



OCTOBER 2024

slingshot
Fighting Poverty.
Accelerating Impact.

mdrc
BUILDING KNOWLEDGE
TO IMPROVE SOCIAL POLICY



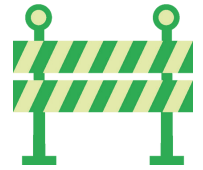
Memphis Works for Everyone (MemWorks) answered the questions: What is preventing Memphians experiencing poverty from accessing and retaining living-wage jobs? And what can be done to overcome these roadblocks?

1 in 4 Memphians are experiencing poverty while employers across the city struggle to hire staff. This should not be the case if employment pathways functioned effectively.

MemWorks is a collaboration between Slingshot Memphis, a poverty-fighting center of influence, and MDRC, a premier national research & policy institution. This collaboration provides previously unavailable insights by pairing national expertise with an extensive understanding of Memphis' local poverty-fighting ecosystem.






MemWorks employed an evidence-based approach to identify the root causes of employment roadblocks for Memphians experiencing poverty so research-based solutions can be implemented to enable pathways to economic mobility.

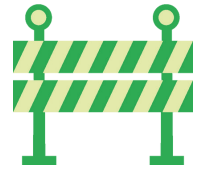
The first phase (Data Analysis) analyzed various data sources to identify the most significant employment roadblocks, several employment myths not supported by data, and an understanding of the population experiencing poverty from a workforce perspective. This document shares the supporting evidence & insights from the Data Analysis phase.





Employment Roadblocks Summary

An analysis of workforce data associated with the population experiencing poverty in Memphis identified several factors that inhibit employment pathways. Below are the most significant roadblocks supported by the evidence.

ROADBLOCK	DESCRIPTION
 <p>Insufficient math and literacy proficiency impede entry to and success in technical training</p>	<p>An estimated 100,000 Memphians experiencing poverty are in need of academic remediation to access career & technical education that can unlock living-wage jobs.</p>
 <p>The lack of resources and support allow seemingly insignificant factors to derail the completion of career & technical education</p>	<p>6 in 10 Tennessee community college students experiencing poverty do not continue after the first year. Numerous compounding factors, such as incidental life expenses and enrollment processes, can undermine program completion.</p>
 <p>Limited coordination within and between systems makes accessing workforce services unmanageable</p>	<p>To receive the needed services from the over 130 workforce service providers in Memphis, individuals must navigate unwieldy and inefficient systems that frequently require working with multiple organizations across multiple sites.</p>
 <p>Insufficient supports are available to help people align their professional aptitudes with living-wage career pathways</p>	<p>7 in 10 industry credentials earned by Tennessee K-12 students do not enhance employment outcomes. Limited resources exist to help identify professional aptitudes, match them with living-wage jobs, and prepare for these careers.</p>
 <p>The prevalence of workers who have experienced trauma requires work environments that provide evidence-based supports</p>	<p>Over 110,000 adults in Shelby County have had four or more traumatic childhood experiences, increasing the probability of negative social and health outcomes as adults. This makes trauma-informed practices critical to career success.</p>



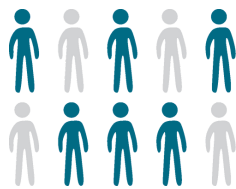
Employment Roadblocks Summary

ROADBLOCK	DESCRIPTION
 <p>High costs and lack of proximity to quality childcare inhibit employment options and hours</p>	<p>55 percent of working parents in Shelby County have experienced employment disruptions due to inadequate childcare. Underserved neighborhoods do not have sufficient cost-effective providers that provide quality early learning.</p>
 <p>Unreliable transportation limits access to employment and training opportunities</p>	<p>Only 3 in 100 people experiencing poverty live near public transit that runs every 15 minutes. Memphis' low population density makes reliable private transportation necessary to access workforce services and living-wage employers.</p>
 <p>Chronic and untreated health conditions can reduce participation and persistence in training and job opportunities</p>	<p>1 in 2 adult Tennesseans earning less than \$15,000 live with arthritis while 1 in 4 have diabetes. Underserved neighborhoods have few primary care providers, increasing the probability of health complications that make consistent employment difficult.</p>
 <p>The prevalence of basic needs instability undermines workforce development participation</p>	<p>Nearly 1 in 5 Memphians are food insecure while over 30,000 eviction filings occur annually. Food insecurity and unstable housing arrangements make it nearly impossible to pursue workforce development services and employment.</p>
 <p>Uncoordinated policies and practices can result in career progression leading to greater financial vulnerability</p>	<p>\$1-\$2 per hour pay increases that exceed government benefits eligibility can leave individuals more vulnerable. Career progression is disincentivized when increases in compensation are less than the value of the lost government benefits.</p>
 <p>Involvement with the criminal legal system can impose overwhelming barriers to achieving economic stability</p>	<p>Twice as many people per capita are incarcerated in Shelby County compared to the national average. For those people, support overcoming obstacles to secure stable housing, transportation, and skills development can dramatically improve employment outcomes.</p>



Insufficient math and literacy proficiency impede entry to and success in technical training

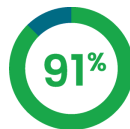
An estimated 100,000 Memphians experiencing poverty are in need of academic remediation to access career & technical education that can unlock living-wage jobs.



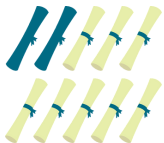
60 percent of people experiencing poverty are in need of academic remediation



25 percent of people experiencing poverty **lack a high school diploma** or equivalent



Over 90 percent of first-time freshmen at Southwest Tennessee Community College **qualified for learning support**



2 out of every 10 high school freshmen **do not receive a diploma** within 4 years



Lack of education/training was the second highest obstacle to employment cited in a survey of TANF recipients conducted by the University of Memphis (GROWWTH)

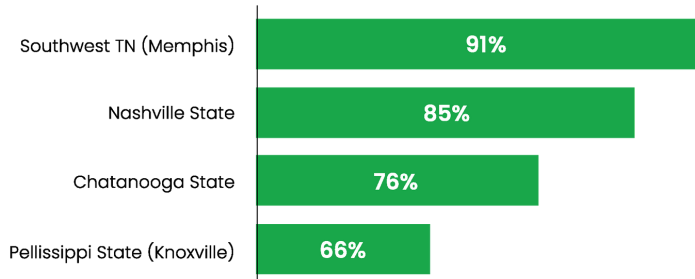


80 percent of high school graduates **do not demonstrate readiness** for postsecondary education and/or a career



Less than 15 organizations in Memphis have been identified that enable adults to earn a high school diploma or equivalent

Percent of community college freshmen who qualified for learning support (2016 cohort)



"Many of Tech901's initial high school-educated students struggled to grasp the essential technical concepts necessary for entry-level Information Technology positions. Through testing, it was revealed that a considerable number of these students possessed only a sixth-grade level of proficiency in verbal and mathematical literacy."

