

Opportunity Youth & Employment Factsheet

January 2012

The following includes information from two new pieces of research (*The Economic Value of Opportunity Youth* and *Opportunity Road*), the employer toolkit (*Connecting Youth & Business*), and additional data that is publicly available. Sources for all data are noted.

Opportunity Youth (OY) Stats

- **6.7M or 17% of youth 16-24** are considered OY (total youth = 38.9M)
- **3.4M are “chronic” OY** (defined as never in school or work after 16 years of age)
- **3.3M are “under-attached” OY** (defined as a lack of progression through college or into a job)
- OY are **equally represented by male and female**
- OY status is **more prevalent among minorities** vs. their representation of the population
- Female OY are more likely to be caregivers and male OY are more likely to be incarcerated
- By 28 years of age, only **74% of OY have a high school diploma** vs. 92% other youth
- Only 1% of OY will have completed at least an Associate’s degree by the age of 28, compared to 36% of other youth
- OY are **“failing to build an economic foundation for adult independence”**

Figure 1 — Opportunity Youth Status by Gender and Race

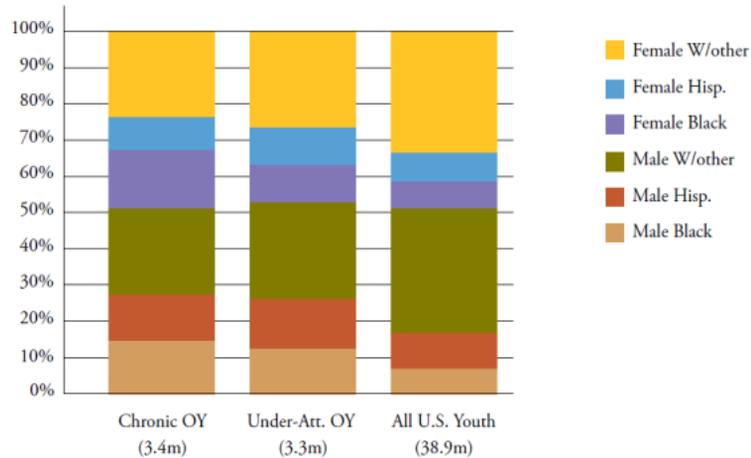


Table 4 — Education Levels at Age 28 by Opportunity Youth Status

	Percent with High School Diploma		Percent with GED		Percent with an Associate or Bachelor Degree	
	Opportunity Youth	Other Youth	Opportunity Youth	Other Youth	Opportunity Youth	Other Youth
Population	74	92	10	4	1	36
Black	63	93	14	4	1	30
Hispanic	68	86	9	5	1	21
White/other	79	93	8	3	2	43
Male	74	88	10	5	1	31
Female	71	96	10	3	1	42

Source: NLSY97. Notes: Opportunity Youth cohort is 6.74 million individuals aged 16-24 (see Table 1).

Figure 2 — Immediate Fiscal Burden per Opportunity Youth by Race and Gender

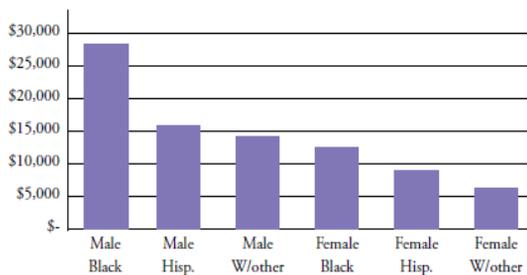
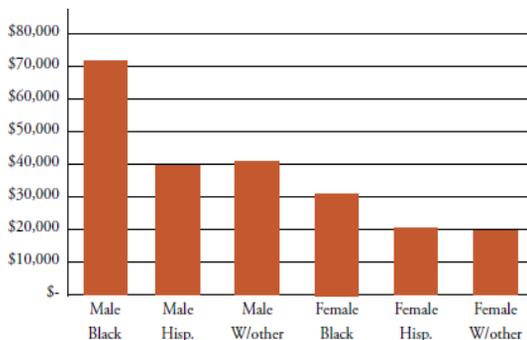


