

## **EXECUTIVE SUMMARY**

Over the past several years the City of Cambridge has undergone substantive changes in its population, labor force participation, industrial and occupational composition, and job growth patterns. These changes, coupled with clean air mandates to increase the number of Cambridge residents employed by Cambridge businesses, led the City Council and City Administration to conclude that a comprehensive review and restructuring of the City's workforce development system was necessary to ensure that it could meet the challenges of the next decade.

The City Administration contracted with Seltzer Associates, Inc. to conduct a critical examination of the structure and composition of its workforce development system and provide recommendations to re-organize and re-focus Cambridge's system to respond to the new demands placed on it by the City's rapidly changing labor market. Currently, more than \$5 million in federal, state, local and private monies are used to fund a wide array of programs and services for Cambridge's residents and employers.

Seltzer Associates staff interviewed the City's policy makers and business leaders to develop the following set of broad objectives for Cambridge's workforce development system that could serve as a basis both for this initiative and for future goal and priority setting activities:

- o The system must be easily accessible and should provide Cambridge residents with the skills and experience they need to compete successfully for jobs in Cambridge and in the regional labor market.
- o Employers should be involved in all facets of the City's workforce development system, working closely with Cambridge's public officials to ensure that the system is responsive to the needs of residents and businesses.
- o The system should support life-long learning and should have the capacity to sequence work-related education, training, and employment activities, allowing participants to develop and progress along a long-term career action plan while gaining work experience and earning a wage.
- o The system should be highly integrated with local and state economic development activities and should have the capacity and flexibility to respond to changing skills requirements in growth industries as they occur.
- o Program designs, particularly for youth, should be tied closely to the workplace. The program development and implementation process should involve employers in identifying critical competencies and reviewing curricula design.

## **Critical Issues**

While the scope of this study was not designed or intended to include an in-depth management review of individual institutions and organizations, we found no evidence that there are any serious problems in individual program management. Indeed, all of the agency and program directors we interviewed are knowledgeable about their participants' characteristics and service requirements, and program activities and outcomes. However, in order to make efficient use of its resources, Cambridge's policy-making organizations need to develop a consensus on the goals and objectives of the City's workforce development system. In conjunction with the establishment of this broad policy framework, it is imperative that the City strengthen its involvement with the regional workforce development system through the Metro North Regional Employment Board. More than 50% of all resources expended on providing workforce development services to Cambridge's residents and employers falls under the allocation and oversight mandate of the REB. Creating City policy and programs in isolation of this regional system and resources would be duplicative and counterproductive.

Additionally, in order for the City Council and the City Administration to make informed decisions about overall policy objectives, evaluate progress towards accomplishing those objectives, and ensure that program resources and services are used effectively to address the needs of Cambridge's youth, adults and employers, they must have access to clear and uniform information about program services, activities and outcomes. They must also have the capacity to lead service providers through the difficult process of overcoming turf issues and funding restrictions to achieve the maximum possible level of program integration. The City's investments must be managed effectively and spent on programs that cover program gaps not funded through other federal, state, or private sources.

Although in concept it might be desirable to exert direct and unified management over all of the City's adult and youth employment and training programs through the operation of a centralized and City-operated service delivery system, it is clearly impractical, if not impossible, to achieve such a system. There are too many independent organizations and funding sources (over which the City has no authority) providing services to Cambridge's residents and employers for this level of centralization to occur. Additionally, these organizations and programs represent close to \$4 million in services and resources. If the City were to create a separate service delivery system, it would be required to duplicate or overlap many of these services and expend resources on non-direct service items, such as administrative costs, facilities and computer systems. Finally, the diverse nature of the organizations providing workforce development services to the City's residents is reflected in the wide array of professional and cultural backgrounds of their staff and managers. This diversity supports the development of an extensive menu of services that corresponds to the broad range of needs of Cambridge's residents and employers. A centralized service delivery system is likely to result in an environment that is less conducive to creativity and originality in program design and

service strategies.

The City can use its investment of resources most effectively by developing its capacity to participate in program design and program planning, influence service providers' decisions about resource allocations so that they correspond to City priorities, and expand existing programs' capacity to serve a broader range of clients. With this type of investment in coordinating and expanding the activities of current service providers, the City can support multiple access points at little cost to the City and facilitate access to additional resources available through organizations' other programs and activities.

These issues are not exclusive to Cambridge and, in fact, are being faced by many cities throughout the country as their government and business leaders examine and re-define their priorities and objectives for workforce development programs. It is clear that, if Cambridge is to accomplish the goal of establishing a comprehensive, coordinated employment and training system, the City will need to improve its capacity to plan, coordinate and evaluate programs and services. We believe the City should develop management and policy structures that provide the City with greater influence over those dollars spent on Cambridge residents by other public and non-profit institutions and organizations and, in the process, improve its capacity to use Cambridge funds to leverage more effective and broad-based use of these non-City resources.

## **Observations and Recommendations**

Seltzer Associates structured its evaluation and analysis activities to focus on four critical areas of Cambridge's workforce development system: (1) policy development; (2) program management and coordination; (3) program design services and delivery systems; and (4) resource allocation. For each of these areas, the report provides a system overview and recommendations for restructuring and refocusing activities, services and allocations to meet the broad policy objectives outlined above. The following presents a synopsis of the observations and recommendations presented in this report.

### **1. Policy Development**

Because federal responsibility for workforce development initiatives crosses several secretariats and congressional bodies, federal legislation and regulations for workforce development programs often establish mandates that result in conflicting objectives, duplication of program services and administrative processes, and unnecessary and burdensome paperwork. The overall result is a confusing collection of local programs that, in reality, have little relationship to one another in terms of program services and outcomes. At the federal, state, regional, and local levels, there are numerous organizations and agencies involved in setting policies that influence a city's ability to

create a workforce development system that is responsive to its residents' and employers' needs. In general, policy development activities are not coordinated among these bodies, leading to workforce development policies and programs that are overlapping and, in some cases, contradictory. As is the case with many cities and towns throughout the Commonwealth, Cambridge's policy makers have not had a local vehicle or forum to support the development of a comprehensive policy framework or a long-term integration plan for the City's workforce development programs and services. Therefore, programs are developed and implemented on an individual basis and in the absence of any overall set of priorities.

The wide range of organizations and bodies with responsibility for developing policy and setting priorities for Cambridge's workforce development system presents the City with both an opportunity and a challenge. As the designated grant recipient for the federal funds provided under the Job Training Partnership Act (JTPA) to the Metro North area and as the source of 1/3 of the region's employment, Cambridge has the capacity to participate directly and exert a strong influence in the formation of a regional and statewide employment and training strategy that incorporates the City's specific needs. Additionally, through the City's multiple policy-making and guidance bodies, Cambridge's employers and residents are provided with the ability to influence the focus and priorities of their employment and training services and programs. Finally, the City's historical commitment to meeting the needs of all of its residents through a wide variety of programs and services, and its success in attracting and supporting employers who are involved in the community, has provided the City with a large pool of experience and talent among its employers and service providers to draw upon for assistance and advice.

To build on the City's strengths and assist its policy-makers to achieve their objective of designing a comprehensive, integrated system of programs and services, Seltzer Associates developed the following recommendations, which are described in detail in the body of the report on pages 14 through 16:

- o Establish a citywide workforce development policy and long-term system development plan.
- o Increase Cambridge's influence on the regional workforce system: establish a Cambridge Workforce Development Committee of the Metro North Regional Employment Board.
- o Restructure membership of the Metro North Regional Employment Board to represent Cambridge more effectively.
- o Initiate cross representation of membership on the numerous advisory boards involved in setting policy and providing guidance to the public, private, and non-profit employment and training organizations and programs serving Cambridge.

- o Broaden the focus of Cambridge's workforce development system beyond a targeted, federally-driven orientation.

## **2. Management and Coordination**

There are a number of agencies involved in administering youth and adult employment programs for Cambridge residents. In addition to the City's Rindge School of Vocational and Technical Arts, more than 10 programs provide employment and/or employment-related education and training services to Cambridge's youth. The City's Human Services Department, the Community Development Department, the state Department of Employment and Training, the state's Industrial Services Program, and Employment Resources, Inc. (ERI) all have direct or indirect management responsibility for the programs serving Cambridge's adults and employers. Individual organizations and programs providing services to Cambridge residents also maintain distinct management systems and mechanisms.

In 1990, through a partnership between the City's Department of Human Service Programs and a local non-profit agency, Cambridge Community Services, Cambridge established the Citywide Youth Employment Office (CYEO), with overall responsibility for coordinating the City's youth employment and training programs and services. However, none of the individuals surveyed for the purpose of this study was able to identify an organization with designated responsibility for coordinating the City's adult employment and training programs. Most correctly identified ERI as having responsibility for coordinating the programs and services funded through JTPA (services for economically disadvantaged) and JOBS (services for welfare recipients).

The City Administration needs to address some structural management and coordination issues if it is to meet its previously described objective of ensuring that its residents and employers are supported effectively in the development of a skilled, job ready workforce. These issues fall into three broad areas: (1) the ability of the City to coordinate services and programs and to gain access to information about program services, participants, and outcomes; (2) the ability of the City to link economic development priorities with workforce development activities; and (3) the ability of the City to participate in the decisions made by local service providers about resource allocations.

To address these issues, Seltzer Associates developed the following recommendations, which are described in detail in the body of the report:

- o Develop a mechanism to tie City investments to City priorities.
- o Create a City Workforce Development Unit to coordinate and oversee youth and adult services.

- o Increase the City's authority over Employment Resources, Inc. to fulfill Cambridge's oversight and fiduciary responsibilities over federally- and state-funded workforce development programs in the Metro North area.
- o Establish a centralized database and reporting capacity to evaluate the performance of and track participation in all of Cambridge's workforce development programs.
- o Develop a strategy and process for coordinating employment and training program development and service delivery activities with economic development activities and priorities.
- o Pursue outside funding sources to expand the City's capacity to design and implement new programs and augment existing workforce development initiatives.

### **3. Program Design, Services and Delivery Systems**

The City's residents and employers are served by many programs that have received national and state recognition for their innovative approaches to service and commitment to quality, such as the Cambridge Housing Authority's Workforce Program and RSTA's CityWorks program. Organizations such as the Community Learning Center, Just-A-Start, ERI, and the Cambridge Opportunity Job Center provide critical employment, education and skills training services to the City's residents. The demand for these services and the waiting lists for enrollment indicate that the City's service providers are designing and delivering programs that have a reputation for quality and are well-matched to the needs of a significant population.

However, there are some issues that need to be addressed to ensure that Cambridge's workforce development system meets the critical needs of its residents and employers. These issues fall into four broad categories: (1) the lack of capacity through the Cambridge Employment Program or any other program to help all of the City's residents obtain career development services, including an assessment of their occupational skills and job readiness, referrals to appropriate workforce development programs and organizations, and access to employment opportunities; (2) the lack of capacity to support residents in implementing a long-term career plan that combines public, employer and privately funded training and education with a series of jobs requiring increasing skill levels; (3) the lack of knowledge by many of Cambridge's employers and residents about local recruitment and workforce development resources and the lack of a clearly identified mechanism for them to access those resources; and (4) gaps in program service, particularly for populations that do not meet JTPA eligibility criteria.

To improve the ability of Cambridge's workforce development system to meet the needs of both residents and employers, Seltzer Associates developed the following

recommendations for program enhancements, which are described in detail in the body of the report:

- o Develop a life-long learning capacity for Cambridge residents through an integrated and sequenced training system.
- o Increase the consumer orientation of the workforce development system.
- o Increase employer involvement in and access to the workforce development system.
- o Re-focus and broaden the scope of the Cambridge Employment Program and develop a capacity for career development services, including general skills assessment, referral, and career planning for any unemployed or at-risk worker.
- o Establish a computer-based basic skills center for Cambridge's adult residents.
- o Develop a client case management system.
- o Target training to growing industry clusters and local economic development activities.
- o Re-examine the integration of job training programs with support services, specifically day care, health care and housing.
- o Develop the capacity to provide upgrading and training services to Cambridge residents.
- o Develop a comprehensive strategy for providing in-school and out-of-school youth with competency in work-related skills that meet employers' needs.
- o Develop a funding source to expand the Workforce Program's capacity to serve unemployed youth in public housing.
- o Develop a funding source to expand the City's capacity to provide ESL services.

#### **4. Resource Allocation**

The City of Cambridge invests a substantial amount of its own resources on workforce development programs and activities. These resources are drawn primarily from a combination of City tax dollars and Community Development Block Grant Funds. The total amount invested by the City this year is slightly over \$1,000,000. Of this amount, approximately \$600,000 is available for reallocation (see Appendix C). This is a

substantial sum of money and surpasses the investments made by many other cities to support workforce development services. More than \$8,500,000 in federal and state monies are administered by ERI and overseen by the Metro North REB to support the region's workforce development programs. Approximately \$2.5 million of these funds are expended to serve Cambridge residents. Finally, a number of local agencies receive funding from a variety of other private and public sources, amounting to approximately \$1.5 million.

As described in the section of this report relating to policy development, the City Administration does not currently have a mechanism for participating in the program development and funding decisions made by the wide range of non-profit organizations serving Cambridge's residents. Most resource allocation is performed on an individual basis by each organization. In the ideal, the City and the Metro North Regional Employment Board would set workforce development objectives, develop an implementation plan, and pool the funds available to create a cost efficient service delivery system. However, this is not an easy task to accomplish for any regional board or city; neither the federal government nor the state government has provided the necessary leadership to local governments to proceed in this direction, nor have local areas established the necessary program and fiscal planning processes and systems to implement this type of planning model. In addition, decisions about how workforce development funds should be allocated are severely limited by the restrictions of the funding sources. For example, the majority of JTPA funds are restricted primarily to serving a population that is defined as "economically disadvantaged"; the formula for determining income eligibility under this standard excludes large numbers of people with extremely low incomes who need workforce development services.

