

**Regional Plan 2021-2024  
Bay Peninsula RPU**

**Workforce Development Boards of:  
Workforce Investment San Francisco (WISF)  
NOVAworks  
San Jose Silicon Valley Workforce Investment Network (SJSVWIN)**

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## A. ANALYTICAL OVERVIEW OF THE REGION

- *Provide an analysis of current employment and unemployment data.*
- *Provide an analysis of the current educational and skill levels of the workforce, the current needs of employers in the region, and any relevant skill gaps between the two.*
- *Provide an analysis of industries and occupations with an emerging demand.*

The BPRPU consists of Workforce Investment San Francisco (WISF), NOVAworks, and San Jose Silicon Valley Workforce Investment Network (SJSVWIN) and covers the geographic area of San Francisco, San Mateo, and Santa Clara Counties. The Office of Economic and Workforce Development (OEWD) is the operational arm of WISF—both names are used interchangeably throughout this document. Workforce services under the SJSVWIN are branded as work2future. The three WDBs worked closely together in planning for and administering regional initiatives.

North Valley Consortium (NOVAworks), as the current lead for the Bay Peninsula Regional Planning Unit (BPRPU), is submitting this Strategic Regional Plan, as required under the Workforce Innovation and Opportunity Act (29 US Code 3123). The plan is laid out in accordance with the guidance and requirements outlined in the California Employment Development Department’s Workforce Services Directive 20-05: “Regional and Local Planning Guidance for PY 21-24.”

The region is home to 3.6 million people, and has a civilian workforce of just over 2 million, with a pre-COVID-19 participation rate of 68.5%. The median age is 37.9, slightly higher than the state median age of 36.3. The BPRPU is a majority-minority region, with more Asian and fewer Latinx residents than the state percentages, as detailed in the table below. 36.8% of the population is foreign born and 19.7% speak English less than “very well,” slightly higher than the overall state percentage.

### Population Estimates (July 1, 2019)

	<b>California</b>	<b>San Francisco</b>	<b>San Mateo</b>	<b>Santa Clara</b>
<b>Hispanic or Latinx</b>	39.4%	15.2%	24.0%	25.0%
<b>Asian</b>	15.5%	36.0%	30.6%	39.0%
<b>African American</b>	6.5%	5.6%	2.8%	2.8%
<b>White (not Hispanic/Latinx)</b>	36.5%	40.2%	38.7%	30.6%
<b>Native American</b>	1.6%	0.7%	0.9%	1.2%
<b>Two or more races</b>	4.0%	4.5%	4.8%	4.2%

SOURCE: Census QuickFacts

On average, the region’s population is more highly educated and wealthier than the rest of the state. The poverty level is 8.4% compared to 14.3% statewide and the median household income in the BPRPU is \$112,351. Locally, the median household income ranges from \$112,449 in San Francisco, \$122,641 in San Mateo, and \$124,055 in Santa Clara. The economy, however, is a dichotomous one. Large percentages of residents in each county live below the self-sufficiency standard – 28% in both Santa Clara and San Francisco, and 33% in San Mateo. 6.1% of Santa Clara and San Mateo residents live poverty below the poverty line, as well as 9.5% of San Franciscans.<sup>1</sup> (Further detail on the cost of living in the region appears in the next section).

Of individuals ages 25-64 in the region, 55.6% have a bachelor’s degree or higher, compared to 33.8% statewide. Individuals lacking a high school diploma comprise 9.8% of the population, compared to 16.3% for California overall. Of individuals of working ages 18-64, 5.6% have a disability (compared to 8.1% statewide) and individuals with disabilities have a labor force participation rate of 46.3% (41.2% statewide).

### **Education Level Percentages of Individuals 25 to 64**

	<b>Less than HS degree</b>	<b>HS graduate</b>	<b>Some college, no degree</b>	<b>AA degree</b>	<b>BA degree or higher</b>
BP RPU	9.8%	13.0%	15.0%	6.5%	55.7%
California	16.3%	20.4%	21.5%	7.9%	33.8%

SOURCE: JobsEQ

The following table summarizes the numbers of employed and unemployed individuals in the labor force (preliminary figures for November 2020).

<b>County</b>	<b># in labor force</b>	<b># employed</b>	<b># unemployed</b>	<b>% unemployed</b>
San Francisco	566,500	534,100	32,400	5.7%
Santa Clara	1,042,700	989,600	53,100	5.1%
San Mateo	444,700	422,000	22,700	5.1%
Region	2,053,900	1,945,700	108,200	5.3%

SOURCE: EDD

### **Commute Patterns and Cost of Living**

Housing and transportation infrastructure play important roles in the dynamics of the regional economy. Affordable rental housing and opportunities for homeownership offer long-term social and financial benefits, making housing an important economic influencer. Sadly, home ownership is out of reach for many Bay Area residents. The RPU’s median house value is \$952,485, making it one of the most expensive housing markets in the country.

It also worth noting that the cost of living is 95.7% higher in the Bay-Peninsula region than the U.S. average, meaning that even apparently high household incomes are offset by much higher

