



John J. Heldrich Center for Workforce Development

Transcript

Episode 5: Rachel Korberg

Podcast Introduction (*music playing*): Welcome to *Work Trends RU*, presented by the Heldrich Center for Workforce Development at Rutgers, The State University of New Jersey. In this podcast, we speak with experts, policymakers, and thought leaders about issues affecting work, education, training, the economy, and well-being. Each episode of *Work Trends RU* provides insights into important topics like changes in the job market, economic challenges, and how artificial intelligence is shaping the future of work. Our guests share their thoughts and reflections on how public and private sectors can better address the needs of workers, job seekers, and employers. Join us as we discuss the evolving landscape of work and education on *Work Trends RU*. (*music ends*)

Carl Van Horn: Welcome to *Work Trends RU*, the podcast of the Heldrich Center for Workforce Development at Rutgers University. I'm Carl Van Horn, the director of the center. Today, I'm really pleased to speak with Rachel Korberg. Rachel is the Executive Director and co-founder of the Families and Workers Fund, and also a member of the Heldrich Center's National Advisory Board.

Thanks for joining us today. You're leading a very important and ambitious project with the Families and Workers Fund, which you direct and co-founded. It's a national multi-funder collaborative that brings resources together from several philanthropic organizations. And you've identified and shared ideas and strategies for improving the labor market and helping people most in need. Now, I'm sure it's difficult to summarize that in a very short conversation we're going to have today. But in a few minutes, could you summarize those that you think are most important and have had the greatest impact thus far, or might have the greatest impact down the road?

Rachel Korberg: Yeah, definitely. And let me just start by saying how glad I am to be sitting down with you. You have done so much for our state and I'm really honored to be having this conversation and also to be your newest National Advisory Board member. So, thank you.

Carl Van Horn: We're pleased that you're joining us.

Rachel Korberg: So, the Families and Workers Fund, we're a \$130 million pooled fund founded by the Ford Foundation and Schmidt Futures and backed by about 20 large donors and foundations from the Gates Foundation to Siemens and JP Morgan Chase. But we didn't start out that way. We started out very much by listening to workers, what workers were going through in really the hardest earliest moments of the COVID-19 pandemic. So, if you go back to a time, a lot of us find it really painful to remember back in the spring of 2020, there were

two kinds of stories I was hearing in my work then as a funder at the Ford Foundation focused on frontline workers earning low pay. One story was the workers who were very rapidly laid off and people in low paying jobs, about 50% of them as we know, were laid off nationwide at some point in 2020. And for so many of these workers, they then needed to turn to our public benefit system, unemployment insurance, and SNAP, and TANF. And, unfortunately for so many of them, the delays, the challenges of paperwork, the, you know, making a small mistake on a form that sets you back by six months. That happened for so many. I mean, I work in these issues and one of my family members had a six-month delay in getting her unemployment insurance check. And from a state that really didn't want to have those kinds of delays, that was really trying their hardest. So, that was one kind of story. It was this risk of falling into deep poverty and having to rely on these systems that are seeing a lot of improvement, but in many cases, and with a few real bright spots, New Jersey is one of them, but in many cases just weren't quite up to the task, unfortunately.

And then the second type of story I was hearing, which is a really painful one, were workers who were deemed essential and were really keeping our society, our communities, intact, making meals in hospitals, sanitation workers, contact test and trace workers. They were the difference between all of us being able to live our lives and social collapse. And in far too many cases, workers did not have the on-the-job health and safety that they really needed. And I could share some specific stories, but we saw really high rates of sickness, of death among essential workers. And in many cases, you know, fast forward two years, the workers who were making those meals for COVID-19 patients, who were watching the kids of doctors and RNs, they didn't then get that investment back in them to train and become that RN, to reach the next level in their own careers. So, there was this sense of, yeah, you're essential, but are we really investing back in you and helping you in your career journey and your economic mobility story? So, these kind of opposite but really significant challenges facing workers and their families is what sparked our fund. And we decided that we would try to bring together donors who were collaborating so well on health, but much less on workforce and the economy and say how can we back some of the most important and urgent strategies to help workers who either find themselves laid off with few places to turn or working in these jobs that they hope can lead to an economic mobility story, but too often just lead to dead ends and on-the-job health and safety problems.