To address these issues, Seltzer Associates developed the following recommendations, which are described in detail in the body of the report:

- o Provide direction on the City's workforce development priorities, through the City Council's Economic Development, Training and Employment Committee and the proposed Cambridge Workforce Development Committee of the Metro North Regional Employment Board, to guide local service providers in the development of their annual workforce development program resource allocations.
- o Use City funds to fill program gaps and expand services funded through federal, state and private sources.

## **Conclusion**

In addressing the issue of municipal responsibility for shaping an integrated workforce development network to serve its residents and businesses, the City of Cambridge is taking a leadership role among cities. Over the past several years, the City has invested

tax funds and other City resources in a wide variety of workforce development services for youth and adults and it is clearly important to develop the capacity to ensure that the City's resources are invested wisely and that services are readily accessible to both residents and employers. Through state, City, non-profit, and private organizations, Cambridge's employers and residents are provided with a wide range of high quality employment, work-related education and training services.

However, Cambridge's policy development, service structures, and resource allocations are not integrated into a comprehensive workforce development system, and, therefore, the City's policy makers cannot achieve their objective to support residents and employers in meeting the challenges of the changing regional labor market. We believe that, if implemented, the recommendations presented in this report, while representing a very ambitious agenda for the City, will allow the City's decision makers to make substantive improvements in Cambridge's workforce development system, creating a framework of services that supports the development of a skilled, competitive workforce.

## INTRODUCTION

The Cambridge City Council and City Administration have identified the development of a responsive, comprehensive and integrated workforce development system as a top municipal priority. The City's primary objectives are to ensure that this system prepares Cambridge residents to compete successfully for job opportunities within the regional and city labor market and supports economic development activities by providing local businesses with a well trained workforce.

Over the past ten years the City of Cambridge has experienced substantial shifts in its industry base, changes in the availability of municipal job opportunities, and increases in the skill requirements of growth occupations. Its economy continues to evolve toward knowledge-based industries and away from traditional manufacturing industries. These trends mirror recent state, regional, and national labor market shifts in industrial staffing patterns and occupational employment distributions. The City's industrial shifts require that its labor force be equipped with a different set of basic and occupational skills than was required in previous years. Companies are seeking and relying on workers with increasingly higher levels of education, problem solving and reasoning abilities, and technical skills. An important component of the City's commitment under its Vehicle Trip Reduction Ordinance is the effort to increase the number of Cambridge residents employed by Cambridge businesses.

Numerous studies and reports have been published recently that chronicle the new and evolving skills requirements of business, both on a national level and specific to Cambridge. Several of these reports are particularly helpful to understand the critical role of the City's workforce development system. They include:

- o **America's Choice: high skills or low wages!: The Report of the Commission on the Skills of the American Workforce**; National Center on Education and the Economy; June 1990.
- o **What Work Requires of Schools: A SCANS Report for America 2000**; The Secretary's Commission on Achieving Necessary Skills, U.S. Department of Labor; June 1991.
- o **The Competitive Advantage of Massachusetts**; Michael E. Porter, Harvard Business School, in collaboration with Monitor Company, Inc., 1991.

- o **Industry Employment Trends in the Metro North Service Delivery Area**; Field Research Service, Massachusetts Department of Employment and Training; December 1991.
- o **Employment Profile of Metro North Service Delivery Area**; Field Research Service, Massachusetts Department of Employment and Training, 1992.
- o **Jobs, Training, and the Evolving Cambridge Economy: Preliminary Findings of the Community Development Department Employer Survey**; Cambridge Community Development Department; June 1991.
- o **Under the Microscope: An Examination of Technician Demand and Supply in Biotechnology and Related Industries**; Cambridge Community Development Department; July 1992.

In addition to industry shifts, Cambridge has undergone substantive demographic changes in the last ten years. Cambridge's population of 95,000 is racially and culturally diverse. Over the past two decades, the City's proportion of Blacks, Hispanics, Asian, and other minority groups has increased substantially, and this trend is expected to continue through the 1990's. The growth in the City's minority population is accompanied by an increase in recent immigrants and residents with limited English-speaking skills. In addition, Cambridge's population is aging; the City has experienced significant growth in the retirement age population and growth in the working age population. These demographic patterns have substantial implications for the mix of services that must be provided through Cambridge's workforce development system to prepare the City's population for stable employment. The reader can obtain more information on Cambridge's demographic trends in the following reports:

- o **The Changing Environment for Employment and Training: A Joint Report by the Cambridge Community Development Department and Cambridge Community Services for the Cambridge Employment Program.**
- o **1990 Census Data for the Metro North Service Delivery Area**; Center for Labor Market Studies, Northeastern University.

In order to ensure that Cambridge's residents have the educational, job training, and employment skills they need to compete effectively in today's labor market, both in Cambridge and in the the region, and that the City's employers have access to a skilled workforce, Cambridge's workforce development system must respond to these structural economic, industrial and demographic changes. Workforce development services must be well integrated, programs must be designed to be responsive to changing business

needs, and policy and program development must be linked closely with the City's economic development activities.

## **SCOPE OF REPORT**

The City Administration contracted with Seltzer Associates, Inc. to conduct a critical examination of the structure and composition of its workforce development system and provide recommendations to re-organize and re-focus Cambridge's system to respond to a variety of changes in the environment in which a workforce development system must operate. Those changes include, changes in the City's population, labor force participation, industrial and occupational composition, job growth and clean air mandates to increase the number of Cambridge residents employed by Cambridge businesses. This report presents the results of Seltzer Associates' organizational and structural system assessment. It is important to note that we did not conduct an evaluation of the individual employment and training programs serving Cambridge's residents and employers. Rather, the report is a management and operational assessment of the current system's capacity to accomplish the City's program and policy objectives. It includes a set of recommendations and action steps to restructure the system so that it is focused on obtaining gainful employment opportunities for Cambridge residents in the context of the City's economic and social objectives, its clean air objectives, and recent economic and demographic changes.

The report's findings and recommendations were based on personal interviews, telephone interviews, surveys, document reviews, and an analysis of current national and state trends. Seltzer Associates conducted interviews with Cambridge's policy and decision makers to determine their priorities for a workforce development system and to identify their issues and concerns regarding the current system's operation. These interviews included City Councilors and key staff, the Mayor, the City Manager and his key staff, and selected department heads. In addition, interviews were conducted with key business leaders in the community and members of the Regional Employment Board.

A number of agency and program directors were interviewed to gain an understanding of their individual program goals, identify their program structure, service priorities, and coordination mechanisms. Finally, Seltzer Associates conducted an extensive review of all recent reports and studies related to Cambridge's youth and adult employment and training programs, its economic development activities, and economic and demographic trends.

This report consists of five sections: **Section I** presents the policy, management, and program objectives for Cambridge's workforce development system as articulated by City Councilors, the City Administration, community business leaders, and members of the Regional Employment Board. **Section II** identifies the policy development structure and

mechanisms for the City's workforce development system; **Section III** presents the system's management and coordination issues; and **Section IV** discusses program design and services. **Sections II through IV** each consist of an overview and analysis of the system's current capacity to achieve policy and management objectives, and recommendations for restructuring and refocusing the system. **Section V** presents an overview, analysis and recommendations regarding resource allocations, and a preliminary cost estimate for the key initiatives we have recommended that have immediate cost implications for the City.

The recommendations presented in this report represent activities and investments the City Administration could undertake to achieve the policy and management objectives articulated by City policy makers. They are designed to integrate City workforce and economic development needs and activities with regional training strategies and capacity.

## **SECTION I**

### **A NEW EMPHASIS: OBJECTIVES FOR CAMBRIDGE'S WORKFORCE DEVELOPMENT SYSTEM**

From a municipal perspective, ensuring that Cambridge residents have access to high quality work-based education, job training, and employment services is critical to ensuring the economic and social health and vitality of the community and its residents. Before designing and implementing any substantive changes in the structure and focus of the City's workforce development system, it is important to develop an understanding of the framework for the system as defined by the objectives of the City's policy makers and business leaders.

In general, the vision articulated by key leaders and policy makers reflects a workforce development system that is much more inclusive and integrated than the current network of programs and services. They envision a service delivery system that consists of multiple levels of program intervention, program sequencing, integration of social services with job training, work-related education, and employment services, and extensive coordination, not only between job training and educational organizations, but also with agencies involved in economic development activities.

Clearly, providing employment opportunities to Cambridge residents and meeting the workforce needs of Cambridge employers are municipal priorities. Based on information obtained during interviews with Cambridge's City Councilors, the Mayor, the City Manager, business leaders and members of the Regional Employment Board and on our knowledge of the critical elements of a local workforce development system, we identified five broad objectives for Cambridge's system. Our subsequent assessment of the City's current workforce development capacity and recommendations for refocusing and reorienting its system as presented in Sections II-IV are based on these critical objectives. They are as follows:

1. The system should provide Cambridge residents with the skills and experience they need to compete successfully for jobs in Cambridge and in the regional labor market. The City's residents should be able to gain relatively easy access to the workforce development system, including counseling, assessment, career planning and referral services.
2. The system should reflect an employment oriented public/private partnership that focuses on the development of a skilled workforce to allow the City to attract new businesses and meet the needs of existing businesses. Employers should be involved in all facets of the City's workforce development system, working closely with Cambridge's public officials to ensure that the system is responsive to the needs of residents and businesses.
3. The system should support life-long learning program designs and service

strategies that will lead to permanent stable employment with career growth. The system should have the capacity to sequence work-related education, training, and employment activities, allowing participants to develop and progress along a long-term career action plan while gaining work experience and earning a wage.

4. The system should be highly integrated with local and state economic development activities. It should have the capacity and flexibility to respond to changing skills requirements in growth industries as they occur; job training and job creation must go hand-in-hand.
5. Program designs, particularly for youth, should be tied closely to the workplace. The program development and implementation process should involve employers in identifying critical competencies and reviewing curricula design. Policy and program development activities of the School Department should be tied more closely to workforce development initiatives for youth.

When viewed in total, these objectives represent a very ambitious agenda for the City. The major challenge for the City Council and Administration is to reach consensus on program goals and service priorities that integrate these objectives. During our interviews the City's policy makers and business leaders identified a wide range of service priorities related to these objectives that either conflict directly or present potential competition for resources. It is clear that the City's policy makers and business leaders need to establish a comprehensive workforce development policy framework and develop a consensus on priorities to focus the activities and resources of Cambridge's workforce development system. This is discussed in detail in the following section.

## **SECTION II POLICY DEVELOPMENT**

### **Overview and Analysis**

The responsibility and authority for developing workforce development policy for programs that serve Cambridge's residents and employers lies in four different arenas, each with a distinct structure, process, and focus. These four jurisdictions are: the federal government, state government, regional boards, and local government. In general, policy development activities are not coordinated among these bodies, leading to workforce development policies and programs that are overlapping and, in some cases, contradictory. It is important to understand the extent to which these various bodies affect policy development. The following is a brief description and analysis of each policy-making arena or body.

#### **1. Federal Policy Development**

The policy framework for the nation's workforce development system has been evolving over the past ten years and is based on three major principles: (1) programs and services must reflect state and local conditions and needs, therefore, state governments are vested with a large amount of control and oversight authority for federal employment, training and work-related education programs; (2) labor market interventions are most effective on a regional labor market basis, usually encompassing more than one city's boundary; and (3) private sector involvement in policy setting and program curriculum development is critical, therefore public/private councils (Private Industry Councils) have been established under federal statute to serve as the primary policy-making bodies for federally-funded workforce development initiatives. Massachusetts has taken this philosophy one step further by vesting greater authority in its Private Industry Councils. Through state statute, the councils (called Regional Employment Boards) have policy-making and oversight authority over all state- and federally-funded training, placement and employment-related educational programs.

Overall, policy development and program coordination for workforce development at the federal level is, at best, haphazard. Functional responsibilities for workforce development programs are divided among the secretariats of the executive branch. No single body or organization is charged with responsibility for overseeing the development of a national workforce development system and, therefore, policy strategies and program initiatives of individual secretariats are often developed in isolation from one another. Because several independent congressional committees have responsibility for overlapping workforce development issues, federal laws affecting workforce development policy are poorly integrated.

Jurisdiction for federal policy development crosses six secretariats, at least four Senate committees, and five House committees. They are presented in Appendix A.

Federal legislation and regulations often establish mandates that result in conflicting objectives, duplication of program services and administrative processes and unnecessary and burdensome paperwork. The overall result is a confusing collection of local programs that, in reality, have little relationship to one another in terms of program services and outcomes. In addition, the turf issues between federal bureaucracies make it difficult to achieve even a minimal level of informal coordination. For example, in the past three years, both the Department of Labor and the Department of Education have undertaken and funded independent demonstration grant initiatives to explore models for youth apprenticeship programs. Given the lack of leadership and degree of confusion that exists on a federal level, it is extremely difficult for state, regional, and city policy makers to develop a comprehensive workforce development system.

## **2. State-level Policy Development**

Workforce development jurisdictional issues are almost as complex and confusing at the state level as on the federal level. At the state level, the Department of Employment and Training, the Department of Public Welfare, the Department of Education, and the Industrial Services Program share statutory and functional responsibility for developing a policy framework for most federal and state-funded workforce development services. Funding sources for these services include the federal Job Training Partnership Act (JTPA), the federal Wagner-Peyser Act, the federal JOBS act, the federal Dislocated Worker Adjustment Act, the federal Carl Perkins Act and the state's general fund. The MassJobs Council was created under state statute in 1989 to coordinate the activities of the state agencies identified above and to support regional policy and program development.

