



## Prosper Springfield – Do You Know About the *Cliff Effect*?

After years of research and data collection, it is clear that many of our under-resourced residents are working, but they face hurdles as they strive to make ends meet. The *cliff effect* is one of those hurdles. The term *cliff effect* refers to a financial impact that under-employed workers in our community experience as their wages gradually increase but the increase causes a loss of government subsidies such as food, child care, health insurance, and other resources. David Freeman, Outreach Director for Schweitzer United Methodist Church, and others mentoring under-employed community members find that it is hard for a family to increase their prosperity when they hear comments such as: “If I take this \$.50 per hour pay raise, I will lose \$200 per month in food assistance. I can barely support my family now. I know I need to take promotions to get on my feet, but I don’t know how to feed my children until I get there.”

There are no easy answers. However, several local employers are increasing starting wages for entry-level positions and providing job skill development for existing employees to promote into higher paying jobs. There are also local programs through the Missouri Job Center such as the Change 1000 program to increase employability skills that can lead to better paying jobs. The Northwest Project and the Dream Center provide holistic approaches to empower families to develop long-term sustainable skills that includes increased job skills for better paying jobs. Ozarks Technical Community College has a host of certification programs for specific industry certifications. Some of OTC’s programs only take a year – all in fields of work needed in the Springfield region.

For employers who have vacant positions, creating apprenticeship programs or downsizing positions for training purposes are just a couple of ways to have existing employees promote and earn a few dollars more. Paid internships are a great way to retain college students in our community. Springfield has many awesome employers that are willing to support the workforce. Also, the Springfield Area Chamber of Commerce works with employers to share information about the types of resources they may be able to provide to their employees such as tuition reimbursement or prepaid tuition, child care assistance or even flexible hours for workers to attend training that can help increase their skills. When more Springfield families prosper, our whole community will benefit.

*Prosper Springfield is a collective impact initiative focused on a shared community vision to improve economic mobility in the Springfield community. The Prosper Springfield mission is to build community relationships and align community resources to create pathways that help move people to prosperity. The column will run every other Thursday. Today’s column was co-written by Sharon Ellard, a Give Five volunteer, and Prosper Springfield Director, Francine Pratt. For more information about Prosper Springfield, contact Francine Pratt at 417-888-2020. Prosper Springfield - Uniting Resources. Improving Lives.*