United Way of Dane County Workforce Development Mobilization Plan May 2025



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United Way

The Power of Caring. Working for All.

United Way of Dane County

# Introduction

United Way of Dane County is a change catalyst with a **strategic priority** to lead collective impact to advance family well-being in Dane County. Through our Plan for Community Well-Being, we work to change systems to improve the health of the community.

The Plan for Community Well-Being's goal, which guides our impact investments and supporting work, is to measurably increase individual and family well-being so that every person in Dane County leads a healthy, thriving and secure life that meets their own defined goals, and that is not impacted by experiences of systemic racism, discrimination and poverty.

To do this as an organization, we:

- 1. **Engage** in sustainable, long-term work on systems change with a clear focus on early childhood, education, income and health in a multi-generational approach.
- 2. **Model** equitable, anti-racist practices through all work: investments, partnerships, innovation, public policy advocacy, data and research and connection to resources.
- 3. **Cultivate** a stronger nonprofit ecosystem through trust-based collaborations to create positive community change.

Our approach to impact is multigenerational, holistic and supports the varying layers of a family's needs while understanding the systemic root causes — working to address those institutional and structural causes. Research consistently tells us that supporting the early childhood, education, income and health needs of family members will help them meet their self-determined goals and lead healthy, secure and thriving lives.

Providing and investing in strategies and programs that help families achieve financial security is integral as the foundation of family well-being. For the past 10 years United Way has invested in programming and partnerships — primarily through the HIRE Initiative — to expand access to education and career pathways that lead to family-sustaining wages in Dane County.

To update our strategies to respond to workforce development needs in our community, United Way convened stakeholders including employers from various sectors and representatives from three chambers of commerce, labor unions, Madison Metropolitan School District, Madison College, and City of Madison and Dane County leaders in workforce development. This group of stakeholders assessed the changing needs of the community and the current workforce environment and crafted the following five-year plan addressing workforce development and access to career pathways in our community.

See **Attachment 1** for the roster of Workforce Delegation members. The Workforce Delegation met from August 2024 to February 2025, and over the course of those seven months members examined extensive data, researched prevailing conditions in the local job market and sought insights from workforce experts.

United Way is a key funder of local workforce development programs, alongside the City of Madison, Dane County and the Workforce Development Board of South Central Wisconsin. While United Way's

funding overall represents a smaller percentage than that of other funders, the relative flexibility of our resources allows us to address gaps that public funding sources cannot fill.

### **Financial Security**

Our Vision: Increase in people living 200% above the poverty level in Dane County.

Why it matters: In 2025, 200% of the federal poverty level for a family of three is \$53,300 per year approximately the income needed to afford a two-bedroom apartment in our community. Currently, nearly 120,000 Dane County residents (21.4% of the population) earn less than this amount. When more individuals have jobs earning family-sustaining wages and benefits, they are less stressed and more able to provide for themselves and their families — better positioning our entire community and economy to thrive. United Way invests in strategies and local programs that help more families get what they need to become economically stable. Through partnerships, we connect participants with the resources to gain skills for employment, complete industry-specific training and match with employers who support paying family-sustaining wages and career pathways.

# **Current State of Workforce & Career Pathways**

**Poverty has generally declined in Dane County in the past 10 years, but there are significant racial disparities.** Excluding an increase during the pandemic (from 9.4% in 2019 to 11.8% in 2021), poverty in Dane County has declined since 2013, reflecting economic recovery from the 2008 recession. The poverty rate in Dane County in 2023 was 10.2%.<sup>1</sup> However, poverty continues to be unevenly distributed and people of color experience much higher rates of poverty. Dane County residents who identify as Black or African American, Native American, Asian, Multiracial, Hispanic or Latino, and Some Other Race face poverty rates between 16% and 20%, while 8.7% of white residents are in poverty.<sup>2</sup>

**Dane County is a growing community.** According to the U.S. Census, Dane County's population grew by 15% between 2010 and 2020, more than double the rate of the U.S. population growth as a whole (7.4%) and much higher than the overall growth in the state of Wisconsin during this period (3.6%).<sup>3</sup> A March 2024 article in the *Milwaukee Journal Sentinel* noted that Dane County added approximately 14,000 new residents between 2020 and July 2023, more than any other county in Wisconsin.<sup>4</sup>

The cost of living has skyrocketed as the local economy and population have grown and new housing development has not been able to keep up with the rising demand. This represents a sharp increase in rent prices. According to 2025 US Department of Housing and Urban Development (HUD) data, fair

<sup>&</sup>lt;sup>1</sup> US Census American Community Survey, 1-year estimates, Table S1701.

<sup>&</sup>lt;sup>2</sup> US Census American Community Survey, 5-year estimates (2019-2023), Table S1701.

