

How should Massachusetts reorganize its workforce development programs to be more effective?

What changes will you make to ensure Massachusetts' workforce development programs are well understood, run efficiently, and not duplicative?

The Member Coalitions of the Massachusetts Workforce Alliance

- Alternative Education Alliance
- Boston Workforce Development Coalition
- Job Training Alliance of Massachusetts
- Massachusetts Alliance for Adult Literacy
- Massachusetts Association of Community Development Corporations
- Massachusetts Coalition for Adult Education
- Massachusetts Community Action Partnership
- Massachusetts Family Economic Self Sufficiency Project
- Massachusetts YouthBuild Coalition
- Welfare Education Training Access Coalition



Workforce Development

What is your workforce development strategy for the Commonwealth?

What specific steps will you take to make investments in human capital a major driver of Massachusetts' economic development?

AN AGENDA FOR MASSACHUSETTS' NEXT GOVERNOR

Workforce Development

Policy Recommendations

- identify employers' emerging skill needs, and target funding streams to meet their workforce training needs

- implement strategies which target training resources by labor market sector (e.g., health care)
- expand employer funded models such as the Workforce Training Fund, and target these resources to increase workers' access to family-sustaining wage jobs

Implement intelligent welfare reform

Join the thirty five other states which count participation in education and training towards the work requirement – and thereby support all welfare recipients to survive and thrive in the Massachusetts economy

- interpret new federal Temporary Assistance for Needy Families (TANF) legislation to maximize opportunities for family-sustaining wage jobs
- allocate the maximum possible TANF funds to education and training services for current and former welfare recipients
- enforce current state legislation to count participation in education and training against the TANF work requirement

- direct the Massachusetts Department of Transitional Assistance to prioritize family-sustaining wages in all welfare to work programs (e.g., by identifying skill and linguistic barriers to family sustaining wages and enacting individualized plans to surmount these barriers)

What are your specific plans for responding to the needs of the thousands of families who have left welfare and are now working, but still live in poverty?

What is your plan for delivering additional education and training services to the many thousands of Massachusetts residents who need them to succeed in the new economy?

Provide sufficient resources

Ensure that our workforce development system is the strongest and most competitive in the nation

- make skill training a high priority for existing funding, stabilize skill training services through adding multi-year and group contracts, and dedicate new state funding to increased skill training services
- target funding to address the education and training skills gaps identified in the previously cited MassINC report and build resources to scale within ten years

- direct state agency partners of Massachusetts' 36 Career Centers to provide increased funds to directly support the core operations of Career Centers and thus free up other federal funds (e.g., WIA) to support additional skill training

- provide monetary and other incentives to programs for the delivery of excellent services and outcomes, in particular to those participants facing the greatest barriers to labor market entry and mobility

- establish additional innovative funding strategies and streams (e.g., employer contributions, bonds)

Strengthen state agency leadership

Organize and coordinate agencies overseeing training and employment services, and give one agency clear authority over workforce development, so that programs and services are centrally guided while being locally driven

- establish/improve one-stop shopping at Career Centers to meet jobseeker and employer needs and ensure access for all customers, particularly low income residents and linguistic minorities

- recognize the strengths of all major stakeholders – including community based organizations – and strengthen the current system by building and integrating these diverse assets

- learn from the strengthening of Massachusetts' adult basic education system over the past ten years, and translate key lessons (e.g., developing new program development and staff training resources) into an effective workforce development system, which works closely with the adult education system

- implement state policies responsive to the labor market (e.g., when the economy declines and unemployment rises is an opportune moment for increasing investment in skill training services), recognize regional differences, and build upon regional strengths and needs

Conclusion

Massachusetts needs a governor who is committed to increasing state resources for workforce development and adopting a sound, ten-year strategy to increase the effectiveness of adult education, skill training, higher education, and employment services. To bring about the needed changes and improvements, we urge:

- recognizing the need for a new workforce development system which consistently prioritizes meeting the needs of employers and individuals, and which holds all stakeholders and providers accountable for effectively delivering services and achieving outcomes;
- targeting at least 75% of existing public workforce development dollars to those youth and adults who do not have the education and skills required to succeed in the Massachusetts economy;
- reallocating existing funding (e.g., WIA and TANF) to significantly increase the scale of education and training services available;
- authorizing new state funding (as the state's current fiscal crisis eases) to increase skill training services for those facing the greatest barriers to labor market entry and mobility;
- build excellence into services provided by a diverse array of stakeholders (e.g., community based organizations, community colleges, unions, and career centers) through provision of new training and technical assistance to strengthen staff skills and program effectiveness.

