

national
business learning
partnership

Beyond Demand Driven

A Case Study in Continuous Innovation
Through Intensive Business Partnerships

Boston
Private Industry Council



For More Information

If you would like additional copies of this publication or more information about other National Business Learning Partnership products, please call an NBLP representative at your nearest Employment and Training Administration Regional Office.

Boston

Tom Dalton
(617) 788-0113

Atlanta

Gene Case
Winston Tompan
(404) 562-2119

Chicago

John Scott
(312) 596-5507

Philadelphia

Dennis Dougherty
Jennifer McGraw
(215) 861-4838

Dallas

Bili James
Nicholas Lalouis
(214) 767-2154

San Francisco

Diane Walton
(415) 975-4639

**Business Relations
Group - Washington D.C.**
202-693-3949

About the

National Business Learning Partnership

The National Business Learning Partnership (NBLP) has matched local workforce areas that have exceeded their performance standards while delivering effective business services with local sites that wish to improve their performance by engaging businesses more successfully.

Nineteen mentor and twenty-seven protégé workforce areas participate in the project. A protégé site is matched with a mentor to help develop a work plan to accelerate transition to a demand-driven system. The matches are made by the protégé sites based in part on traditional factors, such as urban or rural nature, demand occupations, industry needs, population, unemployment rates, and on additional factors, such as strategic approach, service delivery design and organizational requirements and capabilities.

One-on-one consultation and case studies are provided through the NBLP. NBLP mentor and protégé sites work together. Protégé sites are encouraged to work with more than one mentor site depending on needs. Similarly, a mentor may consult with more than one site.

In addition to peer-to-peer consultation, NBLP case studies provide a wider audience access to the partners' experiences and learning. Each case study includes practices and principles proven by mentors and protégés to improve performance outcomes by addressing the workforce needs of businesses and industries in our communities. A brief "guide" is included as a part of each case study to facilitate shared learning and promote action.

The NBLP is a collaborative effort among the forty-four State and local WIBs, all ETA Regional offices and the Business Relations Group to facilitate the transition to a demand-driven system, accelerate improvements and encourage innovation.

Acknowledgements

The National Business Learning Partnership is uniquely indebted to the forty-four State and local Workforce Boards for their willingness to open their doors, welcome peers and share their insights and experiences.

The Partnership is grateful for the management and support activities provided through ETA Region IV under the direction of the Regional Administrator Joseph Juarez, and for the work of his staff, in particular, the Partnership Coordinator, Nick Lalpui, for assistance from ETA's Business Relations Group, and for the tireless efforts of ETA's Regional Office staff nationwide.

The Partnership is especially appreciative of the strategic leadership provided by DOL Assistant Secretary for Employment and Training, Emily Stover De Rocco, for her vision and tireless efforts in the development of a more demand-driven, business-oriented workforce system.

For this case study, the Partnership thanks, in particular, the members of the Boston Private Industry Council its staff and Executive Director, Neil Sullivan, for opening the organization to us in the spirit of improving the workforce service delivery across the country!

For more information about the Boston Private Industry Council and its experiences with the National Business Learning Partnership, please contact:

Neil Sullivan, Executive Director

2 Oliver Street
Boston, MA 02109
(617) 423-3755

Publications of The National Business Learning Partnership are funded by the U.S. Department of Labor, Employment and Training Administration. No permission is required to copy and use the material.

How to Use

the Boston PIC Case Study

The National Business Learning Partnership goals are to facilitate the transition to a demand-driven system, accelerate improvements and encourage innovations. To accomplish these goals, each case study documents the development of a partner's demand driven workforce investment system with stories, practices and principles illustrating the successes (and challenges) of developing a demand-driven workforce investment system

"Beyond Demand Driven" describes four Boston Private Industry Council strategic initiatives and identifies a Theory of Action, core practices and core forces at work. With the understanding that each WIB's responses are based on its own unique circumstance, the authors confine their generalizations and conclusions to the Boston PIC's experiences; their experiences may prove to be helpful to others.

