



The Flatten the Curve, Bridge the Divide Insights Series

Release 1: Amplifying the Voices of the Next Generation of At-Risk Talent



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What We Know

Labor market statistics suggest that Generation Z and young Millennials of color are more likely to be low-income hourly workers earning less than \$25,000 a year, or approximately \$12 per hour, with less job experience. This places them most at risk of being adversely impacted by labor market disruptions, decreased economic activity and corporate revenues as a result of the necessary social distancing and government stay-at-home orders enacted in most of the country to flatten the curve.

Data shows that young adults of color ages 18–29 have been disproportionately impacted by layoffs due to COVID-19. Previous economic downturns have shown us they will likely have the most difficulty reconnecting once the market rebounds due to increased competition for fewer job opportunities.

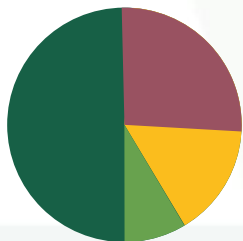
The Value Proposition

Talent development accelerator **LeadersUp** created a survey to gain insights into how COVID-19 is impacting the next generation of diverse talent. LeadersUp is a social enterprise that connects young adults to economic opportunities and talent development solutions to address labor market disparities and economic inequities in poor communities of color.

For the first in a three-part series of insights from our key stakeholders — young adults of color, employers and members of the talent development ecosystem — LeadersUp surveyed 551 youth and young adults between March 23 and March 28, 2020, approximately two months after the first COVID-19 case was confirmed in the United States.

Demographics

More than 80% of survey respondents live in one of the three Opportunity Markets where LeadersUp engages at-risk and disconnected young adults to prepare them for career opportunities.



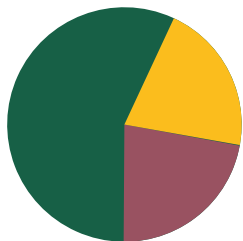
Chicago (49.34%)

Los Angeles (27.32%)

San Francisco Bay Area (18.3%)

Other (5.4%)

Nearly 90% of respondents are 16–30 years old. Nearly 95% self-identify as a person of color, with more than 80% African American or Latinx. More than 70% of respondents who completed the survey are women.



Age Range: The majority of respondents (57%) are ages 20–24.

Gen Z (64%)

Millennial (24%)

Key Findings

- Most either had been laid off or are concerned they will be
- The majority do not live alone, therefore, job losses could adversely impact household income
- They are worried about their quality of life, access to healthcare and their mental well-being
- The vast majority want to work
- Most believe a good-paying job with benefits is essential to addressing their concerns
- Most are not receiving any type of public assistance



**“Where can I make money? Or is it safe to make money?
It would be great to have a local resource center.”**

—Black woman, 20-24, living with friends in the San Francisco Bay Area who was recently laid off



“The lockdown was my concern. Kept me from making money at Ross.”

—Black male in the San Francisco Bay Area who was recently laid off from a retail job and now lives with his parents

Employment Status

More Than Half Have Lost Their Jobs or Are Fearful of Losing Their Jobs Due to COVID-19

- Nearly 1 in 3 respondents (30%) had been laid off
- 1 in 5 (22%) are concerned about losing their job
- Only 16% who are still working say they are not concerned about losing their job

Living Arrangements

The Majority Do Not Live Alone and Contribute to Household Income

The economic impact on young people has greater implications than many might think. The majority are in living arrangements that support their families, their children or their friends. More than half of respondents are living with their parents and contribute to overall household income.

- 52% live with their parents
- 1 in 7 (14%) live with a dependent child
- 1 in 8 (12%) live alone

“I’m scared I won’t have a place to stay for long and I’m going to get sick. I’m currently couch surfing and no one really wants me inside because of the virus. I can barely feed myself at this point.”

—Black female, age 20-24, living in San Francisco with her parents and recently laid off due to COVID-19



Next Gen Concerns

Youth and Young Adults of Color Are Concerned About Overall Quality of Life

During the week that the U.S. surpassed China in the number of confirmed COVID-19 cases, 73% of young adults indicated they were concerned about their ability to enjoy life, among other things:

- Not being able to work and pay their bills
- Not being able to access healthcare in their time of need
- Not being able to sustain their mental well-being.

