



EMPLOYMENT & TRAINING REPORTER

the journal of record in work readiness since 1969

October 20, 2003

Vol. 35 No. 8

Funding

FOUNDATION WINS OVER DONORS TO PAY FOR JOB TRAINING PROGRAMS

A private foundation has rallied funders who are putting millions into a Boston workforce development project that is aimed at turning low-skilled, low-income workers into a self-sufficient workforce and meeting employers' needs.

The endeavor relies on support from the public, private and philanthropic sectors and the expertise of workforce development professionals. It aims to stimulate family-supporting wages and career ladders for the low-income workforce through support of employer-focused education and training initiatives.

The Boston Foundation and nine other funding organizations have each put between \$250,000 and \$2.6 million into the foundation's \$10 million-plus Boston Workforce Development Initiative. The Boston Foundation itself is the largest funding source, followed by the city, which is contributing \$1.5 million over three years.

The City of Boston's contribution comes from a public trust fund fueled by zoning fees paid by real estate developers.

Other large funders include the Rockefeller Foundation and Fleet Charitable Trusts.

"This is a major step towards bridging the chasm that has stood for too long between the actual needs of the private workplace and the available job training programs," Boston Foundation President Paul Grogan said, announcing the initiative. "We cannot tolerate the coexistence of high numbers of unemployed and underemployed workers looking for positions, and employers with jobs that need to be filled in our region."

According to officials who discussed the funding initiative with MII, it is largely one of systems change and economic development. It aims to encourage employers and workforce development providers to work together to create sustainable pathways for workers to fill family-sustaining, economically necessary positions.

Because the city's native skilled-worker population is predicted to decline, officials predict that its economic growth hinges on helping immigrants and the disadvantaged meet the needs of business.

"Reinvesting city linkage funds in our citizens gives me great satisfaction," Mayor Thomas Menino said, announcing the city's support. "[Because] not only will more Bostonians have the tools to climb the career ladder, but also it is now possible for Boston

to have one of the best-trained workforces in the world."

According to Boston Foundation Director of Grantmaking Angel Bermudez, putting local workforce development into context and exploring needs in the community were key in gaining support for the initiative.

More than two years ago, the Boston Foundation invited some 30 possible funders for a luncheon briefing to learn about workforce demographics and the impact of WIA on Boston. From there, to help define the city's workforce development needs, the foundation surveyed community-based service providers. The needs assessment found providers wanted to better connect to business and industry, Bermudez said.

As needs were clearly expressed, funders started coming aboard and the initiative began to take shape.

Grants

At the core of the Boston Workforce Initiative, and fiscally its largest part, are Workforce Partnership grants. Initial rounds of grants to support implementation and planning are expected to be awarded soon.

The initiative aims to develop partnerships between service providers, or groups of service providers, and either businesses, industrial sectors or cross-sector occupational clusters.

A request for proposals for these grants says employers should be deeply involved in the development of training programs and their curriculum, and should have a say in selecting trainees. It also proposes self-sufficiency standard wages — as calculated by the advocacy group Wider Opportunities for Women (ETR 5/7/01, p. 543) — as a goal for the employment to be provided.

"Services provided should help employers meet their needs for a productive workforce, and help low-income individuals: obtain the skills and credentials to acquire a job with career potential; obtain the supports they need to participate in training and succeed at work; and make progress toward attaining self-sufficiency over a three-year period," the RFP says. "This initiative encourages the design of projects that provide an array of services along a continuum. This continuum may begin with ESL, ABE and basic skills and progress through occupational training to certificate or Associate's degree postsecondary training."

According to Bermudez, the RFP was designed to avoid prescribing who should be part of a project, or what type of programming should be offered through it. However, the RFP is clear on desired out-

comes: meeting employer needs and providing sustaining careers for Bostonians.

"If you are going to deal with the growing ranks of the working poor, you're going to have to deal with wage gains and skills gains over time," Bermudez told MII. "We're not saying who. We are saying how."

The Boston Private Industry Council, the fiscal entity for the city's workforce board, is managing the RFP process for Workforce Partnership grants.

Officials told MII that functionally they are serving as an intermediary between the funding sources and prospective grantees, similar to the role they perform for the workforce board.

Private Sector Engagement

According to Boston PIC Executive Director Neil Sullivan, it looks as if the philanthropic initiative will increase the engagement of the private sector in workforce development to an extent that has not been possible through federal programs.

"This really bridges the innovation gap," Sullivan told MII. "This gives us a chance to move into other sectors in a prospective and innovative way."

Partnerships have been proposed in industrial sectors such as health care and finance that often see public-private workforce development at play because of high worker demand. However, the initiative has attracted proposals for other areas as well, including automotive, building management, higher education, human services, manufacturing and office technology.

According to Boston PIC Deputy Director Nancy Snyder, community-based service providers have been anticipating the initiative for some time and are the "drivers" of most of the proposals submitted.

The PIC has received 8 implementation grant proposals and 21 planning grant proposals.

Three 36-month implementation grants and two 10-month planning grants are expected to be awarded this year, possibly by the end of October. Two more implementation and planning grants are to be awarded next year. Two final three-year implementation grants are to be awarded three years from now.

PIC officials say part of their role in the initiative has been to coach proposals.

"What we were doing was listening to the concepts that people put forward, asking them some questions and making suggestions about how they could make their proposals better," Snyder said.

In some cases, when multiple prospective partners were focusing on similar industries, officials suggested combining forces, or at least collaborating.

In others, PIC officials encouraged providers to reach out to employers within their target industry to gain partners for the proposal.

Funding in the Boston Workforce Development Initiative has also been directed toward strengthen-

ing the capacity of community-based service providers and public policy advocacy.

The group aims to make providers more efficient and labor market responsive, and encourage sustaining support in public policy for practices that the Workforce Partnership grants show to be effective, Bermudez said.

The organization has set goals. Over five years, officials want to provide comprehensive services to up to 75 employers and 4,500 low-income, low-skilled residents of the city. They aim to help ESOL, GED and adult literacy programs reach 2,700 disadvantaged workers. They also aim to provide 2,000 entry-level and 2,000 career-advancement training opportunities, all employer-customized, to these workers.

The foundation plans to gather data for future evaluation from the partnerships it funds, and grantees may be asked to participate in random-assignment evaluation.

The RFP lists 37 required data elements. These range from demographic information to participant outcome information such as wage, job title and receipt of public assistance. Employer information, such as vacancy rates for targeted occupations, is also required. A list of suggested data elements also includes the applicability of workers' new skills to their work and changes in productivity noticed by employers.

"The bar is pretty high," Bermudez said. "We are asking you to make an institutional commitment to these workers and this partnership."

The Boston Foundation is one of the oldest community foundations in the country. It manages charitable funds arranged either for the general benefit of the community or specific purposes. It also convenes or sponsors initiatives such as this. Last year, the foundation's grantmaking to nonprofits totaled more than \$53.7 million.

— Ryan Hess

Funding

FEDERAL WORKFORCE INVESTMENT DROPPED BY THIRD IN REAL TERMS

A look at 11 employment and training programs funded by the Department of Labor since 1985 shows that the investment has declined 29 percent, adjusted for inflation.

Federal spending for workforce development programs needs to increase to address the shortage of skilled workers and to ensure that resources are sufficient to build the skills of workers, says an analysis of funding trends by The Workforce Alliance.

Skilling the American Workforce "On the Cheap": Ongoing Shortfalls in Federal Funding for Workforce Development, dated Sept. 25, also looks at four programs funded by the Department of Health and Human Services, three by the Depart-