To Build Back Better, Job Quality Is the Key

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Introduction

The United States has a problem—too few quality jobs. This problem contributes to a variety of national ills, from low productivity to poor health, to fractured politics and divisions within society. Low job quality has disproportionately negative effects on women workers and workers of color, contributing significantly to earnings and wealth gaps across demographic groups. Improving job quality must be an essential goal of federal policy.

For too long policymakers, business leaders, philanthropists and leaders in the workforce development and post-secondary education field have focused primarily on skills, educational attainment, and encouraging work. Too little attention has been paid to the deteriorating wages and working conditions that have eroded economic stability and opportunity for a growing number of workers and households. Over the past year, the reliance of the US economy and society on essential workers — in health care, food production and distribution, transportation and delivery services, and more — has become evident. Many of these workers barely earn enough — or not enough — to live on and have few benefits, such as paid sick leave or employer-provided health insurance. They may work in unsafe or demeaning conditions, and may have little ability to have their concerns about their working conditions heard and addressed. These workers need and deserve better jobs. Policymakers, business leaders, worker organizations, social sector program leaders, and others can do many things to improve job quality. An ever-increasing numbers of poor-quality jobs with the attendant costs of slow economic growth and an increasingly divided society is not a requirement of a modern economy. Work, after all, is a human endeavor, shaped by laws people choose to enact, business decisions people make, individual actions people choose to take, and values society shares. Improving job quality is not an unreasonable goal — it is an essential goal.

Education and training are important, but insufficient if our goal is better jobs. The past decades have taught us to design education and training programs that can support the development of skills based on industry needs, even if we have significantly underinvested in these programs. These systems, however, are incapable of helping more people support themselves through work if a growing proportion of jobs do not offer a decent living. Improving job quality is complementary to investments in skill-building systems.
Why Job Quality?

Data underscores the degree to which work has not provided a pathway to economic self-sufficiency and mobility. Prior to the pandemic, roughly one in five working Americans qualified for the Earned Income Tax Credit because their earnings were insufficient to meet their household’s basic needs. Further, the IRS estimates that only about 80% of those eligible for the credit actually apply for and receive it, leaving millions of working people living in poverty or on the edge of it. And the poverty threshold is itself misleading: In much of the country the poverty threshold is less than half of what would constitute a living wage. According to federal statistics, millions of people whose household income is insufficient to keep them adequately housed and fed are not categorized as poor. Researchers at the Massachusetts Institute of Technology estimated the living wage in the US to be over $16 per hour in 2018, or over $34,000 per year. In contrast, the Social Security Administration reported median earnings in 2018 as $32,838.05, implying that over half the working population earns less than a living wage.

Some view low-wage jobs as an important entry point into the labor market, and one that enables hard-working people to quickly advance. Unfortunately, the sheer size of the low-wage workforce, and the limited mobility in our labor market, results in relatively few individuals managing to follow that advancement path. In recent years, rigorous research has revealed that economic mobility has not been the US reality. In addition, the pandemic has demonstrated the degree to which our society relies on workers who provide essential services — front-line health workers, delivery drivers, food industry workers, and sanitation workers, among others. These jobs done by essential workers are not disappearing. Improving the lives and livelihoods of these workers requires making their jobs better jobs — and they can be better jobs.

New technologies and automation have created and continue to create new choices for the design of work in a variety of industries. In some cases, technology is used to reduce or eliminated the need for human employment. In such cases, people may need training and support so that they can learn new skills in order to adapt. Whether people are performing “old economy” jobs — providing essential services related to food, care, and the basics of life — or “new economy” jobs using technology, their jobs should be good jobs. Fundamentally, we must establish working conditions that respect human dignity. This means treating workers with respect and ensuring they receive the pay, benefits, and workplace protections they deserve.

Technology and automation are not the only factors that influence job quality. For centuries, power dynamics and gender, racial, and ethnic discrimination have pushed some people into low-quality work while others have good jobs. Sectors like child care, home care, and farm work were left out of laws intended to protect workers and improve working conditions because this work was performed by Black workers, immigrants, women, and others marginalized by society. Occupational segregation and the devaluing of work performed by women and people of color continues to limit the job quality, and quality of life, of many people making important contributions to our economy and society. It is time to commit to the principle that all jobs should be good jobs — jobs that any member of US society could do with dignity and a sense of self-worth and that offer the freedom of economic self-sufficiency.

At a time when the connection between quality of work and economic resilience, personal health, and well-being, has become painfully apparent, expanding the quantity of good jobs, and improving the quality of many existing ones, must be a central goal of the nation’s economic recovery. To achieve these goals, our nation needs a coordinated
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approach to job creation, job quality, and job equity. The public and private sectors, economic and workforce development professionals, unions, worker centers, advocates, community-based organizations, and civil rights organizations must share the goal of improving the quality of work, and all have a role to play in achieving this goal.

This paper defines job quality; describes the roles different actors play in improving job quality; offers a set of federal strategies that can encourage higher quality jobs; and provides policy and practice ideas that can be for local economic development and workforce organizations.

“Expanding the quantity of good jobs, and improving the quality of many existing ones, must be a central goal of the nation’s economic recovery.”
What Is Job Quality?

There is no single, comprehensive definition of job quality. However, a number of organizations have defined job quality based on several factors and created useful frameworks. Others have intentionally focused on a few aspects of job quality to build metrics or tools to estimate job quality and track the results of efforts intended to pioneer improvements.  

Looking at frameworks developed by the Aspen Institute, the National Fund for Workforce Solutions, Gallup, the Urban Institute, and others, pay, benefits, and working conditions are the most common elements of job quality in these frameworks. Research on what workers value about jobs has led to an expansion of job quality definitions to include characteristics related to business culture, job design, supportive work environments, skill development, and career advancement. For example, for their report, Not Just a Job: New Evidence on the Quality of Work in the United States, Gallup asked more than 6,000 U.S. workers what factors mattered the most to them and how their jobs align with those factors. This research affirms that income and employment benefits, along with career advancement opportunities, control over their working lives, job security, and other qualities, are important to workers. Many of these elements have also been shown to strengthen equity and inclusion in workplaces.

