



CITY OF CAMBRIDGE

COMMUNITY DEVELOPMENT DEPARTMENT

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TO: Robert W. Healy
City Manger

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

DATE: 5/16/91

RE: Council Order #1, 1/14/91 additional response
Incentives for local employers to hire & train local
residents

In the response to this Council Order dated 2/28/91 reference was made to the Cambridge Employer Survey which was then in process. The CDD has now completed its survey comprising 91 firms which were chosen first to be representative of the overall economy and second to gather information about key employers.

In brief, the survey determined a hierarchy of skill levels from bottom to top for each representative company. The survey then asked what education or experience was required for each skill level and how persons were recruited to fill these positions. The survey also asked whether companies would work with schools, community colleges and other companies to advance training and skills of the work force. The cooperation of companies was extraordinary.

In the next weeks and months CDD will publish a series of reports on the survey and begin implementation steps involving many Cambridge organizations to improve access of Cambridge residents to area jobs.

At present, we can make some preliminary conclusions about incentives needed to hire and train local residents.

1) The potential for Cambridge residents to work in Cambridge firms in positions with an upward career path is significantly greater than is being used. Cambridge has an employment base of 100,000 jobs which offers some potential for hiring at all job skill levels notwithstanding that many Cambridge jobs require advanced skills and experience.

2) Companies have a strong internal focus which often precludes any knowledge of community job efforts or any thought that such programs could help an employer. A tiny sample of companies have discovered the advantages of community job efforts and use these community programs regularly.

3) Certain positions in companies are defined as entry level positions for which companies do a lot of hiring. Many companies have one such position for non-college jobs and another for BA's. The requirements for these positions are often clearly defined and can be communicated to schools and training organizations. Companies observe the performance of persons in these entry level positions and advance the careers of those who are able to learn additional skills and responsibilities.

Where community job programs have developed a relationship with companies, these programs are successful in getting local residents good employment opportunities in these entry level positions. Strong relationships, however, are few in number and difficult to start or develop.

4) In our judgement, the setting up of various joint training programs offers the most effective way to develop productive relationships with companies which would result in job opportunities for local residents. Companies responded most favorably to joint training possibilities in which the companies set the curriculum. Companies consistently offered to provide their staff or in-kind resources to promote joint training programs.

The surveys make clear that neither the companies nor the City need to think of job training and community job efforts as a charitable donation. There is a strong mutual self interest in a top quality community based job process.

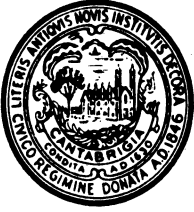
The council order addresses the possibilities of providing tax incentives for Cambridge employers who hire and train Cambridge residents. Based on our increasing knowledge of the employment picture in Cambridge, a tax incentive program would not be as effective as community based training efforts which drew companies into a long term and ever widening relationship.

CDD will begin to seek foundations and agencies which could provide resources for training funds which will involve companies with local community organizations. We believe this process of research, planning and implementation offers the most realistic possibility for improving job access.

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OFFICE OF THE CITY MANAGER



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EXECUTIVE DEPARTMENT
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City Manager

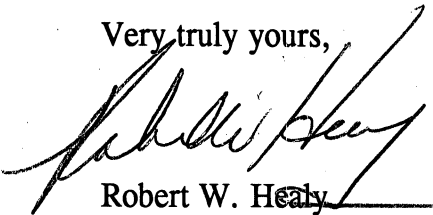
RICHARD C. ROSSI
Deputy City Manager

May 20, 1991

To The Honorable, The City Council:

With reference to Awaiting Report Item No. 12, regarding incentives for local employers to hire and train local residents, please find attached a response from Michael H. Rosenberg, Assistant City Manager for Community Development.

Very truly yours,



Robert W. Healy
City Manager

RWH/mev
attachment

CONSENT AGENDA # 5

Awaiting Report Item Number 12, regarding
incentives for local employers to hire
and train local residents.

In City Council,

May 20, 1991

Placed on file