The policy-making role of these organizations is carried out on four levels: (1) through the development of annual and bi-annual statewide goals and performance outcome measures; (2) through the development of annual funding priorities and regional allocations; (3) through other state boards and councils, such as the state's Council on Vocational Education, that are charged with providing policy guidance on specific issues; and (4) through the goals, measures, priorities and allocations for some workforce development programs (specifically those funded through JTPA, Wagner Peyser and JOBS) which are transmitted through the MassJobs Council to the state's 16 Regional Employment Boards to serve as a guideline for their regional policy development activities.

Through the creation of Regional Employment Boards and the MassJobs Council, the state has made a more comprehensive and focused attempt than the federal government to coordinate policy development and program coordination. However, although the

MassJobs Council has made progress over the last year in strengthening the role of the Council and developing consensus on the state's overall workforce development policy framework, there are still multiple jurisdictional issues between state secretariats and departments that need to be addressed.

Operational responsibility is still divided between multiple state agencies, and the coordination of policy and program development, although improving with the increasing involvement of the MassJobs Council, is still very weak. In addition, performance standards across programs are inconsistent and are based on different terms and assumptions, making it difficult for the MassJobs Council to manage, evaluate and coordinate the Commonwealth's wide array of programs and activities. State policy development, program coordination and performance management systems need substantial improvement to support regional and local program integration.

### **3. Regional Policy Development**

The state legislation creating Regional Employment Boards in 1989 was designed to provide the Commonwealth's Private Industry Councils (created under federal JTPA legislation in 1974) with increased scope and responsibility, while maintaining the public/private partnership structure and philosophy envisioned under JTPA. Although in theory the REB has broad statutory authority, in practice most of the Commonwealth's REBs have not yet developed the internal capacity to exercise this broad authority. In addition, a number of state agencies are reluctant to vest the REBs with authority over their programs, and, therefore, do not provide REBs with sufficient information and guidance to allow these boards to serve effectively as regional workforce development policy-making bodies. In the absence of increased staff capacity, program oversight authority, and program outcome information, most of the state's REBs have remained focused primarily on policy development for programs and services that fall under the jurisdiction of JTPA and, secondarily, Wagner Peyser.

The Metro North Regional Employment Board (serves as a Private Industry Council in accordance with federal law) has exercised its federal and state statutory responsibility for developing policy to guide the region's JTPA and Wagner Peyser funding priorities and does conduct oversight of regional and local programs receiving such funds. Programs funded through JTPA and Wagner Peyser are required to secure the Metro North REB's approval of annual service plans and are required to report program outcomes to the REB on a regular basis. Under Massachusetts statute, the Metro North Regional Employment Boards also has authority and responsibility for developing a comprehensive workforce development strategy to meet the needs of the region's residents (youth and adult) and employers. In practice, however, the REB's oversight jurisdiction is limited to those programs that are funded through JTPA and Wagner Peyser. They have not developed the capacity to ensure that the remainder of the region's workforce development organizations implement the REB's workforce development strategy.

The Metro North REB represents an employment and training service delivery area comprised of 20 cities and towns: Arlington, Belmont, Burlington, Cambridge, Chelsea, Everett, Malden, Medford, Melrose, North Reading, Reading, Revere, Somerville, Stoneham, Wakefield, Watertown, Wilmington, Winchester, Winthrop, and Woburn. By federal statute, the Board is comprised of representatives from the area's business, labor, and government communities and is required to have a membership structure that reflects a minimum 51% business representative participation.

Through a local agreement between the City Manager of Cambridge, the City Manager of Medford, the Mayor of Chelsea, and the Private Industry Council (REB), Cambridge's City Manager is designated as the lead local official and the JTPA grant recipient for the Metro North Service Delivery Area (SDA). In this capacity, Cambridge's City Manager technically has Regional Employment Board appointing authority; in reality, however, he/she can exercise little influence on either the type of organization represented on the Board or the number of Cambridge representatives. All appointments are made from nominations submitted through the REB membership committee.

In Massachusetts, REB appointments are made in accordance with Section 102 of the JTPA law and FY1989 Massachusetts State Budget, Section 105, which established Regional Employment Boards. Geographic representation, in theory, is defined through the local official/PIC agreement described above. In practice, however, it is difficult to achieve this exact "formula" representation on a REB. Therefore, the Metro North REB has strived to attain as fair a distribution among the communities represented in the SDA as possible. However, after a review of the Metro North REB's membership, it can be argued that Cambridge is underrepresented on the REB. Out of a total membership of 17 (9 business members), Cambridge is currently represented only by two business members from Genetics Institute and Abt Associates. In addition, while the Cambridge Area Director of the Department of Employment and Training serves as a government member of the Board, he is clearly not a Cambridge representative. The City Administration has no representative on the REB. Given Cambridge's share of JTPA-funded service level in the SDA (approximately 25%) and its share of the SDA's employment base (approximately 30%) Cambridge's representation on the REB should be re-examined.

The Metro North REB has focused its energies primarily on policies and priorities related to the use of JTPA, and to a lesser degree, Wagner Peyser funding; its policy framework has therefore been driven in large part by JTPA regulations. Although the Metro North REB is in the process of making significant changes by redefining and broadening its mission, a number of individuals interviewed for the purpose of this report expressed frustration with the REB's current activities and focus. They believe that the actions taken by the REB have limited impact on the appropriateness, quality, or content of the wide variety of employment and training services and programs that serve Cambridge's residents and employers. In addition, the City's employment and

training service providers and policy makers have little or no knowledge of the REB's responsibilities, authority and actions. They believe, in turn, that the REB has little knowledge of their priorities, services, and programs.

This year, the MassJobs Council has directed each Regional Employment Board to develop a Workforce Development Policy Blueprint that identifies their region's critical industries, the training needs associated with those industries, and the regional resources available to meet the industries' training needs. In addition, the Blueprint requires each Regional Employment Board to develop a one- and five-year plan to re-shape the region's workforce development system so that it can respond to the workforce needs of the area's key industries. The Metro North Regional Employment Board is currently in the process of developing its Blueprint, and plans to submit it to the MassJobs Council in mid-January. Because there are no City representatives on the Board and Cambridge's private sector representation is minimal compared to its share of services and percentage of private sector employment, Cambridge is not currently well-positioned to play a strong part in this process or influence the REB agenda. Therefore, the City's ability to link its workforce development policy objectives and service priorities with the decision making and resource allocation process undertaken by the region's policy makers and program administrators is severely restricted.

Employment Resources Inc. (ERI), is a non-profit corporation established by the cities of Cambridge, Chelsea and Medford, to serve as the Metro North SDA administrative entity for all programs under the jurisdiction of JTPA. In addition, ERI provides staffing assistance to the Metro North REB. ERI's bylaws provide for a Board of Directors, who provide guidance to ERI's President regarding the implementation and administration of JTPA programs. Under its bylaws, ERI may serve as the administrative entity for other state or private job training programs within its geographic service area. (ERI issues Requests for Proposals to local community-based and non-profit vendors for programs and services that reflect the Board's policy and funding priorities.) The Board is composed of three city executive officials (CEOs) from the Metro North service delivery area (Cambridge, Chelsea and Medford) and the members of the Metro North REB's Executive Committee. ERI's Board is chaired by the Chair of the Metro North REB. The Board meets infrequently, which substantially limits the input of the governmental branch of the public/private partnership, since there is no other formal forum for the cities to provide their input and deliberate on their workforce development needs. This problem is further exacerbated because CEOs do not sit on the REB. From the City of Cambridge's perspective, this creates a major problem because these meetings should serve as the forum to link City needs with regional objectives.

In addition, the issue of REB independence surfaced during discussions with a number of individuals interviewed for this project. Because ERI serves as staff to the REB, and the REB Chair serves as Chair of ERI, concern was expressed that, although the REB has broader policy guidance responsibilities beyond JTPA, their reliance on ERI may

limit their ability to be objective. The REB needs to address this question in a manner that ensures that program directors are comfortable receiving policy direction from the REB and yet avoids establishing a separate administrative organization.

#### **4. City-level Policy Development**

Although regional delivery systems within each state have been established through federal statute, in practice, city governments are still considered by their residents to retain major responsibility for ensuring that their local economies are healthy and that residents are receiving the kinds of services they need to compete effectively in the regional labor market. In addition, although federal and state-funded workforce development initiatives are planned and coordinated on a regional level, the responsibility for planning and implementing economic development activities continues to fall within the purview of local governments and organizations. This presents municipalities and Regional Employment Boards with the challenge of working together to coordinate local economic development activities with federal, regional and state workforce development policy, planning and service delivery activities. Finally, while primary and secondary educational policy rests with local school committees and city governments, the success of federally-conceived and federally-funded job training programs designed for in-school youth depends on a substantial integration of occupational training and world-of-work activities with school-based programs and services.

In addressing the issue of municipal responsibility for shaping an integrated workforce development network to serve its residents and businesses, the City of Cambridge is taking a leadership role among cities. Over the past few years, the City has invested tax funds and other City resources in a wide variety of workforce development services for youth and adults. However, because these investments were made to address specific program needs or to respond to constituent concerns and because there is no regional mechanism for integrating regionally-driven priorities with City-specific goals, the responsibility for policy and guidance of Cambridge's workforce development services is spread between several entities. They are: (1) the City Council's Economic Development, Training and Employment Committee; (2) the Community Development Department; (3) the Human Services Department; (4) the School Committee; and (5) the School Department. The analysis and recommendations provided in this report focuses primarily on policy development and services that fall under the purview of the first three of these organizations.

The Economic Development, Training and Employment Committee of the City Council is charged with providing the City Manager with direction on policy and priorities for all City-funded employment and training strategy and services. Under the direction of the City Manager, the City's Human Services Department provides guidance for programs and services funded through the Department, including the Community Learning Center. The Human Services Department, in a collaborative relationship with Cambridge

Community Services (a local non-profit agency), also provides guidance to the City's youth employment and training programs and vendors through the Citywide Youth Employment Office (CYEO).

Also under the direction of the City Manager, the City's Community Development Department provides guidance for programs and services funded through the Department, including the Cambridge Employment Program and the Biotech Training Program. In addition, the Community Development Department and the Cambridge Chamber of Commerce analyze and evaluate business and industry trends and provide recommendations about the impact of these trends on the City's workforce development needs to the City Council and the City Manager. Finally, the City's School Committee and the School Department develop policy and set a framework for the development of vocational and career education services to in-school youth.

Many of the City's organizations and individual vendors also receive policy guidance and direction from boards and advisory councils and groups. They include, but are not limited to: the Cambridge Partnership for Public Education, CYEO's Business Advisory Committee, CYEO's Planning Committee, CYEO's Direct Service Committee, the Community Learning Center's Student Leadership Group, Just-A-Start's Board of Directors, and Just-A-Start's Teenwork Program's ad hoc Employer Advisory Group.

The wide range of organizations and bodies with responsibility for developing policy and setting priorities for Cambridge's workforce development system presents the City with both an opportunity and a challenge. As the Metro North Service Delivery Area's lead city and as the source of 1/3 of the region's employment, Cambridge has the capacity to participate directly and exert a strong influence in the formation of a regional and statewide employment and training strategy that incorporates the City's specific needs. Additionally, through the City's multiple policy-making and guidance bodies, Cambridge's employers and residents are provided with the ability to influence the focus and priorities of their employment and training services and programs. Finally, the City's historical commitment to meeting the needs of all of its residents through a wide variety of programs and services, and its success in attracting and supporting employers who are involved in the community, has provided the City with a large pool of experience and talent among its employers and service providers to draw upon for assistance and advice.

## **Conclusion**

At the federal, state, regional, and local levels, there are numerous organizations and agencies involved in setting policies that influence a city's ability to create a workforce development system that is responsive to its residents' and employers' needs. As is the case with many cities and towns throughout the Commonwealth, Cambridge's policy makers have not had a local vehicle or forum to support the development of a

comprehensive policy framework or a long-term integration plan for the City's workforce development programs and services. Therefore, programs are developed and implemented on an individual basis and in the absence of any overall set of priorities. In order to take full and effective advantage of the formal vehicles for participation in the policy development and guidance process, and subsequently, to make efficient use of its resources, Cambridge's policy-making organizations need to develop a broad consensus on the goals and objectives of the City's workforce development system. In conjunction with the establishment of this broad policy framework, it is imperative that the City strengthen its involvement with the regional workforce development system through the Metro North Regional Employment Board. More than 50% of all resources expended on providing workforce development services to Cambridge's residents and employers falls under the allocation and oversight mandate of the REB. Creating City policy and programs in isolation of this regional system and resources would be duplicative and counterproductive.

**The challenge is substantial: to integrate and coordinate the activities of the state, regional, and local policy-making bodies to create a comprehensive set of workforce development objectives and strategies that supports the critical needs of Cambridge's residents and businesses. The following recommendations are designed to help Cambridge meet this challenge:**

## **Recommendations**

### **1. Establish a Citywide Workforce Development Policy and Long-Term System Development Plan**

The City Council should charge its Economic Development, Training and Employment Committee with the responsibility for developing a comprehensive workforce development policy framework, with assistance and advice from the City's key management staff and program directors. The City's policy framework development process should include a discussion of the objectives articulated by Councilors, City administrators and business leaders in the interviews conducted for this report (see Appendix B) and should build a consensus on priorities for resources and services.