Given the complexity of these factors, it is helpful to perceive job quality along a continuum, rather than as a way of categorizing jobs as either “good” or “bad.” The graphic in Figure 1 summarizes some common elements of job quality, indicating that jobs may be at varying levels along a continuum for those elements.

Figure 1
A job quality framework can serve as a guide for setting more specific goals for improving job quality, putting policies and practices into place to achieve those goals, and measuring results. Not all elements of job quality are easily measured, however, and different strategies target different aspects of job quality improvement. For example, a policy to use procurement to encourage higher-quality jobs in a community may require bidders to share information about specific job quality indicators and benchmark bidders against each other or against similar firms in an industry. Signaling that job quality is an important consideration in awarding contracts would incentivize companies to find ways to improve. Alternatively, a career-building organization working with young adults might prioritize supervision as a critical component of job quality. The organization could develop a strategy to advise firms in the community on their supervisory practices using qualitative observations and feedback from constituents. The complexity of measuring job quality implies that there may not be a singular way to qualify progress or set objectives for improvement. Rather, the approach to measuring job quality and the types of data used must be appropriate to the aspects of job quality that a policy or initiative seeks to improve.

“Public policy change is needed to align business incentives with the public interest in quality jobs. Policy direction can shape a competitive ecosystem such that the economic playing field is tilted toward the advantage of business models that provide good jobs.”
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How Do We Improve Job Quality?

Improving job quality is a function of not only public policy, but also employers, social sector leaders, worker organizations, and others. But policymakers play a critical role in setting the rules that shape how our markets function and ensuring those rules are applied fairly. They establish incentives for innovation that improves job quality, invest in the infrastructure and public goods in ways that support job quality, and uphold societal values about the dignity of work. In building policies and systems, policymakers should consider how their efforts align with those of actors in other sectors that are working to improve job quality.

A number of motivations have encouraged business leaders to improve job quality, ranging from a desire to improve employee engagement and productivity, to the need to protect the business brand, to simply wanting to do the right thing. In service-related industries, several business leaders are reimagining the structure of work, and designing jobs that are simultaneously more rewarding for workers and drive better results. For example, in the past several years, large corporations have moved in this direction — increasing their minimum wage and developing policies and systems that provide more predictable and stable schedules for their employees. Innovations to improve job quality can be found in industries like health care and manufacturing, which are often viewed as having — and indeed do have — good-paying jobs, but also have large numbers of low-wage jobs that feature many other job quality problems. Smaller businesses have also used business practice innovations to reduce turnover and stabilize workforces, in turn helping them grow their businesses. An evaluation of an initiative in Chicago describes how dozens of mainly small- to medium-sized firms are offering workers greater stability, improved pay, quality benefits, training, and career advancement, and by doing so are outpacing their peers in business and financial performance. These examples demonstrate the opportunity for businesses to create transformational strategies that both advance their workers and support strong business performance.

Worker organizations and advocates also play an important role in influencing policy and encouraging workplace practice changes that improve the quality of jobs. Restaurant Opportunity Centers United, a series of worker centers in major urban areas across the country, have used their organizing power to highlight job quality problems at specific companies and encourage business practice change. The organization also recognizes the important role of policy in setting minimum standards that all businesses should be expected to adhere to and have been making the case for eliminating the subminimum wage for tipped work in the restaurant sector, allowing these workers to receive dependable earnings rather than hoping that tips will provide adequate compensation for their labor.

Voluntary efforts by businesses are important and demonstrate that improved job quality can be a successful business strategy, even in highly competitive sectors. But voluntary changes among a few are insufficient to address an economy that has profoundly shifted, notably in the shift from production to service sector employment, and where the quality of work and jobs has declined so precipitously for so many. Individual firm investments in job quality improvements clearly yield public benefits in addition to potentially being good for business. However, these investments are not without risk for individual firms and often require investing upfront without guarantees for future returns. In highly competitive industries with tight margins, the ability of individual firms to invest in job quality and incur costs that their competitors are not incurring in the short term in order to improve performance over time may not be feasible. Public policy change is needed to align business incentives with the public interest in quality jobs. Policy direction can shape a competitive ecosystem such that the economic playing field is tilted toward the advantage of business models that provide good jobs.
What Is the Role of the Federal Government?

The Build Back Better plan includes concrete ideas for improving job quality by increasing wages, expanding access to health insurance and paid leave, strengthening and enforcing key worker protections, and expanding access to collective bargaining for public- and private-sector workers. The Biden administration has a historic opportunity to lay the foundation for a holistic national strategy that leverages a wide range of administrative, regulatory, and legislative authorities to improve the quality of jobs for millions of Americans.

Building from the variety of policy approaches in play that aim to improve the lives of working people, what follows is a set of strategies the Biden administration can implement to ensure a more coordinated, comprehensive, and collaborative response.

I. View Job Quality as an Explicit Goal: Centrally Focus Job Quality and Equity in Recovery and Raise Job Quality Awareness

a. Create an interagency council and public commission on job quality and equity. These groups would be charged with developing a comprehensive set of recommendations for how the federal government can lead and partner with businesses and labor unions in improving job quality and equity for all workers.

b. Develop a data framework and dashboard for measuring job quality and equity. The US Department of Labor and US Department of Commerce could co-lead a participatory process for coming up with a framework and guidelines for developing appropriate indicators of job quality and equity, while laying the groundwork necessary for a data dashboard that ties into the work of the job quality and equity commission.

