



Opportunity Pathways Network

Overview Memo

MAY 28, 2019

The Opportunity Pathways Network is a collaborative of funders and leaders from across sectors who are redesigning pathways between education and work. Through working groups and a national funder learning community, the network generates catalytic investments that help opportunity seekers achieve lifelong economic mobility, resilience, and fulfillment.



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WHY THE OPPORTUNITY PATHWAYS NETWORK?

The Challenge

Education has long been viewed as one of the most effective drivers of economic mobility, but it has not fully delivered on that promise. Over the past 30 years, foundations have poured billions into remaking our K12 and higher education systems in an effort to change that. But—as our economic and workforce needs shift rapidly—our approaches to education, training, and hiring are still failing to keep up.

The high school degree offers 50 percent fewer job opportunities today than it did 30 years ago.¹ The majority of family-sustaining jobs require some kind of postsecondary credential, yet a college degree is out of reach for most Americans. Many never make it to college in the first place, and among those who do, less than 60 percent graduate from either a four-year or two-year institution within six years.² Low-income families experience these barriers most acutely. Only 11 percent of students from families in the lowest income quartile have earned a degree by age 24, compared to 58 percent of those in the highest income quartile.³ Low completion, combined with the rising cost of college, means that there are over 30 million Americans with debt but no degree.⁴ Even those who graduate are not necessarily set up for success. More than 40 percent of recent college graduates (ages 22 to 27) with bachelor's degrees are underemployed, working in jobs that do not require their level of training.⁵

Our approaches to K12 education, postsecondary education, workforce training, and hiring are collectively failing to provide family-sustaining careers for opportunity seekers—especially those already most at risk of falling behind.

The Opportunity: Why Philanthropy Is Poised to Catalyze Change

We believe no young person graduating high school in the United States should hit a dead end. People should be able to weave together education and work throughout their lifetimes in a way that provides economic mobility, stability, and resilience.

The challenge ahead of us defies single-sector solutions. Addressing it requires an understanding of the education-to-work landscape through multiple lenses; a network of experts across the K12, postsecondary, and workforce fields; and seed capital to catalyze forward-thinking solutions. These are precisely the strengths that philanthropic funders and impact investors bring to this challenge. Many funders have demonstrated interest in the education-to-work space and have independently seeded innovative initiatives, but immense opportunity remains for funders to coordinate investments and strategies to drive collective impact.

¹ Carnevale, A., et al. Georgetown University Center on Education and the Workforce. "Three Educational Pathways to Good Jobs." (2018).

² Shapiro, D., et al. National Student Clearinghouse Research Center. "Completing College: A National View of Student Completion Rates – Fall 2012 Cohort (Signature Report No. 16)." (2018, December).

³ The Pell Institute for the Study of Opportunity in Higher Education. "Indicators of Higher Education Equity in the United States." (2018).

⁴ Shapiro, D., et al. "Some College, No Degree: A National View of Students with Some College Enrollment, but No Completion (Signature Report No. 7)." (2014). Herndon, VA: National Student Clearinghouse Research Center.

⁵ Federal Reserve Bank of New York. "The Labor Market for Recent College Graduates: Underemployment." (2019).

We are harnessing that potential through the Opportunity Pathways Network (OPeN), a funder collaborative designed to generate coordinated, catalytic investments that advance more equitable pathways between education and work.

OPeN's pilot "innovation cycle," sponsored by the Walton Family Foundation and Strada Education Network, ran from October 2018 through April 2019. The following section outlines what you can expect for the second cycle of OPeN over the next six to eight months.

HOW OPeN WORKS

Our Design Principles:

- **People:** Find diverse and representative sources of insight. Support bold systems thinkers and leaders.
- **Process:** Create a systematic, transparent decision-making process. Ensure a low-friction, high-insight experience for all participants.
- **Purpose:** Ensure investments and insights help catalyze broader change, reflect the best thinking in the field, and advance economic mobility for opportunity seekers.

