Workforce Education (DWE), Department of Human Services (DHS), Arkansas Association of Two-Year Colleges (AATYC), and Southern Good Faith Fund (SGFF). The initiative provides funding for two-year colleges to develop career pathways initiatives that assist current Transitional Employment Assistance (TEA) recipients and Temporary Aid to Needy Families (TANF) eligible students to earn marketable educational credentials for immediate entry into career track occupations and upward educational mobility. Funds for the initiative are approved and administered by DWS.

The initiative is influenced by a nationally emerging economic development model called “career pathways.” Career pathways is the term for a series of connected education and training programs and support services that enable individuals to secure employment within a specific industry or occupational sector, and to advance over time to higher levels of education and employment in that sector. Each step on a career pathway is designed to prepare an individual for upward mobility. Career pathways target jobs in industries of importance to local economies; they create avenues of advancement for current workers, jobseekers, and future labor market entrants, and they help to provide a supply of qualified workers for employers.

In Arkansas, the initiative is innovative in that it departs from a more traditional approach of transitioning TANF-dependent workers into entry-level jobs regardless of their prospects for upward mobility and economic self-sufficiency. A primary objective of CPI is to reduce the need for public assistance among Arkansas's low-income, TANF-eligible adults by creating a framework that provides participants an opportunity for both short- and long-term upward educational and job mobility. For the purposes of this initiative, a “TANF-eligible” person is defined as an adult caretaker, parent, or relative of a child under the age of 19 who is deemed financially needy because he/she:

- is a former or current recipient of TEA cash assistance;
- is a current recipient of Food Stamps, ARKids, or Medicaid; or
- has earnings that are at 200 percent of the federal poverty level or less.

Following a successful first full year in 2006 during which the initiative established baseline operations and recorded strong performance outcomes, the data for the second year suggests further positive results. During 2007, program year two, 921 participants received certificates or degrees, and the success rate for either completions or retention of participants in school was 90 percent.

The initiative also experienced tremendous growth during program year two, with student enrollments at the initial 11 colleges increasing from 2,233 students during program year one to 3,750 students during program year two. Fourteen additional colleges added career pathways programs and services that will begin reporting outcomes during the 2008 program year.

The achievements of CPI have continued to grow during its second year and the initiative has driven even further systemic improvements in the services for low-income and low-skill adults. Specifically, the initiative has created a network of previously disconnected agencies and organizations working together to reduce welfare dependency. Under the leadership of ADHE, the accomplishments of this collaboration include the following:

- *Changing the Nature of On-the-Ground Service Delivery*  
CPI activities at each of the 25 sites are devoted to creating new linkages between existing educational and employment programs, and developing new programs to create stepping stones that facilitate upward educational and career mobility for the client population. Before the fall semester of 2005 when CPI began to serve clients, two-year colleges, workforce entities, and other providers operated in relative isolation from one another. CPI brings together these agencies to provide participants with employability skills, basic skills, remediation, advanced skill training in high-demand occupations, and college coursework. The educational stepping stones that comprise the career pathways include Adult Education/GED programs, WAGE/Employability programs, contextualized bridge programs, credit-bearing certificate programs at the college level, and associate degree programs.
- *Performance Measurements and Incentive Funding*  
The state Career Pathways Act requires performance to be measured on student enrollment, certificates/degrees earned by students, employment rates, and employment retention rates. Additionally, the enrollment of TEA clients was added as a performance measure at the request of DWS. Following each fiscal

year, incentive funding is disbursed on the basis of program performance during the previous year.

- *Reaching Out to TANF-Eligible Workers and Branding the Initiative*  
ADHE and AATYC administer a public information campaign that serves to recruit students from the TANF-eligible population. The campaign doubles as a branding effort, creating an image for CPI that reflects the new opportunities for TANF-eligible students and the new partnerships among service providers. The campaign includes an emphasis on the importance of higher education and invites students to enroll in CPI.
- *Re-Organizing Support Services*  
Recognizing that low-skill and low-income students often face challenges in completing their courses of study, CPI continued to maximize the probability of success in the second year by creating new linkages among existing support services and identifying current service gaps that need to be addressed. SGFF has continued to be instrumental in assisting colleges build new systems of support services internally to meet students' needs and to connect colleges to community-based organizations for the purposes of augmenting their student services. Student support services include funds for tuition and books, career assessment, advising, mentoring, tutoring, peer counseling, internships, work study, job search skills, and job placement assistance. In most cases, extra support services such as transportation and childcare assistance are also provided. Additionally, CPI works to increase the accessibility of the support services offered by other college departments and by community organizations. These enhanced services provide additional tools to help participants overcome barriers.
- *Adding New Sites*  
In 2007, the 14 new sites received preliminary funding of approximately \$150,000 per site to begin building a framework for career pathways. The new CPI sites were required to organize partners including social service entities, education and training providers, and workforce and economic development entities; and invite local employers in mapping the structure of jobs, job requirements and advancement pathways in local business and industry sectors. The total of \$2.1 million for the expansion came from funds appropriated to CPI in FY2006 as well

as excess funds from FY07. The expansion to 25 sites was approved in January 2007 by the Arkansas Transitional Employment Board (ATEB).

- *Identifying the Needs of the Economy and Adapting to Rapid Change*  
Recognizing that the national and state economies are rapidly changing and that local employers need a qualified workforce with up-to-date skills in order to be competitive, CPI prepares students for jobs in high-demand fields. Coordinating program development with economic trends is intended to provide students with higher wages and economic self-sufficiency while meeting the current need of employers for skilled workers.
- *Driving Innovation from the State Level: The ADHE Career Pathways Division*  
The ADHE Career Pathways Division provides leadership, training, and development to all career pathways sites. The program director of CPI, who reports to the ADHE Associate Director of Academic Programs, is responsible for the overall management of the division, including the management of the career pathways grant. The division is organized into four functional areas: Employability, Curriculum, Data/Accountability, and Finance. SGFF and AATYC are also a critical part of the CPI team. Along with many other significant contributions, SGFF assists local CPI sites in building relationships with community- and faith-based organizations, while AATYC assists sites in building relationships with local employers.
- *Institutionalizing Systemic Change*  
CPI seeks to institutionalize a framework for assisting low-income students at each college. Specifically, the initiative seeks to cement the newly developed partnerships among colleges, faith- and community-based organizations, workforce investment boards, and others, and to institutionalize the stepping stone framework for advancing low-skill workers along educational and career pathways. The initiative also seeks to promote a rationale for creating college programs that prepare students with the skills needed most by local employers. In 2007, the initiative sponsored several workshops to promote these goals, including Bridges Out of Poverty Workshops and an Institute on Economic Development.