<sup>&</sup>lt;sup>3</sup> Wisconsin State Journal article. <u>Dane County accounts for more than a third of state's net population growth</u> <u>since 2010 (madison.com)</u>. Published August 14, 2021.

<sup>&</sup>lt;sup>4</sup> *Milwaukee Journal Sentinel* article. <u>What are the fastest growing counties in Wisconsin? Here's what census</u> <u>data shows.</u> Published March 26, 2024.

market rent for a two-bedroom apartment in Dane County is \$1,472, up from \$766 in 2015 – a 92% increase in 10 years.<sup>5</sup> This has led to the current situation in which one in four households in Dane County is housing-cost burdened, meaning they spend more than 30% of their gross income on housing costs. Over 40% of those households are considered "severely cost burdened," meaning they spend more than half their income on housing.<sup>6</sup> In addition, the costs of transportation, childcare, healthcare and food have all increased dramatically over the past several years.

**Workers need high wages to meet basic needs to contend with the rising cost of living.** In Dane County, in 2025 a single adult must earn \$22.46/hour working 40 hours per week to meet basic needs, more than three times Wisconsin's \$7.25 minimum wage.<sup>7</sup> Families with children need even higher wages to meet basic needs. Examples of high-demand occupations paying at this level for entry-level employees include commercial truck drivers, electricians, skilled construction trades, computer systems analysts, web developers, registered nurses and public-school teachers.

As many workers do not earn wages that allow them to afford the high cost of living in Dane County, **an increasing number of workers are living in surrounding counties.** In 2021, over a third of Dane County's workforce (34.1%) commuted from other counties, up from 27.4% in 2002. There are estimated to be almost 110,000 "in-commuters" working in Dane County.<sup>8</sup>

While the population is growing in Dane County, the labor pool is getting smaller as the population ages. Population growth in Dane County has mostly been due to new residents moving to the community, not due to a high birth rate. At the same time, the county's population is aging and the relative percentage of residents in the "prime working age" range of 25 to 54 has declined. In addition, the birth rate has declined since the 1970s. In 2002, U.S. Census data showed that prime working age people accounted for 46.6% of Dane County's population, and this had decreased to 40.2% in 2022.

This is leading to a labor <u>quantity</u> challenge. The local economy is strong, and employers are not able to find enough local workers. Economists project that Dane County's unemployment rate is not likely to go higher. Dane County's unemployment rate is even lower than that of the U.S. and overall Wisconsin, with a labor shortage across the board in almost every industry. A gap analysis conducted by the Wisconsin Department of Workforce Development projects that by year 2031, there will be over 122,000 unfilled jobs in Wisconsin.<sup>9</sup>

There are many jobs in sectors that pay well and offer career tracks that face a growing, unmet need for workers such as: truck drivers, electricians, construction trades, the energy sector, health care professions, teaching and accounting. The following table shows the sectors with the largest number of employees in Dane County and their projected growth by 2030:<sup>10</sup>

<sup>5</sup> U.S. Housing and Urban Development, Fair Market Rents. Available online at: <u>https://www.huduser.gov/portal/datasets/fmr.html</u>

<sup>&</sup>lt;sup>6</sup> Dane County Regional Housing Strategy, *A Roadmap to Solving Dane County's Housing Crisis*. Published April 2024. Available online: <u>DCRHS-SAPReport-FNL-web.pdf.</u>

<sup>&</sup>lt;sup>7</sup> MIT Living Wage Calculator. Living Wage Calculator - Living Wage Calculation for Dane County, Wisconsin

<sup>&</sup>lt;sup>8</sup> U.S. Census Bureau LEHD Origin-Destination Employment Statistics.

<sup>&</sup>lt;sup>9</sup> Wisconsin Department of Workforce Development, <u>Labor Supply Projections for Wisconsin, 2020-2040</u>

<sup>&</sup>lt;sup>10</sup> Wisconsin Department of Workforce Development, Dane County 2023 Workforce Profile

<sup>&</sup>lt;sup>11</sup> U.S. Census Bureau, 2018-2022 American Community Survey

## Top Employment Sectors and Their Projected Growth by 2030

Sector	2020 Employment	Projected 2030 Employment	Percent Change (2020 - 2030)
Education and Health Services	112,033	128,729	14.9%
Trade, Transportation and Utilities	74,318	79,221	6.6%
Professional and Business Services	56,958	64,097	12.5%
Manufacturing	56,216	59,779	6.3%
Leisure and Hospitality	37,990	49,464	30.2%

## Who is available to work in Dane County?

The data show that there are not many people who are unemployed and available to work. As shown on the table below, Dane County residents participate in the workforce in larger percentages than the state and national rates.

