

## Economic Mobility Catalog: Case Study

# Tech sector career training: Columbus, OH



Post-Secondary Education & Workforce Development



High-Quality Employment

**MORE ABOUT THE STRATEGY USED IN THIS CASE STUDY:** Sector-specific job training, Job placement services and supports

## At-a-Glance



### Summary

- In 2011, 21.8 percent of Columbus residents lived below the poverty line, with households of color making up a disproportionate share of those in poverty. The same year, Columbus 2020 projected that in the following decade, the region would add 150,000 new jobs, primarily in the tech industry. Most of the new jobs would require an associate's degree or equivalent, making many of the city's low-income residents ineligible for these opportunities. At the time, Columbus lacked a proven workforce training program to transition residents into careers in the tech sector.
- In 2012, Per Scholas launched in Columbus. The program provides learners with full-time, tuition-free training to earn industry-recognized credentials in the tech sector. Leveraging partnerships with local employers, Per Scholas also provides participants with job matching services and ongoing career support after graduation. Upon graduating, learners typically move into entry- to mid-level tech roles and earn an average of \$18.30 an hour.
- Keys to the program's success included vocal support from City Council, which helped secure funding and built awareness among employers and the public; strong partnerships with local employers, which informed the program's curriculum; extensive data collection and evaluation that demonstrated effectiveness and built buy-in; and stable, balanced funding from public, private, and nonprofit sources.
- The challenges the program faced included building trust with local leaders as an organization with no prior roots in Columbus, building a reputation as an effective workforce partner with local employers, ensuring graduates received adequate wages in their new jobs, and meeting the strong demand for spots in the program.

## Results and Accomplishments

<b>720</b> graduates have attained high-quality jobs with over 290 employers in the Columbus region since 2012.	<b>\$18.30</b> The average initial wage for Per Scholas Columbus graduates was \$18.30 in 2020, up from \$13.40 in 2012.	<b>14%</b> After seven years, Per Scholas participants earned \$4,844 (14% percent) more per year than members of a control group (the study was conducted at a Bronx site). Earnings increased between \$4,000-\$6,000 over the seven years following random assignment.
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- **Hundreds of graduates attain high-quality tech jobs:** Since launching in Columbus in 2012, Per Scholas has trained 720 individuals from 40 cohorts who have successfully attained tech sector jobs. 88% of all graduates have attained jobs, and alumni currently work at more than 290 companies across Columbus. Graduates now make an average of \$18.30 per hour in their initial roles.
- **Doubling the number of participants served:** Per Scholas Columbus now serves nearly 150 enrollees per year, up from 77 per year in 2013. Program participants are predominantly Franklin County residents of color who do not earn a living wage.
- **Completed and renewed a performance-based contract with Franklin County, OH:** Per Scholas was awarded a three-year performance-based grant from Franklin County to ensure 50 graduates per year attained jobs earning above the county's living wage, then \$13.69 per hour. The program fulfilled this obligation and the contract was renewed in 2019.
- **Funding and recognition from city government:** The City of Columbus has provided Per Scholas with over \$600,000 since 2012. In 2017, it passed a resolution recognizing the program's contributions to the community.
- **Recognition across the region:** Per Scholas has been recognized as a leading nonprofit organization in the Columbus region, garnering awards in 2017 and 2018 from Columbus Business First and the Columbus Foundation for its impact in workforce development.

## Overview



### What was the challenge?

- **Rising poverty:** Between 1999 and 2011, the poverty rate in Columbus rose by 50%, from 14.8% of residents living below the federal poverty line to 21.8%.
- **Increasing racial disparities:** People of color made up a disproportionate share of Columbus's increase in poverty. Nearly 40% of Black households headed by adults under 25 earned less than \$10,000 per year, a rate double that of white residents.

- **A rapidly-growing, tech-driven economy:** In 2011, Columbus's primary economic development entity (Columbus 2020) projected that by 2021, the region's economy would add 150,000 new jobs and per capita income would grow by 30%. Many of those jobs and much of the wage growth would come from a growing tech sector.
- **An ill-prepared workforce:** Many new jobs in the tech sector would be available to individuals with an associate's degree or equivalent credential. But many residents of color who were not earning a living wage lacked the credentials and skills necessary for employment in the sector.
- **A dearth of local training programs for tech jobs:** Despite the presence of many well-established workforce training organizations, few prepared individuals for careers in tech or demonstrated a track record of successful job attainment that increased graduates' wages.

