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**Arkansas Career Pathways Initiative:
Progress Report of Activities and Outcomes during
Program Year Three (July 1, 2007 – June 30, 2008)**

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

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EXECUTIVE SUMMARY

In today's uncertain economy, states and regions are experiencing myriad workforce challenges. In the short run, layoffs and unemployment resulting from the current economic downturn dictate an immediate need for education and training to prepare workers for key occupations. In the long run, states and regions continue to exist in a global economy where ability to compete and success are determined by how well the skills of the workforce meet the needs of businesses.

Given these realities, Arkansas—a state with a high poverty rate—needs to increase the number of low-income and low-skill adults who access and complete education and training enabling them to attain good jobs and to contribute to the state's competitive position. To address this challenge, the Arkansas Career Pathways Initiative (CPI), which is administered by the Arkansas Department of Higher Education (ADHE), marshals public education and training resources to improve the employment and earnings prospects of low-income adults by preparing them to work in industries of importance in their regions. This report details the CPI activities and outcomes during FY08, the program's third year of operations. A full description of the CPI model and program description can be found in Appendix B.

Key Updates for FY08

Supporting Student Success in Tight Budgetary Times

Maintaining student services with a limited budget (\$8 million was awarded for 11 sites in FY07 and the FY08 grant was only \$12 million for 25 sites) was a challenge during FY08. CPI continued to encourage colleges to serve more low-income students and enhance their programs. However, limited funds dictated staffing and direct services to students, making some efforts difficult.

The 14 newest CPI sites, which began serving students in FY08, were most affected by budget limitations, unable to provide dedicated staff for pre-employment counseling, employability training, and job placement assistance programs for students.

Specifically, childcare and transportation assistance were limited at nearly all sites. With the higher cost of transportation and a childcare shortage of services previously provided by the Division of Childcare (DCC), all 25 sites expressed concern with direct student support. Most childcare cases from the 14 new campuses were ineligible since no new cases were funded by DCC in FY08. DCC reported that the lack of child care funds was a

statewide problem that not only affected pathways, but also led to the closing of some child care facilities in the state. ADHE/CPI reallocated some funds that were earmarked for other purposes to campuses that demonstrated an urgent need for additional child care funds.

That said, even in the face of budget constraints, sites developed innovative solutions for stretching resources, including the development of school-supply lending libraries, the rollout of enhanced financial aid counseling programs, and the formation of partnerships with complementary service providers in the community.

Emphasis on Employability

In FY08, the state CPI office placed major emphasis on “employability,” which it defines as the capacity of an individual to successfully obtain and retain a job. Employability services include the range of services provided to help students do this—particularly in high-demand industries.

Throughout the year, the state CPI office worked to develop a standardized system—complete with a flow chart depicting the steps involved in transitioning students from school to work, a student file for completers, and a database for recording career counseling and job placement services provided to students. Also in FY08, employment outcomes for program completers were collected and analyzed for the first time, and incentives were awarded accordingly to encourage CPI sites to place stronger emphasis on employment. To develop students’ job-related skills, CPI began using the state’s new Career Readiness Certificate (CRC).

Adapting to Rapid Economic Change

Rapid changes in national and state economies put growing pressure on educational institutions to guide workers into fields where jobs are currently available. In FY08, CPI sites were required to conduct “gap analysis” research to identify fields with a demand for workers and job opportunities for CPI completers.

Ongoing Technical Assistance

Given the challenges of the existing budget environment, the ADHE/CPI office provided technical assistance to local sites during FY08 to facilitate the rapid adoption of best practices and the efficient use of resources. Workshops were conducted on providing

effective support services to low-income students, enhancing employability services, and improving leadership and management.

Data Update

FY08 was a year of growth for CPI as enrollments increased by more than 110 percent—increasing from 3,750 to 7,834. Students in the initiative attained a total of 2,774 certificates/degrees during this program year, which is an increase of 1,853 over the previous year, although this still falls short of the targeted goal of 3,087 attainments. The success rate—measured as the percentage of students who attained a certificate or degree or were retained in school—stayed the same as the previous year at 90 per cent. Overall, the program is exceeding its total enrollment and Transitional Employment Assistance (TEA) enrollment goals but is not meeting its certificate- and degree-attainment goal. Additionally, eight of 11 reporting colleges surpassed goals for students entering employment upon program completion.

A WORKFORCE IMPERATIVE

In today's uncertain economy, states and regions are experiencing myriad workforce challenges. As the current recession continues to expand, the unemployment rate creeps up nationally as companies are forced to lay off workers or reduce hiring. At the same time, postsecondary education and globally competitive skills are becoming increasingly important. Together these two trends make it extremely important to be strategic in how education and workforce programs and resources serve individuals and employers. Now more than ever, states and regions will thrive or decline based in large part on how well they prepare unemployed workers for industries that are still growing while cultivating and retaining individuals who possess postsecondary educational credentials, technical aptitudes, and other employer-demanded skills over the long term.

For individuals as well as communities, the stakes could scarcely be higher. Over the past 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.¹ Looking forward, jobs that require education beyond high school are projected to be the fastest-growing segment of the labor market, expected to account for nearly two-thirds of all new jobs between 2006 and 2016.² Education has gained increasing value in the labor market, and demand for jobs requiring postsecondary credentials and degrees will continue to increase rapidly.

