



VOICES FROM  
THE FRONTLINE

# DIVERSITY, EQUITY, AND INCLUSION FOR NYC FRONTLINE WORKFORCE DEVELOPMENT PROFESSIONALS

DATA REPORT 3  
MARCH 2021



# INTRODUCTION



The *2020 Survey of NYC Frontline Workforce Professionals*, developed by [The Workforce Field Building Hub \(“The Hub”\)](#) at [Workforce Professionals Training Institute \(WPTI\)](#) as part of the *Voices from the Frontline* initiative was developed in the fall of 2019 and administered in the first months of 2020. Even in the early months of 2020, no one could have imagined the multiple shocks that would shake New York City, the United States and the world for the rest of the year and into 2021: the global pandemic of COVID-19, and immediate, drastic economic repercussions, both of which continue to have disproportionate impacts on women and people of color; mass protests in the wake of ongoing instances of police brutality and killings of Black people; and an attack on our nation’s Capitol building. All of these events have highlighted the inequities that are at the core of our economic, justice, and political systems and forced conversations at all levels about issues including income inequality and the racial wealth gap, lack of diversity and representation in public and private sector leadership, and the essential differences in the lived experiences and economic opportunities for Americans.

The workforce development field is both a byproduct of, and a response to, systemic racism and inequality. While we do not have good statistics about who is served by this fragmented system, the field is unified by common goals around increasing rates of employment and income, and the statistics are clear on who is more likely to be unemployed and poor in this city and country: Black people, other people of color, and women. These populations seek services from the workforce development system to fill gaps in their work experience, skills and professional networks that are themselves created by and reinforced by unequal access to high-quality education at all levels, housing segregation, workplace discrimination, and unequal experiences with the legal system.

The *Voices from the Frontline* initiative, led by Workforce Professionals Training Institute (WPTI), seeks to shed light on frontline workforce development professionals, the individuals responsible for preparing and connecting job seekers to employment. Data gathered through the *2020 Survey of NYC Frontline Workforce Professionals* includes detailed information on the work environment, personal characteristics, employment satisfaction, and future aspirations of 362 frontline workforce professionals working in New York City. The first two reports in the series provided a rich picture of who these professionals are--predominantly female, people of color, and college-educated--and how they are compensated. In this report, we build off of the findings from these reports and take a closer look at the differences within the sample in their responses to questions about compensation, representation, and job quality in an effort to identify the ways in which systemic inequalities are both reproduced in and perpetuated by the workforce development system.



*A note to readers: The 2020 Survey of NYC Frontline Workforce Professionals was conducted in January and February of 2020, prior to the COVID-19 pandemic. As such, all data presented reflect pre-pandemic responses and sentiments. To better understand how frontline workforce professionals have been impacted by the pandemic, WPTI, in collaboration with the Center for New York City Affairs at the New School, will re-engage this population throughout 2021 through additional surveying, focus groups, and other forms of data collection. As aptly noted by a nonprofit leader, “Even before COVID-19 this has been an underpaid and undervalued sector. There have always been issues about pay, benefits, and parity, which are now being amplified.” Stay tuned for more information.*

## DEMOGRAPHICS AND REPRESENTATION



The first two reports in this series reinforced that women and people of color comprise the majority of the workforce development frontline, with Black women accounting for 25% of all survey respondents. Here we consider how the demographics of the respondents compare to the broader make-up of New York City as an entry point into a discussion about the issue of representation in workforce development: that is, the extent to which the field’s workforce, at both the frontline and leadership levels, reflects the city in which it operates and the communities it serves.