Figure 3 — Immediate Social Burden per Opportunity Youth by Race and Gender



Immediate & Future Burden of Youth Not Connecting

- 25% of the burden is pre-25 years of age and 75% of the burden is ages 25-65
- Immediate taxpayer burden* of each OY = **\$13.9K/year** (ages 16-24)
- Immediate social burden** of each OY = **\$37.5K/year** (ages 16-24)
- Future taxpayer burden of each OY = **\$171K** (from ages 25-65)
- Future social burden of each OY = **\$529K** (from ages 25-65)
- Immediate taxpayer burden of all OY = **\$93B** in 2011 (lost revenues & increased social services)
- Immediate social burden of all OY = **\$252B** in 2011 (includes earnings loss, loss to crime victims)
- Aggregate taxpayer burden (of all OY over their lives) = **\$1.6T**
- Aggregate social burden (of all OY over their lives) = **\$4.7T**

* The "taxpayer burden" of OY includes lost tax payments and increased government spending on crime, health care, and welfare

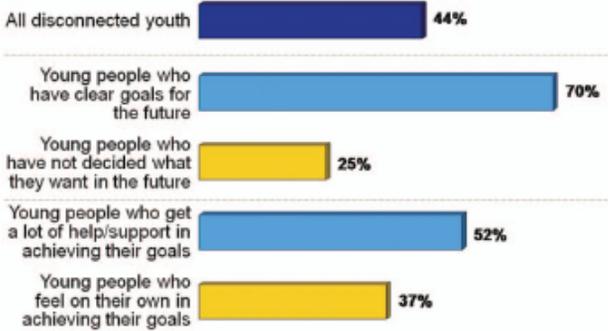
** The "social burden" of OY includes all of these costs and those beyond the taxpayer, such as lost earnings, crime victim costs, and private spending on health care

OY are Confident or Hopeful

- **73% are very confident or hopeful** that they will be able to achieve their goals
- **77% believe getting a good education and job is their own responsibility** and depends on their own effort
- **69% want to make a difference in improving life for others**, while only 3% report they are volunteering in their communities (other research shows disconnection from school and work results in low levels of civic engagement)
- OY who feel supported are more confident about achieving their goals

Figure 7: Confidence Goes Hand-in-Hand with Goals and Supports

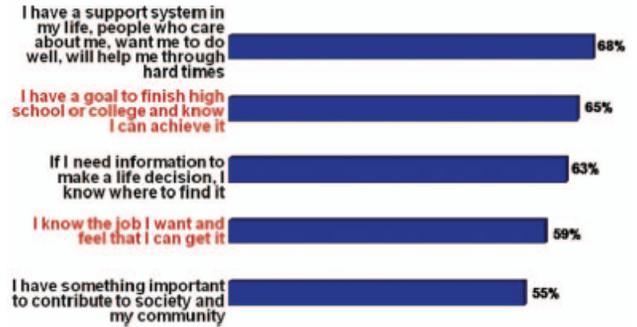
I am very confident in my ability to achieve my goals in life:



Source: Opportunity Road, 2012

Figure 13: Many Are Confident They Can Achieve Their Goals

Describes where I am in life right now extremely/quite well:



Source: Opportunity Road, 2012

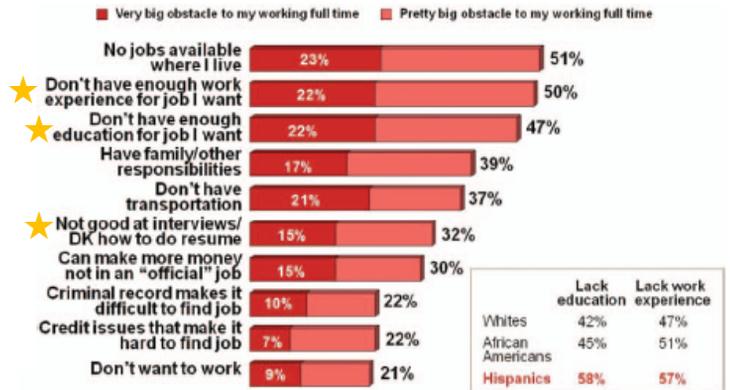
Youth 16-24 Unemployment 2x's Total Rate

Data for All Youth - July 2011 (peak youth employment month)

- **18.1% youth unemployment** vs. 9.2% total unemployment
- **4.1M wanted a job**, but could not find one
- Hispanics = 20% youth unemployment
- African American = 31% youth unemployment