Unfortunately, many states have struggled to meet these challenges—largely because they lack a coherent or well-aligned approach to workforce development. 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 that businesses need in today's economy or to help people gain the education needed to succeed. Moreover, many states do not have effective strategies for working with the employer community to ensure that public workforce and education systems deliver workers with the right skills to remain competitive. Goals to target high-demand occupations for education and training

¹ 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.

² Authors' calculations based on U.S. Department of Labor, Bureau of Labor Statistics, "Occupational Employment Projections to 2016."

programs and to align workforce development priorities with economic development priorities are typically lost in many states' fragmented structures.

The workforce challenges in Arkansas mirror those faced by the nation. There is an immediate need to prepare workers for employment in a strained economy, a long-term need to support a competitive economy with a skilled workforce, and a fragmented system in need of alignment. Additionally, Arkansas has the eighth-highest poverty rate in the United States (15.6%),³ making it even more critical for the state to increase the number of low-income and low-skill adults who access and complete education and training that enables them to attain good jobs and contribute to the competitive position of the state.

As public education and workforce development systems prepare to serve their communities during these tough times, they will need to:

- Stay closely connected to the job market to align education and workforce efforts with the needs of employers.
- Increase postsecondary educational access and improve student success rates over the long term, particularly for low-income and low-skill adults.
- Build the capacity of postsecondary institutions and other education and training providers to work together to make these improvements.
- Be economical with funding and foster efficient partnerships among education, training, and support service providers to meet individual and employer needs.

THE ARKANSAS CAREER PATHWAYS INITIATIVE: BACKGROUND

Arkansas leaders recognize the need for an education and training system that addresses the state's economic challenges. Through the Arkansas Career Pathways Initiative (CPI), the state has sought to coordinate publicly funded education 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 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 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

³ "State Rankings: Personal Income Per Capita in Constant (2000) Dollars" (2006) Washington, D.C.: U.S. Bureau of Economic Analysis.

employment and education. Using the career pathways framework, the workforce system seeks to target jobs in industries of importance to local economies and create avenues of advancement for current workers, jobseekers, and future labor market entrants, as well as a supply of qualified workers for employers.

Community colleges play a linchpin role in career pathways. The career pathways framework promotes systemic reform for community colleges—providing a model that better aligns their various mission areas of workforce development, academic credentialing, transfer preparation, and remediation with the needs of employers. 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 the region’s economic vitality. 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 that help increase their skills and subsequent wages.

CPI, which began serving clients in fall 2005, seeks to improve the earnings and postsecondary education attainment of Arkansas’ low-income “TANF-eligible” adults by enabling them to work in industries of regional importance. 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.

Objectives for CPI

CPI seeks to improve the working relationships among public systems and enhance existing programs and services to help low-income people gain workplace skills leading to economic self-sufficiency and reduced Temporary Assistance for Needy Families (TANF) reliance. It also seeks to provide employers in key industries in Arkansas with skilled workers. The initiative accomplishes these goals by enabling upward educational and career mobility in targeted career fields for low-skill and low-wage individuals. 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 and industry focus.

CPI's objectives for program participants are:

- Increased enrollment in college-level certificate and associate degree programs
- Increased attainment of college-level certificates and associate degrees
- Increased job attainment and job retention in key industries

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 250 percent of the federal poverty level or less. Individuals must be the adult caretaker of a child under the age of 21 to be eligible.

Additionally, the initiative seeks to improve the level of engagement among educators and employers to generate work opportunities for students and serve the workforce needs of the private sector.

Phased Launch

The initiative was officially launched during the fall semester of 2005, when \$8 million in funding was awarded by the TEA Board to carry out this work. Eleven two-year college 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 Workforce Alliance for Growth in the Economy (WAGE) program (see description on page 24). Referred to as Phase I, six of the sites were selected to run pilots in an initial round of funding in fall 2005.⁴ The remaining five sites were funded and joined CPI during Phase II, in January 2006.⁵ Sites were funded with approximately \$500,000 each during the first year of the initiative; those funds were used to establish at each site a new career pathways office, where staff coordinate program activities and provide guidance and support services for students, as explained in more detail in Appendix B.

⁴ Phase I sites: 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.

⁵ Phase II sites: Arkansas State University–Beebe, Black River Technical College, East Arkansas Community College, Mid-South Community College, and Pulaski Technical College.

During the second year of the initiative, Phase I and II sites continued operations with budgets of approximately \$500,000 per site. Also during the second year, Phase III was launched, awarding funds to build career pathways programs to the state's 11 remaining two-year colleges and three technical centers affiliated with four-year institutions.⁶ The new sites were approved by the TEA Board in January 2007, and each received a grant award of approximately \$250,000 to begin building CPI on their campuses.

In FY08, during the third year of the initiative, the grant award for 25 campuses was \$12 million. The Phase I and II campuses received approximately \$500,000 per site in order to sustain their efforts. However, Phase III sites received grants of approximately \$250,000.

For a detailed description of the programs and services under CPI, please refer to Appendix B: The CPI Model.

Performance Measurements and Incentive Funding

The initiative's legislative mandate requires performance to be measured on student enrollment, student-earned certificates/degrees, employment rates, and employment retention rates. TEA client enrollment was included as an additional performance measure at the request of the Department of Workforce Services. After each fiscal year, incentive funding is disbursed on the basis of performance during the previous year. The performance measures established under the plan are as follows:

- *Enrollment:* Enrollment goals for Phase I and II schools were established based on CPI enrollment numbers during FY07. Goals for Phase III colleges were established based on total student enrollment at the college during FY07. The FY08 statewide enrollment goal was 6,175 students.
- *TEA Clients:* 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. A baseline of 10 percent of CPI students must be TEA clients; however, the

⁶ These sites 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.

number of TEA students available for enrollment and past number of TEA enrollments are considered when setting the goals for each college. The statewide TEA goal was 1,438 students.