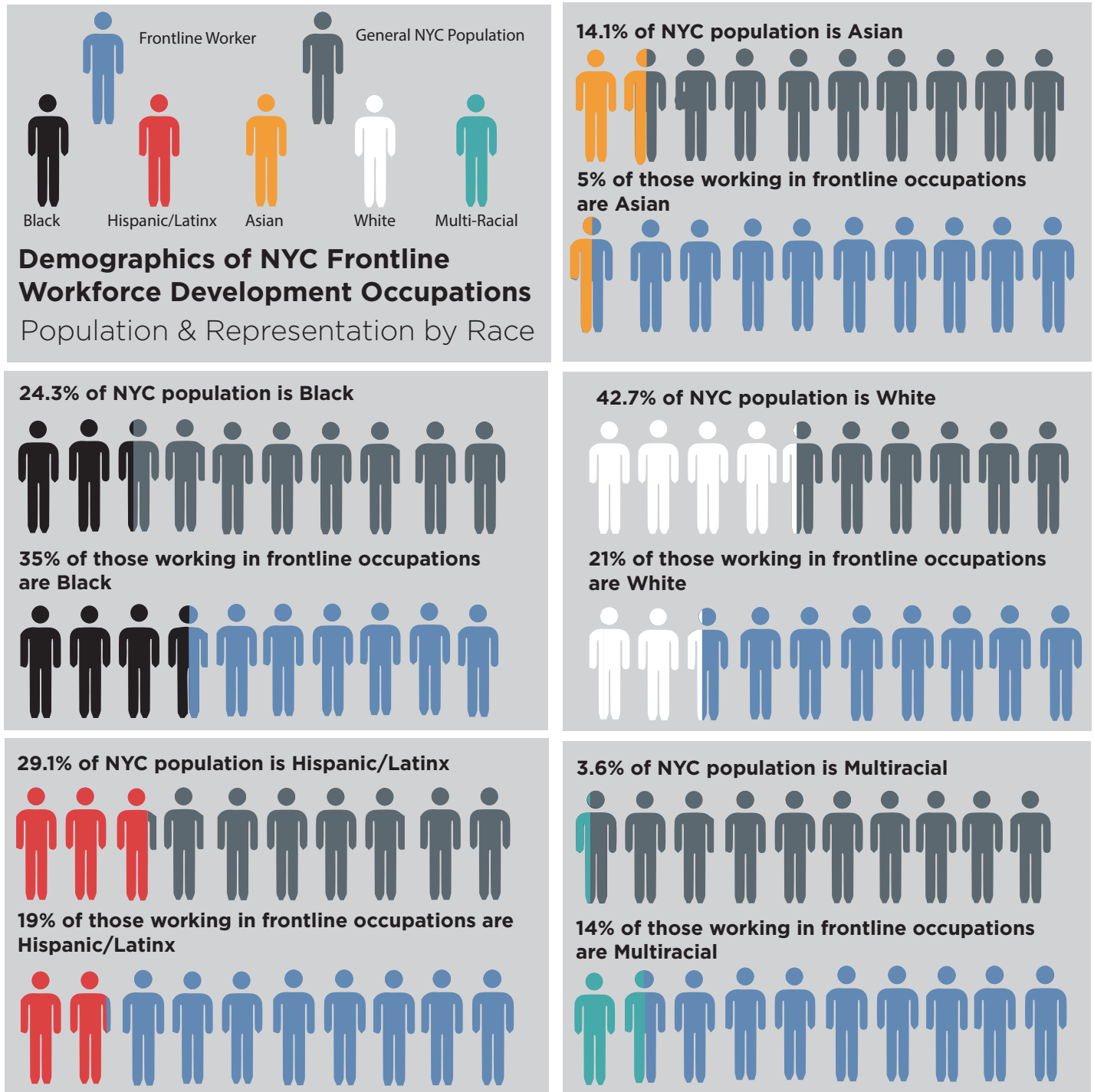
As can be seen in **Figure 1**, Black workers are over-represented in the workforce development frontline, relative to its share of the overall city population; conversely, whites, Latinx and Asians are under-represented.

Unfortunately, there is no unified data set on who the workforce development field serves. But, given that the workforce development field works to increase employment and income for its constituents, we look at the poverty rate by race as one proxy for the field’s potential target population.

Black, Latinx, and Asian populations all have higher poverty rates than whites in New York City, so it could be posited that these populations would be more likely to seek workforce development services and, therefore, a representative workforce would include larger percentages of Black, Latinx and Asian workers than white workers. In fact, as we can see in **Figure 2** white workers are the second largest share of the workforce, while Asians—who have the second-highest poverty rate amongst all of these broad racial/ethnic categories—are the smallest share of survey respondents, at just 5%.



**Figure 1**



Note 1: Source is United States [Census Bureau, Quick Facts](#), Population Estimates as of July 1, 2019. Responses add up to more than 100% because Hispanic/Latino can be of any race and therefore counted in more than one category.

**Figure 2**

## PERCENTAGE OF WORKING AGE ADULTS LIVING BELOW POVERTY THRESHOLD

**22.1%**

Hispanic/Latinx

**20%**

Asian

**18.2%**

Black

**11.7%**

White



% of Adults (18-64) Living below NYC Government Poverty Threshold

Note 2: [The NYCgov Poverty Threshold](#) for 2018 is \$35,044. This measure is designed to reflect the cost of living in New York City as well as the value of public benefits and tax credits. Thresholds stated are for two-adult, two-child families.

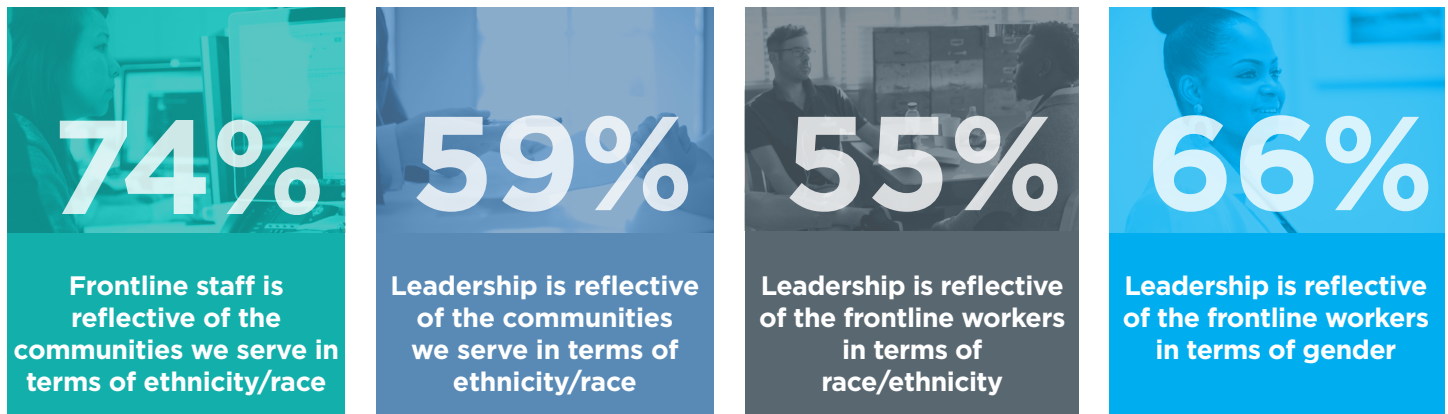
Note 3: Source of data is [NYC Opportunity Data Tool](#)

In the absence of any agreed upon benchmarks about what a diverse and representative workforce would look like, we look at how frontline workers perceive the composition of their own organizations with regards to the community the organization serves. As can be seen in **Figure 3**, 3 out of 4 frontline staff agreed that the racial/ethnic make-up of the frontline workers in their organization was representative of the organization's job seekers. However, fewer respondents agreed that leadership was reflective of frontline workers themselves or the communities served by the organization in terms of race, ethnicity, and gender.