### Labor Force Participation Rates (2018-2022)

	Men, Age 25-54	Women, Age 25-54
Dane County	91.7%	86%
Wisconsin	89.3%	83.4%
United States	86.6%	77.9%

There are only about 7,700 unemployed people 16 years and older in Dane County (2023 U.S. Census American Community Survey, 1-year estimate, Table DP03), representing 2.3% of the workforce. **While the majority (62%) are white, non-white Dane County residents are unemployed at higher rates.** While white residents have a 1.8% unemployment rate, Black residents have a rate of 6.7%, and Hispanic/Latino residents have a 2.5% unemployment rate. Therefore, the population of unemployed people in Dane County is more diverse than the overall population.

# **Labor Pool Opportunities**

Given the strong workforce participation and limited pool of unemployed individuals in Dane County, workforce programs must focus on reaching "underemployed" residents. Underemployed workers are those who are working at a job that does not offer the hours, schedule, benefits and/or wages they need to support themselves or their family. Underemployed individuals often work fewer hours than they desire or need to work more than one job to financially make ends meet.

**Connecting underemployed workers to full-time, high-quality jobs and career pathways would help to fill the labor shortage and lessen poverty rates.** For example, the U.S. Census estimates while 10.2% of Dane County residents had incomes below the Federal Poverty Level, only 1.6% of adults working full-time year-round in Dane County were in poverty. Twenty-three percent of people working part-time or less than year-round were in poverty, while 33.4% of adults who were not working were in poverty.<sup>12</sup> Helping underemployed individuals—such as recent high school graduates and young adults in part-time or low-wage service jobs without a clear career path—to transition to better job opportunities can benefit both workers and employers. Workers gain access to higher-quality jobs with family-sustaining wages and benefits, while employers are better able to fill high-demand positions.

Individuals born outside of the United States are another key population that can help address the shortage of workers in Dane County. Over the past several decades Wisconsin and Dane County have seen foreign-born populations grow and fill many positions in our economy including in the agricultural sector, manufacturing, construction, health care and small business start-ups. This population tends to be younger and with larger families — exactly the opposite of trends in Wisconsin and desperately needed. Going into the fall of 2024, Dane County organizations that specialize in serving foreign-born job seekers had waiting lists of individuals looking for training and opportunities to work.

**Tapping the reentry population can also help address the worker shortage.** The Wisconsin Department of Corrections reported 398 individuals returned to Dane County from incarceration in the 12-month period of September 2023 to August 2024, and 86% are prime working age. In addition, as of August 2024, 3,824 residents were under community supervision (i.e., on probation or parole) in Dane County. This population generally needs support to prepare to fully participate in the workforce. Job retention is a significant challenge for the reentry population as they often face housing instability, physical and mental health issues and the impact of benefit cliffs. Individuals in this population often struggle to participate in job training programs without stipends to help cover basic living expenses. Many lack a high school diploma or GED, a driver's license and the literacy skills needed for high quality jobs. Programming that holistically supports the needs of individuals in the reentry population can help them overcome these challenges and provide a pathway to financial security.



# Workforce Development & Career Pathway Strategies: A Framework for Success for 2026-2030

Our goal is to keep United Way's initiatives responsive to the community's evolving needs. This updated framework will tackle current challenges, promote economic stability and create opportunities for both job seekers and employers.

This framework shares best practices in workforce development and building career pathways and is intended to direct United Way's future investments. The recommendations are presented as an integrated framework, not a list of individual actions. They are meant to work holistically together. While the framework outlines core best practices, it allows flexibility in terms of specificity and individualization based on who is served, the services provided and the types of organizations that may be funded.

The following key strategies align with the vision outlined in United Way's Plan for Community Well-Being and aim to help more families achieve economic stability by connecting them to skill-building opportunities, industry-specific training and employers committed to offering family-sustaining wages.

- 1. Create, expand and invest in workforce strategies that help residents of Dane County who are unemployed or underemployed enter career pathways offering family-sustaining wages.
  - Target careers that meet or exceed the minimum living wage calculation for Dane County, which is approximately **\$22 per hour in 2025**.
  - Focus on **short term, demand driven customized training** leading to jobs that offer both familysustaining starting wages and benefits and opportunities for career growth.
  - **Provide additional support** to help individuals with more barriers to employment access and succeed in existing training such as apprenticeships or training programs offered by Madison College, high schools or other institutions. This support may include case management, mentoring, paid training, financial support or access to childcare, etc.
  - **Collaborate with employers** who take a "grow our own" approach to upskilling, mentoring, and retaining their entry-level workers.
- 2. Intentionally develop relationships and ongoing engagement with Dane County employers and industry partners.
  - Ensure that workforce development programs and training are closely connected to employers' needs when developed and continue to stay aligned with current and future job market needs. This can be demonstrated through industry panels or other formal structures that **ensure regular communication between employers and the program**.
  - Invest in training that leads to industry-recognized credentials.
  - Prioritize sectors with potential for strong growth and long-term stability in Dane County.
  - Showcase employers that provide high-quality jobs with family-sustaining wages, benefits and a safe and positive environment for all workers.

