

NYC PRIVATE SOCIAL SERVICES SECTOR TRENDS AND ISSUES

INDIVIDUAL & FAMILY SERVICES AND JOB TRAINING/VOCATIONAL REHABILITATION

A LABOR MARKET PROFILE PREPARED FOR THE NYC EMPLOYMENT & TRAINING
COALITION BY THE FISCAL POLICY INSTITUTE

BASED, IN PART, ON RESEARCH SUPPORTED BY THE BOROUGH OF MANHATTAN COMMUNITY
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Overview

FPI's basic findings about the NYC private social services labor market are, first, that there is a substantial and long-term growth trend (for both jobs and establishments) in the sector. *In addition to its long-term growth, private social services was one of only five industries in New York City that experienced a net increase of 1,000 + jobs since the recession began in December of 2000.* Private social services gained 5,100 new jobs in NYC from December 2000 to August 2002.

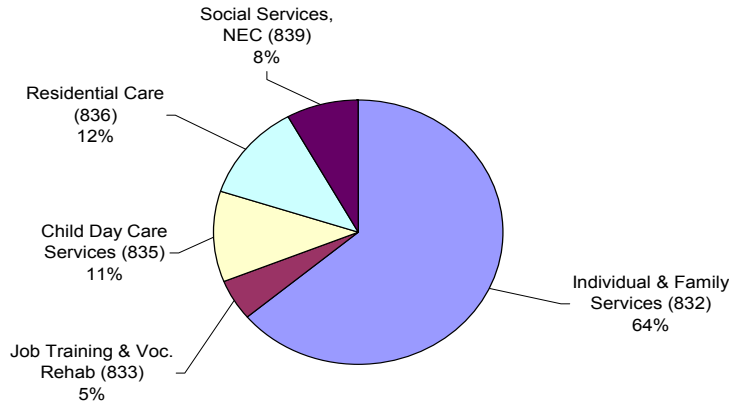
Secondly, private social services, particularly in the area of individual & family services, could be characterized as a labor market that overwhelmingly involves paraprofessionals with low wages and limited career mobility. This can be contrasted with the paraprofessional labor market in a field like health care (also heavily dominated by women of color), where a wide variety of relatively well paying credentialed technical occupations exists for those with associates' degrees or less.

Finally, a clear trajectory of educational credentials exists for individual and family services workers – in the form of Bachelors of Social Work and especially Masters of Social Work degrees. This trajectory allows mobility into the “good” jobs that exist within the industry. However, the great bulk of the current labor force (many of whom are women of color) lacks both these credentials and reasonable access to them. Furthermore, comparable educational milestones do not exist for job training/vocational rehabilitation and the majority of childcare workers.

The quantifiable unit of analysis used to examine the private social services sector is Standard Industrial Classification (SIC) Code #83, which contains 180,000 employees in New York City. Two-thirds of these workers are found in SIC 832 (individual and family services), SIC 83's largest subset. This briefing paper focuses on two of SIC 83's subsets (individual and family services, job training/vocational rehabilitation and childcare). The individual and family services sub-industry alone constitutes nearly two-thirds of overall employment in social services¹.

¹ As noted in the main text to this profile, individual and family services is a difficult sub-industry to analyze on an occupational basis because it includes a great many home care workers. Home care occupations cross between the health services and social services industries, and are worthy of a separate labor market profile. In this analysis we have tried to show distinctions where possible between the home care aspect of the labor market and the rest of the labor market.

