



**HOSPITALITY TRAINING
CENTER PARTNERSHIP
FINAL REPORT**

Prepared for:

The SkillWorks Funders Group

By:

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Hospitality Training Center

PARTNERSHIP OVERVIEW

Mission and Structure

The Hospitality Training Center partnership (HTC) provides pre-employment and incumbent training for the hospitality sector. Its mission is to “provide individuals the education, skills, and training to excel in the hospitality industry and in their personal lives.”

BEST Corp., the designated training provider for UNITE HERE Local 26, the hospitality sector labor union that represents workers at all 29 unionized hotels in the greater Boston area, leads the partnership. In addition to the training provider, union, and employers, the partnership involves several community partners, including the Urban League of Eastern Massachusetts, Project Place, X-Cel, Inc. Adult Education, Julie’s Learning Program, and the Boston Private Industry Council. HTC holds quarterly advisory meetings with its partners to discuss current issues within hotels, changes in the industry, and other updates.

Services

HTC provides job skill development and adult education programming for union members, usually current employees of the partner hotels, and occupational training programs for individuals interested in starting a new job in the hospitality sector. Since 2009, HTC has served roughly 1,700 clients. This evaluation focuses on the SkillWorks-funded activities at HTC and the 429 participants who received those services during the SkillWorks Phase II timeframe (2009-2013).

Prior to SkillWorks funding, BEST Corp. focused its occupational skills offerings mainly on room attendant training, primarily for individuals interested in entering the hospitality sector. SkillWorks support enabled HTC to expand its training offerings and enhance its existing courses through a focus on job retention and career advancement. A critical component of the SkillWorks support was investment in coaching services, which HTC made available to jobseekers as well as incumbent employees pursuing a job advancement or job enhancement pathway. Regardless of their goals, almost all of the HTC participants enrolled in SkillWorks received some level of career or academic coaching.

The three occupational training tracks in which SkillWorks clients enrolled were:

- entry-level hospitality (room attendant training);
- culinary; and
- professional food server.

The culinary and professional food server programs included unemployed and underemployed jobseekers as well as current union hotel employees looking to earn promotions, get new jobs, pick up extra hours, or become more effective at their current job. The focus of the room attendant training program, on the other hand, was almost entirely on placing unemployed and low-wage workers into full-time union jobs at partner hotels.

Many SkillWorks participants worked with a coach on an advancement strategy that did not involve further occupational training, but rather included more general skill enhancement (computer workshops, guest services training), adult basic education (job-based English language classes, pre-GED, and GED courses), or postsecondary education-related services.

The following table shows how many SkillWorks participants worked toward goals through each of HTC’s primary advancement pathways during Phase II:

A number of SkillWorks participants pursued additional education or training at HTC as a complement or supplement to their primary advancement pathway. Roughly one-third took at least one computer or ESOL course, and more than 40 percent (most, but not all, in the culinary or professional food server pathways) took at least one class offering a certificate in CPR, alcohol safety, or food safety.

Advancement Pathway	# of participants, 2009-2013 ¹
Room Attendant	146
Culinary	91
Professional Food Server	119
GED/Pre-GED	64
Postsecondary	18
Professional Guest Services	21
Coaching/General Skill Enhancement Only	43

Participant Characteristics

Between the beginning of 2009 and the end of 2013, BEST Corp. enrolled 429 individuals in SkillWorks services. The following table provides information on some of their key demographic characteristics.

¹ The numbers in this table sum to more than the total number of SkillWorks participants because some participants were involved in more than one program.

DEMOGRAPHIC CHARACTERISTICS (AT ENROLLMENT)		
TOTAL NUMBER OF SKILLWORKS PARTICIPANTS:		429
Background	Average Age	39
	Living in Boston	51%
	Born Outside the U.S.	80%
	Reports English as Barrier to Advancement	54%
Race/Ethnicity	Hispanic/Latino	18%
	Non-Hispanic/Latino	
	Asian	31%
	Black/African-American	32%
	White	12%
	Other/two or more races	7%
Gender	Male	41%
	Female	59%
Highest Level of Educational Attainment	Associates Degree or Higher	13%
	Some College, no Degree	17%
	High School Diploma (or equivalent)	37%
	12 th Grade or Lower, No Diploma	32%

HTC serves a predominantly immigrant population. Roughly 80 percent of the 429 SkillWorks participants were born outside the U.S., and more than half (54 percent) of the participants reported that the English language was a significant barrier to job advancement. The SkillWorks-enrolled population at HTC was quite diverse in terms of race, ethnicity, and also national origin as there were participants representing about 50 different countries.