c. Use the communication and convening power of the White House to focus on the critical role of businesses in investing in job quality and equity for all workers. This would involve having the Council of Economic Advisors and other business-facing leadership groups include job quality and equity data in all research and analysis. It would also involve developing a communications campaign that elevates those businesses that are leading in improving job quality \(17\) and inspiring others to adopt best-in-class investments in their workers.
II. Improve Job Quality Through Federal Operations: Lead by Example as an Employment Provider and Investor

d. **Model investing in job quality and equity as an employer across all federal agencies.** Conduct job quality and equity audits with respect to federal government hiring practices and job quality approaches to model these investments for long-term deployment across all agency policies and to incent all government contracts similarly to adhere to high job quality standards. Assess performance over time to highlight the importance of aiming for continuous improvement on these critical issues.

e. **Use the federal government’s role as a purchaser of goods and services to incentivize the creation of good jobs.** In addition to rules and regulations, the government can incentivize and reward the creation of higher-quality jobs in its role as a purchaser of goods and services and in its efforts to encourage the development of jobs for its citizens.

f. **Leverage any federal investments in community-based infrastructure and the clean energy economy to ensure good jobs are being created in the recovery.** Investments in manufacturing, clean energy, energy-efficient buildings and homes, and climate-related agriculture and conservation work could require companies receiving contracts for these investments to commit to: pay at least $15 per hour, provide employees with paid leave; maintain fair overtime and scheduling practices; guarantee employees a choice to join a union and bargain collectively; and develop community benefit agreements focused on local hiring, job training, and supports for job placement and retention.

“In addition to rules and regulations, the government can incentivize and reward the creation of higher-quality jobs in its role as a purchaser of goods and services.”
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III. Create Executive, Legislative, and Regulatory Job Quality Directives

g. Pursue legislative and executive actions to raise wages, and expand benefits and worker protections. Use the power of the executive office to keep these issues at the forefront of the national conversation on job quality and urge Congress to take action where appropriate, on increasing the federal minimum wage to $15, eliminating all subminimum wages, investing in adequate enforcement of labor laws to ensure workers are paid fairly for overtime and are appropriately classified so they receive the legal benefits they deserve, strengthening workplace safety and health regulations, strengthening enforcement of Equal Employment Opportunity (EEO) requirements for marginalized workers, and passing comprehensive and inclusive paid time off laws.

h. Consider the role of government in setting wages and other national job quality standards in sectors where the government plays a big role in the market, including health care, early child care, and education. Use any funding that goes toward these sectors of the economy to invest differently in the caregiving and education workforce and provide these workers the pay and benefits they deserve, as well as a stronger voice and other fundamental work-related rights and protections.

i. Support innovation at the state and local levels to improve job quality in the areas of wages, access to benefits, working conditions, worker protections, and engagement. Employers, industries, workers, and public-sector leaders at the state and local levels are exploring solutions for improving job quality. The federal government can work with state and local governments to lift up and support city and state efforts to raise the hourly minimum wage. In addition, they can amplify examples of both large and small employers that voluntarily adopt policies and practices that result in living wages, predictable schedules, and profitable companies.

j. Provide technical assistance to small and medium-sized employers to invest in their workers and implement job quality- and equity-related policies and practices. We need a technical assistance infrastructure that supports small and medium-sized businesses in building better jobs, while also building strong businesses. We need a network of organizations positioned to provide business strategy services, coupled with appropriate financing and incentives, to help more companies improve job quality as they build their business.

k. Use investments in business and workforce development programs to improve job quality and equity. To ensure that future jobs are good jobs that provide a basic level of economic stability and pathways to economic mobility for all Americans, economic and workforce development intermediaries must not only react to changes in the market but also use their roles to work with businesses and industries to improve the quality of jobs and make them more equitable for women and people of color.
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What Is the Role of Economic Development and Local Government?

Entities that primarily work with and through businesses to achieve a broader economic or societal outcome, including city/county economic development agencies, regional economic development organizations, chambers of commerce, and industry intermediaries, all have a role to play in improving job quality. Through the mix of activities in which these organizations engage with businesses, there are opportunities to imbed job quality standards and practices into research on local economies and the business attraction and retention incentives and services economic development organizations provide.

The International Economic Development Council’s report on creating quality jobs summarizes a mix of regulatory or policy interventions that correct market failures and serve as methods for improving wages and standards of living, as well as improving accountability and the return on public investment. The report also notes the importance of creating solutions that address job quality while also ensuring business sustainability in the long run.

A Brookings report on talent-driven economic development offers a vision and ideas for how economic development entities can reshape and expand their capabilities to help firms grow and create good jobs. The report suggests there is an emerging need and value proposition for using economic development organization led research, resources, and relationships to work with businesses on talent development. Many of Brookings’ suggestions for reshaping the role and work of these entities can be extended to working more directly with businesses to improve job quality and outcomes.

Building from these and other examples, what follows is a set of strategies the Biden administration can use to work with local government and community economic development entities to implement:
I. Use Fiscal, Purchasing, and Incentive Strategies to Improve Job Quality

a. Utilize Community Benefits Agreements (CBAs) to increase access to good jobs.
CBAs are strategic vehicles for community improvement while benefitting private-sector developers and state and local governments. These agreements, which are either voluntary or legally enforceable contracts, set forth a range of community benefits (e.g., local hiring, hiring more women and people of color, established wage thresholds) the developer agrees to provide as part of a development project.

b. Establish incentive and subsidy criteria associated with job quality and equity. The practice of providing tax incentives and other subsidies to encourage employers to locate in a community, to expand there, or simply to not move away is widespread. By attaching job quality requirements to incentive packages — including wage standards and health care benefits — state and local governments can increase the quality of the jobs regional employers offer.

c. Subsidize businesses through the provision of services, rather than direct subsidies.
Targeting economic development subsidies to include the provision of services — especially those aimed at small and medium-sized enterprises — has emerged as a best practice. Some Community Development Financial Institutions have demonstrated the ability to offer training and technical assistance to companies on improving workforce retention and job quality and with public investment these services could be scaled nationally.