Carl Van Horn: Yeah, I mean, obviously that's a huge agenda. So, break it down a little bit and talk about where you really have gotten, in your opinion, positive outcomes for workers and organizations and communities. I'm curious about that, because, obviously, you have huge amount of money, relatively speaking, in this space that we talk about it and a lot of very powerful donors behind your organization.

Rachel Korberg: Yeah, absolutely. That was the... Those were the sort of beginning bits of inspiration, but to date, our work has helped 1.3 million workers achieve greater economic opportunity in some way. So that, you know, concretely, that could look like someone working with our grantee partner, PowerCorpsPHL. This is a community-based nonprofit in Philly now expanding to about 10 locations, works primarily with out of school, out of work young people, particularly those who haven't had access to higher education, may have experienced gun violence and other types of really significant challenges in their communities, and invest in them. Provides a stipend right away on day one, provides these great wraparound services and supports around mental health, substance use, transportation, whatever may be needed,

whatever is the thing that's blocking you from living into your potential. And we all have those things, right? And ultimately gets folks into a fellowship program where they can try out different types of jobs. And these are jobs that are giving back to their communities, you know, different forms of construction, urban resilience and renewal, solar energy. Eventually they go into getting on the job experience with employers and get hired.

And we were blown away by this program, not just because it sounds like the right thing to do, but because the numbers don't lie. So, for every dollar of grant funding we put in, they are able to leverage about \$40 of public or employer money. So, it's a huge ROI if you're on the philanthropy side. And they've also got about a 92 % placement rate, which is incredibly strong and I think just speaks to really how robust the program is.

So, we look for programs like this that are often leveraging public and private dollars, that really meet people where they're at, and take people as a full person versus just a number on the page.

Carl Van Horn: So, we'll link to whatever documents you have on that for our listeners. But just while we're talking, what's the secret sauce there? Because, hearing that for the first time, I'd say nobody has a 92 % placement rate, unless they're making it up. And I know you're not. So, talk a little bit more about that. What is it that you think makes the difference between that program and most other programs which aren't nearly as successful?

Rachel Korberg: I see two really common elements of success in the inclusive training programs that we back when they have these really high completion and placement rates. The first is very deep and trusting relationships with their employers and actually designing the training in a way that meets employer needs. Like when I talk to business leaders around the state, around the country, there are real talent shortages. But so often the training and workforce development programs they try to hire out of, they're not actually meeting the needs of those employers. So, that piece is key. And then the second is this piece around really providing individualized supportive services, or wraparound supports they're often called. So, it's not just a matter of, you know, giving someone a transportation voucher. That's important, we've still got to make the case for more public funding for this. But it goes beyond that. What PowerCorpsPHL, and a growing number of nonprofits do that I think really want to get this right, is they actually train their staff to identify when a learner in the program is struggling. So, you know, "Hey, I noticed that you've been late for the last week". And instead of that being something you're penalizing the person for, it's like, "Well, what's going on there? You know, what's happening?" and often it's a problem with childcare or it might be a cash shortfall or a health issue. And then providing an on-the-spot solution that can actually help and be supportive of this person so they can do what they need to do.

Carl Van Horn: So, in addition to good staff and training and so on, it's the flexibility of support, right? In other words, putting whether it's \$100 or a few thousand dollars at a place that allows that person to advance. And a lot of government programs are not very happy with that sort of flexibility. It doesn't fit their model of accountability.

Rachel Korberg: Absolutely. This is still where philanthropic dollars are needed because we know this works. We see it very clearly in the data and yet it's typically not something that you can bill for, right?. And I think the same can be said about employers. I think employers could

get much better results and tap into new talent pools if we were willing to make these kinds of investments.