Another distinctive characteristic of most HTC participants, whether or not they were working at a partner hotel when they enrolled, is low educational attainment. Only 13 percent had earned a college degree of two years or more. Thirty-two percent of participants had no high school diploma or GED, and 9 percent never got past eighth grade. These levels reflect the fact that entry-level hotel positions such as room attendant usually require little, if any, formal education. When these jobs are at union hotels, they are highly attractive to people who never completed high school and even to many high school graduates, since they offer pay and benefits that would often otherwise be unattainable without some postsecondary training or apprenticeship.

HTC used a broad definition of incumbent to include any participant employed in the hospitality sector at the time of enrollment. Pre-employment participants included workers employed outside the sector as well as the unemployed. This evaluation uses these categories, but further divides them to reflect important differences in economic status. The following table provides detail on the job status and economic well-being of enrollees in four participant

categories: workers at partner employers, workers at non-partner employers in the hospitality sector, workers at employers outside the hospitality sector, and the unemployed.

PARTICIPANT ECONOMIC STATUS (AT ENROLLMENT)				
	Incumbent		Pre-employment	
	Employed by partner	Employed by non-partner in hospitality	Employed outside hospitality	Unemployed
# of SkillWorks participants	161	73	50	145
% of SkillWorks participants	38%	17%	12%	34%
Avg. hourly wage	\$15.61	\$10.40	\$10.29	n/a
Avg. hours/week at primary job	37.3	32.4	30.1	n/a
% Economically disadvantaged ²	48%	73%	78%	90%

The 161 workers employed at enrollment at one of the partner hotels earned an average wage of \$15.61/hour and worked an average of 37 hours/week. The wages at partner hotels are high compared to most jobs that do not require a postsecondary credential, particularly given that these individuals also receive a generous employer-sponsored benefit package, which includes low-cost healthcare, paid sick and vacation time, and prepaid legal services.³ Despite the relatively high wages, 48 percent of workers at partner hotels were determined to be economically disadvantaged based on the size and combined income of their families.

The 268 participants who were unemployed or working for a non-partner employer were nearly all struggling. Those who were working had a mean wage of only \$10.35/hour and worked an average of just 31 hours per week at their primary job. The households of 75 percent of these enrollees were economically disadvantaged. In terms of earnings and income, there was very little difference between enrollees employed outside of hospitality sector and enrollees employed by non-partners within the hospitality sector. Most of these participants had the same goal, whether or not they currently worked in hospitality—getting a job with a partner employer. The 145 unemployed individuals enrolled in SkillWorks through HTC were, not surprisingly, in the most precarious economic position of any of the client groups; an estimated 90 percent were economically disadvantaged.

² SkillWorks defined individuals as economically disadvantaged if they reported receiving certain public benefits (TANF, Food Stamps, SSI-Disability, unemployment benefits) or if their reported yearly family income fell below a minimum necessary level based on their family size.

³ HTC reports that during the course of the SkillWorks grant, these benefits cost employers an average of \$7.26/hour on top of wages.

PARTICIPANT OUTCOMES

Pre-Employment Economic Gains

HTC enrolled 195 individuals in training who were not employed in the hospitality industry. This group includes 145 unemployed individuals and 50 individuals working outside the sector. Of the 139 pre-employment participants who completed an HTC program or service, 112 got a job in hospitality. The majority of these participants--87--gained employment with a partner employer during Phase II, generally as their initial placement. Pre-employment graduates who got jobs earned an average starting hourly wage of \$14.36, and those who had jobs prior to training saw their hourly earnings increase by \$4.46, or 53 percent, on average.

OUTCOMES FOR PRE-EMPLOYMENT PARTICIPANTS		
	Employed Outside Hospitality at Enrollment	Unemployed at Enrollment
# enrolled	50	145
# completed any training track	48	139
Completion rate	96.0%	95.9%
# placed	31	81
Placement rate	64.6%	58.3%
# placed with partner employer	24	63
Avg. hourly wage	\$14.05	\$14.47
Avg. hours/week	34.9	37.2
Avg. increase in hourly wage	\$4.46	n/a

While HTC maintained contact with many participants once they gained employment, the data tracking was not systematic or comprehensive enough to enable the calculation of an overall retention rate. The exception, however, is data for participants in the room attendant training program who completed the program in 2011 or later. The Performance by Occupational Training Program section of this report presents and analyzes some of the data on this group (which includes incumbents as well as pre-employment participants).

