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FROM SURVIVING TO THRIVING

Youth Perspectives on Navigating Homelessness and the Labor Market

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oung adults facing homelessness represent a growing demographic in need of greater economic stability: Before the COVID-19 pandemic, one in ten young people experienced homelessness annually.¹ This research brief, developed as part of a learning partnership between MDRC and Covenant House, explores the perspectives and experiences of those young people as they navigate the workforce amid a changing and often precarious labor market. Covenant House, a nonprofit organization operating in 34 cities across six countries, provides housing and supportive services for young people facing homelessness and survivors of human trafficking. Through surveys and interviews that MDRC and Covenant House staff codesigned with a group of youth research fellows, the study team sought to learn about young people's aspirations, reflect on their strengths and obstacles, and identify which supports they need as they navigate the workforce.





The mission of Covenant House is to deliver services "with unconditional love, absolute respect, and relentless support." Each location offers a mix of direct care services (such as outreach to youth on the street) and housing programs, which include nonresidential programs (like drop-in centers) and residential housing programs. It also delivers a variety of services to address youth needs, including mental health care, primary health care, and educational and workforce development services. The research findings shared in this document will be used to help Covenant House develop new strategies to address youth employment needs.

Youth at Covenant House set goals, find their strength, their passion, and do something they love. They do not settle. They survive and move beyond.

The study team identified challenges and trends for youth facing homelessness that echo the wider experience of their generation and support prior research that linked homelessness with greater challenges connected to school and work.³ This research was conducted during a period of labor market instability, when there was widespread recognition from policymakers and employers that linear career pathways and traditional job categories were breaking down due to automation, technology, and gig work.⁴ The COVID-19 pandemic aggravated those challenges. The rate of unemployment for young people ages 16 to 24 years rose from 9 percent in January 2020, on the eve of the pandemic, to 12 percent by January 2022.⁵ Even before the pandemic began, Black, Hispanic, and Native American youth faced high rates of disconnection from school and work as a result of existing inequities like geographic segregation, which concentrates poverty and perpetuates disadvantages.⁶

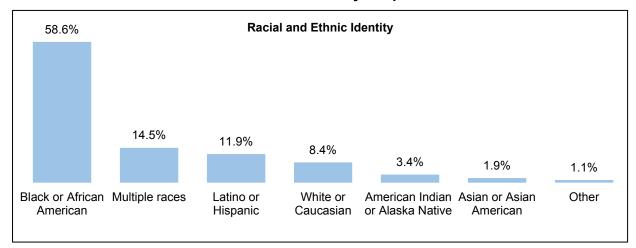
RESEARCH DESIGN AND SAMPLE

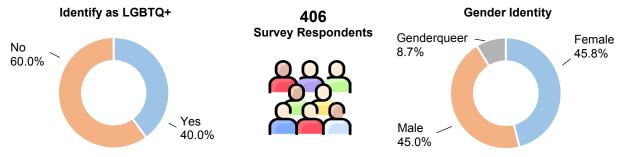
This project used participatory research methods, which are based on the idea that the people who are most affected by an issue should be partners in the learning process rather than just subjects of it. Covenant House and MDRC recruited six paid research fellows—aged 18 to 25 years—who were affiliated with local sites, including five young adults who were currently in residential housing programs and a former-participant-turned-employee. The research fellows attended a series of workshops with the study team that directly shaped the project's research questions, themes, and topics; the survey and interview instrument design; and the interpretation of findings. The research fellows, five of whom remained active throughout the project, also worked with the study team to produce a guiding vision statement that informed the project's learning goals. It captured the obstacles young people at Covenant House face ("surviving") while they aspire and work toward a fruitful life ("thriving"). They offered this vision: "Youth at Covenant House set goals, find their strength, their passion, and do something they love. They do not settle. They survive and move beyond."

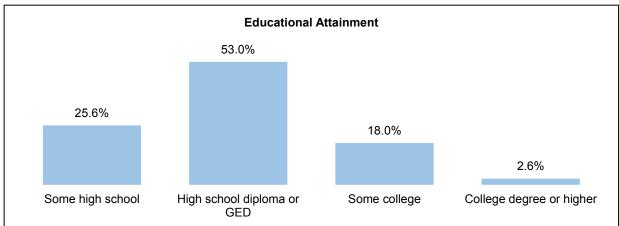
From November 2021 through January 2022, the study team collected 406 completed surveys from young adults who were using Covenant House services in 17 U.S. cities. Figure 1 illustrates select characteristics of survey respondents. Young people ages 18 to 24 years were invited to participate in the survey; fewer than 1 percent of respondents were older than 24 years. In general, the survey sample's demographics are consistent with the overall population of youth served at Covenant House's U.S. locations and are reflective of the disproportionately high rates of homelessness experienced by Black, Latino, mixed race, and LGBTQ+ young adults nationally. They had higher high school diploma or equivalency attainment than the national average for young people experiencing homelessness, but were still behind the national average for all young adults. The study team also conducted one-on-one interviews with nine young people who were being served in one of the four sites that were surveyed in Georgia, Texas, Pennsylvania, and Florida. The team wanted to learn more about their experiences and further explore themes that arose in the survey findings. The interviewees were primarily Black or multiracial and were between the ages of 19 and 24 years. Two were young mothers. Levels of educational attainment varied; some had no high school credentials while others had completed some college courses.

