

Building Pathways to Success

NEW SKILLS FOR YOUTH

JPMORGAN CHASE & CO.



A Message from Jamie Dimon

JPMorgan Chase is expanding economic opportunity through *New Skills for Youth*.



Around the world, economic success is increasingly out of reach for millions of young people who either have not graduated from high school, or have graduated without the skills required to enter the workforce successfully. Good jobs in today's economy require education and training beyond high school, but nearly half of young people enter the labor market without a meaningful postsecondary credential. As a result, young people find themselves stuck in low-skill, low-wage jobs. Worse yet, too many young people end up unemployed and out of school—disconnected from the economy and shut out of opportunities to gain the knowledge, skills, experiences and connections that lay the foundation for a successful career and middle-class life.

New Skills for Youth is a \$75 million, five-year global career readiness initiative aimed at investing in high-quality, career-focused education that prepares young people to prosper in the growing global economy.

The initiative will provide a select group of state and local partnerships with the opportunity to design and implement rigorous, demand-driven education systems that dramatically increase the number of students who complete career pathways beginning in secondary school and culminating in valuable postsecondary credentials. By collaborating on the design and delivery of new approaches to career-focused education, *New Skills for Youth* will help lead the way to greater academic success and economic prosperity.

Jamie Dimon, *Chairman and CEO of JPMorgan Chase*

With *New Skills for Youth*, JPMorgan Chase builds on a **comprehensive program of philanthropic investment** in promising approaches to increasing economic opportunity.



New Skills at Work

Around the world, employers, educators, policymakers, training organizations and others have recognized the critical importance of tackling the skills gap. Through our \$250 million, five-year *New Skills at Work* initiative, JPMorgan Chase is using our resources, expertise and global reach to help inform and accelerate efforts to support demand-driven skills training. Launched in 2013, *New Skills at Work* is providing data-driven analyses, engaging employers in sector partnerships and supporting training programs that are aligned with local demand.

Summer Youth Employment

Recognizing the value of early work experience and the importance of tackling the youth employment crisis, JPMorgan Chase's *Summer Youth Employment* initiative is investing more than \$2.5 million a year in summer youth employment opportunities in 14 U.S. cities. In 2014, the initiative's first year, more than 50,000 young people were hired through programs supported in part by JPMorgan Chase, and another 54,000 young people benefited from learning opportunities that enriched their summer experience.

NEW SKILLS FOR YOUTH is a \$75 million, five-year global initiative aimed at enabling young people to obtain the education and credentials they need to be career-ready and succeed in well-paying jobs.



The Fellowship Initiative

The Fellowship Initiative (TFI) engages young men of color in a comprehensive, hands-on enrichment program that includes academic, social and emotional support to help them achieve personal and professional success. Originally launched in 2010 in New York City, TFI now enrolls 120 Fellows in three cities—Chicago, Los Angeles and New York. Fellows acquire the skills, knowledge and experience they need to succeed in high school and college.

Social Mobility Foundation

Through the *Social Mobility Foundation*, JPMorgan Chase is enabling motivated and ambitious low-income students from around the U.K. to come to London to participate in residential internships. More than 50 students each year are placed in revenue-generating roles at the firm, connect with a JPMorgan mentor, participate in workshops and earn the opportunity to return for a paid internship the following year.

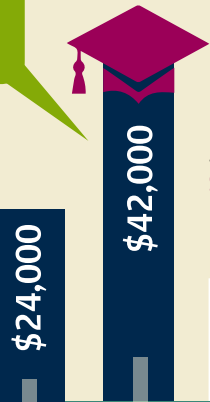


The Challenge

Education and training systems around the world are failing the most economically vulnerable young people. As economies have evolved to require a more skilled workforce, young workers need education or training beyond high school in order to find well-paying jobs that enable them to join the middle class. Without opportunities to gain early work experience, develop skills and earn meaningful postsecondary credentials, the number of young adults who are disconnected from the workforce will continue to grow.

HIGH SCHOOL GRADUATION

Non-graduates earned a median annual wage of about \$24,000...



...compared with about \$42,000 for graduates.¹

While the overall U.S. high school graduation rate reached an all-time high of 82% in 2014,² only about 60% of students in high-poverty urban districts graduate.³ Workers who don't graduate from high school face dwindling job prospects, lower wages and fewer opportunities to join the middle class.

NEITHER WORKING NOR IN SCHOOL

5.5 million people age 16 to 24.⁹

22% of black young adults.¹⁰

1 in 5 Latino young people in 10 U.S. metro areas.¹¹

Young people who are disconnected from school and work go on to earn lower wages when they do find work, pay fewer taxes and rely on social services more than their at-work or in-school peers.¹²

POSTSECONDARY EDUCATION OR TRAINING

Nearly all high school seniors intend to graduate from a four-year college...

...but only half go on to do so.⁴

One of the most common reasons students fail to complete their study is that they need to start earning a living or supporting their family immediately.⁵

Just over half the population has a meaningful postsecondary credential...