Incumbent Advancement and Economic Gains

While most SkillWorks partnerships worked with incumbent workers to support advancement within their existing employer, which most often was an employer partner active in some way in advising or governing the partnership, HTC took a broader view of sector advancement. HTC worked both with hospitality workers already employed by partner hotels and with hospitality employees working elsewhere in the sector but seeking to improve their economic well-being through advancement, often with the goal of getting a job at one of HTC's unionized employer partners. While incumbents at the partner hotels generally did not want to switch jobs, a number of them joined training programs in order to get secondary jobs, such as food server, that offered extra income. Because promotion was not as important a pathway to advancement for incumbents as new jobs were, this section includes data not just on internal

promotions, but also on new jobs with different employers (including supplementary jobs, such as on-call server positions) that resulted in an economic gain.⁴

HTC enrolled a total of 234 incumbent hospitality sector workers in SkillWorks services during Phase II, including 161 employees of partner hotels and 73 employees of non-partner employers. By the end of 2013, 63 of these incumbents, approximately 27 percent, had advanced in the sector either through a promotion at their existing employer or through a new job that represented an economic gain. Individuals who had been working at non-partner employers saw the biggest economic gains. In fact, 44 of the 73 participants originally employed with non-partner employers received a new job after enrolling in HTC, and 39 of them got jobs with partner employers. Two of these individuals subsequently received a promotion as well. Overall, incumbent participants hailing from non-partner employers earned an average hourly wage increase of \$4.60 for each instance of job advancement they experienced.⁵

	OUTCOMES FOR INCUMBENT PARTICIPANTS	
	Employed at Enrollment with:	
	Partner	Non-Partner in Hospitality
# enrolled	161	73
# receiving promotion	4	2
Avg. increase in hourly wage associated with promotion	\$1.33	\$4.22
# receiving positive new job outcome	15	44
Avg. increase in hourly wage associated with new job outcome	\$0.95	\$4.62

Progress for the 161 individuals already employed at partner hotels was more limited. Less than 12 percent, or only 19 of these participants, received a promotion or accepted a new job offering better pay or extra hours. This low average rate of progression among participants employed with partners is due to a number of factors. First, the relatively flat organizational structure of most hotels offers few advancement opportunities to workers. Second, these participants are already union members. As such, they have achieved what many regard as the pinnacle of employment within the hospitality sector, outside of management. As unionized employees covered by collective bargaining contracts, they usually have secure and relatively well-compensated jobs. Participants with partner employers have limited incentive to work

⁴ HTC staff have also pointed out a number of other participant outcomes that their work may have facilitated, including job-related improvements such as better work schedules, extra hours, or more desirable work assignments, and personal achievements such as purchasing a home or becoming a U.S. citizen. HTC was not able to measure most of these outcomes in a comprehensive way. However, it was able to document that most of the job changes that resulted in higher wages also had other important benefits, particularly when it came to employer-provided benefits.

⁵ Among the 44 non-partner incumbents who had job advancement outcomes, there were 57 separate instances of advancement (55 new jobs and 2 promotions), so the per-person increase in hourly wages associated with job advancement was approximately \$5.96 for this group.

toward more senior positions when the advancement would come at the expense of seniority (if they switch into a different job class) or at the expense of union membership and associated benefits (if they move into management).

While most of the 161 participants already employed at partner hotels do not appear to be experiencing economic gains as a result of HTC services, they likely continued to see economic gains as a result of their union membership. HTC reports that over the course of SkillWorks Phase II, the contractual wage for room attendants increased from \$15.23 to \$17.91 an hour. Including the cost of benefits, employers’ total contractual cost per room attendant worker increased from \$21.15 an hour in January 2009 to \$26.51 an hour in December 2013.

Given the value of these positions at the partner hotels, it is not surprising that coaches report having worked with clients to help them retain employment when challenges arose. When participants experienced problems at home or in their workplace, rather than quitting and losing their union benefits, they could work with the BEST Corp. staff to find ways to address the issues. Anecdotal evidence suggests that coaching may have helped some clients stay in their jobs when they would have otherwise left. However there was no system in place for tracking of the challenges or outcomes associated with coaching support, so specific data on this type of impact are not available.