Key Activities:

1. Articulate a shared understanding of the problem and theory of change to set the foundation for collective action
2. Source high-quality solutions by engaging and empowering experts and practitioners through a systematic innovation process
3. Design and scope investments that will catalyze broader change and advance economic mobility for opportunity seekers
4. Facilitate co-investment from funders to enable a subset of these investments to move forward
5. Accelerate insight sharing and amplify learnings

Articulating a Theory of Change

In 2018, we laid the foundation for OPeN's theory of change through a [landscape analysis and background paper](#). The paper was informed by extensive desk research; over 40 in-depth interviews with experts from across sectors and from across the United States; and input from an additional 50 experts and funders. That process uncovered three levers for change to improve education-to-work pathways:

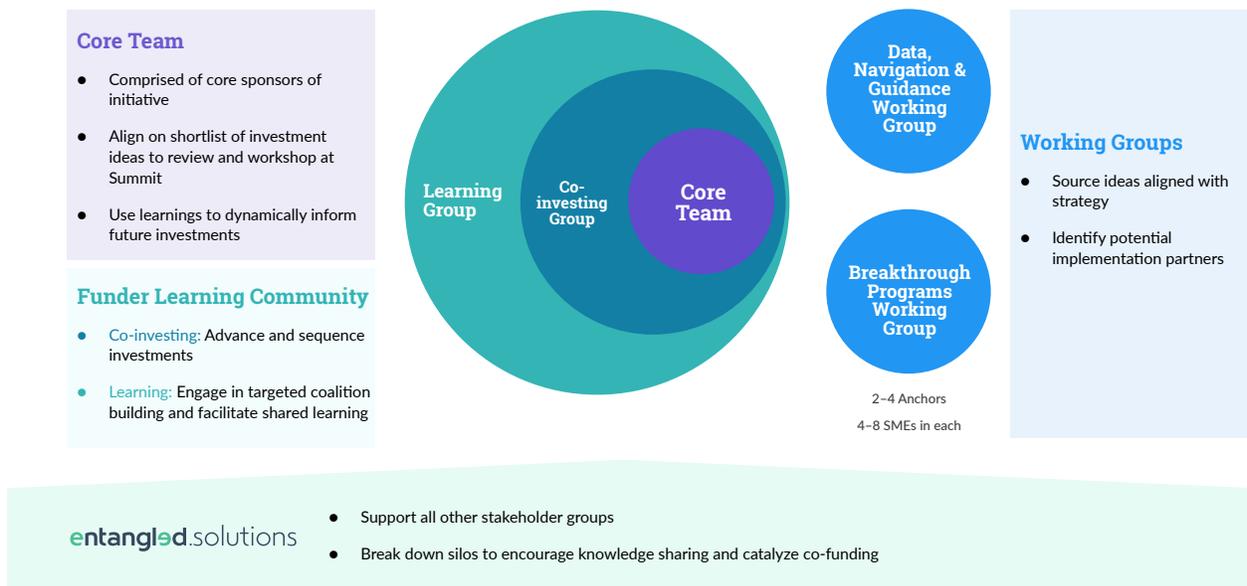
1. **Data, Navigation, and Guidance**: How might we empower opportunity seekers with the data, navigation, and guidance they need to create and dynamically navigate their journey—weaving together education and work throughout their life in a way that works for them and provides a family-sustaining wage?
2. **Enabling Breakthrough Programs**: How might we create a healthy market of breakthrough programs that more seamlessly connect education and work and enable economic mobility?

3. **Employer Signaling and Hiring Practices:** How might we make it inevitable that employers use signaling and hiring practices based on competencies, rather than proxies or pedigree?

For the current cycle of OPeN, we have prioritized two of these levers: Data, Navigation, and Guidance and Enabling Breakthrough Programs. We are integrating the third lever, Employer Signaling and Hiring Practices, into the other two levers since we observed in the pilot that “demand-side” (i.e. employer) considerations should be inextricably linked to all of our focus areas.

STAKEHOLDERS

The following graphic outlines the major stakeholders involved in this network and their relationships to one another:



Funder Learning Community (FLC) Roles

The Funder Learning Community will be separated into two sub-groups with clear objectives and expectations. Funders will receive a survey in which they can opt into either or both the Learning Group and the Co-investing Group.

Learning Group:

Objective: Learn from OPeN process and share insights with one another to inform and shape investing strategies. **This group is for funders aiming to semi-regularly share insights and learnings.**

Activities

- Attend OPeN Digital Kickoff
- Exchange insights and receive updates on learnings from each working group via Opportunity Pathways Slack channel
- Attend optional workshop call(s) with working groups
- Attend Summit
- Consider investing in ideas generated through OPeN's innovation cycle

Co-investing Group:

Objective: Co-fund investments surfaced through the OPeN process to drive collective impact. **This group is for funders aiming to co-invest in one or multiple initiatives alongside other funders.**

Activities

- Participate in Learning Group (activities outlined above in Learning Group section)
 - Attend OPeN Digital Kickoff
 - Exchange insights and receive updates on learnings from each working group via Opportunity Pathways Slack channel
 - Attend optional workshop call(s) with working groups
 - Attend Summit
- Provide initial feedback on investment “problem areas” and proposed solutions
- Commit to investing in one or more ideas generated through OPeN's innovation cycle

Working Group Roles

Each Working Group will be led by an Entangled team member. The Working Groups will include two primary roles:

Anchors

Objective: Support Working Group strategy, including investment framework and idea development.

