

Building Workforce Diversity

The Portland Region's Workforce of Tomorrow



Photo credit: Oregon Health & Science University

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Partners In Diversity

Uncovering Portland's underutilized labor force

In 2012, the Value of Jobs Coalition published a research report on the positive impact a healthy manufacturing sector could have on wages and benefits for Portland-metro workers and their families. A key finding in this analysis was that wages and salaries in manufacturing exceeded those of non-manufacturing jobs by 8 percent, and benefits in manufacturing jobs surpassed those of non-manufacturing jobs by 59 percent.

That same report also revealed that people of color and English Language Learner (ELL) workers, people who typically have immigrated to the area from another country or who come from a non-English speaking home, earned 50 percent and 47 percent more in manufacturing jobs than in non-manufacturing positions, respectively. This is because manufacturing provides living-wage job opportunities for socio-economic groups who traditionally have had less access to advanced education. Outside of manufacturing and other skilled trades, jobs for workers with limited education generally do not pay as well.

Reports by the Urban League of Portland and the Coalition of Communities of Color have shown that people of color in the Portland-metro area not only have significantly lower incomes, but they also have lower high school graduation rates and worse health outcomes than the overall white population.

Clearly, the research showed that jobs in industries like manufacturing, which pay a living wage and offer benefits, could be a pathway for people of color and their families to escape poverty, gain greater economic mobility and achieve a higher quality of life. Yet recruiters reported challenges in filling these jobs, especially with employees from communities of color.

This is critical insight and it begs a couple of questions: If manufacturing and other jobs that pay living wages and do not require advanced degrees are available in our region, then why aren't more people of color, including ELL workers, participating in these jobs? Are there unseen barriers preventing these individuals from filling these living-wage positions?

As the Portland-metro area becomes more and more diverse, it will be increasingly necessary to identify and address barriers to job access. More people in diverse communities need access to living-wage jobs, and employers need more options to recruit a range of talent locally. Employees with diverse backgrounds are more reflective of the world's consumers and their preferences, which bring globally competitive advantages to local business.

About the Workforce Diversity Project

In 2014, Partners In Diversity (PID) and the Portland Business Alliance joined forces to create the Workforce Diversity Project. This three-year endeavor sought to understand how qualified, diverse workers can better connect to businesses that need a strong labor supply for manufacturing, health care and other skilled trades that pay a living wage.

Ultimately, the project found unique insight on how Portland-metro area employers can more successfully diversify their workforce and gain a competitive advantage with the multi-cultural talent that exists in the region.

Some key findings from the project showed that:

- ◆ Traditional methods of recruiting talent are not always affective when trying to reach communities of color or ELL workers. Not all members of those communities have access to the information necessary to look for jobs even though there are many opportunities and resources in the Portland area. Employers must increase their community involvement to successfully recruit a diverse workforce.
- ◆ Immigrants and refugees to the United States who have advanced degrees need stronger pathways to find work in their respective fields. However, many end up working in unskilled, low-wage jobs when their education and experience could lead to better careers, offering a unique set of talent for local business.
- ◆ Language barriers need to be addressed during the recruiting stage and throughout employment. Workers who can communicate easily with recruiters, coworkers, and supervisors can better understand job expectations and contribute to a company's culture.

A three-phased approach

From the beginning, the Workforce Diversity Project was guided by a steering committee representing local businesses, unions, educators and communities of color. The committee set up the project in three phases: (1) establish baseline data on labor force participation for people from diverse communities; (2) engage those communities for input; and (3) implement a set of action initiatives for businesses and workers to improve the region's ability to connect more people of color and ELLs to good living-wage jobs.

Phase 1: Establish baseline data

The first step was to determine the number and types of jobs that exist in the Portland region, and who is filling them based on area demographics and education levels. This step established benchmarks against which regional progress can be measured.

Researchers from Portland State University studied the Portland-metro's manufacturing, health care and skilled trades sectors using data from the U.S. Census Bureau and the American Community Survey. Researchers identified who is working in what job and at what wage level by looking at race, labor pool, educational attainment and wages. They also looked at the job market forecast in the three identified industry sectors for positions that require no more than a two-year degree.