The following report provides more detail on these points. It includes sections on the growing popularity of career pathways strategies nationally, the need for the Career

Pathways Initiative in Arkansas, the objectives and design of CPI in Arkansas, and descriptive outcomes from the second year of the initiative. The report ends with a discussion of opportunities for strengthening the initiative.

## CONTEXT

### **The National Problem<sup>1</sup>**

In the globally competitive economy of the 21st century, states and regions will thrive or decline based in large part on how well they cultivate and retain “knowledge workers,” individuals who possess postsecondary educational credentials (though not necessarily a bachelor’s degree), technical aptitudes, the ability to learn rapidly, and an entrepreneurial approach to employment. To produce workers with these skills, states will need to do the following:

- Increase postsecondary educational access and improve student success rates, particularly for low-income and low-skill adults
- Align education and workforce efforts with economic development initiatives and the needs of employers
- Build the capacity of postsecondary institutions and other education and employment service providers to make these improvements

For individuals as well as communities, the stakes could scarcely be higher. Over the last 25 years, the economy has changed in ways that virtually necessitate education and training beyond high school for anyone who wants to earn a family-supporting wage. Earnings of workers with a high school diploma or less have declined since the 1970s, while the earnings of workers with a bachelor’s degree have increased<sup>2</sup>. Today a bachelor’s degree holder earns on average 60 percent more than a high school degree holder, compared to just over a 40 percent advantage in 1975. Jobs that require education beyond high school are the fastest growing segment of the labor market, expected to account for nearly two-thirds of all new jobs between 2004 and 2014.<sup>3</sup> As these trends indicate, education has gained increasing value in the labor market, and demand for jobs requiring postsecondary credentials and degrees will continue to increase rapidly.

According to the U.S. Census Bureau Current Population Survey 2007, nearly 46 percent of adults over age 25 have no more than a high school diploma or GED. Nearly 28 million

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<sup>1</sup> The National Problem is based on Davis Jenkins’, “Career Pathways: Aligning Public Resources to Support Individual and Regional Economic Advancement in the Knowledge Economy” (New York: Workforce Strategy Center, 2006).

<sup>2</sup> Day and Newburger, “The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings” (Washington, D.C., U.S. Census Bureau, July 2002), 3.

<sup>3</sup> Authors’ calculations based on U.S. Department of Labor, Bureau of Labor Statistics, “Occupational Employment Projections to 2014.”

American adults today over the age of 25 have less than a high school degree or GED, and the U.S. Department of Education Office of Vocational and Adult Education estimates that only about 10 percent of that population is enrolled in an adult education program. These individuals will find it increasingly difficult to advance beyond subsistence-level wages as the economy increasingly demands advanced skills and education.

Unfortunately, most states have struggled to meet these challenges. With few exceptions, state policies governing adult and postsecondary education, workforce and economic development, and social and human services are designed and implemented in isolation from each other. Far more often than not, these systems fail to work together to effectively produce the kinds of workers needed in today's economy and to help people gain the needed education to succeed.

Moreover, many states do not have concrete plans to update their adult workforce education and training systems to include proactive guidance for service coordination or employer engagement. This lack of coordinated planning manifests itself in disjointed data systems among various state agencies, ineffective credit and transfer policies, competition among agencies for the same workforce dollars, few—if any—common outcomes measures, and deeply entrenched organizational protectionism. In addition, there are multiple policy advocates for workforce education and training in state-level positions, further confusing employers and diluting the effectiveness of one coherent policy plan. Goals such as the targeting of high-demand occupation fields for education and training programs and alignment workforce development priorities with economic development priorities are typically lost in most states' fragmented structure.

In short, our public systems—and our investments in those systems as taxpayers and citizens—are in need of a dramatic and major adjustment.

### **Challenges in Arkansas**

In today's economy, economic and workforce development imperatives are increasingly and inextricably linked, and a skilled workforce is among the strongest correlates of employment and earnings growth in state economies. Nationally, workers with knowledge skills earn more and are in higher demand among employers. Given Arkansas' high rate of poverty—the state is ranked 49th in per capita income nationally—it has become

increasingly critical for the state to increase the number of adults who access and complete education and training.<sup>4</sup>

Currently, more than a half million low-wage working adults in Arkansas do not have a high school diploma or GED.<sup>5</sup> Additionally, the state's postsecondary attainment rate is significantly lower than the national average. In Arkansas:

- only 27 percent of 18- to 24-year olds are enrolled in college (compared to 40 percent nationally), and
- only 17 percent of residents have a bachelor's degree (vs. 36 percent nationally).<sup>6</sup>

While the state's educational institutions have endeavored to serve as many students as possible, more must be done to provide adults with additional training and skills in order to meet employer needs and improve the state economy.

The Arkansas Career Pathways Initiative was developed to improve opportunities for Arkansas residents and businesses. Prior to this initiative, there were several independently operated programs designed to address the needs of low-income adults who were seeking immediate employment. Those efforts included programs run by the Transitional Employment Board, Arkansas Workforce Centers, the Workforce Alliance for Growth in the Economy (WAGE) program, and others. A comprehensive strategy designed to bring together multiple objectives under a single umbrella was needed to advance the goal of assisting Arkansas' low-skill adult workers educationally and economically.

## **THE ARKANSAS CAREER PATHWAYS INITIATIVE**

### **The Career Pathways Solution**

In a growing number of regions around the country, local leaders are working to closely coordinate publicly funded education, from primary through postsecondary levels, with social services and workforce and economic development programs to produce a better-trained workforce and promote economic growth. "Career pathways" is the term for a

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<sup>4</sup> "State Rankings: Personal Income Per Capita in Constant (2000) Dollars" (2006) Washington, D.C.: U.S. Bureau of Economic Analysis.

<sup>5</sup> Drawn from a proposal submitted to the Transitional Employment Assistance Board by the Arkansas Department of Higher Education on January 26, 2005, entitled "The Arkansas Career Pathways Initiative."