Performance by Occupational Training Program

While HTC offered many different programs, the majority of SkillWorks participants, about three-quarters, enrolled in at least one occupational training program. Almost all of the job placement outcomes reported by HTC can be tied to participation in one of these programs. The following table shows the distribution of participants’ enrollment in occupational training.

NUMBER OF PARTICIPANTS IN OCCUPATIONAL TRAINING PROGRAMS BY EMPLOYMENT STATUS AT ENROLLMENT			
	Room Attendant	Culinary	Professional Food Server
Employed by partner	0	33	72
Employed by non-partner within hospitality	37	22	20
Employed by non-partner outside hospitality	27	12	8
Unemployed	82	24	19

The following table presents outcomes data on the participants of the three SkillWorks-supported programs: the room attendant training program, the culinary program, and the professional food server program. As the numbers show, these programs had varying levels of success in terms of recorded economic gains from new job placements or promotions.

OCCUPATIONAL TRAINING PROGRAM COMPLETION AND PLACEMENT OUTCOMES			
	Room Attendant	Culinary	Professional Food Server
# enrolled	146	91	119
Completion rate	96.6%	82.4%	88.2%
# of graduates placed in job related to training	108	25 (incl. 1 internally promoted)	29 (incl. 1 internally promoted)
Placement rate	76.6%	36.8%*	27.6%
Avg. starting hourly wage	\$14.79	\$13.32	\$10.15**
Avg. starting weekly hours	38.9	32.0	27.8 ***
% placed with partner employer	90.7%	64.0%	93.1%

* This figure excludes the 7 participants who completed the class that ended in December 2013, just before the end of Phase II data collection. There is no record of job placement for these participants.

** Fifteen workers made less than minimum wage because they were in jobs where tips are expected. The average wage for the 14 other jobs was \$15.83/hr.

*** 16 participants were placed in on-call jobs (all with partner employers). These are not included in this average because there is no information available on how many hours per week they worked.

HTC’s room attendant training program—the largest, longest running, and most intensive of the three occupational training programs—reported very positive job placement outcomes for most of the 146 jobseekers who enrolled during Phase II. Of the 141 participants who successfully completed the program, 108, or 77 percent, got a job related to the training, and 91 percent of these jobs were at one of the partner hotels.^{6,7} The average starting wage after placement was \$14.79/hour,⁸ and almost all of the workers got full-time jobs with full benefits. Most of the new jobs represented a drastic improvement in the client's employment situation. Fifty-seven participants moved from unemployment to employment, 24 moved from one or more part-time jobs to a full-time job, and the 51 clients who already had a job and got a new job saw their wages increase by \$5.71/hour on average.

⁶ For the room attendant training program, evaluators counted several types of jobs in the hotel industry as “related to the training,” since much of the training and job coaching was not specific to the room attendant role. Evaluators included housekeeping jobs (and other similar roles) outside of hotels as successful placements.

⁷ In several cases, participants in one of the occupational programs failed to find a job and then entered a different training program, after which they were more successful. In these cases, the job was counted as a placement only once, for whichever training program was more closely related to the new job.

⁸ This is lower than the regular union rate because some clients found placements at lower-wage jobs with non-partners, and some clients found placements in union jobs that include a probationary period with slightly lower wages.

As previously mentioned, HTC provided supplemental outcomes data on room attendant trainees who enrolled in 2011 or later. HTC collected and analyzed long-term retention and wage increase data on almost every individual in this group who got a job the sector. The data show that of the 56 tracked participants in this group, only six left the sector, and the other 50 participants, who had been tracked for an average of 22 months, saw their hourly wages go up by \$0.76 on average. Fourteen workers had their hourly wages increase by \$2.00 or more. Most of these wage gains appear to be standard wage increases included in the collective bargaining contracts.