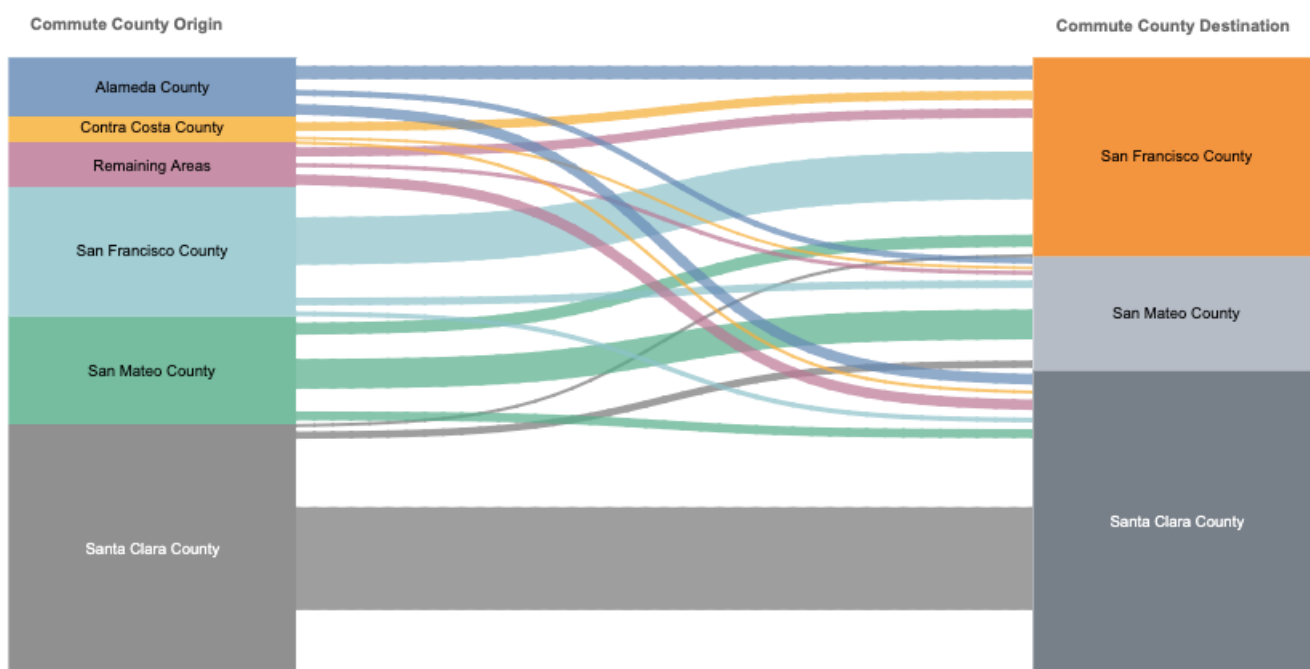
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<sup>1</sup> Insight Center for Community Economic Development

expenses. The Self-Sufficiency Standard measures the actual cost of living on a county-by-county basis, accounting for different family sizes, ages of children and local variation in costs. The Self-Sufficiency Standard for Santa Clara County is \$106,981, San Mateo \$125,995, and San Francisco \$123,442.<sup>2</sup> A large percentage of residents in each county live below the self-sufficiency standard – 28% in both Santa Clara and San Francisco, and 33% in San Mateo.

There is considerable cross county commuting within the Bay Area, with lower wage workers commuting in from lower cost of living counties, sometimes over significant distances. The majority of San Francisco (78.2%) and Santa Clara (86.4%) residents work in their county of residence. The proportion in San Mateo is lower, with only 56.8% of residents working within their county, with significant portions traveling to San Francisco or Santa Clara for work. The 2019 American Community Survey found that average commute times are approximately half an hour, with an average 33.8 minute commute for San Francisco workers and a 29.3 minute commute for San Mateo and Santa Clara workers.

The following EDD graphic provides a visual representation of these commute patterns:



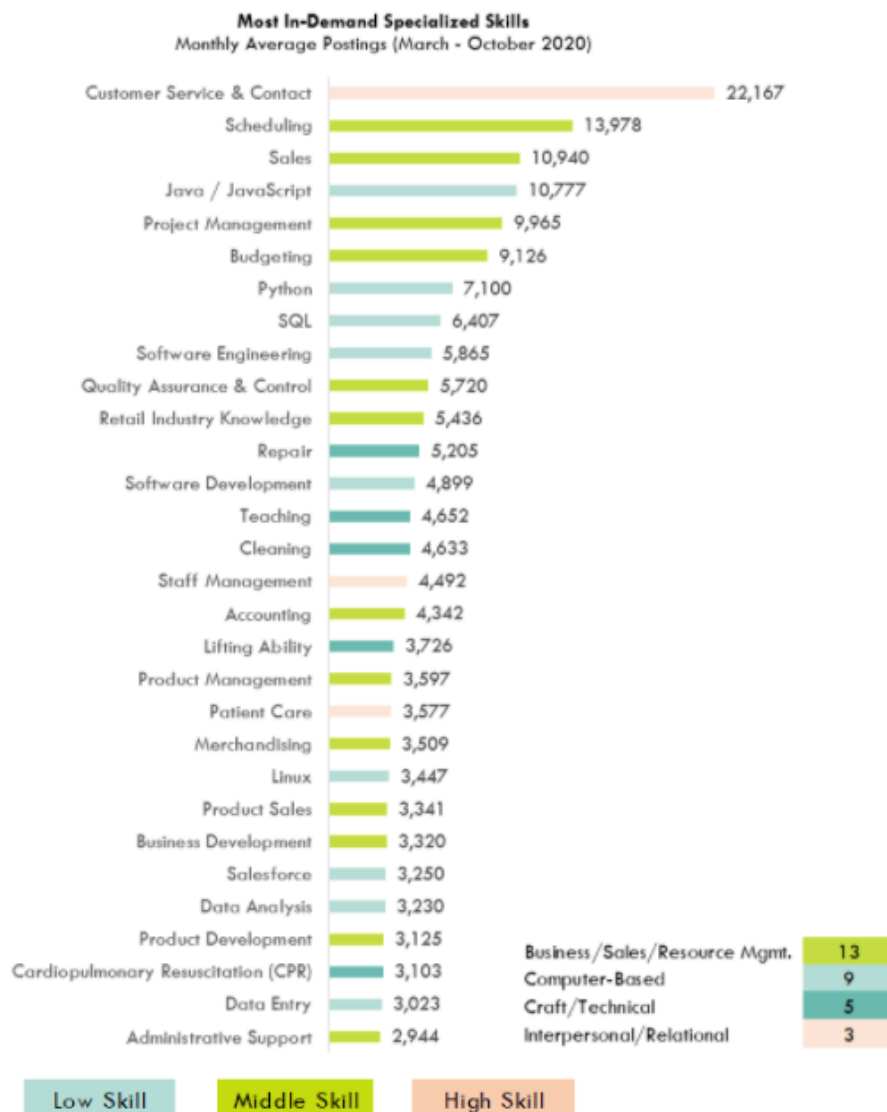
### Knowledge and Skills Analysis

In analyzing knowledge and skill requirements for middle skill occupations and higher, there are clearly a wide variety of requirements. However, some knowledge and skills are more sought after than others, and represent competencies that are widely in-demand across many types of employers. The WDBs of BPRPU address any skills gaps between participants and their employment goals on a case-by-case basis, with each participant developing an Individual

<sup>2</sup> Figures based on estimates for two adults and two children (one infant and one preschool age). Insight Center for Community Economic Development

Employment Plan to address those gaps. For English Language Learners and those needing basic education, High School Equivalency/GED preparation and/or ESL courses are offered by the following adult schools in the RPU: San Francisco City College, South San Francisco Adult Education, San Francisco State University, San Mateo Adult School, San Mateo Adult & Career Education, and the South Bay Consortium for Adult Education, a collaboration of four colleges and five adult schools in Santa Clara County. Most schools offer online and independent study programs (SF State allows adult learners to take classes without formal admission to the University).