A look at regional demographics revealed that between 2006 and 2010, nearly 80 percent of the Portland regional workforce identified as white, with Hispanic workers at just over 9 percent and Asian workers at more than 6 percent. The remaining 5 percent of workers were split between black or African American (3 percent), American Indian or Alaskan Native (1 percent), Native Hawaiian or Pacific Islander (0.4 percent), and other (0.5 percent).

During that same time period, 9 percent of the entire employed workforce did not have a high school diploma, 21 percent had a high school diploma or the equivalency, 35 percent had some college or an associate's degree and 35 percent had a bachelor's or advanced degree. **See Figure 1.**

These educational attainment levels, however, varied across racial and ethnic groups. Hispanic workers had the lowest rates of high school completion, with 40 percent without a high school diploma or the equivalency, and just 12 percent with either a bachelor's degree or an advanced degree. White and Asian workers had the highest levels of educational attainment, with 40 percent and 50 percent holding a bachelor's or advanced degree, respectively. When including some college, an associate's degree or higher, approximately 43 to 46 percent of black or African American, Native American and Pacific Islander workers, respectively, met these education levels.

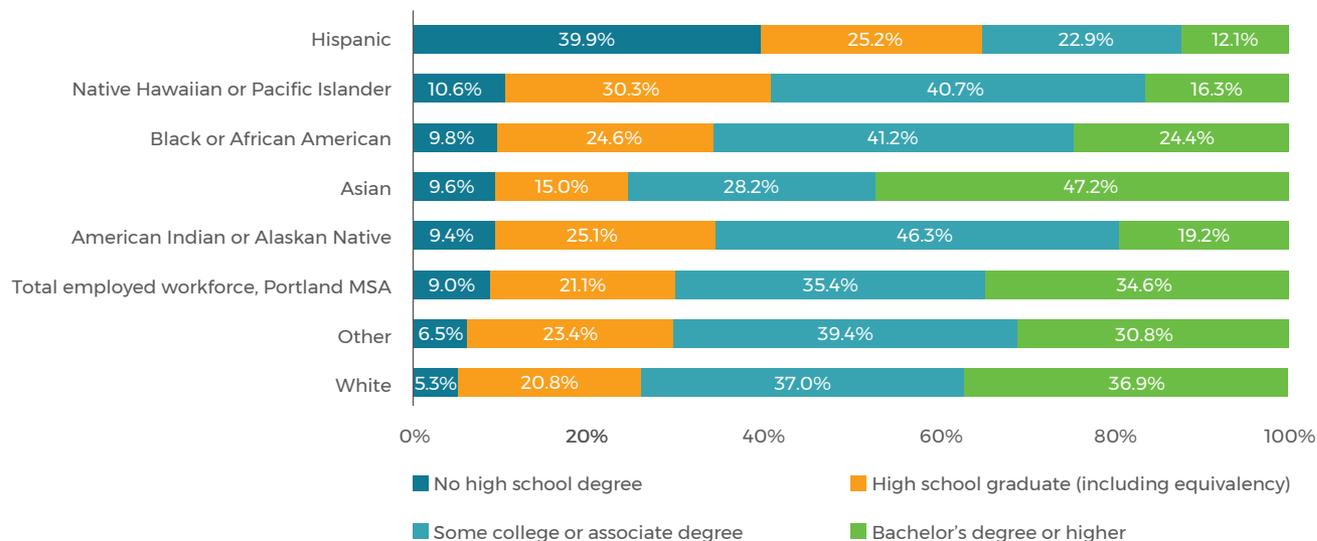
Counted among Portland-metro's diverse communities are ELLs. These workers cannot communicate fluently and can require language modifications when receiving instruction or learning on the job. ELLs comprise 8 percent of the Portland region's employed workforce. Of those workers, 50 percent are Hispanic and 27 percent are Asian, with Spanish and Vietnamese as the two most common languages spoken at home.

In terms of education, 57 percent of the region's ELL workers have a high school diploma or the equivalent, qualifying them to fill many of the area's living-wage jobs if the right means of communication are in place to recruit and retain them.

