Impacts of the Young Women’s Initiative of Minnesota on the State’s Labor Market

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The Women’s Foundation of Minnesota is united behind a common goal: creating a Minnesota where every young woman thrives. The Young Women’s Initiative of Minnesota is a seven-year, $9 million commitment that brings together a powerful cross-sector partnership of nonprofits, businesses, government, researchers, higher education professionals, philanthropies, and young women to build and ensure equity in outcomes for all young women. Young women in our state are critical to economic growth and competitiveness, and are important contributors to the high quality of life Minnesotans expect. While some Minnesota girls are thriving, too many do not have access to equal economic opportunity due to their gender, race, ethnicity, place, ability, or sexuality. This loss of productive participation in our economy means that many young women are unable to fulfill their dreams, and Minnesota’s economy loses a vital source of talent, creativity, and leadership.

Our Labor Market Gap

By 2020, Greater MSP projects that the 16-county metro area will face a shortage of 120,000 workers to keep up with projected gross domestic product (GDP). Another 112,500 will be needed to keep pace with GDP in Greater Minnesota. The aging of Minnesota’s workforce contributes to the shortage of workers we will need to grow as a state. Today, 5% of the workforce is age 65+, compared with 2.3% in 1995. Minnesota, like the rest of the post-World War II baby boomer economies, will soon reach a time when deaths outnumber births. On the other end of the life span, Minnesota loses between 7,000 and 12,000 people to other states annually—the majority of them 18-24-year-olds. While some leave to go away to college, others leave to find jobs.¹

Our Assets

Historically, Minnesota has prioritized investing in well-trained, talented people as a key to a thriving economy, resulting in a number of assets in our favor. Arguably, many of our state’s young women have seized these opportunities and are capitalizing on state investments.

Our state’s young women are a wise investment, already more likely to have achieved some key educational building blocks for productive engagement in our paid labor force. Many more young women have already achieved some level of educational success that our economy is not utilizing to its fullest extent. Minnesota ranks 4th in the nation in the percentage of high school graduates that go to college (69.9%).² Young women of color (ages 23-25-years-old) are among those taking advantage of post-secondary education with 45% of Asian American women, 32% of African Immigrant women, 22% of African American women and American Indian women, and 18% of Latinas already achieving at least an AA degree.³

In Minnesota, young women have high rates of participation in leadership in student government, youth councils, and committees at the high school level (18.8% of girls participate, compared to 10.2% of boys). Young women say that they learn skills like teamwork or leadership when participating in extracurricular activities (33.6% of girls compared to 31.1% of boys).⁴

Many Minnesota young women have achieved education success

Percentage of 23-25 year old women with at least an AA degree

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian American</td>
<td>45%</td>
</tr>
<tr>
<td>African Immigrant</td>
<td>32%</td>
</tr>
<tr>
<td>African American</td>
<td>22%</td>
</tr>
<tr>
<td>American Indian</td>
<td>22%</td>
</tr>
<tr>
<td>Latina</td>
<td>18%</td>
</tr>
<tr>
<td>White</td>
<td>57%</td>
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</tbody>
</table>

When we see young, talented, diverse women with leadership assets, high levels of education that are not being fully utilized in the formal economy, we should see an asset for our state.

². NCHEMS Information Center, 2014: www.hiredinfo.org
³. American Community Survey, 2011-15

Photo credit: #WOCnTech
Increased labor force participation of young women will help us fill the gap

Solving the labor market gap will require Minnesota to look at assets and opportunities in new ways. For example, immigration is an asset. Minnesota gains approximately 12,000–15,000 people from other countries each year. International residents, including foreign students, work visa holders, refugees, and other immigrants, are the reason the state has a net annual increase in population. Minnesota is also in the highest quartile of states for retention, but in the lowest quartile of states for attraction. We can do more to attract workers, but Minnesota will be unable to close the workforce gap through births, attraction from other states and countries, or retention of workers. Based on current trajectories, we will be able to add 7,750 workers a year—not nearly enough to support projected GDP growth.\(^5\)

The Young Women’s Initiative of Minnesota (YWI MN) believes that young women are a significant asset as our state looks for solutions to its workforce shortage. Minnesota women’s labor force participation is in the top 10 nationally and our policies put us in the top five states for gender equality. We have strengths to build on, but there is more that must be done. In Minnesota, almost twice as many women (16-64-years-old) work less than full-time (491,000 women compared to 278,000 men). Specific to YWI MN, the 17% of young women (23-30) in our state that are unemployed or not participating in the labor force are an untapped asset. Almost 50,000 23-30-year-old young women with at least a high school diploma are not currently contributing to Minnesota’s formal economy: 72% of this potential labor pool has some education beyond high school, 38% with at least an AA degree. Many young women in our state are also underemployed. For example, if all Minnesota 23-25-year-old women that do not have children and are not enrolled in higher education were employed full-time, we would have an additional 8,665 FTEs (full-time equivalents) contributing to our economy.\(^6\)