Subsectors within SIC 83 (Private Social Services), 2001

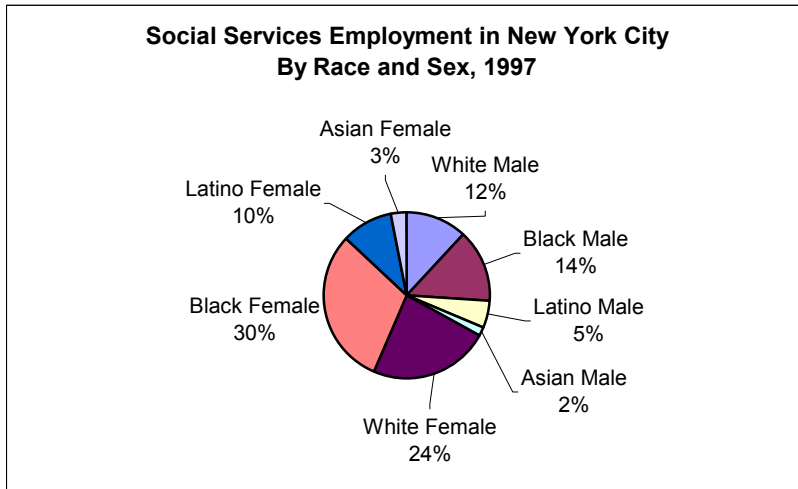


Source: ES202 data

Selected demographic characteristics of private sector social services workers

Women, particularly women of color, dominate the private social services workforce. Females of all races comprised 67% of the sector’s workforce in 1997. Two-thirds of female social services workers are non-white, according to analysis of EEOC and NYS Department of Labor data². The same data shows that just under half (49%) of the city’s total private sector workforce was female in 1997. Forty-five percent of female private sector workers overall were non-white.

Note that the EEOC data utilized above only includes larger institutions with 100 employees or more.



Source: NYS Department of Labor and Equal Employment Opportunity Commission (EEOC) data as presented by Professor Walter Stafford in “Labor Market Segmentation: Analysis of Industrial and Occupational Employment in New York City Public and Private Sectors by Race/Ethnicity and Gender”.

² NYS Department of Labor and Equal Employment Opportunity Commission (EEOC) data as presented by Professor Walter Stafford in “Labor Market Segmentation: Analysis of Industrial and Occupational Employment in New York City Public and Private Sectors by Race/Ethnicity and Gender”.

Individual and Family Services (SIC 832)

Individual and family services (SIC # 832) includes the following entities and activities:

- Senior citizen centers and associations
- Adoption services
- Day care centers, adult and handicapped
- Alcoholism/gambling counseling and organizations
- Community centers/settlement houses
- Crisis/counseling centers
- Disaster/temporary relief/refugee services
- Emergency shelters
- Family services (counseling, location, etc.)
- Non-medical homemaker's services
- Hotlines and telephone counseling
- Child guidance/youth centers and organizations
- Offender/parole/probation agencies
- Traveler's aid centers
- Meal delivery programs
- Neighborhood/outreach & referral/general social services centers

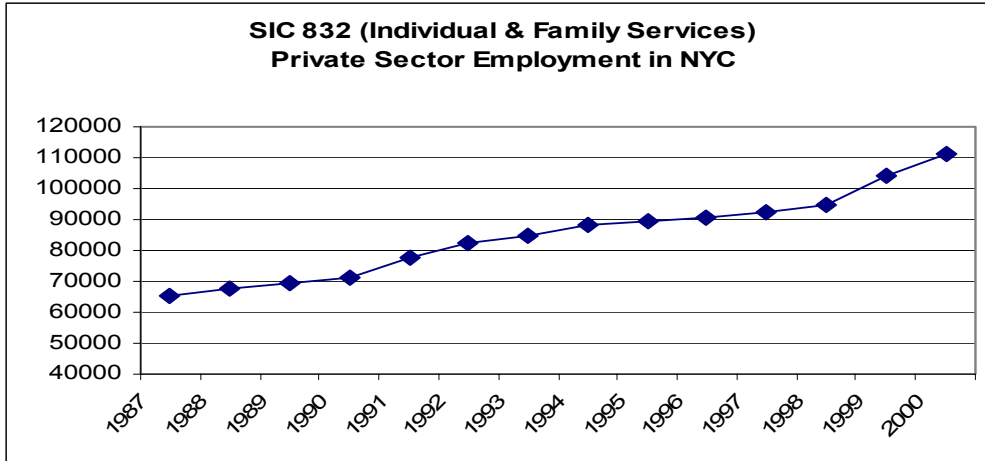
Individual and Family Services, SIC 832, encompassed 114,089 private-sector workers in New York City in 2001³. Public sector workers make up a tiny portion (1%) of all employees in SIC 832. New York City contained over 1,700 individual and family services organizations in 2001, each employing an average of 66 workers. The majority of individual and family services workers are employed in agencies with 100 or more staff members. Only 5.5% of social services providers employ one hundred persons or more, yet they employ 72% of the industry's workforce⁴.