The following chart presents the most in-demand technical skills listed in job postings each month between March 2020 - October 2020 for the Bay Region, color coded for low, middle, and high skill levels. Each skill is listed with the average number of times it has appeared per month over the 8-month period.



SOURCE: San Francisco Bay Center of Excellence for Labor Market Research

The following table is based on a JobsEQ analysis of skills required in local job listings, compared with skills held by job seekers, based on uploaded resumes. The table reflects a comprehensive list of "all" skills within the 3-county BPRPU — both the skills available (resumés) the skills desired (job listings), as well as the gap. The table is arranged by descending order of the most often desired skills in job listings. Although these data do not capture job seekers who do not upload their resumes to job search sites and not all employers post their jobs online, they provide an interesting snapshot into some of the skills gaps that exist.

<b>Skill Gaps: Bay-Peninsula RPU</b>			
<b>Skill</b>	<b>Candidates (resumés)</b>	<b>Openings (job listings)</b>	<b>Gap (difference)</b>
Microsoft Excel	29,878	28,357	1,521
Microsoft Office	21,760	21,592	168
Microsoft Word	10,588	10,121	467
Microsoft Outlook	11,774	10,040	1,733
Microsoft PowerPoint	9,895	9,781	114
Cash Handling (Cashier)	6,432	8,208	-1,776
Sales	7,642	7,985	-342
Python	7,873	7,386	487
Teaching/Training, School	6,690	7,317	-627
Presentation	5,975	6,902	-927
Retail Sales	6,569	6,843	-274
Spanish	7,963	6,588	1,376
Structured Query Language (SQL)	7,225	6,285	940
Java	7,298	6,021	1,276
Salesforce	5,735	5,857	-122
Customer Relationship Management (CRM)	5,933	4,934	999
Finance	5,367	4,920	446
Agile	7,375	4,791	2,584
Marketing	4,628	4,749	-122
Keyboarding/Typing	3,532	4,726	-1,194
Oracle	5,325	4,599	725
Mathematics	4,021	4,558	-537
Bilingual	5,497	4,320	1,176
SAP	4,343	4,231	112
Hospitality	2,549	3,860	-1,311
Teaching/Training, Job	3,267	3,848	-581
JavaScript	5,169	3,827	1,341
Google	2,794	3,811	-1,017
Serving	2,210	3,753	-1,543
Linux	3,922	3,718	204

Finally, the following is an analysis completed by EDD of the skills most needed for top in-demand occupations:

- Active learning
- Active listening
- Complex problem solving
- Coordination
- Critical thinking
- Equipment maintenance
- Equipment selection
- Installation
- Instructing
- Judgment and decision making
- Learning strategies
- Management of personnel resources
- Mathematics
- Monitoring
- Operation Control
- Operation Monitoring
- Operations Analysis
- Programming
- Quality Control Analysis
- Reading Comprehension
- Repairing
- Science
- Service Orientation
- Social Perceptiveness
- Speaking
- Systems Analysis
- Time Management
- Troubleshooting
- Writing

SOURCE: “Regional Planning Unit Summary: Bay-Peninsula,” Employment Development Department, Labor Market Division, Revised September 1, 2016.

As mentioned previously, the WDBs of the BPRPU work with customers individually to address existing skills gaps. The BPRPU plans to continue working with job seekers to prepare them in the above skills and other skills in-demand by regional employers, and to work with the region’s employers to understand their workforce needs and challenges.

### **Economic Repercussions of the Pandemic**

The recent pandemic has deeply affected the state’s workforce and job availability. A September 2020 report by Beacon Economics, an independent economic research and consulting firm, found that the Bay Area job market was recovering faster than the rest of California. The report contrasted how unemployment had fallen to 8.4% in the South Bay and 9% in San Francisco as compared to the state average of 14%, demonstrating that the largely tech-driven Bay Area economy had thus far weathered the repercussions of the pandemic better than most industries. Although the employment rebound is strongest in Silicon Valley, service sector workers continue to be deeply affected.<sup>3</sup> A study by work2future<sup>4</sup> found that the largest declines in job postings are in lower-paid, medium-sized occupational groups, and that occupations with lower educational requirements as well as occupations more vulnerable to automation are at higher risk of COVID-19-related unemployment. The research also showed that young and Latinx workers are disproportionately in occupations with high risk of COVID-19-related unemployment. These findings were substantiated by on the ground intelligence from stakeholders at input sessions, who identified the hospitality industry as being particularly impacted by the pandemic.

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<sup>3</sup> <https://abc7news.com/economy-coronavirus-california-unemployment/6440214/>

<sup>4</sup> Automation, Artificial Intelligence, and the Future of Work in Silicon Valley

Stakeholders also pointed out that small businesses have been devastated, and resources will be needed to help re-build that part of the economy.