There are many factors that influence overall quality of life. Below we delve more deeply into respondents' concerns and why:

NEXT GEN CONCERNS

Young People are Concerned About their Ability to Work and Pay Bills

During the week the Young Adult COVID-19 Survey was conducted, unemployment insurance claims shattered record highs. The number of people filing for unemployment insurance went from nearly 300,000 to 3.3 million. Another 6 million filed the week after the survey ended. Economists are predicting unemployment could reach upwards of 30% and potentially exceed jobless rates experienced during the Great Depression.

The most at risk are hourly, low-wage workers with the least experience.





How am I going to replace the income I lost throughout this time?”

—Hispanic male, 20-24 in Los Angeles who was recently laid off from H&R Block. He lives with his parents.

NEXT GEN CONCERNS

Our survey found that 7 in 10 youth and young adults desire to work, yet are concerned about being able to work and pay their bills.

“My main concerns are about jobs and my physical health. I want to work (but) the only jobs available are working in grocery stores where I would be risking my health just to make a few dollars.”

—Black woman, age 20-24, in Chicago who is not working and living with her parents



NEXT GEN CONCERNS

Young People are Worried About Access to Healthcare

As hospitals reach and exceed the capacity to treat residents in need of medical attention, and with increasingly more confirmed cases of COVID-19, most Americans may be discouraged, unable to, or apprehensive about accessing our healthcare system. As a result, young people, who are relatively healthy, are concerned healthcare might not be available in their time of need.

- **54% said they are either concerned or very concerned about having access to healthcare**



“I’m very concerned about food and health care. My daughter is 7 weeks old and couldn’t get her shots because of the doctor’s office closing.”

—Black woman, age 20-24, living in Chicago who was recently laid off due to COVID-19

- **65% said they are either concerned or very concerned about gaining new skills (e.g., job training, course or education program)**



“I am concerned the quality of my education will be altered due to switching to virtual classes yet paying the full price for tuition.”

—Black woman, age 20-24, living in Chicago with parents, working but concerned she will soon be laid off as a direct result of COVID-19.

NEXT GEN CONCERNS

Young People are Concerned About Sustaining Their Mental Well-Being

The majority of our survey respondents are directly affected by stay-at-home orders in both California and Illinois. Due to the impact of such public health measures, nearly 2 out of every 3 respondents indicated they are concerned about their overall mental well-being.

60% are either concerned or very concerned about their mental well-being



“Self-isolation has heightened some mental health issues, specifically depression and anxiety. I can’t leave the house and I had to make the big transition back home. I struggle to pay for necessities and school supplies because I am unemployed, and finding a new job is difficult because most establishments must be closed during this time.”

—Black woman, age 16-19, living in Chicago with parents and recently been laid off due to COVID-19

NEXT GEN CONCERNS

Next Gen Talent are Optimistic About Future Job Prospects

Even in the midst of a global pandemic, many of the respondents expressed optimism about their chances of landing a job if they were suddenly unemployed due to COVID-19.

- **76% believe they will find a job within 1–6 months**
- **11% believe they will find a job in less than 1 month**

History tells us that they might be overly optimistic. In a sluggish economic recovery, unemployment rates, especially for less experienced workers, could remain high for months, even years, following a large-scale economic downturn.

“I’m mainly concerned about food, and information regarding any tips about working from home, gigs, food banks, ideas for activities at home, positive affirmations, etc., would be helpful.”

—Unemployed Black woman, 25-30, living with a child in Los Angeles



NEXT GEN CONCERNS

Most Young People Want A Good Job with Benefits

In the midst of an unprecedented healthcare crisis, it is understandable that they would be concerned about quality of life and overall health and wellness. However, when asked what percentage of their concerns would be addressed by landing a good paying job with benefits, the majority said almost all of their concerns could be attributed to their ability to find a good job with benefits.