The growth in number of private social services organizations and employees in New York City far surpassed the city's private sector overall during the 1990's. Between 1989 and 2000, private sector employment in New York City grew by 4%, while private social services employment grew by 61%. As seen in the following chart, over 42,000 new social services jobs were created during this 11-year period⁵.

³ ES202 data, NYS Department of Labor

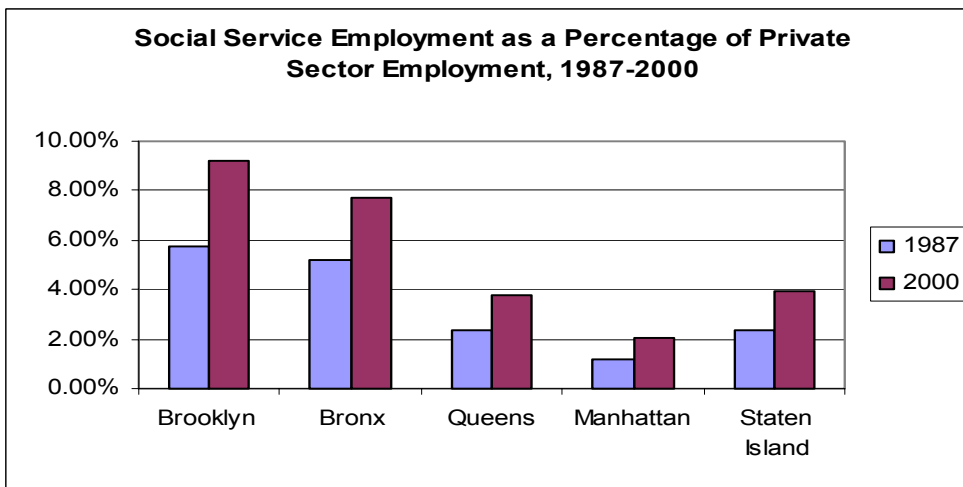
⁴ Phone interview with James Brown, analyst for the NYS Department of Labor Office of Research and Statistics, May, 2002

⁵ According to the NYS Department of Labor Office of Research and Statistics, some of the employment increase found in SIC 832 is due to the fact that 5,000 non-medical home and health care aides were moved into this SIC (from SIC 808) in 1999.



Source: ES202 data

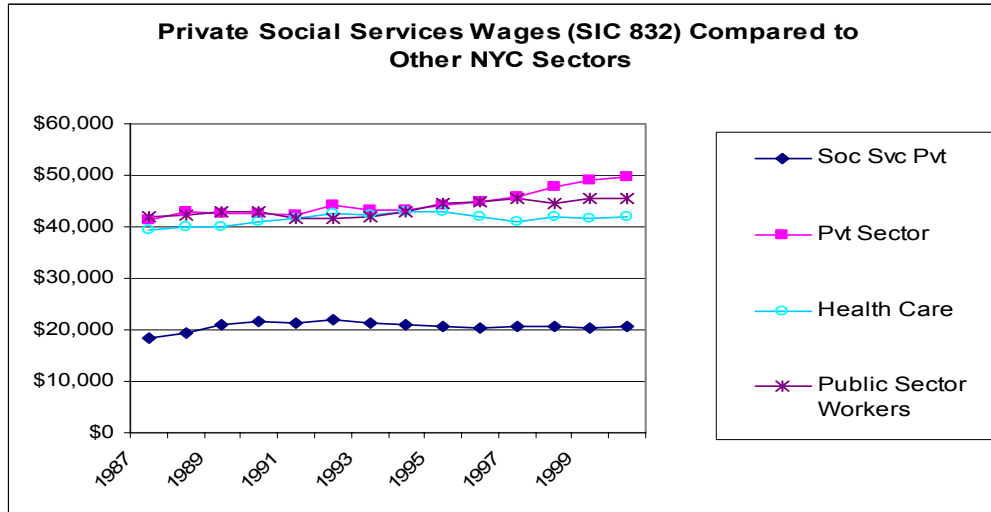
Private social services employment is a far more important part of the employment base of Brooklyn and the Bronx than Manhattan, Queens or Staten Island. SIC 832 (individual and family services) is the single largest 3-digit employment category in Brooklyn. As is also visible in the chart below, private social services employment has grown as a percentage of overall private sector employment in every borough since 1987.