– Robert Montague, Executive Director



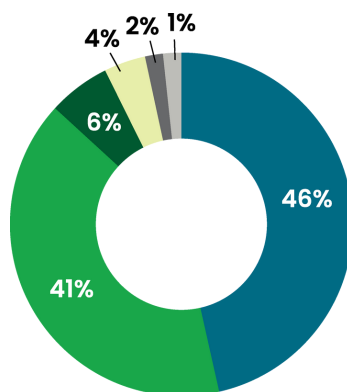
The lack of resources and support allow seemingly insignificant factors to derail the completion of career & technical education programs

6 in 10 Tennessee community college students experiencing poverty do not continue after the first year. Numerous compounding factors, such as incidental life expenses and inefficient enrollment processes, can undermine program completion.

Most common incidental financial barriers

Pilot conducted in East Tennessee (2022)

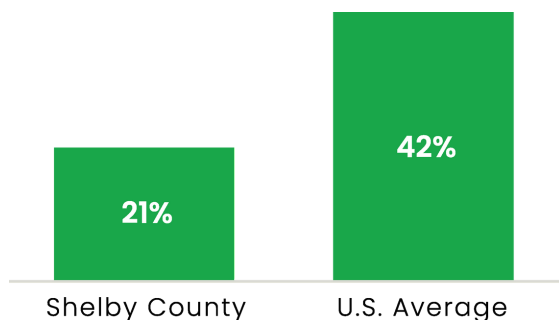
- Transportation
- Groceries
- Computer/Tech
- Books/Fees
- Supplies/Tools
- Rent/Utilities



Transportation, groceries, and technology are the most common incidental financial barriers for community college students observed during a pilot in East Tennessee

Six-year community college graduation rates

2015 cohort



Half as many students from the 2015 cohort graduated from the local community college as compared to the national average



Only 2 in 10 community college students from the 2015 cohort in Shelby County **graduated within six years**, compared to 3 in 10 for Davidson County and 4 in 10 for Knox County



Only 4 in 10 students experiencing poverty **continue community college after the first year**



1 in 4 students lost TN Reconnect funding because they did not maintain a program requirement, and of those students 60 percent did not continue their program

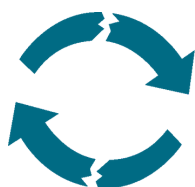


The second most common reason students lost TN Reconnect eligibility is they were **unaware of the requirement** to refile an annual application



**THE COLLECTIVE
BLUEPRINT**

"Students find out on a Thursday afternoon that they need to turn in additional tax documents by 5:00 pm the following day, leaving no time to request documents from the IRS or locate tax information before they are purged from the roster."



Limited coordination within and between systems makes accessing workforce services unmanageable

To receive the needed services from the over 130 workforce service providers in Memphis, individuals must navigate unwieldy and inefficient systems that frequently require working with multiple organizations across multiple sites

Number of people experiencing poverty per workforce service provider



The 10 zip codes with the highest rates of poverty average 2,450 people experiencing poverty per workforce service provider, 40 percent more than the Shelby County average

70k+

Over 70,000 Memphians between the working ages of **18-65 years old live in or near poverty**



More than 130 organizations across Shelby County provide at least one type of workforce development service



7 out of 10 workforce service providers are **located in zip codes with an average annual income that exceeds \$50,000**



Federal funds for workforce training are not easy to access, as evidenced by eligible providers enrolling **an average of only three voucher-funded learners per year**



No zip code has providers that collectively offer all types of workforce services, with only 75 percent of workforce services, on average, accessible within each of the 10 zip codes with the highest rates of poverty



Academic remediation services are offered in **only one-third of the zip codes** in the Memphis metropolitan area



Only 12 percent of workforce providers offer services that help **match aptitudes and skills** with applicable jobs or help people experiencing poverty **retain jobs**

Common challenges to access workforce services
TANF Service Providers

Distance to and from service providers
Scheduling appointments
Childcare at or near service provider
Childcare during 2nd and 3rd shift hours
Childcare benefits not being available for job training programs

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"Service providers spoke of the difficulty their clients had with going to a job that was in an entirely different part of the county from where they lived, going to [required] volunteer assignments in another area, and transporting children to yet another part of the county for childcare, with schedules that may or may not line up with one another."

- Focus group with TANF service providers

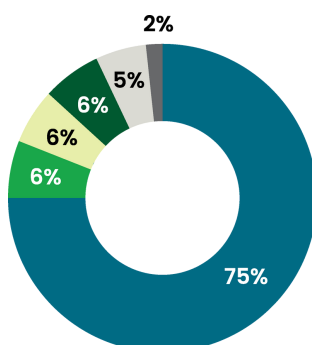
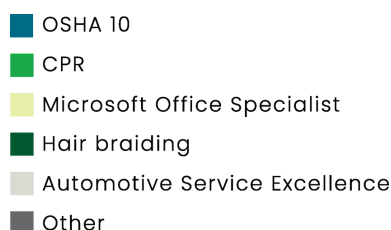


Insufficient supports are available to help people align their professional aptitudes with living-wage career pathways

7 in 10 industry credentials earned by Tennessee K-12 students do not enhance employment outcomes. Limited resources exist to help identify professional aptitudes, match them with living-wage jobs, and prepare for these careers

Industry credentials earned by Memphis K-12 students

As of March, 2021-2022 academic year



In Memphis, 75 percent of industry credentials earned by K-12 students as of March of the 2021-2022 academic year were OSHA 10, a 10-hour course covering basic safety and health hazards for entry-level workers



Only 30 percent of industry credentials earned by Tennessee K-12 students are associated with **jobs that pay \$15 per hour or more**



A **lack of awareness about available jobs, requirements, and salaries** was identified as the most significant challenge to growing the local construction workforce



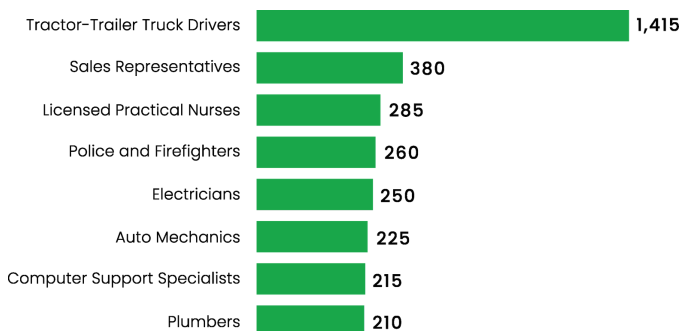
Career & technical education in Tennessee is managed separately for K-12 and postsecondary education, resulting in **limited to no alignment between systems**



Fewer opportunities exist to pursue one- or two-year certificate or associate degree programs in Memphis as only 40 percent of **postsecondary programs are non-bachelor** compared to 60 percent nationally

Average annual openings for non-supervisor jobs available without a bachelor's degree

Greater Memphis (2016-2026)



A local Information Technology training provider found **most enrollees were changing careers or academic programs**, as 45 percent had a bachelor's degree and 83 percent had attended at least some college



Junior Achievement[™]
of Memphis and the Mid-South

"Every child deserves to be world ready. If we truly believe in our children, we must help them discover the tools to succeed in today's economy and build a life of choice by finding a career, not just a job."