To explore how your organization may benefit from the Boston PIC's Theory of Action , and practices, please, use the "Inquiry Guide for Beyond Demand Driven" to steer discussions, explore alternatives, promote action and achieve positive results.

national business learning partnership

Beyond Demand Driven

**A Case Study in Continuous Innovation
Through Intensive Business Partnerships**

Boston

Private Industry Council

Table of Contents

	Introduction	1
Chapter 1	Mission & Vision	2
Chapter 2	Theory of Action	2
Chapter 3	Core Practices	3
Chapter 4	Focus on Students: The Foundation for Strong Relationships	5
Chapter 5	Health Care Business Partnership: As Trust Rises, So Does Investment	9
Chapter 6	Career Centers: From Projects to System-Building	11
Chapter 7	Investing in Incumbent Workers: Responding to Workplace Conditions	12
Chapter 8	Developing Capacity Over Time: The Business Proposition	14
Chapter 9	Building a Pipeline of Skilled Workers: PIC's Business Development Strategy	14
Chapter 10	Conclusion	17
Attachment 1	A Brief History of the Boston Private Industry Council	
Attachment 2	Health Care Business Agreement Overview & Sample Deliverables	
	About the Authors	
	Inquiry Guide	

Introduction

Beyond Demand Driven

The mission of the Boston Private Industry Council (PIC) is to strengthen Boston's communities and its workforce by connecting youth and adults with education and employment opportunities that prepare them to meet the skill demands of employers in a changing economy.

After 25 years of innovation, the PIC has identified three core drivers of its success.

- Cultivation of long-term relationships with business leaders and companies
- Use of data to explain conditions and craft public policy approaches
- Creation of innovative programming, leveraged by strong, flexible partners, that responds to the needs of businesses, the job seeker, and communities.

The PIC began by forging a partnership between leaders of the business community and the public schools. Business leaders sought better-prepared entry-level employees, and schools and communities sought jobs for youth. Summer youth job programs and partnerships evolved into sophisticated school-to-career programs. Businesses embraced a set of longer-term, more cost-effective approaches, in which they could cultivate interns, employ them part-time while still students, employ them full-time in summer, and eventually offer them full-time post-school employment.

Out of the work with youth, the PIC developed alliances with local business, enabling them to work closely with companies on initiatives to attract, retain, and develop their entry-level workforce. Federal demonstration programs provided approaches for successful welfare-to-work transition, the development of a citywide system of career centers serving businesses and job seekers alike, and the support of incumbent workers. A brief PIC chronology, highlighting key events, is provided in Attachment 1.

Recently, the PIC has launched a business development strategy which provides employers a range of workforce development products and services for a fee. The approach is a response to several conditions: a persistent decline in the size of the local labor force, increasing business demand for employees with technical, post-secondary training, and limited public resources to support innovation or research and development. The "business proposition" is a "pipeline" strategy emphasizing high demand occupations and fields. It also involves risk.

Throughout its lifetime, the PIC has been a learning organization, welcoming the opportunity to work with other WIBs from across the country, and to learn from others as it shares its experiences.

Chapter 1:

Mission & Vision

Mission

The Boston Private Industry Council (PIC) mission is to strengthen Boston's communities and its workforce by connecting youth and adults with education and employment opportunities that prepare them to meet the skill demands of employers in a changing economy. To effectively implement the mission, the PIC identifies labor and skill shortages that are critical to Boston's economic health, and then crafts educational and workforce initiatives which respond to the pressing business demands of key employers and local residents.

Vision

The PIC has a clear vision for the future.

In the 21st century, the local economy will thrive because:

- Businesses have reliable access to highly skilled entry level workers
- Businesses are the beneficiaries and supporters of a citywide infrastructure (a system) of workforce development that contributes to the quality of the workforce essential to their financial health
- Incumbent workers are regularly trained and enjoy high retention rates
- Young people and unemployed and underemployed adults are immersed in learning and development opportunities which improve their skills

The PIC vision is deliberately and concretely inclusive.

The vision stresses the interdependence of the business community, the workforce, and the institutions with which they interact. The vision focuses on a future in which elements are in place to ensure a robust local economy with economic opportunity for Boston's residents. Strengthened businesses, government, schools, human services, and intermediary organizations, like the PIC, are envisioned.

Chapter 2:

Theory of Action

Over the years, from hard earned lessons and with a gradual distillation of proven approaches that work again and again, the PIC has developed a theory of action.

Actions are motivated by a common purpose, achieving sustainable employment stability and economic prosperity within a region.

“You have to start where you are. Everything we have done at the PIC has begun with an effort to match an existing strength in our organization with an area of need in the business community.”