While young women across racial/ethnic groups are working hard and capitalizing on educational investments, young women of color and American Indian young women do not currently have the same opportunities to succeed as their white counterparts. Young women and men of color can close the gap if structural and systemic barriers are removed. People of color are an increasingly large part of our workforce and reducing racial disparities in education is key to maintaining a strong and sufficient Minnesota workforce. Understanding how barriers are the same and different for men and women is critical to implementing successful strategies for reducing racial disparities. YWI MN research suggests that race and gender stereotypes leading to disproportionate discipline and fewer STEM opportunities, caregiving demands, and lack of knowledge about opportunities among other barriers continue to keep too many young women who are committed to getting an education from realizing their goals.

Government and employer efforts are needed to ensure that young women and men in our state have the support they need to have children and raise the next generation while at the same time more fully participating in Minnesota’s economy today. States and employers that recognize and support the millennial worker’s desire for better work-life balance will be more successful in attracting and retaining young workers of all genders. For example, millennials value paid family leave more than earlier generations: 83 percent of American millennials said that they would be more likely to join a company offering such benefits, and 38 percent said they would move from the United States to another country with better family leave policies. It is important to acknowledge and address the fact that young women are essential to Minnesota’s economy as workers themselves, but also as those giving birth to the next generation of workers. At the same time that Minnesota and its businesses are facing an unprecedented worker shortage, a shortage of child care (especially in Greater Minnesota) is compounding the problem.\(^7\)\(^8\)\(^9\)

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Where Are the Jobs? Young women can help address shortages in all skill levels.

HIGH SKILL:
High skill jobs include many STEM (Science, Technology, Engineering, Math) occupations. While young women have demonstrated an ability to succeed in K-12 and higher education, they do not currently have equal opportunities to contribute within the STEM fields critical to our state’s future productivity. Nationally, the proportion of these jobs going to women has fallen from 1 in 4 among Gen X to just 1 in 5 for millennials. Minnesota mirrors these national trends. When we look at our 23-25-year-old workforce, 80% of high skill, high-wage STEM jobs go to men (73.5% white men), leaving only 20% of these opportunities for women. When you add race and ability, we find even fewer opportunities—with almost no African American, African Immigrant, American Indian, Latina young women, or young women with disabilities in these fields. There are significant opportunities to build on the educational success of young women, especially young women of color, to fill the high skills workforce shortage in our state, but we are currently failing to create pathways for young women or people of color into these jobs that allow workers to support a family.

MEDIUM SKILL:
Among medium skill jobs, there are also opportunities to make better use of young women, their talents, and their education. They remain significantly underrepresented (less than 10%) in several high-growth, middle skill occupations such as the skilled trades (welders, mechanics, carpenters, construction workers) and production workers of various kinds. Research points to many successful models for increasing gender and racial diversity within middle skill occupations that we can adopt.

LOWER SKILL:
Young women, especially young women of color, are already bringing their talents and education disproportionately to lower skill jobs (often referred to as low skill jobs) with the highest projected growth in our state. When we consider experience, skills, education, and risks, as well as the fact that their work often helps others more fully participate, their contributions within these sectors are currently undervalued by society and the economy. If we want to fill these jobs, making them more attractive, sustainable, and family-supporting, as well as a ladder to higher paying, higher skill jobs, is key to bringing in more women and men.

More Young Women Can Contribute to STEM
In MN, 80% of STEM workers (ages 23-25) are men
Young women make up 20% of the 23-25 year old STEM workforce
Less than 1% of the 23-25 year old STEM workforce is comprised of African American, African Immigrant, American Indian and Latina young women, and young women with disabilities

American Community Survey, 2011-15

High skill, middle wage technical programs need more women
Percent of program completers that are women for selected two-year technical programs in Minnesota

Integrated Post-Secondary Education Data System, 2015

American Community Survey, 2012-16
How will the YWI MN help address workforce shortages and make Minnesota’s workforce and economy internationally competitive?

The Young Women’s Initiative of Minnesota (YWl MN) is taking on a catalyst, convener, connector, and collaborator role. To change outcomes and build greater financial stability and prosperity, we need to advance different policies, processes, and approaches to inclusion. We must acknowledge young women as an indispensable asset to our state and consider and address the unique barriers that young women face as both workers and those who give birth to the workforce of tomorrow. As summarized in the Blueprint for Action, YWI MN has identified and is working across sectors to address a variety of barriers. Through YWI MN, employers and others will work together to address 20 recommendations for achieving equity in outcomes, access to equal opportunities, and safe, prosperous lives for young women in Minnesota.