Source: Bureau of Labor Statistics

Figure 9: Obstacles to Connecting to Work



Source: Opportunity Road, 2012

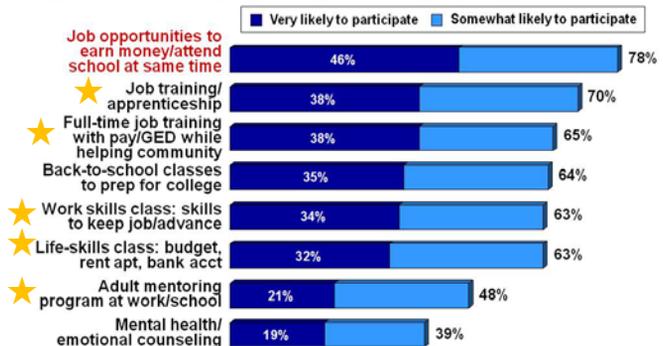
Lifetime Earnings Diminished

- Lifetime earnings are diminished with each missed year of work equating to **2-3% less earnings each year thereafter**
- Significant gaps in education-work sequence of activity leads to a pay and employability handicap
- Over a lifetime, **OY earnings are estimated to be \$375K vs. a high school graduate at \$712K**

Sources: Center for American Progress, 2009; Bell & Blanchflower, 2011; Mroz & Savage, 2006; The Economic Value of Opportunity Youth, 2012

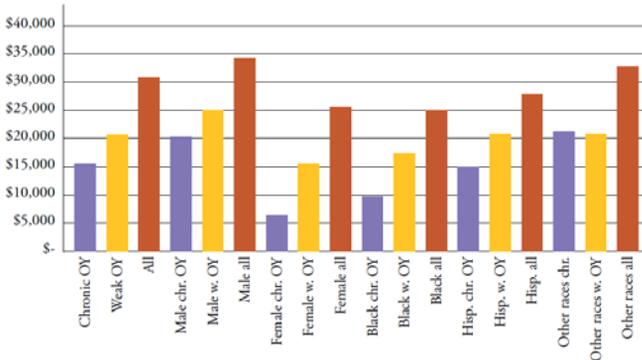
How We Can Help Support OY

If it were available to you, how likely would you be to participate in this kind of program or resource to help young people like yourself find work, go back to school, or just help with everyday life problems?



Source: Opportunity Road, 2012

Figure 4 — Mean Income: Adults Ages 25-28



Source: The Economic Value of Opportunity Youth, 2012

★ = addressed in employer toolkit

Connecting Youth & Business: A Toolkit for Employers | Overview

1. ASSESS & SELECT

- What does my company have to offer?
- Assess your company's resources, culture, and readiness for engagement with disconnected youth.
- Select one of the three lanes of engagement in which companies can provide youth with skills for employment and adulthood: Soft Skills, Work Ready Skills, or Learn & Earn.

2. SCOPE

- What are my goals and program parameters?
- Scope your program. This will help you understand how to apply your company resources to build a successful program.

3. PLAN & PILOT

- What are the key steps to take to launch a pilot?
- Build your plan and create goals and metrics. Try it out with a pilot, get feedback, and understand the impact and the potential business value.

4. REFINE & GROW

- How will the program continue to develop?
- Work to refine the pilot based on participant feedback and build a program for the long-term.

There are three key ways for employers to provide disconnected youth with the skills needed for employment and adulthood:

SOFT SKILLS DEVELOPMENT

Provide youth with work-relevant soft skills via course work and/or direct experience

Examples

- Soft skills workshops
- Employee mentors

WORK READY SKILLS DEVELOPMENT

Provide youth with insight into the world of work to prepare them for employment

Examples

- Job shadow days
- Career exploration guidance

LEARN & EARN PROGRAMS

Enable youth to develop on-the-job skills in a learning environment while receiving compensation for work

Examples

- Paid internships
- Permanent positions that provide on-the-job training or allow for continued learning and development

SOFT SKILLS

YOUTH IMPACT

Goal: Youth learn work-relevant soft skills such as communication, time management, decision making, teamwork, and business etiquette that are critical to success in the workplace.

BUSINESS IMPACT

Goal: Businesses help develop skilled youth for their workforce and employees build skills as they engage in the community.

WORK READY SKILLS

YOUTH IMPACT

Goal: We believe job shadowing is important because it acquaints students with on-the-job experiences and helps tie education to the workplace and motivates them to stay in school.

BUSINESS IMPACT

Goal: Job shadowing promotes interest in specific careers and helps to create a talent pipeline for your business. In addition, working with youth can re-inspire your employees, and remind them why they entered their professional fields in the first place.

LEARN & EARN

YOUTH IMPACT

Goal: Youth are more prepared to excel within their workplace or education and in turn, will have increased opportunities for employment and education pathways.

BUSINESS IMPACT

Goal: Company builds and improves its talent pipeline for enhanced employee retention and performance.