



United Community Services  
of Johnson County

# A Plan to Increase Income through Employment in Johnson County

United Community Services of Johnson County

June 2017

# Acknowledgements

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# UCS Employment Planning Project

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Across the country, working people are experiencing a common predicament: inadequate income to meet basic needs. This phenomenon is present even in Johnson County, a traditionally affluent suburb of Kansas City. Although Johnson County is currently experiencing its lowest rates of unemployment in several years, poverty persists, and the high cost of living and working in Johnson County means that low-income workers are challenged to sustain their households.

Research indicates that when individuals have higher income, the entire community benefits through economic growth, improved neighborhoods, and increased health and well-being. Selecting the right mix of income-boosting programs, policy and practice solutions for Johnson County requires an understanding of who is affected by poverty and low wages, knowledge of existing resources and capacity to address the problem, and stakeholders committed to developing and implementing effective interventions and strategies.

UCS launched the Employment Planning Project to identify opportunities to improve employment and career pathways for low-income households. Based on the belief that employment should be a pathway out of poverty, the goal of the project is to develop a Johnson County-specific set of strategies to increase income and expand household-sustaining employment opportunities for low-income residents. The ultimate vision is that every household in Johnson County has adequate income to sustainably meet basic needs.

A volunteer work team led the Employment Planning Project, which was facilitated by UCS staff. UCS recruited members based on a combination of their professional expertise and their connections to sectors in the community that are relevant to the goal of the project. Multiple sectors are represented on the work team including workforce development, economic development, human services, post-secondary education, county government, funders, and regional planning. UCS board members brought additional expertise in municipal government, employment law, private business, and human service program development.

The work team met monthly from May through December 2016 to exchange knowledge and ideas, learn from local experts about employment and training programs, connect with existing employment-related collaborative initiatives, discuss opportunities and challenges, and develop targeted strategies. Additionally, the work team agreed to share the draft recommendations with key partners, stakeholders, and decision-makers in the community.

The work team examined various factors related to employment, workforce issues, the economic landscape, and emerging trends in education and training. Specific topics included:

- Current data on poverty among Johnson County workers and households
- State and regional employment trends and projections related to job growth and wages
- Evidence-based models for improving income and employment opportunities implemented in other communities
- Training opportunities offered by local employers in high-skill, high-demand professions
- Results of a survey of local employers
- In partnership with the University of Kansas, an analysis of focus groups with low-income workers
- Regional workforce initiatives