<sup>6</sup> "Arkansas: Featured Facts" (2007) Atlanta, GA: Southern Regional Education Board.

series of connected education and training programs and support services which enable individuals to secure employment within a specific industry or occupational sector, and to advance over time to successively higher levels of education and employment in that sector. Each step on a career pathway is designed explicitly to prepare workers and students for the next level of employment and education. Career pathways strengthen a region's knowledge workforce, and they target jobs in industries of importance to local economies. Their purpose is to create both avenues of advancement for current workers, jobseekers, and future labor market entrants, and a supply of qualified workers for local employers.

Community colleges often play a linchpin role in career pathways. The career pathways framework promotes systemic reform for community colleges; it provides a model which better aligns their various mission areas of workforce development, academic credentialing, transfer preparation, and remediation with the needs of employers. Students entering into adult literacy or college remedial coursework are better able to advance to and succeed in college-level programs, and all students can more readily earn postsecondary credentials and make progress toward a career. Incumbent workers are provided training opportunities which help increase their skills and subsequent wages. Pathways commonly feature community colleges working in partnership with other educational entities, workforce and economic development agencies, employer and labor groups, and social service providers, to ensure that investments in education and training pay off for their region's economic vitality.

### **The History of Career Pathways in Arkansas**

The Arkansas Career Pathways Initiative (CPI), which began serving clients in fall 2005, has adopted these principles in a new strategy for improving the earnings and postsecondary education attainment of Arkansas's low-income "TANF-eligible" adults. This initiative provides low-income people with the educational and training opportunities needed to enter and/or advance in career-track employment. CPI emphasizes opportunities for upward educational and job mobility that leads to economic self-sufficiency. The initiative has created a network of agencies and organizations, which although previously operated in relative isolation, now effectively collaborate to address the long-term issue of promoting economic self-sufficiency for low-income people. Administered by the Arkansas Department of Higher Education (ADHE) in association with the Arkansas Department of Workforce Education (DWE), the Department of Workforce Services (DWS), the Department of Human Services (DHS), the Arkansas

Association of Two-Year Colleges (AATYC), and the Southern Good Faith Fund (SGFF), CPI provides funding for two-year colleges to develop career pathways initiatives. This section of the report discusses the history of the initiative and provides a summary of the value added and new programs developed under the initiative.

In January 2003, AATYC, together with SGFF, the Governor's Office, and other partners, were awarded a grant from the National Governors Association's Center for Best Practices as part of their Pathways to Advancement initiative. This initiative worked to assist states to develop strategies for improving educational attainment for low-income and low-skill adults. These organizations piloted the first career pathways effort in partnership with Southeast Arkansas College. Following the pilot, the state Arkansas Transitional Employment Board and ADHE decided to replicate the pilot at other two-year colleges across the state. SGFF and AATYC worked with ADHE to build support among state policymakers to develop a state initiative – the Arkansas Career Pathways Initiative. The initiative was codified in Act 1705 of 2005, which required that DWS, ADHE, and the Workforce Investment Board jointly develop the initiative, and \$8 million in funding was awarded to the collaboration during fiscal year 2005. From the beginning, the initiative sought to introduce an innovative approach for promoting economic advancement for “TANF-eligible” adults and to support broader goals for the educational attainment of all state residents in the knowledge economy.

The initiative was officially launched during the fall semester of 2005. Eleven sites were selected to develop pilots based on the number of “TANF-eligible” individuals in their service areas, the percent of the population that was “TANF-eligible,” and the existence of a WAGE program (see description on page 15). Six two-year colleges were selected to run pilots in an initial round of funding in fall 2005: Arkansas Northeastern College, Arkansas State University–Newport, Cossatot Community College of the University of Arkansas, Ouachita Technical College, Phillips Community College of the University of Arkansas, and Southeast Arkansas College. Five additional two-year colleges were funded and joined CPI in January 2006. These were Arkansas State University–Beebe, Black River Technical College, East Arkansas Community College, Mid-South Community College, and Pulaski Technical College.

Now completing its second year, the initiative has established operating principles and procedures, along with several early-stage on-the-ground activities. Sites were each funded with approximately \$500,000 during the first year of the initiative; those funds

were used to establish a new career pathways office at each site, in which staff coordinate program activities and provide guidance and support services for students, as explained in more detail later.

### **Accomplishments during Program Year Two of the Initiative**

In 2007, Act 1705 was renamed the Career Pathways Initiative Act (Act 514) in recognition of its continued support in the state legislature, and the total number of sites operating career pathways initiatives was increased from 11 to 25. The sites added in 2007 were Arkansas State University–Mountain Home, Arkansas Tech University–Ozark Campus, National Park Community College, North Arkansas College, Northwest Arkansas Community College, Ozarka College, Rich Mountain Community College, South Arkansas Community College, Southern Arkansas University-Tech, University of Arkansas Community College at Batesville, University of Arkansas Community College at Hope, University of Arkansas Community College at Morrilton, University of Arkansas at Monticello College of Technology–Crossett, University of Arkansas at Monticello College of Technology–McGehee.

New sites were approved by the ATEB in January 2007, and each received a grant award of approximately \$150,000 to begin building a Career Pathways Initiative framework at the campus.

### *Objectives for Program Year Two*

Upholding the same objectives that were established during program year one, CPI seeks to improve linkages among public systems and to enhance existing services with new ones. The stated purpose of the initiative is to provide a work-based program which assists low-income people to gain workplace skills leading to economic self-sufficiency and reduced TANF reliance. The initiative accomplishes this purpose by enabling upward educational and career mobility for low-skill and low-wage workers. This focus represents a shift from traditional programs in Arkansas, which have typically aimed to reduce TANF rolls by moving recipients into low-wage, entry-level jobs that provide little opportunity for career development.

CPI's objectives for recipients are the following:

- Improved work-participation rates
- Enhanced basic skills
- Increased attainment of college-level certificates and associate degrees

- Improved job retention, advancement, and wage progression
- Reduced welfare recidivism
- Increased self-sufficiency
- Implemented WAGE/employability programs at colleges

The initiative serves students who are current or former recipients of Transitional Employment Assistance (TEA), current recipients of Food Stamps, ARKids, or Medicaid, or those earning 200 percent of the federal poverty level or less. Additionally, pathways participants must be the adult caretaker of a child under the age of 19.