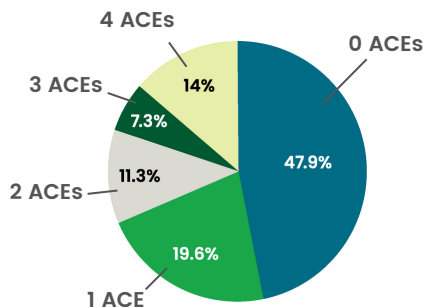
- Leigh Mansberg, President & CEO



The prevalence of people who have experienced trauma requires work environments that provide evidence-based supports

Over 110,000 people in Shelby County have had four or more traumatic childhood experiences, increasing the probability of negative employment outcomes as adults. This makes trauma-informed practices critical to career success.

Prevalence of adverse childhood experiences *State of Tennessee (2012)*



Adverse Childhood Experiences (ACEs) are traumatic events, such as physical and emotional abuse, neglect, caregiver mental illness, and household violence



A strong correlation exists between the number of ACEs experienced and the **probability of several negative life outcomes**



Over half of adults in Shelby County (360,000) have experienced at least one ACE, with **at least 12 percent experiencing four or more ACEs**



A person with four or more ACEs is **over twice as likely to earn less than \$10,000** and nearly 2.5x more likely to be out of work than a person who did not experience ACEs



The most prevalent ACEs in Shelby County are **substance abuse, emotional abuse, and violence** between adults in the home

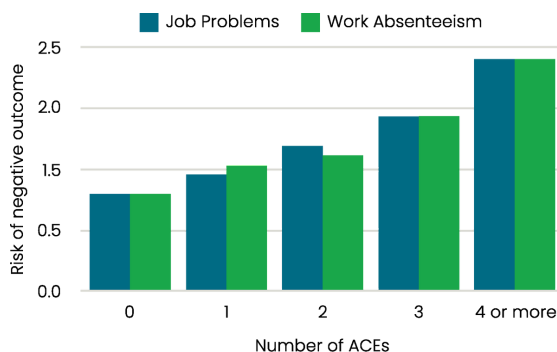


A person with four or more ACEs is nearly **2.5x more likely to experience job problems** such as absenteeism or job performance challenges than a person who did not experience ACEs



1 in 5 adults in Shelby County (140,000) were **sexually abused as children**

Impact of Adverse Childhood Experiences on employment



"Children growing up with toxic stress [from ACEs] may have difficulty forming healthy and stable relationships. They may also have unstable work histories as adults and struggle with finances, jobs, and depression throughout life."

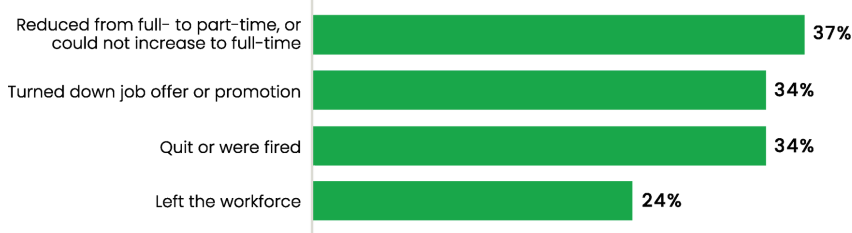


High costs and lack of proximity to quality childcare inhibit employment options and hours

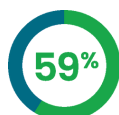
55 percent of working parents in Shelby County have experienced employment challenges due to inadequate childcare. Obstacles accessing cost-effective childcare that provides quality early learning limits workforce development and employment opportunities.

Due to childcare issues, more than 1 in 3 working parents in Shelby County worked less hours, could not work more hours, turned down a job offer or promotion, or quit or were fired in the first half of 2022

Prevalence of employment challenges due to childcare experienced by working parents Shelby County, First half of 2022

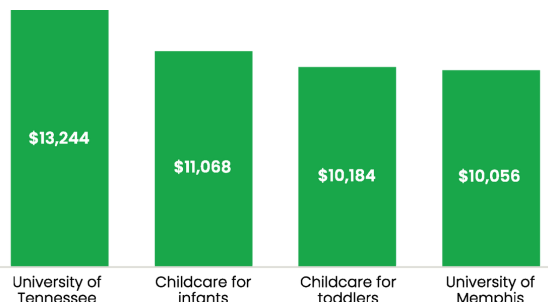


The most significant obstacles to securing childcare cited by working parents in Shelby County are **ACCESS, AFFORDABILITY, & QUALITY**



Annual childcare costs in Shelby County are **equivalent to tuition for state universities**

Comparison of annual cost of tuition for state colleges and local childcare Center-based care (2022)



Over half of all working parents in Shelby County reported **challenges with employment** retention or career advancement due to inadequate childcare



TANF recipients in West Tennessee identified the lack of childcare as the **biggest obstacle to employment**

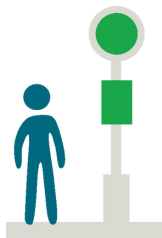


Less than 1 in 10 Shelby County parents are accessing government-funded **financial aid for childcare**



"We can't unlock Memphis' full economic potential until quality childcare becomes more accessible. The challenges working parents face in finding and affording quality childcare significantly impact their ability to earn a living and in turn also dampen business growth"

- Blair Taylor, President & CEO

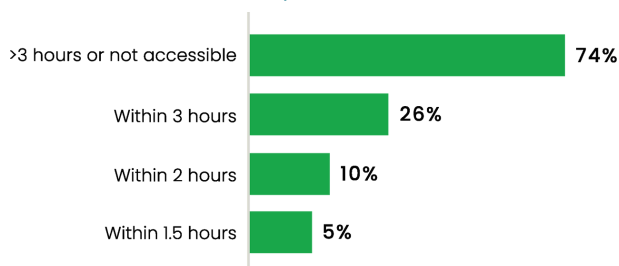


Unreliable transportation limits access to employment and training opportunities

Only 3 in 100 people experiencing poverty live near public transit that runs every 15 minutes. Memphis' low population density makes reliable private transportation necessary to access workforce services and living-wage employers.

Percent of jobs in Memphis accessible by public transit

Round-trip travel times



74 percent of jobs in Memphis are not accessible via public transit within a 3-hour round trip



Memphis ranks nearly last (41 of 42) among large urban areas for transit use per capita, with only 2 percent of Memphians taking transit to work

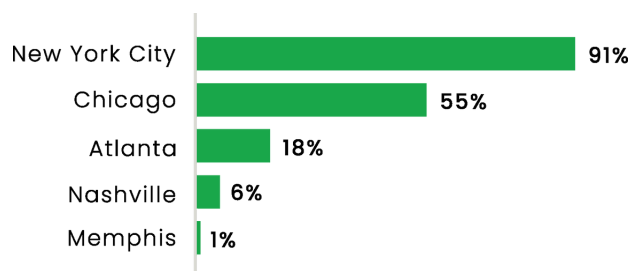


170,000 fewer people live within the City of Memphis boundaries compared to 1970



Only 1 percent of Memphis' neighborhoods are considered location efficient, i.e., compact, close to jobs and services, and with a variety of transportation choices

Percent of neighborhoods that are considered location efficient for transportation



Just 3 percent of Memphians experiencing poverty (4,000 people) **live near bus services** that run at least every 15 minutes



Over half of Memphis Area Transit Authority riders live in households **without access to an automobile**, while 1 in 4 live in households with access to only one vehicle

<60%

Memphians experiencing poverty work closer to home, with an **average travel time to work** that is 60 percent less than those who live above a living wage



Average annual transportation costs per household in Memphis are \$12,688, **nearly 75 percent more than in New York City**

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"Public transportation is unreliable in Memphis and nonexistent outside Memphis. General car maintenance, as well as car repairs, make it difficult to keep reliable personal transportation as an option for families."

