

Skilling Up Black Workers to Launch Tech Careers

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Abstract

Poverty is one of the most crucial social issues of our lifetime and living-wage employment is a proven lifeline to the middle class. ACHIEVEAbility is a Philadelphia, community-based nonprofit serving almost 3,000 residents each year that seeks to break the generational cycle of poverty for families through innovative and holistic programming.

ACHIEVEAbility launched *TechUp* in 2021 in collaboration with Project Realign to disrupt the cycle of dead-end jobs for marginalized communities by paying, training and placing Black, low-wage workers in living-wage, high-growth Salesforce careers. Black workers are underrepresented in the tech industry and *TechUp* serves as an opportunity to skill up Black jobseekers to diversify this sector. With promising results from its first cohort, ACHIEVEAbility plans to scale TechUp to launch more Black families into safe, secure careers.

Social Context:

West Philadelphia has seen decades of disinvestment leading to staggering poverty rates. At 23.3%, Philadelphia is the poorest big city in the United States with 12.2% unemployment, more than four points above the national average (Butler 2020, Hetrick 2021).

Poverty disproportionately impacts Black and Brown families in Philadelphia and beyond. As of 2020, two-thirds of Philadelphians living in poverty were either Black or Latino (Saffron 2020). This impacts all areas of life with Black and Brown families experiencing great disparities in health outcomes, quality of education, job opportunities, and access to safe, affordable homes.

These rates go hand-in-hand with the inequality of wages for Black and Brown workers and families. In 2019, households of color made up 72.2% of those earning less than \$10,000 a year – 2.6 times the representation of White households in the same income bracket (Shields 2021). Additionally, these individuals were unlikely to have college degrees. In Philadelphia, only 29% of individuals over 25 have a Bachelor's degree or higher (U.S. Census Bureau 2019). As a result, many families lack the stability that upper- and middle-class individuals enjoy. Vulnerable families are only one incident away from experiencing financial and housing insecurity.

Low-income Philadelphians had little to no social and financial safety nets before the COVID-19 pandemic—often living paycheck-to-paycheck with little to fall back on—and the crisis intensified this reality. Philadelphians living in poverty saw higher rates of job loss, food

insecurity, childcare challenges, and mental health issues for themselves and their families, who were left high and dry when catastrophe hit.

Two notable dynamics contributed to this trend. First, Black and Brown workers are overrepresented in the low-wage service and hospitality industries. Workers were either laid off or forced to work without hazard pay in the height of the pandemic, earning lower wages and increasing risk of serious illness. This massive job loss further destabilized families that were already living on the edge.

In the last five years, the Philadelphia job market has demonstrated a shift from industrial to professional jobs with an increased demand for post-secondary credentials and technical skills. ACHIEVEability recently discovered a talent gap for Salesforce Administrators with over 32,000 openings in the Philadelphia region, and an abundance of remote opportunities across the country, with an average starting salary of \$85,000 (Mazalon 2022). With a leg up and the training needed, ACHIEVEability's neighbors—who have a median income of \$30,633—had a chance to increase their annual earned income and catapult out of poverty (U.S. Census Bureau 2019). ACHIEVEability, with a proven track record of moving individuals to self-sufficiency, saw an opportunity to move Black workers from low-wage jobs to high-growth careers to put residents on a track towards safe, stable careers in the Salesforce world through *TechUp*.

TechUp

TechUp is an initiative of ACHIEVEability's WorkSmart West Philly program, a comprehensive workforce program that has connected over 300 low-income jobseekers to employment since 2016. *TechUp's* goal is to disrupt the cycle of dead-end jobs for marginalized communities by providing technical training and placing Black, low-wage workers in living-wage, high-growth careers. *TechUp* seeks to:

- Connect jobseekers to sustainable, safe career paths
- Create access to tech careers for Black workers
- Harness the power of cross-sector collaborations, and
- Establish an innovative model that can be scaled to meet other growing technology employment opportunities

TechUp leverages volunteer Salesforce professionals from around the world, a workforce coaching team, and a successful track record of moving families from poverty to prosperity so that individuals with little-to-no tech experience can leap into family sustaining wages in just 5 months.

The *TechUp* pilot launched in the spring of 2021. Fifteen Philadelphia residents met 30 hours a week for training. Demographics for the first cohort were: 93% Black; 73% female; and average age 38. Participants were paid a \$15-per-hour stipend for their work and received laptops and hotspots to participate in hybrid training sessions virtually and in person. Jobseekers also

participated in on-the-job training to improve their competitiveness in the job market. *TechUp* paid for participants to take the Salesforce Administration exam up to three times and provided them with ongoing professional coaching.

The results of the pilot were promising, with 73% of the jobseekers completing the training and 50% passing the highly competitive Salesforce Administrator exam. All jobseekers who passed the exam were connected to employment, with the lowest starting salary being \$50,000. ACHIEVEability intends to scale this project up to serve even more jobseekers in the coming years.

Not only does *TechUp* help Black workers increase their annual wages—\$30,633 compared to the \$85,000 average starting salary of Salesforce Administrators—but it also helps to address the systemic gap of racial diversity in the tech industry. As it stands, a mere 3.7% of workers in the tech sector are Black (Bhuiyan 2020), a stark contrast to the overall representation of Black Americans at 13.4% (U.S. Census Bureau 2019). *TechUp* seeks to close this racial divide in the tech industry and connect ACHIEVEability’s neighbors—low-income, Black jobseekers—to gainful employment that is stable, has room for growth, and provides a living wage and meaningful benefits. This is a win-win for employers who are seeking to diversify their staff, but may struggle to find qualified individuals due to the educational divide. Over time, *TechUp* has the potential to intervene in the generational cycle of poverty, as both digital literacy and careers in tech can open doors to future generations.