An October 2020 internal analysis by the San Francisco Office of Economic and Workforce Development (OEWD) found that although the local unemployment rate appears to be declining, the change can be mostly attributed to limited job gains and discouraged workers - 27,000 San Francisco residents have left the labor force. In fact, San Francisco's unemployment rate would be 14.4% if the number who have left the workforce was added to the number of unemployed. Six years of jobs gains for San Franciscans have been erased by the pandemic, and the economic recovery is largely eluding vulnerable worker populations, especially teens, workers without college degrees, women, and Black, Latinx and Asian workers. San Franciscans have filed 314,000 unemployment insurance claims since February. In fact, almost five times as many San Francisco contractors and freelancers have filed for the new Pandemic Unemployment Assistance (64,000) since February than the total number of San Franciscans that were unemployed to start the year (11,300). Notably, in the first half of 2020, San Francisco experienced the most dramatic decrease in sales tax revenue (over 50%) of a cohort of major California cities, likely because it didn't benefit from the spikes in increased taxable online spending other large California cities saw.

The figures are similarly dire for San Mateo and Santa Clara Counties – which saw 214,000 and 533,000 unemployment insurance claims, respectively, since the beginning of the pandemic. Thus, although the unemployment rates reflect the fact that many of the region's white-collar workers remain employed and able to work remotely, the situation is far more dire for lower wage workers who are the primary customers of the regional workforce system.

The Harvard University-based project, Opportunity Insights Economic Tracker, provides interesting and real-time data on the impact of the pandemic on various economic indicators.<sup>5</sup> California overall saw a 36.7% decrease in the number of small businesses open when comparing January to December 2020, while the region saw decreases of 47.7% in San Francisco, 44% in San Mateo, and 44.4% in Santa Clara Counties. In addition, for the same time period small business revenue decreased by 33.9% statewide, compared to decreases of 55.4% in San Francisco, 44.6% in San Mateo, and 41.8% in Santa Clara Counties. Using payroll data from Paychex and Inuit, worker level data from Earnin, and timesheet data from Kronos, the Economic Tracker reports an 8.2% decrease in employment statewide when comparing January to October 22, 2020 – while the region saw decreases of 18.5% in San Francisco, 17.7% in San Mateo, and 6.7% in Santa Clara Counties.

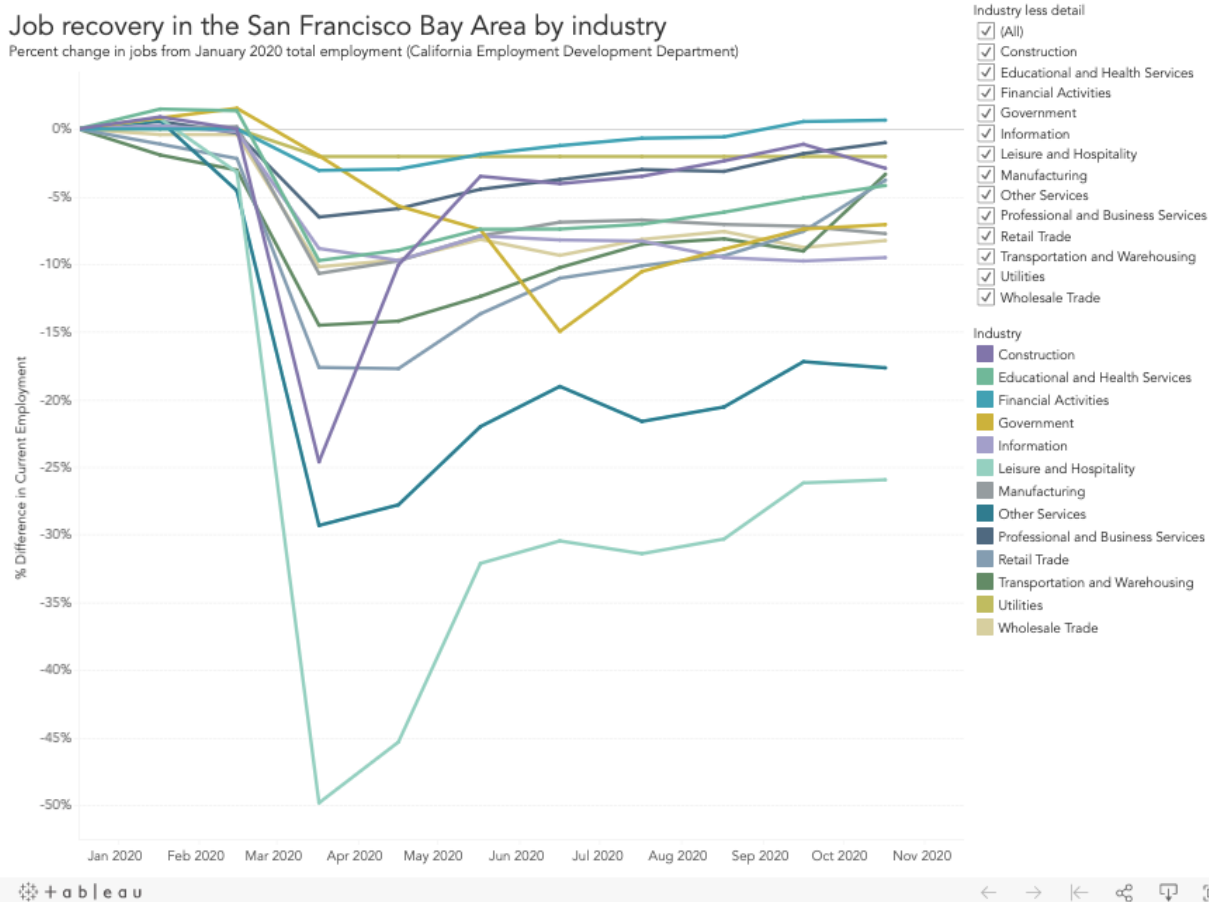
A study by the Bay Area Council found that since October 2019, the Bay Area labor force has fallen by more than 56,000 people. In addition, COVID-19 has had a regressive impact on female labor force participation, as women are over-represented in some of the most impacted occupations, and many mothers have been forced to leave their jobs because of children at home due to school closures. Similar to the other studies, their research showed that the lowest wage industries in the Bay Area have experienced the deepest and most sustained job loss (especially

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<sup>5</sup> <http://tracktherecovery.org>



Accommodation and Food Services and Retail Trade).<sup>6</sup> Below is a chart illustrating the comparatively slow recovery of certain industries across the Bay Area, especially in Leisure and Hospitality and Retail Trade.