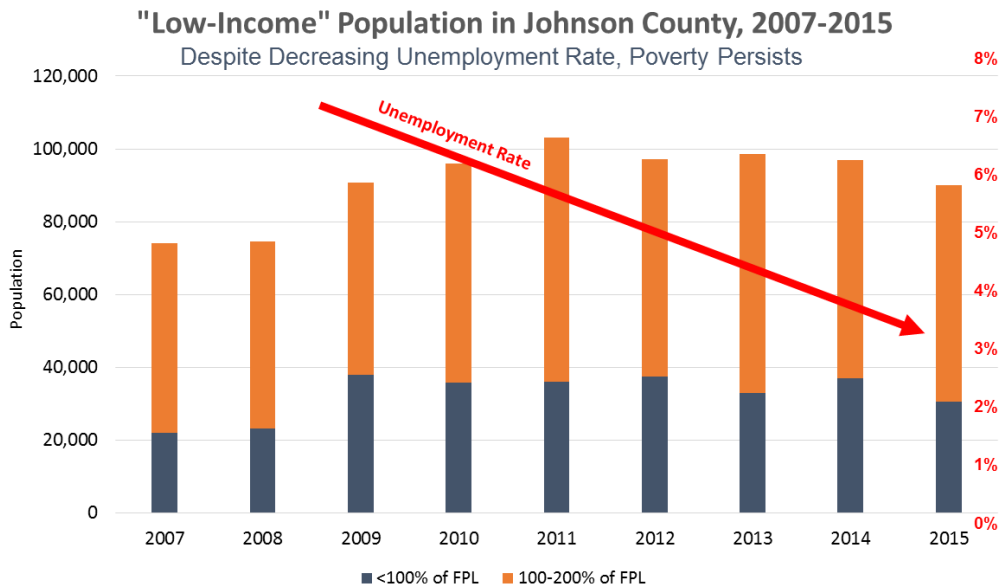
# Poverty and Work in Johnson County

Johnson County has experienced a significant increase in poverty since 2000; the poverty rate reached an all-time high of 7.1% in 2009 and remained relatively flat until 2015, when it dropped to 5.3%. In 2015, more than 30,000 residents lived below 100% of the federal poverty level (FPL) in Johnson County, according to the U.S. Census Bureau. Approximately 60,000 more residents make enough money to avoid the technical definition of poverty, but still not enough to regularly and sustainably meet basic needs. Overall, nearly 15% of the Johnson County population lives at or below 200% of the federal poverty level. For a family of three, this represents an annual income of less than \$40,800.<sup>1</sup> These households are referred to as “low-income.” Low-income residents are often only one catastrophic event away from devastating poverty and its effects.

Data indicates that in Johnson County:

- 80% of poor working-age residents are actually working, either full-time or part-time.<sup>2</sup>
- More than half of low-income workers are between ages of 25 and 44. 48% of workers in low-income households work full-time.
- The majority of low-income workers live in married couple families. Compared to the general population, low-income workers under age 35 in Johnson County are more likely to have children in the household, which often translates to higher household expenses to meet basic needs.
- 64% of low-income workers have some college or a college degree.
- The occupations of low-income workers in Johnson County include many categories that have a large proportion of part-time, seasonal, and unskilled work, including retail workers, food service workers, and customer service representatives.<sup>3</sup>

Johnson County’s unemployment rate is approximately 3%, but poverty remains a persistent problem, suggesting that residents are working but not making enough money to escape poverty. According to the Economic Policy Institute, wages have been either flat or growing slowly for several decades<sup>4</sup>. Simply being employed is not enough.



<sup>1</sup> See Appendix for a chart of income thresholds for 100% and 200% of poverty

<sup>2</sup> U.S. Census Bureau, American Community Survey 2015

<sup>3</sup> Mid-America Regional Council 2015

<sup>4</sup> “Wage Stagnation in Nine Chart,” Economic Policy Institute 2015

# The Cost of Living

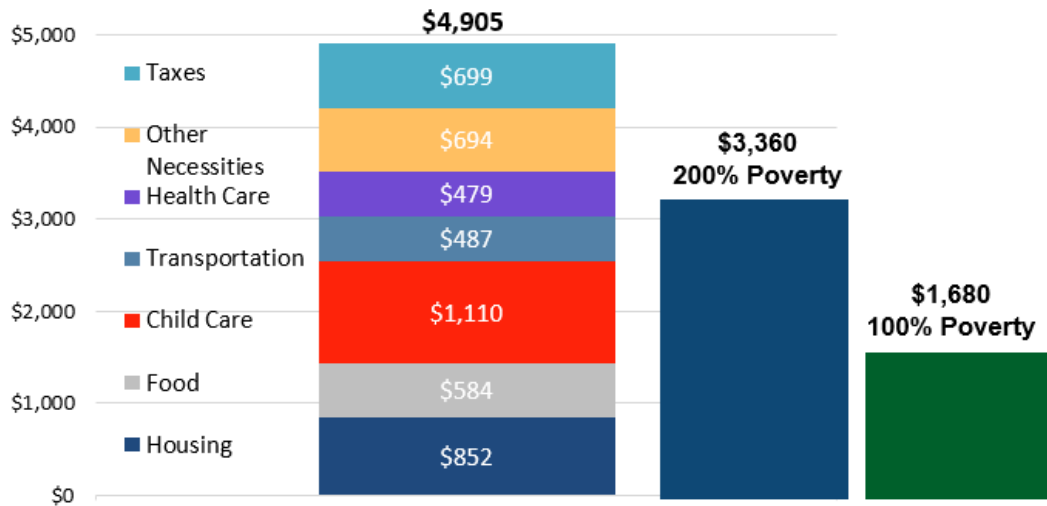
Johnson County has a relatively high cost of living compared to surrounding communities, meaning that even families above the poverty line may struggle to meet basic needs. Low-income residents in Johnson County earn well below what it actually costs to live in this community. They have limited funds to spend on life’s essentials such as a safe place to live, health care, reliable transportation, nutritious food and child care. Consequently, these residents consistently face difficult choices about how to use their limited resources to meet basic needs.