Four Key Blueprint for Action Recommendations:

1. Ensure young women have opportunities and pathways to high-skill, high-wage careers and jobs; increase participation in STEM fields and technical careers; and increase opportunities and pay for young women in female-dominated employment sectors.
   - YWI MN will help build new partnerships to increase social capital and networks for young women that can expand what the possibilities look like, better match interest and skills with opportunity, and provide access to “first opportunities” in new occupational arenas. New emerging networks are necessary to overcome the connection gap.
   - YWI MN will challenge unnecessary, inefficient, limiting stereotypes about the kinds of work men and women can do that are ingrained in our society, including our workforce development, educational, and human resources systems.
   - YWI MN will help build a more culturally and community responsive pipeline, specifically designed for young women, and address significant gaps in the post-secondary access pipeline, including early educational tracking, disciplinary procedures, more and earlier support for first-generation college-goers, financial barriers, campus climates, and more.

2. Increase access to childcare and early education opportunities that are accessible (day, time, location), affordable, high-quality, and culturally appropriate for young women and their families.
   - YWI MN will help make Minnesota an even more successful leader in efforts to support young women (and young men) as workers and caregivers, improving workforce outcomes for current workers and our ability to attract and retain new workers. Parenthood and care for other family members, including siblings, is a source of strength for many young women that they value. Without enough support, however, caregiving can greatly impede education and career success and the ability to fully contribute to the paid labor force.
   - YWI MN will help develop creative solutions to childcare shortages in a sustainable way that doesn’t result in poverty-level wages for women workers. Lack of stable, high-quality child care is a top reason for worker absenteeism and parents who find their children’s current care inadequate may decide to quit work altogether to stay home.12
   - YWI MN will work within communities to address caregiving norms and narrow gender-based stereotypes that limit the ability of both young women and men to thrive as family members and workers.

3. Build a pipeline specifically designed to prepare and support post-secondary educational attainment for young women who experience the greatest disparities.
   - YWI MN will work with partners to address key barriers that contribute to ongoing education disparities, including: the lack of diverse role models, class selections, and guidance counseling; the need for additional information, especially for first-generation college students; and inadequate funding and other strategies for addressing the high costs and debt burdens associated with post-secondary education that disproportionately affect young women.

4. Develop and implement a public awareness campaign to highlight the incidence and everyday impacts of violence against women within specific community contexts, de-stigmatize survivors of gender-based violence, and connect more survivors of violence to services.
   - By working to reduce violence, YWI MN will help decrease the drag violence places on our economy. According to a recent national survey, 81% of women have experienced sexual harassment or assault. Forty percent (40%) of Minnesota college students dealing with a sexual assault report that it has affected their academic performance. Many YWI MN participants from communities of color said that they feared for their safety on our state’s college campuses.13 14
   - Through efforts to change the narrative, YWI MN will help build better workplace cultures. Research shows that sexual harassment and violence diminish young women’s ability to contribute to our economy, particularly within some middle and higher skill occupations traditionally dominated by men, but also within lower skill, female-dominated occupations. A Minnesota study found that sexual harassment commonly resulted in job changes, industry changes, and reduced working hours for survivors.15

13. National Sexual Harassment and Assault Report, 2018
14. 2018 Status of Women and Girls in Minnesota
What You Can Do

Build mentorship networks for new hires:

Reduce unconscious bias in your HR practices:
- http://biasinterrupters.org

Build a customized program to help employees pay down student loan debt:
- www.getpeanutbutter.com

Challenge stereotypes: Be a role model yourself, make alternative role models available to others in your organization, and don’t forget to look at the people included visually or in writing in your reports, marketing materials or even on your walls to ensure diversity, equity, and inclusion.

Create meaningful internship or shadowing opportunities for young women from YWI MN communities.

Provide benefits and caregiving supports (sick leave, paid family leave, scheduling control, child or eldercare subsidies, health insurance, and retirement accounts) and break down worker/caregiver stereotypes by providing them equally to women and men.

Improve your workplace and the broader culture by seriously addressing sexual harassment policy and practice or taking advantage of other resources:
- www.acalltomen.org

Sponsor school-based or youth activities that help young women build skills (e.g., a robotics or debate team).

Create a scholarship fund for young women interested in pursuing nontraditional, higher-paying occupations or underwrite accumulated student debt. Women, especially women of color, have greater debt burdens.

Engage with the Young Women’s Initiative of Minnesota (YWI MN):
- www.wfmn.org/ywi-mn

Learn more at WFMN.ORG
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