And candidly, I'll say, you know, it's not rocket science. I mean, if any of us have loved or helped raise a teenager. I think about so many of my extended family members. There is a piece of it that's just helping folks get over those hurdles that are unique to them. And, you know, someone needs a ride one day, or someone needs some groceries one day, or is just really struggling with their mental health. So, we know this because it's how we care for our communities and we should actually build it into effective program design, too.

Carl Van Horn: So, I know you are on the road and you and your colleagues are spreading the word about this. So, what kind of reactions do you get as you talk to people about you could do this in your community or in your business, too?

Rachel Korberg: You know, we've done a lot of this work, especially around the idea of good jobs being good for business. A couple of years ago, we actually brought together with the Aspen Institute, the broadest coalition ever to define what makes a good job. So, we put out a definition that is pretty simple and it was signed by about 250 leaders in academia, in business, in labor. And the three parts are: a good job should essentially let you get by, get ahead, and have a say. So, it's economic security, economic mobility, and a sense of purpose and belonging at work. And I think we see very clearly in the companies that take on this approach, you know, when people can afford their lives by working 40 hours a week, when they can take care of their families, when they can, you know, save up for the future. When they've got a good idea about how to make the company more productive and their manager is willing to listen to them and give it a try. These are the kinds of things that really lead to a strong business ROI. Often, we see it in the form of lower turnover, higher retention, you can recruit talent more easily. Sometimes you might get quite direct cost savings by fixing some sort of a process or a problem with workers being tardy. Depends on what the industry is, what your specific, you know, ROI is going to be from using more of a high road strategy. But we see it in industries around the country from grocery sector to logistics to manufacturing. So, I'm really, I'm heartened by that. We have a lot of interest from employers that are feeling the strain of attracting and retraining talent that are seeing big shortages, especially in the building trades and some of these very specialized technical sectors. And the way to get there is to make these jobs people really wanna have and that are really attractive to them and where they can get that continuous training for.

Carl Van Horn: So, what are the messages for the contingent workforce? Have you gotten to that big agenda item yet to try to influence people that hire contingent workers? And there are a lot of good jobs there too, especially for people who need flexibility. And there's a lot of bad jobs, both.

Rachel Korberg: Absolutely. I think that's why it's hard to have a one size fits all definition. And frankly, there doesn't need to be. There should be some basics in every job around pay that lets you get by and health insurance and et cetera. But what a good job is to you may not be what a good job is to me, right? And, for some, flexibility is so important. For others, a really standard, reliable schedule is the absolute most important. And we've just got to make sure we don't confuse flexibility with workers not having a voice and being able to do things like setting their schedule or that kind of thing.

But I couldn't agree with you more. I think that workers have got to be able to choose the job opportunities that truly work best for them. And what matters for you when you've got a little kid might be really different than what works for you when you're much older and you're an empty nester or you've got a long commute.

Carl Van Horn: And of course, as you know, for many folks that you're describing, it's either their health or the health of their children or loved ones that they take care of that makes it difficult for them to be a consistently good worker. And, at least in my experience, that's one of the blind spots of many, not all of course, but many employers who themselves are on the margins of success. Speak to that, if you would, and what you've experienced and how you might be addressing that issue, which you've alluded to already.

Rachel Korberg: Yeah, the challenge of childcare, but also kind of low margin businesses. Like if you're an employer and you wanna provide these benefits, but you're kind of struggling to keep the lights on. Is that what you mean, Carl?

Carl Van Horn: Yeah, exactly.