- *Certificates/Degrees Attained:* The certificates/degrees tracked under this initiative are educational stepping stones and are described in Appendix B of this report. The performance goal for FY08 certificate/degree attainment was 50 percent of the enrollment goal—3,087 certificates or degrees.
- *Employment:* The percentage of students who attain a certificate or degree and gain employment must meet or surpass 55 percent. This target was chosen based on performance in other employment programs and input from site directors on realistic expectations.
- *Employment Retention:* Retention rates for CPI program completers are measured using Unemployment Insurance (UI) data. The goal aims for 80 percent of CPI completers who enter employment to be retained after six months—and 80 percent of those to be retained after 12 months of employment.

Incentive funds are distributed on a per capita basis for each benchmark 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, the college will receive incentive funds for all 25 clients. 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 incentive structure is intended to encourage sites to advance students up the academic ladder. One million of the \$12 million FY08 budget was set aside for incentives based on institutional performance and a pro-rated formula. Per capita incentive funding is as follows:

- *Enrollment*
 - Each TEA client enrolled: \$100
 - Each former TEA client enrolled: \$50

- Each new student enrolled (not enrolled at the college during the previous semester): \$100

- *Award Attainment*

Award Attainment	Student	Former TEA	Current TEA
GED	\$100	\$150	\$200
Employability	\$100	\$150	\$200
Certificate of Proficiency	\$200	\$300	\$400
Technical Certificate	\$300	\$450	\$600
Associate Degree	\$500	\$750	\$1,000

- *Employment among those who earn awards*

- Each student employed after program completion: \$200
- Each student employed after program completion in a targeted industry: up to \$750
- Each current TEA client who completes an award and enters employment: \$500
- Each former TEA client who completes an award and enters employment: \$250

- *Retention*

- Each degree or certificate awardee retained in employment after six months: \$200
- Each degree or certificate awardee retained in employment in targeted industry: up to \$750
- Current TEA client retained in employment: \$500
- Former TEA client retained in employment: \$250

CPI ACTIVITIES IN FY08

Supporting Student Success in Tight Budgetary Times

Recognizing that low-skill and low-income students often face challenges in completing their courses of study, CPI endeavors to provide direct student support services to help students succeed. Providing these services was challenging for Phase III sites, which were funded at approximately half the level of Phase I and II sites during FY07 and FY08. To supplement the limited support services experienced by Phase III sites in FY08, CPI encouraged sites to augment their relationships with community-based organizations. Additionally, constraints on the availability of childcare and transportation funds at all sites made providing these services challenging.

Phases I and II sites, which have received approximately \$500,000 in funding annually since the initiative was launched, typically provide support services including academic support and counseling, pre-employment skills training, job placement assistance, transportation and childcare assistance, and referrals to other outside services. The limitations on funding for Phase III sites, which receive an annual allocation of approximately \$250,000, has resulted in fewer such support services at these sites. Most notably, many Phase III sites do not have dedicated staff to provide employability services, which may affect job attainment and retention in future years. These limitations have affected career exploration counseling; interview and resume guidance; and pre-employment courses covering topics such as workplace attire and behavior, punctuality, and conflict resolution. Additionally, Phase III sites lack staff dedicated to posting job announcements or working with employers to facilitate job placement and retention.

All sites point to a shortage of childcare funding and the higher cost of providing transportation assistance due to inflated gasoline prices during the spring and summer of FY08 as particularly difficult challenges. To alleviate this strain, the state CPI office reallocated some funds that had been set aside for other purposes to campuses that demonstrated a need for additional childcare funds.

To address these budget challenges, many sites found innovative ways to provide support services to their students. Many campuses developed partnerships with local Workforce Investment Boards (WIB) to provide funding for tuition, transportation, and childcare. Other sites raised funds for student support services from the employer community. In other instances, cost-cutting measures helped stretch resources. One site initiated a program to lend textbook and school-supplies from a “loaner library”, while other sites began delivering financial planning seminars to teach students how to use Pell grants for childcare and transportation. Another campus set limitations on student support funds by requiring students to complete the earliest tiers of the career pathway—either an Employability Certificate or Career Readiness Certificate—before becoming eligible to receive support service funds.

In addition, counseling efforts have been stepped up to encourage students to use all of the services and resources available to them. For example, career pathways students receive financial aid counseling that guides them through applications for Pell grants and other assistance programs. When students are ineligible or have exhausted their benefits

from other financial aid sources, CPI offices are authorized to provide tuition assistance, although tight budgets makes these instances more rare.

Emphasis on Employability

A major emphasis was placed on “employability” during FY08. Employability is the term the state CPI office uses to describe the capacity of an individual to successfully obtain and retain a job. Employability services are the range of services provided to assist students to do this—particularly in high-demand industries. As noted above, employability coordinators work with students to provide services such as career exploration counseling, interview and resume guidance, pre-employment courses covering a variety of topics, job placement, and post-placement retention services. During FY08, the state CPI office worked to develop a standardized system to improve the employment outcomes of CPI completers. The system, still in the early stages of implementation, consists of a flow chart depicting the steps for transitioning students from school to work, a student file for completers, and a database for recording career counseling and job placement services provided to students.