Nancy Szymer
Deputy Director
Boston PIC

A key concept unifies the theory: approach the work as organization and system-building. The PIC encourages all partners to think of themselves as architects of a system to which they and others contribute, and from which they and others benefit.

The core elements of the PIC's Theory of Action are:

- The path to excellence builds on strengths, and begins with what you already know and can do well
- Partnering is a must: the work most worth doing is too big for any one organization to accomplish alone
- People at the top of major institutions have extraordinary power to effect change
- Ongoing personal contact is essential to any relationship
- Trust builds in direct proportion to delivery on promises over time
- Data-driven accountability for results is more persuasive than documented need
- Enterprise, creativity, and risk are all essential to ambitious, large-scale work
- “Responsible opportunism” seizes the moment without losing sight of the mission

Theory of Action

Build on strengths; begin with what you already know

Partnering is a must

People at the top have extraordinary power to effect change

Ongoing personal contact is essential

Trust builds in direct proportion to delivery on promises

Data-driven accountability for results is persuasive

Enterprise, creativity, and risk are essential

“Responsible opportunism” seizes the moment and the mission

Chapter 3:

Core Practices

From the Theory of Action, the PIC has honed a series of practical competencies, the core practices that make the PIC effective.

- **Exercise initiative.** To increase their investment in workforce development, communities require visionary, entrepreneurial leadership to solve problems, capture attention, leverage opportunity, add value, and steward resources wisely.
- **Recruit key business leaders,** preferably at the CEO level to serve as WIB board members and officers. Power matters, and powerful leaders of key institutions can entirely transform the depth and significance of a WIB's work.
- **Place primary emphasis on relationships,** the longer-term and more mutually beneficial, the better. Think of everyone as a partner, and make the partnership real.
- **Produce high quality data.** Good data opens doors, removes barriers, raises trust levels, motivates leaders to change practices, and attracts resources. WIBs that became a credible and reliable source of informative data make themselves valuable to business and policy leaders.
- **Start small.** Begin working with areas of proven ability and expertise. Branch out as experience, strengthened partnerships, and resources permit. Starting small is not only more likely to yield meaningful results; it is also, over time, more likely to build a track record that can yield expanding partnerships.
- **Ensure that all partners win:** To the extent that a WIB can find ways for all parties to benefit, it will be more successful at identifying and creating incentives for engagement and investment.
- **Pursue diversified funding streams that benefit many.** Public funding can be local, state or federal, but it is most likely to be secured and renewed if it affects multiple, engaged constituencies. An organization with a variety of funding sources will remain strong when others are buffeted by a weakened economy or sudden changes in funding priorities.
- **Serve as the research and development arm for partners.** Cultivate specific areas of expertise, and seek out resources that will underwrite inquiry and program development.
- **Align three core forces to work together:** Bring the business community, the workforce, and the intermediary institutions that facilitate their interaction together. Such intermediaries include schools, adult skill training and educational agencies, foundations, corporate philanthropies, government agencies, human service agencies, and the WIB itself.
- **Recognize the link between trust, risk and investment.** The more businesses trust the WIB, the more they will invest in its work, and the greater the institutional commitments and risks they will assume. Rather than asking new business partners to take on major roles in untested ventures or to make large investments at the outset of a

partnership, ramp up new partners with early, modest commitments that build confidence, and convince businesses to increase their investment over time. As a WIB consistently delivers on its promises, partners gradually feel a higher level of trust, and become increasingly willing to commit their energies, reputations and resources.

- Recognize that economic conditions play a role in opportunity. In a down economy, both employers and job seekers have a heightened interest in long-term, pipeline-related strategies that leverage the educational and training resources of the community. In a robust economy, businesses desperate for employees need help recruiting prospective workers who are overcoming significant barriers to employment (dropouts, people transitioning off welfare, former prisoners).
- Cultivate a culture of "responsible opportunism." Rather than merely adapting to changing conditions, seize each new chance created by economic, political, resource, or partnership developments. Then exploit the opportunity in service to the overall vision. This is a critical, subtle competency. What makes a WIB "responsibly" opportunistic is the steadfast refusal of its leadership to engage in projects, or to accept funding, that would steer the WIB "off mission."

The following experiences illustrate the effectiveness of the PICs Core Practices and Theory of Action in action.