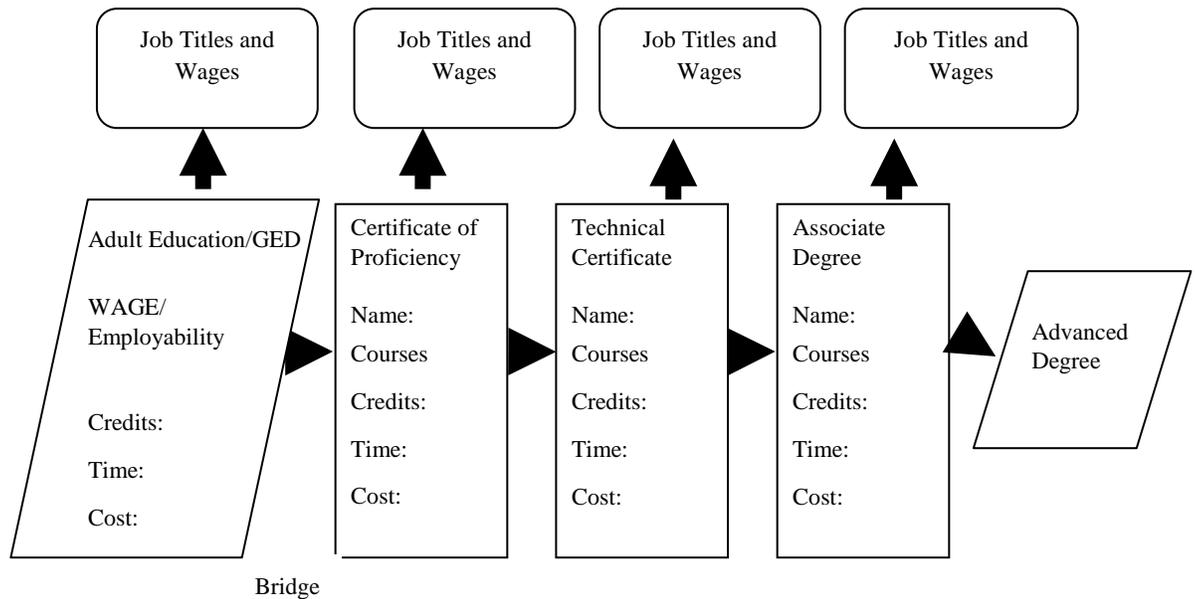
#### *Changing the Nature of On-the-Ground Service Delivery*

Recognizing that garnering the momentum necessary to achieve these objectives is difficult, CPI activities at each of the 25 sites are devoted to creating new linkages between existing educational and employment programs, and to developing new programs which create educational and career stepping stones for the client population.

Before CPI began to serve clients in the fall of 2005, two-year colleges, workforce entities, social service providers, community- and faith-based organizations, adult education providers, and economic development agencies operated in relative isolation from one another. CPI brings together these agencies to provide low-income participants with employability skills, basic skills, remediation, advanced skill training in high-demand occupations, and college coursework.

The educational stepping stones that comprise the career pathways include Adult Education/GED programs, WAGE/Employability programs, contextualized bridge programs, credit-bearing certificate programs at the college level, and associate degree programs. Each site adopts the career pathways framework and is required to complete a flowchart developed by the state Career Pathways Division which depicts educational stepping stones comprising a career pathway, as shown by the sample in Figure 1. The educational stepping stones adopted by the CPI initiative are described below

**Figure 1: CPI Flowchart Template**



- **Adult Education/GED:** Adult Education provides Adult Basic Education (ABE), English as a Second Language (ESL), and GED programs.
- **WAGE or Employability Certificate:** The WAGE program is a work-based adult education program that delivers basic skills training to low-skill clients. Typically based at a community college or adult education center, WAGE administrators work with employers to develop certificates in fields that are key to local economies. Employability certificates earned through the WAGE program teach computer literacy and soft skills for workplace environments. If there is no WAGE program at a two-year college, the institution is permitted to develop employability certificate programs which deliver comparable training. ABE and ESL students are encouraged to enter WAGE certificate programs.
- **Bridge Program:** Bridge programs create links between different levels of education such as employability certificates and credit-based academic work. Newly developed under CPI, these programs prepare educationally disadvantaged students to enter academic courses by teaching developmental or basic skills. They enable students who

are not ready to enter directly into credit-based courses to raise their academic competencies in preparation for entering these courses.

- **Certificate of Proficiency:** The Certificate of Proficiency is awarded to students who have demonstrated proficiency in skills or knowledge within specific fields. The award is granted for programs of less than one semester (7 – 18 credit hours depending on the field). Credits earned during certificate of proficiency coursework can be applied toward earning a Technical Certificate and associate degree in the same field.
- **Technical Certificate:** The Technical Certificate is awarded to students who successfully complete a one-year planned program of classroom and laboratory work at the collegiate level (24 – 42 credit hours depending on the field). It recognizes the completion of a specified level of competency in an occupational field. Upon completion, credits are applicable toward earning an associate degree in the same field.
- **Associate Degree:** An associate degree is awarded to students who successfully complete a program of collegiate-level work with an occupational objective. The majority of occupational courses and all general education courses are transferable toward a baccalaureate degree (60 – 72 credit hours). Many associate degrees articulate with four-year institutions in the state.

#### *Performance Measurements and Incentive Funding*

The Career Pathways Act requires performance to be measured on student enrollment, certificates/degrees earned by students, employment rates, and employment retention rates. Following each fiscal year, incentive funding is disbursed on the basis of performance during the previous year. TEA enrollment was added as a measure at the request of ATEB and DWS. The measures established under the performance measurement plan are as follows:

- **Enrollment:** Each college initially had an enrollment goal of 200 students in CPI; enrollment goals in subsequent years are based on numbers from the previous year. The 2007 statewide enrollment goal was 2,500 students.

- **TEA Clients:** In order to accurately reflect the population served by the initiative, both former and current TEA clients are tracked as a sub-population within the total population of enrollees. Ten percent of the students served by CPI must be TEA clients. This implies a minimum of 20 TEA clients per year (10 percent of 200 minimum enrollments). The colleges that served more than 20 TEA clients in 2007 are required to increase TEA client enrollment by 10 percent to receive incentive funding.
- **Certificates/Degrees Attained:** The certificates/degrees tracked under this initiative are the educational stepping stones depicted above. The minimum number of certificates/degrees attained at each institution must surpass 40 per year (20 percent of 200 minimum enrollments).
- **Employment:** The percentage of students who complete their programs and gain employment must surpass 55 percent. This target was chosen based on performance in other employment programs and realistic expectations voiced by the site directors.
- **Employment Retention:** This measure will be collected from Unemployment Insurance (UI) data and will measure the retention of workers in their jobs after completing their programs. Performance goals will be specified at a later time.