d. Use public purchasing power to improve job quality and equity.
Local governments spend an estimated $1.5 trillion annually on contracts for goods, services, and construction, and can promote job equity through procurement practices.21 In addition to promoting equity, job quality standards can be incorporated into requirements for local government contracting and purchasing to ensure vendors are providing quality jobs.
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II. Support Community-Driven Social and Business Influencer Strategies

e. **Influence employer practices to help them improve job quality and retention.**
   Economic development organizations, chambers of commerce, and other business leadership groups play an important role in communicating the needs of businesses to communities and are well positioned to shape employer behavior. Targeted outreach and communication to address outdated policies and practices that affect job quality can change business practices and lead to better labor market outcomes.

f. **Create public awareness and recognition campaigns for “employer of choice” designations.** A number of regional and community economic development entities are adopting “choice employer” designations to signal the value of paying living wages, offering employee benefits, and investing in workers.

g. **Provide business retention and expansion services that include an emphasis on job quality.** Economic development organizations often work with local businesses to address local issues. These services could include business advisory services that help companies find alternatives to layoffs and invest in their workers, while improving business processes, operations, and productivity.

h. **Adopt inclusive economic development practices that emphasize job quality and equity.** This involves ensuring that customized job training incentives, tax credits, and grants include job quality standards to which employers must commit in order to be eligible for this funding. Many of these recommendations, with examples included in the appendix, can be good for business in addition to being good for workers. Many of these practices also create a natural linkage and the potential for greater collaboration between economic and workforce development entities. It’s important for local government economic and workforce development agencies to, at a minimum establish a common goal for creating and improving job quality, while ensuring that these goals and their organizational capacity align with performance outcomes and measures, and that staff are supported, trained, and rewarded for working differently with businesses on job quality and equity.
What Is the Role of Workforce Development?

Workforce development has a key role to play in driving more investment in and development of quality employment pathways for system partners and participants. Workforce development boards and workforce development organizations can change various elements of their practice to focus on quality employment. Job quality considerations can influence elements ranging from how workforce organizations analyze the labor market and set goals to how they build relationships with both businesses and workers, to how they measure success. Workforce organizations can assess job quality and identify key job quality issues in their labor market to set clear goals for improving job quality. Workforce policies need to ensure that job quality work is valued, incentivized, measured, and recognized in order to promote wider adoption of job quality improvement strategies among workforce organizations.

I. Conduct Job Quality Labor Market Analyses and Build Job Quality Performance Measures.

a. Use labor market information and analyses to look beyond in-demand jobs to the labor market as a whole. What proportion of jobs are a good fit for the needs of workers and households in our community? How do we understand which companies are doing a good job in designing quality jobs? Asking questions such as these when analyzing labor market data clarifies critical job quality issues in a labor market.

b. Embed job quality goals into performance measures. As the saying goes, what gets measured gets managed. Therefore, rethinking performance metrics to incorporate job quality outcomes is critical. Workforce organizations need encouragement to experiment with job quality performance measures since they are likely to be very different from typical individual outcome measures. Organizations will need resources to support staff development so that staff understand new measures, the importance of job quality to the organization’s goals, and how their work contributes to job quality outcomes.

II. Prioritize Job Quality Goals in Building Business and Industry Partnerships.

c. Leverage industry partnerships to understand business needs and challenges. Understanding business needs and challenges does not apply only to identifying in-demand skills. It also presents an opportunity to explore how jobs can be reorganized and enriched, how new technologies can be deployed, and how work can be organized to be both more productive and more rewarding.

d. Work with businesses to create sustainable solutions. Workforce development should play a bigger role in improving job culture and design, creating supportive work environments, and providing on-the-job skill development for workers. Institutions should be incentivized to focus on these levers for change and build capacity to work with industry groups and businesses on these solutions.
III. Deepen Understanding of the Experience of Workers.

e. **Listen to the experience of workers.** Listening to workers is essential to understanding whether job quality goals are being met. Job quality is complex; different people may have different preferences about work and the elements of job quality that are important to them. Workforce organizations should listen to worker experiences and help workers connect with the companies with quality jobs that are the best fit for those workers. At the same time, workforce organizations can help employers that are not currently the employers of choice connect to the resources that will help them become a destination employer.

f. **Partner with worker centers or other worker organizations.** Workforce organizations need to rebuild their capacity to understand the issues important to the workers and job seekers to ensure their interests and concerns are addressed. Partnering with worker organizations is a useful approach to building systems for ensuring worker perspectives and experiences are an integral part of the job quality strategy.

IV. Use Capacity Building to Improve Job Quality Focus.

g. **Learn from positive practice.** Innovative research, policy and practice interventions is being documented by the National Fund, the Aspen Institute, and other organizations focused on job quality best practices and replicable approaches. An intensive effort to learn about practices that support quality jobs and to shift the culture of workforce organizations to innovate toward that goal should be undertaken by the aforementioned national research, advocacy and action organizations but also in practice through the workforce system at the state and local levels.

h. **Invest in professional development.** Effective workforce services rely on the skills and abilities of the people in workforce organizations that provide those services. Professional development and organizational strengthening are especially important to invest in to support success among workforce organizations in driving job quality improvements in their labor markets.

i. **Provide financial support to the field.** It has long been the case that workforce development has received insufficient investment. The field is asked to undertake difficult and complicated efforts with far too few resources. The field should focus on job quality and have the resources to develop capacity to do this work.
Conclusion

An economy in which people work with dignity, support themselves and their loved ones, and contribute to a healthy and thriving society may be the American Dream, but it is not the American reality. For too long economic policies and public programs have focused on factors that contribute to a healthy economy — such as workforce skills, new job creation, technological innovation, trade and competitiveness, and economic growth — under the assumption that together these eventually yield good jobs. Unfortunately, this approach has led to a lack of focus on job quality, and perpetuated a view that job quality simply happens or appears outside the scope of responsibility for a particular policy or agency. We need instead to recognize that job quality is influenced by policies and program practices. Many areas of public policy can be levers for improving job quality. We need all those levers to be used to improve the quality of jobs so that individuals, families, and communities across the country can thrive. Improved job quality is essential to build back better.