For the Kansas City metro area, the Economic Policy Institute estimates that it costs approximately \$59,000 annually (\$4,905 per month, \$28.00 per hour for full-time work) to attain a modest yet adequate standard of living for a household consisting of a single parent and two children. The cost of child care alone consumes almost a quarter of the household budget. Families in poverty earn less than 35% of what it costs to live in Johnson County, while families at 200% of poverty are closer to 70% of what it cost to live in the county. These families are faced with difficult choices and often go without certain necessities; they may rely on the public and charitable safety net, or depend on family and friends to help them.

According to 2015 data on wages paid by Johnson County employers, one in three jobs in Johnson County pay less than \$15.00 per hour, which is equivalent to \$31,200 for full-time year-round work<sup>5</sup>. Living and working in Johnson County has become increasingly challenging as job opportunities become concentrated in low-wage jobs.

## Living and Working in Johnson County Insufficient Income Requires Difficult Choices

What it Takes to Raise A Family – Single Parent with Two Children



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<sup>5</sup> Mid-America Regional Council, EMSI Q3 2015

<sup>6</sup> Economic Policy Institute, Family Budget Calculator 2016

# Employment and Workforce Landscape

Johnson County employers provided more than one-third of the full-time and part-time employment in the Kansas City metropolitan area in 2016, according to the County Economic Research Institute (CERI). The private sector industries with the most jobs in Johnson County include health care and social assistance, retail, professional and technical services, administrative and waste services, and lodging and food services. Together, these five industries provide half of all jobs in Johnson County. Public sector employment represents another nearly 10% of employment in the county.

## Employment Projections

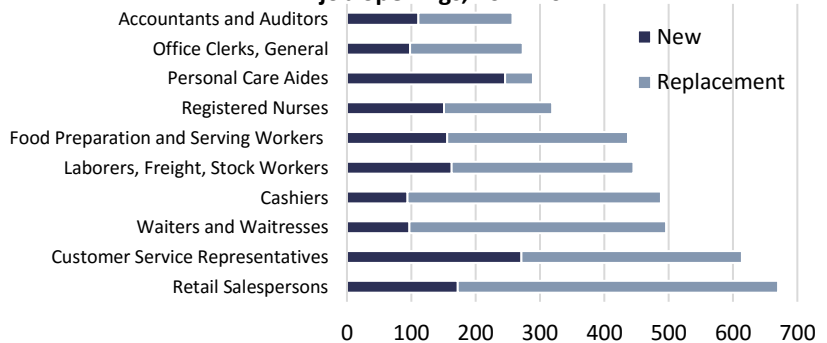
For the Kansas City Region (which includes the counties of Johnson, Wyandotte, Leavenworth), most of the occupations with the largest employment growth through 2022 will be in occupations paying less than \$15.00 per hour, according to the Kansas Department of Labor.<sup>7</sup> This includes such jobs as sales clerk, restaurant worker, cashier and personal care aide.

Approximately 18,400 annual job openings are projected by the Kansas Department of Labor for the 4-county area through 2022; 7,600 new jobs and 10,800 replacement jobs (openings created when workers retire or permanently leave occupations).