Source: ES202 data

Wages

Workers in private social services do not earn competitive wages. As shown in the chart below, social services wages in the private sector have been unable to keep pace with private sector wages in general (even when extraordinarily high Wall Street wages are excluded). Average wages in the city's health care sector and public sector overall are at least twice those found in private individual and family services. It is important to bear in mind that the average wage in individual and family services is pulled downward by the large proportion, 47%, of home care and home health aides in this SIC. When personal home care and home health aide wages are excluded, the average wage for the remaining top occupations in individual and family services is \$31,226. This figure may be somewhat inflated due to the fact that it is based on occupational wage data for all industries in New York City.



Source: ES202 data

Non-profit social services organizations in New York City are overwhelmingly funded via local, state and federal government contracts. Wage levels are indirectly, and often directly, determined by the decisions of both elected and appointed public sector officials.

Table 1 presents information about the top 10 occupations found within individual and family services agencies.

Table 1: Top 10 Occupations Within Individual & Family Services (SIC 832), 1998

Occupation	# of workers with this occupation in SIC 832	This occupation as a percentage of SIC 832	SIC 832's share of this occupation	Mean Hourly Wage for this Occupation ⁶
Pers. home care aides	27,608	28.7%	73.5%	\$8.18
Home health aides	17,254	17.9%	48.8%	\$8.02
Nursing aides & orderlies	9,560	9.9%	20.4%	\$11.12
Human services workers	5,397	5.6%	43.3%	\$11.20
Social workers, except medical & psychiatric	3,546	3.7%	24.1%	\$17.81
Maids & housekeeping clean.	2,513	2.6%	9.0%	\$11.20
Managers & administrators, n.e.c.	2,071	2.2%	5.5%	\$30.94
General managers & top executives	1,751	1.8%	2.1%	\$40.57
Secretaries, except legal & medical	1,433	1.5%	1.6%	\$15.73
Clerks, general office	1,407	1.5%	1.3%	\$11.68

(Source: Unadjusted NYS Department of Labor Occupational Employment Survey Data)

⁶ Wage data is mean wage for each occupation across all sectors and industries in New York City.

Occupational Employment Survey (OES) data from 1998 indicates that just under 9,000 workers in SIC 832 were designated as either “social worker” (conceivably having a BSW or MSW) or “human services worker” (conceivably but by no means necessarily having an associate’s degree). SIC 832 also included 1,300 medical and psychiatric social workers in 1998. At least 4,000 additional persons were employed in program-related work with clients as teacher aides and assistants, recreation workers, and vocational and residential counselors. Finally, the individual and family services sector consists of a myriad of agency support, administrative, and managerial positions, ranging from secretaries to fundraisers to custodians to cooks to executive directors.

