



**STATEMENT OF MIKE HENDERSON, PRESIDENT & CEO
ASSOCIATED BUILDERS AND CONTRACTORS GREATER BALTIMORE**

**BEFORE THE HOUSE COMMITTEE ON WAYS & MEANS
SUBCOMMITTEE ON HUMAN RESOURCES
SEPTEMBER 6, 2017**

Thank you Chairman Smith, and all the members of this committee for your kind invitation to participate in your hearing on "Missing from the Labor Force: Examining Declining Employment among Working-Age Men."

I am here to talk about a workforce development program we developed in Baltimore City 11 years ago. The program is called Project JumpStart and it is an intensive 89 hour, 13-week program that is designed for at-risk residents in the City to enter a career in the skilled trades.

Over the past decade, we have graduated more than 1,000 residents and have achieved an 80 percent graduation rate; but most important, is that we have a better than 75 percent job-placement record. Our graduates are not just placed in jobs as laborers, but they are placed with commercial builders with an opportunity to pursue a career as a skilled craft professional.

Here are some key statistics for our program:

- 1000+ Baltimore residents have been enrolled
- 75 percent are ex-offenders
- 80% of students graduate
- **Nearly half of our graduates are over the age of 35**
- 75% of graduates have been placed into high wage construction careers
- Over the past 18 months, our placement rate has exceeded more than 80 percent!
- 125+ graduates have moved into a formal four-year apprenticeship
- The average *starting salary* for a JumpStart graduate is \$12 per hr.
- **BUT...the average salary for a JumpStart graduate after two years is \$18* per hr.**
- **AND...the average salary for a JumpStart graduate after four years is \$24* per hr.**
- Project JumpStart is endorsed by Sagamore Development; The Johns Hopkins University; Johns Hopkins Hospital; Exelon; The Mayor's Office of Employment Development; The State of Maryland and more!

Our program is regarded by the industry as well as those institutions listed above, as the most effective workforce development program of its kind in the region. The truth is, while there are a lot of dollars – public and private – expended every year in the name of workforce development, sadly far too many of these initiatives fail at placing their graduates in jobs. Most of them don't even have a placement function.

In a recent conversation with the executive director for the Governor's Workforce Investment Board in Maryland, I was told that it was his experience with organizations who boast they have a training program, that few of them have a job-placement function. When pressed for an answer, in just about every incidence, he told me he was met with either a blank stare, followed by a vague comment that job placement was something they were planning to address; or, they would reply that job placement was not a part of their program.

Perhaps the most stunning statistic and the one most relevant to this hearing, is the average age of our graduates is over 30 years of age and that nearly 50 percent are over the age of 35.

Over the past couple of years, there has been a strong push by our public and private funders to focus more on the 18-24-year-old population, a group that traditionally, we have not done as well with.

After the riots of the spring of 2015, we decided to bring in 20 to 25 of more successful graduates to conduct a focus group. One of the questions we asked them was, "why were you able to succeed, when the guy that sat next to you in class or grew up across the street from you, did not?"

To a person, they answered they knew Project JumpStart was their best and possibly last chance to succeed in this life. And if they didn't stick with it and apply themselves, in six-months' time they would either be dead or back in prison. That wisdom and sense of urgency is something we have seen in droves from our older students, individuals who made a mistake earlier in life and now were looking for an opportunity to "right their ship." That kind of urgency and maturity, however, is in much less abundance in an 18-year-old.

We've learned a lot of lessons over the past 11 years as to what works and what doesn't work in a program like ours. I would like to share with the committee some of those lessons that have made the biggest contributions to our success.

One of the most important lessons we learned is that you must "train like you work." In the beginning, we were much more likely to be lenient with those students who did not meet our stated expectations. We erred, on what we thought, was the side of grace. But we quickly learned that by "lowering the bar", we were not doing the students, and most important, the employers, any favors.

Why would the concerns of the employers be paramount to us? Because at the end of the day, if we don't produce graduates that will work hard, listen, come to work on time, stay busy and show interest and initiative, then our program is not going to be around very long. We might as well close up shop and go home. The only true barometer for a workforce development is jobs, sustainable jobs, that include a progressive wage and an opportunity to grow in their skills and their profession.