Within the industry sectors examined, some occupations offer better opportunities for economic advancement than others. High-opportunity occupations included those that require two or fewer years of post-high school education and pay an annual median wage of at least \$48,303, which is 125 percent of the region's annual median wage. These jobs also have anticipated growth of more than 100 new openings within the next 10 years.

Twenty-eight specific occupations in these sectors meet these criteria, with 10 in construction and extraction, nine in health care, seven in installation, maintenance and repair, and two in production. Within

Figure 1: Educational attainment, by race, total employed workforce, Portland MSA, 2006-2010, five-year estimates



the next 10 years, more than 12,000 new jobs are projected in occupations that pay between 126 percent and 221 percent of the region's annual median wage.

Aligning more diverse workers with these future high-opportunity occupations will take a deliberate shift in the region's approach to recruiting and retaining diverse workers. Currently, white workers are overrepresented in these jobs, while workers of color, noncitizens and ELL workers are underrepresented.

Manufacturing sector

Examples of manufacturing jobs that do not require a four-year degree include machinists, welders, woodworkers and sheet metal workers. Of the manufacturing occupations that require a two-year degree or less, 32 percent pay a wage higher than the median for the region. As a whole, these occupations are expected to add a total of 8,200 new jobs between 2012 and 2022. **See Figure 2.**

Manufacturing workers are less likely to have a high school diploma than the region's total workforce. Specifically, 94 manufacturing jobs require two or fewer years of secondary education, with the vast majority requiring no more than a high school diploma or the equivalent.

Looking at the ethnic breakdown, Hispanic workers are overrepresented in this sector, comprising 16 percent of manufacturing jobs compared to being only 9

Figure 2: Manufacturing sector 2013 wage range and job growth estimate



percent of the total employed workforce. Asian workers are also overrepresented in this sector, while white workers are underrepresented. All other communities of color have jobs in this sector that reflect their total workforce participation. White and black or African American workers are most likely to be in jobs whose wages exceed the region as a whole, while Hispanic and Asian workers are more likely to work in low-wage manufacturing jobs.

Health care sector

Approximately 70 percent of jobs in this sector do not require a four-year degree or higher. These include lab technicians, medical records and health information technicians, pharmacy technicians, and nursing assistants. The region is projected to add 11,967 of these types of jobs between 2012 and 2022. Of the 38 health care occupations surveyed, 23 pay wages higher than \$38,650, the median wage for the region. **See Figure 3.**

White workers are overrepresented in health care occupations, while Hispanic workers are underrepresented. Other groups are employed in health care in numbers that reflect their overall workforce participation. In looking at the distribution among low-wage and living-wage jobs within health care, white and Asian workers were the most likely to have jobs where the median wage exceeds the regional median as a whole. Hispanic, Pacific Islander, and black or African American workers were most likely to work in low-wage health care occupations.

Figure 3: Health care sector 2013 wage range and job growth estimate



Today, there are jobs that offer opportunities for workers with a high school degree or some post-secondary education, but some are quickly transitioning to require a bachelor's degree, making them more difficult to attain in the future. It is critical that strategies are put in place that focus on expanding educational opportunities for underrepresented groups to grow their opportunities for advancement.

Skilled trades sector

The skilled trades sector is divided into two groups: construction and extraction, and installation, maintenance and repair. These groups are expected to grow by 32 percent and 14 percent, respectively, between 2012 and 2022 for a total of 15,911 new jobs in the Portland region. Of the 78 skilled trades jobs examined, 51 pay an annual median wage higher than that of the region as a whole. **See Figure 4.**

None of the construction and extraction occupations examined requires a post-secondary education, although many workers in this field have at least an associate's degree or some college. In this sector, white workers make up 76 percent of the workforce, which is lower than their workforce participation rate, while Hispanic workers are overrepresented at 18 percent. With the exception of Asian workers, who are underrepresented, other groups hold jobs at rates that

Figure 4: Skilled trades sector 2013 wage range and job growth estimate



generally reflect their total workforce participation. This sector has the greatest disparity between race and ethnicity, and low- versus living-wage jobs. While white workers comprise 76 percent of the workers in this field, they hold 90 percent of the living-wage jobs. Conversely, Hispanic workers are 18 percent of the workforce in this sector, but hold just 5 percent of the living-wage jobs.