## PERCENTAGE WHO AGREE ON HOW REFLECTIVE LEADERSHIP AND STAFF ARE IN TERMS OF ETHNICITY/RACE AND GENDER

Figure 3

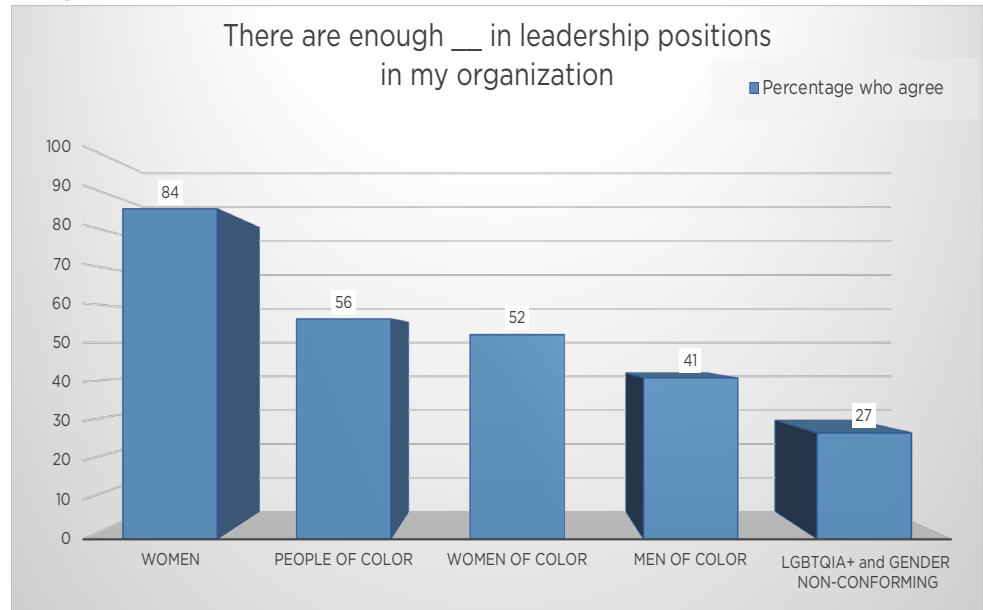


**Figure 4** (next page) suggests where the greatest gaps in diversity may be within organizational leadership. Responses demonstrate near-consensus (84%) that women are adequately represented in leadership, but there is a sharp drop-off in agreement to whether there are enough people of color and women of color (56% and 52%, respectively). Questions about the number of men of color, LGBTQIA+ and gender nonconforming individuals had less than 50% agreement, while questions about sexual orientation and gender nonconformity also had the highest rates of people answering “I’m not sure”. This may reflect that respondents are not able to assess this question based on external appearances or a higher level of discomfort making judgements in this area.



**“Data suggests  
that there is a  
lack of diversity in  
leadership.”**

**Figure 4**



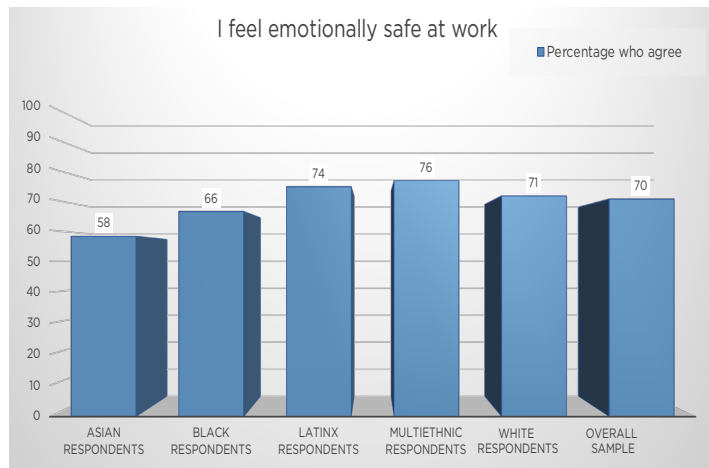
While it is hard to draw conclusions from these responses, taken as a whole they suggest that there is a lack of diversity in leadership and that women and men of color are under-represented in leadership. This would corroborate our finding in Data Report 2, that white men and women were more likely to be earning salaries above \$55,000, if we use higher earnings as a proxy for leadership roles. Further, this is supported by the 2018 analysis by the City of New York and the Nonprofit Coordinating Committee of New York, which showed that nearly 70% of 400 organizations surveyed had executive directors/CEOs who were white, cisgender males.<sup>1</sup>

Finally, we note that 16% of survey respondents were former clients of the organization they work for. This may actually undercount the presence of workers with lived experience of the workforce development system, as there may very well be respondents who received services from organizations other than their employer. The issue of lived experience is another critical dimension for thinking about how an organization’s workforce reflects the community it serves, and one that is worth deeper exploration in future surveys.