Figure 1

Characteristics of Survey Respondents







NOTES: Rounding may cause slight discrepancies in sums and differences.

Sample sizes may vary because of missing values. The descriptive analysis allowed sample sizes to vary to reflect nonresponses as opposed to imputing responses. Survey responses of "don't know" or "prefer not to answer" were coded as missing.

WORK HISTORY

Employment patterns among the survey sample showed that young people served by Covenant House have extensive experience in the workforce, both before and during their encounters with homelessness. (See Figure 2.) Nearly all of the respondents had looked for a job previously; most had some work experience in the past year. Among those working at the time of the survey, over half had worked at least 30 hours each week. Most had at least three previous jobs; some had over a dozen. In an interview, one young person said "there was never really a time period where I wasn't [employed], unless I was . . . underage." This reflection highlighted a prevalent experience among study participants—work was a part of everyday life.

Figure 2
Survey Respondents' Work and Job Search Experience



Young people most commonly reported work experience in food service and sales/retail—combined, this work represented 47 percent of reported jobs. ¹⁰ These jobs tend to be characterized by precarious working conditions like unpredictable schedules, low pay, and a vulnerability to external factors (like the COVID-19 pandemic). ¹¹ According to the U.S. Bureau of Labor Statistics, workers in food preparation and other restaurant-related occupations earn \$14.16 per hour, the lowest mean hourly wage of all the major occupation categories. ¹² The low wages and schedule instability in this industry disproportionately affect young workers. ¹³ Sales and retail workers earn higher mean wages at \$22.15, but the most common industries offering these jobs—such as general merchandise or food and beverage stores—provide lower mean hourly wages that are closer to the food service industry. ¹⁴

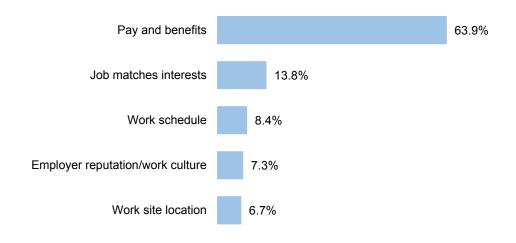
Survey findings indicated that youth in these sectors were indeed paid less than youth working in different sectors, and they were also less satisfied with their work. Among those currently working in food service, only 32 percent agreed that they made enough money to cover their necessary expenses (compared with 45 percent of youth not working in food service) and only 26 percent agreed that their work aligned with their career goals (compared with 52 percent of youth not working in food service). One young person shared, "I worked in fast food. It was just too busy, everyone not really paying attention, not trying to get everything together . . . I think that wasn't for me, so I just moved on to something else." Youth working in sales/retail were also among the least likely to say that they enjoyed their work (43 percent compared with 61 percent of non-sales workers), or that it aligned with their career goals or interests (36 percent compared with 49 percent of non-sales workers).

Survey data and interview findings highlighted the fact that many young people experienced job turnover, some with relative frequency. Seventy-one percent reported having worked more than one job over the past year, though only 21 percent were currently working more than one job. The most common reason for leaving a position was that the survey respondent had found a better job opportunity. As described further in this brief, young people in the study want to improve their job prospects even though their current employment opportunities may be limited.

JOB AND CAREER ASPIRATIONS

The survey and interviews allowed young people to reflect on the kinds of jobs they wanted. When asked which factors were most important to them when looking for a job, nearly two-thirds of survey participants indicated pay and benefits. (See Figure 3.) This response is not surprising given the nearterm need for income among youth experiencing homelessness.¹⁶ The next most common response was the type of job (that is, "the job matches my career interests").

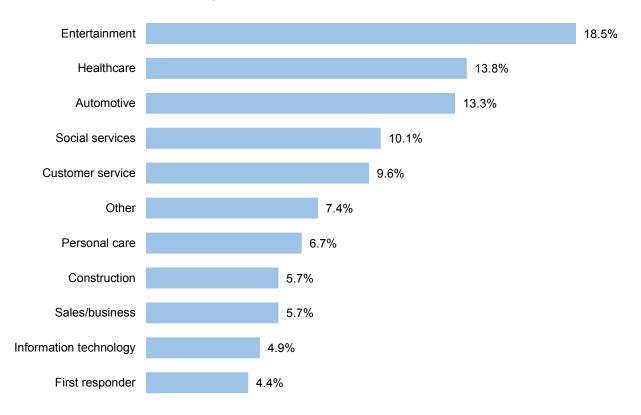
Figure 3
Survey Respondents' Job Search Priorities



NOTE: Rounding may cause slight discrepancies in sums and differences.