SOURCE: Bay Area Council<sup>7</sup> and EDD

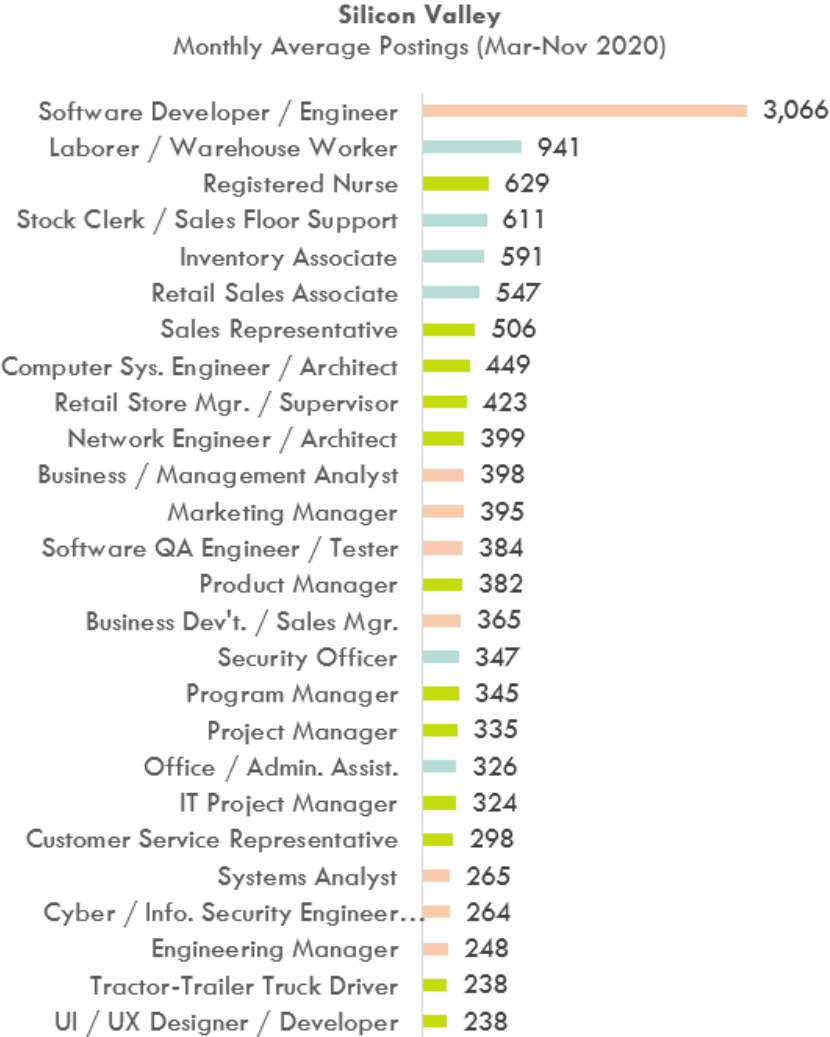
The San Francisco Bay Center of Excellence for Labor Market Research developed a list of **pandemic-resilient jobs**. More specifically, the 25 jobs listed for the Silicon Valley sub-region below appeared among top jobs posted for the sub-region every month between March - November 2020. Each job title is listed with their average monthly postings over the 9-month period.

Jobs listed below are **color coded** according to the level of training and skills typically required for the position: Low, Middle or High. Generally, Low Skill jobs include jobs that require educational attainment of a high school diploma or less. High Skill jobs typically require a minimum of a bachelor's degree or higher. Middle Skill jobs typically require an associate

<sup>6</sup> <http://www.bayareaeconomy.org/report/economic-profile-2020-the-impact-of-covid-19-on-the-regional-labor-force/>

<sup>7</sup> <http://www.bayareaeconomy.org/report/bay-area-economic-recovery-tracker/>

degree or some college; completion of an apprenticeship; and/or are occupations that typically require a bachelor's degree but are frequently filled with workers having some college experience or an associate degree.



The impacts of the pandemic are also deeply felt amongst community-based organizations and partners, as revealed in stakeholder input sessions. Many regional recovery efforts are underway across local governments, community-based organizations, and community colleges, including: San Mateo County’s Recovery Initiative, which has developed 125 recommendations for community partners across nine focus areas; the San Francisco Economic Recovery Taskforce, which includes elected officials, labor, business organizations, CBO’s, philanthropy, and OEWD; and Santa Clara’s Recovery Taskforce which runs specific initiative-focused sub-committees. The NOVAworks Director chairs the Economic Recovery of Residents subcommittee of the Santa Clara Recovery Taskforce, and sits on the steering committee of the Catholic Charities Initiative, the Santa Clara County COVID-19 Bridge to Recovery Program, which seeks to provide quicker access to and enrollment in critical safety net benefit programs and a more integrated, coordinated, and sustainable CBO safety net benefits ecosystem in the

county. NOVAworks is also writing a strategic plan for the County of San Mateo focused on fostering economic recovery, economic resilience and greater access to opportunity for all residents.

Given this context, the following labor market statistics are based on what is known currently, but economic conditions remain unpredictable and prone to significant changes, as the long-term effects of the pandemic play out. Some of the labor market data in this plan may be based on pre-pandemic data; the sources of the data are all cited. The Workforce Development Boards of the RPU intend to continue to track labor market trends and integrate new data as it becomes available, and will revisit their list of priority industries once the pandemic has passed. For example, many stakeholders have noted that the future of employment in the hospitality industry remains unclear, and workforce system strategies may need to change accordingly.

## **B. FOSTERING DEMAND-DRIVEN SKILLS ATTAINMENT**

- *Identify the in-demand industry sectors or occupations for the region.*
- *Describe how the RPU and regional partners will expand or develop, and then implement sector initiatives for those in-demand industry sectors or occupations.*

### **Labor Market Analysis and Forecast**

The following is an overview of Bay Peninsula regional economic conditions including existing and emerging sectors and occupations, labor market forecasts, employment needs of employers in the region, and other labor market trends. As previously mentioned, this is a summary of currently available data.