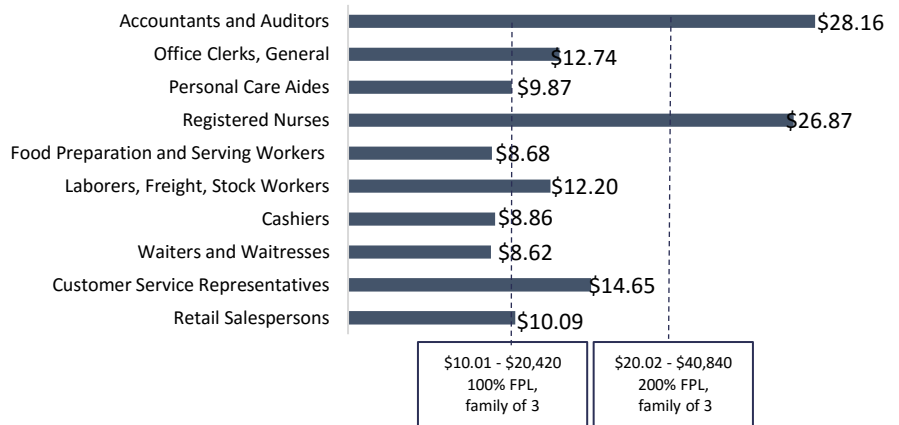
Median hourly wages for the 10 occupations projected to have the most annual openings range from a low of \$8.62 for waiters and waitresses to a high of \$28.16 for accountants and auditor.

The median wage is the mid-point, meaning half of workers will earn less than the wages projected. Of the top ten occupations projected for the most annual job openings, only two have median wage earnings above \$15.00 per hour. Four of the job occupations with the most projected job openings pay wages that would not lift a single parent with two children above 100% of the federal poverty level, even with full-time, year-round work.

**Occupations projected for most annual job openings, 2012-2022**



**Median hourly wage for occupations with most projected job opening, 2012-2022**



<sup>7</sup> Source: KS Dept. of Labor, Labor Market Information Services, 2014

# Perspectives from Employers and Workforce

## Job Fair and Employer Panel

UCS staff conducted informal interviews at a job fair in June 2016 in Kansas City, KS to better understand the priorities of both employers and jobseekers. As a result, UCS and the work team connected with employers offering jobs in high-demand skilled trade areas: sheet metal fabrication, HVAC, and plumbing. Representatives from these companies were invited to speak with the work team about apprenticeship training opportunities that pay household-sustaining wages, offer competitive benefits, and equip trainees with the necessary skills to be successful employees in their respective trade sector. The panel of employers also helped the work team to understand the opportunity of skilled-trade apprenticeships as a pathway out of poverty and into a household-sustaining career.

## Employer Questionnaire

UCS surveyed representatives from 26 Johnson County employers in an online survey. The questions assessed the perspectives, needs, and preferences of employers, providing insights into how employers recruit, retain, and create career pathways for people seeking work. Industries represented in the survey include consumer goods packaging; engineering, procurement and construction (EPC); audiovisual support services; medical equipment manufacturing; food service; freight shipping services; steel and metal distribution; technology; and healthcare.

## Key Findings

**Work experience ranked as the most important factor when considering a job candidate.** Half of respondents listed work experience, which includes technical skills, as the most important factor. Interpersonal interaction and personal presentation round out the top three most important factors according to the majority of respondents. Formal education and personal references were the least important, according to the majority. Many employers commented that a combination of factors determine if the candidate is a good fit.

**Recruitment of new employees comes mostly from referrals.** Twenty-one employers responded that “referrals from current or past employees” is the most prevalent way to recruit new employees. Other highly-ranked methods include online postings, the company website, and word-of-mouth. Job fairs ranked lowest as a recruitment strategy.

*“If the references are poor, we will rescind an offer...”*

*“The skills required to succeed do not necessarily come from a textbook...”*

**Certain skillsets are predictive of success in a job.** Technical skills ranked highest among respondents, followed by problem solving skills, communication skills, and critical thinking skills. However, several respondents commented that these skillsets are equally important to help an employee succeed.