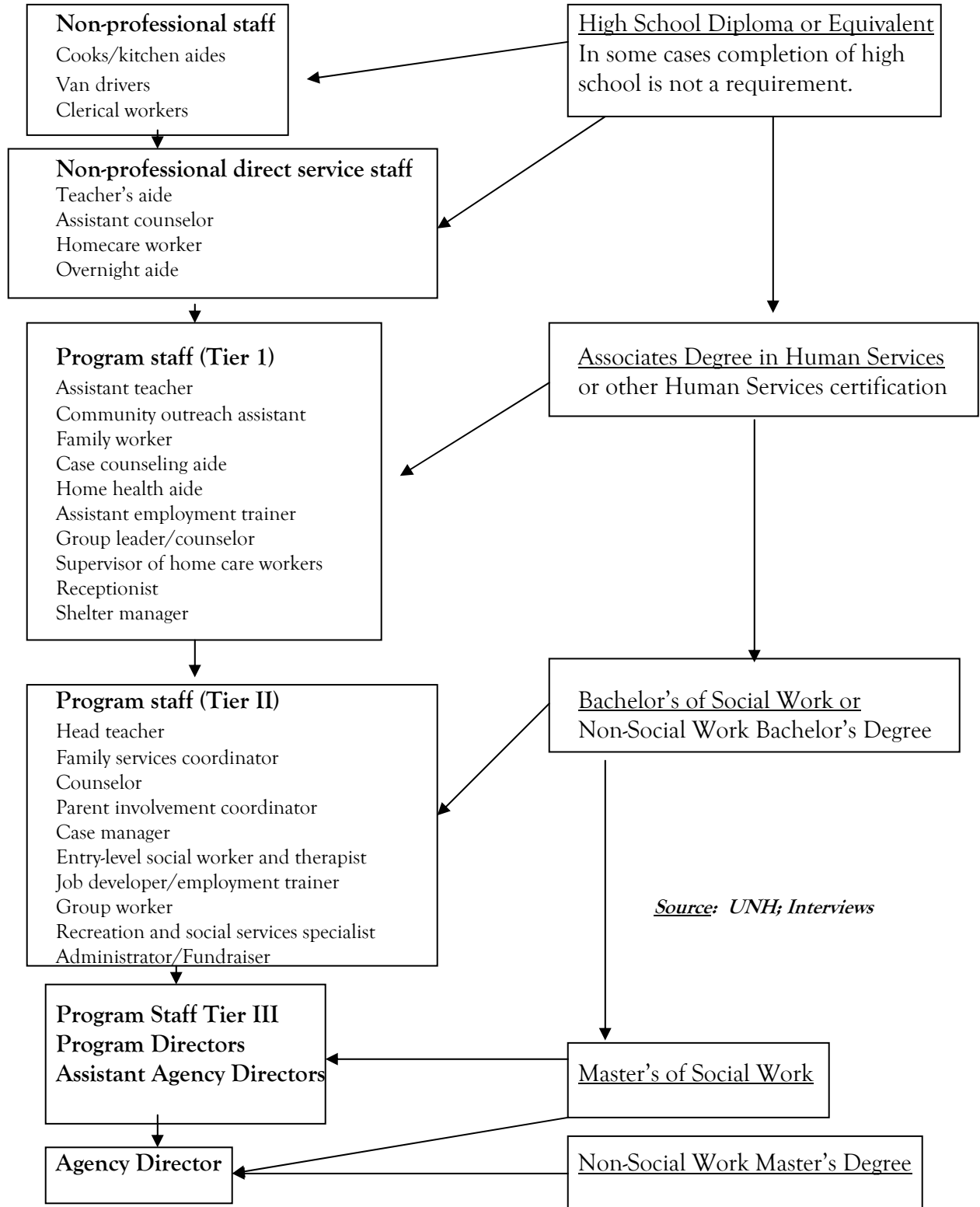
Career Mobility in the Non-Profit Social Services Sector

The chart on the following page delineates the main occupational groups found within the non-profit social services sector, and also indicates the educational background typically required for each occupational group. The chart is a culmination of information gathered in interviews. It is also based on a career-counseling guide, revised in 1997, by the United Neighborhood Houses (UNH), an umbrella group for New York City settlement houses which employ over 8,000 people.

There are two categories of entry-level positions (requiring a high school diploma or less): non-professional support and non-professional direct-service staff. Non-entry-level program/direct service staff are then broken down into three main categories, based on educational background.