The RPU previously identified five priority sectors that are critical to the growth of the regional economy and the creation of high-demand, high-opportunity jobs:

- Health Care
- Advanced Manufacturing
- Construction
- Information Technology (IT).
- Hospitality

These sectors<sup>1</sup> have been identified by the RPU as critical to the region for the creation and retention of high-demand, high-opportunity jobs.<sup>8</sup> The region is highly specialized and growing in certain advanced manufacturing subsectors, such as electrical equipment and component manufacturing, which grew by 8.3% from 2014-18. Construction grew by over 22.1%. Healthcare and Hospitality are both among the largest employment sectors in the region, and grew by 11.9% and 11.7%, respectively. While many starting positions in the hospitality sector have low wages, there are both real on-ramps for the hardest to serve--such as Limited-English speakers-- as well as real pathways to further education, training, and job

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<sup>8</sup> Unless otherwise cited, information in this section comes from “Regional Planning Unit Summary: Bay-Peninsula,” Employment Development Department, Labor Market Division, accessed Jan 15, 2021

advancement. The region’s highest specialization as measured by location quotient is in IT, and it grew over 47%. The region is over two times as concentrated in IT as the rest of California, and certain sub-sectors (data processing and related services, software publishers, other information services) have even higher location quotients, ranging from 4.2 to 5.1.

### Top Occupations in the Region

The top occupations across all industries (as determined by existing data) are concentrated in Office and Administrative Support Occupations, employing 287,085 workers. The next-largest occupation groups in the region are Computer and Mathematical Occupations (232,370 workers) and Sales and Related Occupations (201,266). Over the next year, the fastest growing occupation group is expected to be Healthcare Support Occupations with a +3.0% year-over-year rate of growth. Stakeholders at input sessions noted the need to identify new jobs that come about because of the pandemic, including in Healthcare. See the table below for the largest 12 occupations across industries.

**Top 12 Occupations by Employment Numbers in the Bay Peninsula RPU (2020)**

<b>Occupation</b>	<b>Employment</b>	<b>Average Annual Wages</b>	<b>Location Quotient</b>	<b>Annual % Growth</b>
Office and Administrative Support	287,085	\$54,500	0.96	0.2%
Computer and Mathematical	232,370	\$129,800	3.25	2.1%
Sales and Related	201,266	\$64,200	0.88	0.7%
Management	196,120	\$171,000	1.28	1.4%
Business and Financial Operations	190,913	\$101,800	1.46	1.5%
Food Preparation and Serving Related	174,356	\$36,300	0.92	1.4%
Transportation and Material Moving	138,945	\$48,300	0.71	0.8%
Educational Instruction and Library	116,748	\$75,300	0.88	1.0%
Healthcare Support	96,471	\$38,200	0.93	3.0%
Production	96,125	\$122,200	0.71	1.7%
Construction and Extraction	91,469	\$48,300	0.66	-0.2%
Architecture and Engineering	77,088	\$75,100	0.70	1.3%

SOURCE: JobsEQ

With regards to projected growth, the following table illustrates the top 25 in-demand middle-skill occupations by projected job openings from 2016-2026, with median annual wages. It is likely that these projections will change with post pandemic data. Middle skill occupations typically require more than a high school diploma but less than a bachelor’s degree. The in-demand occupations reflect various in-demand sectors, including healthcare workers and computer specialists. 25% of the below occupations fall under Health Care and Social Assistance.

<b>SOC Code</b>	<b>SOC Title</b>	<b>(Median) Annual Wage</b>	<b>Total Openings</b>
43-3031	Bookkeeping, Accounting, and Auditing Clerks	\$56,610	26,070
15-1151	Computer User Support Specialists	n/a	21,500
25-9041	Teacher Assistants	n/a	15,630
39-5012	Hairdressers, Hairstylists, and Cosmetologists	\$30,544	13,580
31-1014	Nursing Assistants	n/a	12,760
31-9092	Medical Assistants	\$51,356	12,600
25-2011	Preschool Teachers, Except Special Education	\$43,007	10,000
17-3023	Electrical and Electronics Engineering Technicians	\$70,574	8,790
15-1134	Web Developers	n/a	8,750
53-3032	Heavy and Tractor-Trailer Truck Drivers	\$54,362	8,260
31-9091	Dental Assistants	\$56,964	6,870
49-3023	Automotive Service Technicians and Mechanics	\$57,772	6,850
43-4151	Order Clerks	\$43,167	6,420
23-2011	Paralegals and Legal Assistants	\$78,567	6,200
39-5092	Manicurists and Pedicurists	\$31,133	5,770
15-1152	Computer Network Support Specialists	n/a	5,660
31-9011	Massage Therapists	\$40,183	4,340
29-2061	Licensed Practical and Licensed Vocational Nurses	\$68,984	4,190
49-2022	Telecommunications Equipment Installers and Repairers, Except Line Installers	\$62,489	3,650
43-4161	Human Resources Assistants, Except Payroll and Timekeeping	\$51,712	3,030
49-3011	Aircraft Mechanics and Service Technicians	\$86,646	2,790
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	\$72,625	2,740
17-3011	Architectural and Civil Drafters	\$68,795	2,630
19-4099	Life, Physical, and Social Science Technicians, All Other	\$60,382	2,430
33-2011	Firefighters	\$113,644	2,170

SOURCE: EDD

Although all employment in the Bay-Peninsula RPU is projected to grow 1.2% over the next ten years, occupations typically requiring a postgraduate degree are expected to grow 1.5% per year, those requiring a bachelor's degree are forecast to grow 1.5% per year, and occupations typically needing a 2-year degree or certificate are expected to grow 1.4% per year.

## **BPRPU Sector Initiatives**

The BPRPU WDBs have worked on a number of sector initiatives to support job seekers onto career paths in priority sectors. As a region, the RPU has been most focused on the tech sector. Using Slingshot and Regional Plan Implementation grants, the BPRPU has worked to promote apprenticeships in the tech sector so that under-represented communities may also benefit from the wealth of the tech economy, through its Apprenticeship Bay Area Initiative.