- Focus group with nonprofit employees

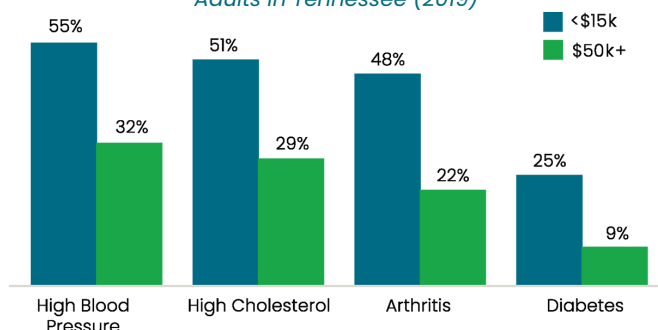


Chronic and untreated health conditions can reduce participation and persistence in training and job opportunities

1 in 2 adult Tennesseans earning less than \$15,000 live with arthritis while 1 in 4 have diabetes. Underserved neighborhoods have few primary care providers, increasing the probability of health complications that make consistent employment difficult.

People in Tennessee earning less than \$15,000 per year deal with chronic health conditions at nearly twice the rates of those earning \$50,000 or more

Prevalence of chronic health conditions by income level
Adults in Tennessee (2019)



Davidson County has **nearly 2.5x as many healthcare providers** per TennCare recipient as Shelby County



Shelby County has **less than half as many mental health providers** per adult than Davidson County



Over 40 percent of Memphis' primary health **clinics are located along the Poplar Avenue corridor**, limiting access for those in neighborhoods not located in that corridor

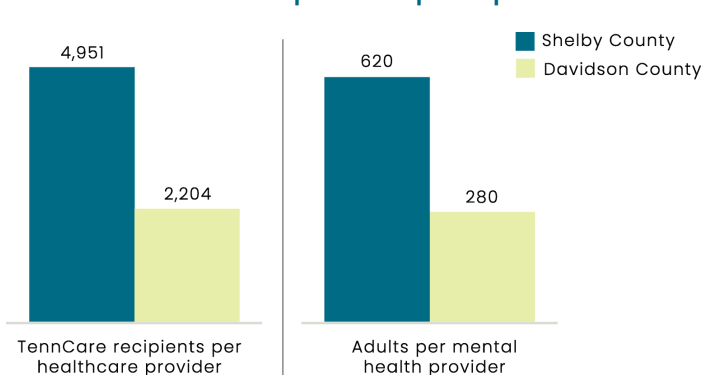


The five most prevalent chronic health conditions in Shelby County each **impact nearly 100,000 people or more**: high blood pressure (269,000), obesity (258,000), high cholesterol (210,000), arthritis (181,000), and diabetes (95,000)



Crisis services responded to **1.5x more mental health emergencies** in Shelby County than Davidson County in 2022

Healthcare providers per capita



"Low incomes limit access to healthcare and hinder healthy lifestyles. Only 15% of a person's health is determined by the care they receive, while 60% is determined by the environment in which they live, work, and play due to social risk factors such as food, shelter, safety, and transportation insecurities, all of which are exacerbated by poverty."

— Pedro Velasquez, Executive Director

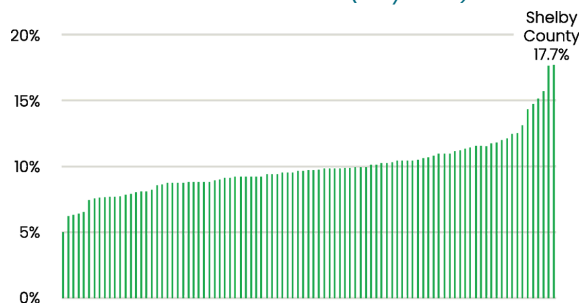


The lack of basic needs stability undermines workforce development participation

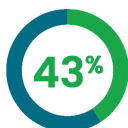
Nearly 1 in 5 Memphians are food insecure and over 30,000 eviction filings occur annually. Food insecurity and unstable housing arrangements make it nearly impossible to pursue workforce development services, education, and employment.

Almost 20 percent of households in Shelby County struggle with severe housing cost burden, spending 50+ percent of their income on housing, which is the highest rate for any county in Tennessee and 1.5x the state average

Percent of households that spend 50 percent or more of income on housing
Counties in Tennessee (May 2023)



Nearly 250,000 people experience food insecurity in the Memphis metropolitan area, i.e., lack of consistent access to enough food to live a healthy life

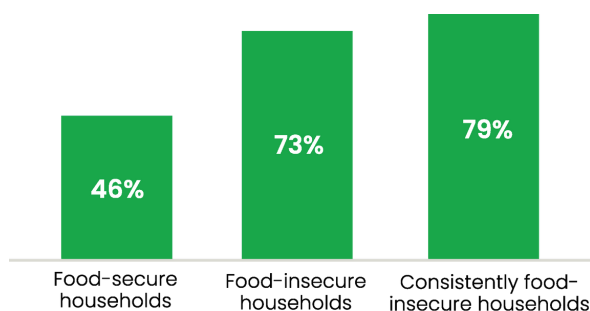


Food-insecure students are more than **40 percent less likely to graduate** from college



A study found **food-insecure households experienced job disruptions** during COVID-19 at 1.6x the rate of food-secure households (73 percent versus 46 percent)

Percent of food-insecure households that experienced job disruptions
COVID-19, March 2020 to March 2021



An average of 31,633 evictions in Shelby County were filed annually between 2016 and 2019, with **more than 20% of renters facing eviction**



Following a forced move due to eviction, landlord foreclosure, or housing condemnation, low-wage workers are **11 to 22 percentage points more likely to be laid off**

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“Waiting lists are extremely long for even modest [housing] assistance, and if assistance is refused for a variety of reasons then applicants lose their place and are placed at the end of the waiting list again.