CPI’s incentive structure encourages sites to place emphasis on employment and retention among program completers (see the incentive structure for employment and retention on page 7). In FY08, ADHE/CPI reviewed employment data for program completers for the first time and incentives were distributed accordingly. Using state UI data, information was collected for each student completing the program to determine employment status and earnings (see the outcomes tables on page 12-13 for more details).

In FY08, the state introduced a Career Readiness Certificate (CRC), which is a portable, assessment-based credential that measures an individual’s proficiency in key workplace skills. Students wishing to obtain a CRC use a tool called Key Train® to assess their skill level in basic reading and mathematics, and to obtain tutorial assistance if needed. When students demonstrate suitable proficiency they take the WorkKeys® assessment, and depending on their test performance can earn either a bronze, silver or gold level CRC.

The partnering state agencies involved in developing the CRC were led by DWS with assistance from the state One-Stop Career Centers, DWE, AATYC, the state Economic Development Commission, ADHE/CPI, and the Arkansas Department of Education. DWS purchased Key Train® and WorkKeys® assessments for the entire state. A number of employers in the state have started to require entry-level applicants to possess a CRC

as a hiring condition. Within CPI, the CRC is another way to obtain an employability credential, in addition to the WAGE and CPI Employability Certificates. CPI students attained 325 CRCs after the certificate was implemented during the last four months of FY08. By the end of FY08, about half of the CPI sites had made the CRC mandatory for CPI students, with the remainder considering doing so in FY09. A more in-depth report on CRC attainment will be included in next year's progress update.

Adapting to Rapid Economic Change

Recognizing that national and state economies are rapidly changing and local employers need a qualified workforce with up-to-date skills 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 employers' current needs for skilled workers.

Each career pathways site was asked to do a "gap analysis" for its region in FY08 to determine areas where the education and training system needed improvement to meet employers' skilled-worker needs. 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. Using this data, each site identified key industries in its community and conducted surveys with employers in these fields to ascertain skill needs. In career counseling sessions, CPI advisors then encourage students to target the high-demand, well-paying occupations identified during the gap analysis.

Ongoing Technical Assistance to Sites

CPI seeks to institutionalize best practices for assisting low-income students at each college. To do so, the state office organized workshops for sites on the following topics during FY08.

- *Serving Low-Income Students:* Numerous workshops have been held at CPI sites throughout the state at which ADHE/CPI staff members train college staff to better serve students in poverty. Three ADHE staff members were certified as trainers by aha! Process, Inc., a nationally renowned organization that trains service providers to better understand the barriers faced by people in poverty, and to help those in poverty overcome these barriers. Topics covered in the workshops include:
 - Understanding the culture and values of poverty.

- Teaching the hidden rules of the middle class to help students navigate college.
 - Improving service to students by better understanding student perceptions.
- *Employability:* CPI increased focus on developing employability skills among the target student population during FY08. ADHE/CPI hosted a technical assistance session for CPI site staff facilitated by Workforce Strategy Center (WSC) Executive Director Julian L. Alssid, with expert consultation from Public Assistance Program Specialist Stephen Kouns from the Kentucky Cabinet for Health and Family Services. The session focused on topics including the standardization of employability services at CPI sites across the state; the formation of partnerships with workforce training providers in the community; and job placement, job development, and data tracking strategies. After the workshop, WSC provided recommendations on how CPI could improve its statewide employability efforts. (See the “Employability Strategies for the Arkansas Career Pathways Initiative” Report.)
 - *Leadership and Management:* ADHE/CPI staff delivered workshops to college staff on topics to improve the day-to-day operations of CPI sites. The topics were:
 - Funding/budget management
 - Outreach and recruiting
 - Performance management and data tracking

DESCRIPTIVE STATISTICS FROM THE THIRD YEAR

FY08 was a year of growth for CPI as enrollments increased by more than 110 percent—growing from 3,750 students to 7,834 students. As FY08 was the first year that Phase III sites reported data, most of the growth in enrollments (77 percent) was due to the initiation of programs and services at these 14 sites, while another portion (23 percent) was due to additional enrollments at the 11 existing CPI sites.

As shown in Table 2, students in the initiative attained a total of 2,774 certificates/degrees during this program year. This is an increase of 1,853 over the previous year but still falls short of the targeted goal of 3,087 attainments. The success rate—measured as the percentage of students who attained a certificate or degree or were retained in school—remained the same (89.9%) for FY07 and FY08. Table 3 shows that 89.9 percent of all participants who enrolled (new) in career pathways during the second

quarter of FY08 successfully completed an award (certificate or degree) or were retained in good academic standing to the next quarter.

Overall, as shown in Table 4a, the program is meeting its total enrollment and TEA client enrollment goals but falls below its certificate and degree attainment goal. Table 4b shows that eight of the 11 Phase I and II schools, the only schools reporting employment outcomes this year, met or surpassed the employment goal of 55 percent. Appendix A provides additional statistics regarding CPI participants.