The Slingshot 1.0 effort focused on employer engagement and developing apprenticeship curricula with local community college partners. NOVAworks successfully partnered with a Bay Area community college consortium to create a common DevOps curriculum that was implemented at College of San Mateo, Merritt College and City College of San Francisco (CCSF). Focusing on employer engagement, this initiative built a “learning culture” infrastructure among employers and service providers that is foundational to the creation of sustainable apprenticeships and other mechanisms designed to increase job seeker access. Similarly, OEWD leveraged relationships with local education and training providers and local employers to develop curricula and implement a cybersecurity apprenticeship program at CCSF. These programs are ongoing and demonstrate the feasibility of workforce development-community college partnership for tech curricula and apprenticeship development.

The RPI 2.0 and 3.0 funds support Apprenticeship Bay Area efforts to explore opportunities for creating 21<sup>st</sup> century regional networks that leverage the power of employers, job seekers, education and training organizations, and governments to yield greater impact, efficiency and transparency for job seeker and employer customers. As a result of Slingshot 1.0, the Bay-Peninsula and East Bay RPUs have joined to form a cross-RPU dialogue and engage in more robust regional planning. The Tech Hire Oakland (THO) network is one beneficiary of that partnership as Silicon Valley tech companies now have greater access to diverse talent in Oakland and Alameda County. As a result of the SlingShot investment, THO has connections to additional prospective Silicon Valley employer partners, is developing a compact for its training partners that will likely lead to a data sharing agreement and is developing new standards for employers deemed worthy of THO partnership. The SlingShot network vision is that companies seeking to establish tech apprenticeships – such as Applied Materials in Silicon Valley – will have access to trained and vetted talent represented by 30 East Bay training providers.

Prior to the pandemic, OEWD contracted with Social Policy Research Associates to serve as a thought partner and to assist in landscape analysis data collection and data consolidation. The landscape analysis was completed through interviews with employers, intermediaries and education partners. The RPU engaged national partners, such as New America and Jobs for the Future, to bring a national perspective into work, and collaborated with the South Bay WIB in the Los Angeles area to gather blended best practices specifically around youth apprenticeship, and to collaborate on employer partnerships around apprenticeship.

Since the start of the pandemic, Apprenticeship Bay Area has been very sensitive to the needs of industry, education systems, and the many job seekers left without a vision for their future. As the economy and companies have begun to reopen and hire again, staff have been vigilant in

reconnecting with employers and partners. In July 2020, staff finalized a modified internal work plan (responsive to COVID times) and began reengaging with partners, with the larger question of “what are your current thoughts on apprenticeship” driving momentum. Many employer partners who were invested in apprenticeship maintained their programs successfully through COVID, and for partners who had not invested in apprenticeship, many were reframing what jobs within their company would look like and how to source talent.

Apprenticeship Bay Area has had great success with three well-known national companies trying to build bridges to opportunity locally. The first one, in tandem with community colleges and Apprenticeship Bay Area, began to build out pipelines for their community college program graduates, working with BPRPU on understanding how workforce can support students with additional opportunities and training. The second company is reimagining their workforce training programs and has worked closely with Apprenticeship Bay Area to try and align their five unique reskilling programs with the region’s workforce systems. Finally, the third company is working with staff to register their apprenticeship program, which would give great momentum amongst the tech giants in the region. This third company worked with Apprenticeship Bay Area to source applicants for their new cohort of apprentices.

The BPRPU plans to continue with its Apprenticeship Bay Area, keeping in mind the need for the region to be flexible and adaptable to the new economic landscape in the aftermath of the pandemic. The region will continue its work in supporting the industries and occupations which best allow their customers to move toward economic well-being. In addition to regional efforts, each WDB is working with priority sectors on a local level – San Francisco with its sector academies and initiatives; work2future with its SMART Technology paid work experience, and NOVAworks with sector teams that provide in-house expertise. Please see the local plans for further detail.

### **C. ENABLING UPWARD MOBILITY FOR ALL CALIFORNIANS**

- *Describe how the RPU will prioritize working with employers who provide quality jobs that provide economic security through family-sustaining wages and comprehensive benefits. This should include whether the RPU has, or plans to develop, a formal policy related to job quality.*
- *Describe how the RPU and regional partners will work together to identify shared target populations and develop targeted service strategies.*
- *Describe how the RPU and regional partners will work with employers and training providers to ensure that historically unserved and underserved communities have equal access to the regional sector pathways, earn and learn opportunities, supportive services, and other approaches identified by the RPU. This should include whether the RPU has, or plans to develop, a formal policy related to equity.*

At the core of the mission of the BPRPU is to move the unemployed and the underemployed, especially those with less education, into high-growth, higher-paying jobs offering sustainable wages and benefits that require education or specialized training beyond high school. All three WDBs are attuned to the increasing state and national attention given to low-wage work

especially in the fast-food, retail and other service industries and thus prioritize working with employers that offer jobs with good wages and benefits and that have a history of investing in and supporting employees' ongoing training and advancement. In addition to sustainable wages and benefits, the RPU seeks to partner with employers that recognize workers' voice and provide: paid sick days, paid family leave, paid medical leave/short-term disability, adequate hours and predictable schedules with advance notice, and fair on-call policy. Each WDB is involved in on-going discussions with stakeholders regarding systemic inequalities, and how the workforce system should be responding post-pandemic in order to promote equity and inclusion.

The BPRPU has operationalized the prioritization of working with employers who offer quality jobs primarily through its sector initiatives. Specifically, and as described earlier, the BPRPU is working to promote apprenticeships throughout the tech sector in order to help under-served communities better access quality jobs which provide family sustaining wages. Apprenticeship is a vehicle for equity, providing traditionally underrepresented workers with an entry to earn-and-learn opportunities while establishing relationships with employers and gaining portable, industry-recognized credentials that demonstrate skills gain and experience. At the hub of the tech sector for the global economy, the BPRPU is uniquely positioned to build a network of workforce development resources for local talent.