In addition to establishing a workforce development policy, the City Council should adopt a long-term system development plan. This plan should address long-term goals, a strategy for integration with economic development activities, and populations to be targeted for service. We recommend using the City Council's Economic Development, Training and Employment Committee, in conjunction with the City Administration, as the vehicle to develop this long-term plan.

**2. Increase Cambridge's influence on the Regional Workforce System: Establish a Cambridge Workforce Development Committee**

The City needs a formal forum to discuss workforce development issues and a mechanism to ensure that the Regional Employment Board incorporates the City's objectives into its regional policy development process. We recommend that the City establish a standing Cambridge Workforce Development Committee of the Regional Employment Board. This Committee should be composed of Cambridge business leaders, including two from the REB, the City Manager, the Assistant City Manager for Community Development, the Assistant City Manager for Human Services, the Chair of the City Council's Committee on Economic Development, Training and Employment, and the Superintendent of Schools.

**3. Restructure membership of the Metro North REB to represent Cambridge more effectively**

Cambridge is currently represented on the Metro North REB only through the business community, and this representation is limited. The City needs a vehicle that allows the City Administration to participate directly in the policy decisions of the REB that affect Cambridge's residents and businesses. We recommend that the City Manager work with the REB Chair to expand the Board's membership by adding the senior level City department head responsible for coordinating the City's workforce development resources and programs (please see Section III Management) and adding at least two more private sector representatives from Cambridge to the Board.

**4. Broaden the focus of Cambridge's Workforce Development System beyond a targeted, JTPA-driven orientation**

As indicated previously, the Metro North REB is currently developing a regional 5-year Workforce Development Policy Blueprint to guide a long-term expansion of its policy-making role. The expanded REB membership described above will facilitate this process and ensure that Cambridge plays a strong part in the development and implementation of the region's workforce development blueprint. In addition, we recommend that Cambridge's Workforce Development Committee on the REB assume responsibility for facilitating a series of working group discussions involving City Councilors, City officials, the Regional Employment Board, and selected Cambridge employers and agency Program Directors to shape a consensus on what these services would encompass, how an individual who does not meet income eligibility guidelines would access the system, and whether services could be provided on a sliding scale or fee-for-service basis.

This working group would need to address several key issues in its discussions:

- o Is this an appropriate goal for the City?
- o What is the profile of a target participant?
- o What are the set of services that should be provided to meet the needs of this target population?
- o How will this service be funded? (There is federal legislation pending that may allow federal EDWAA funds for dislocated worker programs to be used to serve currently employed, at-risk workers.)

**5. Initiate Cross Representation of Board Membership among Cambridge Boards**

As described above in the overview and analysis of Cambridge's policy development structure, there are numerous boards involved in setting policy for Cambridge's employment and training system. The City should conduct an inventory of the membership and mission of each of these boards and should begin an effort to develop cross representation on key boards to support cohesive policy development and program integration. This might be initiated by inviting all board members to a "workforce development summit session" whose purpose would be to develop consensus on mechanisms for coordinating board membership and activities. The "summit" participants might also consider the benefits of consolidating a few of the boards under one council. For example, there are several program specific business advisory groups that might serve as subcommittees to an overall Cambridge Employment Business Advisory Council.

## **SECTION III MANAGEMENT AND COORDINATION**

### **Overview and Analysis**

In general, the structure and process for managing the City's employment and training programs and coordinating its services and resources reflect the multi-faceted policy development structure described in the previous section. The employment and training programs and services provided to Cambridge's residents and employers are funded through a combination of federal, state, city and private sources, totalling more than \$5 million. Through ERI, the City's residents are provided with approximately \$2.5 million in federal and state-funded services. City funds designated for employment and training services, exclusive of the School Department's budget, total approximately \$1 million. The majority of these funds are targeted for youth services. Additional federal and state grants, private contracts, foundation grants and private donations total approximately \$1.5 million.

The following is a description and analysis of the management and coordination structure for Cambridge's adult and youth employment, work-related education, and training programs.

#### **1. Youth Programs**

There are a number of agencies involved in administering youth employment programs for Cambridge residents. In addition to the City's Rindge School of Vocational and Technical Arts, there are more than 10 programs that provide employment and/or employment-related education and training services to Cambridge's youth. These are described in **Section III. Program Design, Services, and Delivery Systems**. Most of these programs receive indirect or direct management oversight through one of five institutions that provide program funds: Cambridge's Human Services Department, the Community Development Department, the Cambridge School Department, the Department of Employment and Training, and Employment Resources, Inc.

Additionally, each individual organization that provides service has a distinct management and accountability structure. For example, there are six local public and non-profit organizations that, exclusive of the Cambridge Rindge and Latin School, provide the majority of employment, education and training services to City youth: Cambridge Community Services, the Community Learning Center, the Cambridge Housing Authority, the Department of Employment and Training's Cambridge Opportunity Jobs Center, Concilio Hispano, and Just-A-Start. Finally, the Mayor's Office conducts an annual Summer Jobs Program that is staffed under the direction of the Mayor's Executive Assistant.

In 1990, through a partnership between the City's Department of Human Service

Programs and a local non-profit agency, Cambridge Community Services, Cambridge established the Citywide Youth Employment Office (CYEO), with overall responsibility for coordinating the City's youth employment and training programs and services. CYEO's mission is fourfold: (1) to work closely with the employer community to expand local career and training opportunities, representing a "united front" of local agencies; (2) to coordinate the services and outreach of local agencies, enhancing the City's capacity to serve its youth; (3) to identify unmet needs in the community through research, and to use this information as a catalyst for new collaborative efforts; and (4) to serve as a youth employment program referral center for Cambridge's youth.

The CYEO has a staff of 1 1/2 professionals, is based at Cambridge Community Services, and receives guidance and advice from local employers, service providers, city government and direct service staff through three committees: the Business Advisory Committee, the Planning Committee and the Direct Service Committee. In its first two years CYEO has conducted two needs assessment studies and worked with the City's service providers to establish a Youth Employment Center, staffed by all of the youth employment and training organizations. CYEO also facilitated the development of a common intake form and process to be used at the Center, recruited corporate volunteers to help staff the Center, and coordinated outreach to employers for the City's summer jobs campaign.

## **2. Adult Programs**

The City's Human Services Department, the Community Development Department, the state Department of Employment and Training, the state's Industrial Services Program, and Employment Resources, Inc. (ERI) all have direct or indirect management responsibility for the programs serving Cambridge's adults and employers. Individual service organizations and programs also maintain distinct management systems and mechanisms.

None of the individuals surveyed for the purpose of this study was able to identify an organization with designated responsibility for coordinating the City's adult employment and training programs. Most correctly identified ERI as having responsibility for coordinating the programs and services funded through JTPA (services for economically disadvantaged )and JOBS (services for welfare recipients). They were familiar with ERI's process for issuing Requests for Proposals to local community-based and non-profit vendors for programs and services and knew that organizations receiving these funds provide regular reports on service levels, outcomes and budget expenditures to ERI. They cited the monthly vendor meetings held by ERI as an important and valuable first step in facilitating information sharing about the types of programs and services available to the system's clients. Many of those interviewed believed that the Cambridge Employment Program, managed by the Community Development Department but delivered through a contract with ERI, serves some kind of coordinating role, but were either unsure about the role or believed that coordination occurs only as

an informal byproduct of client referral.

## **Management and Coordination Issues**

While the scope of this study was not designed or intended to include an in-depth management review of individual institutions and organizations, we found no evidence that there are any serious problems in individual program management. Indeed, all of the agency and program directors we interviewed are knowledgeable about their participants' characteristics and service requirements, and program activities and outcomes. However, the City Administration needs to address some structural management and coordination issues to if it is to meet its previously described objective of ensuring that its residents and employers are supported effectively in the development of a skilled, job ready workforce. These issues fall into three broad areas: (1) the ability of the City to coordinate services and programs and to gain access to information about program services, participants, and outcomes; (2) the ability of the City to link economic development priorities with workforce development activities; and (3) the ability of the City to participate in decisions about resource allocations.

### **1. Program Coordination and Access to Program Information**

The Citywide Youth Employment Office is well-known and well-respected in the system. All of the individuals contacted for the purpose of this study were aware of CYEO and identified it as the City's formal vehicle for program coordination for youth services. Additionally, there was universal agreement that CYEO has played a valuable role in helping service providers to share resources and strategies and streamline and facilitate program access for youth and employers. CYEO's successful effort to facilitate and coordinate the development of a common intake process through the Youth Employment Center at the High School demonstrates the willingness of Cambridge's various City and independent organizations to work together to improve their services to youth.

However, there is no similar vehicle for coordinating the employment, training and work-related education programs serving Cambridge's adults. Additionally, there is no mechanism for providing the City's policy makers and senior managers with information about the activities and outcomes of all of the programs serving Cambridge's residents and employers. Almost everyone interviewed for the purpose of this study expressed a frustration with their inability to get useful information on Cambridge's employment and training program activities and outcomes. Each organization maintains individual reporting, fiscal management, MIS, and performance management mechanisms and systems that provide their program managers and funding sources with information about expenditures, participant characteristics, enrollments, services and program outcomes. ERI maintains a comprehensive MIS capacity and requires that each program it funds submit detailed monthly fiscal and performance reports. There is no mechanism or process, however, for transmitting any of this information to Cambridge's

policy makers.

Finally, because there is no uniformity in program measurements or reporting requirements among all these non-City agencies, even if the City were to receive program reports, it would be difficult to analyze or evaluate progress toward the accomplishment of policy objectives or identify successful program models. There is a tremendous need, from both policy development and management viewpoints, to develop a reporting system that provides summary information on the types of program activities in which Cambridge residents are engaged, the demographics of the residents served, their employment status, the types of jobs they are obtaining, and the employers involved in hiring Cambridge residents.

## **2. Linking Economic Development with Workforce Development**

It is critical that job training activities be tied very closely to the City's economic development policies and activities. In general, any city's economic development efforts and resources are expended in attracting companies within the industries most likely to exhibit growth over the next five to ten years to relocate or expand their establishments within the city's boundaries. Training activities should focus on developing a skilled workforce that can support and compete for employment within these industries.

In order to address the workforce development needs of a growing and important industry in Cambridge, the Biotech industry, the Community Development Department embarked upon the development of a training program to begin addressing these needs. The Community Development Department identified an occupational training need and successfully coordinated the input of business and industry representatives on the critical requirements for a training curriculum. The Department has the capacity and the expertise to research, analyze, and develop recommendations about the City's need to support growing industries, particularly in relation to their workforce requirements, including occupations, levels of employment, and specific skills. This is a critical element of the City's ability to respond quickly and effectively to changes in its employers' workforce requirements.

However, the City lacks a strategy for overall coordination of economic development activities and workforce development program design and implementation. Currently, coordination occurs only on an ad hoc basis for specific programs and industries with high visibility. Cambridge needs to clarify the role all of its departments play in employment and training program coordination and oversight and needs to develop a mechanism for coordinating economic development activities and workforce development program priorities.

## **3. Resource Allocation**

The City currently spends approximately \$1 million on youth and adult job training and

employment services. However, this investment represents only a fifth of the total dollars spent to serve Cambridge residents. An additional \$4 million in federal, state, foundation, and private funds is invested in workforce development programs and services in Cambridge. As described in Section II Policy Development, the City Administration, as is the case with most municipalities in the country, does not currently have a mechanism for participating in the program development and funding decisions made by the wide range of non-profit organizations serving its residents. Therefore, the resource allocations developed for all of the City's privately and public-funded workforce development programs are not tied to Cambridge's program priorities.

ERI is the administrative entity for the single largest amount of resources expended on job training services to residents of Cambridge (approximately \$2.5 million annually). As described previously, ERI's Board of Directors include the City Managers of Cambridge and Medford, and the Mayor of Chelsea. The remaining Board members are the Executive Committee members of the Metro North Regional Employment Board. The Chair of ERI, Inc. is also the Chair of the Regional Employment Board. The REB meets regularly; ERI's Board rarely meets. However, it is only through membership on ERI's Board that Cambridge's City Manager (who does not serve on the REB) has a formal vehicle for providing direct input into the management of programs funded by ERI. ERI's focus and approach to program development is narrow and is driven by JTPA regulations and priorities. It is essential that the City Administration participate in the decisions the REB makes about priorities and allocations for federal and state funds, become involved in ERI's management of the region's workforce development programs through ERI's Board of Directors, and integrate those funding decisions and regional service issues into the management of City funds and programs.

Finally, as is the case with most municipalities, the City has not developed a capacity for identifying and securing additional funds to meet its policy objectives and service priorities. In interviews and discussions conducted for the purpose of this study, City employees, program managers of non-profit organizations, and other parties identified the lack of a central grant writing capacity and development strategy as a serious deficit. Each program director conducts his/her own grant writing and program funding activities to support its operations and/or to expand its capacity. This represents a tremendous amount of time and energy on their part. In addition, their grant writing activities are not tied into the City's overall employment and training priorities and, therefore, lack the ability to send clear, consistent messages to the large, well-established funding organizations about Cambridge's ability to use resources effectively.

## **Conclusion**

In order for the City Council and the City Administration to make informed decisions about overall policy objectives, evaluate progress towards accomplishing those objectives,

and ensure that program resources and services are used effectively to address the needs of Cambridge's youth, adults and employers, they must have access to clear and uniform information about program services, activities and outcomes. They must also have the capacity to lead service providers through the difficult process of overcoming turf issues and funding restrictions to achieve the maximum possible level of program integration. The City's investments must be managed effectively and spent on programs that cover program gaps not funded through other federal, state, or private sources.