Young people were interested in a spectrum of fields. (See Figure 4.) The most popular were the entertainment, healthcare/social services, and automotive industries. The survey asked participants to briefly describe their dream job (that is, "a job/career you would love to have"). While most youth identified specific occupations (listing more than 80 different jobs in total), some shared broader visions for what their dream job would look like. One youth shared a sentiment common for Generation Z, a group that is less interested in narrowly defined career paths and more willing than previous generations to change jobs in pursuit of a better fit:¹⁷

Figure 4
Survey Respondents' Top Career Choices



NOTE: Rounding may cause slight discrepancies in sums and differences.

"A dream job is a job that doesn't feel like work at all. Something I am passionate about and dedicated to that brings me closer to my goals as a person, not an employee. I would love to do something creative that allows me to engage with many different people and work on my own schedule. I am my own brand/business."

One interviewee reflected on the challenges of working minimum-wage jobs (specifically in fast food), and a desire for higher earnings, sharing, "I want to have a workplace . . . where I make enough to support myself and have decent savings, and [I want] to be able to have my own home and enough time off if I want or need to do other things as well." Several of the young people who were interviewed used prior higher-wage jobs as a benchmark to orient their current job searches. Another interviewee described the thought process behind taking work that did not match the pay of a previous job, stating,

"I'm not gonna put myself in a position to get paid minimum wage when I've worked for \$19, you know. So I have experience and that's why I applied for higher-paying jobs, like \$14...\$15, you know, so I can get a little money in my pocket so I can start saving and putting it up for an apartment, a car, and my own things."

YOUTH EXPERIENCES OF OBSTACLES AND BARRIERS

Youth from Covenant House reported navigating several challenges when looking for work. Survey participants who had previously searched for a job reported discrepancies between the ideal jobs they described in the previous section and the jobs they encountered in their search. The most commonly reported obstacle was that jobs didn't meet their financial needs because they didn't provide enough hours or pay. Some jobs required access to transportation, which participants did not have. (For low-income populations nationwide, transportation is the second highest household expenditure after housing.) Other jobs did not align with respondents' interests, experience, or credentials. Only 15 percent of young people reported that they experienced no obstacles when looking for work.

Because homelessness disproportionately affects young people who are Black, Latino, or Native American, and those who identify as LGBTQ+, survey respondents were asked whether they had encountered discrimination when looking for work.²⁰ Among those who had looked for work or held a job, one in five reported that discrimination was an obstacle. Youth who identified as LGBTQ+ were more likely to report discriminatory experiences. Responses to open-ended survey questions suggested that young people faced discrimination based on their appearance, whether they were pregnant, and the knowledge that they were experiencing homelessness.

Interviewees said that their work histories were punctuated by periods of unemployment that sometimes lasted for several months or more. Nineteen percent of survey respondents reported that they were fired or laid off; 40 percent left their jobs for reasons other than finding a new one. They cited several reasons for remaining unemployed, including personal crises or disruptions and challenging living or transportation situations. One interviewee said he had to live in his car for a month after leaving a difficult family situation. He was unable to find employment that month, and he noted how hard it was to do things necessary for maintaining a job, like washing a work uniform. A young woman described a period after leaving an abusive household that was marked by months of intense housing instability and joblessness; her mental health deteriorated, and she had to check in and out of various crisis centers. At the time of the interview, she was employed in a field that she was passionate about, but this came after she had obtained mental health care and achieved a relative level of housing stability.

For interviewees living in metropolitan or urban areas with decent to robust public transportation, desirable—or even just available—jobs often required long commutes, sometimes to other cities.

Some recounted challenges with public transportation or lamented the expense of rideshare services. For one mother, a car breakdown meant that she had to quit her job in a neighboring town. For another respondent, the well-paying nighttime warehouse shift that he was offered was inaccessible:

"[T]he location they needed me to go to, I couldn't actually get to without a car . . . There is [public] transportation, yes, but it is not reliable at all. Like, the bus that I had to catch would stop running at 8:00 p.m. on weekdays, and at, like, 5:00 or 6:00 p.m. on weekends, and I had to get to work by 1:00 a.m."