In order to best serve customers, the BPRPU is working to leverage this opportunity for a systems-level intervention in lieu of a participant-focused approach. With the SlingShot 2.0 grant opportunity, BPRPU convened K-12 school districts, community colleges, employers, workforce development boards, and industry champions to develop a regional tech apprenticeship network and a prototype for a Bay Area apprenticeship model for one or more tech occupations. The RPU plans to leverage RPI funding to seek additional state and foundation resources for the implementation of an innovative and responsive regional tech apprenticeship system. Although the pandemic has disrupted the work that is underway, BPRPU and its partners remain committed to this work and is maintaining relationships with the region's tech employers to ensure as much continuity of effort as possible. Post-pandemic, when staff, partners and employers are no longer addressing the pressing impacts of the economic shutdown, the BPRPU will explore whether a formal job quality policy would add any value to advancing the work at hand.

The region shares some target populations of emphasis, and collaborates specifically on state initiatives directed at these populations - for example, justice involved individuals for the Prison to Employment Initiative. However, as the region is large and needs vary from community to community, service strategies are determined at the local level. Please see the local strategic plans for more detail on service strategies for targeted populations.

With regards to working with employers to ensure that historically underserved communities have equal access to training and employment, the focus on the region's RPI 4.0 funding request aims to do exactly that.

The nine county San Francisco Bay Area is the second most diverse among major metropolitan areas, with Latinx and Asians driving growth, yet racial and gender gaps persist in the labor market. Despite comparable labor force participation rates (either working or actively seeking



employment) to White residents, Latinx have higher unemployment rates. Black and Native American residents have at least double the unemployment rates of White residents. Even at the highest education levels, Black residents are twice as likely as White residents to be unemployed. Furthermore, at every level of education, Latinx workers have the lowest median wage. Among workers with a bachelor's degree or higher, U.S.-born White workers have a median wage that is \$11/hour higher than U.S.-born Latinx workers. (SF Foundation, "An Equity Profile of the Nine-County San Francisco Bay Area Region," 2017).

An analysis by the Silicon Valley Institute for Regional Studies using 2018 data found that of adults in Santa Clara and San Mateo Counties, African Americans and Latinx have a much lower percentage with a bachelor's degree or higher (39.5% and 20.1%, respectively) than Whites and Asians (61.9% and 65.4%). The same general pattern is true in San Francisco as well, although Whites have the largest percentage of college graduates at 74%, compared to Asian at 43%, African American at 25%, and Latinx at 31%. With such large disparities in educational attainment by race/ethnicity, it is easy to see how using a bachelor's degree as a default screening tool can be problematic in advancing equal access to jobs, even if the candidate possesses all of the skills that are necessary.

Social dynamics, implicit bias and traditional ways of recruiting, sorting, and assessing candidates leave talent off the field. And, these factors limit the ability of some groups to advance into the middle class, and are thus a barrier to one of the main goals of the region. The BPRPU would like to use RPI 4.0 as an opportunity to move from rhetoric and "talk" around racial equality to concrete action. BPRPU proposes to support the business community in advancing racial equity while at the same time linking the efforts back to the work that has already been accomplished in earlier regional plan implementation initiatives and building upon the partnerships that have already been established.

BPRPU plans to develop workshops and resources targeted at smaller businesses in the community, with the intention of assisting them become more equitable in their employment practices. One primary strategy will be to promote skilled based (rather than credential-based hiring). This ties directly into the work of RPI 2.0 and 3.0 in advancing apprenticeships. Skillful, a nonprofit which operates in Colorado and Indiana (and is supported by the Markle Foundation), works with employers, educators, policymakers and others to help the nearly 70% of Americans without college degrees get good jobs based on the skills they have or the skills they can learn. They have developed a set of tools and practices to help take employers step by step through writing skills-based job postings, reducing bias in the interview and selection process, improving retention, increasing diversity, and filling open positions faster. BPRPU will use the Skillful model or potentially other similar programs as the prototype for their RPI 4.0 project.

Should the funding be made available, the BPRPU plans to undertake an assessment and adaptation process with the end goal of offering a similar series of workshops to assist employers in becoming more equitable and results driven in their hiring practices. In this scenario, everyone wins, with the labor market better recognizing the skills and talents that job seekers bring and employers better able to tap into under-utilized labor. The assessment process may include the use of self-assessment inventories or other appropriate tools, as well as stakeholder

meetings or committees. After the assessment process, the BPRPU will develop an implementation plan, which may include the following additional components: an outreach campaign and guest speakers/community forum to build excitement for the new business workshop series; a toolkit or other materials that can be made available online to businesses; and working groups which will include stakeholder partners and businesses.

Recognizing that many organizations are currently devoting energy and attention to the issue of racial equity, the BPRPU will seek out relevant partners to support related efforts and to use those partners to amplify the reach of the RPI 4.0 efforts. The cities of San Francisco and San Jose are undertaking their own equity focused initiatives and have offices of racial equity, which will be important partners. OEWD has developed a workforce equity statement. The County of San Mateo has established an Office of Equity and Social Justice and Redwood City has recently named an Equity and Inclusion Officer. The City of Sunnyvale (which houses NOVAworks) has designated equity and inclusion as top strategic priorities for the city. As part of the assessment process for RPI 4.0, BPRPU will explore whether a formal policy related to equity would add value, or if the region falls under other existing efforts and policies.

The BPRPU sees an opportunity within the workforce development field to advance equity in a meaningful and concrete way. This project also ties in nicely with other regional initiatives which a) developed a regional approach to business services and b) support enhancing apprenticeships in tech careers. The BPRPU intends to include the benefits of apprenticeships as one of the components of the training offered to businesses as a way to focus on the skills of job candidates.

#### **D. Aligning, Coordinating, and Integrating Programs and Services**

- *Describe any regional service strategies, including use of cooperative service delivery agreements or MOU.*
- *Describe any regional administrative cost arrangements, including the pooling of funds for administrative costs for the region.*

The region's successful model of distributing administrative functions for certain projects and initiatives distinguishes between fiscal project lead and programmatic lead. Due to a variety of logistical reasons, the region has determined that NOVAworks is currently the best fiscal lead for efficiently deploying regional grants and sub contracts; the program lead function rotates among the three boards. The region does not have nor does it desire formal regional governance infrastructure. The region does not have administrative cost sharing arrangements, although NOVAworks serves as the fiscal agent because it is the most cost-effective route, short of the state putting money directly into local WDB subgrants.