## What was the solution?

- **Tuition-free, "bootcamp"-style tech training:** Per Scholas provides intensive, full-time training courses ranging from 10-15 weeks that prepare participants for entry-to mid-level careers in the technology sector. Upon completing the program, graduates earn industry-recognized credentials from entities like CompTIA and Google. In 2020, graduates earned an average starting wage of \$18.30 per hour.
- **Robust non-technical training:** Alongside tech instruction, Per Scholas participants receive training in professional and business-essential skills, financial security strategies, critical thinking, team-building, and conflict management.
- **Deep collaboration with employers:** Per Scholas engages with local employers to shape its curriculum and ensure that graduates are well-prepared for locally-available jobs. These relationships enable Per Scholas to provide participants with robust job matching services and ongoing career support after graduation.
- **Reliable pathways to high-quality employment for people of color:** By providing in-demand, tuition-free training and connecting graduates directly with employers, Per Scholas helps bridge the gap between tech-interested individuals who are not earning a living wage and businesses that need skilled, diverse workers. Across the country, 86% of Per Scholas learners are people of color.
- **Partnership between Per Scholas and local leaders:** To ensure the program's successful implementation, local leaders championed Per Scholas to potential participants and employers, connected the program to funding opportunities, and ultimately allocated public resources to strengthen the program.

## What factors drove success?

- **Vocal support from members of City Council:** Early in Per Scholas's implementation in Columbus, City Councilmembers A. Troy Miller and Priscilla Tyson facilitated introductions to the business community, raised public awareness about the program, and helped secure funding, all of which were fundamental to Per Scholas integrating into the Columbus community.

- **Curriculum informed by employer needs:** Strong partnerships with employers have enabled business leaders to help shape Per Scholas's training curriculum, both in Columbus and nationwide. This ensures that participants have the skills they need to succeed in tech roles at those same organizations.
- **Robust job attainment support:** Per Scholas's consistently strong results and long-standing relationships with employers in Columbus have ensured high job attainment rates and wages for graduates.
- **Extensive data collection and multiple independent evaluations:** By collecting extensive data on participant outcomes and conducting two independent randomized control trials (both demonstrating positive outcomes), Per Scholas was able to quickly garner the trust of local government leaders, secure buy-in from the Columbus business community, and consistently communicate its positive results.
- **Stable funding from an array of sources:** In pursuing funding from corporations (JPMorgan Chase, Nationwide Insurance), local governments (City of Columbus, Franklin County), and nonprofits and philanthropies (CompTIA, the Columbus Foundation, the United Way of Central Ohio), Per Scholas built a strong initial base of funding.

## What were the major obstacles?

- **Overcoming "outsider" status:** As a New York-based organization with no pre-existing connections to Columbus residents or employers, Per Scholas had to overcome perceptions of being an outsider. Local government leaders played a crucial role in the trust-building process with both prospective learners and employers.
- **Building a reputation with local employers:** Some major employers in Columbus, unfamiliar with Per Scholas's track record of success, preferred to hire from more established workforce development programs in the region. This forced Per Scholas to temporarily use mitigation strategies for job attainment, like staffing agencies.
- **Ensuring adequate wages for graduates:** Initially, some Columbus employers refused to pay program graduates higher-than-local-market wages. Per Scholas and local leaders worked together to negotiate and secure higher wage commitments over a protracted period.
- **Limited capacity to meet strong demand:** Despite successfully scaling the program, only 20% of all applicants secure a seat at Per Scholas Columbus. To select participants, the program designed a demanding admissions process including an interview and application materials that demonstrate program preparedness.

# Timeline



PROGRAM LAUNCH

**1995**

## **Per Scholas is founded in New York**

The organization initially provides used computers to high-need schools and low-income families. Over the next decade, Per Scholas shifts its focus to training low-income residents for high-paying tech jobs.