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About the BETS Taskforce

The Better Employment and Training Strategies Taskforce (BETS) is a coalition of more than 40 leading practitioners and experts working to modernize the United States’ outdated patchwork of workforce policies. The five BETS workgroups were convened in November 2020 to develop recommendations aimed at informing the incoming Biden-Harris administration and the 117th Congress on issues and policy options related to unemployment insurance, workforce development, job quality, youth employment, and federal jobs initiatives.

The BETS Taskforce was convened by Prof. Stephen Crawford of the George Washington Institute of Public Policy, Stuart Andreason of the Federal Reserve Bank of Atlanta, and Larry Good of Corporation for a Skilled Workforce. The above document is the final product of the job quality workgroup chaired by Maureen Conway of the Aspen Institute Economic Opportunities Program and Amanda Cage of the National Fund for Workforce Solutions. Members of the job quality workgroup included Amanda Cage (President and CEO, National Fund for Workforce Solutions), Maureen Conway (Vice President, The Aspen Institute; Executive Director, The Aspen Institute Economic Opportunities Program), Livia Lam (Senior Vice President, Federal Relations, Strategies360), Jeannine LaPrad (Senior Fellow, Corporation for a Skilled Workforce), Sarah Miller (Senior Adviser, Center for Workforce and Economic Opportunity, Federal Reserve Bank of Atlanta), Mary Alice McCarthy (Director, Center on Education & Labor, New America), and Iris Palmer (Senior Advisor for Higher Education and Workforce, Education Policy Program).

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Please Note: Affiliations listed for individuals above are for identification purposes only. Unless the organization is listed as an endorser below, affiliations do not indicate the organization’s support for the positions outlined in this piece.

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- The Aspen Institute Economic Opportunities Program
- Center for Law and Social Policy (CLASP)
- Corporation for a Skilled Workforce
- Heldrich Center for Workforce Development, Rutgers University
- National Fund for Workforce Solutions
- National Skills Coalition
- New America
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Maureen Conway is vice president at the Aspen Institute and executive director of the Institute’s Economic Opportunities Program (EOP). Maureen’s current work includes research on strategies to improve job quality for low-wage workers, investigation of business practices that support high-quality jobs, and curation of a public discussion series that brings voices from business, labor, policy, philanthropy, media, and more together to discuss opportunities for building an economy in which all can thrive. Maureen is an expert in workforce and community economic development strategies and has been quoted in a variety of news media including The New York Times, The Wall Street Journal, and National Public Radio, and her writing has appeared in Fast Company, Politico, Newsweek, Quartz, CNN.com, and other outlets. Maureen holds an MBA from Columbia University, a master’s in regional planning from the University of North Carolina, and a bachelor’s in economics and mathematics from Holy Cross College.

Jeannine LaPrad is a senior fellow with the Corporation for a Skilled Workforce (CSW). For the past 20+ years, she has worked with leaders in the nonprofit, government, education, and business sectors to reshape employment and education policy and practice in ways that create more equitable outcomes for students, workers, and communities. Jeannine has led numerous workforce development research and consulting projects in Detroit, Michigan, and nationally. This includes conducting needed labor market and program research, engaging stakeholders in the design and evaluation of initiatives, and developing partnerships with business, education, and community leaders that address critical employment and economic mobility issues. Currently she’s working on projects that center worker voice and experience, improve job quality and economic mobility, and advance racial and gender equity. Jeannine has a bachelor’s in organizational psychology and communications and a master’s in higher education policy from the University of Michigan.

Amanda Cage is the president and CEO of the National Fund for Workforce Solutions. Amanda joined the National Fund in March 2020, bringing more than 25 years of federal workforce system, grantmaking, and organized labor experience to the organization. Throughout her career, Amanda has focused on ensuring economic inclusion and stability for workers and their families. Most recently, she served as the chief program officer at the Chicago Cook Workforce Partnership. There she managed a $70 million portfolio of public and private funding and a network of over 50 agencies for the country’s second largest workforce system. Amanda started her career as a labor organizer and was a Trade Union Program Fellow at Harvard Law School. She is an Aspen Institute 2017-2018 Job Quality Fellow and a 2019 Leadership Greater Chicago Fellow. Amanda earned a bachelor’s from Oberlin College and a master’s in public policy from the Harris School at the University of Chicago.

Sarah Miller is a senior adviser for community and economic development within the Atlanta Fed’s Center for Workforce and Economic Opportunity. She has 15 years of experience in workforce development, economic development, and education. Previously, she worked for the Council for Adult and Experiential Learning (CAEL), a national nonprofit. During her 10 years at CAEL, Miller led national, regional, and local initiatives and strategies focused on aligning workforce investments with economic development and labor market needs. Her experience includes effective education and training approaches to address skills gaps, creation and coordination of community and regional leadership, articulation of career pathways, and the development of regional workforce and economic development strategies to increase economic access and mobility. Miller started her career focused on K–12 education as a social science teacher in Ohio and Illinois before moving into the private sector. She earned her Bachelor of Science in Education from Bowling Green State University.
Appendix

This appendix provides the full set of recommendations with justifications and examples of best practices or prior research where appropriate.