Table 1: Enrollment Growth Program Years One through Three

	FY06	FY07	FY08
Total Enrollments	2,233	3,750	7,834

Table 2: Certificates/Degrees Attained

Type of Certificates/Degrees	FY07	FY08	Change
GEDs	42	99	+57
WAGE/Employability Certificates	205	1,234	+1,029
Certificates of Proficiency	249	598	+349
Technical Certificates	204	437	+233
Associate Degrees	221	406	+185
Total Certificates/Degrees Attained	921	2,774	+1,853

Table 3: Completions/Retentions/Withdrawals during 4th Quarter FY08

Students	FY08	%FY08
Students in Cohort	955	
Students Completing from Cohort	379	39.6
Students Retained	480	50.3
Students Withdrawing or Dropping from Cohort	96	10
Success Rate (Completing and Retained Students)	859	89.9

The Cohort includes students who enrolled for the first time in a CPI program in the 4th quarter of FY08 (April, May, and June). The completion number represents the number of students who attained a certificate or degree in either the 4th quarter of FY08 or the first quarter of FY09 (July, August, and September). The retained students enrolled in the 4th quarter of FY08 and were still enrolled at the beginning of 1st quarter of FY09.

Success rate represents students who attained a certificate or degree plus the students who were retained.

Table 4a: Overall Enrollment, TEA Enrollment, Certificate and Degree Attainment Outcomes

Goals	Goal	Actual
Enrollment	6,175	7,834
TEA Clients	1,438	2,036
Certificate or Degree Attainment	3,087	2,774

Table 4b: Employment Outcomes

Institution	Employment	
	Goal (%)	Actual (%)
AR Northeastern College	55	68
AR State University—Beebe	55	60
AR State University—Newport	55	67
Black River Technical College	55	60
Cossatot Community College of University of AR	55	58
East AR Community College	55	58
Mid-South Community College	55	26
Ouachita Technical College	55	54
Phillips Community College of University of AR	55	55
Pulaski Technical College	55	50
Southeast AR College	55	62

Analysis of FY08 Statistics (Presented in Appendix A)

- *Enrollment Demographics:* As shown in Table A-1 of the appendix, an enrollment of 7,834 was posted during the last program year, with the enrollment at each site ranging from 125 to 797 students. The average age of a career pathways student statewide was 31. Overwhelmingly, the students were female (92 percent), and the data on ethnicity and race indicated that nearly 58 percent were Caucasian, 36 percent were African American, and small percentages were Hispanic or other minorities.

- *Eligibility:* The program enrolled 2,036 current or former TEA clients and many students who met other eligibility requirements. As shown in Table A-2, data indicate that 57 percent of participants were single parents and a large majority of student (75 percent) received Food Stamps or Medicaid. Many other students were current or former TEA recipients (26 percent) or meet the eligibility criteria based on qualifying incomes (28 percent).
- *Previous Education and Employment Status:* As shown in Table A-3, 92 percent of career pathways students were either high school graduates or GED recipients upon enrollment. This number remains the same as the FY07 percentage. Some 47 percent of pathways students were employed at the time of enrollment.
- *Certificates/Degrees Attained by Type:* Table A-4 shows that enrollments in associate degree programs were the most common, with nearly 60 percent of students pursuing that award and 406 successfully completing the degree. Technical certificate programs had the second-highest enrollment (1,240), followed by programs for employability certificates (971), certificates of proficiency (340), and GEDs (149).

PROMOTING SYSTEMIC CHANGE: NEXT STEPS

To expand the reach of the initiative, CPI sites enhanced their efforts during the third year of operations by increasing enrollments at existing sites and beginning to serve students at new sites. The sites are well-positioned in FY09 to affect change in the ways regional education and workforce organizations work together by enhancing partnerships among CPI campuses and workforce agencies, building stronger relationships with the employer community, and providing support services during these trying economic times to help students succeed in school and go to work.

The fast expansion of the program during the past three years speaks to the viability of the CPI concept; however, several key challenges and “growing pains” suggest opportunities for improvement moving forward. In particular, it is recommended that CPI sites focus on forming partnerships with external service providers. Especially at sites that have identified shortcomings in funding availability or provided services, partnerships with external service-providing organizations can help to bridge the budget and service gaps. The following recommendations suggest ways to address key challenges related to alignment and partnership development:

- ***Improve student support services:*** Sites expressed concern about the lack of funds available for services such as childcare, transportation, and student supplies in FY08. Funding for childcare is especially scarce, and many new cases are being turned down due to lack of financial support. Phase III sites were affected the most due to lower levels of startup funds, which limited their capacities to hire student support staff. ADHE reallocated some funds to help with childcare services, but CPI site staffs have said that this was insufficient to meet service needs. Further reallocations or additional funding for student support services is recommended. Additionally, sites may wish to seek partnerships with local service providers that may be able to help with support services. Potential partners may include community or faith-based organizations and government agencies.
- ***Improve employability services at Phase III sites:*** One of the major shortcomings resulting from limited funding during FY08 was that many Phase III sites could not hire employability coordinators, hindering each program's ability to provide pre-employment training and placement services. Employment and job retention outcomes are expected to be lower at these sites in future years. Funding for employability coordinators and services is recommended, as are partnerships with organizations that can provide employability services. Potential partners may include One-Stop Career Centers, community or faith-based organizations, and employment agencies.
- ***Continue to incent good performance but not at the expense of promoting systemic reforms:*** Institutional performance at CPI sites has exceeded the traditional performance standards of two-year colleges in Arkansas. Much of this success may be attributable to the incentive funds available to colleges based on their performance outcomes. Because these incentive funds appear to be an integral part of the success of the CPI model, they should be continued. However, one of the other key strengths of CPI is that it endeavors to improve partnerships among educational institutions and other service providers. CPI's funding structure should promote these partnerships. Guidance and technical support that encourages partnership development should accompany the award of incentive funds.
- ***Improve the sustainability of the funding model by utilizing a broader array of funding sources:*** Currently, CPI is mainly funded through the state's TANF allocation, which is administered by the DWS. The initiative should look to expand its

funding base to include Workforce Investment Act, Trade Adjustment Assistance, and American Recovery and Reinvestment Act resources to support ongoing efforts.