**MID-2000S**

## **CompTIA and Per Scholas form partnership**

CompTIA's Creating IT Futures Foundation provides free vouchers for certification exams and instructional materials to Per Scholas. The partnership expands over the next decade, with Per Scholas using CompTIA's curriculum and technical certification process, and CompTIA providing more than \$2 million in funding to help Per Scholas replicate its model in five new locations.

**2010**

## **First randomized control trial findings published**

Researchers at Public/Private Ventures complete an impact study of the Per Scholas Bronx campus, which shows significant earnings increases, especially among Latino, immigrant, and formerly incarcerated program participants.

**MARCH 2012**

## **Local government leaders introduce Per Scholas to Columbus**

Per Scholas, looking to expand to Columbus, establishes relationships with City Councilmembers A. Troy Miller and Priscilla Tyson. These representatives help Per Scholas gain footing in Columbus. The organization soon raises \$275,000 towards the campus launch, including funding from the City of Columbus and JP Morgan Chase. Per Scholas also receives \$600,000 in advisory support from CompTIA.

**OCTOBER 2012**

## **Per Scholas begins instruction for first Columbus cohort**

Per Scholas Columbus welcomes its first cohort of 20 learners. Two months later, they complete the program and secure full-time roles at companies including JPMorgan Chase, Nationwide Insurance, and Time Warner Cable.

**2016**

## **Franklin County awards Per Scholas a \$300,000 grant**

The county government awards Per Scholas a performance-based, three-year grant, paying out \$1,000 for each learner securing a job at or above its liveable wage standard of 13.69/ hour. The contract is renewed in 2019 with a new standard of \$15/hour.

2017

### **Per Scholas Columbus garners local recognition**

As Per Scholas Columbus grows, local organizations take notice. In 2017, Columbus Business First honors Per Scholas with the BizTech Award for Nonprofit service. The next year, the organization is named a top-five nonprofit to watch by the Columbus Foundation. The Columbus City Council also honors Per Scholas with a resolution recognizing its five years serving the community.

2019

### **Columbus campus expands capacity with nearly \$1.2 in grants**

With the program nearly doubling in size from 2013 to 2019 (from 77 enrollees per year to 143) and local employers expressing demand for more program graduates, Per Scholas Columbus is awarded grants from the Wilson Sheehan Foundation, the Weinberg Foundation, and the Columbus Foundation's Fund for Capital Improvements. These funds allow Per Scholas Columbus to expand program capacity, including building two new computer labs and upgrading its administrative space.

MARCH 2022

### **Long-term effects evaluation of Per Scholas published**

The conclusion of MDRC's longitudinal, 7-year study shows that Per Scholas increased average earnings by an average of \$5,200 in years 5-7 after enrollment (16%).

## Implementation Process



### How did leaders confront the problem?

- **Labor supply and demand disconnect:** As the tech sector booms in Columbus, employers struggle to fill job vacancies; at the same time, residents of color in the city disproportionately struggle to find full-time work paying liveable wages.
- **City Councilmembers prioritize workforce development:** Local government leaders like Columbus City Councilmembers A. Troy Miller and Priscilla Tyson seek to support evidence-based workforce development programs, especially ones focused on improving access to the city's future opportunities in tech for low income and minority residents.
- **Per Scholas zeroes in on Columbus:** Per Scholas, with an independently-evaluated track record of preparing New York City residents of color who did not earn a living wage for careers in tech, identifies Columbus as a promising market to offer its programming, but lacks the local support necessary to do so.
- **A partnership is formed:** Seeing a mutual benefit, the program and the city join forces, with local government leaders helping Per Scholas secure funding, build a pipeline of participants, and identify potential employers as they build momentum toward launch.