Although in concept it might be desirable to exert direct and unified management over all of the City's adult and youth employment and training programs through the operation of a centralized and City-operated service delivery system, it is clearly impractical, if not impossible, to achieve such a system. There are too many independent organizations and funding sources (over which the City has no authority) providing services to Cambridge's residents and employers for this level of centralization to occur. Additionally, these organizations and programs represent close to \$4 million in services and resources. If the City were to create a separate service delivery system, it would be required to duplicate or overlap many of these services and expend resources on non-direct service items, such as administrative costs, facilities and computer systems. Finally, the diverse nature of the organizations providing workforce development services to the City's residents is reflected in the wide range of professional and cultural backgrounds of their staff and managers. This diversity supports the development of a broad range of services that corresponds to the broad range of needs of Cambridge's residents and employers. A centralized service delivery system is likely to result in an environment that is less conducive to creativity and originality in program design and service strategies.

The City can use its investment of resources much more effectively by developing its capacity to participate in program design and program planning, influence service providers' decisions about resource allocations so that they correspond to City priorities, and expand existing programs' capacity to serve a broader range of clients. With this type of investment in coordinating and expanding the activities of current service providers, the City can support multiple access points at little cost to the City and facilitate access to additional resources available through organizations' other programs and activities.

These issues are not exclusive to Cambridge and, in fact, are being faced by many cities throughout the country as their government and business leaders examine and re-define their priorities and objectives for workforce development programs. It is clear that, if Cambridge is to accomplish the goal of establishing a comprehensive, coordinated employment and training system, the City will need to improve its capacity to plan, coordinate and evaluate programs and services. We believe the City should develop management and policy structures that provide the City with greater influence over those dollars spent on Cambridge residents by other public and non-profit institutions and organizations and, in the process, improve its capacity to use Cambridge funds to

leverage more effective and broad-based use of these non-City resources.

The following recommendations are designed to help Cambridge accomplish these goals.

## **Recommendations**

### **1. Create a City Workforce Development Unit to Coordinate and Oversee Youth and Adult Services**

Currently the oversight and coordination of adult programs for the City is divided informally between the Department of Human Services and the Department of Community Development, while the responsibility for coordinating youth programs lies with the Citywide Youth Employment Office, reporting to the Department of Human Services.

The City has two options for achieving improved oversight and coordination of the programs serving Cambridge's residents. One option consists of contracting this function out to an external agency. At present the only local agency with the administrative capacity, program expertise and knowledge of the City's workforce development issues required to assume this function is Employment Resources, Inc. However, although ERI is currently working to expand its capacity and focus beyond a traditional JTPA mindset, it will require some time to complete the process. In addition, City Councilors and program directors clearly perceive ERI as a regional organization focused on regional activities. City Councilors also expressed the belief that Cambridge should maintain oversight responsibility for programs funded with City resources. Finally, as discussed previously, the City Administration needs to enhance its ability to influence the program planning and design decisions of the organizations serving Cambridge's residents and employers. This ability could be diluted if it were contracted to an outside organization.

A second option is to develop an improved and expanded capacity within the City structure to oversee and coordinate the wide array of programs and agencies responsible for delivering these services to Cambridge residents. Based on our interviews and discussions with key Cambridge leaders, and reflecting our experience that successful policy development is based on a close relationship with program oversight and coordination capacity, we recommend that the City develop this capacity in-house.

Specifically, we recommend the establishment of a Workforce Development Unit as a Division within the Department of Human Services, reporting to the Assistant City Manager for Human Services. This Unit would have responsibility for youth and adult policy implementation, planning, and program coordination. The model currently used for youth program coordination (through the Citywide Youth Employment Office) is proving to be effective; we recommend that the City build on this model to include

planning and program oversight and encompass adult program coordination, planning and oversight as well. Many of the City's residents require a combination of employment, training, social and support services in order to succeed in finding and retaining stable employment. It is essential that workforce development services be tied closely to the social and support services provided by the City. The success of the Citywide Youth Employment Office is due in large part to this comprehensive approach to serving the City's youth. Location of the Workforce Development Unit within the Department of Human Services would support this approach to program integration for all of the City's residents. Achieving the same level of coordination and integration would be difficult to achieve if the Unit were located in another department.

The Workforce Development Unit would be responsible for overseeing the planning and expenditure of City funds for workforce development activities serving the City's youth, adults and employers and would develop additional funding sources to augment City funds through grant writing activities. It would also be responsible for working with local agencies to coordinate goal setting and program service delivery, and would lead workgroups to design and implement new program strategies. The Unit would serve the role of providing the City Council and the City Manager with information on services performed and program outcomes from the wide array of programs serving Cambridge's residents. Finally, it would undertake the task of developing and maintaining a directory of program offerings, access points and eligibility requirements for adult and youth programs and would staff the City's Customer Service Hotlines for employers and residents.

## **2. Increase the City's Authority Over ERI, Inc.**

We recommend that ERI's bylaws be amended to designate the City Manager of Cambridge as the Chair of ERI, Inc. This would reflect a better balance and separation between ERI's responsibilities and the REB's responsibilities and would provide the City Administration with more direct management authority over the programs and services serving Cambridge's residents and employers. As the designated JTPA grant recipient and lead city, Cambridge is responsible for ERI's program expenditures and it would be prudent and appropriate for the City Manager to serve as Chair of the Corporation, providing Cambridge with direct influence in the management of any programs funded through ERI. This would address, to some extent, the question of the REB's independence and its ability to maintain objectivity in reviewing and overseeing programs that are not administered through ERI.

We also recommend that the Board of Directors of ERI meet at least quarterly to engage in and support a meaningful discussion among the REB members and the key city leaders on program priorities and ties with economic development. It is the only formal forum that is designed to foster such critical discussions between City officials and Regional Employment Board members.

### **3. Establish a Central Cambridge Database and Reporting Capacity**

We recommend that the City develop a reporting system that provides summary information on the types of program activities in which Cambridge residents are engaged, the demographics of the residents served, their employment status, the types of jobs they are obtaining, and the employers involved in hiring Cambridge residents. The Workforce Development Unit would be responsible for reviewing the quarterly reports and would provide the City Manager with a summary of key issues and accomplishments to report to the City Council.

ERI, Inc. does maintain a central database for information about the participants and outcomes of the programs it funds. To manage this information, ERI has a fairly sophisticated MIS system; this system could be used to gather and process program information to produce the quarterly system activity reports. The City would reimburse ERI for this service. All agencies and organizations that receive City funds or are accountable to City management should report this information, regardless of program funding source. Agencies that do not receive City funds or do not fall under any formal City jurisdiction should be requested by the City Manager to cooperate and provide this information to improve local coordination and policy-making capacity.

### **4. Develop a Mechanism for Coordinating Employment and Training Program Development and Service Delivery Activities With Economic Development Activities and Priorities**

We recommend that the Community Development Department be designated as the City's research arm. The Community Development Department has the technical expertise and capacity to research, analyze and develop recommendations on any number of local economic development issues that affect the development of training programs and service strategies. In conjunction with this responsibility, the Community Development Department should be given formal responsibility for organizing and coordinating any industry advisory groups or committees whose function is to provide guidance to the City on economic development issues and priorities.

In general, the roles and responsibilities of the Community Development Department are currently extensive and we do not recommend adding the responsibility of planning, managing and overseeing workforce development programs. We recommend that the design, management, and technical assistance for future workforce development programs, regardless of industry focus, fall under the jurisdiction of the new Workforce Development Unit. With the completion of the design and development phase of the Biotech Training Program, we recommend that its management be transitioned to the Workforce Development Unit. To ensure a smooth transition, the Community Development Department and the Workforce Development Unit should work together with the Biotech Advisory Council to provide oversight and guidance to the Biotech training program. This might be facilitated by the development of a subcommittee to

the Biotech Advisory Council whose function would be to provide guidance to the Workforce Development Unit in the management of the Biotech training program. Future training programs might follow a similar model of oversight through a subcommittee to an industry advisory committee.

We recommend that the City establish two mechanisms to improve its ability to coordinate economic development and workforce development activities:

- o Form an Economic Development and Employment Coordination Workgroup, composed of the City Manager, the Assistant City Manager for Community Development, the Assistant City Manager for Human Services, the Director of Economic Development, the Director of the Workforce Development Unit, the Superintendent of Schools, the Assistant Superintendent for Curriculum Development, and the Director of the Rindge School of Technical Arts. The Workgroup should meet quarterly to review program and economic development activities, discuss coordination issues, and develop employer service strategies. The Workgroup should consider methods and strategies for linking school-based activities and curricula to career exploration and job readiness for all students, not solely students enrolled in vocational preparation programs.
- o Develop and implement a series of employer/industry briefing sessions for the City's policy makers and service providers to provide them with current information about business and industry trends and their impact on workforce development strategies and services. The Community Development Department would be assigned the responsibility for developing and implementing the schedule and content of the sessions. The Workforce Development Unit would be responsible for marketing the sessions to service providers and advisory groups.

## **5. Pursue Outside Funding Sources**

We recommend that the City develop a workforce development grant writing capacity and draw up a long-term plan for developing additional funding sources to support new program initiatives and policy priorities. Federal, state, and private resources are made available through RFPs and grant submissions throughout the year to support job training and work related education programs. The City should fund a part or full-time position within the Workforce Development Unit to support grant writing and resource development. This individual should work closely with the individual assigned to conduct grant writing for the School Department to ensure that they integrate proposals where appropriate and share information about RFPs and funding opportunities.

## **6. Tie City Investments to City Priorities**

We recommend that the City establish a process whereby decisions regarding program investments are made within the context of Cambridge's program priorities. This process would entail, at a minimum, a semi-annual meeting of the REB's Cambridge Workforce Development with the City's service providers to discuss the City's goals and priorities for workforce development services affecting Cambridge's residents and employers. This annual meeting should be scheduled to occur before service organizations begin their annual budget development process.

The City should also require that any City or REB-funded organizations providing employment and training services to the City's residents provide the Regional Employment Board's Cambridge Workforce Development Committee with annual budgets that identify their planned allocations relating to these services. The Committee would review these planned allocations in the context of the City's priorities for service.

## **SECTION IV PROGRAM DESIGN, SERVICES AND DELIVERY SYSTEMS**

### **Overview and Analysis**

A wide range of workforce development organizations and programs serve Cambridge's residents (both youth and adult) and employers. Two area organizations provide the majority of employment and training services, either directly or through contracts with local service providers: ERI, Inc. and the Department of Employment and Training.

Many employment and training programs receive a portion of their funding through Employment Resources, Inc., which contracts for occupational skills training, education and placement services for economically disadvantaged youth and adults with individual non-profit and for-profit vendors. Through its network of vendors, ERI served 610 Cambridge residents (398 adults and 212 youth) in FY92, or 23% of its total enrollment of 2,666. Approximately 68% (or 412) of ERI's Cambridge clients were minorities; 33% (or 201) were minority males. In FY92, ERI and its vendors helped 169 Cambridge residents who were program participants to find jobs. Approximately 59% (or 99) of those placements were in jobs outside of Cambridge.

Through its Cambridge Opportunity Job Center (OJC) in Central Square, the Massachusetts Department of Employment and Training provides job search, counseling, training referral, and placement assistance to Cambridge and Somerville's adult and youth residents and recruitment assistance to employers. In FY92, the Cambridge OJC provided services to 5,743 clients (5,671 adults and 72 youth). Approximately 30% (or 1,735) were minorities; 29% (or 1,665) were economically disadvantaged. In FY92 the Cambridge OJC helped 1,095 clients to find full and part-time jobs; 711 adult clients secured full-time employment at an average wage of \$10.44/hour.

#### **1. Youth Programs**

As described previously, there are many programs designed to provide employment related services to Cambridge's youth. They have been described in detail in several previous reports prepared for and by the CYEO. Therefore, the following is a brief description of each of the City's major programs, intended to provide the reader with a context for understanding and assessing the range of services available.

##### **The Cambridge Partnership for Public Education**

Provides assistance to businesses and educational institutions in forming collaborative relationships to support the improvement of Cambridge's public school system. The Partnership has 5 priorities: Early Childhood Education; Dropout Prevention; Curriculum Development; Youth Employment and Post Graduation Opportunities; and

Professional Development for Teachers and Administrators.

**The Futures for Young Parents Program (Just-A-Start)**

Provides GED preparation, work readiness, career counseling, mentoring and placement services to approximately 60 out-of-school youth (approximately 45 from Cambridge), ages 14-20 (female) and 16-22 (male), who are pregnant or parenting, have no diploma or GED, and receive public assistance.

**One-Stop Youth Program (Just-A-Start)**

Provides basic education, GED prep, work readiness, career counseling, placement, and paid work experience services to approximately 80 unemployed school drop-outs (approximately 50 from Cambridge), ages 16-21, who meet federal low income eligibility standards.

**Summer Youth Program (Just-A-Start)**

Provides placement and paid work experience services to approximately 100 Cambridge youth, ages 14-21.

**Teenwork (Just-A-Start)**

Provides work readiness, placement and counseling services to approximately 60 Cambridge in-school youth during the academic year and 100 during the summer, ages 16+, with above average attendance and grades.

**Work-Study/Job Placement Program (CRLS)**

Provides placement and paid work experience services to approximately 120 CRLS students, including some with special needs, during the academic year and approximately 15 CRLS students during the summer.

**Jobs for Bay State Grads**

Provides career exploration, work readiness, placement and counseling/retention services to approximately 30 non-college bound CRLS seniors, ages 16-21, during the academic year and 30 CRLS freshmen and sophomores, ages 14-15, during the summer.

**Community Learning Center (Cambridge Human Services Department)**

Provides GED and ESL services to out-of-school youth, ages 16+.