Activities

- Support development of investment framework and define problem areas
- Attend OPeN Digital Kickoff
- Set up introductions to subject matter experts and possible implementation partners
- Join workshop calls with funders
- Attend Summit

Subject Matter Experts

Objective: Advise on specific problem areas and investment opportunities.

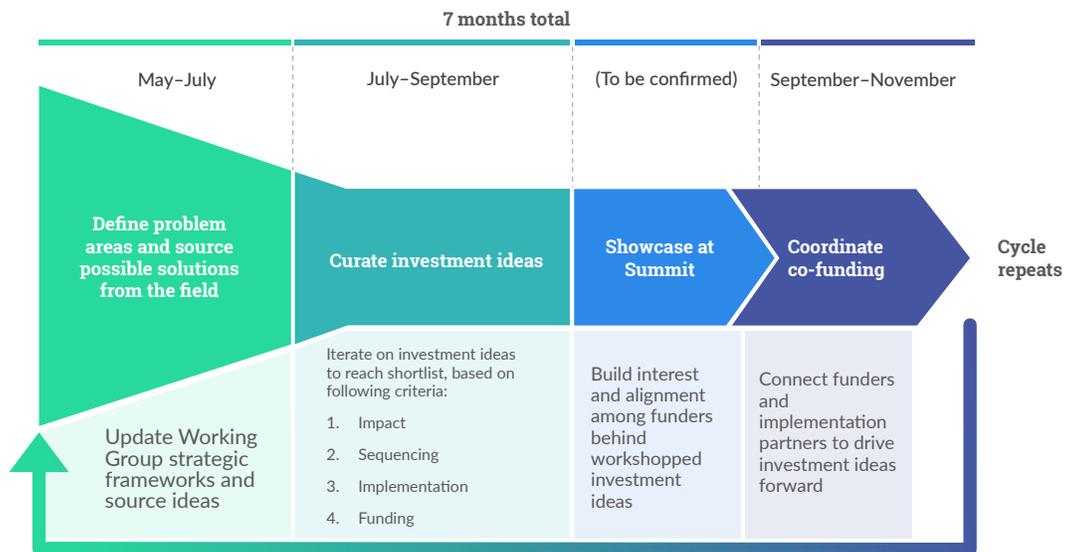
Activities

- Attend OPeN Digital Kickoff
- Set up introductions to possible implementation partners and additional experts.
- Join workshop calls with funders, if relevant

- Attend Summit, if relevant to investment ideas they represent

INVESTMENT IDEA VALIDATION PROCESS

OPeN's process revolves around an "innovation cycle" that lasts approximately seven months. The work will be divided into four major phases, including an important Summit of funders and field experts.



1. Source problems and possible solutions from the field

- Working Groups, comprised of field experts, update strategic frameworks
- Co-investing Group shares feedback on investment frameworks
- Working Groups source problems and possible solutions from the field

2. Curate investment ideas

- Working Groups develop longlist of investment ideas and identify potential implementation partners
- Co-investing Group shares initial feedback on proposed investment ideas
- Core Team of sponsoring funders provides final approval of shortlist

3. Showcase at Summit

- Ahead of Summit, Entangled shares proposals outlining shortlisted investments
- At Summit, funders and working group leaders workshop investment ideas and build alignment for co-investing opportunities

4. Coordinate co-funding

- Entangled helps connect funders and implementation partners
- Entangled shares and integrates learnings from 2018 pilot as investment commitments are confirmed and ideas are implemented

* Throughout the innovation cycle: Learn continuously

NEXT STEPS

1. If you are in the FLC, opt in to the Co-investing Group or the Learning Group through a survey from the Entangled Team.
2. Read more about insights from Innovation Cycle 1 at www.opportunitypathways.org.
3. Contact Caroline Worsham (caroline@entangled.solutions) with any questions about the process.

We envision a future where no one graduating from high school in the U.S. hits a dead end. We look forward to creating that future together.