Distinct Approach

TechUp is a distinct targeted workforce development program model in that it is:

- **Transferable:** Salesforce skills can be used in any industry and are in high demand. Program graduates are poised to start not just a job, but a career, with a ladder for growth across sectors.
- **Accessible:** Many local workforce programs often have narrow criteria, often targeting youth aged 17-26. Philadelphians of all ages deserve the opportunity and access to gainful employment, which is why *TechUp* has no age limits. Additionally, *TechUp* program participants receive stipends, eliminating barriers to participation so that jobseekers can invest time to growth and continue meeting household expenses.
- **Holistic:** *TechUp* participants have access to ACHIEVEability’s menu of wraparound services, including connection to public benefits, trauma-informed coaching, career planning, housing assistance, and more. This support continues for 6 months after job attainment in order to support retention and troubleshoot barriers.
- **Collaborative:** *TechUp* uses local workforce trend data to inform target industries and roles. With employer partners at the table, ACHIEVEability is able to prepare jobseekers for specific, in-demand living wage opportunities and provide direct access to jobs.

TechUp works because it is informed by the community it serves. ACHIEVEability regularly solicits feedback from neighbors to improve programs and address barriers to success. Centering the program design around the participants who will receive the intervention is key to developing solutions that are relevant, engaging and effective.

Program Financing

A grant from Life Science Cares and individual donors provided initial seed funding for *TechUp*. Since launching the program, ACHIEVEability has raised capital from individuals, Philanthropitch Philly and foundations, with a key investment from William Penn Foundation – Family Recovery grant. Moving on from the start-up financing, cost per trainee is \$6,333.

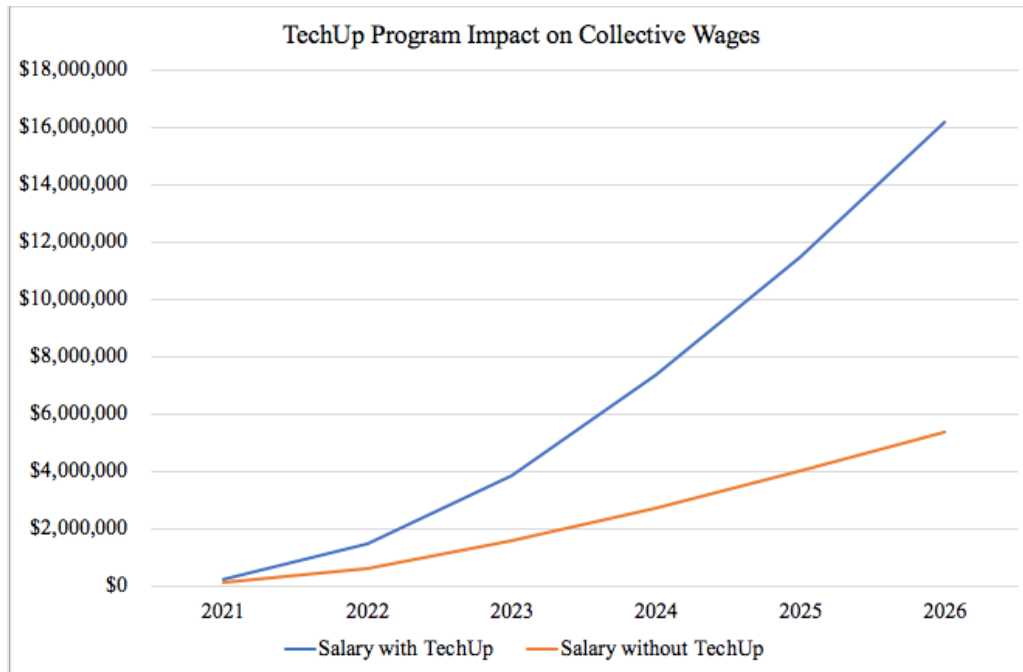
Scaling *TechUp*

Two cohorts serving 50 jobseekers will run in 2022, with the ultimate goal to grow *TechUp* over the next five years and position ACHIEVEability as a competitive recruitment firm for qualified, diverse candidates. 4.2 million Salesforce jobs will be created in the next two year. By 2025, with a successful track record, ACHIEVEability expects that employers will pay them for job placement services. This model would allow *TechUp* to pay for itself and help more families (see table).

Year	Cohort Size	Total Salesforce Administrators Placed in Jobs
2022	25	10
2023	50	30
2024	100	75
2025	100	132
2026	100	192
2027	100	257

Success down the line will positively impact families, ACHIEVEability, and the Greater Philadelphia Region as a whole. As the program grows, by 2027, *TechUp* will generate:

- \$16 million in cumulative wages in the pockets of Black and Brown families
- Over \$2.5 million yearly savings to PA for food stamp benefits
- Over \$1 million in revenue generated annually for ACHIEVEability through employer recruitment fees



In the next five years, ACHIEVEability will continue to expand its employer partner relationships to both allow greater participation and variety of opportunities for jobseekers.

ACHIEVEability’s neighbors are resilient, talented and have limitless potential. With innovative workforce training, invested employers, and targeted resources, Philadelphia can be a better place to live and work for all residents. Through *TechUp*’s holistic approach, Black workers will increase their annual income, stabilize their households, increase their participation in the local economy and achieve their dreams. This reality is possible when we leverage our collective resources and commit to creating a more equitable society.

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