Role of the Federal Government

I. View Job Quality as an Explicit Goal: Centrally Focus Job Quality and Equity in Recovery and Raise Job Quality Awareness

a. Create an interagency council and public commission on job quality and equity. These groups would be charged with developing a comprehensive set of recommendations for how the federal government can lead and partner with businesses and labor unions in improving job quality and equity for all workers. The commission should include workers, employers, labor unions, economic and workforce development organizations, advocacy groups, and civil rights organizations. One of the first tasks of this group would be to work with the heads of federal agencies to conduct a job quality and equity audit of existing jobs and workforce development-related legislative and administrative policies and practices. This group would also consider what data and other knowledge-building investments are needed to ensure that the effects of new benefit or regulatory policies are understood and that new outcome measures are created to fully capture impacts. It could also make recommendations for improving federal data collection, research, and reporting on disparate labor market outcomes by race, ethnicity, and gender. These actions would also support the implementation of the recent Executive Order focused on advancing racial equity and support for underserved communities.

b. Develop a data framework and dashboard for measuring job quality and equity. The US Department of Labor and US Department of Commerce could co-lead a participatory process for coming up with a framework and guidelines for developing appropriate indicators of job quality and equity, while laying the groundwork necessary for a data dashboard that ties into the work of the job quality and equity commission. This dashboard would also be the base for guiding changes in agency policy and practice. This work could establish the basis for developing national job quality standards that can be used in federal workforce programs, economic development programs, and other initiatives.

c. Use the communication and convening power of the White House to focus on the critical role of businesses in investing in job quality and equity for all workers. This would involve having the Council of Economic Advisors and other business-facing leadership groups include job quality and equity data in all research and analysis. It would also involve developing a communications campaign that elevates those businesses impacting and inspiring others to adopt best in-class investments in their workers. Encouraging private-sector leadership to make investments and improvements in job quality and equity would help create the conditions for a more engaged and productive workforce that is prepared for the demands of the post-pandemic recovery and emerging economy. Identifying ways to track and measure the impact of the communication campaign is also critical to move beyond good intentions to tangible commitments and outcomes.
II. Improve Job Quality Through Federal Operations: Lead by Example as an Employment Provider and Investor

d. **Model investing in job quality and equity as an employer across all federal agencies.** This would involve conducting a job quality and equity audit across the board within federal government to ensure that all agency policies and practices reflect the social contract of greater equity and quality in the workforce we want between all employers — including the federal government — and workers. It would also include providing a federal guarantee for public-sector employees to bargain for better pay and benefits and the working conditions they deserve and taking other steps to make it easier for workers to organize unions and collectively bargain. Assessment and communication of performance over time would also highlight the importance of aiming for continuous improvement on these critical issues.

e. **Use the federal government’s role as a purchaser of goods and services to incentivize the creation of good jobs.** In addition to rules and regulations, the government can incentivize and reward the creation of higher-quality jobs in its role as a purchaser of goods and services and in its work to encourage the development of jobs for its citizens. In procurement contracts, the government can set job quality standards and conduct business only with companies that meet those standards. The federal government can also establish preferences in procurement contracts for a broader range of job quality characteristics. For example, companies that offer employee ownership or profit sharing or that meet a certain standard compensation ratio in comparing a CEO to a typical worker could receive extra points in a bid-scoring process. More specifically, the federal government should require companies with government contracts to meet minimum job quality standards, including locally appropriate wages, paid leave, fair overtime and scheduling, and freedom to unionize and collectively bargain.

f. **Leverage any federal investments in community-based infrastructure and the clean energy economy to ensure good jobs are being created in the recovery.** This would mean focusing on investments in manufacturing, clean energy, energy-efficient buildings and homes, and climate-related agriculture and conservation work. This would involve requiring companies receiving these investments to commit to pay at least $15 per hour; provide employees with paid leave; maintain fair overtime and scheduling practices; and guarantee employees a choice to join a union and bargain collectively. These companies would also commit to utilizing project labor and community workforce agreements that include local hiring provisions, funding for job training, pre-apprenticeship programs, and supports for job placement and retention. They would also commit to ensuring these jobs are filled by diverse, local, well-trained workers, including women and people of color. Technical assistance should be provided to ensure contractors are connected to local workforce development boards and economic development resources that support deliverance of on-the-job learning, through registered apprenticeship and other work-based training programs.
III. Create Executive, Legislative, and Regulatory Job Quality Directives

g. **Pursue legislative and executive actions to raise wages and expand benefits and worker protections.** Although several states and municipalities have implemented higher minimum wages, the federal government must act to secure economic stability for all Americans. This would involve using the power of the executive office to keep these issues at the forefront of the national conversation on job quality and urge Congress to take action, where appropriate, on increasing the federal minimum wage to $15, including workers who aren’t currently earning the minimum wage (e.g., farmworkers and domestic workers), and index minimum wages to median hourly wages so low-wage workers pay will keep pace with middle-income workers; eliminating all subminimum wages; ensuring workers are paid fairly for the overtime pay they’ve earned and are appropriately classified so they receive the legal benefits they deserve; increasing workplace safety and health regulations and agency enforcement capacity to develop comprehensive strategies for addressing workplace hazards; strengthening enforcement of EEO requirements and other protections for economically and traditionally marginalized workers; and passing comprehensive and inclusive paid sick days laws, paid family and medical leave and fair scheduling laws, and part-time parity laws.

h. **Consider the role of government in setting wages and other national job quality standards in sectors where the government plays a big role in the market, including health care, early child care, and education.** This would mean using any funding that goes toward these sectors of the economy to invest differently in the caregiving and education workforce, providing these workers the pay and benefits they deserve, as well as a stronger voice and other fundamental work-related rights and protections. Caregivers and early childhood educators—who are disproportionately women of color—for far too long have been underpaid, unseen, and undervalued. Employers in these sectors need different incentives and rewards for improving the quality of jobs and ensuring equity in pay and other benefits. Other constraints on these systems, such as the long-term care financing model, must also be addressed as part of improving caring economy jobs.

i. **Support innovation at the state and local levels to improve job quality in the areas of wages, access to benefits, working conditions, worker protections, and engagement.** Employers, industries, workers, and public-sector leaders at the state and local levels are exploring solutions for improving job quality. The federal government can amplify examples of both large and small employers that voluntarily adopt policies and practices that result in living wages, predictable schedules, and profitable companies. Additionally, the federal government can highlight innovative and replicable programs such as those which allow state level plans for employers to pay into retirement benefits for workers with multiple part-time jobs on a pro-rated basis, or other types of “portable benefits.” Examples of business associations providing employers with support for increasing benefits and bettering workplace conditions could also be highlighted and encouraged.