...one that will allow them to compete for a well-paying job at age 25.⁶

By their mid-20s, only 32% of young Americans have graduated from a four-year institution, 10% have obtained a degree from a two-year college and about 10% have acquired a recognized occupational certificate.⁷

SKILLED WORKFORCE

About one-third of American companies report having openings for which they cannot find qualified workers.⁸ Failing to prepare young people with the right skills and education for these jobs is not just a missed opportunity for youth, it is a missed opportunity for businesses to hire the talent they need to grow and compete.

Recent education reform efforts have made progress raising academic standards to increase college readiness. However, without a similar focused effort to equip youth with the knowledge, skills, personal attributes and work experience required to be career-ready, young people will continue to lack the preparation to succeed in an increasingly skilled workforce.

The Solution

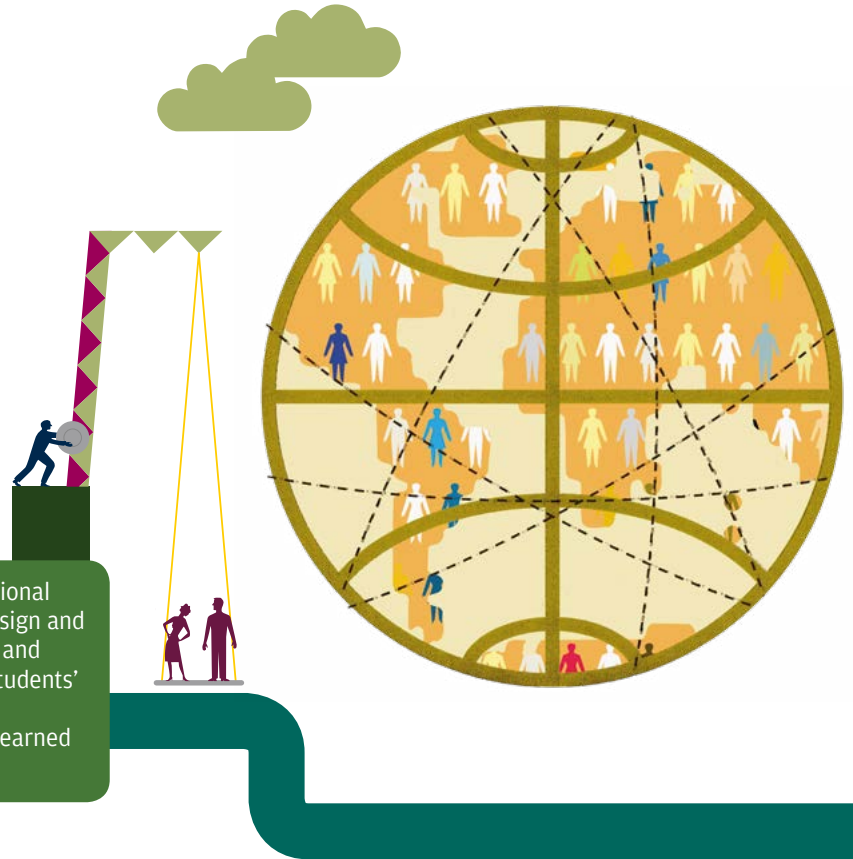
JPMorgan Chase is strengthening career education and creating pathways to success.

New Skills for Youth is a \$75 million, five-year global initiative that seeks to transform how cities and states prepare young people to succeed academically and obtain well-paying jobs. The two overarching goals of the initiative are:

Our Goals

★ Dramatically increase the number of students who successfully complete career pathways that begin in secondary school and culminate in postsecondary degrees or credentials tied to high-wage, high-demand jobs.

★ Catalyze transformational approaches to the design and delivery of programs and policies to increase students' career readiness and disseminate lessons learned around the world.



New Skills for Youth: Two Approaches

GLOBAL INNOVATION SITES

Supporting new and innovative ideas in career education will enable educators, policymakers, training providers and employers around the world to identify and replicate the most promising approaches.

HOW WE WILL IMPLEMENT IT

New Skills for Youth will invest in the development of career-focused education programs in cities and school districts around the world. These innovation sites will develop and implement strategies to increase the number of students who earn meaningful postsecondary credentials, with a special focus on communities with the greatest needs. We will document and evaluate these innovations so other communities can learn from the most effective new policies and programs.

“A bachelor’s degree is still as important as ever, but we need to recognize that people take different paths at different points in their lives. JPMorgan Chase is working to align education pathways with the skills employers need and better prepare young people to succeed in the labor market.”

Freeman Hrabowski

President, University of Maryland,
Baltimore County

U.S. STATE COMPETITION

A competitive grant program will incentivize states to expand successful programs.

HOW WE WILL IMPLEMENT IT

Working with our national partners—the Council of Chief State School Officers (CCSSO), the National Association of State Directors of Career Technical Education Consortium and Education Strategy Group—*New Skills for Youth* will launch a competition among states seeking to strengthen career-focused education. Successful states will bring together state K-12 and postsecondary education leaders, along with business and community partners to set ambitious goals for expanding access to and ensuring success in the preparation for careers in high-skill, high-wage jobs.

JPMorgan Chase will partner with an independent third-party evaluator to assess the effectiveness of the initiative.