**The Workforce Unemployment Prevention Program (Cambridge Housing Authority)**

Provides work readiness, career exploration, school-to-work and school-to-school transition, and paid work experience services to approximately 100 in-school youth during the academic year and 25 during the summer, ages 13-19, who are residents of public housing.

**Summer Youth Employment Program (Employment Resources, Inc.)**

Provides placement and paid work experience services to approximately 125 low-income

Cambridge youth, ages 14-21.

**City Links (Cambridge Community Services)**

This is a new program, with plans to provide public service career exploration, public sector internships, and school-to-school transition services to approximately 15 Cambridge in-school youth who are linguistic minorities.

**Rindge School of Vocational and Technical Arts (Cambridge School Department)**

Provides career counseling, career exploration, educational and occupational skills training services to approximately 450 Cambridge in-school youth, grades 9-12.

**Mayor's Summer Youth Program**

Provides work readiness, placement and paid work experience services to approximately 300 Cambridge youth, ages 14-18.

**2. Adult Programs**

**Employment Resources, Inc.**

A large portion of the federal and state funds allocated by ERI, Inc. to serve Cambridge's economically disadvantaged adults are used to purchase or reserve slots in programs that serve the residents of several cities and towns in the Metro North SDA. They represent a combination of basic education, ESL and skills training services. Most of these programs also provide placement assistance to program participants. Approximately 25% or 398 of ERI's region-wide FY92 adult enrollment of 1619 participants was made up of Cambridge residents.

The following is a list of the programs ERI, Inc. funded for FY93 through its first round of proposal solicitations:

**Occupational Skills**

- Aquinas College - Medical Assistant
- Bunker Hill Community College - ESL/Health Aide
- Bunker Hill Community College - ESL/Education/Allied Health
- Bunker Hill Community College - Surgical Technologist
- J&R Systems for Business - Electronic Office Machine Repair
- Just-A Start - Delead Worker
- Learning Development Center/Minuteman Tech - Pre-Voc/Bio-Manufacturing Technician (Lexington)
- Middlesex Community College - Biotechnician (Burlington)
- Training Inc. - Accounting Support (Boston)
- Aquinas College - Medical Insurance Specialist (Newton)
- Aquinas College - Medical Office Administration (Newton)

Computer Education - Medical Clerical (Woburn)  
Employment Connections, Inc. - Education/Medical Secretary/Records Clerk  
(Chelsea)  
Lare Training Center - Medical Biller/Office Skills (Woburn)  
One With One - ESL/Medical Clerical (Brighton)  
Operation ABLE - Medical Biller (Boston)  
Employment Connections, Inc. - Business Education (Chelsea)  
Employment Connections, Inc. - Pre-Voc/Business Education (Chelsea)  
Lare Training Center - GED/Clerical (Woburn)  
Training, Inc. - Computerized Office Technology (Boston)  
Training, Inc. - Customer Service/Data Entry (Boston)  
Training, Inc. - Education/Office Skills  
Training, Inc. - Education/Office Skills/Evenings (Boston)

### **Education**

Concilio Hispano - ESL  
Employment Connections, Inc. - ESL  
Learning Development Center - ESL  
Middlesex County Employment and Training Program - ESL  
One With One - ESL  
SCALE - ESL  
Community Learning Center - ABE  
Employment Connections, Inc. - ABE  
LARE Training Center - ABE (Woburn)  
LARE Training Center - ABE (Chelsea)  
Learning Development Center - ABE  
SCALE - ABE

In addition, there are several Cambridge-based organizations and programs that provide employment, education and training services to the City's adult residents. The following is a brief overview of the major organizations and programs:

#### **Cambridge Employment Program - Employment Resources, Inc. (Community Development Department)**

Provides job search and placement assistance services to 200 Cambridge residents who are not eligible for state and federally-funded services for the economically disadvantaged.

#### **Community Learning Center (Human Services Department)**

Provides adult diploma, GED, ESL, and ABE services to approximately 1,000 clients. CLC's population is approximately 80% immigrant, and close to 60% of its resources are focused on ESL services. The CLC also conducts workplace education programs under

contract to several local hospitals.

**Biotech Training Program - Just-A-Start/Boston University (Community Development Department)**

This is a new program, designed to provide approximately 25 participants (a mix of residents from Cambridge and surrounding communities) with education and skills training services to prepare them for employment as technicians in the Biotech industry.

**RAP Program - Just-A-Start (Community Development Department)**

Provides skills training and work experience in housing rehabilitation skills to Cambridge residents.

**Cambridge Opportunity Job Center - Department of Employment and Training (DET)**

As described previously, the Cambridge OJC provides career counseling, job search assistance, training referral, and placement services to approximately 5,600 adults, primarily from Cambridge and Somerville. The OJC maintains computer terminals that provide job seekers with access to DET's mainframe data base consisting of information about more than 20,000 job openings listed by the state's private and public-sector employers. The OJC also provides unemployment insurance benefits to workers who have been laid-off and meet eligibility requirements.

**MassJOBS Program - Cambridge Welfare Office (Department of Public Welfare)**

Provides career counseling, assessment, work readiness, education, occupational skills training, placement, and support services to Cambridge residents who receive public assistance benefits, primarily AFDC. The majority of education and skills training services are provided through ERI's service contracts as described above. MASSJOBS placement services are provided through the Department of Employment and Training's Cambridge Employment Network Office, located at the Cambridge Welfare Office.

**Workers' Assistance Center - Employment Resources, Inc.**

Provides career counseling, job search assistance, basic skills upgrading, and occupational skills training services to residents from Cambridge and neighboring communities who are long-term unemployed.

**Program Design and Service Delivery Issues**

As described previously, Cambridge's residents are served by a complex collection of programs and services, each with discrete management structures and service goals. Each program develops individual employer relationships and provides its own intake and assessment for clients. While we did not undertake a quality assessment of specific programs, the general quality and design of services is good, and serves a fairly broad base of clients.

Through state, City, non-profit, and private organizations, Cambridge's employers and

residents are provided with a wide range of high quality employment, work-related education and training services. The City manages and hosts many programs that have received national and state recognition for their innovative approaches to service and commitment to quality, such as the Cambridge Housing Authority's Workforce Program and RSTA's CityWorks program. Organizations such as the Community Learning Center, Just-A-Start, ERI, and the Cambridge Opportunity Job Center provide critical employment, education and skills training services to the City's residents. The demand for these services and the waiting lists for enrollment indicate that the City's service providers are designing and delivering programs that have a reputation for quality and are well-matched to the needs of a significant population.

However, there are some issues that need to be addressed to ensure that Cambridge's workforce development system meets the critical needs of its residents and employers. These issues fall into four broad categories: (1) the lack of capacity through CEP or any other program to help all of the City's residents assess their occupational skills and job readiness and receive referrals to appropriate workforce development programs and organizations; (2) the lack of capacity to support residents in implementing a long-term career plan that combines public, employer and privately funded training and education with a series of jobs requiring increasing skill levels; (3) the lack of knowledge by many of Cambridge's employers and residents about local recruitment and workforce development resources and the lack of a clearly identified mechanism for them to access those resources; and (4) gaps in program service, particularly for populations that do not meet JTPA eligibility criteria.

### **1. General Career Planning Services**

It is critical that all of Cambridge's residents have access to assessment, career planning, referral and placement services to allow them to make the most effective use of the City's workforce development resources. As described previously, through the Cambridge Employment Program (CEP) Cambridge residents, regardless of their income level, can receive job development and job placement assistance to support their job search. CEP has two primary goals: (1) to ensure that Cambridge residents have full access to job openings in Cambridge companies, and (2) to place Cambridge residents in publicly-funded construction jobs. ERI has been given conflicting direction over the past several years about the City's priorities for CEP services. CEP currently focuses on intensive, short-term job development and job placement activities with a small pool of Cambridge employers (31 employers in FY92, out of a total base of 3,500). This strategy, while having the benefit of obtaining at least a basic wage for clients (FY92 average placement wages were \$6.89), limits their options for employment and limits their ability to gain access to higher-wage technical skills and related occupations. Many job seekers need more than placement assistance to ensure that they will be able to compete effectively in the labor market over the long term. In addition, because the CEP program focuses primarily on placement activities, there is no resource for Cambridge residents, regardless

of income, to obtain a general skills assessment and career and employment counseling services. In order to serve its residents, it is essential that the City's employment and training system develop the capacity to provide skills assessment, career planning, and, if appropriate, referrals to education and training programs in addition to job placement services.

## **2. Long-Term Service Strategies**

As reported by the Community Development Department, Cambridge's labor market is becoming increasingly technical in nature, requiring higher skill levels of entry-level employees. Many of these technical positions are currently filled by non-Cambridge residents, due to a lack of local workers with the appropriate set of skills. Although ERI has made progress in addressing this issue by requiring its skills training vendors to include work readiness and work-related basic education competencies in their program designs, Cambridge still lacks linkages between the programs that provide basic education services and the higher-level technical skills training programs. The RFP process is not currently designed to support the development of such sequenced training programs. The City's poor and unskilled population receives a great deal of attention through basic skills, ESL and entry-level occupational skills training services, but are not provided with support in long-term career development and training and, therefore, have limited access to college and high-skill technical training programs. For example, the City's new Biotech Training Program could include a biotech-based curriculum modification to the Community Learning Center's Adult Diploma program, which could then serve as a feeder component to the technical training program.

There is currently no integrated case management system capacity to support referrals between independent, non-profit service organizations (including support services) and to manage clients in their progress through long-term, multi-service career action plans. An integrated case management system would support the development of program sequencing strategies, facilitate integration of program services with support services, and improve the capacity for follow-up services.

## **3. Knowledge of and Access to Services**

There is clearly a lack of information among Cambridge residents and the business community regarding the workforce development services that are available and how to access those services. Cambridge City Councilors, in particular, were concerned that residents lack a source of clear, consistent information about the types and location of employment, work-related education and training services available to them through public, private, and non-profit programs and organizations.

A relatively small percentage of the firms in Cambridge participate in the job training

system. A few of the City's training and employment programs have established employer advisory groups to assist in the development of curricula. (Examples are the CYEO's Business Advisory Committee and the planned Biotech Advisory Committee.) This employer involvement helps to integrate workplace and training activities and strengthen employers' belief in the quality of the training. However, employers who are not involved with any advisory committee or do not have a previous relationship with a program are confused about how to interact with the system to get access to skilled employees. In a survey conducted by the Community Development Department of a sample of 91 Cambridge employers, 75% were unaware of ERI's job placement and referral services. Overall, employment and training programs are placing residents with no more than 300 of Cambridge's employers, out of a total employer base of 3,500.

In 1984 the City Council established a Cambridge Resident Construction program for the purpose of ensuring that Cambridge residents gain access to publicly-funded construction jobs. This should be encouraged through the creation of a program that ensures that residents not only have access to the jobs but also to the necessary training programs to get them qualified for construction-related occupations. However, it should be noted that construction overall represents a very small percentage of jobs in the Cambridge labor market (approximately 2%) and publicly-funded construction represents an even smaller percentage.

The practical advantages of business involvement in the development and delivery of training programs are clear. In recognition of this, federal and state programs have encouraged and fostered the development of public/private partnerships to develop policy and manage job training programs. However, as is the case nationally, Cambridge business involvement in the actual development and provision of training has been limited, and the training system has exhibited a corresponding inability to move quickly to respond to the occupational needs of growing and emerging industries.

#### **4. Program Gaps**

Due to limitations in funds and eligibility restrictions associated with the funds that are available, the City does not have the capacity to provide access to basic skills upgrading services to all of Cambridge's residents, regardless of income or employment status. The mastery of basic skills is directly related to success in the labor market. As jobs become more complex, workers' grasp of math and science principles, communication skills, and reasoning and problem solving skills become essential for successful job performance.

Several of the City's officials and City Councilors expressed concern about the ability of single women with dependents to access the job training system because of a lack of available support services, particularly day care. In addition, City officials identified the City's minority male population as a group that might be under served by the employment and training system. Our recommendation to assign responsibility for

Cambridge's new Workforce Development Unit to the Department of Human Services reflects our belief that the City's social service resources need to be tied closely to its workforce development resources.

Finally, the individuals interviewed for this report identified four additional areas relating to program gaps: (1) the current inability of the system, due to income eligibility requirements for many programs, to provide skills upgrading and retraining services to many residents in need of such services, particularly the "working poor"; (2) the need for services designed specifically for out-of-school youth; (3) the need for additional funding resources to support the Workforce Program's services to young residents of public housing; and (4) the need for additional funding resources to support the expansion of ESL and work-based ABE services, specifically for clients with low levels of basic English-speaking and educational skills.

## **Conclusion**

While Cambridge is served by a wide range of workforce development programs and services, its service structure is not integrated, either through intake or referral systems, and, therefore, does not support its residents in developing and moving through a long-term career development plan that draws on multiple services and resources. Residents and employers are provided with limited and scattered information about workforce development programs and services and the City lacks the capacity to provide its residents with assessment and career planning services to ensure that they make effective use of the services available to them. Finally, due to funding limitations, there are service gaps for selected populations. We recommend that the City consider implementing the following program enhancements to improve the ability of its workforce development system to meet the needs of both residents and employers.

## **Recommendations**

### **1. Develop a Life-Long Learning Capacity for Cambridge Residents Through an Integrated and Sequenced Training System**

The City needs to develop the capacity to support a life-long learning strategy that ties each client's education, training and placement services to career employment objectives. We recommend that the City undertake the following activities to support its ability to implement this strategy.

- o Through the Workforce Development Unit, develop a vendor-based program planning process that establishes program entrance competency requirements, develops feeder programs to meet those competencies if such a program does not currently exist, and establishes program articulation agreements. This may require that JTPA programs serve more as feeder programs into post-secondary

educational programs than is the current practice.