- ***Increase the Enrollment of ABE students in CPI programs:*** Despite the fact that CPI strives to create pathways for individuals with educational attainment below the high school level, students enrolling in CPI with no high school diploma or GED remains at less than 10 percent of participants by previous education (See Table A-3). This could be due in part to a communication gap caused by the fact that ABE is administered by DWS while higher education is coordinated by ADHE. Additionally, college ABE offices are not always located on campus, making partnership development even more difficult. Considering that nearly one quarter of adults in Arkansas do not have high school diplomas⁷, CPI should make every effort to remove barriers for ABE students who are seeking to advance in their educations and careers. This goal will necessitate enhanced partnership efforts between DWS and ADHE, as well as between college CPI and ABE offices, especially when they are not co-located.
- ***Improve student success:*** The only performance goal that CPI failed to meet during FY08 was that of certificate and degree attainment surpassing 50 percent of total enrollment; in FY08, the award attainments totaled approximately 35 percent of total enrollment. The drop in certificate and degree attainment, which CPI staff has attributed to dwindling resources for support services, indicates that an emphasis needs to be placed on helping students to achieve successful outcomes. Seeking funding from sources outside of TANF may help to address this issue in addition to improving the sustainability of the initiative as discussed above.

⁷ US Census, 2000.

APPENDIX A: TABLES

The following tables provide descriptive statistics regarding career pathways participation:

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

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

	Enrollments	Age (Mean)*	Gender		Race/Ethnicity			
			F (%)	M (%)	Black (%)	Hispanic (%)	White (%)	Other (%)
AR Northeastern College	403	30	91.1	8.9	36.7	2.2	60.3	0.7
AR State University—Beebe	478	30	88.3	11.7	11.7	2.3	79.1	6.9
AR State University—Mountain Home	205	30	87.3	11.7	0.0	2.4	92.2	5.4
AR State University—Newport	386	31	87.0	13.0	25.9	1.6	71.5	1.0
AR Technical University—Ozark	212	30	89.6	10.4	8.0	3.3	83.5	5.2
Black River Technical College	451	31	87.1	12.9	2.0	0.2	95.8	2.0
Cossatot Community College of University of AR	348	31	92.8	7.2	19.3	4.6	73.0	3.2
East AR Community College	300	30	93.3	6.7	60.0	0.3	33.3	6.3
Mid-South Community College	457	31	95.2	4.8	82.3	0.0	16.8	0.9
National Park Community College	221	31	92.8	7.2	21.7	2.3	73.3	2.7
North AR College	263	32	90.1	9.9	0.0	3.4	93.5	3.0
Northwest AR Community College	325	30	92.6	7.4	5.5	9.5	77.2	7.7
Ouachita Technical College	304	30	92.8	7.2	20.7	1.3	76.3	1.6
Ozarka College	259	31	91.1	8.9	0.0	1.2	96.9	1.9
Phillips Community College of University of AR	353	30	96.6	3.4	71.4	0.8	26.6	1.1
Pulaski Technical College	797	31	96.1	3.9	69.1	1.8	21.6	7.5
Rich Mountain Community College	163	31	94.5	5.5	0.0	1.8	97.5	0.6
South AR Community College	215	30	94.9	5.1	60.9	1.9	36.3	0.9
Southeast AR College	340	30	96.2	3.8	72.1	0.3	25.9	1.8
Southern AR University—Tech	205	31	94.1	6.8	66.8	0.5	29.8	2.9
University of AR Community College at Batesville	284	32	87.3	12.7	3.9	2.5	91.9	1.8
University of AR Community College at Hope	398	31	95.2	4.8	61.1	2.0	35.9	1.0
University of AR Community College at Morrilton	193	30	92.2	7.8	16.1	4.7	73.1	6.2
University of AR at Monticello College of Tech—Crossett	149	30	85.2	14.8	38.3	2.7	55.7	3.4
University of AR at Monticello College of Tech—McGehee	125	30	95.2	4.8	74.4	0.0	24.8	0.8
Overall	7834	31	92.2	7.8	36.2	2.1	58.4	3.3

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

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

	Single Parent (%)	Current TEA (%)	Former TEA (%)	Food Stamps/Medicaid (%)	At/Less Than 250% of Poverty (%)
AR Northeastern College	52	7	28	83	21
AR State University—Beebe	50	7	15	85	38
AR State University—Mountain Home	47	5	0	83	10
AR State University—Newport	47	6	22	87	36
AR Technical University—Ozark	55	4	18	90	39
Black River Technical College	36	2	11	55	89
Cossatot Community College of University of AR	48	4	5	61	97
East AR Community College	60	12	29	49	3
Mid-South Community College	71	13	15	37	34
National Park Community College	61	3	15	81	45
North AR College	56	5	12	72	13
Northwest AR Community College	75	4	9	99	4
Ouachita Technical College	55	3	1	80	12
Ozarka College	27	4	3	87	7
Phillips Community College of University of AR	63	23	15	63	12
Pulaski Technical College	86	10	36	66	7
Rich Mountain Community College	42	4	12	86	17
South AR Community College	80	6	32	91	2
Southeast AR College	82	11	39	89	6
Southern AR University—Tech	71	12	19	89	51
University of AR Community College at Batesville	24	1	21	86	78
University of AR Community College at Hope	74	4	26	90	15
University of AR Community College at Morrilton	61	3	9	82	9
University of AR at Monticello College of Technology—Crossett	67	8	26	83	32
University of AR at Monticello College of Technology—McGehee	64	7	0	67	30
Overall	57	7	19	75	28