Core Practices

Exercise initiative

Recruit key business leaders

Place primary emphasis on relationships

Produce high-quality data

Start small

Ensure all partners win

Pursue diversified funding streams that benefit many

Serve as the research and development arm for partners

Align three core forces together

Recognize the link between trust, risk and investment

Recognize economic conditions play a role in opportunity

Cultivate a culture of "responsible opportunism"

Chapter 4:

Focus on Students: A Foundation for Strong Relationships

Focus on Students- A Foundation for Strong Relationships

In 1979, the PIC began brokering a series of partnerships between the Boston Public Schools (BPS) and the business community of the city.

With brokering from the PIC, Boston's corporate leaders—frustrated by the difficulty their companies had finding and hiring employees with adequate entry level skills—reached an unusual agreement with the city's public school system.

...work to align portions of the massive public commitment to education with the needs and expectations of businesses...

The foundation agreement was called the Boston Compact. In return for the schools' commitment to improve academic performance and reduce the dropout rate, a consortium of businesses pledged to give hiring priority to Boston Public School graduates. The PIC has since updated the Compact regularly, to sharpen and re-focus the ongoing partnership between public schools and the business community.

Two notions have been central to the PIC's involvement with the Compact. First, the realization that Boston Public Schools are the city's largest single investment in workforce development, with an annual budget of two thirds of a billion dollars. To achieve its mission, the PIC must work to align portions of the massive public commitment to education with the needs and expectations of businesses, in a way that leverages the efforts of all partners and increases their impact on the economy.

...each new...program for adults has drawn on...earlier work with youth.

Second is the realization that the PIC's work with students and youth has direct bearing on the PIC's work with adults. Student-focused work was an early concern of the business community, and an early, high profile proving ground for the PIC. In the past fifteen years, each new PIC program for adults has drawn on the relationships, partnerships, program development experience, and data generated through earlier work with youth.

Among the earliest program activities was the creation of the Summer Jobs for Youth Program, in partnership with the City of Boston. The program provided businesses with an inexpensive, low risk

way to honor their pledge to hire BPS graduates. Business leaders were attracted to the chance to begin working with young people prior to graduation, as a way to increase the likelihood they would complete high school and enter the permanent workforce with sufficient skills to succeed

number of successes, by the late 1980s, both businesses and the PIC sought an increase in acco-

...ProTech...to ensure businesses can develop highly effective workers from school to careers.

ademic and workplace performance beyond what a summer jobs approach could provide. In the early 1990s, the PIC, with Department of Labor (DOL) funding, worked with schools and businesses to develop a school-to-career approach integrating academics, aspects of a business's industry, and work-based learning. The program is called

ProTech; its goal is to maintain a process of student internship, part-time employment and continuing education, and eventual full-time employment, to ensure businesses can develop highly effective workers from school to careers.

ProTech engages managers, supervisors, human resources staff and students' co-workers in each participating business. The program spans a four-year period, from 10th grade through two years of post-secondary education. Part-time, year-round job placements begin as early as the 11th grade. Over the four years, students work with a team of caring adults, who orient them to the expectations and culture of the workplace, set and maintain high expectations, actively support workplace learning, and facilitate and teach problem solving. Over time, these business people become powerful, committed advocates for the success of each student.

Working together, school and industry-based staff have proven to be of significant value for students transitioning to the workplace, and the transition from classroom to workplace has proven to be of

Selected College and Labor Market Outcomes for Class of 2002

Outcome	School-to-Career Participant	Non SIC Participant	Difference
College or Training Program Enrollment	78.9	63.6	15.3
Employment Rate, All	56.8	51.5	5.3
Employment Rate **	85.7	64.7	21.0
Weekly Earnings of the Employed **	\$380	\$302	\$78
Not Employed Not in College	3.4	12.9	-9.5

Center for Labor Market Studies, Northeastern University, 2004
 ** For those not in post-secondary schools

significant value to businesses. The positive impact has continued, even when support had to be limited to two years. The PIC continues to facilitate and broker relations between students, schools and businesses continue on a range of classroom to workplace initiatives.

Participating businesses consistently report high levels of satisfaction with school to workplace programs. Participating students demonstrate high levels of high school graduation, post-secondary and college success, retention, and promotions, at rates significantly above those of the City of Boston as a whole.

Despite a history of advances, the corporate leadership of the PIC continued to stress that the academic achievement of high school students on the state's high stakes assessment test - the Massachusetts Comprehensive Assessment System, or MCAS - remained unacceptably low.

