

# THE GOOGLE CAREER CERTIFICATES FUND

## INVESTING IN THE NEXT GENERATION OF TECH WORKERS

/ LISA GEVELBER GROW WITH GOOGLE

At Google, we aim to help solve some of humanity's biggest challenges by combining products, our technical expertise, and funding to help create opportunity for everyone. One such challenge, which led us to launch the Google Career Certificates Fund, is America's skills gap. We know that millions of workers are often overlooked for great jobs because they lack a four-year college degree. And we know that better credentials or access to upskilling or training is not a standalone solution — services like career coaching, job placement support, and stipends are often key to helping individuals overcome barriers in their pursuit of economic mobility.

We first launched the Google Career Certificates program in 2018 to help more people access great jobs and attain economic security, regardless of their education level. In the United States, nearly 74% of job postings say they require a college degree, but less than 40% of people have one, leaving good jobs out of reach for 70 million Americans.<sup>166</sup> Employers also struggle to find people with specific skills for some of their most urgent needs. Through the Google Career Certificates program, we help people build the skills needed to succeed in several well-paying career fields including data analytics, cybersecurity, IT support, project management, and digital marketing.

<sup>166</sup> Blair, Peter, Tomas Castagnino, Erica Groshen, Papia Debroy, Byron Auguste, Shad Ahmed, Fernando Garcia Diaz, and Cristian Bonavida. 2020. "Searching for STARS: Work Experience as a Job Market Signal for Workers Without Bachelor's Degrees." <https://doi.org/10.3386/w26844>.

As of 2024, over 1 million people have completed the Google Career Certificates program globally, and over 70% of graduates report a positive career impact — such as a new job, promotion, or raise — within six months of completion.

**/ FIGURE 1 /**  
**PRINCIPLES TO GUIDE GOOGLE CAREER CERTIFICATES FUND (GCCF)**  
**PROGRAM DESIGN**



From the beginning, we took an ecosystem approach. Partnering closely with employers, educational institutions, and best-in-class workforce development organizations, Google.org, Google’s philanthropy program, gave more than \$80 million to support more than 30 nonprofits in offering the certificate programs.

By implementing certificate programs with best-in-class workforce development nonprofits, Google.org learned that pairing the training with wraparound supports — including services like living stipends, light touch coaching, and job search assistance — can be very useful. But it would be hard for traditional philanthropy to scale up enough to deliver on the opportunity.

This ushered in the question: How could we use philanthropy as risk capital to invite nontraditional pools of capital into the workforce development arena and reach scale sustainably?

One option was blended financing models. This was not our first experiment with them: Previously, Google.org partnered with Opportunity Finance Network to blend both philanthropic grants

and balance sheet capital to support small businesses receiving loans through community development financial institutions (CDFIs). Inspired by the success of that project, we partnered with Social Finance to design what would become the Google Career Certificates Fund (GCCF).

## A USER-CENTRIC DESIGN PROCESS

The first step was to clearly define what we were trying to accomplish, along with the key principles needed to shape our program's design, impact, and long-term financial sustainability:

- Enroll learners from underserved, low-income communities.
- Partner with best-in-class nonprofit education and training partners with a track record of success.
- Offer an accessible education financing tool designed for those who face barriers such as limited financing options, high interest rates, or the need to cover living expenses while studying.
- Provide learner-friendly repayment terms that minimize financial risk, with affordable monthly payments linked to post-training income and strong safeguards in case of unexpected outcomes.
- Prioritize sustainability and accountability, given the program's reliance on an impact investment from the company's balance sheet.
- Create a sustainable funding model by reinvesting loan repayments from successful graduates to support future cohorts.
- Leverage the collective assets, capabilities, and expertise of Google.

As the coordinator of funding for this project, Google Treasury deployed a portion of its balance sheet in a catalytic investment aligned with our company's mission and impact goals and in partnership with Google.org. As a result, the \$100 million GCCF was capitalized with a mix of grant dollars from Google.org and debt capital from Google Treasury. We worked with Social Finance to manage the Fund because of their experience designing and operating similar blended finance funds for impact. As Fund manager, Social Finance is responsible for shaping strategy with Google, selecting training provider partners and deploying capital, monitoring the impact and financial return of investments, and providing regular updates to the Google team on Fund performance.

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The \$100 million Fund is designed to help drive over \$1 billion of wage gains for 20,000 Americans.

## HOW THE FUND WORKS

We sought to make the Google Career Certificates Fund responsive to student needs while providing clear incentives for success. The result is an innovative, outcomes-based approach.

As Fund manager, Social Finance sources and conducts diligence on potential training provider partners. Social Finance confirms that each selected training provider has a history or current capability of offering the Google Career Certificates to the populations the Fund aims to serve, along with a track record of high program completion rates, job placement outcomes, and wage gains. Google.org has a curated portfolio of historical grantees going back to 2019 that provide a baseline for outcome forecasting and a foundation for the GCCF pipeline and portfolio.

The Social Finance team also analyzes the financial health of the training provider, their mission statement and strategy, their current partnerships, and their legal, financial, data, and human resources processes. Throughout the diligence process, we also coordinate with other Fund partners, such as the loan originator, the loan servicer, and our third-party evaluation partner, to ensure the loan offering appropriately meets learner needs and that learner outcomes are independently evaluated.

Based on this information, Social Finance designs a loan product that meets the needs of both the training provider and the learners they serve. They determine the loan amount, the purpose of the loan — for instance, whether it is intended to finance learners' tuition or living expenses while enrolled in the program — and the loan terms, such as the minimum income threshold above which learners are obligated to pay their monthly loan payment amount. Once the loan amount is determined, Social Finance also works with the training provider partner to determine the outcomes-based fee structure that outlines when and how the training provider will be paid.