**On-the-job training is common.** 100% of respondents named on-the-job training as an option to support successful employment. A majority of respondents also offered tuition reimbursement. Paid internships and apprenticeships were rare among respondents. None of the companies surveyed provide child care services or reimbursement for children.

**Lack of qualified applicants is a major issue.** Employers also struggle with high competition for qualified job applicants, and applicants who are unable to meet minimum qualifications or criteria for employment. One employer commented that employees expect higher wages than the company can afford, while another cited an “unmotivated workforce” as a challenge.

*“It is very hard to find the right person that is dependable, conscientious and trainable.”*

## Focus Groups with Low-Income Households

In order to better understand the lived experience of low-income residents in Johnson County, UCS partnered with Dr. Angela Gist, a researcher from the University of Kansas who conducted several focus groups on behalf of the Employment Planning Project. Dr. Gist’s research received institutional review and approval from the University of Kansas.

Dr. Gist met with small groups of low-income residents to better understand the experiences and constraints of low-income, underemployed, and unemployed residents of Johnson County. The purpose of this research was to provide insight into the personal and occupational lives of low-income workers and their families, and to inform potential recommendations for the Employment Planning Project, while giving voice to economically marginalized residents of the community.

Dr. Gist interviewed 25 participants, the majority of whom were women. Half of the participants were employed, while the other half were unemployed and looking for work. The majority of participants reported having some college education or higher, and the average participants age was 37 years old.

## Key Findings

*“I didn't have the opportunity to go to college right after high school... I need to actually put some work into myself to get to where I want to be.”*

**Common threads** that link the participants include being underemployed and feeling that societal structures make it difficult to rise above their current status in life.

Participants expressed a **desire for additional training**, including returning to school to earn a degree, because their current skills are not adequate to guarantee household-sustaining employment.

The majority of participants reported submitting **online applications** to find employment, fewer relied on their **social networks**.

Some participants reported age, education, transportation, child care, tuition costs, and institutional barriers such as a unwillingness to hire people with criminal records as **barriers to sustainable employment**. They reported working long hours at low-wage jobs, leaving little time to dedicate to a rigorous job search.

*“They all do credit checks because they say that that is an indicator of your behavior and your responsibility... [my bankruptcy] made me a higher risk.”*

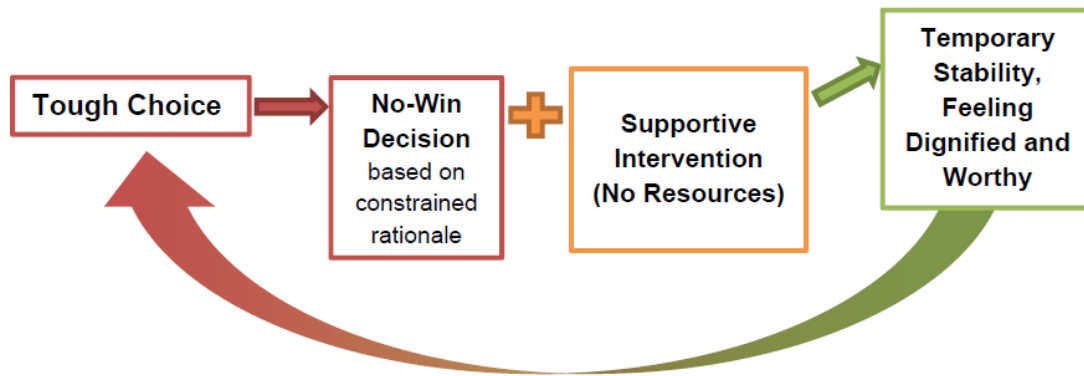
*“It's like a grieving process when you lose a job... it's very hard and you do feel hopelessness.”*

A common theme throughout the focus groups was the **strong desire for stability** and the willingness to work hard for it.