In the installation, maintenance and repair sector, white workers are overrepresented at 82 percent. Asian workers are underrepresented in these occupations, but other groups are employed in numbers that reflect their workforce participation. American Indian, Asian and Hispanic workers are more likely to hold living-wage jobs than other groups when compared to the total for this sector.

Phase 2: Engage the community

The next step in the project was to learn directly from businesses and communities of color about how the region can think differently about closing the gap between good living-wage jobs and workers from diverse communities.

To address this part of the study, PID conducted surveys and interviews to better understand how employees seek work and what barriers they face in the process. Similarly, Portland area businesses and unions were interviewed about their efforts to diversify their workforce in recruitment and retention.

To gain the broadest understanding possible, researchers worked with community representatives to conduct a survey in nine languages, including Arabic, Chinese, English, French, Persian, Russian, Spanish, Swahili and Vietnamese. In total, 547 paper and online surveys were completed.

Additionally, 165 individuals from 10 communities of color were interviewed, including individuals of African, African American, Bhutanese, Chinese, Latino-Mexican, Middle Eastern, Native American, Pacific Islander, Slavic and Vietnamese descent.

Finally, multiple businesses within the three identified industry sectors, trade unions and workforce development organizations were interviewed.

Listening to workers

Researchers learned that among non-ELL participants, the top five challenges in finding living-wage jobs are:

- ◆ No prior work experience
- ◆ Lack of required education or certification
- ◆ No call back after applying
- ◆ Lack of transportation for commuting
- ◆ A prior felony conviction

ELL participants reported the top five challenges in finding living-wage jobs are:

- ◆ No prior work experience
- ◆ Lack of required education or certification
- ◆ Unawareness of where to look for jobs
- ◆ Language barriers
- ◆ Family or child care obligations

See Figure 5.

Working with employers and trade unions

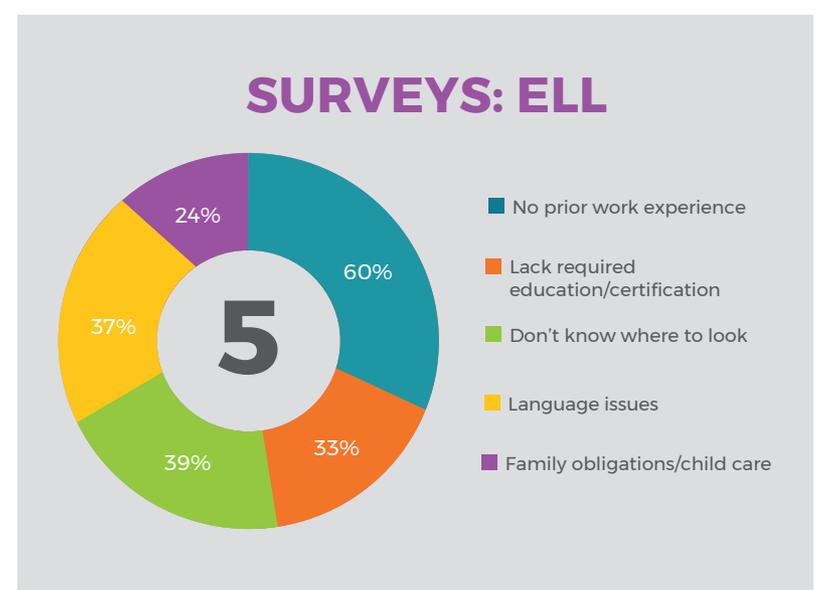
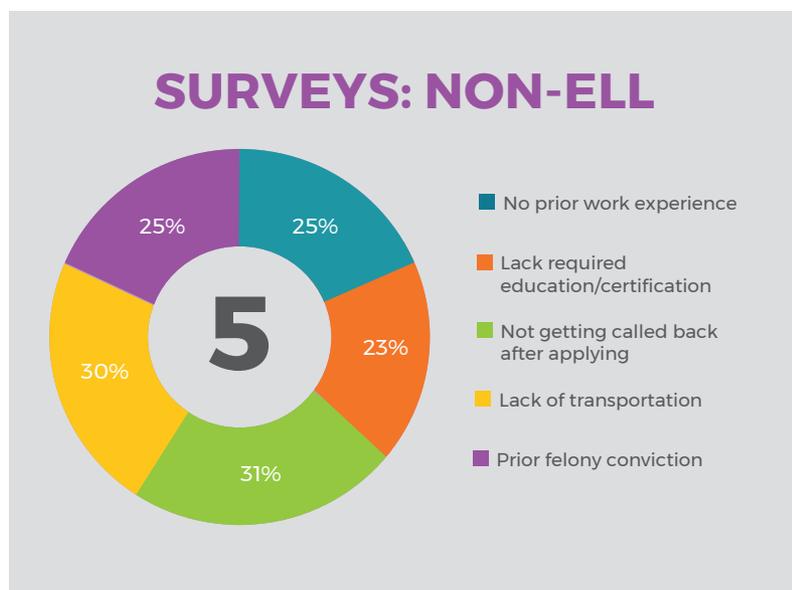
Recruiters in the three industry sectors, including unions and staffing agencies, were asked how they find job candidates from these communities and what, if any, practices have been implemented to adapt to changing diversity in the regional workforce.