Since the Fund is focused on outcomes, a percentage of the direct training fees promised to training providers are withheld until the students are successfully placed in jobs above a minimum income

threshold. This requires a balancing act to ensure that training providers receive sufficient up-front funds to maintain their operations and meet their financial needs while also ensuring that a portion of funding is tied to the achievement of positive economic results for program completers. This fee structure also offers downside protection for the Fund, helps align incentives between the training providers and the Fund, and keeps the financial objectives of the Fund on track.

After people benefit from the training and if they reach a specific earning level, they repay the costs of the program to the Fund. The Google Career Certificates Fund is then able to deploy those resources to pay for training for future learners. In this way, the Fund is better able to self-sustain.

**/ FIGURE 2 /**  
**GCCF PROGRAM COMPLETION RATE**



**A VIRTUOUS CYCLE OF LEARNING**

The Fund is off to a strong start. Since launching in October 2022, we have enrolled thousands of learners in the training programs. Among the enrolled learners, 89% have completed the program, and many have achieved their planned employment outcomes. Most learners have been successfully placed in occupations such as data analysts, IT support specialists, technical support representatives, customer service representatives, and business analysts. Of these learners earning an income above \$40,000 — the Fund’s definition of job placement — 50% have salaries that range from \$44,000 to \$60,000. As a result, GCCF borrowers have repaid \$1.4 million to the loan providers, on track with the Fund’s target.<sup>167</sup>

167 Based on data available as of September 30, 2024.

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The training providers provide wraparound support services, such as career coaches that offer job search advice, help creating resumes and cover letters, help finding open jobs, and counseling on interview prep and follow-up. A few offer internships as part of the program; these internships offer real work experience for learners and often convert to full-time employment.

We've learned a few things along the way which are worth sharing.

## LOAN EDUCATION MATERIALS

The loan provider needed to make the loan education materials more approachable. Along with our loan origination partner, we created two loan education courses — one focused on loan origination and onboarding and the other focused on program completion and loan repayment. These courses leverage videos and knowledge checks to break down the loan features into easy-to-understand pieces, including step-by-step instructions on how to apply for the loan and how to request deferment in cases of unemployment or underemployment.

## LEVERAGING AI FOR IMPACT

Social Finance leveraged additional Google.org funding to partner with AdeptID, a mission-aligned artificial intelligence (AI) solution provider with a model that matches learners to jobs and vice versa, based on a variety of factors including work history, skills (both direct and transferrable), education, seniority, commute times, and more. The tool also produces a “match narrative” — a natural language summary of the job matching assessment using generative AI capabilities.

AdeptID's work with GCCF will leverage their job matching tool and narrative recommendations to improve three key areas: job placement quality for learners, matching process efficiency for provider scalability, and the fairness and suitability of matches by reducing bias and human error. AdeptID and the GCCF training providers developed models to meet the specific challenges of each training provider:

- Optimizing the internship matching process for learners (Year Up)
- Providing a shortlist of job recommendations for Merit's career coaches to share with learners (Merit America)

- Providing both a shortlist of job recommendations to learners and a shortlist of learners to employers (Per Scholas).

Initial implementation of the solution has been successful, and AdeptID will roll out progressively more advanced versions of their model that build on the feedback they receive from training providers. The full launch is expected in the fall of 2025.

## ENGAGING EMPLOYERS

A critical element of the GCCF is successful job placement. To further support the placement efforts of training providers, all Google Career Certificate graduates have no-cost access to tools and resources from CareerCircle<sup>168</sup> to advance their job search. Those resources include career pathing, resume building, interview prep, and access to a job platform that features open jobs across our certificate fields. The platform provides learners with the opportunity to connect directly with Google Career Certificates Employer Consortium partners like Lowe's, Verizon, Google, and more, as well as access to 80% of Fortune 500 companies through job boards and Allegis<sup>169</sup> offices nationwide.

## LEARNING AND EVALUATION

To objectively measure results, we engaged MDRC — a well-known program evaluator — to study the program, rigorously measure results, and help build a learning agenda that can be shared with other employers, service providers, and tech platforms.

Through our work with MDRC, we hope to understand the following questions:

- What are the effects of the GCCF on employment and earnings? How do these effects vary based on learner characteristics?
- Which wraparound services are most highly correlated with program completion, employment, and job retention?
- How do outcomes-based loans contribute to program affordability, scalability, sustainability, and effectiveness?
- How cost effective is the Google Career Certificates Fund?
- What level of wage gains were delivered?

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<sup>168</sup> CareerCircle is a platform that helps individuals with disabilities, military, and other underrepresented communities find and access job training: [www.careercircle.com](http://www.careercircle.com)

<sup>169</sup> Allegis is a network of specialized companies that provide staffing, recruiting, search, talent advisory, managed delivery, and workforce management solutions: [www.allegisgroup.com](http://www.allegisgroup.com)

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MDRC is currently conducting a rigorous impact evaluation of Merit America, Per Scholas, and the San Diego Workforce Partnership (SDWP) to measure the effect of the GCCF on learners' economic outcomes. MDRC is also leveraging administrative data sources on earnings, employment, and course completion. This rigorous approach will help us understand the economic impacts of the program, including what aspects are the most effective at improving outcomes.

We're eager to continue working with training providers to understand and respond to needs and engage in an iterative process.

*Lisa Gevelber founded and leads Grow with Google, the company's \$1 billion commitment to create economic opportunity for all.*