The culinary and professional food server tracks were not able to duplicate the outcomes of the room attendant program. Both had reasonably high completion rates—82 and 88 percent, respectively—but most of their graduates did not experience a promotion or placement as a result. The culinary program reported the better outcomes of the two. It placed 36.8 percent of the 68 clients who completed the program before December 2013, but those who did get jobs earned an average starting wage of \$13.32/hour.⁹ Eleven of the participants who got jobs had been unemployed before starting the class. About one-third of the students in the culinary class were already employed in restaurant or hotel kitchens, and HTC reports that many of these workers, particularly those working in the hotels (approximately 10 individuals), were not seeking advancement, but instead were interested in receiving the formal training they had not received at the workplace. Of those already employed in a kitchen when they entered the culinary program, only 13 percent advanced through a wage gain, internal promotion, or new job.

The professional food server program had a lower placement rate, with just 29, or 28 percent, of its 105 graduates entering employment related to the training. Fifteen of the placed workers were members of the final cohort of 18 graduates. These workers all got jobs at the Boston Convention and Exhibition Center as on-call banquet servers. Employed workers were the primary beneficiary of this training; only five of the 29 workers who got jobs had been unemployed before the training. Participants already employed at partner hotels were most likely to enroll in food server training as a means of supplementing their income above and beyond their existing position, most likely as an on-call banquet server. HTC reported that 79 percent of participants took the class in order to increase their earnings by picking up additional shift work. Because these jobs have uneven hours, offer less than the minimum wage (\$5/hour) because of tipping, and usually supplement existing employment, it is hard to estimate the impact these placements have had on participants. The other job placements of earlier graduates of the food server program had an average wage of \$15.83, but many were also part-time, so the number of hours worked per week by these earlier graduates at their new jobs was about 28 hours on average.

It is important to note that some former participants, especially graduates of the culinary and food server courses, may have found positions on their own that they never reported to HTC. For room attendants, there is one primary pathway to employment, which usually involves

⁹ These two programs each included one worker who used the programs to earn a promotion at their current employer. The placement figures reported in the table include these two outcomes.

staying in touch with HTC coaches as they guide the participant through the job search, application, and hiring process. For culinary and food server jobs, on the other hand, there are many potential employment and advancement pathways, most of which involve non-union employers. When participants are looking for jobs outside the “orbit” of HTC, maintaining contact, especially over a long period of time, can be difficult.

Educational Outcomes

Many of the SkillWorks participants at HTC were pursuing an educational goal, sometimes aligned with, but at other times independent of, a long-term career goal. At least 106 participants received services that indicated they were working toward a longer-term academic goal, either a GED or a postsecondary educational credential. About half of these participants also enrolled in an occupational training program during Phase II.

Most of the SkillWorks participants with academic goals were working on getting their GED. In total, there were 64 participants who attended a GED or pre-GED course. The table presents outcomes for these programs. It is clear that many of the clients who were able to matriculate in a GED course progressed—10 out of 24 received their GED, and at least five of

Total # in GED/pre-GED classes	64
# enrolled in GED classes	24
# receiving GED	10
GED success rate	41.7%
# enrolled in pre-GED classes	51
# making transition to regular GED classes	11
Pre-GED success rate	21.6%

those 10 entered college. Progress was more limited for pre-GED participants. Only 11 of the 51 students in pre-GED classes progressed far enough to enter regular GED classes, but this may be an indicator of their low initial level of education and their need for remedial support. At least 20 percent of participants in these classes had never completed the ninth grade.

Only about 18 participants ever enrolled in HTC’s postsecondary education-related services, which included general academic coaching and several different college preparation classes and services. At least 13 of these students received services while they were in credit-bearing courses in college, but only one of them reported completing her degree (an associate’s degree from Bunker Hill Community College). The lack of more than one completion outcome is likely the result of a number of factors, including the length of time it takes to complete an academic degree, language difficulties, work and family commitments, and the scheduling challenges of on-call and seasonal hospitality work.

Both workers and employers recognize that English language skills are necessary for success in the hospitality sector. Although SkillWorks did not provide direct support for HTC’s ESOL programming, more than one-quarter of SkillWorks participants took English language classes through HTC during Phase II. Many of these participants were able to improve their English language fluency over the course of the initiative. HTC reports that the vast majority (estimated near 90 percent) of SkillWorks participants who enrolled in English classes increased their language skills.