# DIVERSITY, EQUITY AND INCLUSION IN PRACTICE: DAY-TO-DAY EXPERIENCE

Figure 5



Race shapes life opportunities and trajectories, as well as daily experiences. Thus, another way to understand how the issue of race manifests itself in the workplace is to look at differences in how people feel at work. Feelings of belonging, safety, and trust may be indicative of workplaces that have worked to foster inclusion but differences between how subgroups respond may point to workplaces that do not value all voices equally, or go to the same lengths to make minority populations feel included and safe. These types of factors are also indicators of job quality, an issue we will explore in more depth in the next report in this series.

Figure 6



Figures 5-8 show that for the most part, workers feel safe in their workplace, and connected to and supported by their coworkers, though the question about emotional safety had the lowest response rate. However, we do note differences between racial/ethnic groups, with Asian respondents having the lowest affirmative response rates to all of these questions. This is a reminder that in a workforce that is “majority minority,” not all races and ethnicities are equally represented, and the challenge of diversity, equity, and inclusion work is to create an environment that is inclusive of all dimensions of diversity and difference.

Figure 7

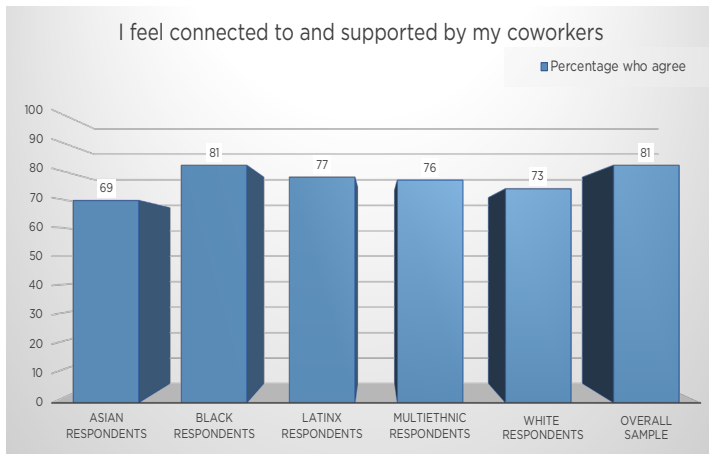
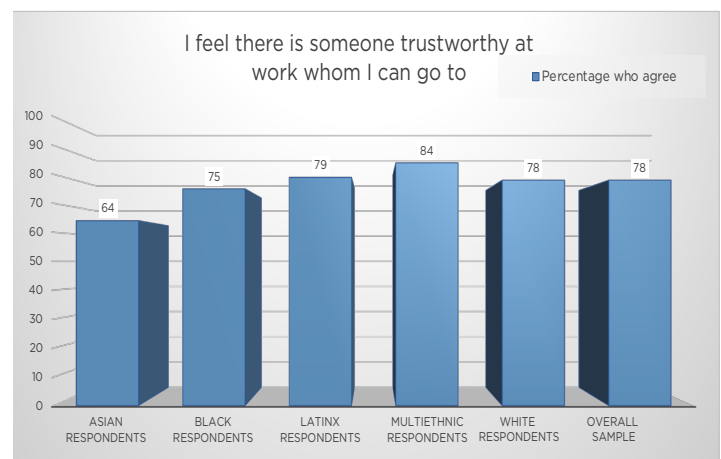


Figure 8





## SALARY AND RACE

In the first two data reports in this series, our analysis showed that the median wage for frontline workforce professionals is close to the citywide median of \$54,360, with 51 percent of frontline workers earning between \$35,000 and \$54,999 per year despite a rate of college degree attainment nearly double that of the city's population at large. This is likely a reflection of the general difference in compensation between the nonprofit and for-profit sectors, wherein nonprofit workers earn between \$3 and 5 less per hour than their counterparts in the for-profit sector.

Our analysis also showed a clear pattern of difference in earnings by race, as well as a bifurcation between white workers and workers of color: more than half of white workers earn more than \$55,000, compared to slightly less than a third of Black workers. On its own, this finding is striking but not conclusive given respondents' range of tenure in current

position and the field, age, and education level, as well as variations in job description and managerial responsibilities. However, it does align with a 2020 analysis by the Center for an Urban Future that showed that in the majority of the city's industries, Black workers earn an average of \$10,000 less than their white counterparts. In the "civic, social, advocacy organizations, and grantmaking and giving services" industry, where the workforce development field likely falls, the gap between white and Black workers is \$27,000.

Additional analysis for this report confirmed that the relationship between race and salary is statistically significant. In order to determine whether the variation within the field could explain this relationship, we segmented the survey respondents into the following subgroups: without a college degree; with a college degree; with some graduate school or a graduate degree; with five years or fewer of experience in the workforce development field; and with more than five years of experience in the workforce development field.