j. **Provide technical assistance to small and medium-sized employers to invest in their workers and implement job quality- and equity-related policies and practices.** Some organizations have demonstrated the value of providing technical assistance to small and medium-sized businesses focused on helping them build quality jobs as they develop a strong business. We need a network of such organizations positioned to provide business strategy services, coupled with appropriate financing and incentives, to help more companies improve job quality as they build their business. For example, the Manufacturing Extension Partnership has worked to strengthen the competitiveness and efficiency of American manufacturing. The Illinois Manufacturing Excellence Center has demonstrated that this infrastructure can be used to provide technical assistance to companies on how to build better jobs while strengthening their business.
Enterprises in Maine, Pacific Community Ventures in California, and other nonprofit organizations have developed tools and processes to help firms build better jobs.

k. **Use investments in business and workforce development programs to improve job quality and equity.** To ensure that future jobs are good jobs that provide a basic level of economic stability and pathways to economic mobility for all Americans, economic and workforce development intermediaries must not only react to changes in the market but also use their roles to work with businesses and industries to improve the quality and equity of jobs. Any federal investments in economic, business, and workforce development should include clear job quality standards and investments in professional development to build the capacity of business and industry to operationalize job quality practices and meet job quality outcomes in their work.
Role of Economic Development and Local Government

I. Use Fiscal, Purchasing, and Incentive Strategies to Improve Job Quality

a. Utilize Community Benefits Agreements (CBAs) to increase access to good jobs. CBAs are strategic vehicles for community improvement while benefiting private-sector developers and state and local governments. A CBA can be either a voluntary agreement or a legally enforceable contract between community groups and a developer and it sets forth a range of community benefits that the developer agrees to provide as part of a development project. The range of benefits that may be specified is broad and could include committing to hire directly from a community, hiring more women and people of color, establishing wage thresholds, contributing to economic trust funds, guaranteeing provision of local workforce training, providing expanded public transportation, establishing affordable housing units near commercial corridors, establishing green building practices, and creating child care centers.

b. Establish incentive and subsidy criteria associated with job quality and equity. The practice of providing tax incentives and other subsidies to encourage employers to locate in a community, to expand there, or simply to not move away is widespread. Unfortunately, this practice doesn’t increase overall business productivity and investment in communities. However, increasing numbers of state and local governments have begun attaching job quality requirements to incentive packages offered to companies. This illustrates growing acknowledgment that not just any job is worthy of public investment. Wage standards and health care benefits are the measure of quality most typically used in economic development evaluation of job quality standards.

c. Subsidize businesses through the provision of services, rather than direct subsidies. In addition to establishing job quality requirements, other best practices for improving economic development subsidies include prioritizing the provision of services, especially those aimed at local small and medium-sized enterprises. Assistance to small businesses could be modeled after the way some Community Development Financial Institutions (CDFIs) are investing in small businesses and providing training and technical assistance to companies on improving workforce retention and job quality. A good starting point is the foundational research and development work Pacific Community Ventures has done on the role of policy and the investment in business practices in improving and measuring job quality.

d. Use public purchasing power to improve job quality and equity. Local governments spend an estimated $1.5 trillion annually on contracts for goods, services, and construction, and can promote job equity through procurement practices. In addition to promoting equity, job quality standards can be incorporated into requirements for local government contracting and purchasing to ensure vendors are providing quality jobs. Contractors can be evaluated on whether they provide quality jobs and share ownership and profits with their workers. These and other practices would go a long way toward supporting locally owned businesses that provide good jobs, profit share, and build wealth in their community.
II. Support Business Investment in Job Quality With Community-Driven Social and Influential Strategies

a. **Influence employer practices to help them improve job quality and retention.** Economic development organizations play an important role in communicating the needs of businesses to communities. Chambers of commerce and other business leadership groups are well positioned to shape employer behavior or address outdated policies and practices that affect job quality and ultimately worker retention and productivity. Through targeted employer outreach and conversation, economic development leaders and business leaders experiencing hiring and retention challenges can discuss some of the following key questions: If companies are struggling to hire or retain workers, are they paying competitive wages and offering competitive benefits? Are companies looking at their workplace culture and specific practices that keep workers engaged and productive? Are companies pursuing hiring and retention strategies that eliminate implicit or explicit racial and educational biases? These conversations may be difficult, but they are essential to investing in good business practices and better outcomes.

b. **Create public awareness and recognition campaigns for “employer of choice” designations.** A number of regional and community economic development entities are adopting “choice employer” designations to signal the value of paying living wages, offering employee benefits, and investing in workers. Several tools are available for businesses to learn more about and implement job quality-related policies and practices. Good Business Works in Baltimore aims to advance job quality practices among employers in consumer-facing industries including home improvement, retail, and food/beverage. The initiative offers businesses that meet job quality standards customer acquisition services and marketing support, including promotion in a Socially Responsible Business Directory, to incentivize employers to upgrade job quality. In Minneapolis-St. Paul, the Center for Economic Inclusion, in partnership with regional economic development and business leaders, has developed a scorecard and a targeted regional awareness and employer behavior change campaign to improve job quality and equity.

c. **Provide business retention and expansion services that include an emphasis on job quality.** Economic development organizations often work with local businesses to address local issues that are constraining growth while creating solutions to facilitate job and business growth. Business retention and expansion services could include business advisory services that help companies find alternatives to layoffs and invest in their workers, while improving business processes, operations, and productivity. These services could be modeled on the way the Manufacturing Extension Partnership (MEP) centers (public-private partnerships dedicated to serving and supporting small and medium-sized manufacturers) approach providing customized services to small and medium-sized manufacturers, including providing services in a way that improves job quality and business outcomes. The Illinois Manufacturing Excellence Center offers an example of working effectively with manufacturers to implement quality job strategies to improve workforce engagement, productivity, and stability, as well as improve processes and products.