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 Three

	Previous Education			Employment
	H.S. Diploma (%)	GED (%)	No H.S. Diploma or GED (%)	Employed at Application (%)
AR Northeastern College	68	20	12	44
AR State University— Beebe	67	23	10	14
AR State University—Mountain Home	78	18	5	56
AR State University—Newport	69	24	6	50
AR Technical University—Ozark	58	37	5	31
Black River Technical College	71	24	5	31
Cossatot Community College of University of AR	84	14	1	100
East AR Community College	86	11	3	57
Mid-South Community College	76	14	9	64
National Park Community College	70	27	4	89
North AR College	68	25	7	59
Northwest AR Community College	65	30	5	48
Ouachita Technical College	69	21	10	37
Ozarka College	56	38	6	0
Phillips Community College of University of AR	75	12	13	57
Pulaski Technical College	73	17	10	56
Rich Mountain Community College	64	32	4	54
South AR Community College	81	15	4	40
Southeast AR College	63	19	18	34
Southern AR University—Tech	82	14	3	58
University of AR Community College at Batesville	55	25	21	41
University of AR Community College at Hope	81	15	3	53
University of AR Community College at Morrilton	70	23	7	44
University of AR at Monticello College of Technology—Crossett	65	26	9	29
University of AR at Monticello College of Technology—McGehee	82	14	3	0
Overall	71	21	8	47

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

	New Enrollments in FY08	GED		Employability Certificate		Certificate of Proficiency		Technical Certificate		Associate Degree	
		Enr	Comp	Enr	Comp	Enr	Comp	Enr	Comp	Enr	Comp
AR Northeastern College	258	7	7	42	94	10	68	41	29	142	38
AR State University - Beebe	337	9	4	92	75	0	72	32	29	138	26
AR State University – Mountain Home	218	4	3	0	7	2	55	21	6	99	10
AR State University - Newport	190	6	6	54	92	2	50	42	42	67	11
AR Technical University - Ozark	235	5	9	76	62	0	11	120	18	100	8
Black River Technical College	348	1	2	0	2	2	21	72	21	146	29
Cossatot Comm College of U of AR	141	4	4	50	67	0	9	50	16	111	17
East AR Comm College	151	0	0	1	23	0	1	0	10	152	34
Mid-South Comm College	246	18	7	62	35	143	24	3	0	69	8
National Park Community College	257	0	1	24	34	1	3	130	29	111	14
North AR College	223	5	2	42	102	3	3	30	10	71	5
Northwest AR Comm College	284	6	6	56	96	1	1	1	0	198	9
Ouachita Technical College	192	14	2	57	116	1	31	47	23	111	9
Ozarka College	227	0	9	1	18	0	7	72	16	128	15
Phillips Comm College of U of AR	196	14	3	38	28	25	33	32	14	165	32
Pulaski Technical College	334	30	6	48	24	15	19	47	82	302	59
Rich Mountain Comm College	152	2	2	11	38	3	22	15	0	76	7
South AR Comm College	199	4	1	106	26	2	1	36	3	41	6
Southeast AR College	185	0	4	8	48	0	50	28	16	22	17
Southern AR University- Tech	123	0	0	61	27	6	22	20	16	65	16
University of AR Comm College at Batesville	221	5	5	8	20	10	45	43	0	166	8
University of AR Comm College at Hope	347	6	5	14	10	56	14	236	29	337	16
University of AR Comm College at Morrilton	199	1	5	40	44	21	5	30	2	76	7
University of AR at Monticello College of Technology - Crossett	156	5	5	63	50	32	7	45	17	20	4
University of AR at Monticello College of Technology - McGehee	196	3	1	17	96	5	24	47	9	2	1
Total	5615	149	99	971	1234	340	598	1240	437	2915	406