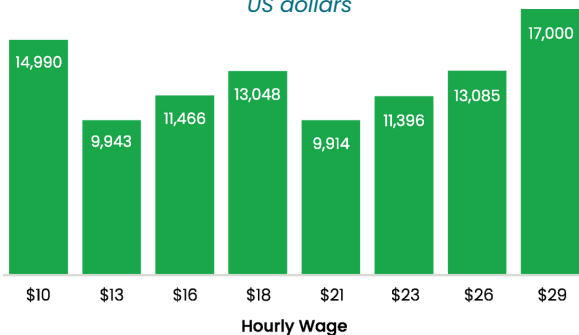
- Focus groups, TANF recipients and nonprofit employees



Uncoordinated policies and practices can create greater financial vulnerability despite career progression

\$1-\$2 per hour pay increases that exceed government benefits eligibility can leave individuals more vulnerable. Career progression is disincentivized when increases in compensation are less than the value of the lost government benefits.

Estimated annual net resources as income from employment increases
US dollars



For a single parent raising two children, estimated annual net resources only exceeds those at \$10 per hour (\$20,000 annual income) when wages of \$29 per hour are reached (\$55,000 annual income)



1 in 5 Shelby County residents receive nutrition support through SNAP, with an average benefit of \$401 per household with children



Shelby County has the **largest share of Temporary Assistance for Needy Families (TANF) cases** in Tennessee (19 percent, nearly triple the next highest county), with the average benefit being \$382 per month for a participating family



Over 25,000 Memphis residents receive rent assistance, with the average monthly subsidy being \$700 per household



85 percent of Tennessee TANF recipients surveyed said they had been **impacted by the benefits cliff**



For a single parent raising two children, **annual net resources decline** from an estimated \$15,000 to \$10,000 with a \$2 per hour increase from \$10 to \$12 per hour

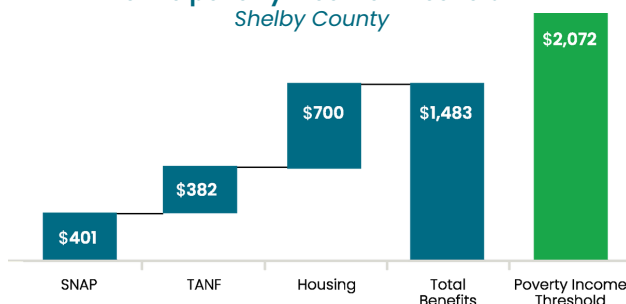


Single parents with two children are **most at risk** of experiencing a benefits cliff



The **largest benefit cliffs** are associated with the loss of childcare and housing subsidies

Average monthly government benefits compared to the poverty income threshold
Shelby County



"I've actually turned down a management job before, because I was going to be working more hours, so my rent was going to go up and I was going to be paying more childcare."

-Tennessee TANF recipient

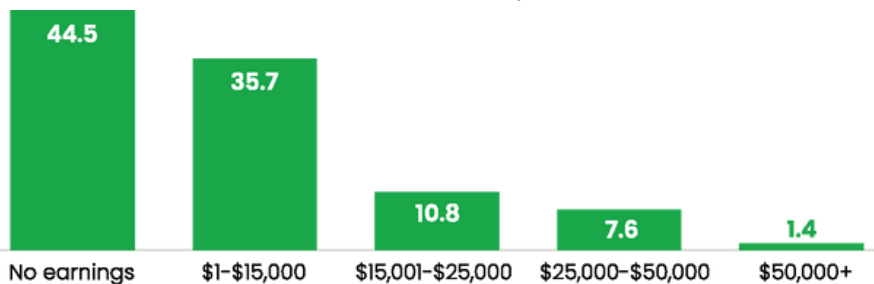


Involvement with the criminal legal system can impose overwhelming barriers to achieving economic stability

Twice as many people per capita are incarcerated in Shelby County compared to the national average. For those people, support overcoming obstacles to secure stable housing, transportation, and skills development can dramatically improve employment outcomes.

Income earned the first full calendar year after incarceration

Percent of those released from prison (2009–2013)



80 percent of people who reenter from the criminal legal system earned less than \$15,000 the first year after reentry, with 45 percent reporting no earnings at all

3x

Rates of incarceration have more than tripled in Shelby County since 1985 and is estimated to be 95 percent higher than the national average

40%

40 percent of annual Tennessee state prison entries are for violating community supervision requirements (e.g., probation, parole), similar to all drug and violent offenses combined.



Nearly half of Tennesseans with a felony conviction have returned to prison within three years. Across the country, this rate increases to 79 percent after five years.

55%

Only 55 percent of people formerly incarcerated in the U.S. reported having any earnings in the first year after reentry, with median earnings being only \$10,090

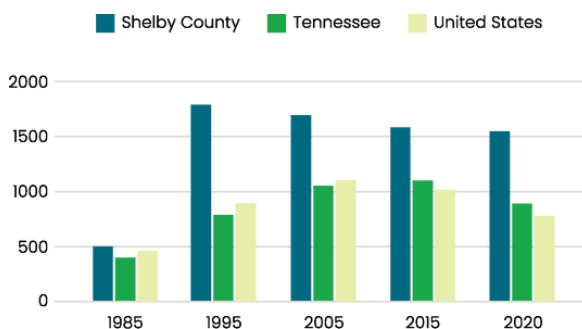


Common barriers include legal debt (bail, court fees, etc.), revoked driver's licenses from unpaid debts, housing application rejections, and business practices that limit job options



8 out of 10 people reported having landlords summarily reject their applications because of their criminal records

Number of people incarcerated per 100,000 residents ages 15 to 64



THE SYCAMORE INSTITUTE

“...someone reentering society from incarceration with unpaid debts and revoked driver's license may have more trouble securing a job, housing, and financial stability—all associated with reduced recidivism. Unintended consequences like these can play out in a number of ways.”



Common Employment Myths

An analysis of workforce data identified a lack of evidence to support several common perceptions about employment in Memphis. Below are several employment myths for the population experiencing poverty:

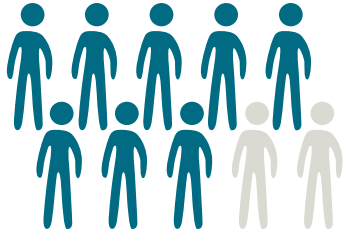
X MYTH	✓ FACT
 <p>Living-wage jobs can be easily obtained with a high school diploma</p>	<p>8 in 10 high school graduates do not demonstrate readiness for post-secondary education or a career. In Memphis, a high school diploma does not ensure sufficient math and reading proficiency to pursue the training needed to obtain living-wage jobs.</p>
 <p>Financial assistance for tuition is enough to earn a post-secondary degree</p>	<p>Only 1 in 5 tnAchieves scholarship recipients in Shelby County graduate community college within three years. While financial assistance for tuition is valuable, numerous incidental expenses can undermine the benefits of tuition support.</p>
 <p>Professional credentials always improve employment outcomes and earning potential</p>	<p>Only 30 percent of industry credentials earned by Tennessee K-12 students are associated with jobs that pay at least \$15 per hour. Credentials are not helpful when they are not aligned with high-wage, high-demand jobs.</p>
 <p>Anyone who wants to work can access the services needed to find a living-wage job</p>	<p>The rate of people experiencing poverty who are not working but seeking employment is 50 percent higher in Memphis than Tennessee. Identifying the needed workforce services in accessible locations is frequently insurmountable.</p>
 <p>Enhancing public transit will solve the transportation gap for employment</p>	<p>Only 1 percent of neighborhoods in Memphis are considered location efficient, i.e., compact, close to jobs and services, with a variety of transportation choices. Greater investments in public transit alone is not sufficient.</p>

memworks

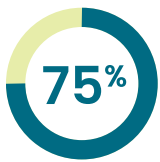
Employment Myth Fact Sheets



MYTH: Living-wage jobs can be easily obtained with a high school diploma



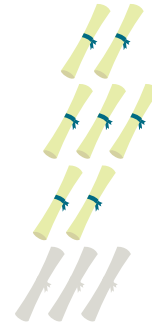
8 in 10 high school graduates do not demonstrate readiness for postsecondary education or a career. In Memphis, a high school diploma does not ensure sufficient math and reading proficiency to pursue the training needed to obtain living-wage jobs.