d. **Adopt inclusive economic development practices that emphasize job quality and equity.** This involves ensuring that customized job training incentives, tax credits, and grants include job quality standards to which employers must commit in order to be eligible for this funding. This could also involve creating policies through different programs that provide additional incentives to companies that meet certain standards of job quality, are willing to hire locally and provide employee training, and engage in other community development activities. Prosper Portland’s Portland Means Progress campaign are examples of a city economic development agency using incentives to encourage business behavior change, and providing examples of, and resources to support, inclusive business practices — such as raising wages above $15, offering benefits, and providing internal diversity and inclusion training — many of which are aligned with job quality practices.
Role of Workforce Development

I. Conduct Job Quality Labor Market Analyses and Build Job Quality Performance Measures.

Workforce organizations can assess job quality and identify key job quality issues in their labor market. Looking at labor market information with a specific set of job quality metrics can help drive clearer workforce investments to achieve job quality goals in a labor market. In turn, a set of performance measures or benchmarks can be used to track progress toward job quality goals. However, meaningful improvement in job quality is not easily measured by the individual outcome metrics that workforce organizations typically track. To assess progress toward job quality goals, additional business practice change and systemic outcome measures are also needed.

a. **Use labor market information and analyses to look beyond in-demand jobs to the labor market as a whole.** What proportion of jobs are a good fit for the needs of workers and households in our community? How do we begin the conversation about job quality at scale within a regional economy? How do we understand which companies are doing a good job in designing quality jobs? Asking questions such as these when analyzing labor market data clarifies critical job quality issues in a labor market. Data analytics platforms like Working Metrics which helps businesses make decisions to improve job quality and diversity results can be helpful in benchmarking companies against peers in terms of job quality and in identifying both companies whose practices may offer lessons and companies whose practices need improvement. Organizations should conduct a labor market analysis with a job quality lens and factor related goals into their plans.

b. **Embed job quality goals into performance measures.** As the saying goes, what gets measured, gets managed. Therefore, rethinking performance metrics to incorporate job quality outcomes is critical. For example, a *California Law Review* article describes how the workforce system should be reorganized to be accountable to connecting people to a quality job through modifications to system performance measures. An *Aspen Institute* paper outlines how metrics on employer engagement can be rethought to encourage relationships with employers that improve job quality. Workforce organizations need encouragement to experiment with job quality performance measures since they are likely to be very different from typical individual outcome measures. Organizations must consider staff development approaches to build understanding of the new measures, how their work contributes to job quality outcomes, and why improving job quality is essential to their overall goals. At the same time, sharing information across organizations about different measures developed, and the experience using them, will be important to building job quality performance.
II. Prioritize Job Quality Goals in Building Business and Industry Partnerships

c. **Leverage industry partnerships to understand business needs and challenges.** Understanding business needs and challenges does not apply only to identifying in-demand skills. It also presents an opportunity to explore how jobs can be reorganized, leverage new technologies, and be enriched, thereby becoming more productive and more rewarding. Many organizations that have operated sector strategies\(^\text{37}\) have taken this approach and have set job quality standards for their work, then negotiated changes in job design so that the jobs met those standards. Organizations like JVS in Boston or Capital IDEA in Texas take this approach in working with employers to train for quality jobs.

d. **Work with businesses to create sustainable solutions.** Workforce development should play a bigger role in improving job culture and design, creating supportive work environments, and providing on-the-job skill development for workers. Institutions should be incentivized to focus on these levers for change and build capacity to work with industry groups and businesses on these solutions. This capacity-building work, which is typically undervalued and underfunded, must be valued, incentivized, measured, and recognized.

III. Deepen Understanding of the Experience of Workers.

Job quality is complex; different people may have different preferences about work and the elements of job quality that are important to them. In addition, some elements of job quality can be measured with numeric data, but others, such as quality supervision or a respectful workplace, require more qualitative information to assess. Many workforce organizations expect that their efforts contribute to improving the lives of the individuals who come to them for training or assistance. Over the decades, workforce organizations have been increasingly pushed to listen to business. While that is important, so too is listening to workers and understanding their experiences. Workforce organizations must rebuild their capacity to understand the issues that are important to the workers and job seekers to ensure their interests and concerns are addressed.

e. **Listen to the experience of workers.** Listening to workers is essential to understanding whether job quality goals are being met. Workers often know which companies have a better reputation and where they prefer to work. For organizations now working on issues of worker safety,\(^\text{38}\) for example, feedback from workers about their experience in different workplaces has been key to building approaches to working with businesses on improving worker safety and avoiding connecting workers to workplaces where they will be at risk. Workforce organizations should listen to worker experience, help workers connect with companies with quality jobs, and help employers that are not currently the employers of choice connect to the resources that will help them become a destination employer.

f. **Partner with worker centers or other worker organizations.** Partnering with worker organizations is a useful approach to building systems for ensuring worker perspectives and experiences are an integral part of the job quality strategy. Some geographies have worker centers, labor unions, or other worker organizations that focus on a particular industry, set of occupations, or sometimes a particular demographic group. Building partnerships with these organizations can help a workforce organization have a bigger picture of the experience of working in an industry and opportunities for the organization to contribute to improved job quality.
IV. Use Capacity Building to Improve Job Quality Focus.

Professional development and organizational strengthening need to be supported for workforce development in general, and are especially important to invest in to support success among workforce organizations in driving job quality improvements in their labor markets.

g. Learn from positive practice. Innovative research, policy and practice interventions are being documented by the National Fund, the Aspen Institute, and other organizations focused on job quality best practices and replicable approaches. An intensive effort to learn about practices that support quality jobs and to shift the culture of workforce organizations to innovate toward that goal should be undertaken by the aforementioned national research, advocacy and action organizations but also in practice through the workforce system at the state and local levels.

h. Provide financial support to the field. It has long been the case that workforce development has received insufficient investment. The field is asked to undertake difficult and complicated work with far too few resources. The field should focus on job quality and have resources to develop capacity to do this work.
Endnotes


To Build Back Better, Job Quality Is the Key

30 “Leveraging Procurement for Economic Equity,” Local Initiatives Support Corporation.
33 Jain et al., “Genesis at Work.”
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