Figure 9

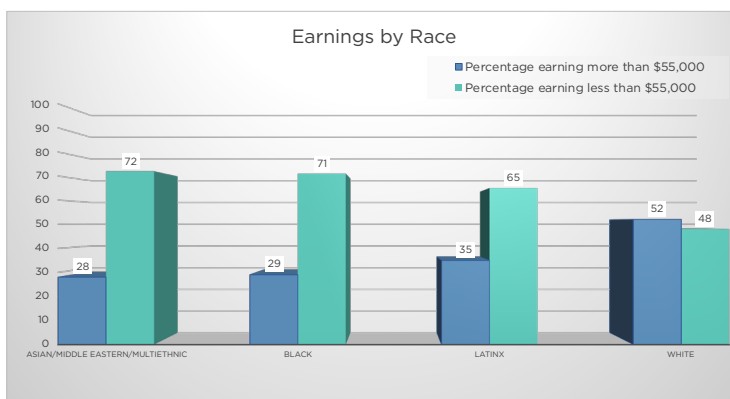
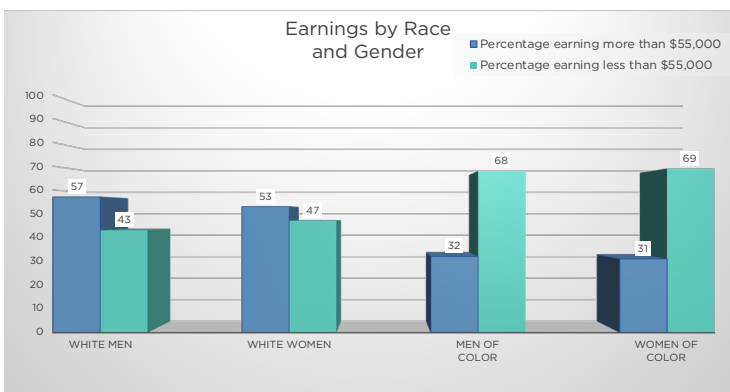


Figure 10



**Even after controlling for years of experience in workforce development and graduate-level education, we found that respondents of color are over-represented among those whose salaries are below \$55,000 and under-represented among those whose salaries are above \$55,000.**

For example, 72% of the survey respondents who have five years or fewer of experience in the workforce development field are people of color and 28% are white. If all things were equal, we would expect that people of color would be 72% of those with five years or fewer of experience who earn more than \$55,000, and white people would be 28% of those with five years or fewer of experience who earn more than \$55,000. Instead, people of color are only 62% percent of the respondents with five years or fewer of experience making more than \$55,000, while white people are 38% of the respondents with five years or fewer of experience making more than \$55,000. A similar pattern of over- and under-representation was found for Black individuals with more than five years of experience and with some graduate school or a graduate degree.



These differences were found to be statistically significant, indicating that work experience and advanced degree enrollment and/or attainment, on their own, are not explanations for the association between race and salary distribution.

But even where there was an association between race and salary, there may be interactions between education and experience that explain some of the disparities. For example, within both experience categories, a higher percentage of white respondents have a bachelor's degree or more. Further, there was no statistical significance to association between race and salary when controlling for whether a worker has some college education or a bachelor's degree. This suggests that education, rather than race alone, may account for racial disparities in salary distribution at lower levels of educational attainment. Additional subgroup analysis was not possible given the small number of white respondents without a bachelor's degree. However, for those with some graduate school or a graduate degree, subgroup analysis showed a significant association between race and salary for individuals with five or less years of experience in the field, but no significant association for those with more than five years of experience.

#### Our analysis showed that:

People of color are **72%** of the survey respondents with less than 5 years of experience in workforce development, but are **81%** of the people earning less than \$55,000 and **62%** of the people earning more than \$55,000 at this level of experience.