Beginning in 1999, the PIC partnered with a group of pioneering employers - Verizon, The Gillette Company, and the Federal Reserve Bank of Boston - and worked closely with the Boston Public

Schools, to create a pilot program called "Classroom at the Workplace" (CWP). CWP specifically targeted students who had not yet passed MCAS. The employers funded instructors' salaries, funded each student's wages while in the classroom, provided each student with release time of 90 minutes for instruction in literacy and/or math every day, in the workplace. Businesses compensated students for their study time as part of their workday activity. The first year paid off: students improved an average of 1.5 grade levels in reading comprehension.

By 2001, FleetBoston Financial, Sovereign Bank, State Street Corporation, Harvard University and Boston College joined the original companies. Since then, participation has grown to more than 20 Boston employers. In 2002, the Massachusetts Department of Education incorporated the CWP model as part of a statewide MCAS remediation strategy.

The PIC's youth initiatives have had a profound effect on the skills available to local businesses. Many businesses actively participate in classroom-to-workplace programs with high levels of satisfac-

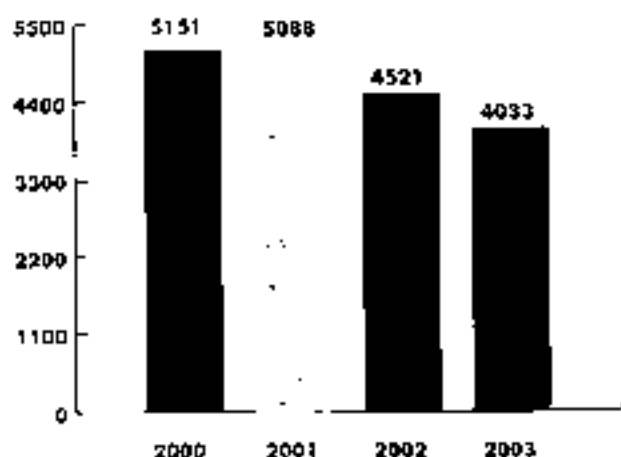
First Graduating Class Results

The data for the Class of 2003—the first class for whom the high-stakes tests were a high school graduation requirement—shows:

- 72% of students who participated in CWP passed both the English Language Arts and Math tests and earned their High School diplomas
- 27% of students passed either test
- Yield: a successful experience for 93% of CWP participants
- Retention and program attendance rates for this at-risk population were consistently over 90%

tion. A smaller number have developed deep, ongoing relationships with the PIC, and through the PIC, partnerships with the district high schools.

Overall Boston Summer Job Hires



Today the PIC is supporting Boston's high school reform plan by developing business partnerships with small schools and small learning communities inside large high school buildings. These partnerships create identity, context, and aspiration to the high school reform agenda. Partnership activities include after-school internships and summer jobs, volunteer time (mentoring, tutoring, advisory board participation), technical assistance (with businesses' competencies enhancing the schools), access to the workplace (job shadowing), and charitable contributions.

The PIC now supports 24 full-time, high school-based career specialists in the Boston Public Schools, each of them working intensively with their business partners and students. Businesses rely on these school-based professionals to provide the support needed for students to advance in school and in the workplace and to work with business supervisors, co-workers and human resource personnel.

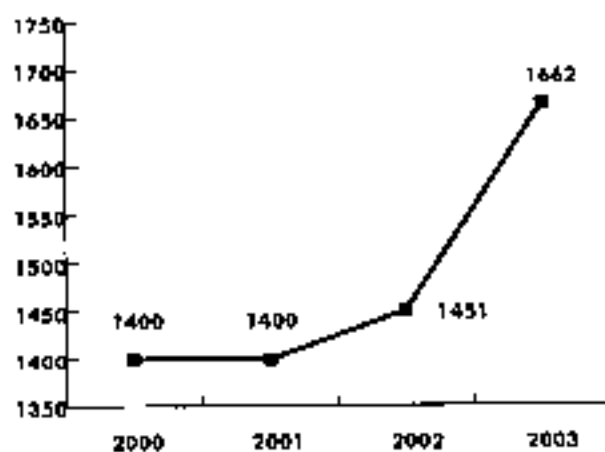
Even as the economic downturn created a national crisis in youth employment during the last several years, Boston's leading businesses—based on their demonstrably positive experiences—have increased their youth hiring.