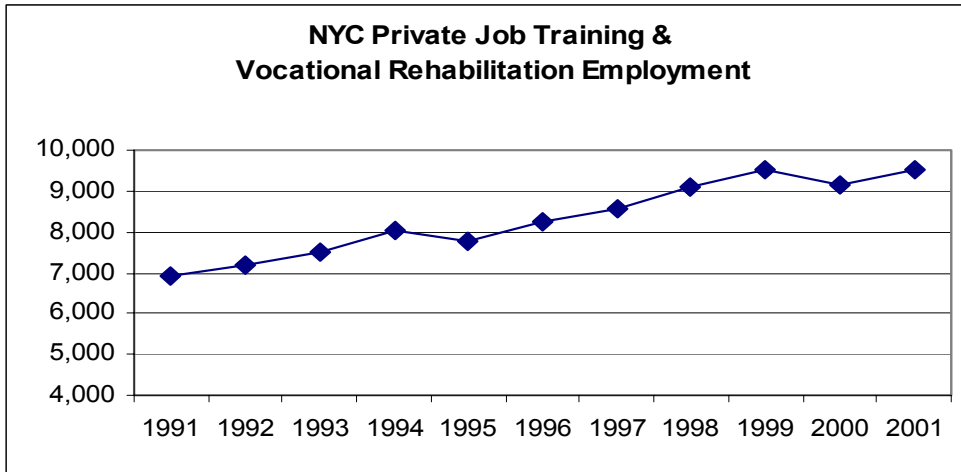
Note that if our analysis of the OES data presented above is correct – e.g., that there are only 9,000 of 110,000 plus workers in this three-digit industry that appear obviously likely to have any college training and that are working in non-managerial “line” positions – then we are looking at a labor market where many workers are confined to lower-rung jobs. This finding needs to be confirmed by further research outside the scope of this study; however, it clearly points to two conclusions. These conclusions (which are predicated on more funds being brought to bear to expand the employment pie and improve services overall) are that: 1) a need exists to increase the numbers of individuals trained as MSW’s and BSW’s; and that 2) a parallel need exists to create more rungs on the career ladder by establishing a variety of credentialed technical occupations at an intermediate or Associates degree level. The Health Services industry – where many such intermediate level positions already exist – represents an obvious model for social services in this regard.

**Typical Occupations and Educational Requirements
within Non-Profit Social Services Agencies**



Job Training & Vocational Rehabilitation (SIC 833)

The number of private sector job training and vocational rehabilitation workers grew by 37% between 1991 and 2001. There were 9,526 workers in this sector at the close of 2001. New York's 216 job training/vocational rehabilitation providers employed an average of 44 workers, and paid an average annual salary of \$24,262 in 2001.



Source: ES202 data

Organizations providing job training and vocational rehabilitation vary tremendously in terms of size and scope. A small group of extremely large providers in the city offers services to large swaths of the city's workforce, such as dislocated workers. Other providers focus on a specific population, such as youth, homeless adults, persons with disabilities, recent immigrants and public assistance recipients.

One of the most critical workforce issues confronting the job training/vocational rehabilitation sector is the fact that there are no predetermined educational criteria for some of the more prevalent occupations, such as job developer. According to the New York City Employment & Training Coalition, no academic programs exist which are specifically designed to train job developers. Job developers require a complex set of skills; e.g., an understanding of the local economy and labor market, an ability to assess job candidates accurately, strong marketing skills in order to seek out job opportunities and build relationships with potential employers, an understanding of the public benefits system, from which many of their clients come, and an ability to meet performance requirements set by funding contracts.

In response to the need for training, the NYC Employment & Training Coalition has provided two job developer trainings in the last year and is planning to create a job developer institute.

Based on the type of population they are serving, job training/vocational rehabilitation providers may have a high concentration of a particular occupation. For example, an organization working with homeless adults may also have a large number of case managers in addition to job developers.

Top Ten Occupations Within SIC 833 in NYC	Number	Average Hourly Wage for this Occupation in NYC
General office clerks	843	\$11.68
Construction & extractive workers*	548	\$13.60
Managers & administrators	538	\$30.94
Hand workers*	537	\$8.59
Psychiatric technicians**	460	\$15.19
Personal home care aides	394	\$8.18
Social workers, except medical & psychiatric	323	\$17.81
Secretaries, except legal & medical	302	\$15.73
General managers & top executives	301	\$40.57
Human services workers	296	\$11.20
Total	4,542	

Source: Occupational Employment Survey Data, 1998

*The large number of construction & extractive workers, and hand workers within this sector are indicative of the fact that many job training/vocational rehabilitation programs involve construction and renovation work or are sheltered workshops that perform piecework.

**The psychiatric technicians within this sector are involved in the supervision of individuals working in sheltered jobsites and workshops⁷.

⁷ Phone interview with James Brown, analyst for the NYS Department of Labor Office of Research and Statistics, 10 October, 2002