## How was the strategy designed?

- **A proven track record:** For nearly two decades, Per Scholas has developed and refined a rigorous training program to prepare individuals not earning a living wage, mostly people of color, for careers in tech. By collaborating with local employers on curriculum design, the program ensures its learners' skill sets align with local labor market needs.
- **"Bootcamp" comes to tech training:** Participants commit to 10-15 weeks of full-time course instruction in tech, which includes a lab-based computer workstation and professional development programming.
- **Non-technical training, too:** All participants receive professional and business-essential skills training, financial coaching, supportive services, and referrals to community-based partners.
- **Employer-informed curriculum:** Per Scholas works directly with employers, engaging with both human resources and front-line managers to find positions suitable for graduates, create direct pipelines for post-graduation job attainment, and set wage floors for alumni.
- **Post-graduation upskilling opportunities:** For up to two years after graduation, Per Scholas Columbus program alumni can participate in upskilling courses, including a custom-designed software engineering training program in collaboration with Nationwide Insurance.
- **Local employer engagement and learner recruitment:** In Columbus, Per Scholas hired managing staff with established relationships in the business community, allowing for significant employer input into curriculum design. The program also brought on another staff member to cultivate relationships with community colleges, community-based organizations, and local employment offices to support learner recruitment efforts.

## How was the approach funded?

- **3-year runway:** Per Scholas sets an initial \$1.5 million fundraising target for its Columbus campus, ensuring a 3-year runway for investment in educational facilities, staff, data management tools, and expansion. This includes an estimated \$600,000 to launch operations.
- **Performance-based contract with Franklin County:** In 2016, Per Scholas agrees to a performance-based contract with Franklin County, which paid \$1,000 for each participant attaining a job with a liveable wage (\$13.69 per hour from 2016-2018). This contract is renewed in 2019, with the liveable wage floor set to \$15.
- **Diverse funding stream:** Per Scholas pursues a diverse funding stream and receives support from across sectors, including \$600,000 from CompTIA, \$25,000 from the City of Columbus, and ongoing support from JP Morgan Chase, starting with an initial \$100,000. The network of funders continues to expand with the program, including from major local employer Nationwide Insurance.
- **\$5 million through 2020:** Through 2020, Per Scholas Columbus has raised roughly \$5 million, including \$600,000 from local governments and over \$1.1 million from local employers.

## How was the plan implemented?

- **Employers and foundations provide early support:** With local government leaders acting as liaisons between Columbus residents seeking employment and the business community, Per Scholas secures financial commitments to support start-up costs and operations from major employers and foundations.
- **Recruiting begins:** Per Scholas then begins widespread learner recruitment efforts, leveraging partnerships with community colleges, community-based organizations, and local employment offices to enroll its first class of 20.
- **Engaging the business community:** As the program expands its Columbus footprint, Per Scholas develops a larger suite of corporate funders, including Nationwide Insurance, JP Morgan Chase, Workday, and Allegis/TEKSystems -- who double as frequent employers of program alumni.
- **New leader facilitates rapid scaling:** To facilitate program growth from 20 learners in 2012 to 143 by 2019, Per Scholas Columbus hired a new program director, Toni Cunningham, a community leader in workforce development initiatives. Cunningham and the Per Scholas Columbus staff leveraged her strong network to build new employer relationships and strengthen existing ones, as well as expand recruitment efforts.

## How was the approach measured and refined?

- **Committing to evidence:** Per Scholas operates as a data-driven organization, leveraging real-time and longitudinal data to inform training and job attainment practices, as well as regularly evaluating and updating targets and KPIs, such as earnings, benefits, wage gains, time to job attainment, and alumni engagement.
- **Data management training:** Nearly all program staff are trained to use Per Scholas's data management tools and help capture relevant data to advance program and participant achievements.
- **Expanding the curriculum:** With graduate job attainments at 86% and average earnings up by \$5/hour, Per Scholas Columbus saw the potential to further build on its success and reputation by adding a software engineering track -- a frequent request among partner employers.
- **Wraparound learner support services:** To serve learners more holistically, Per Scholas recently developed goals around participants' financial health, including debt management and credit scores.
- **Independent evaluations:** The Per Scholas model has been independently evaluated both by Public/Private Ventures and MDRC, with the latter publishing findings on the long-term effects of the program in March 2022.
- **Predictive modeling with MDRC:** Currently, Per Scholas is partnering with MDRC to develop a predictive modelling tool focused on expanding the pool of applicants who persist through graduation and secure employment.



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## Learn more

- [Per Scholas program website](#)
- [Per Scholas mission and commitment to equity](#)
- [MDRC 7-Year Impact Report on Per Scholas](#)
- [Social Programs that Work: Per Scholas](#)
- [Abdul Latif Jameel Poverty Action Lab: Sectoral Employment Programs Evidence Review](#)