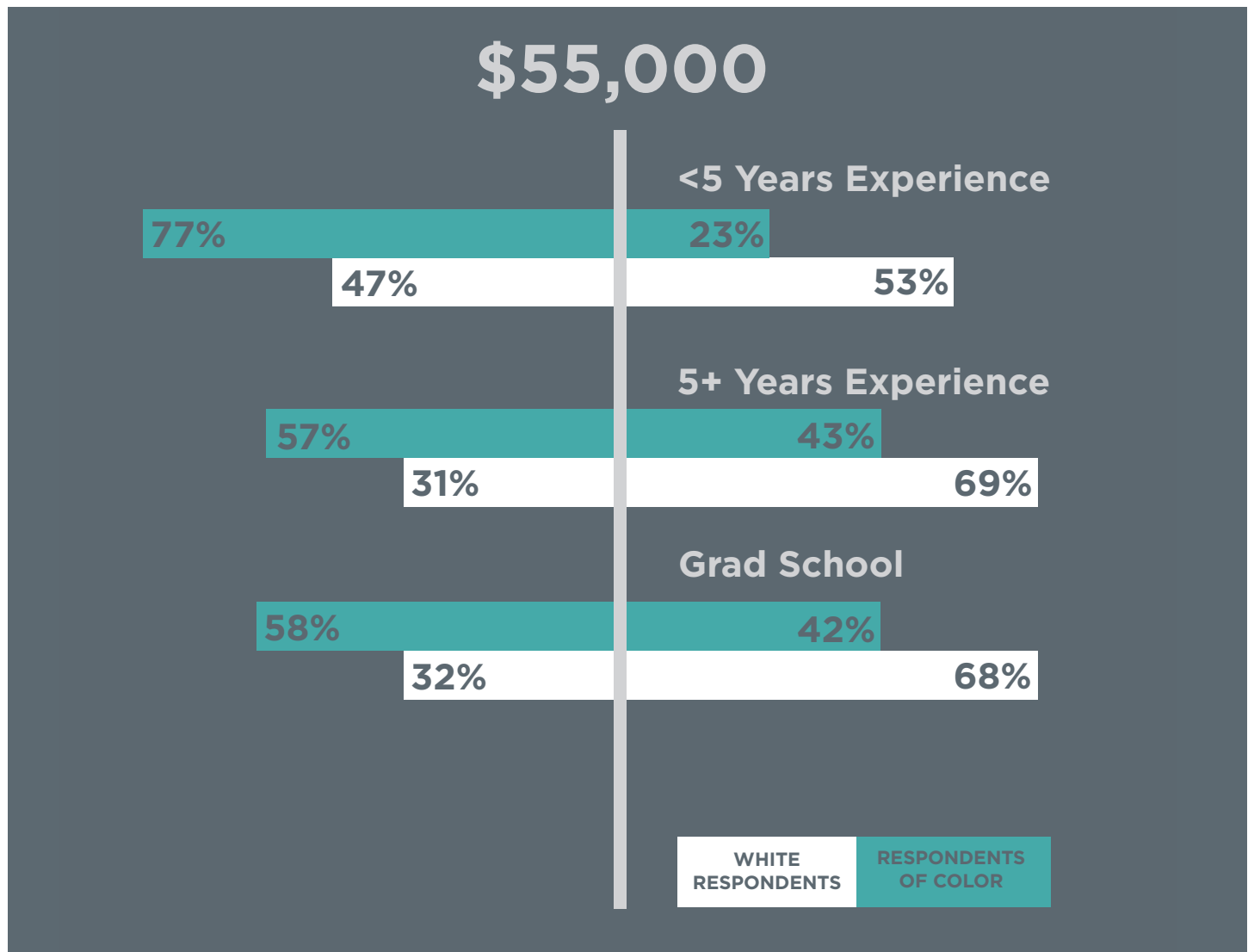
People of color are **66%** of the survey respondents with more than 5 years of experience in workforce development, but are **72%** of the people earning less than \$55,000 and 60% of the people earning more than \$55,000 at this experience level.

People of color are **56%** of the survey respondents with some graduate school or a graduate degree, but are 44% of the people earning more than \$55,000 and **67%** of the people earning less than \$55,000 at this education level.

What this means for compensation is shown in **Figure 11**. Notably, a white person with less than 5 years of experience is more than two times as likely to make more than \$55,000 than a person of color with the same level of experience. The difference in likelihood of earning more than \$55,000 diminishes with experience and education, but is still pronounced: whites with five years of experience or some graduate school/a graduate degree were 45% and 60% more likely to earn above \$55,000 than people of color, respectively.



Figure 11



**“Work experience and advanced degree attainment are not explanations for the association between race and salary distribution.”**

These differences were found to be statistically significant, indicating that work experience and advanced degree attainment are not explanations for the association between race and salary distribution. There was no statistical significance to the difference in salary distribution for white workers and workers of color who did not have a bachelor’s degree or had only a bachelor’s degree.

Salary is one key part of a compensation package, which also includes employer-sponsored benefits like health and dental insurance and retirement savings plans. For most people, earned income is the major source of financial security in the present, and the sufficiency of someone’s earnings to cover their basic living expenses and build savings is a key factor in their ability to build longer-term financial security and assets.