At a time when overall hiring in the summer jobs campaign declined, the thirty employers that hired the greatest number of students (the "Top 30") increased their commitment by 19%.

Boston businesses' hiring has mitigated the downward trend in youth employment. The commitment is motivated by business leaders' success in a long-term workforce development strategy, by an acute awareness of the consequences of youth unemployment and by a desire for a skilled and productive workforce.

Boston business leaders know that a strong track record exists, that processes for accountability are working, and that their investment produces measurable results, in productivity. Twenty five years of reliability and credibility build trust. Trust is the PIC's most precious resource.

Summer Job Hires by the "top 30" Boston Employers



Chapter 5:

Health Care Business Partnership: As Trust Rises, So Does Investment

Massachusetts General Hospital (MGH) is the region's oldest general hospital and employs 16,000 people. It is the largest non-government employer in the City of Boston. MGH has entered into more than a half a dozen different program partnerships with the PIC over a twenty-five year period. The partnerships have varied in size, intensity, duration and complexity, but the relationship has endured. The following summaries illustrate various ways businesses can lead and profit from such partnerships.

School Partnerships

One of the most enduring kinds of relationships is a simple alliance between an employer and an individual school. MGH brings over 20 students into work-based, job shadowing every year through the PIC's Job Shadow Program. Preparation for the annual, one-day event, provides the PIC staff with an opportunity to work with the company on a short term and low risk project.

The publicity around Job Shadow Day enhances the image of the company in the community. Students test their interest in health care occupations. The company staff see the PIC deliver on promises made in scheduling and supporting. As a result, a basis for trust is established.

Summer Jobs

MGH provided 108 summer jobs to youth in 2003, ranging from administrative assistant in the

office of the President to support for a team of laboratory technicians. Supervisor surveys conducted by PIC staff show consistently high levels of satisfaction at MGH with the work and work ethic of the youth. The MGH's success has made summer jobs a continuing, annual activity.

Mentoring and Academic Support

MGH was an original participant in ProTech, the school-to-career program detailed earlier. Each year several dozen MGH staff are involved in managing this project and in providing mentoring and supervisory support. Of the 11 seniors who graduated in 2004, four are enrolled in nursing programs, three in radiologic technologist programs, one in a pharmacy program, and three are undecided. For over a decade the MGH-East Boston High School-Boston High School partnership and the PIC's ProTech program have provided youth with opportunities and MGH with workers eager to develop their skills and excel in the workforce.

Adult Education, Training and Employment

MGH is one of several hospitals in Partners Health Care, its umbrella organization, which participated in a Radiologic Technologist Project. With funding from the DoL, the PIC provided 43 scholarships, and the participating hospitals provided an addi-

“Working well with businesses begins by building trust, minimizing risk, and seeking a modest institutional investment. Let people get to know what you can do, and prove yourself reliable. Give business leaders roles that allow them to oversee and engage in your work, without having to risk too much institutional credibility or resources. As the levels of trust go up, your business partners will become more and more willing to undertake greater levels of investment and risk.”

Neil Sullivan
Executive Director
Boston, PK

nional 8¹. Out of these awards, 60 of the graduates to date have been hired by MGH and other Partners hospitals.

One of the Boston Career Centers, Boston Career Link, provided two onsite career development workshops for MGH incumbent workers. The focus on helping existing employees to develop new skills is an emerging area of the PIC's work. In addition, MGH has been selected as one of five regional pilot sites for the Nursing Career Coach

Project, which will enable MGH to more easily provide career coaching services to employees pursuing nursing careers.

Research

Finally, as part of MGH and PIC's shared commitment to research, MGH has recently partnered with the PIC and the Center for Labor Market Studies to study the Return on Investment (ROI) for its youth employment and youth development projects. Establishing and documenting results is essential in successful partnerships with businesses.

Chapter 6:

Career Centers: From Projects to System-Building

The PIC's Career Centers serve as "the front door" to Boston's publicly funded employment and training system.

Designed by the PIC to provide a citywide labor exchange system and to increase the capacity of businesses to access potential employees, Career Centers support the successful transition of thousands each year into the workforce. In contrast to the long-standing disarray and confusion created by dozens of independent and separately funded programs and approaches, Career Centers offer a streamlined, customer-focused system for career building providing information and access to the city's wide array of labor exchange and workforce development services.