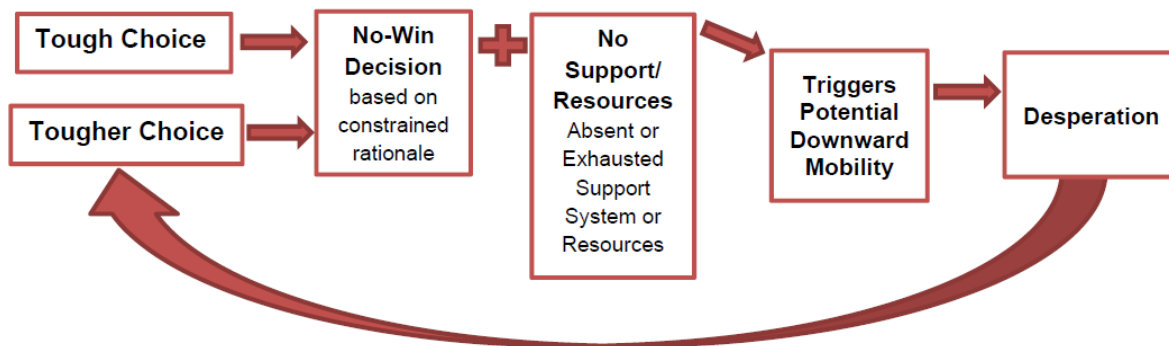


Dr. Gist developed two models of decision-making challenges for low-income workers to increase public understanding of the focus group findings. These models underscore the important roles of social supports, temporary safety nets, and long-term financial stability for low-income workers in Johnson County who seek to improve their income through work. In one model, an individual facing tough choices can find temporary stability through the support of a social network. However, in the second model where lacking a support system triggers downward mobility, individuals often are left to contend with tougher choices. This cycle was seen in many of the stories about employment and job seeking among focus group participants.

**Decision Making Model #1: Bystander Intervention**



**Decision Making Model #2: Missing Support System Triggering Potential Downward Mobility**



## Review of Existing Programs

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The work team studied existing regional and national programs and initiatives with similar goals to the Employment Planning Project. The purpose was both to gain insights from these models, and to discern opportunities for alignment, partnership or expansion in Johnson County. Such programs include:

### *KC Rising*

KC Rising is a regional, multi-sector collaborative effort to accelerate economic growth in the Kansas City metro area by improving quality jobs, gross metropolitan product, and median household income. In particular, the initiative aims to meet local demand for educated workers, especially in STEM-related (science, technology, engineering and mathematics) fields. KC Rising launched in 2014 and coordinates partners to maximize organizational efforts. Under its umbrella are programs such as KC Scholars, which provides scholarships to help adults earn a college degree.

### *PACE Programs*

Pathways for Advancing Careers and Education (PACE) is a ten-year evaluation of nine independent programs using promising strategies for increasing employment and self-sufficiency among low-income families. Funded by the U.S. Department of Health and Human Services and launched in 2007, PACE programs have similar practices and strategies, including: assessments of skills and needs; basic skills instruction and occupational training (“core curriculum”); academic and non-academic supports; and approaches for connecting students with career-track employment opportunities.

### *Kansas GOALS Program*

The Kansas Department for Children and Families launched a three-year program in 2016 with support from the U.S. Department of Agriculture to provide Supplemental Nutrition Assistance Program (SNAP or “food stamps”) recipients with career pathways that include a living wage job and opportunities for advancement. The program engages participants, employers, and statewide partners to stabilize participants through intensive case management services, train participants for living wage jobs, place participants in jobs with work-based learning, offer retention services including ongoing case management, participant and employer feedback and education, and peer coaching.

### *Financial Opportunity Centers (FOCs)*

FOCs are model-based community institutions that provide individual coaching through three integrated services: employment placement and career advancement, financial coaching, and income supports. Nationally, FOCs have shown remarkable outcomes for building financial capabilities and reinforcing positive financial behaviors. Since 2013, Local Initiatives Support Corporation (LISC) and the United Way of Greater Kansas City have partnered to implement FOCs in high-need geographic areas in the Kansas City area.