## RACE AND FINANCIAL SECURITY



Figure 12

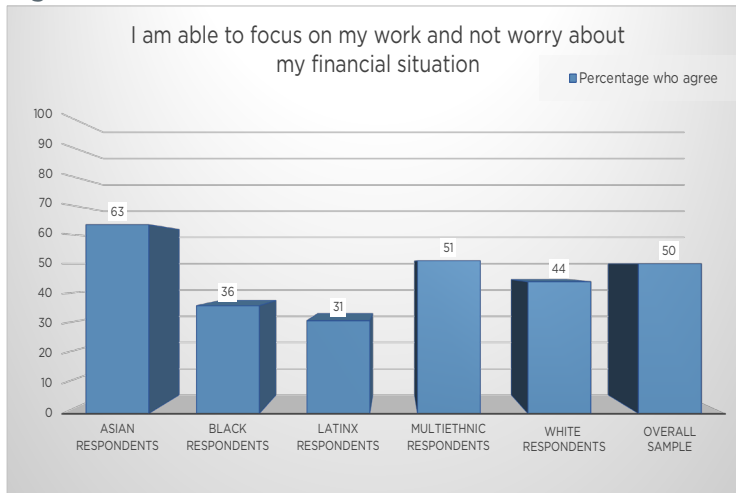


Figure 13

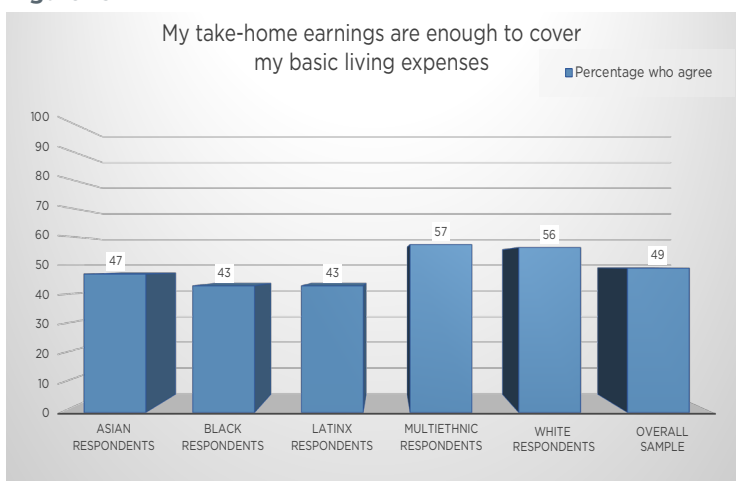
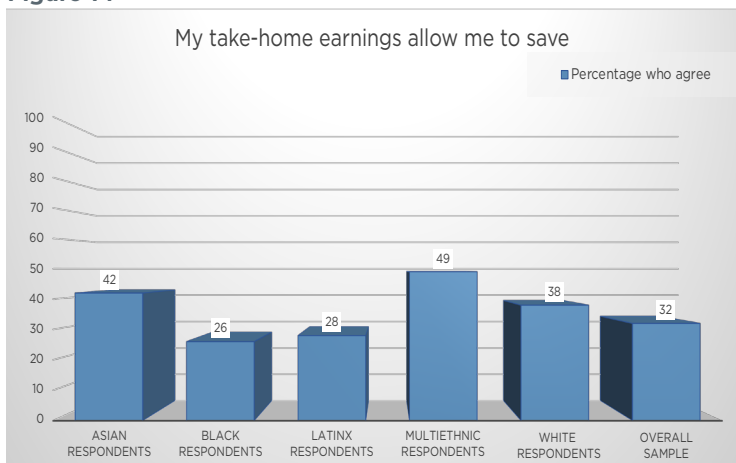


Figure 14



We use questions about ability to cover basic living expenses, focus on work without the distraction of financial stress, and having other sources of earned income as proxies for financial security in the present moment. Our analysis highlights two things. First, among all respondents in our study, roughly half of workers report some dimension of financial insecurity, which is a reflection of the low compensation typical in the sector, and roughly 1 in 4 respondents reported having or seeking a supplemental source of earned income -- through either another job, freelance work or small business ownership. Second, there are differences along racial/ethnic lines in the extent to which a worker's job provides them with basic financial security. Black and Latinx respondents reported the lowest rates of agreement with questions about ability to cover basic living expenses and focus on work, while Latinx respondents were as likely as Asian respondents to report an inability to focus due to financial stress.

We highlight these differences as a reminder that while there are racial stratifications in salary levels that may reflect inequalities within the workplace, answers to questions about financial security are inherently personal and subjective, just as likely to reflect differences in circumstances outside of the workplace: for example, debt levels, household size and composition, housing costs, family wealth, and differing attitudes toward money. However, some of these external factors may also be reflective of or tied to the effects of structural inequalities like housing discrimination that restricts equal access to affordable housing, predatory consumer financial practices, and different levels of family wealth that affect debt levels.



We also asked two questions that serve as proxies for ability to build financial security for the future by saving money. As with the questions about current financial security, the overall response to the question about ability to save money likely reflects both the low compensation in the sector and differences in personal circumstances. Only one-third of respondents reported an ability to save, and no more than half of any racial/ethnic group responded affirmatively, with Black and Latinx workers having lower affirmative response rates. **(Figures 12 - 14)** And, while almost three-quarters of the survey sample reported that their employer offered a pension or retirement account, there were differences between racial/ethnic groups, which could reflect differences in awareness about employer-sponsored benefits but also raises questions for future investigations: for example, are there differences in staff racial makeup between organizations that do and do not offer retirement savings as a benefit of employment?

**Figure 15**

	BLACK	LATINX	WHITE
Median Household Wealth (2016 National Data Set)[Note 1]	\$17,409	\$20,920	\$171,400
Homeownership rate (2016 National Data Set)[Note 2]	42%	46%	72%
Average liquid retirement savings (2016 National Data Set) [Note 3]	\$25,212	\$25,581	\$157,884
Ability to save (survey response)	26%	28%	38%
Have pension/ retirement account (survey response)	78%	62%	81%

Note 1: Source of data is Urban Institute calculations from Survey of Financial Characteristics of Consumers 1962 (December 31), Survey of Changes in Family Finances 1963, and Survey of Consumer Finances 1983–2016.

Note 2: White rate of homeownership is for white, non-Hispanic population. Source of data is Urban Institute calculations from Current Population Survey 1976–2017. 1976–2014 values from Census Historical Household Surveys, Table HH-5. 2015–16 values from Census Annual Statistics 2016, Table 22.

Note 3: Source of data is Urban Institute calculations from Survey of Consumer Finances 1989–2016.

Differences in access to savings opportunities matters because there is a persistent and growing gap between the median net worth of households when disaggregated by race in the United States. This racial wealth gap is a reflection of differences in income, debt, personal and business asset accumulation, and intergenerational wealth transfer and can be seen in the stark differences in median household wealth as well as in wealth-building milestones such as homeownership. **(Figure 15)**

## CONCLUSION AND WHAT'S NEXT



The workforce development field is situated at the intersection of public policy, education, social services, and the nonprofit sector, all of which have their own complex relationships to and histories of racism, oppression, and discrimination. Thus, it is not surprising or revelatory that these realities are reproduced or reinforced by the workforce development system. Our intent in sharing these analyses is to provide data that can force deeper conversations and examinations within organizations as well as between organizations and their funders about how, as a field, we can contribute to the critical work of undoing our shared history of inequality.