Incentive funds are distributed on a per capita basis for each benchmark that was reached during the previous fiscal year. Additional funding is awarded for performance that exceeds the minimum benchmark. For example, if a college with a minimum enrollment benchmark of 20 TEA clients enrolls 25 TEA clients, the college will receive incentive funds for all 25. But if the college enrolls only 17 TEA clients, it will receive no incentive funding for TEA client enrollment. Incentive funds are awarded using a graduated system in which higher levels of academic completion have higher incentives (for example, a Technical Certificate is worth more than a Certificate of Proficiency). The graduated system is intended to encourage sites to advance students up the academic ladder. Per capita incentive funding is as follows:

- Each TEA client enrolled – \$100
- Each GED diploma or WAGE or employability certificate earned – \$100
- Each Certificate of Proficiency earned – \$200
- Each Technical Certificate earned – \$300
- Each Associate Degree earned – \$500
- Each student that is employed after program completion – \$500

### *Reaching out to TANF-Eligible Workers and Branding the Initiative*

From the outset of the CPI initiative, leaders knew that a plan to attract low-skill, low-income populations to the colleges would need to be developed. Since launching CPI, ADHE and AATYC have administered a public information campaign which serves to recruit students from the TANF-eligible population. The campaign doubles as a branding effort, creating an image for CPI which reflects the new opportunities for TANF-eligible students and the new partnerships among service providers. The campaign emphasizes the importance of higher education and invites students to enroll in CPI. As part of the 2007 campaign, DHS mailed letters advertising the initiative to over 77,000 TANF clients in April, and to another 193,000 in June 2007; it also produced a customized television advertisement for each college which ran for five weeks prior to each enrollment period. To complement the mailings and television campaigns, a website ([www.arpathways.com](http://www.arpathways.com)) and toll free number (1-866-400-PATH (7284)) were set up to dispense information to prospective participants. In addition, each CPI site was given a marketing kit which contained the CPI logo, brochures and posters, and press releases designed for use by each college in local newspapers.

### *Re-Organizing Support Services*

Recognizing that low-skill and low-income students often face challenges in completing their courses of study, CPI continued to maximize the probability of success in program year two by creating new linkages among existing support services and identifying current service gaps that need to be addressed. SGFF has assisted colleges to build new systems of support services to meet students' needs and in connecting colleges to community-based organizations for the purposes of augmenting their student services. Student services include funds for tuition and books, career assessment, advising, tutoring, job search skills, and job placement assistance. In most cases, extra support services such as transportation and childcare assistance are provided.

An important focus of CPI is to increase the accessibility of the support services offered by other college departments and by community agencies. Prior to the initiative, students were often left to navigate college services on their own; now CPI provides students with an orientation to introduce the facilities, on-campus services, and career pathways services available at the college. Students are then assessed using a standardized

placement test to determine their academic proficiency in reading, math, and writing. Students' scores help to place them into the most appropriate course or program. Testing instruments such as TABE, Career Scope, COMPASS/ESL, and the Arkansas College and Career Planning System are utilized when students enter the pathway.

The assessment data for each student is used to develop an Individual Career Plan (ICP), which serves as a road map for the student's educational and career advancement goals. Students whose scores indicate a need for further preparatory work are placed into ABE classes, which enable them to work toward a GED, WAGE, or employability certificate before advancing to successively higher education levels along their chosen pathway. An automated learning lab is available in each career pathways office for students who would benefit from individual study. Software applications such as PLATO<sup>®</sup>, I CAN Learn<sup>®</sup> and AZTEC<sup>®</sup> are used to improve students' basic skills in preparation for entering career pathways college-level coursework.

Once students are enrolled, counselors work with them one-on-one to resolve issues or barriers that may hinder student retention or program completion. Career pathways staff often coordinate seminars on college survival skills and tutoring services. Additionally, counselors at each college monitor students' educational progress, often on a bi-weekly basis, and work closely with academic counseling staff to arrange for tutoring and other academic support.

Counselors also work with career pathways students to resolve non-academic barriers. With a focus on strengthening linkages among support services, the career pathways initiative provides students with referrals for supplemental support services such as personal counseling elsewhere within the college or from county services, as well as vouchers for services such as transportation assistance and childcare to working students. SGFF provides career pathways sites with assistance in connecting to other available services.

All career pathways students are required to apply for Pell Grants. Campus financial aid offices assist students to identify sources of financial assistance and complete the application process. In cases where students are ineligible or have exhausted their benefits from other financial aid sources, career pathways offices are authorized to provide tuition assistance. The amount of benefits or scholarships provided varies from site to site.

As students progress in their coursework, they are provided with additional career exploration and employment searches by campus career centers and career pathways job counselors. In addition to standard interview and resume guidance, topics such as workplace attire, punctuality, workplace behavior, conflict resolution, and other workplace expectations are addressed in employability and bridge programs. Job announcements are posted and CPI staff work extensively with students and employers to facilitate job placement and retention.

#### *Adding New Sites*

In 2007, 14 new sites received preliminary funding to begin building a career pathways framework. These sites began to develop programs and seek new partnerships with social service organizations, education and training providers, and workforce and economic development organizations. They also began to work with local employers to identify high-demand occupations, job requirements, and pathways for advancement in local business and industries. The total of \$2.1 million came from funds appropriated to CPI in FY2006 as well as excess funds from FY07. The expansion to 25 sites was approved in January 2007 by the Arkansas Transitional Employment board.

#### *Identifying the Needs of the Economy and Adapting to Rapid Change*

Recognizing that the national and state economies are rapidly changing and that local employers need a qualified workforce with up-to-date skills in order to be competitive, CPI sites are required to prepare students for jobs in high-demand fields. Coordinating program development with economic trends is intended to provide students with higher wages and economic self-sufficiency, while serving the current needs of employers for skilled workers.

DWS maintains labor market data regarding industries and occupational titles throughout the state. It provides historical, current, and projected job openings by occupational title, along with net job growth/loss in all major industries. Also, the Arkansas Department of Economic Development has identified industries that are key to the Arkansas economy or have potential for growth. Using the data provided by these agencies, each career pathways site develops training and targeted job development efforts geared toward industries or occupations that have or are projected to have strong demand for labor. Once high-demand

industries or occupations are targeted, sites develop a comprehensive map which outlines the various stepping stones along the pathways leading to work in these fields.