Many organizations are focused on hiring a more diverse workforce but struggle with knowing the best way to recruit from these communities. The key is finding new ways for employers to use the resources available in the region. Currently, many use traditional ways to recruit workers, such as newspaper ads in ethnic publications or job postings sent to community organizations that do not have a primary focus on workforce development. As a result, these job postings do not always capture the attention of eligible community members as intended.

Some businesses have taken proactive steps to recruit ELLs and people from communities of color. For instance, some companies had removed barriers for applicants that do not meet specific education and language requirements. Other employers do not require workers to have a driver's license if driving is not a part of the job. Once hired, some companies provide training in the new hire's native language and organize work crews by language. While these practices are not employed by all companies, their success at some businesses shows opportunities for others.

Trade unions interviewed for the study reported that often participation in skilled trades is generational. Many of those who join a trade have a family history of union work. Unions also reported that language barriers can be a serious issue on job sites where safety is paramount, though in some cases crews that speak the same language have been formed to overcome this challenge.

Figure 5: Top challenges to finding living-wage jobs, non-ELL and ELL





Regional business leaders at a community gathering, April 2016.

Historically, union recruitment was based solely on referrals, but now many unions are proactively recruiting and seeking diversity in their membership. To make changes within the hiring structure, they said it is critical to have leadership at the top of the organization driving efforts to change.

Uncovering a class of professionals

Initially, the focus of the Workforce Diversity Project was on how to better pair workers to jobs that do not require an advanced degree. However, a unique issue emerged from survey respondents across all ethnic groups that needed to be addressed in the project. Many immigrants and refugees hold advanced degrees from their home countries but are unable to work in their respective field because their foreign credentials are not recognized in the United States.

In the licensure process, guidelines imposed by various state boards can be arduous and costly for immigrants and refugees who, in many cases, are required to take a low-wage job in another field in order to satisfy the government immigration requirements.

As a result, not only are these credentialed workers not able to fill the need for culturally competent workers, they are unable to capitalize on the

economic opportunities commensurate with educational attainment and contribute at higher levels to government revenues for critical services.

Phase 3: Set regional action initiatives and take action

From this vast body of research, three main action initiatives were identified for the Portland region to improve the workforce participation rate of people of color, including ELL workers.

Action Initiative 1: Help workers find local job opportunities

Raise awareness of resources

This starts with increasing awareness of existing resources and workforce organizations. Multiple workforce organizations exist in the Portland area, yet the project found that many communities of color do not know about or do not have access to these resources. For example, issues raised in community interviews included the need for help with resumes and interview skills, yet there are local organizations that offer these services.