Career Centers offer businesses access to a large, regularly updated database of potential workers. After beginning with a focus primarily in entry-level work, the Centers have responded to business demand by attracting workers with greater and more varied skills and making these workers known to businesses requiring higher skill levels. To make the best referral, businesses are served through a single point of contact, who work to understand the business workplace environment and hiring objectives.

Businesses and job seekers use has grown steadily. When the centers first opened in 1996, there were 987 employer customers. At the peak of the economy in 2000, 2,264 employers used the Centers' services; during the recession, use

Boston Career Center Outcomes 2003

- 72% of students who participated in CWP passed both the English Language Arts and Math tests and earned their High School diplomas
- 71% of students passed either test
- Yield, a successful experience for 93% of CWP participants
- Retention and program attendance rates for this at-risk population were consistently over 90%

declined to 1,539 employers, and increased again to 2,096 in 2002. Use by others has increased from less than 11,000 in 1998 to more than 13,000 today.

Centers have built on the PIC's long history of business partnerships and workforce expertise. Centers help people make the transition from welfare to employment, enable the immigrant job

Businesses are recognized and appreciated as customers in the labor exchange equation – not suppliers of jobs.

seeker to secure ESL training, and address the needs of workers seeking to develop new skills. Many local and community-based non-profits and government agencies partner with the Centers to leverage resources and improve results for job seekers and businesses.

Career Centers are designed and run like businesses, rather than service agencies. Centers focus on accountability and performance. Centers are encouraged to be entrepreneurial and specialized. In addition, they employ Continuous Quality Improvement and a Baldrige-based Performance Excellence Criteria.

Businesses develop working relationships with individual Career Centers. "Voice of the Customer" activities conducted by the PIC report high levels of business satisfaction. The Centers' focused, results-oriented approach appeals to businesses, and they value the structured and regular feedback on service requests from Center staff. Most importantly, the service reflects on the bottom line. Businesses are recognized and appreciated as customers in the labor exchange equation – not suppliers of jobs.

Chapter 7:

Investing in Incumbent Workers: Responding to Workplace Conditions

In 1999, businesses in several sectors noted that too many entry level employees were experiencing difficulty on the job, failing to work productively, and struggling to develop required workplace skills. Turnover was high, a factor which discouraged some businesses from investing in current non-management employees. Employees were stymied in their efforts to increase their skill levels

and earning capacities. Businesses were failing in their efforts to retain employees, maintain produc-

The PIC understood their problems and began to help several businesses create programs for incumbent workers.

Panelist One

“Why should I invest up to \$500 per employee, only to have them leave me and go work for the guy across the street for 10 cents more per hour?”

Panelist Two

“Which is harder on your business: investing in your workforce and having some of them leave...or not investing in your people, and having them stay?”

tivity, raise morale, and fill higher-skilled jobs from within.

The PIC understood their problems and began to help several businesses create programs for incumbent workers. Building on their experiences with youth in the workplace and employer-sponsored welfare-to-work programs, the PIC helped a leading health care business and the region's largest commercial bank develop targeted interventions to support incumbent workers.

The PIC helped businesses launch programs to upgrade the skills of entry level, former welfare recipient workers in the hospital and home health care industries. The program was an immediate success for the businesses, helping hundreds fill jobs as certified nursing assistants, medical coders, practice support specialists, pharmacy technicians and radiologic technologists. A major DoL grant funded the rapid expansion of the programs. A subsequent investment by the Commonwealth of Massachusetts enabled the PIC to expand the approach into the banking and

USA Exchange
Between two panelists
NAWB Conference
2000

In 2002-2003, a Fleet Bank - PIC partnership provided 761 employees with intensive on-site skill-building training. The retention rate in the largely immigrant workforce at one of the sites shot up from: 58% to 92%.

financial services sector, so partnering businesses could upgrade the foundation skills of employees in account management, data processing and retail banking

For employees, higher skills translate into more rewarding jobs at higher pay, increased confidence and job satisfaction, improved long-term professional development expectations and higher, realistic aspirations.

Businesses cite marked increases in specific skills and overall productivity, higher rates of retention, dramatically increased hiring and promotion from within, and huge boosts in employee morale and workplace climate. A powerful ancillary benefit is an increase in "soft skills," enabling workers to participate more effectively as team members and problem solvers and to exercise appropriate initiative.