- o Through the Workforce Development Unit, work with the system's vendors to develop and implement a Career Action Plan for each client that identifies his/her long-term career objective and each step in the sequence necessary to achieve that objective. This might include placement in a series of jobs that provide work experience and skills development. Such a plan might also include a combination of education, classroom skills training, and OJT.

## **2. Increase the Consumer Orientation of the Workforce Development System**

In order for all of the systems' customers to have full information regarding the services available to them, we recommend that the City take the following steps:

- o Through the Workforce Development Unit, develop marketing materials and a marketing strategy for both Cambridge residents and Cambridge employers that support the outreach activities of the City's service providers and identify access points for residents and employers.
- o Through the Workforce Development Unit, develop a directory for Cambridge Adult services that replicates the format of the Cambridge Youth Services directory: **Youth At Work**.
- o Through the Workforce Development Unit, work with the service organizations to develop a customer service evaluation and feedback capacity. This might include response cards, Tell Us What You Think forms, questionnaires or telephone surveys that allow residents and employers to comment on the quality and appropriateness of the services provided by all of Cambridge's employment and training service organizations.
- o Develop and support job seeker and employer system information hotlines. Both hotlines might be supported by the Workforce Development Unit.

## **3. Increase Employer Involvement in and Access to the Workforce Development System**

Given that there is no readily available funding source to meet the needs of every training recipient, the City needs to develop a strategy that draws on the capacity of post-secondary institutions and employers to provide staff development and scholarships to employees at all levels. There are several activities the City might undertake to facilitate this strategy.

- o Work with training organizations, organized labor, employers and the school system to use OJT training models to a much greater degree than is the current

practice. On-the-Job Training is, by definition, workplace based. It provides a worker with access to work experience while earning a wage and provides an employer with the opportunity to teach company-specific work processes. This will require extensive involvement with the business community and will require that the City develop the capacity to provide training vendors with technical assistance and training in identifying potential sites and in developing agreements for effective OJT placements.

- o Through the Cambridge Workforce Development Committee of the REB, facilitate discussions between industry advisory groups and post-secondary institutions about developing the capacity to meet training needs for current employees to upgrade their skills.
- o The City may want to consider supporting state legislation that would permit the City to offer a tax credit to all state employers who provide line staff and middle managers (who are Cambridge residents) with training that upgrades their job skills. The tax credit could potentially promote the hiring and training of Cambridge residents and might, in the long-term, reduce the City's need to invest funds in training its residents.

As noted previously, a relatively small percentage of the firms in Cambridge participate in the job training system. We recommend a two fold strategy to get Cambridge companies involved in training and placing Cambridge residents.

- o The City should package the message about the employment goals it sets for its businesses with a comprehensive marketing campaign and outreach program that explains the City's goals and objectives and the activities it is undertaking to develop a well trained labor force to meet businesses' needs. Businesses that are affected by City statutes on hiring should be provided with clear information about their hiring requirements and should receive assistance in meeting those requirements.
  - o Provide labor market penetration and job development training to all organizations and staff responsible for placement activities. Designate a single agency as the primary recipient of job openings with the understanding that this information will be shared with all programs as soon as it is received.
- 4. Re-Focus and Broaden the Scope of the Cambridge Employment Program (CEP) and Develop a Capacity for General Skills Assessment, Referral, and Career Planning for any Unemployed or At-Risk Worker.**

As described previously, CEP provides Cambridge residents, regardless of their income level, with job development and job placement assistance to support their job search. The Cambridge Employment Program currently focuses on intensive, short-term job

development and job placement activities. In order to serve its residents, it is essential that the City's employment and training system develop the capacity to provide skills assessment, career planning, and, if appropriate, referrals to education and training programs in addition to job placement services. The City should explore the possibility of expanding on CEP services to establish a drop-in assessment, referral and career counseling resource center for any City resident in need of these services. The center might also provide assessment, screening and referral services for residents interested in applying for City jobs.

There are two options that the City should consider which would help it to accomplish this goal. They are outlined briefly below. Before choosing a model, the City will need to explore each of the options in greater detail through discussions and negotiations with the organizations we have identified below.

- o Contract the delivery of this service to ERI, with oversight and policy guidance from the City's Workforce Development Unit. ERI currently delivers job development and placement services for the CEP program. The organization has a good assessment capability and is already recognized by City residents as a resource for employment and training services. However, the agency's main mission is to focus on providing a wide array of high quality job training services, not high volume assessment, counseling, and job placement services. It would need assistance in developing this capacity so that it is appropriate for City residents.
- o Contract the delivery of this service to the Department of Employment and Training's Cambridge Opportunity Job Center, with oversight and policy guidance from the City's Workforce Development Unit. The OJC is centrally located across from City hall, the agency has a mandate to place Cambridge and Somerville residents in jobs, and it has a good client oriented computer-based training referral and job placement system. City funds could be used to supplement this referral and job placement system through the funding of designated personnel to provide assessment, career planning and referral services to Cambridge residents. An assessment system would need to be identified and implemented that can meet the needs of Cambridge residents. It would also be necessary to establish a mechanism for ensuring that these resources are reserved for Cambridge residents and that they are identified as a City-funded service.

To support residents' ability to gain access to publicly-funded construction jobs and businesses' ability to meet the requirements of the Cambridge Resident Construction Program, we recommend that the expanded CEP program as described above include continued responsibility for meeting resident construction employment goals. This will have the benefits of exposing a broader pool of participants to construction-related opportunities within the context of a long-term career plan that includes training services if necessary.

In addition, we recommend that the oversight and monitoring function for this program be included in the responsibilities of the City's new Workforce Development Unit. Finally, we recommend that the City establish an employer service account representative system, using the staff of CEP as account representatives who would provide focused recruitment and placement services to firms involved in publicly-funded construction projects.

#### **5. Establish a Computer-Based Basic Skills Center for Cambridge's Adult Residents**

Computer-based self-paced learning is an extremely effective way to upgrade the basic skills of adults. Given the importance of basic skills to today's jobs, we recommend that the City work with its service providers to develop outside funding sources or allocate a portion of their funding to develop this capacity. Once an initial investment is made, this type of program delivery model has proven to be extremely cost effective. It would require staff support, which could be secured partially through the use of volunteers. Finally, in order to ensure maximum availability, the learning center should operate on a schedule that allows for evening use as well as day use.

All Cambridge residents in need of skills upgrading would be able to access the Center's services, including individuals who are currently working but are in need of basic skills upgrading to keep their jobs or improve their earnings potential. In addition to a basic skills curriculum, computer based resources that support the development of business writing skills, applied science, communication skills should be provided.

#### **6. Develop a Client Case Management System**

We recommend that the City work to establish a unified case management system used by the primary deliverers of job training and those agencies responsible for delivering the related support services. This is a critical element of the City's plan to develop a highly integrated workforce development system.

Clearly, the development of a comprehensive case management system is a complex project, and represents a long-term goal that will require significant resources. However, funding could probably be obtained from either a foundation or federal sources as a demonstration project. In order to accomplish this objective Cambridge would need the full cooperation of state agencies and independent non-profit agencies in order to overcome issues relating to confidentiality and turf.

#### **7. Target Training to Growing Industry Clusters and Local Economic Development Activities**

Training resources should be targeted to those industries and occupations that will provide for long-term career growth and are growing sectors of the local economic base.

Training offerings should be tied closely to economic development activities, and companies targeted in these activities should be brought to the table to discuss their training needs (see Management and Coordination Recommendation #4). Both the Regional Employment Board and the City of Cambridge have begun to take substantial steps in this direction (examples include the City's Biotech training program, ERI's two regional Biotechnician Training Programs, the workplace education programs conducted by the Community Learning Center at Neville Manor, City Hospital, and Santa Maria, and the industry-based curriculum development activities at the Rindge School of Technical Arts) but these efforts need to be expanded.

**8. Re-examine the Integration of Job Training and Linkages with Support Services, Specifically Day Care, Health Care, and Housing**

Our recommendation to assign responsibility for Cambridge's new Workforce Development Unit to the Department of Human Services reflects our belief that the City's social service resources need to be tied closely to its workforce development resources. We recommend that the Workforce Development Unit undertake a study to examine whether "at-risk" populations such as single women with dependents and minority males are participating in the current set of workforce development program offerings and, if not, identify the mix of services required to ensure that they can take advantage of training and employment opportunities.

**9. Develop the Capacity to Provide Upgrading and Retraining Services to Cambridge Residents**

One of the major program gaps in the system is its lack of capacity to serve individuals who are currently employed but whose job is in the process of being eliminated, residents who are in need of skills upgrading to keep their jobs, or residents who are employed in low skill jobs. As described previously in our recommendations for policy development, we recommend that Cambridge's Workforce Development Committee on the REB assume responsibility for facilitating a series of working group discussions involving City Councilors, City officials, the Regional Employment Board, and selected Cambridge employers and agency Program Directors to shape a consensus on what these services would encompass, how an individual who does not meet income eligibility guidelines would access the system, and whether services could be provided on a sliding scale or fee-for-service basis.

**10. Develop A Comprehensive Strategy for Providing In-School and Out-of-School Youth With Competency in Work-Related Skills That Meet Employers' Needs**

The City is just beginning to explore options for helping its youth to develop work-related skills that match local employers' requirements. The Cambridge-Lesley Careers in Education Program is designed to provide youth with exposure to education professions and the Polaroid Technical Internship Program provides students with work experience

and exposure to a wide variety of skilled occupations. The Rindge School of Technical Arts CityWorks Program provides its 9th grade students with the opportunity to develop a foundation in a broad range of resource analysis, decision making and problem solving skills in the context of their neighborhoods' real-world business environment. In their 10th, 11th, and 12th grade RTSA's students continue this process while exploring specific vocational areas. However, there is currently no such comprehensive resource for developing work-related competencies either in the City's in-school students who are not enrolled in RTSA or for the City's out-of-school youth. In addition, there is no process for certifying to employers that Cambridge's youth, through completion of a high school degree program, GED or out-of-school skills training program, have developed competence in work-related skills.

We recommend that the City's Workforce Development Unit work with the Cambridge School Department, the Community Development Department, the Cambridge Partnership for Public Education, and local employers to develop a comprehensive approach for developing school-to-work transition programs, including identifying critical work-related competencies, discussing options for revising school-based curricula to develop workplace skills, and developing a process for certifying mastery of such skills.

The Citywide Youth Employment Office recently undertook an analysis of the services available to out-of-school youth and plans to work with its advisory groups to develop a service delivery strategy for this population. We recommend that CYEO make this activity a top priority and that it receive development assistance to secure program funding resources, since many out-of-school youth will not qualify for income-eligible programs.

**11. Develop a Funding Source to Expand the Workforce Program's Capacity to Serve Unemployed Youth in Public Housing**

The Workforce Program has undergone severe funding cuts in recent years, while being selected as a national model program by the Ford Foundation. It is the only employment program in Cambridge for youth in public housing, and is able to serve only a small proportion of its target population. The program's primary funding (through EOCD) was cut dramatically last year and the program director spends a significant amount of time in raising program funds. We recommend that the City's grant writing strategy include funding this program as a priority.

**12. Develop a Funding Source to Expand the City's Capacity to Provide ESL Services**

There is a serious lack of low-level ESL and low-level work-related ABE services. This limits severely the ability of the City's neediest residents to gain access to skills training programs, and, therefore, to employment. We recommend that the City's grant writing strategy include funding this program as a priority.

## **SECTION V RESOURCE ALLOCATION**

### **Overview and Analysis**

The City of Cambridge invests a substantial amount of its own resources on workforce development programs and activities. These resources are drawn primarily from a combination of City tax dollars and Community Development Block Grant Funds. The total amount invested by the City this year is slightly over \$1,000,000. Of this amount, approximately \$600,000 is available for reallocation (see Appendix C). This is a substantial sum of money and surpasses the investments made by many other cities to support workforce development services. More than \$8,500,000 in federal and state monies is administered by ERI and overseen by the Metro North REB to support the region's workforce development programs. Approximately \$2.5 million of these funds is expended to serve Cambridge residents. Finally, a number of local agencies receive funding from a variety of other private and public sources, amounting to approximately \$1.5 million. Therefore, the total amount invested in workforce development programs serving Cambridge residents, exclusive of school department funds, is approximately \$5 million.

Because of the lack of a mechanism to coordinate service organizations' policy and program design activities as described in Section II Policy Development, most resource allocation is performed on an individual basis by each organization. In the ideal, the City or REB would set workforce development objectives, develop an implementation plan, and pool the funds available to create a cost efficient service delivery system. However, this is not an easy task to accomplish for any regional board or city; neither the federal government nor the state government has provided the necessary leadership to local governments to proceed in this direction, nor have local areas established the necessary program and fiscal planning processes and systems to implement this type of planning model. In addition, decisions about how workforce development funds should be allocated are severely limited by the restrictions of the funding sources. For example, the majority of JTPA funds are restricted primarily to serving a population that is defined as "economically disadvantaged"; the formula for determining income eligibility under this standard excludes large numbers of people with extremely low incomes who need workforce development services.

As described in the section of this report relating to policy development, the City Administration does not currently have a mechanism for participating in the program development and funding decisions made by the wide range of non-profit organizations serving Cambridge's residents. Therefore, the resource allocations developed for all of the City's workforce development programs are not tied to Cambridge's program priorities. In addition, as in most cities, the lack of fiscal and program integration invariably leads to inefficient spending patterns through duplication of services, duplication of program priorities, a service imbalance with regard to specific targeted

groups, and gaps in services.