Production of this document is made possible by the generous support of The Boston Foundation, Fleet Charitable Trust Services, The Hyams Foundation and MWA's member coalitions. MWA also wishes to express appreciation to Fred Dedrick and The Reinvestment Fund of Philadelphia – parts of the format and content of this report are based on their work. To obtain additional copies, please send \$2.50 per copy and your return address to J. Bures, MWA, c/o ALRI, 989 Commonwealth Avenue, Boston, MA 02215.

(continued from front)

At the same time, we face a resource gap. Adult education programs supported by the Massachusetts Department of Education now have waiting lists with over 19,000 people but face a 7% decrease in state funds; and over the next year Massachusetts' skill training programs are likely to lose 15% of funds from the federal Workforce Investment Act.

Closing the skill gap must be a top priority for the Commonwealth because it will result in a stronger economy and increasing economic well-being across the state. As we look ahead to 2003, our nation and our state are in the midst of an economic downturn; and there is both great need and opportunity to strengthen public and private investment in education, training, and employment services. Now is the time for innovative and far-reaching strategies to increase the scale, quality, and impact of our public workforce development system.

This policy report outlines policies and recommendations for strengthening our education, training, and employment system – and meeting the needs of those Massachusetts residents who face the greatest barriers to labor market entry and mobility. The four inside pages of the report are a schematic diagram of Massachusetts' \$270,000,000 workforce development system. The diagram lists state agencies, programs, funding, service providers, services, and outcomes.

In the coming months, MWA will issue policy reports which will provide overviews of: (1) the role and value of community based education, training, and employment services across the state; and (2) the needs of low income communities for workforce development services.

We ask our next governor to endorse the enclosed recommendations, and to make workforce development a top priority for the new administration. Together we can share the promise of the new economy with all Massachusetts families.

Massachusetts Workforce Alliance
12 Robeson Street
Boston, MA 02130

Geoff Beane, Executive Director
617-983-9259
massworkforce@aol.com



Make Massachusetts the education and training state – leave no one behind.

The Massachusetts Workforce Alliance (MWA) is composed of ten coalitions representing over 250 Massachusetts community based and other not for profit organizations which every year provide thousands of low income residents with adult basic education, skill training, and employment in decent jobs with family-sustaining wages.

MWA focuses attention on the long term interests and current needs of low income individuals and communities by advocating at a statewide policy level to (1) change the terms of public debate in workforce development – through the addition of a significant voice for low income communities and the organizations working with those communities, (2) increase low income Massachusetts residents' access to jobs with family-sustaining wages,² and (3) build a vital and sustainable workforce development system that provides full opportunity for low income residents and prepares the skilled workforce necessary to sustain a thriving Massachusetts' economy.

MASSACHUSETTS
WORKFORCE
ALLIANCE

“The Governors are vitally concerned with the competitive position of our states and the nation in addressing the challenges of the new economy, which increasingly require both high-performance firms and workers . . . Government should support these private sector modernization and quality improvement efforts and must radically restructure its own strategies in order to build a world-class workforce. To ensure that these efforts succeed, we must strengthen partnerships among business, labor, education, and all levels of government and make workforce development an integral component of national, state, and local economic development policies.”

The Massachusetts Workforce Alliance believes that Massachusetts' next Governor and Legislature can invigorate the Commonwealth's economy and lay the foundation for sustained growth through strategic and productive investments in our workforce. To do this, we need to strategically target resources to those facing the greatest workforce and set a ten-year goal to make Massachusetts a leader in workforce development. The purpose of this policy report is to focus attention on workforce development strategies which will build our state economy's long term success.

In 2002, business owners, educators, and public officials understand the critical importance of a high quality workforce to Massachusetts' economy and that our state faces a serious skill gap. As recently documented by the Massachusetts Institute for a New Commonwealth (MassINC), Massachusetts has 1.1 million adults who have little hope or opportunity to obtain a job with family-sustaining wages. Stated differently, 35% of our labor force of 3.2 million workers is not adequately prepared for today's economy.³

(continued on back)

¹ Governors' Principles to Ensure Workforce Excellence Policy, Policy Positions, National Governors' Association, Effective Winter 2000 – Winter Meeting 2002.