In March 2007, Workforce Strategy Center and Economic Modeling Specialist, Inc. (EMSI), a labor market analysis firm, developed a Gap Analysis Regional Overview report for each site. The report included information on current and projected job openings, industry concentration, and local comparative advantage, and was used to verify that pathways were being developed in high-demand and higher-wage industries.

Lessons learned from the work and experience of career pathways initiatives in other parts of the country have shown the importance of building strong, customer-focused relationships with employers. Recognizing the potential benefits to their organizations, employers involved in career pathways initiatives often participate directly in curriculum design, provide training equipment, create opportunities for staff to deliver training, offer internships and apprenticeships, and even provide direct funding. CPI sites are working to strengthen their relationships with employers. As the initiative matures, sites will continue to cultivate employer relationships and create an even stronger connection between career pathways programs and services and the needs of the economy.

*Driving Innovation from the State Level: The ADHE Career Pathways Division*

The ADHE Career Pathways Division oversees CPI and provides guidance to career pathways sites for running local offices. The Director of CPI, who reports to the ADHE Associate Director of Academic Programs, is responsible for the overall management of the division, including the management of the career pathways grant. The division is organized into four functional areas: Employability, Curriculum, Data/Accountability, and Finance.

- **Employability:** CPI strongly focuses on developing employability skills among the target group. To accomplish this, CPI mandates that all sites establish WAGE programs or comparable employability programs on their campuses if they do not already exist. As described in more detail on page 15, WAGE programs are work-based adult education programs that deliver basic skills training and offer employability certificates in key fields. CPI employability programs teach skills for writing resumes and attending job interviews, basic computer skills, and soft skills training needed for employment. The result is expanded access to entry-level work and

increased familiarization with the college environment, which results in higher likelihood of educational advancement.

- **Curriculum:** The initiative provides guidelines to develop new programs and institutional strategies for assisting students to advance educationally along their chosen paths. Specifically, colleges develop and implement processes for shortening the time requirement to improve students' basic skills and meet their developmental education needs. Innovations intended by the initiative include bridge programs, open-entry/open-exit courses, modularized coursework, specialized training, and effective use of instructional software.

To create avenues of advancement for students, CPI encourages each college to designate a curriculum coordinator who will be responsible for coordinating and modifying existing programs and developing new ones. Curriculum coordinators are strongly encouraged to develop programs that serve working adults using modularized curriculums, contextual instruction, and methods for flexible course delivery. To help curriculum coordinators develop these programs ADHE provides workshops and training sessions which allow colleges to share with each other leading examples of program modifications and curricular innovations.

- **Data/Accountability:** CPI promotes data sharing across state agencies—a practice that was not previously undertaken in measuring employment and educational outcomes for TANF-eligible students. This initiative has created linkages between multiple agencies and data systems, enabling a more comprehensive view of outcomes for career pathways students. ADHE provides data on enrollment and completion, remediation, and student demographics to CPI partners, while DWS provides data from the unemployment insurance system to monitor job placement, wages, and job retention. The Department of Health and Human Services matches data to verify student eligibility.
- **Finance:** The financial structure of CPI is designed to provide flexibility for colleges as they implement career pathways. CPI colleges use their funding for salaries and benefits, office equipment, classroom facilities, instructional equipment and software, instructional and administrative supplies, advertising, student support including tuition, professional development, and professional fees. The source of funding for

CPI is the TANF grant approved by DWS. Although not required, all participating colleges have contributed in-kind funds to the career pathways effort.

AATYC and SGFF are also a critical part of the CPI team. The Director of Workforce Training at AATYC works with ADHE staff and college site directors to assist sites in focusing on high-demand occupations. Services provided by AATYC include assistance creating linkages with business and industry. SGFF assists colleges in creating partnerships and linkages to community-based organizations for the provision of support services such as childcare and transportation. SGFF also provides leadership training for counselors and community outreach staff.

The efforts of the Career Pathways Division in 2007 have continued to be successful in driving local innovation and cooperation among local partners. This year, Career Pathways Division staff began to hold monthly meetings hosted by the CPI colleges. Each meeting is attended by state and local partners including representatives from ADHE, DWS, SGFF, AATYC, local workforce investment boards (WIBs), local WAGE programs, and others. The first hour of each meeting is used to discuss cross-cutting issues, and the second hour agenda is chosen by the host college. During the second hour, CPI staff from each college present the outcomes of their efforts, followed by a question and answer period.

#### *Institutionalizing Systemic Change*

CPI seeks to institutionalize a framework for assisting low-income students at each college. Specifically, the initiative seeks to cement the newly developed partnerships among colleges, faith- and community-based organizations, WIBs, and others, and to institutionalize the stepping stone framework for advancing low-skill workers along educational and career pathways. The initiative also seeks to promote a rationale for creating college programs that prepare students with the skills needed most by local employers. In 2007, the initiative sponsored several workshops to promote these goals.

- **Bridges Out of Poverty Workshops:** Numerous workshops have been held at sites throughout the state in which ADHE staff members train college staff in the Ruby Payne process for mitigating poverty. Ruby Payne is the founder and CEO of aha! Process Inc., an organization that trains local leaders and educators to redesign programs and services and to build partnerships among local organizations in order to improve poverty outcomes. The process emphasizes education and the removal of the

barriers faced by those in poverty. Three ADHE staff members, certified as trainers by aha!, deliver the workshops.

- CPI Institute for Economic Development:** A two-day institute was held for representatives from each college to reinforce the message that CPI sites should seek to develop skills in students that are in high-demand by employers. Prior to the institute Workforce Strategy Center and Economic Modeling Specialists, Inc. conducted analyses of local labor markets in all the career pathways college districts in the state to highlight key industrial and occupational clusters in each. The analyses anchored discussions at the institute regarding industries with high demand for workers. Following this institute, a team from ADHE/CPI followed up with each site to ensure that plans were being developed to engage employers in key local industries. Each follow-up session included discussion of enhancing employability and WAGE programs to meet employer needs and of forming strategic partnerships with faith- and community-based organizations.

**DESCRIPTIVE STATISTICS FROM THE SECOND YEAR**

The 11 original CPI sites significantly increased their enrollments during the second year and proved effective at reaching the target population. Furthermore, the initiative has achieved successful outcomes. As shown in Table 1 below, students in the initiative earned a total of 921 certificates/degrees between fall 2006 and summer 2007. Table 2 shows that 90 percent of all participants who enrolled in career pathways during the second quarter of 2007 (2,873 enrollees) completed an award (certificate or degree) or were retained in good academic standing to the next quarter. Additionally, Table 3 shows that total program enrollments increased by over 1,500 during the last program year, and that completions grew significantly in every category. The appendix at the end of this report includes a set of tables, which provide additional descriptive statistics regarding CPI participation rates.