## Recommended Action Strategies

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The Employment Planning Project work team reviewed the available data and information presented in this report to develop targeted strategies aimed at improving income and employment opportunities for low-income households in Johnson County. The deliberation process focused on identifying the right mix of programs, policy, and practice solutions that will be relevant and realistic for Johnson County. The resulting strategies and action steps reflect the existing expertise of the work team and the collective knowledge gathered in the planning process.

These recommendations represent strategic, ambitious, realistic actions that the Johnson County community can take to increase income through employment and training opportunities. Some of these strategies are technical in nature, requiring decisive and clear direction and execution from relevant stakeholders. Many of these strategies, however, are adaptive in nature and will require ongoing learning, experimentation, and engagement of key partners to successfully achieve the objectives. UCS and the work team will share these recommended strategies with partners in Johnson County, including relevant multisector stakeholders, elected officials, and community leaders.

Ultimately, these strategies, together with a myriad of complementary efforts taking place in our county and region, will help low-income families in Johnson County improve their quality-of-life through household-sustaining employment.

### **Expand knowledge and access to career opportunities in high-demand skilled trades.**

The skilled trade sector can provide promising careers to Johnson County residents who take advantage of training and certification programs within technical fields. However, there is limited knowledge and awareness about these opportunities. Increasing knowledge about these opportunities, particularly among young people and residents with existing barriers to successful employment, can help increase household incomes both now and in the future.

#### **Recommended Action: Partner with local school districts**

- Learn from school districts where skilled training has been implemented
- Promote skilled trade career opportunities as desirable and well-paying professions and long term careers to student groups and parent-teacher organizations
- Share information about the diversity of certificate programs with career pathways (both for credit and noncredit), targeting educators, parent, and students
- Expose youth to successful employees in skilled trade fields and create pathways by which they might explore their interests and aptitudes

## **Work with the Department of Corrections to provide training opportunities for formerly incarcerated individuals.**

Nearly 70 million adults in the United States have a criminal record that will show up on a pre-employment background check, and a criminal background check reduces the likelihood of a qualified candidate getting an interview by 50 percent, according to the National Employment Law Project. As a result, job seekers with a criminal history face a significant barrier to employment, which has serious consequences for families and the economy. Fortunately, “fair chance” hiring policies are becoming more popular among employers across the community; one prominent example is “ban the box”, which removes the conviction history question on the job application and delays the background check inquiry until later in the hiring process. Preparing formerly incarcerated residents to be successful in jobs can help ensure that they remain out of poverty and avoid re-incarceration.

### **Recommended Action: Promote “fair chance” hiring practices among local employers.**

- Connect “fair chance” employers with Department of Corrections personnel to facilitate job placement upon work release
- Encourage employers to adopt “fair chance” hiring policies to increase work opportunities for formerly incarcerated individuals

### **Recommended Action: Prepare adults on probation and parole to enter the workforce**

- Incorporate “soft skill” training into existing mentoring program at the Johnson County Department of Corrections’ Adult Residential Center
- Partner with community organizations to provide job training at the Adult Residential Center for high-demand jobs

## **Advocate for successful employment of low-income residents among multiple stakeholders.**

As household-sustaining job opportunities become available in Johnson County, stakeholders must ensure that low-income residents have access to them and are equipped with the tools to be successful. Often low-income workers are not aware that paid training opportunities exist, or perhaps barriers like unpredictable schedules, lack of transportation, or unreliable childcare keep them from retaining employment. In many cases, the jobs that are available and accessible to low-income workers simply do not pay adequate wages. Stakeholders and decision-makers must come together to mitigate these challenges so that struggling households have the best possible chance at success.