- 3. Invest in workforce strategies that are intentionally tailored to specific populations of un- and underemployed job seekers.
  - Invest in programs with **knowledge of the available labor pool and ability to effectively serve specific populations** (such as underemployed workers, foreign born, individuals impacted by the justice system, high school seniors and other young adults or older workers).
  - Ensure that workforce strategies **offer strong**, **integrated case management** and other services tailored to their target population and are aware of resources to refer participants for literacy and financial literacy education.
  - Ensure that workforce programs' marketing, education, and recruitment of job seekers is intentional, equitable and innovative to reach specific populations in a smaller labor pool.
  - Ensure that programs help job seekers gain knowledge about existing career pathways and how to advance in the workforce. Each job seeker must have an informed, **individualized career plan**.

### 4. Workforce investments and programming should:

- Be intentional and committed to a **specific program model** with demonstrated success based on empirical evidence and outcomes. Short term customized training is one model that works.
- Use relevant metrics of success and progress that are measurable and related to **individual career plans** (wages, full time or part time, benefits, career pathway, etc.).
- **Connect individuals with barriers to employment who are ready to benefit** from a particular strategy and program to employers with careers that can meet the high cost of living in Dane County. This includes assessing pre-requisite criteria (skills, certifications, licenses, education attainment, etc.) needed before enrolling into programming.
- Include job seekers/employee voices and employer perspectives in the creation of programming and ongoing program improvement. This includes conducting satisfaction surveys of both job seekers and employers.
- **Provide workforce services tailored to specific careers and sectors of the economy** versus generalized job search, job placement and job readiness services that teach soft skills, interview preparation and resume writing.
- 5. Create workforce programming and investment coordination among funders. To foster collective impact and align resources with community workforce needs, convene workforce program funders such as Cities, County, Workforce Development Board, United Way and Madison College to better coordinate support for and investment in workforce programming in Dane County.

# Our Call to Action: Invest in Dane County's Workforce by Creating Career Pathways

By focusing on innovative, evidence-based strategies and strong partnerships, United Way aims to align resources, drive impact and structure a system of services to ensure that everyone in Dane County has access to a clear pathway to meaningful employment and family-sustaining wages.

Every person deserves access to a career pathway with family-sustaining wages. But right now, nearly 60,000 neighbors are living in poverty — many without the support or resources they need to get ahead

and break the cycle. United Way is leading the charge to change this. We are working to expand access to career pathways and family sustaining wages and investing in people in Dane County.

Here's how you can help:

- **Donate:** Your contribution will directly support programs that provide education and access to career pathways to family-sustaining wages.
- Volunteer: Share your time and talents.
- **Raise awareness:** Talk to your friends, family and elected officials about the importance of education and skill building for career development and increased wages.

Together, we can build a stronger foundation for all Dane County.

Visit our website at www.unitedwaydanecounty.org to learn more and get involved.



## Attachment 1

## **United Way of Dane County Workforce Delegation Roster**

### Chairs

Lisa Barton - CEO, Alliant Energy

Seth Lentz - Executive Director, Workforce Development Board of South Central Wisconsin

### Members

Jorge Antezana - Executive Director, Latino Chamber of Commerce VP of Communications. Evco Anna Bartz – Camille Carter – Madison Black Chamber of Commerce Laura Dresser – Associate Director, High Road Strategy Center Apolonio Duran – Organizer, North Central States Regional Council of Carpenters Brian Hornung - Findorff Construction, Chief Operating Officer Kevin Little -Vice President, Greater Madison Chamber of Commerce Carie Myers – Human Resources Director, Demco Ixayana Nelson – Manager of Diversity, Inclusion & Belonging, Summit Credit Union Kyle Pineda – Global Partner Engagement, Zendesk Sandy Riley -Talent Acquisition, SSM Health Gwen Schmidt-Hannes – Contract Manager, Dane County Wesley Sparkman - Director, Dane County Tamara Grigsby Office of Equity and Inclusion Mitch Staroscik – Madison Municipal School District, Director of Pathways & Career Education **Business Representative, Plumbers 75** Spencer Statz – Mark Thomas – Madison College, Vice President & Chief of Staff Hugh Wing – Community Development Specialist, City of Madison