The vast majority of respondents reported that 70% of their concerns would be addressed by landing a good job with benefits.

“I was looking for an apartment, finally getting on my feet after working two jobs that were super stressful. I was two checks away from not having to worry about my finances.”

—Mikaela Turner, 23-year-old Black Chicago woman who was laid off as a culinary manager in mid-March and now lives in Virginia with her parents



NEXT GEN CONCERNS

Most Low-Income Workers Are Not Currently Receiving Any Type of Public Assistance

When we asked young people if they were receiving any public or government financial support,

while many are in need of SNAP (18%)...

and some may have recently received unemployment insurance benefits (12.5%),

the vast majority (approximately 60%) said they do not receive any public assistance.

“My biggest concern is finding a new apartment since the one I’m living in is way too expensive.”

—Hispanic male from Los Angeles who was recently laid off from a retail job due to COVID-19



NEXT GEN CONCERNS

Where Would Young People Go In Their Time of Need?

After family and friends, young people said they are most likely to turn to community organizations and government agencies if they find themselves in need during the COVID-19 crisis. They are least likely to turn to schools based on their current enrollment status and are reluctant to turn to employers and faith-based organizations. This speaks to the need for employers to develop community-based partnerships and relationships to provide support, including health and wellness, skills building and employment assistance.

“I definitely helped my mom when my dad stopped working. She brought the news up to me and my sister, she said, ‘I’m so sorry. I’m even embarrassed to ask you guys, but we don’t have enough money to pay the rent.’ So it’s really hard because we don’t have a lot of options.”

— 21-year-old Latina healthcare worker in San Francisco who is also concerned about infecting her family

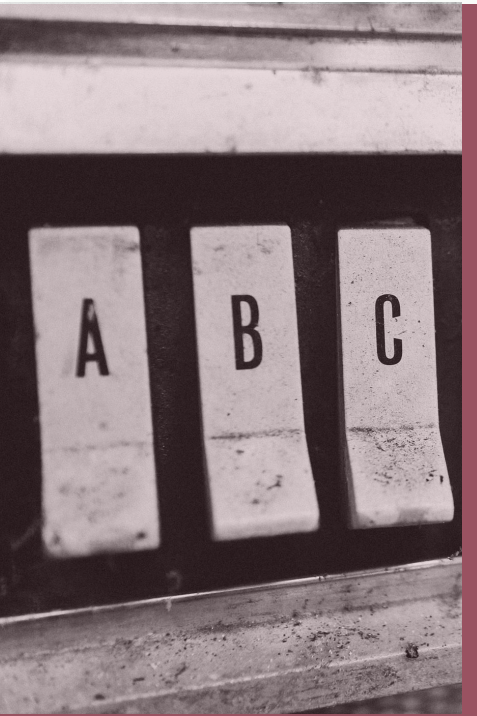


Our Recommendations



Develop rapid response strategies to provide social and economic supports via digital tools to young adults disproportionately affected by COVID-19.

Young adults report they would most likely turn to community-based organizations or government agencies in their time of need. However, social distancing has lessened access to these options and transportation may also be a challenge. Most youth and young adults can access social and economic support services via mobile devices and are more likely to use specific types of social media. Meet them where they are.



Develop a coordinated local strategy to identify high-demand and essential job opportunities that will

- a) provide competitive wages,**
- b) employee benefits, and**
- c) take into consideration the health and safety of talent.**

While many industries and businesses that employ youth and young adults (e.g., hospitality, leisure, retail trade, restaurants and bars) are facing significant challenges as a result of social distancing, resulting in layoffs, some industries are experiencing high demand for talent. Employers should be intentional around diversifying career opportunities for job seekers who have been historically marginalized. Providing support to youth and young adults will yield a triple bottom line return on investment as they are household contributors, least likely to access public support, and want to work for employers who consider their health and safety top priorities.



Ensure youth and young adults have access to career and professional development.

It's a great time for them to gain new skills and work on their personal brand via educational support and access to digital tools. Employers can maximize their return on investment and the young adult becomes more resilient in the labor market.