² Family sustaining wages is a term used throughout this report to refer to jobs which meet the standards outlined in The Self-Sufficiency Standard for Massachusetts: Selected Family Types. (Available from the Women's Educational and Industrial Union in Boston.)

³ New Skills for a New Economy: Adult Education's Role in Sustaining Economic Growth and Expanding Opportunity, MassINC, December, 2002.

The Massachusetts Workforce Alliance is ready to work with the next Governor and Legislature to improve workforce development policies, systems, and services in our state.

The Massachusetts Workforce Alliance and its member coalitions urge our next Governor to place a high priority on workforce development and to:

Provide leadership and strategy

Develop a ten year strategy to give Massachusetts employers and residents a competitive advantage in the labor market

- appoint a seasoned workforce development professional to implement the strategy
- raise public awareness that workforce development is pivotal to our economic well-being
- seek broad input particularly from employers, low income communities, community based education and training providers, unions, and higher education
- take advantage of Massachusetts' community and labor market assets and focus workforce development services on closing the skills gap in the new economy

Invest in new skills

Develop an innovative and dynamic system which provides the resources required so that everyone can thrive in the new economy, where over 50% of jobs are knowledge based

- provide a full range of integrated

How will your administration ensure that Massachusetts' workforce has the appropriate skills to retain, attract and grow companies?

education and skill training services for people at all levels of skill and educational attainment

- recognize that workforce development is a complicated process and takes time; implement system-wide, meaningful benchmarks that enable the state, employers, and residents to measure progress

- utilize the strengths and diverse contributions of community based education and training services, and incorporate these providers in ways that reflect their significant role and contributions within the system

- expand career ladder initiatives and incumbent worker training, particularly for workers who do not yet have family-sustaining wages

- promote flexible models of learning on schedules and in locations that enable Massachusetts' workers to further their educational and professional goals

Build a qualified and capable workforce from the bottom up

Embed the Family Economic Self-Sufficiency Standards in workforce development legislation, systems, policies, structures, and programs as a long term goal for each person

- mandate Career Centers to set out-of-poverty goals with each jobseeker (in many cases this will require multi-step and multi-year strategies)

How will your administration generate additional resources to meet the demand for flexible training dollars?

- direct WIBs to produce a long term strategy and annual plans of how they will implement family-sustaining wage strategies as a core priority for all programs
- target at least 75% of workforce development dollars to those youth and adults – identified in part in the MassINC report cited above – who do not have the skills required to succeed in the Massachusetts economy

- facilitate labor market entry and mobility for immigrants through increased Career Center outreach and linguistic capacity, and increased English for Speakers of Other Languages (ESOL) services

- incorporate – and pay for – coaching, counseling, child care, and other “essential wrap around” services that enable families who need these resources the most to fully participate and excel in the workforce

Meet the needs of employers to remain competitive

Ensure accessible and flexible resources and services which meet the changing needs of today's and tomorrow's workforce

- carry out statewide, senior level analysis of workforce training needs based on input from a broad array of employers
- provide employers with the resources they need to identify skill gaps and implement workforce development strategies for entry level incumbent workers

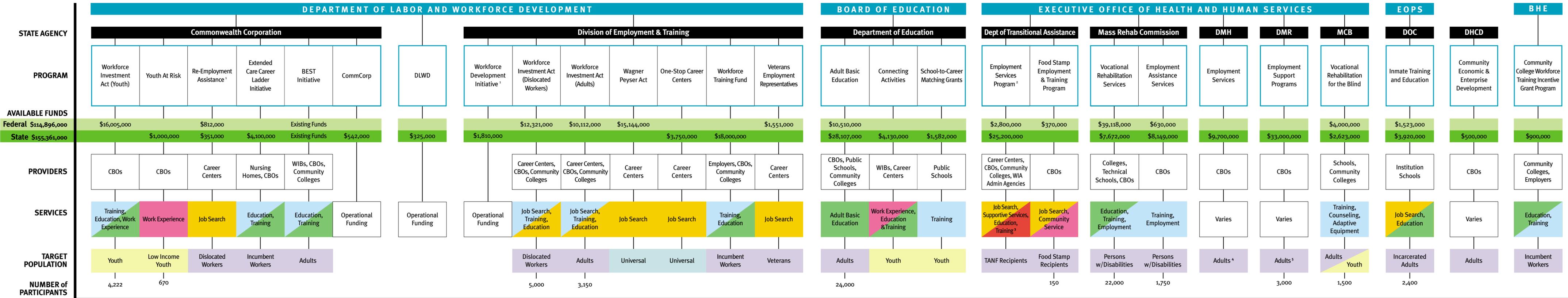
The Workforce Development System in Massachusetts: A Summary