SUPPORTS AND STRENGTHS

Despite the obstacles described, study findings suggest that youth draw from numerous internal and external resources to guide their workforce journeys. While most of the survey respondents indicated that they were at least somewhat confident that they knew what employers were looking for in a good job applicant, nearly half felt they were not prepared to be successful in the workforce.²¹ This may indicate that while young people understand the job market, they do not yet feel ready to successfully navigate toward their goals.

The findings also suggest that the presence of encouraging adults may be associated with youth confidence. Though most survey respondents reported having a supportive adult in their life, those without such a figure reported lower feelings of confidence and preparedness for navigating the workforce. Most of the respondents reported leaving home because of difficult or unstable family situations and looked to adults at Covenant House for support. One youth said, "The simple 'Have a good day' [from Covenant House staff] as I leave for work changes a lot for me."

Young people who had completed high school were more likely to be working. This reflects national trends that show that young people with a high school equivalency certificate or higher have better employment and earnings prospects than their peers without a high school degree.²² Among those who had completed high school, 57 percent were employed, compared with 46 percent of youth who did not complete their high school education. (Of those who had some college education, 61 percent were employed.) One young person expressed hope that additional education would help improve career prospects and achieve goals:

"[W]ith an education, you can get a better-paying job and . . . you have more opportunities. . . . [W]ithout an education, you pretty much just take any job that's hiring. But if you have an education, then . . . you can make more money, have a job that's . . . something you actually want to do with your life."

Youth who had attended college or taken courses that led to industry certifications reported feeling just slightly more prepared for work than those who had not.²³ However, education is not guaranteed

to produce economic mobility. Since young people who drop out of high school are likely to experience a cluster of difficult circumstances and obstacles, additional stabilization and support may be needed.²⁴

IMPLICATIONS FOR YOUTH-SERVING ORGANIZATIONS AND POLICYMAKERS

By involving young people in the research process, MDRC and Covenant House were able to ask questions directly informed by young people's experiences navigating homelessness. The findings highlight the following lessons for service providers and policymakers who want to further support youth facing homelessness:

- Young people have clear aspirations and are confident that they know what employers are looking for. These assets can be leveraged and complemented by skill-building programs that connect young people to job opportunities. As one young person suggested, programs like Covenant House can "[c]ontinue helping youth to find their purpose and talent. Once they unlock who they are inside and find a job with meaning . . . [they can] accomplish the unthinkable."
- Youth were largely employed in low-paying sectors like food service, which were reported to be less fulfilling and misaligned with their career aspirations. This trend points to the importance of offering training that leads into other career pathways, especially sought-after occupations—such as entertainment, healthcare, or social services—or "opportunity industries" that do not require a college degree but pay a living wage, are unlikely to be lost to automation, and are projected to grow in availability.²⁵
- Youth with postsecondary education, including industry certifications, have higher rates of employment, job satisfaction, and job preparedness. Many of the reported barriers to employment are likely to hinder access to postsecondary education and training, which reinforces the need to remove those barriers. Young people without a high school equivalency certificate may require additional support to access such pathways because the lack of a high school education is correlated to more significant disadvantages for this population.
- Experiencing homelessness and living in poverty create complex and interrelated obstacles for young people as they search for and try to hold down jobs. Study participants reported numerous challenges, including barriers to earning sufficient wages, finding work that interested them, and accessing transportation. Poverty alleviation strategies, including various forms of income assistance (such as direct cash transfers, stipends, and public benefits), may help young people while they pursue employment or educational opportunities (or both).
- **Discrimination represents one of the most common obstacles to employment.** One in five young people identified discrimination as an obstacle, and study findings show that LGBTQ+ youth and youth who identify as genderqueer are more likely than their peers to experience discrimination in the workforce.²⁶ These trends highlight the ongoing need for policymakers to address discrimination and other drivers of inequity, and for youth representatives to promote inclusive hiring and management practices in the workplace.

• Encouraging relationships and program supports can help young people. Young people in the study who indicated they had at least one adult who encouraged them to establish work-related goals reported higher levels of preparedness and confidence. As young people seek to build greater opportunities for themselves, programs can contribute social and emotional supports and address the obstacles they face (such as transportation). Specifically, programs that provide mentoring have been shown to improve a variety of outcomes for young people.²⁷

The research conducted with Covenant House shows that, for young people experiencing homelessness, the climb toward a financially stable adulthood can be steep. Despite that challenge, survey and interview results from the project demonstrate young people's desire to forge their own paths toward financial stability through work. Using the insights gained about their aspirations, obstacles, and goals, Covenant House will pilot new workforce strategies and continue its learning efforts in order to help connect youth to sectors and pathways that offer greater financial stability and satisfaction with work. As the economic disruptions from the pandemic continue to exacerbate obstacles for young adults at this formative time in their lives, evidence-informed strategies and data-driven decision-making can help the field respond effectively to provide needed supports along the way.

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