Any workforce development program that hopes for long-term success, must be employer centric and maintain high expectations for your students.

We realized early on, that we need to accept the fact our program is not for everyone; some people don't have the temperament and the commitment level it takes to successfully complete our program. We've never had a class with 100 percent graduation rate. If we did, I would be extremely concerned we had compromised our standards.

Nearly as important a lesson, is that the staff who work directly with the students must be passionately committed to helping them succeed. One of the things our graduates told us in that focus group is that before they started the program, they assumed Project JumpStart was just another in a long-line of programs where they would go to class with little likelihood it would result in getting a job. But from their first night in class, they knew Project JumpStart was different. They quickly realized that our instructional staff, as well as our entire team, had only one goal in mind and that was to help them succeed. That successful job placement, by the way, rarely came with the first job. It often took two or three placements before it stuck. That meant, our staff and the graduate, had to trust one another, and they had to have a lot of patience.

Thank you again for this opportunity to address the committee. We believe that there are thousands of men in their 30s and 40s, who given the right opportunity, can still make something out of their lives, gain a career, self-confidence and be contributing members of their community.

Sincerely,

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In 2006, ABC Baltimore developed a 90-hour pre-apprenticeship program in Baltimore City named 'Project JumpStart.'

Students/Graduates Receive:

- o A \$25 stipend for each class: based on punctuality, attendance, and adhering to program policies
- o Hard-skills training in basic construction and entry-level carpentry, electrical and plumbing
- o OSHA 10, First-Aid/CPR certification
- o Instruction in construction math and in workforce preparation
- o Driver's education (if needed)
- o Job-placement assistance
- o A set of starter tools once they are employed (a \$250 value)
- o A financial sponsorship to a local program, Vehicles for Change, that will provide them a quality used car and small loan (if a vehicle is needed)



EMPLOYER ENGAGEMENT

- Program curriculum was developed with industry employers.
- More than 150 different employers have hired JumpStart graduates.
- More than 50 have hired more than one graduate.
- 7 employers are members of our *Employer Advisory Committee* that reviews curriculum, discusses industry trends, and works to find opportunities for graduates.





STUDENT DEMOGRAPHICS

- 94% African-American males
- 75% are unemployed at enrollment
- 25% who are employed at enrollment on average earn \$10/hour or less with no access to benefits
- 75% have a criminal record
- Roughly 80% have no access to reliable transportation



SOME QUICK FACTS

- 1100+ Baltimore residents have been enrolled
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- 80% of students graduate
- 75% of graduates have been placed into high wage construction careers
- 100+ graduates have started a formal four-year apprenticeship
- The average *starting salary* for a JumpStart graduate is \$12 per hr.
- The average salary for a JumpStart graduate *after two years* is \$18* per hr.
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- Project JumpStart is endorsed by Sagamore Development; The Johns Hopkins University and the Johns Hopkins Hospital; Exelon; The Mayor's Office of Employment Development; The State of Maryland and more!



How have contractors benefited?

- Project JumpStart is increasingly seen by specialty contractors as a reliable source for qualified entry (or higher) level workers who want to pursue careers in the skilled trades.
- Our JumpStart graduates who go onto apprenticeship, not only perform well but they have achieved a higher graduation rate than that of the non-JumpStart apprentices.
- Project JumpStart has emerged as an important partner for our general contractor and specialty contractor members who must comply with local workforce investment requirements.
- JumpStart is on the City's list of Preferred Workforce Development Providers.



Expanding Project JumpStart:

- In 2015, ABC Metro Washington held its first Project JumpStart class, where 75 percent of the graduates were placed. The State has already agreed to fund two more classes this year.
- The State of Maryland is also talking to us about holding a pilot class in Western Maryland.
- We are having conversations with ABC Delaware about planting a JumpStart program in the City of Wilmington.
- The ABC Ohio Valley began their Project JumpStart program two years ago and is achieving job-placement results that exceed 85 percent!