One of the funding streams depicted below is the federal Workforce Investment Act (WIA). WIA mandates local and state policy, structures, and services, including Workforce Investment Boards (WIBs) and One Stop Career Centers. In Massachusetts, workforce development

programs are managed by several state agencies; 16 local WIBs set local policy and allocate resources; 16 local WIA administrative agencies are responsible for contracting and operational oversight; and 36 Career Centers serve as key entry points across the state. Beneath these umbrellas

are hundreds of organizations which provide education and training services, as well as thousands of individuals and employers seeking solutions to their workforce needs. The schematic diagram presented below briefly describes 27 of the workforce development programs overseen by

15 state agencies. The diagram depicts FY 2002-2003 federal and state funding, the services provided, which organizations provide services, target populations, and the number of participants.



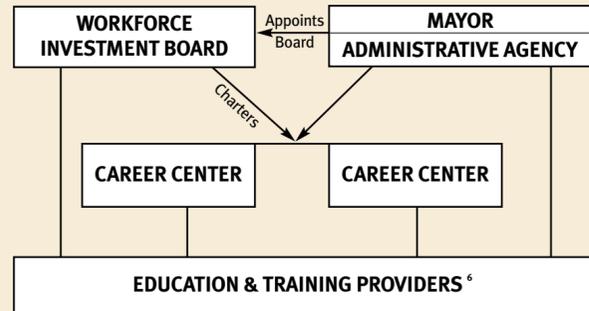
SERVICES

- Training
- Education
- Supportive Services
- Work Experience
- Job Search

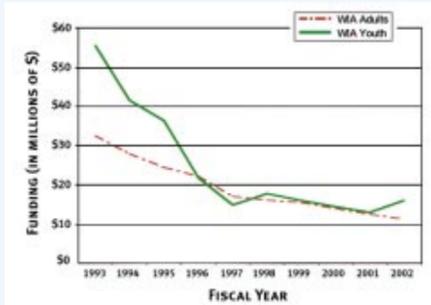
TARGET POPULATIONS

- Youth
- Adults
- Universal

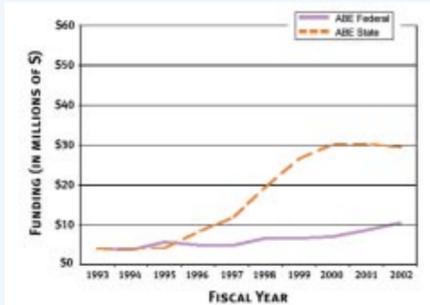
Massachusetts has 16 geographic Workforce Investment Areas with this general structure for local policy setting and funds flow.



FEDERAL WIA FUNDING FOR ADULTS⁷ & YOUTH



STATE & FEDERAL FUNDING FOR ABE



EXAMPLES OF FY 2003 STATE BUDGET CUTS⁸

	FY03 Funding	FY02 Funding	% Cut
DET Skills Plus	\$ 0	\$1,286,000	100%
Youthbuild Programs	\$ 0	\$2,210,000	100%
Community College Developmental Education	\$ 0	\$2,900,000	100%
Community Economic & Enterprise Development	\$500,000	\$1,900,000	70%
Community College Workforce Training Incentive Grants	\$900,000	\$2,500,000	64%

FOOTNOTES

- ¹ Operational funding for WIBs.
- ² Major subcontractors include: DET for job search; the 16 WIA Administrative Agencies for skill training & job search; Mass Office of Refugees & Immigrants for job search for recent immigrants.
- ³ ESP programs include: Supported Work Contracts, Skill Training, Community College Vouchers Program, Young Parents Program, Parents Fair Share, Transportation.
- ⁴ Adults with serious & persistent mental illness.
- ⁵ Adults with mental retardation.
- ⁶ Education and training providers are primarily community-based organizations, community colleges, employers, unions, and public schools. In some instances, WIBs, WIA Administrative Agencies, and state agencies directly provide education and training services.
- ⁷ In this chart WIA funding for adults does not include funds for Dislocated Workers.
- ⁸ As with other budget figures in this report, these funding levels are based on the best information available in early September, 2002.