75 percent of Memphians who are experiencing poverty have at least a high school diploma



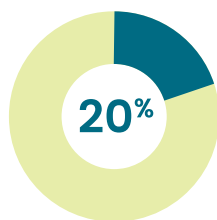
An estimated 60,000 people who are experiencing poverty and have a high school diploma are still in need of academic remediation in order to pursue technical education that leads to living-wage jobs



7 in 10 low-wage workers in Memphis (nearly 150,000 people) have a high school diploma as their highest education completed

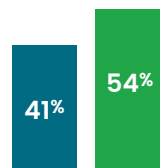


MYTH: Financial assistance for tuition is enough to earn a postsecondary degree



Did not graduate
Graduated

Only 1 in 5 tnAchieves scholarship recipients in Shelby County graduate community college within three years. While financial assistance for tuition is valuable, numerous incidental expenses can undermine the benefits of tuition support.



Even with a tnAchieve scholarship, community college students who are economically disadvantaged do not graduate within six years at the same rate as other students (41 percent versus 54 percent)



Retention after the first year for Tennessee community college students experiencing poverty jumps from 40 percent to 75 percent when they receive coaching and financial support for incidental expenses



Transportation, groceries, and technology are the three most common incidental expenses that impact community college retention in Tennessee



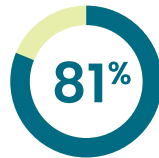
MYTH: Professional credentials always improve employment outcomes and earning potential



Only 30 percent of industry credentials earned by Tennessee K-12 students are associated with jobs that pay at least \$15 per hour. Credentials are not helpful when they are not aligned with high-wage, high-demand jobs.



Of the Top 10 specific credentials earned by K-12 students in Tennessee, only three are among the Top 10 credentials requested by employers



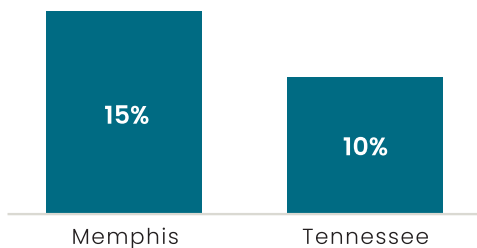
Over 80 percent of credentials earned by Memphis K-12 students as of March of the 2021-2022 academic year do not impact earning potential (OSHA 10: 75 percent; CPR/Basic Life Support: 6 percent)



The most valuable credentials are offered by industry bodies versus educational institutions or employers, include an experiential component, and are aligned with prevalent jobs in the area



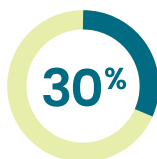
MYTH: Anyone who wants to work can access the services needed to find a living-wage job



The rate of people experiencing poverty who are not working but seeking employment is 50 percent higher in Memphis than Tennessee. Identifying the needed workforce services in accessible locations is frequently insurmountable.



No zip codes have providers that collectively offer all types of workforce development services, requiring people to travel across the city and to multiple organizations to access different workforce services



Only 30 percent of workforce development service providers are located in zip codes with an average annual income that is less than \$50,000



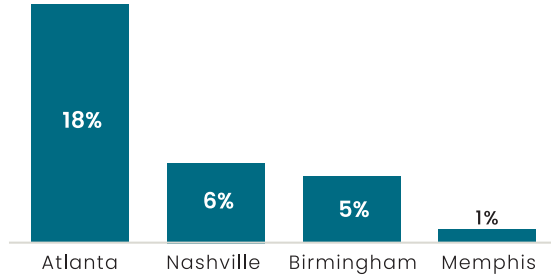
Government childcare benefits do not apply to all job training programs, making it challenging for parents experiencing poverty to participate

memworks

Employment Myth Fact Sheets



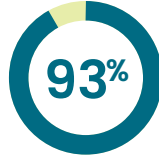
MYTH: Enhancing public transit will solve the transportation gap for employment



Only 1 percent of neighborhoods in Memphis are considered location efficient, i.e., compact, close to jobs and services, with a variety of transportation choices. Greater investments in public transit alone is not sufficient.



9 out of 10 jobs in Memphis are not accessible via public transit within a 2-hour round trip



93 percent of Memphis neighborhoods have a transit service level score of less than 5 out of 100, based on the number of transit options within walking distance and frequency of service



Just 4,000 people experiencing poverty in Memphis (3 percent) live near bus services that run at least every 15 minutes options within walking distance and frequency of service



Demographic data was analyzed to provide an objective understanding of the population experiencing poverty in Memphis to help inform why employment pathways are not working. Below is a summary across four relevant categories.

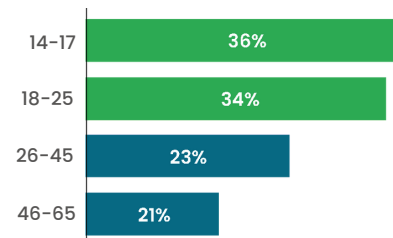


DEMOGRAPHICS

Youth, women, and Black/African Americans disproportionately experience poverty in Memphis

- 36 percent of high school teenagers and 34 percent of young adults are experiencing poverty
- 6 in 10 people experiencing poverty are women while 3 in 4 are Black/African American
- Two-thirds of people experiencing poverty are not living in households with children

Percent of age group experiencing poverty



STABILITY

Food insecurity and housing instability are highly prevalent in Memphis

- Nearly 1 in 5 people in Greater Memphis are considered food insecure compared to only 1 in 9 across Tennessee
- Over 20 percent of renters in Memphis faced eviction each year between 2016-2019, with an average of more than 30,000 eviction filings per year

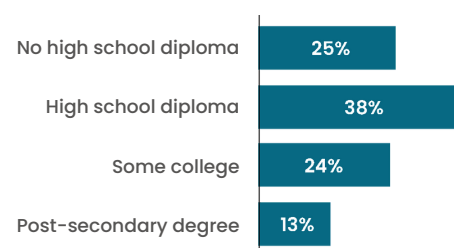


EDUCATION

Education attainment alone is not an effective predictor of poverty

- The rate of Memphians experiencing poverty who have attended some college is the same as those who do not have a high school diploma (1 in 4)
- Nearly twice as many people with a high school diploma experience poverty in Memphis relative to the Tennessee average (30 percent vs. 17 percent)
- Nearly 1 in 5 Memphians who have earned an Associate's degree are still experiencing poverty