EMPLOYER BENEFIT

- ➔ **Employers find the greatest benefit they receive from the HTC partnership is the stream of qualified candidates for entry-level positions, particularly for room attendant positions.**

When partner hotels have openings, they often look to HTC's room attendant program and are generally pleased with the caliber of BEST Corp. graduates. While hotels rarely have a shortage of applicants for entry-level positions, the HTC graduates frequently stand out as among the stronger candidates in the applicant pool. Some hotels interview HTC graduates first, and some use the HTC graduates to set the benchmark against which to compare other applicants. One hotel recently filled all its open positions with BEST Corp. graduates. A number of employers now attend training graduations with business cards to pass out to participants. BEST Corp.'s training applicant screening process identifies participants who are committed to the hospitality sector, are friendly, have sufficient English skills, and are ready to offer the extra level of service that unionized hotels are seeking. Hotels value the rigor of this screening process, but they also value BEST Corp.'s soft skills training, and the program's ability to give students a realistic understanding of the work.

Many employers see HTC as more than a hiring source and find value in the engagement with participants. Employers report that their involvement in HTC activities like job shadowing improves morale in their housekeeping departments, strengthens their workplace cultures, and increases employees' level of engagement at work.

Partner hotel employers do not articulate a clear value from the occupational skills training programs that focus on food services. Most of the culinary graduates reportedly lack the full set of skills and the experience needed to access openings in the kitchens of partner hotels. The connection between the professional server training and benefit to employers was also weak. The hotels rarely have openings for banquet servers and the desirable positions often carry internal wait lists, so HTC's professional server training was not fulfilling any particular need among the hotels. Near the end of Phase II, a number of graduates of the professional food server program were able to get on-call server jobs at the Boston Convention and Exhibition Center, so perhaps the program is more valuable when employers need to fill a significant number of server openings.

Several HTC programs and services focus on serving current workers pursuing long-term career advancement through education, but employers rarely mentioned internal advancement when asked to describe the business benefits from HTC. While SkillWorks encouraged HTC to develop postsecondary pathways for participants, hotels continue to emphasize on-the-job experience as the primary vehicle for skill enhancement. Stretched human resource staff focus far more on immediate hiring needs than professional development planning for current employees. While there are exceptions, it is not generally feasible for human resource staff to speak individually with lower-level workers about career advancement or even to know which employees enrolled in HTC training. Employers saw more of a benefit from participants' participation in ESOL and computer classes, which can play a role in advancement, but also enable workers to perform their existing jobs better.

➔ **Employers see a benefit to the partnership meetings, believing they strengthen relationships among industry partners.**

The partner hotels use the meetings to exchange ideas with one another. The meetings provide a forum to hear about the challenges fellow employers are having in areas such as recruitment, and to share solutions and recommendations.

For some employers, the meetings were a vehicle to demonstrate their commitment to the union. While other hotels made it clear that their relationship with the union was separate from their relationship with BEST Corp., these hotels suggested that attending advisory meetings improved their relationship with the union by demonstrating that the hotel cares about workforce development and the union's mission.

SYSTEM CHANGE

Provider Outcomes

BEST Corp. has seen a number of improvements in its management and operations over the course of the SkillWorks grant.

➔ **BEST Corp. strengthened its relationship with employer and community partners.**

BEST Corp. credits the SkillWorks grant award with increasing the trust built with hotel management. The support of SkillWorks, a well-regarded organization without close ties to the union, lent BEST Corp. legitimacy that drew employers to engage more actively. Over the course of the SkillWorks grant, BEST Corp. deepened the partnership with employers by implementing a staffing structure that ensured clear lines of communication between employers and the provider. BEST Corp. also created new vehicles for employer engagement in the training programs that further deepened employer commitment to HTC.

BEST Corp. also developed stronger relationships with community organizations. Over the course of the initiative, BEST Corp. developed new or strengthened existing relationships with English for New Bostonians, Boston Chinatown Neighborhood Center, Action for Boston Community Development, and MassRehab. BEST Corp. developed a new partnership with First Literacy to offer advanced English reading and writing classes that integrate technology. BEST Corp. also started a process that would allow HTC participants to receive credit from Bunker Hill Community College and Endicott College for classes at HTC.

➔ **As a result of SkillWorks' emphasis on evaluation and data collection, BEST Corp. now works to better use data for program improvement and to market its strengths.**

The attention to data and evaluation led BEST Corp. to identify programs that were not leading to desired outcomes, and then to discontinue or revamp them. In the case of the culinary training, BEST Corp. made major changes to the curriculum after it realized that the program was underperforming. BEST Corp. also used data to identify strengths. Through analyzing its data, BEST Corp. recognized its above average success with English classes. BEST Corp. was able to use this information to market and expand its services beyond the core hotel partners.