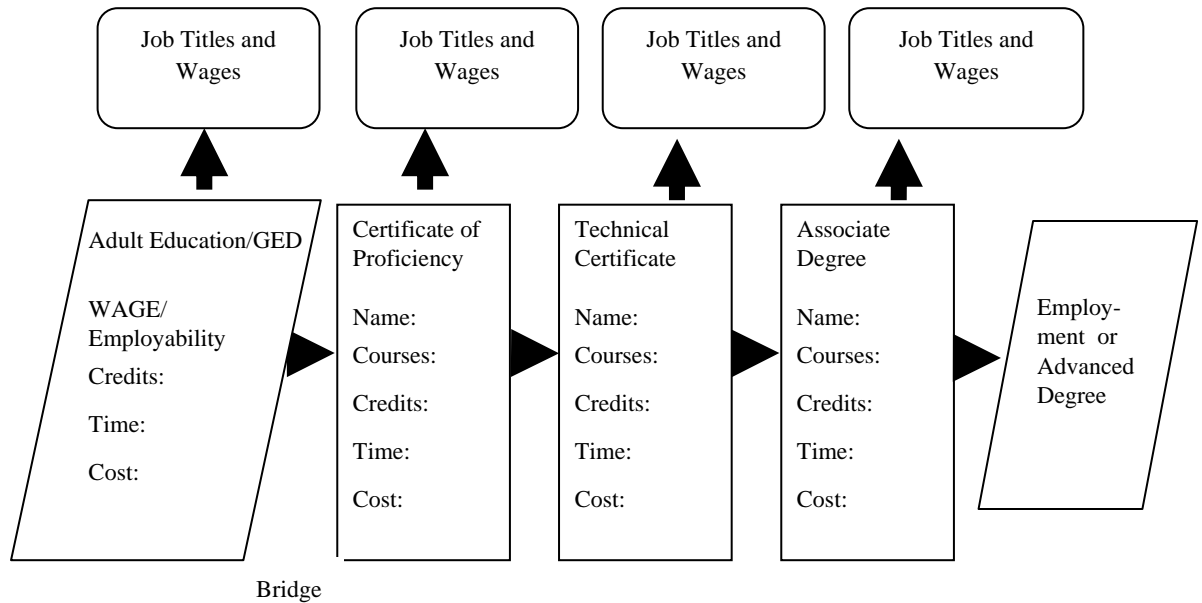
Note: Some students may have enrolled and completed more than one program during program year three.

APPENDIX B: THE CPI MODEL

Before CPI began to serve clients in fall 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, Career Readiness Certificate, 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 ADHE/CPI that 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/Career Readiness Certificate*: The WAGE program is a work-oriented adult education program that delivers basic skills training to low-skill clients. 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 that deliver comparable training. The Career Readiness Certificate is an equivalent employability certificate.
- *Bridge Program*: Bridge programs create easy transitions between different levels of education. 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 while receiving employability training.
- *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 that range from 7–18 semester 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). Some associate degrees articulate with four-year institutions in the state.

Description of CPI Sites

To help low-income students succeed in their educations and advance in careers, each community college opens a career pathways office staffed with a program director, community outreach coordinator/student advisor, intake/data/administrative support specialist, and curriculum coordinator. Depending on budget availability, sites may have a designated employability coordinator to oversee pre-employment skills training and other employability programs. CPI staff members seek to develop programs and establish new partnerships with social service organizations, education and training providers, and workforce and economic development organizations. They also work with local employers to identify high-demand occupations, job requirements, and pathways for advancement in local business and industries.

Often career pathways staff members are reassigned from other departments within the college, enriching the office with comprehensive knowledge and experience of the range of campus student services and programs. Additionally, faculty members from other parts of the college help identify educational pathways and redesign curriculum using faculty release time.

The program director is the overall manager of career pathways operations. The community outreach coordinator/student advisor helps students overcome both academic and non-academic barriers by developing individual career plans, holding regular one-on-one meetings, and referring students to support services as needed. The community outreach coordinators/student advisor also serves as the liaison between CPI campuses, the local TEA case workers, DHS, and community- and faith-based organizations to enroll TEA clients into CPI programs. The intake/data/administrative support specialist collects and maintains student data and assists with completing applications and verifying eligibility. The employability coordinator develops and oversees campus employability programs and tracks student employment and job retention rates. The curriculum coordinator works with college faculty to identify and develop educational career pathways, including the development of bridge programs and new or redesigned curricula.

CPI budgets fund staff salaries and benefits, office equipment, classroom facilities, instructional equipment and software, instructional and administrative supplies, advertising, student support services, and employability training. The source of funding for CPI is a DWS-approved TANF grant. Although they are not required to do so, all participating colleges have contributed in-kind funds to the career pathways effort.

The Role of the State Career Pathways Division

The ADHE Career Pathways Division oversees CPI and provides guidance to career pathways sites for running local offices. The CPI director, who reports to the ADHE associate director of academic programs, is responsible for the overall management of the division, including 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 or comparable employability programs on their campuses if they do not already exist. CPI employability programs teach skills for writing resumes and attending job interviews, basic computer skills, and soft skills training needed for employment.
- *Curriculum:* CPI provides guidelines to develop educational pathways 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. Initiative innovations include bridge programs, open-entry/open-exit courses, modularized coursework, specialized training, and effective use of instructional software. To help develop these innovations, the state office provides technical assistance, workshops, and seminars for CPI sites.
- *Data/Accountability:* CPI promotes data sharing across state agencies—a practice 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. The CPI finance staff administers the grants to local CPI sites.

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 focus on high-demand occupations. AATYC services include assistance creating linkages with business and industry. SGFF helps colleges create partnerships and linkages to community-based organizations for support services such as childcare and transportation. SGFF also provides leadership training for CPI site staff.

Student Services

The student services provided at CPI sites vary, but they typically include funds for tuition and books, career assessment, advising, tutoring, job search skills, and job placement assistance. In some 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 through other college departments and 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 other support services available in the community. 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 used when students enter the pathway.

An Individual Career Plan (ICP), which serves as a road map for educational and career advancement goals, is developed on enrollment for each student. 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, which enables students to improve basic skills in preparation for college-level

coursework, is available in each career pathways office for students who would benefit from individual study.

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 members often coordinate seminars on college survival skills and tutoring services. Additionally, counselors at each college monitor students' educational progress, often on a biweekly 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, CPI 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.