### **Recommended Action: Increase awareness of free and subsidized training and employment opportunities available through KANSASWORKS/Workforce Partnership.**

- Partner with community organizations, including faith congregations, to share information about Workforce Partnership programs
- Identify food pantries to distribute Workforce Partnership flyers to clients seeking food assistance

### **Recommended Action: Partner with local Chambers of Commerce and temporary staffing agencies to engage businesses with high workforce demand**

- Meet with Chamber of Commerce representatives to discuss needs and opportunities in high-demand industries
- Explore innovative ways to help employers support successful employment, such as shared transportation for employees of businesses concentrated in the same geographic location

### **Recommended Action: Work with elected officials to prioritize businesses providing household-sustaining employment opportunities**

- Ask local elected officials to prioritize the use of incentives for businesses who pay employees at least \$15.00 per hour
- Ask cities/county to contract with companies who pay their employees/contractors at least \$15.00 per hour

## **Support the application for a Financial Opportunity Center (FOC) with a Johnson County organization**

A local FOC could significantly increase low-income residents' ability to sustain their household and plan for the future. Catholic Charities of Northeast Kansas is well-positioned to serve Johnson County residents with an FOC given its history of providing comprehensive financial literacy and support services.

### **Recommended Action: Support Catholic Charities of Northeast Kansas in establishing a Financial Opportunity Center in Johnson County.**

- Support application to United Way/LISC for an FOC implementation grant
- Identify and connect partners with Catholic Charities for successful application and implementation of an FOC

### **Recommended Action: Encourage FOC client participation in continuing education opportunities offered through KC Rising**

- Promote awareness and utilization of KC Degrees, a program that utilizes college success navigators in order to help adults return to and finish college
- Connect adults 24 years or older with at least 12 college credits to financial scholarships through KC Scholars, which will enable them to finish their degree

## About United Community Services of Johnson County

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United Community Services of Johnson County (UCS) is a nonprofit agency founded in 1967. The organization's mission is to provide data analysis, lead collaborative planning, and mobilize resources to enhance the availability and delivery of health and human services.

UCS works with community partners to identify current and emerging health and human service needs, develop immediate and long-term plans to address those needs, and implement specific strategies to put plans into action. UCS also examines the state and local policies that influence the well-being of the community's most vulnerable residents, advocates through education and legislative testimony, and convenes community collaborations. In partnership with community stakeholders, UCS has mobilized action to address social problems including poverty, child care, substance abuse, homelessness, and health care.

# Appendix

## Income Thresholds for the Federal Poverty Level

Persons in Household	2015		2016		2017	
	100% of FPL	200% of FPL	100% of FPL	200% of FPL	100% of FPL	200% of FPL
1	\$11,770	\$23,540	\$11,880	\$23,760	\$12,060	\$24,120
2	\$15,930	\$31,860	\$16,020	\$32,040	\$16,240	\$32,480
3	\$20,090	\$40,180	\$20,160	\$40,320	\$20,420	\$40,840
4	\$24,250	\$48,500	\$24,300	\$48,600	\$24,600	\$49,200
5	\$28,410	\$56,820	\$28,440	\$56,880	\$28,780	\$57,560
6	\$32,570	\$65,140	\$32,580	\$65,160	\$32,960	\$65,920
7	\$36,730	\$73,460	\$36,720	\$73,440	\$37,140	\$74,280
8	\$40,890	\$81,780	\$40,860	\$81,720	\$41,320	\$82,640

## Websites for Reference

**For current Johnson County data analysis on poverty, employment, and cost of living:**

[www.ucsjoco.org](http://www.ucsjoco.org)

**For current regional employment and workforce data:**

<http://www.kcworkforce.com/>

**For Dr. Angela Gist's focus group study:**

<http://ucsjoco.org/wp-content/uploads/Drowning-in-Quicksand-Gist-2017.pdf>

Citation: Gist, A. N. & Guy, A. (2017). Drowning in "quicksand": Theoretical exploration of social support in decision making processes among the financially insecure. Paper accepted to the Organizational Communication Division of National Communication Association in Dallas, TX.