It is also important for people from communities of color to get information about job opportunities, trainings and other resources from a trusted source. Through the relationships developed during the

course of this project between communities of color, businesses and workforce organizations, PID can now play an active role by being an information portal for workers and employers seeking job-related assistance.

Develop and share strategies for diversifying recruiting

Through interviews with human resource recruiters and job seekers from communities of color, several outreach tools and strategies were identified to help employers find new ways to diversify their workforce.

For communities of color, knowledge of potential employers is often needed before an applicant will pursue a job. Individuals from those communities of color cited little understanding of employers and companies, fear, perceived employer bias, an employer's lack of cultural understanding, and the need for better relationships between employers and community organizations, as barriers for pursuing jobs.

Also important is an understanding of whether or not an employer is being intentional about recruitment efforts and company policies that favor inclusion. When accountability and ownership of these practices is driven by top leadership, people from diverse backgrounds are more likely to apply.

Job seekers also desire more opportunities to connect with employers. This includes employers offering apprenticeship programs and on-the-job training where they may earn a salary while learning more about the job and the company. Other recommendations include building employer trust in the community by connecting to local organizations and participating in events. Employers can go even further by including more established diverse workers in the recruitment process and mentoring programs, as well as offering cultural competency training for leaders and management.

To increase awareness for those looking for work and to learn more about workforce diversity recruitment strategies, visit us online at www.partnersindiversity.org for a list of resources. PID is also working with human resource associations and other partner organizations to



disseminate those resources, including the Portland Human Resources Management Association and the Portland Business Alliance.

Action Initiative 2: Address language difficulties

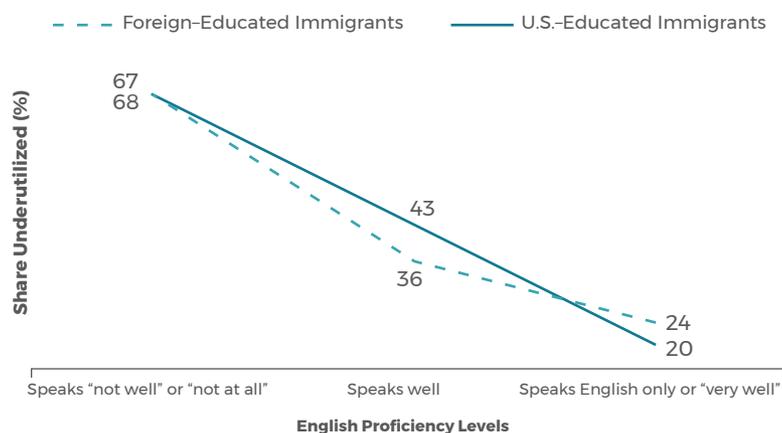
Provide translation and interpreter resources for employers and job seekers

Within communities of color, people who do not speak English are at a disadvantage in their ability to secure living-wage jobs. Results from surveys and interviews showed that many job applicants are concerned about their inability to understand the application, as well as their lack of experience in promoting or advocating for themselves during the interview process. Immigrants, refugees and some job seekers of color also feel discouraged by what they perceive as a bias due to language barriers.

For job seekers not proficient in English, providing applications and other materials in a worker's native language is important. Ensuring translations are correct is critical and illustrates that the employer respects the culture of potential or current workers, in turn creating an environment that values diversity.

A comprehensive list of translation and interpretation resources can also be found at www.partnersindiversity.org. Many of these translators have been certified by the Oregon Department of Justice to assist immigrants and refugees during court or other legal proceedings.

Figure 6: Underemployment/unemployment of highly skilled immigrants in Oregon, English proficiency, 2009-2013



Source: MPI analysis of 2009-13 ACS and 2008 SIPP data from the U.S. Census Bureau, with legal status assignments by Bachmeier and Van Hook.