Rachel Korberg: Yeah, so I have to say, for me as a parent, I've got the most awesome and hilarious six-year-old girl. Even when I gave birth to her, the laws governing parental leave were completely different than what they are today. So, I'm really heartened to think there's a movement at foot and really a sea change to bring us to a place where there's paid parental leave, where it can be accessible to all types of parents and caregivers. So, I'm excited by that. I'm grateful for the work that's gotten us there. At the same time, we still have a long way to go. There are many, states and many companies where you still can't get time off at all. And that is ultimately going to deter all parents, and it disproportionately impacts women, from either working at your company or being able to stay at your company or advance in it. And, you know, we do a lot of work with small and mid-sized businesses. That's an issue that's very near and dear to my heart. And they're often the business leaders that are most invested in their community because they're employing their neighbors, you know? They don't wanna be taking something from their neighbors, making their neighbors' lives harder. It's where actually more than half of people in lower paying jobs work, is small and mid-sized businesses. And these are often the very businesses that struggle to put some of these practices or benefits in place. I do think it's a journey. We've had some work with the Good Jobs Institute, which grew out of Zeynep Ton's research at MIT. They've been working a lot more closely with small and mid-sized businesses because there is a business ROI for them as well. But it's a matter of picking, all right, what's your biggest pain point with your staff right now? Is it turnover? Is it that you can't find people to advance to mid-level manager roles? Is it that you can't retain people after they have kids? Get clear on what's going on and what cost it's causing you as a business. And then picking just one or two things to do really clearly. And we're excited that a number of states are actually considering offering cash grants to small and mid-sized businesses for trying some of these practices. Or, we partner sometimes with a lender that's actually providing lower cost debt to companies that will, small and mid-sized, that will deploy some of these practices because they so see the cost savings, the long-term gains for a company when they do it.

You know, while we're talking about parents, there is one more example I'd love to share with you of some work we've supported and really proud of.

We've been really excited to support this model called Rx Kids. Right now, it's just in Michigan. I think it has huge potential to scale to other places. It was started by a pediatrician in Flint, Michigan, Dr. Mona Hanna, who wanted to give pregnant people basically money as medicine. So, these are cash prescriptions of \$1,500. You got 500 for... You do it in two payments essentially. And there was nearly 100 % uptake in Flint. And it essentially in one wave eliminated deep infant poverty, which is really one of the most shameful problems we could possibly have in our country. The idea that there is a newborn baby, you know, day one, first minute of existence, and is living in deep poverty already is not something that should be possible in this country where we have so much. And the results now, a year plus in, are pretty extraordinary. Families that get this money as medicine prescription, they're more likely to have stable housing. They have higher levels of trust in healthcare and in government, right? Which is a knock-on effect that's extraordinary and we couldn't need more right now. There's a greater sense of feeling loved and feeling hopeful. And then there's a lot of very specific and important outcomes. For example, prevention of NICU admissions, decreased smoking in the third trimester, improved access to healthcare. So, it's been really extraordinary to see. And, for me, one of the things I find most exciting about this is this actually isn't philanthropically funded. We're helping to fund some of the management and research around it and some of the time of Rx Kids because it's very early stage. But the money itself, the cash prescription is from TANF dollars. So, this is, you know, public taxpayer money, that candidly we know from lot of evaluations, is often not a very effective program the way it's typically implemented. And this is a highly innovative way to implement it that I think has extraordinary impact on the future of this country. So, one of the things I love most about my job is getting to learn about programs like this and then have the opportunity to help them grow and scale. And in this case, hopefully through public sector funding.

Carl Van Horn: Yeah, that is a perennial problem, which is the not paid here phenomenon, right? Which is somebody else is doing something really good, but we didn't think of it. So, we have try something different.

But part of it is that there's just so much going on in this vast country. It's so many organizations and institutions and governmental layers that it's hard to get that information out. And, it's something that we have lots of ways to try to do that, but it's a constant challenge even with modern, current versions of communication that we have, which are much better than they were 20, 30 years ago.

I know you mentioned a while back that you recently had a retreat and I don't know whether you're willing to share anything from that, but maybe some of the highlights that you might give a little inside peek to our listeners about the Family and Workers Fund.

Rachel Korberg: Absolutely, yeah.

Well, we actually did our retreat in Michigan and the team went and spent some time with Rx Kids, seeing the work that's happening. I'll give a couple other highlights though that really stand out to me about where our work is right now.