STATES THAT SUCCEED IN THE *NEW SKILLS FOR YOUTH* COMPETITION WILL:

- Establish employer-driven processes, informed by labor market data, for determining high-skill, high-demand industries with which career pathways must be aligned.
- Use policy and funding levers to improve the quality and rigor of career pathways, including scaling down or phasing out those that do not lead to credentials of value.
- Prioritize career readiness in state accountability systems.
- Create a seamless integration of pathways for all students that blends a rigorous academic core with high-quality career and technical education.
- Make high-quality, career-focused programs of study widely available to all students in all secondary settings.
- Reorganize and intentionally align state infrastructure—schools, technology centers, postsecondary education, business, workforce and economic development authorities—to build effective career education systems.

JANUARY 2016

CCSSO announces the solicitation for grant proposals.

SPRING 2016

CCSSO awards Phase I grants of \$100,000 each to 20–25 states for six months of planning and early implementation.

FALL 2016

CCSSO awards Phase II grants to 10–15 states that demonstrate significant progress in Phase I. Each of the winning states will receive a three-year grant of up to \$650,000 per year to fully implement and assess the effectiveness of their strategies to meet the goals of the initiative.

Visit www.jpmorganchase.com/skillsatwork to sign up for updates on our programs.



OUR PARTNERS



The Council of Chief State School Officers (CCSSO) brings together top education leaders from every state in the nation to create a public education system that prepares every child for lifelong learning, work and citizenship. CCSSO brings state-level perspective and leadership to this work. In 2014, CCSSO's Task Force on Career Readiness released a set of far-reaching policy recommendations to improve students' readiness for the 21st century world of work. As a co-lead of this project, CCSSO will build upon these and other state efforts to focus on those state-driven leverage points that state chiefs are uniquely positioned to address, so increasing their capacity to produce students ready to succeed as productive members of society.



The National Association of State Directors of Career Technical Education Consortium (NASDCTEC) represents the state career technical education leaders in all states and U.S. territories. As the co-lead of this project, NASDCTEC brings a depth of content expertise and a commitment to developing the resources and supports necessary to ensure high-quality career technical education is advanced throughout the country, leading to a highly skilled workforce and productive economy.



Education Strategy Group (ESG), a mission-driven consulting organization that works with the K-12, postsecondary and workforce sectors, designs policies and strategies that strengthen the education pipeline and improve economic opportunity for young people. As lead technical assistance partner, ESG will work closely with CCSSO and NASDCTEC to ensure that states have the expertise, tools and supports they need to advance their work and achieve their goals.



GLOBAL ADVISORY COMMITTEE

Sir Kevan Collins: Chief Executive, Education Endowment Foundation

Brenda Dann-Messier: Retired, Assistant Secretary for Vocational and Adult Education, U.S. Department of Education

David Fischer: Current, Executive Director, NYC Center for Youth Employment; formerly, Senior Director for Career and Technical Education, NYC Department of Education

Freeman Hrabowski: President, University of Maryland, Baltimore County

J.D. Hoye: President, National Academy Foundation

Nick Pinchuk: Chairman and CEO, Snap-on Incorporated

FOOTNOTES

- 1 Bureau of Labor Statistics. (2015). "Earnings and unemployment rates by educational attainment." Retrieved from: http://www.bls.gov/emp/ep_chart_001.htm.
- 2 <http://blog.ed.gov/2015/12/u-s-high-school-graduation-rate-hits-new-record-high/>
- 3 America's Promise Alliance. (2014). "GradNation Report Confirms 80 percent High School Graduation Rate, Highest in U.S. History." Retrieved from: <http://www.americaspromise.org/press-release/gradnation-report-confirms-80-percent-high-school-graduation-rate-highest-us-history-0>.
- 4 James Rosenbaum, Jennifer Stephan and Janet Rosenbaum. (Fall, 2010). "Beyond One-Size-Fits-All College Dreams: Alternative Pathways to Desirable Careers," *American Educator*.
- 5 Public Agenda. (2009). "With Their Whole Lives Ahead of Them." Retrieved from: <http://www.publicagenda.org/files/pdf/theirwholivesaheadofthem.pdf>.
- 6 Robert Schwartz. (2014). "The Pursuit of Pathways," *American Educator*. Retrieved from: <http://www.aft.org/ae/fall2014/schwartz>.
- 7 *Ibid.*
- 8 Manpower Group. (2015). "2015 Talent Shortage Survey." Retrieved from: <http://www.manpowergroup.com/wps/wcm/connect/manpowergroup-en/home/thought-leadership/research-insights/talent-shortage-2015/talent+shortage+results>.
- 9 <https://www.measureofamerica.org/disconnected-youth/>
- 10 *Ibid.*
- 11 *Ibid.*
- 12 Sarah Ayres. (2013). "The High Cost of Youth Unemployment." Center for American Progress. Retrieved from: <https://www.americanprogress.org/issues/labor/report/2013/04/05/59428/the-high-cost-of-youth-unemployment/>. Disclosure: Author is currently employed by JPMorgan Chase.