Access to classes for English language instruction

Many interviewees from communities of color and ELLs expressed a desire to improve their language skills, but noted that finding classes that work within their schedule is a challenge. While there are English as a Second Language classes at many community colleges and other venues, many people would consider it a valuable contribution for employers to offer on-site classes or tuition reimbursement in support of their language development. **See Figures 6 & 7.**

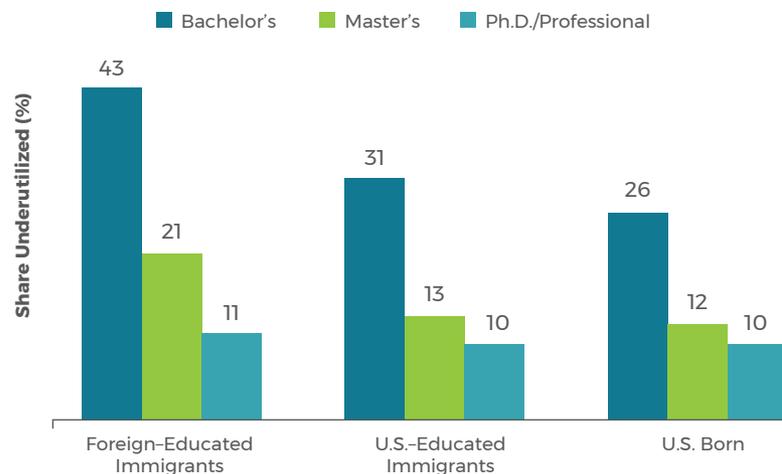
Action Initiative 3: Create pathways to professional and updated skills

Recredentialing programs for professional immigrants

For immigrants and refugees who have advanced degrees and professional certificates that are not recognized in the United States, there is a community-wide need to find more pathways for these workers to get recredentialled. Addressing this issue will take time in the Portland area, but there is interest at the state level to help identify the scope of the problem, learn which fields and communities are most likely to experience this issue, and identify potential solutions.

To make progress toward this goal, PID commissioned a report from the Migration Policy Institute (MPI). The group looked at how many highly skilled immigrants with at least a bachelor's degree reside in Oregon

Figure 7: Underemployment/unemployment of highly skilled immigrants in Oregon by degree and place of education, 2009-2013



Source: MPI analysis of 2009-13 ACS and 2008 SIPP data from the U.S. Census Bureau, with legal status assignments by Bachmeier and Van Hook.

and calculated the impact of this "brain waste" on the state's economy, including lost tax revenue at state and local levels.

MPI found that between 2009 and 2013, Oregon had 55,000 highly skilled immigrants with at least a bachelor's degree. Of these individuals, 27 percent were working in low-skill jobs or were unemployed. The value of annual earnings lost amounted to \$272.5 million during the period surveyed. If these immigrants had instead been employed to the level of their original credentials, their households would have paid an additional \$27.7 million in state and local taxes.

There are successful program models in other states and in Canada that Oregon could implement to put these individuals back to work in professional roles. One example is the Welcome Back Initiative, which currently operates in nine states. The initiative offers workforce training and resources to immigrants with advanced degrees seeking to recertify their credentials. Another example is the Michigan Office for New Americans (MONA), which was created through a state executive order in 2014, that offers a similar set of resources to help immigrants address barriers and to ease the process of recertification. MONA coordinates with the Michigan State Department of Licensing and Regulatory Affairs (LARA) and the private sector in the areas of workforce training, education, housing and health care to help immigrants with advanced degrees find quality work.

Conclusion

The Workforce Diversity Project was intended to identify and remove barriers for people of color, including ELLs, in accessing living-wage jobs, particularly in manufacturing, health care and skilled trades.

Over the course of three years, we sought to uncover why more people of color and ELL workers aren't participating in those industry sectors when they pay a living wage and don't require advanced degrees, as well as identify any unseen barriers preventing those individuals from filling those living-wage positions. Many of the solutions identified will help job seekers in communities of color regardless of the industry in which they seek work.

One important added value as a result of this work was PID and the Portland Business Alliance's ability to establish strong relationships with various Portland area communities of color, a critical step in becoming a trusted source of information about jobs and resources.

PID will leverage on these relationships and use its website as an ongoing source of information for both job seekers and employers. While there is no quick fix that will ensure barriers to employment are removed for communities of color and ELL workers, with the help of volunteers and other champions of this work within the community, our hope is that progress will continue to the benefit of all Oregonians.

Thank you to our partners



Here for Oregon. Here for Good.

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