Next month, we will release the fourth Data Report in our *Voices from the Frontline* series, addressing issues of job quality. The report will focus on the monetary and non-monetary dimensions of job quality, in an effort to advance our understanding of what keeps individuals in the field, how organizations can retain their staff, and how experiences of job quality may differ for workers based on their race, gender, and other personal and professional factors. As the workforce development system has become increasingly focused on job quality for the job placements it facilitates for job seekers, it is especially critical that the sector look within at its own employment practices.

In March 2021, WPTI will release a new survey, part of *Voices from the Frontline*, which will focus on the impact of the COVID-19 pandemic on frontline workforce development professionals. This survey will include topics such as compensation and benefits, future career plans, and issues of equity, as well as their levels of digital fluency and access to technology resources - particularly important in a virtual work environment. Stay tuned.

# ACKNOWLEDGEMENTS



*Voices from the Frontline: Diversity, Equity, and Inclusion for NYC Frontline Workforce Development Professionals* is a publication of the Workforce Field Building Hub (The Hub) at Workforce Professionals Training Institute (WPTI). This report was written by Dana Archer-Rosenthal. The *Voices from the Frontline* initiative is managed by Justin Collins, Assistant Director of The Hub, and research support is provided by Gregory Brodie, Senior Associate of Programs, Operations, and Research. Stacy Woodruff, Senior Fellow, led research efforts for *Voices from the Frontline* and crafted the initial reports for the initiative.

The 2020 Survey of NYC Workforce Professionals was designed in partnership with the CUNY Labor Market Information Service (LMIS); LMIS administered the online survey and conducted initial analysis of the data. Research Consultants Matthew Vanaman and Scott Koenig performed additional data analyses for this series of reports. East End Advertising designed this report, and Momentum Communication Group provides messaging, media outreach, and communication strategy support. Dana Archer-Rosenthal serves as a strategic advisor to the initiative.

WPTI wishes to express gratitude to the dozens of frontline workforce professionals, leaders, and intermediary partners from across the New York City workforce ecosystem who participated in focus groups and stakeholder interviews, broadly disseminated the *2020 Survey of NYC Frontline Workforce Professionals*, and provided valuable feedback to realign initiative priorities in the wake of the COVID-19 pandemic. These individuals provided informed, candid, and often heartfelt assessments of the roles assumed by frontline workforce professionals; the challenges encountered within workforce organizations and embedded into the fabric of the workforce system; and the importance of the often passion-driven work of frontline workforce professionals in their efforts to position more New Yorkers for success in the labor market.

**This report was made possible by the generous support of the Altman Foundation, the Ira W. DeCamp Foundation, the Clark Foundation, the New York Community Trust, and the New York City Workforce Funders. We are thankful for their enduring commitment to strengthening the New York City workforce system.**

Additionally, we thank the more than 350 frontline workforce professionals who participated in the *2020 Survey of Frontline Workforce Professionals*; without their input, the *Voices from the Frontline* initiative would not be possible. Finally, we are grateful for the support of WPTI's Executive Director, Sharon Sewell-Fairman, and full WPTI team for working every day to provide support, increase capacity, and raise the standards of quality service throughout New York City's workforce development field.



## FOOTNOTES



1 What Lies Beneath: The State of NYC Nonprofit Board Diversity, Equity and Inclusion. NYC Service and Nonprofit Coordinating Committee of New York. 2018.

2 Nonprofit Pay and Benefits: Estimates from the National Compensation Survey. US Bureau of Labor Statistics. Monthly Labor Review. January 2016.

3 Stark Disparities in Employment and Wages for Black New Yorkers. Center for an Urban Future. August 2020.

4 A chi-square test revealed that race and salary were significantly related:  $X^2(1, N = 315) = 13.3, p < .0001$ . To determine whether years of experience could explain this relationship, the chi-square test was repeated once among the subset of respondents with five or fewer years of experience ( $X^2[1, N = 189] = 8.2, p = .004$ ) and again among respondents with more than five years of experience ( $X^2[1, N = 121] = 3.6, p = .059$ ). That the association remained significant at both levels of experience (albeit marginally so at the higher level) indicates that experience is not a mediator. This process was repeated with education level as the possible mediator, but with Fisher's exact tests instead of chi-square tests, because of low counts in certain cells of the cross-tabulations. Fisher's exact tests were run for those with no bachelor's degree ( $p = 1$ ), only a bachelor's degree ( $p = .492$ ), and some graduate school or a graduate degree ( $p = .014$ ). The non-significant associations in the first two groups suggest that education may account for race-based salary disparities for those with up to and including a bachelor's degree. The significant result from the third group, however, suggests that race-based salary disparities persist even among those with some graduate school or a graduate degree. To determine whether disparities within this subset could be attributed to experience (e.g., whether highly educated white respondents are paid more than highly educated respondents of color because they are more experienced), the subset was further divided into those with five or fewer years of experience and those with more than five. Fisher's exact tests on each of these groups revealed that while the association between race and salary was non-significant ( $p = .318$ ) for those with more than five years of experience, it was marginally significant for those with five or fewer years ( $p = .053$ ). This suggests that race-based salary disparities for highly educated respondents are pronounced for those with relatively little experience in workforce development, though the disparities may fade with increasing experience.



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