One is another project I'm so proud of. It's called Better Builder. This grew out of the Austin, Texas, region. And essentially the way it works is this: construction workers face some of the most significant rates of accident and injury on the job site. In fact, in Texas, a construction

worker actually dies on a job site every three days. So, it's an extremely dangerous job. And what this model is that we've supported is called the Better Builder Initiative. And it's a set of standards of what makes a job good and safe that was designed by frontline construction workers themselves. And then they took that and the regional metropolitan government thought, "Hey, we've actually got a problem we need to solve that maybe this could be helpful in solving". And the problem, which is the common one that local governments face across the country, is a backlog of zoning and permitting applications. And it sounds so wonky while I'm talking to the leading economic policy wonk of New Jersey, so I won't caveat it, but is a wonky problem, but it is one that causes a lot of challenges for local government leaders and for the businesses that are waiting to get their applications approved and want to get their work started, right? So, the way it worked was the local government said we're going to give expedited review to the companies that voluntarily get certified in these better builder standards. Because we know they're less likely to have accidents and issues, there's less likely to be safety and litigation risks for us, all the stuff we don't want to have to manage as local government. And through that, this program was actually able to organically grow and impact hundreds of millions of dollars, it's now in the billions, but initially in construction deals. And it's improved the wellbeing, the pay, the safety for thousands of workers and then impacted their families. I think of just the countless kids who are going to, you know, have a parent who doesn't have a life-changing injury now as a result of this. So, for me, when I think about philanthropy can do, what I'm excited for our fund to do, it's finding these win-wins where there's actually a really brilliant idea from the community that can actually make things simpler and more streamlined for government and hopefully for business, too. And there's just this great flywheel effect where, you know, workers are more productive and also safer and earning more, business can move more quickly, government can reduce risks and that's the direction we want to head in.

Carl Van Horn: That's really fantastic because, I think as I was alluding to before, foundations are also sometimes guilty of has to be new, has to be different, when in fact there's lots kernels of opportunity that are already out there waiting.

Well, thank you very much for visiting with us today. I do want to end on one favorite question I ask for all of our guests, which is what was your first paid job? As a teenager or as a young adult. And what are some of lessons you learned from that stick with you today?

Rachel Korberg: I love this question. I'm very curious what your first job was, so I'm going to ask you next.

My first paid job, technically, was the most common one for women, which was helping with childcare. So, I between ages 12 and 14, would help out with mostly families with toddlers. They would pay me in cash and I would just distract a really energetic kid while the parents tried to get something done. But my first W2 official job is also one of the most common pathways into the labor market, which is the food industry. So worked at a bagel shop in my town, Jersey Bagels, best in the world. And for me, what stuck with me was how much workplaces are actually a place for building community and kind of opening up your world. The owner of the bagel shop where I worked was an Egyptian immigrant and employed people who were primarily Palestinian. And here I was walking in this, you know, white Jewish girl growing up in a Conservative synagogue. And it was an extraordinary cultural education for me. It really

opened up my world. And I'm also really great and safe and efficient at cutting bagels today. So, definitely who you want at your brunch party.

And what was your first job?

Carl Van Horn: Well, my first job was, I was a door-to-door salesman in my community when I was 13 or 14. I was an adult-looking person at that age, ok? So, six foot tall and weighed 200 pounds probably. So, I could pass myself off as an adult really, believe it or not at that age. And, so there was a company called Fuller Brush, which sold door to door, not just brushes, but all cleaning products. And most women were working at home, not for pay, but they were cleaning the house and taking care of their children. So, they were available to meet with salesmen. And I got a commission or part of a commission. But my first W-2 job really was working on a construction site, in a non-union construction site, which was very dangerous, very poorly managed, but it was great because I was bodybuilding on that construction site to get ready to play football in high school. So, I got a buck 50 an hour, I remember that.

But what I learned from that is safety is very important. Those experiences are incredibly valuable to me as a person who's subsequently lived a very privileged life in a university, but never forgetting that experience is like.

Well, thank you so much again. And thank you for joining our National Advisory Board. We're very pleased to have on that group of very distinguished people.

Rachel Korberg: I'm so glad to be part of it and great to have this conversation with you today.

Podcast Close (*music playing*): Thank you for joining us on today's episode of *Work Trends RU*, where we explore the issues affecting the future of work, education, and how the workforce can be better supported by both the public and private sectors. Tune in next time as we continue our conversations on the evolving landscape of work and education. (*music ends*)