## **Recommendations**

### **1. Provide Direction to Local Service Providers in the Development of their Annual Workforce Development Program Resource Allocations**

We recommend that the City establish a process whereby decisions regarding the program investments of local vendors and service providers are made within the context of Cambridge's workforce development program priorities. These program priorities would be established through the City Council's Economic Development, Training and Employment Committee and the proposed Cambridge Workforce Development Committee of the Metro North Regional Employment Board. The resource allocation process would entail, at a minimum, bi-annual meetings of the REB's Cambridge Workforce Development Committee with the City's service providers to discuss the City's goals and priorities for workforce development services affecting Cambridge's residents and employers. The timing of these meetings should be tied as closely as possible to the planning and budgeting cycles of these agencies. The City should also require that any City- or REB-funded organizations providing workforce development services to the City's residents provide the REB's Cambridge Workforce Development Committee with annual budgets that identify their planned allocations relating to these services.

### **2. Use City Funds to Complement and Expand Services Funded Through Federal, State and Private Sources**

We recommend that the City Administration review the planned allocations of local service providers when developing priorities for expenditure of City funds. The funds allocated by the City to support workforce development services represent approximately 20% of the total workforce development monies expended on services for Cambridge's residents and employers. The City's funds are currently appropriated to respond to specific needs or concerns without a careful examination of how the additional federal, state and private monies that fund workforce development services in Cambridge are allocated. City funds are the only source of restriction free monies over which the City has direct control. Therefore it is extremely important that these City expenditures accomplish three objectives: (1) the funds should be used to leverage federal and state dollars by building on and expanding existing capacity; (2) expenditures should be used to fill program gaps and fund new initiatives; and (3) monies should be invested to create and support a management structure that coordinates the City's wide array of programs, ensuring that programs are integrated and make efficient use of resources.

## **Conclusion**

In order to ensure that the current workforce development system is responsive to the objectives articulated by City officials and administrators and the business community, we

have recommended a number of policy, management, and program changes and additions that will require both a reallocation of City resources and an increase in expenditure of City resources. In addition, to accomplish several of these recommendations, the City will need to work with the Regional Employment Board to achieve a reallocation of current federal and state expenditures. Finally, the City will need to pursue additional funding. The following is a summary of the key initiatives we have recommended that have immediate cost implications for the City. The summary includes a cost estimate and proposed funding source for each initiative.

## **INITIATIVES TO BE FUNDED WITH CITY DOLLARS**

### **Workforce Development Unit: \$250,000**

The Workforce Development Unit (a Division within the Department of Human Services) would be responsible for overseeing the planning and expenditure of City funds for workforce development activities serving the City's youth, adults and employers and would develop additional funding sources to augment City funds through grant writing activities. It would also be responsible for working with local agencies to coordinate goal setting and program service delivery, and would lead workgroups to design and implement new program strategies. The Unit would serve the role of providing the City Council and the City Manager with information on services performed and program outcomes from the wide array of programs serving Cambridge's residents. Finally, it would undertake the task of developing and maintaining a directory of program offerings, access points and eligibility requirements for adult and youth programs and would staff the City's Customer Service Hotlines for employers and residents.

Note: This cost estimate assumes that the staff and budget of the current Citywide Youth Employment Office would be incorporated within the new Workforce Development Unit. It also assumes that this unit will assume the monitoring of the Cambridge Employment Program.

### **General Assessment, Referral and Career Counseling Center: \$175,000**

Through the Cambridge Employment Program (CEP) Cambridge residents, regardless of their income level, can receive limited job development and job placement assistance to support their job search. CEP currently focuses on intensive, short-term job development and job placement activities. This strategy, while having the benefit of obtaining at least a minimum wage for clients, limits their options for employment and limits their ability to gain access to higher-wage technical skills. In addition, the current appropriation level is not adequate to support even the placement and job development activities.

The Assessment, Referral and Career Counseling (ARC) Center would expand and

combine the job development and placement resources of CEP with skills assessment, career planning, and, if appropriate, referrals to education and training programs. The ARC Center would operate as a drop-in resource for any City resident and might also (depending on the volume of inquiries) provide assessment, screening and referral services for residents interested in applying for City jobs. ARC clients requiring long-term assistance would work with a staff counselor to develop a Career Action Plan that would outline the activities, services and organizations needed to achieve his or her career goal. They would then be referred to the appropriate organization(s) or program(s). Staff counselors would contact the clients within a two-week period following their referral to determine whether they have additional service needs. Clients requiring job search assistance would have access to the Department of Employment and Training's computer-based job bank for information about employment opportunities in the area and would receive job development assistance to identify additional job prospects.

**Note:** This cost estimate assumes the use of DET computer-based job bank system, assumes that there is co-location with either ERI or DET, and assumes that the CEP program and its budget are incorporated in the more comprehensive ARC program.

**Reporting System:  
\$10,000**

Each of Cambridge's employment and training service organizations currently maintains its own reporting system to respond to the requirements of its funding sources. (ERI, Inc. does maintain a central database for information about the participants and outcomes of the programs it funds.) The City's capacity to perform comprehensive policy development and program coordination activities will depend on its ability to gain access to summary information on the types of program activities in which Cambridge residents are engaged, the demographics of the residents served, their employment status, the types of jobs they are obtaining, and the employers involved in hiring Cambridge residents.

The City's Workforce Development Unit (WDU) would work with all of Cambridge's service providers to establish simple, standard data elements which would be reported to the WDU on a quarterly basis. The WDU would review the quarterly reports and would provide the City Manager with a summary of key issues and accomplishments to report to the City Council. ERI has a fairly sophisticated MIS capacity and this system could be used to gather and process program information to produce the quarterly system activity reports. The City would reimburse ERI for this service.

**Note:** This cost estimate assumes that the City would contract with ERI to produce quarterly reports.

**Leverage Federal & State Dollars:  
\$200,000 (initial expenditure)**

City Councilors, business leaders and City administrators all indicated that their primary concern about the current employment and training system is that it serves a narrowly defined population, limited by the requirements of federal and state funding. In order to accomplish the goal of establishing a comprehensive workforce development system for Cambridge's residents and employers, the City will need to use its resources to complement and expand the service capacity provided through federal and state sources. While the City is served by a wide range of employment and training programs, a significant portion of their funding requires that they restrict services to specific populations. Rather than incurring the cost of developing new, stand-alone services, resources and facilities, the City's funds could be used to leverage the "restricted" dollars to broaden the participant population and expand the service mix, where appropriate.

These funds would be used to accomplish three objectives: (1) broaden current income eligibility requirements for existing workforce development programs to allow for the enrollment of the working poor, underemployed and structurally unemployed; (2) fund targeted skills training programs related to economic development priorities; and (3) fund workplace-based upgrading and retraining initiatives.

**INITIATIVES TO BE FUNDED EITHER THROUGH REALLOCATION OF CURRENT  
FEDERAL AND STATE DOLLARS OR THROUGH NEW FUNDING SOURCES**

**Case Management System:  
\$100,000**

Software:	\$ 50,000
Hardware: (requires hardware assessment)	\$ 50,000 est.

An integrated case management system would support referrals between independent, non-profit service organizations (including support services) and manage clients in their progress through long-term, multi-service career action plans. This would support the development of program sequencing strategies, facilitate integration of program services with support services, and improve the capacity for follow-up services.

The development of a comprehensive case management system is a complex project, and represents a long-term goal that will require significant resources. Funding might be obtained from either a foundation or federal sources as a demonstration project. In order to accomplish this objective Cambridge would need the full cooperation of state agencies and independent non-profit agencies to overcome issues relating to

confidentiality and turf.

**Note:** This cost estimate is preliminary and should be reassessed after obtaining information about system hardware requirements by conducting a survey of vendors' current computer capacity and equipment. If the system can be networked with existing computers, then the hardware cost will be less expensive.

**Computer-Based Skills Center:  
\$145,625**

Interviews with business representatives and program managers revealed that the level of basic skills upgrading services required to meet the needs of all of Cambridge's residents, regardless of income or employment status, far exceeds current capacity. The mastery of basic skills is directly related to success in the labor market. As jobs become more complex, workers' grasp of math and science principles, communication skills, and reasoning and problem solving skills become essential for successful job performance.

Computer-based self-paced learning is an extremely effective way to upgrade the basic skills of adults, providing an additional option for learners whose work schedule or learning style requires an alternative to classroom instruction. It also allows for cost effective program delivery, redirecting participants who learn at faster or slower than class average rates to an environment that can adjust to their pace. Finally, it allows for open entry, open exit enrollment, providing participants with the opportunity to brush up on a specific skill to prepare for enrollment in a higher level class or in an occupational skills training course that operates on a semester basis. In order to establish this capacity, the City will need to make an initial investment in hardware and software. It will also require staff support, and, to ensure maximum availability, should operate on a schedule that allows for evening use as well as day use. All Cambridge residents in need of skills upgrading would be able to access the Center's services, including individuals who are currently working but are in need of basic skills upgrading to keep their jobs or improve their earnings potential.

**Note:** This cost estimate assumes integration with the Community Learning Center's programs, assumes redirection of CLC budget to cover the cost of 1/2 staff position, and assumes the use of volunteers to augment staff capacity beyond the funded staff.

**APPENDIX A**  
**ORGANIZATIONS WITH JURISDICTION FOR FEDERAL POLICY DEVELOPMENT**

**Secretariats**

Department of Labor	Department of Agriculture
Department of Education	Department of Defense
Department of Housing and Urban Development	Department of Health and Human Services

**Senate Committees and Subcommittees**

Committee on Finance	Subcommittee on Social Security and Family Policy
Appropriations Committee	Subcommittee on Labor, Health and Human Services and Education
Committee on Labor and Human Resources	Subcommittee on Employment and Productivity Subcommittee on Education, Arts and the Humanities Subcommittee on Labor
Budget Committee	

**House Committees and Subcommittees**

Appropriations Committee	Subcommittee on Labor, Health and Human Services, and Education
Committee on Education and Labor	Subcommittee on Elementary, Secondary and Vocational Education Subcommittee on Employment Opportunities Subcommittee on Labor and Management
Relations	Subcommittee on Post-Secondary Education
Committee on Government Operations	Subcommittee on Employment and Housing
Ways and Means Committee	
Budget Committee	

## **APPENDIX B**

### **SUMMARY OF CAMBRIDGE'S WORKFORCE DEVELOPMENT OBJECTIVES AS ARTICULATED BY CITY COUNCILORS, ADMINISTRATORS AND BUSINESS LEADERS**

- o The City's policy makers should be able to gain information about participant demographics and program outcomes to support policy development and resource allocation decisions.
- o The system should be able to track individual referrals to support case management and program sequencing.
- o The system should develop and implement school-to-work transition programs that integrate the workplace with Cambridge school activities and curricula.
- o Program strategies should include the development of more Youth Apprenticeship models.
- o Youth service strategies should incorporate the needs of out-of-school youth.
- o The system should develop the capacity to upgrade and retrain current workers who are underemployed and at-risk of losing their jobs.
- o The system should help increase the number of Cambridge jobs held by Cambridge residents in furtherance of the goals of the City's Vehicle Trip Reduction Ordinance.
- o Program services should be integrated with the social services needed to succeed for those with multiple barriers to employment.
- o Training activities and resources should focus on preparing the workforce to fill jobs of the 21st century.
- o Services and resources should focus on youth; they have fewer remediation needs and represent a more efficient use of resources.
- o Services and resources should focus on adults; they need more services and represent a large portion of the workforce. The school system should serve youth.
- o Services and resources should be focused on helping unemployed Cambridge residents to find employment.

- o **Program design should be tied to economic development activities.**
- o **Services and resources should be focused on providing Cambridge residents with access to Cambridge jobs, particularly construction jobs.**
- o **The system should identify residents who are in need of training, provide them with training, and place them in jobs with career growth potential.**

## APPENDIX C

### FUNDING AVAILABLE FROM CURRENT CITY ALLOCATIONS

o	Youth Employment Office:	\$ 78,325
o	Cambridge Employment Program	\$ 68,000
o	Employment Consulting	\$ 35,000
o	Monitoring	\$ 11,250
O	Employment and Economic Development CDBG monies	\$ <u>35,000</u>
		\$227,575

### FUNDING AVAILABLE FROM EARMARKED FUNDS

o	Parking Fees	\$ <u>180,000</u>
---	--------------	-------------------

**Total Annual Dollars Available:** **\$407,575**

### NEW FUNDING AVAILABLE FOR ONE TIME ACTIVITIES

o	UDAG funds	\$200,000
---	------------	-----------



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300

FAX. 349-4307

EXECUTIVE DEPARTMENT  
ROBERT W. HEALY  
City Manager

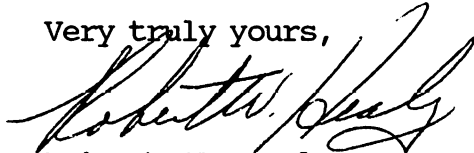
RICHARD C. ROSSI  
Deputy City Manager

March 29, 1993

To The Honorable, The City Council:

Attached is a copy of Seltzer Associates' Report on the City's current workforce development activities. The Report makes a series of recommendations for the organization and strengthening of the City's workforce development capacity. I would ask that the Council refer the Report to the Committee on Economic Development, Training and Employment.

Very truly yours,



Robert W. Healy

Consent Agenda # 8 S-155A.

Seltzer Associates' report on the  
City's current workforce development  
activities.

In City Council,

March 29, 1993

*Charter Right  
exercised by*

*Vice Mayor Cyn.*

*4/12/93 Referred to the  
Economic Development, Training  
& Employment Commission  
of Councilor Wolf*

*4/15/93 Copy sent to Comm on  
Economic Dev, Training &  
Employment (d).*