



CITY OF CAMBRIDGE

COMMUNITY DEVELOPMENT DEPARTMENT

City Hall Annex - Inman & Broadway - Cambridge, Mass. 02139

617-349-4600
Fax 617-349-4669

TO: Robert W. Healy
City Manager

FROM: Michael H. Rosenberg *MHR*
Assistant City Manager for Community Development

DATE: February 28, 1991

RE: Council Order #1, 1/14/91
Local employers to hire & train local residents

The council order addresses the possibilities of providing tax incentives for Cambridge employers who hire and train Cambridge residents.

The Community Development Department is not aware of enabling legislation which would permit municipalities to offer tax incentives.

From time to time various federal and state programs have been proposed to establish "enterprise zones" or "business improvement districts". Should any of these proposals become law it is possible that federal, state, and local tax incentives for hiring and training local residents could be applied to companies located within the specified zone.

The Community Development Department is conducting the 1991 Cambridge Employer Survey. Some preliminary results may suggest alternative approaches to improve hiring and training of local residents.

Extensive private training

The survey shows that there is already extensive private training being conducted by Cambridge Employers. Major areas of training are English as a Second Language; employee productivity improvement, and management skills. Among companies employing over 20 persons, about 70% offer tuition reimbursement programs. The amount and type of employee training grows and declines depending on the internal needs of employers.

It is not as yet clear where the gaps are in private training and whether a tax incentive program would change the existing opportunities for training Cambridge residents.

Connect Order #1, 1/14/91

Page 3

Limited knowledge about existing public sponsored training programs

Very few of the City's public or non-profit job training or placement programs are well known or recognized at all among employers. The companies tend to be relatively insular and simply are not aware of the existing programs offered.

Recommendations

Based on our survey information our recommendations fall into three areas:

1) OUTREACH

Improve educational and outreach programs directed at employers. Much can be done simply to make employers more aware of existing programs and make known the possible benefits to employers these programs can provide.

2) COORDINATION

Improve coordination between employers and city programs. Employers have ongoing need to make replacement hiring and as the economy turns they will likely begin to expand again. Public programs can be better geared to provide the employers with persons who have a skill, are job ready, and have some job history. The City's youth employment effort and vocational education are important in creating job readiness.

3) CONSORTIUMS AMONG EMPLOYERS

Facilitate consortiums among employers to do common training. Initial surveys show that a few employers have similar needs for training. Especially noticeable are the hotel and retail industry, but other niche areas are emerging in higher skilled areas. It would seem efficient to combine some of these training efforts and involve the city's schools and residents in the process.

Once the Employer Surveys are completed, the Community Development will report on how these tentative recommendations could be implemented

In conclusion, one unexpected survey result was the significant amount of word of mouth and informal "net work" hiring employers do at all skill levels. The above recommendations, if implemented, would tend to bring Cambridge residents into these networks and provide a significant advantage in gaining access to training and job opportunities at Cambridge companies.

8.

CONSENT AGENDA

Response to Awaiting Report Item No. 16.
regarding local employers to hire and train
local residents.

In City Council,

March 4, 1991.



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 4, 1991

To The Honorable, The City Council:

With reference to Awaiting Report Item No. 16, regarding local employers to hire and train local residents, please find attached a response from Michael Rosenberg, Assistant City Manager for Community Development.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy", is written over the typed name.

Robert W. Healy
City Manager

RWH/mev
attachment

CONSENT AGENDA

S-351

Response to Awaiting Report Item No. 16
regarding local employers to hire and train
local residents.

In City Council,

March 4, 1991.

*Deferred back to City
manager for report.*