Highest education attainment for people experiencing poverty



EMPLOYMENT

Over 200,000 people in Memphis do not earn a living wage

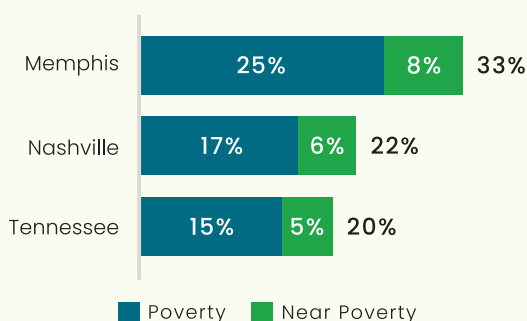
- 1 in 3 Memphians do not earn a living-wage to sustain themselves or their families compared to only 1 in 5 across Tennessee
- 2 in 3 people experiencing poverty in Memphis are not employed compared to only 1 in 2 in Nashville
- Nearly 1 in 5 Memphians between the ages of 16-24 years old are disconnected (i.e., not working or in school), 1.5x the national rate



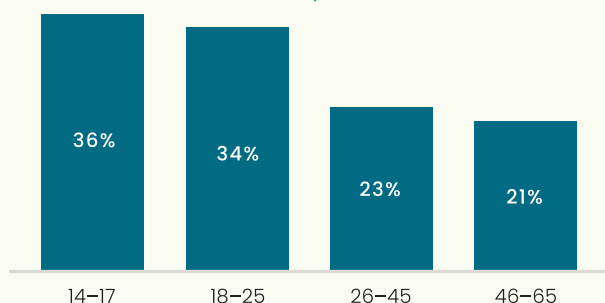
Youth, women, and Black/African Americans disproportionately experience poverty in Memphis

An estimated 200,000 people in Memphis are experiencing poverty or are at risk of poverty, with more than 8 in 10 of those being people of color.

Percent of People Living in or Near Poverty



Percent of Age Group Experiencing Poverty Memphis



1 IN 3 MEMPHIANS are experiencing poverty or at risk of poverty (200,000), a rate that is **50 PERCENT HIGHER THAN NASHVILLE**

The rate of people experiencing poverty (25 percent) is double the national average and **1.67X GREATER THAN THE STATE AVERAGE**

For over a decade, Memphis has had the **HIGHEST OR SECOND HIGHEST OVERALL POVERTY** and child poverty rates among U.S. metropolitan areas with a population greater than 1 million

OVER 1 IN 3 Memphians between the **AGES OF 14-25 YEARS OLD ARE EXPERIENCING POVERTY**

1 IN 4 BLACK AND LATINO MEMPHIANS ARE EXPERIENCING POVERTY, the highest rates for any racial group in Memphis

6 IN 10 PEOPLE EXPERIENCING POVERTY in Memphis **ARE WOMEN**, comparable to the Tennessee average

ONLY ONE-THIRD of people experiencing poverty **LIVE WITH CHILDREN** under the age of 18 years old

2023 Poverty Thresholds by Household Size

Household size	1	2	3	4	5
Annual income	\$14,580	\$19,720	\$24,860	\$30,000	\$35,140
Hourly rate	\$7.01	\$9.48	\$11.95	\$14.42	\$16.89

POVERTY is making **LESS INCOME THAN THE FEDERAL POVERTY LINE** by household size

NEAR POVERTY is making **MORE THAN THE FEDERAL POVERTY LINE** but **LESS THAN A LIVING WAGE**

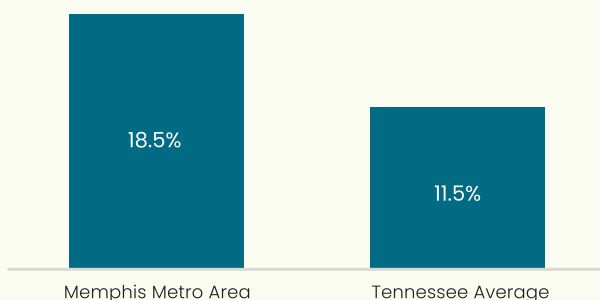
For a single person the poverty threshold is \$14,580 and an estimated living wage is \$28,431, while for a household with 1 adult and 3 children it is \$30,000 and an estimated \$58,500, respectively



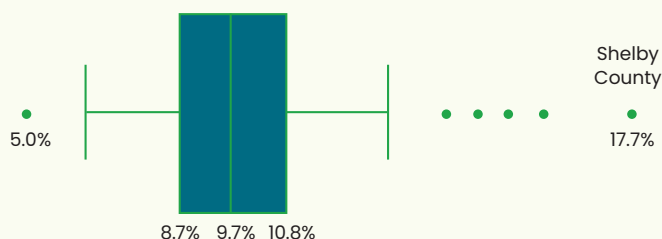
Food insecurity and housing instability are highly prevalent in Memphis

Almost 250,000 people in the Memphis metropolitan area struggle with food insecurity and over 25,000 Memphians receive eviction filings annually

Percent of People Struggling with Food Insecurity



Percent of households that spend 50 percent or more of income on housing
Counties in Tennessee



NEARLY 1 IN 5 PEOPLE in the Memphis metropolitan area (**250,000**) **ARE CONSIDERED FOOD INSECURE**, i.e., lack consistent access to enough food to live a healthy life

Memphis has **THE HIGHEST RATE** of **PEOPLE LIVING IN FOOD DESERTS (32 PERCENT)** among U.S. metropolitan areas with more than 1 million people

Memphians experience **FOOD INSECURITY AT A RATE 1.6X THE AVERAGE** across Tennessee

OVER 190,000 PEOPLE in Shelby County (20.5 percent) participate in the **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)**

Shelby County residents struggle with **SEVERE HOUSING COST BURDEN** at a rate (17.7 percent) **NEARLY DOUBLE** the median for counties in Tennessee (9.7 percent)

People in Shelby County spend on average **53 PERCENT OF THEIR INCOME** on the combined costs for **HOUSING AND TRANSPORTATION**

MEDIAN RENT for an apartment in Memphis has **INCREASED 25 PERCENT** since pre-COVID rents (March 2020 versus March 2023)

20% OF RENTERS IN MEMPHIS FACED EVICTION between 2016-2019, with an average of 31,633 eviction filings per year