Table 1: Certificates/Degrees Attained in FY07

<b>Certificates/Degrees Attained</b>	<b>Quantity</b>
GEDs	42
WAGE/Employability Certificates	205
Certificates of Proficiency	249
Technical Certificates	204
Associate Degrees	221

Total Certificates/Degrees Attained	921
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Table 2: Completions/Retentions/Withdrawals for Enrollees during 2<sup>nd</sup> Quarter 2007

Students	Quantity	Percentage
Students Cohort	2,873	
Students Completing from cohort	567	19.7%
Students Retained	2,029	70.6%
Success Rate (completing and retained students)	2,596	<b>90.4%</b>
Students Withdrawing or Dropping from Cohort	277	9.7%

Table 3: Growth from Program Year One to Program Year Two

	2006	2007	Growth
Total Enrollments	2,233	3,750	1,517
Completions GED	22	42	20
Completions Certificate of Proficiency	80	249	169
Completions Technical Certificate	74	204	130
Completions Associate Degree	60	221	161

- Demographics:** As shown in Table A-1 of the appendix, an enrollment of 3,750 was posted during the last program year, with the enrollment at each site ranging from 207 to 557 students. The average age of a career pathways student statewide was 31. Overwhelmingly, the students were female (93 percent) and the data on ethnicity and race indicated that nearly 52 percent were Caucasian, 43 percent were African American, and small percentages were Hispanic or other minorities.
- Eligibility:** The program is reaching its target population. As shown in Table A-2, data indicates that 60 percent of participants were single parents and nearly half received food stamps or Medicaid. Many other students are current or former TEA recipients, or meet the eligibility criteria based on qualifying incomes.
- Previous Education and Employment Status:** As shown in Table A-3, 90 percent of career pathways students were either high school graduates or GED recipients. Forty-six percent of pathways students were employed at the time of enrollment.

- **Certificates/Degrees Attained by Type:** Table A-4 shows that during the FY07, 1,336 career pathways students (over 40 percent of those enrolled in specific pathways) were enrolled in associate degree programs, and that 219 of these students completed their coursework. Employability certificate programs had the second highest enrollment (344 enrolled), followed by programs for technical certificates (293 enrolled), certificates of proficiency (228 enrolled), and GEDs (149 enrolled).

In addition to the data discussed above, longitudinal data on the post-completion employment, wage gain, and upward educational mobility of pathways students will become available as the initiative continues beyond its second year. It will be critical to examine these outcome measures to evaluate the overall success of the initiative.

### NEXT STEPS

To expand the reach of the initiative, CPI sites enhanced their efforts during the second year of operations by increasing enrollments at existing sites and adding new sites. The initiative is well positioned to continue to build capacity in the future. Building on the momentum garnered by the success of the first two years, there are several key opportunities for moving forward.

- **Strengthen Connections with Employers in High-Demand Industries:** Nationally, workforce development initiatives often rely solely on secondary labor market data to make decisions about developing programs to serve demand industries. Going forward, CPI sites that rely predominantly on secondary labor market data should seek to enhance their efforts by building direct relationships with employers in industries experiencing high-demand for labor. Educators and employers should jointly continue to develop career pathways maps, keeping in mind that while establishing educational stepping stones is important in the CPI effort, career stepping stones must also be incorporated. The current career pathways flowchart (Figure 1) only depicts mobility within the educational institutions and one-way transitions into the job market. The flowchart should be modified to depict opportunities for transitions from employment back into education and opportunities for upward job mobility once participants are in the workforce.

In addition to gathering information from employers regarding program design, educators should also involve employers in program delivery. Once employers feel confident that the partnership is mutually beneficial, they often sponsor internships and co-ops, donate equipment, lend staff to instruct classes, provide tours of their facilities, provide space at their facilities for delivering training, and even provide direct funding to support training. ADHE staff should encourage CPI sites to push the envelope in terms of engaging employers in the career pathways process.

- **Leverage Additional Partnerships at the Local Level, Especially Economic Development Partners:** CPI sites successfully connect their students to the broad range of resources and services provided by their partners, from support services such as childcare and counseling to financial aid. Typical partnerships include those with faith- and community-based organizations. Other CPI sites have built relationships with Workforce Investment Act (WIA) service providers to augment their services. One-Stop Career Centers, funded by WIA, provide career counseling and job search

services that may help reduce the burden on CPI staff. Additionally, One-Stop Career Centers have relationships with employers, which can be used in career pathways development.

All CPI sites should also consider developing stronger relationships with economic development organizations. Industry groups, chambers of commerce, local WIBs, and economic development agencies can all help CPI sites to prioritize programs that will aid local economies. They can also lend political support for fundraising and other program development efforts.

- **Use Data for Continuous Improvement:** ADHE staff have prioritized the collection of data on the educational attainment and employment of CPI participants. As the initiative matures, CPI sites should use this data to assess outcomes and identify opportunities for improvement. Data must be organized so that the progress and outcomes of student cohorts can be tracked over time. Attaching demographic information on each student to the longitudinal data will make it possible to capture the rates of success for particular groups of participants. To evaluate the effectiveness of the CPI efforts, it will be necessary to compare rates of success for CPI participants with those of similar students who did not participate in career pathways, but who attended similar programs at the same time. Colleges can also apply this approach to evaluating the effectiveness of their other programs and services.
- **Improve Job Placement and Retention Efforts:** CPI colleges help students attain jobs by providing job search assistance, help with writing resumes and preparing for interviews, and instruction on workplace protocols. Some sites are also developing relationships with local WIA services, which can also aid in job development. However, many other sites are scarcely providing services above and beyond those already offered at college career services offices. To assist CPI students to attain jobs, all sites should organize targeted activities in addition to those already in place. These activities could include job search seminars or courses, job fairs, and internships.

CPI sites should also endeavor to better track job retention rates and work with employers to uncover challenges impeding job retention. Once barriers to job retention are uncovered, CPI sites should work with employers to help workers overcome them. Typical problems for workers who leave their jobs include childcare and

transportation issues, difficulty resolving workplace conflicts, or difficulty adjusting to the workplace environment.