Employer and Union Outcomes

- ➔ **The HTC partnership strengthened the relationship between the union and hotel employers.**

Bringing the union and employers together at the HTC quarterly advisory meetings helped to highlight areas of mutual interest and aligned goals. Together, the union and employers see themselves contributing to the growth of Boston's tourism industry since the partnership generates a higher quality hospitality workforce that will attract more visitors to Boston. However, since SkillWorks has been a key funder of some entry-level hospitality training that the training fund has not traditionally underwritten, it is likely that SkillWorks indirectly increased the amount of common ground between employers and the union by developing a space where skill enhancement was creating shared value for all parties.

- ➔ **Many partner employers agreed to higher starting wages for HTC room attendant graduates.**

The collective bargaining agreement allows hotels to pay reduced hourly wages to newly hired room attendants for a 90-day probationary period. Over the course of the initiative, BEST Corp. successfully negotiated an agreement with a number of partner hotels that HTC room attendant graduates would be rewarded for their preparation and training by receiving the full wage from the outset or a higher rate than the minimum allowed in the contract. Employers were willing to support this agreement based on successful previous hires from HTC.

- ➔ **HTC faced challenges in achieving broader changes in employer workforce practices as an increasing number of partner hotels are nationally controlled, not locally owned, limiting the authority of local managers to shape policies.**

Beyond individual agreements on probationary wages, human resource practices and policies have not changed at partner employers through their participation in HTC. As part of larger corporations, many partner employers have little ability to change policies and practices. Hotel employers have also not reported any change in the workforce training they offer. Generally, training at BEST Corp. introduces participants to new skills, while training that hotels provide focuses on renewing industry certifications, rather than skill building.

Outcomes beyond the Partnership

BEST Corp. has supported outside research and analysis to document some of its successes and to raise awareness on how those successes create a public benefit by enabling individuals to achieve greater economic stability. BEST Corp. commissioned and published a Social Return on Investment (SROI) analysis that showed a high social return on its room attendant training program. The analysis became a tool in the public conversation about the widening income gap and the role that skill building in connection with union jobs can play in addressing this challenge.

CONCLUSION

The Hospitality Training Center is a strong partnership between BEST Corp., employers in the hospitality sector, the hospitality union, and several community partners. The partnership has succeeded in preparing many low-income, less educated, non-native English speakers for positions in the hospitality industry and placing many in secure, well-compensated entry-level jobs. While the structure of the industry limits traditional pathways for career advancement, HTC has worked within that structure to support incumbent workers as they work toward goals such as increased financial stability, improved job performance, and greater job satisfaction. For individuals truly interested in advancement, BEST Corp. has offered support that helps them define their goals and start taking steps to achieve them. Employers have grown to value BEST Corp.'s training programs both as a resource for their current employees and as a source for new staff. The partnership presents employees, their employers, and the union with a platform to identify areas of mutual interest and to work together in new ways.

Sustainability

The majority of HTC's funding comes from the union's education and skills training fund. As a result of these resources, all union members can continue to receive services, a benefit established through collective bargaining. HTC will continue to supplement the training fund support with public and philanthropic grants that support additional activities such as pre-employment training and coaching. To that end, HTC has received a continuation grant from SkillWorks in Phase III to continue coaching activities for jobseekers and a select set of incumbent workers who are continuing to pursue career and academic goals established during Phase II. Industry projections predict robust growth in hospitality employment in the coming years, so HTC training for entry-level hospitality workers will probably be in high demand. HTC has already committed in the next year to train 100 individuals for projected openings related to the proposed Boston area casinos as well as new hotels slated to open in the coming year.

Lessons Learned

Career pathways vary tremendously by industry.

The unionized portion of the hospitality sector, which includes all of HTC's partner employers, offers attractive starting wages and benefits attainable for those with limited education and language skills. But hotels' fairly flat organizational structure means there are fewer advancement opportunities, and some of those advancement opportunities, i.e., management, require the employee to give up the security and benefits associated with the union. Those factors, combined with the fact that the collective bargaining agreement incents members to build seniority in a job category, make traditional incumbent advancement a less realistic path for many to increase their economic security. But hospitality is not the only anomaly; each SkillWorks' sector looked different in how employees progressed. SkillWorks understood the importance of flexibility, so, over time, it worked with HTC to refine certain elements of the project that it needed to change in order to accommodate the unique circumstances of this sector. For example, the definition of career advancement was broadened to include more than just promotions, and the definition of incumbent was broadened to allow for more

participants from outside union hotels. A takeaway from this effort is that funders and policymakers must be careful not to impose a cookie cutter approach to workforce development given the variation of circumstance across sectors.