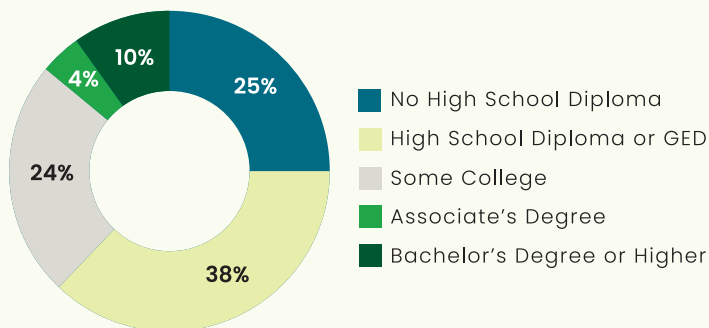
Neighborhoods that are predominantly black receive **EVICTION FILINGS AT RATES 25 PERCENT GREATER** than the Shelby County average and 135 percent greater than neighborhoods that are predominantly white



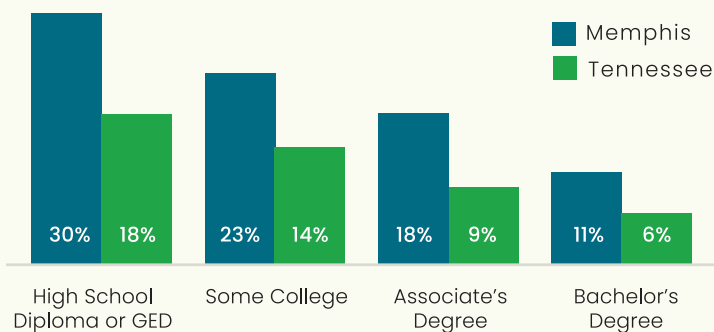
Education attainment alone is not an effective predictor of poverty

3 in 4 Memphians experiencing poverty have at least a high school diploma or equivalent. In Memphis, a high school or postsecondary degree is less likely to lead to a path out of poverty than in other parts of the state.

Rate of Educational Attainment for Memphians Experiencing Poverty



Percent of Degree Holders Experiencing Poverty
Memphis versus Tennessee



75% OF MEMPHIANS EXPERIENCING POVERTY ARE DEGREE HOLDERS, with 38 percent of the total having at least some college or postsecondary education

The rate of Memphians experiencing poverty who have **ATTENDED SOME COLLEGE** IS THE SAME AS those who **DO NOT HAVE A HIGH SCHOOL DIPLOMA** (25 percent)

1 in 4 Memphians experiencing poverty have some college experience but no degree while **JUST 14 PERCENT HAVE AN ASSOCIATE'S DEGREE OR HIGHER**

ACROSS ALL LEVELS OF EDUCATIONAL ATTAINMENT, Memphians experience poverty at nearly **TWICE THE RATE** of those in Tennessee

30% of Memphians with a high school degree experience poverty, a rate **NEARLY DOUBLE THE TENNESSEE AVERAGE** of 18 percent

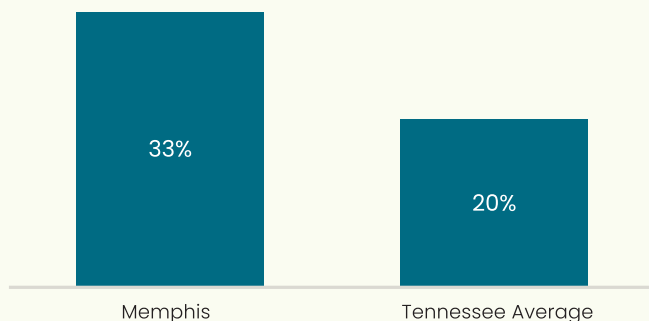
NEARLY 1 IN 5 MEMPHIANS with an Associate's degree experience poverty compared to only **1 IN 10 FOR TENNESSEE**



Over 200,000 Memphians do not earn a living wage

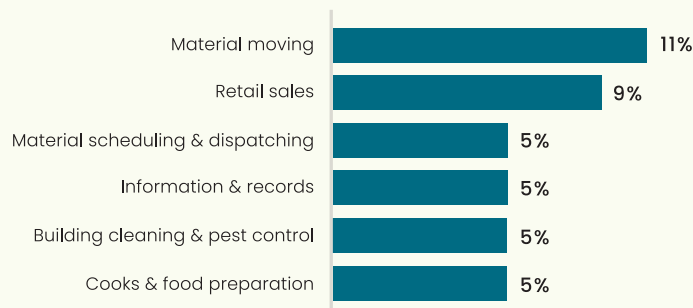
Although 1 in 2 Memphians experiencing poverty are employed or looking for work, hundreds of thousands do not earn enough to sustain themselves or their families.

Percent of People Not Earning a Living Wage



Most Common Occupations for Low-Wage Workers in Memphis

Percent of low-wage jobs



Memphians are **50 PERCENT MORE LIKELY** to **NOT EARN A LIVING WAGE** than other parts of Tennessee, with 1 in 3 Memphians not making a living wage compared to only 1 in 5 across Tennessee

12% of Memphians who are **EMPLOYED ARE STILL IN POVERTY**, nearly 70 percent higher than the average rate across Tennessee

2 IN 3 PEOPLE IN MEMPHIS EXPERIENCING POVERTY are **NOT EMPLOYED**, compared with only 1 in 2 in Nashville

The over 200,000 Memphians working in **LOW-WAGE JOBS** have a **MEDIAN INCOME OF ONLY \$9.73 PER HOUR**, and are in occupations that have limited paths to living-wage roles

A single parent with 2 kids making the Tennessee **MINIMUM WAGE OF \$7.25 PER HOUR** would need to work nearly **80 HOURS PER WEEK** to make a living wage

NEARLY 1 IN 5 MEMPHIANS between the **AGES OF 16-24 ARE DISCONNECTED FROM WORK OR SCHOOL**, which is 1.5x the national rate and the sixth highest rate among the largest 100 U.S. metropolitan areas

Income Reference Sheet

INCOME THRESHOLDS FOR VARYING FAMILY SIZES

2023 estimates



Family size	ANNUAL INCOME			HOURLY RATE EQUIVALENT ⁴		
	Poverty ¹	Near Poverty ²	Living wage ³	Poverty ¹	Near Poverty ²	Living wage ³
For individuals	\$14,580	\$18,954	\$28,431	\$7.01	\$9.11	\$13.67
For a family of 2	\$19,720	\$25,636	\$38,454	\$9.48	\$12.33	\$18.49
For a family of 3	\$24,860	\$32,318	\$48,477	\$11.95	\$15.54	\$23.31
For a family of 4	\$30,000	\$39,000	\$58,500	\$14.42	\$18.75	\$28.13
For a family of 5	\$35,140	\$45,682	\$68,523	\$16.89	\$21.96	\$32.94
For a family of 6	\$40,280	\$52,364	\$78,546	\$19.37	\$25.18	\$37.76
For a family of 7	\$45,420	\$59,046	\$88,569	\$21.84	\$28.39	\$42.58
For a family of 8	\$50,560	\$65,728	\$98,592	\$24.31	\$31.60	\$47.40

1. Annual poverty income level is the 2023 thresholds provided by the U.S. federal government

2. Near poverty is calculated as 30 percent above the poverty income threshold

3. Living wage is calculated as 95 percent above the poverty income threshold

4. Hourly rate equivalent is calculated as annual income divided by 2,080 hours (i.e., 40 hours per week for 52 weeks)