- **Increase the Enrollment of Adult Education students in CPI programs:**

Despite the fact that CPI strives to create pathways for individuals with educational attainment below the high school level, adult education student enrollment in CPI remains at less than 10 percent of the total student enrollment. This could be due in part to the fact that adult education is administered by DWE while higher education is coordinated by ADHE. Additionally, although the CPI offices at some colleges have a good relationship with the campus adult education office, the adult education office is not always located on the campus, which makes building partnerships more difficult. Furthermore, CPI staff does not always see adult education students as potential CPI participants, despite the fact that adult education is included as the first step of CPI's educational pathway. Considering that 20 percent of adults in Arkansas do not have high school diplomas, CPI should make every effort to remove barriers for adult education students who are seeking to advance in their education and career. This goal will necessitate enhanced partnership efforts between DWE and ADHE, as well as between college CPI and adult education offices, especially when they are not co-located.

**Appendix: Tables**

The tables below provide descriptive statistics regarding career pathways participation. The following tables are included:

- Table A-1: Mean Age of Participants and Percentage of Participants by Gender and Race/Ethnicity for Program Year Two
- Table A-2: Percentage of Participants by Eligibility Requirement for Program Year Two
- Table A-3: Percentage of Participants by Previous Education and Employment Status at Application for Program Year Two.
- Table A-4: Enrollments and Completions by Award Type during Program Year Two

Table A-1: Mean Age of Participants and Percentage of Participants by Gender and Race/Ethnicity for Program Year Two

	Enrollments	Age (Mean)*	Gender		Race/Ethnicity			
			F (%)	M (%)	Black (%)	Hispanic (%)	White (%)	Other (%)
AR Northeastern College	283	30	95%	5%	46%	1%	53%	0%
AR State University - Beebe	348	30	89%	11%	10%	1%	82%	7%
AR State University - Newport	265	31	87%	13%	20%	2%	76%	2%
Black River Technical College	350	31	91%	9%	3%	0%	97%	1%
Cossatot Community College of U of AR	375	32	89%	11%	27%	5%	65%	3%
East AR Community College	207	31	95%	5%	62%	0%	37%	1%
Mid-South Community College	253	31	94%	7%	80%	0%	19%	1%
Ouachita Technical College	420	32	92%	8%	22%	2%	75%	1%
Phillips Community College of U of AR	262	32	96%	4%	73%	1%	25%	1%
Pulaski Technical College	557	32	98%	2%	61%	1%	25%	13%
Southeast AR College	430	31	97%	3%	75%	0%	25%	0%
<b>Total</b>	<b>3,750</b>	<b>31</b>	<b>93%</b>	<b>7%</b>	<b>43%</b>	<b>1%</b>	<b>52%</b>	<b>3%</b>

\* Note that in “Arkansas Career Pathways Initiative: Progress Report of Activities and Outcomes during Year One,” the data reflected the median age of participants rather than the mean.

Table A-2: Percentage of Participants by Eligibility Requirement for Program Year Two

	Single Parent (%)	Current TEA (%)	Former TEA (%)	Food Stamps / Medicaid (%)	Below 200% of Poverty
AR Northeastern College	60%	9%	27%	80%	16%
AR State University - Beebe	54%	3%	16%	72%	24%
AR State University - Newport	48%	5%	22%	75%	32%
Black River Technical College	37%	5%	6%	20%	51%
Cossatot Community College of U of AR	39%	3%	4%	26%	55%
East AR Community College	44%	4%	26%	1%	4%
Mid-South Community College	78%	14%	5%	16%	38%
Ouachita Technical College	59%	2%	9%	3%	5%
Phillips Community College of U of AR	58%	9%	23%	18%	15%
Pulaski Technical College	80%	8%	33%	44%	5%
Southeast AR College	77%	11%	39%	84%	8%
<b>Total</b>	<b>60%</b>	<b>7%</b>	<b>20%</b>	<b>42%</b>	<b>22%</b>

Note: Some participants are eligible under multiple criteria.

Table A-3: Percentage of Participants by Previous Education and Employment Status at Application for Program Year Two

	Previous Education			Employment
	H.S. Diploma (%)	GED (%)	No H.S. Diploma or GED	Employed at Application (%)
AR Northeastern College	67%	18%	15%	54%
AR State University - Beebe	69%	24%	7%	30%
AR State University - Newport	67%	24%	9%	36%
Black River Technical College	75%	22%	3%	35%
Cossatot Community College of U of AR	72%	28%	0%	75%
East AR Community College	86%	11%	3%	60%
Mid-South Community College	81%	14%	5%	48%
Ouachita Technical College	66%	24%	10%	41%
Phillips Community College of U of AR	82%	10%	8%	57%
Pulaski Technical College	73%	17%	10%	50%
Southeast AR College	54%	17%	29%	32%
<b>Total</b>	<b>71%</b>	<b>19%</b>	<b>10%</b>	<b>46%</b>

Table A-4: Enrollments and Completions by Award Type during Program Year Two

	Enrollments in Specific Career Pathway	GED		Employability Certificate		Certificate of Proficiency		Technical Certificate		Associate Degree	
		Enr	Comp	Enr	Comp	Enr	Comp	Enr	Comp	Enr	Comp
AR Northeastern College	200	15	7	0	5	2	50	17	18	83	28
AR State University - Beebe	196	9	2	39	15	2	8	37	41	131	24
AR State University - Newport	196	4	7	20	16	3	57	44	18	82	16
Black River Technical College	318	5	0	0	0	3	20	40	29	142	26
Cossatot Comm College of U of AR	374	26	3	97	84	5	5	45	15	209	12
East AR Community College	147	0	0	4	6	0	0	0	1	116	34
Mid-South Community College	252	1	0	11	15	179	17	2	1	19	6
Ouachita Technical College	411	6	3	65	51	2	24	7	14	25	8
Phillips Comm College of U of AR	230	5	5	9	0	23	13	8	13	104	29
Pulaski Technical College	488	36	2	15	0	5	11	43	35	384	25
Southeast AR College	414	42	13	84	13	4	44	50	19	41	13
<b>Total</b>	<b>3,226</b>	<b>149</b>	<b>42</b>	<b>344</b>	<b>205</b>	<b>228</b>	<b>249</b>	<b>293</b>	<b>204</b>	<b>1,336</b>	<b>219</b>

Note: Some students may have enrolled and completed more than one program during program year two.