➔ **Workforce partnerships and their funders should engage in candid, realistic discussions regarding anticipated outcomes prior to implementation.**

A frank assessment of achievable outcomes at the outset would afford funders the opportunity to consider whether those outcomes truly align with the goals of the grant. It would also allow all parties the opportunity to design data collection and reporting systems that reflect the achievable outcomes. This was not the case with SkillWorks and HTC. Despite SkillWorks' evolving flexibility in working with HTC to carve a vision of advancement that was authentic to the sector and aligned with BEST Corp.'s more human service approach to coaching, the outcomes data collected by HTC were still largely limited to the traditional measures of career advancement—placements, promotions, and wage gains—that directly reflect SkillWorks' vision of success and that had been established at the outset of the five-year investment. Over the five years, BEST Corp. increasingly advocated for a different, more holistic vision of successful advancement along a career pathway. However, the timing of those conversations was such that funders never fully grappled with the question of whether that broad definition of advancement matched the initiative vision. Do outcomes like getting better shifts, buying a house, or achieving citizenship align with SkillWorks' vision? Even if funders see alignment, the design of the original data collection and outcome reporting systems used by HTC and SkillWorks did not measure these sorts of outcomes. As a result, HTC was not necessarily working toward the goals it was measuring or measuring the goals it was working toward. Starting the discussion about outcomes earlier might have prevented this lack of alignment. If it is not possible to have that clarity at the outset, it is incumbent upon all parties to carefully revisit such long-term investments with a critical eye to assess whether partnerships' interventions and outcomes truly align with funders' goals.

➔ **Labor-management partnerships that focus on workforce development can create a space of mutual benefit for all stakeholders.**

HTC was unique among the SkillWorks partnerships funded in Phase II in that it was the only partnership that included the union representing the industry and the employers that specifically compose the unionized segment of the sector. While cooperation between the union, employers, and BEST Corp. around education and training began with the creation of the education and training trust fund, which predates SkillWorks funding, SkillWorks support took the level of collaboration among stakeholders to a new level. Multiple stakeholders suggest that the expansion of HTC enabled by SkillWorks' support changed the dynamic among the stakeholders. Interviews suggest that prior to SkillWorks funding, stakeholders viewed education and training as more of a benefit for union members than as a resource to improve the skills of the industry. After five years of SkillWorks' support, stakeholders look to HTC for assistance in a variety of ways:

- as a support for an employer to call when a struggling employee needs help in retaining his or her job;

- as a partner in identifying, preparing, and matching jobseekers with positions in the industry;
- as a resource for employees looking to improve their job performance with better English and computer skills; and
- as a forum for communication among employers and between employers and the union itself.

Such progress suggests that funders may consider funding future labor-management partnerships as a means of encouraging labor-management collaboration, supporting efforts among employers that have demonstrated commitment to quality jobs, and ensuring that employees have sufficient skills to retain their quality jobs while keeping these “good” employers competitive in the marketplace.

 **Job quality, not just skills training, has a significant impact on the long-term economic outcomes for individuals.**

Much of HTC’s success in advancing individuals was in helping them move from the non-union to the unionized portion of the hospitality sector. The higher starting wages and attractive benefits package provide a level of security not possible in other segments of hospitality. While BEST Corp.’s workforce development services contributed to participants’ success, it is important for all to recognize that without the commitment of the union employers to provide these good jobs, the skill enhancement would not have produced the noted gains. Funders implicitly recognized this factor in the transition from Phase I to Phase II of SkillWorks workforce partnership funding when the collaborative shifted from supporting a workforce partnership targeted in the non-union portion of the hospitality sector to investing in HTC. However, more can be done to both publicly acknowledge the role of job quality in the outcomes to date as well as to explore what other strategies SkillWorks can catalyze to encourage the creation and retention of more high road jobs. While SkillWorks is grounded in a vision that emphasizes skill-based advancement, the initiative may consider integrating strategies that more clearly articulate the importance of job quality in achieving the desired outcomes for low-income individuals.