Chapter 8:

Developing Capacity Over Time: The Business Proposition

To build on its successes, compensate for declining public investment in workforce development, and maintain the momentum created by publicly supported demonstration models that so clearly work, the PIC has labored to develop a new approach. With it, the PIC sells businesses a set of sector-specific products and services which are competitively priced and precisely tailored to each business's needs.

Some non-profit agencies regard fundraising and resource development as a distinct function of their organization, entirely separate from the program or administration. But, for the PIC, resource development is inextricably bound to research, innovation, program development, policy planning, and demonstrated impact.

The PIC applies the key elements of its Theory of Action: high-trust relationships with business leaders, educators and job seekers; structural partnerships with businesses, schools, and intermediary agencies; long-term engagement; production of high quality data; development of strong, effective programming; continuous assessment and improvement, and articulation of a vision that encompasses the core concerns of all funders, policy makers, and constituencies —these are the keys to success.

Each of the initiatives described above has contributed to the PIC's successes. From a concern for the needs of core business and education constituencies came a focus on youth, and the PIC's leadership in school-to-career earned it wide-

spread credibility and leadership roles. Because the PIC had developed deep alliances with the business community, the PIC attracted the interest of funders pursuing success for new approaches, such as Career Centers, and new service delivery strategies, such as incumbent worker training.

The PIC is anticipating continued reductions of substantial federal and state funding to support large scale innovative programming that has been historically difficult to fund in other ways. In response, the PIC has crafted a new approach, developing a market-driven, demand responsive, business model of services and resources that can compete in the marketplace, enabling businesses to continue a strategic, cost-effective investment in their current and future workforce.

It is an open question how well or poorly this new venture will fare. But it will both build upon the PIC's successes and stretch the definition of workforce investment in Boston, offering to businesses the potential for new opportunities to innovate and to excel.

Chapter 9:

Building a Pipeline of Skilled Workers: PIC's New Business Development Strategy

Over the course of the next five years, the PIC will create a "pipeline" of skilled workers in a variety of sectors, beginning with the health care and financial services

tradition of trust and results, as an entrepreneur and marketer, the PIC is developing "business agreements" and cultivating leading businesses to

“We have just reached a business agreement with the PIC that will assist the hospital in addressing workforce strategic needs. We are purchasing services from them that will help us to construct a "pipeline" of skilled workers in the health care industry. After years of partnering with the PIC in a variety of charitable and grant-funded activities, it makes perfect sense to enter into a business relationship. It is a natural evolution over time.”

Isabelle Green
Manager, Workforce
Development
Baylor & Women's
Hospital

become the consumers of a new, value-added product. (See Attachment 2, Health Care Business Agreement Overview & Sample Deliverables.)

Each agreement specifies a set of services and products that provide strategic consultation to the business, support youth and incumbent workers in the workplace, create educational partnerships, and measure results. Within each sector, the PIC will tailor services to the particular needs of participating businesses.

With funding provided primarily by the government, the PIC has crafted non-profit programs and initiatives for many years. By contrast, the PIC's new approach is a business proposition. Based on an analysis of economic and labor market data, the PIC is saying to local businesses within selected economic sectors: "We have a product we believe will help you meet your long term staffing goals. Buy it from us, let us tailor it to your very specific needs, and together, let's enter into an ongoing business relationship."

The new strategy is driven by data. In 2002, the convergence of four major factors affected the local economy:

- Shrinking labor force
- Increasing business demand for employees with technical and post-secondary level training
- Declining numbers of local job-seekers with such training

- Limited public resources to support training, innovation, workforce research and development

At the same time, businesses have a strong interest in a longer horizon for planning and program operations and a more integrated approach to their planning and workforce development efforts. Virtually all businesses are experiencing rapid changes in the workplace. They are placing higher expectations on a workforce that is increasingly comprised of youth, immigrants, current or recent welfare recipients, court-involved individuals, retired persons, and former prisoners.

With a less traditional local labor force emerging, businesses must engage in a long-term approach to reaching and training prospective future workers. Simultaneously, there is a need for quick results: businesses seek a direct pay-off from initiatives to meet their pressing workforce needs. Executives ask, "How will this PIC effort help me attract, train and retain a new worker, or train and retain an existing worker?"

The significant challenges faced by businesses as they work to develop a skilled workforce represent an opportunity for the PIC to advance its mission, while becoming a more effective marketer of its services to businesses. The PIC's new business proposition --to create a pipeline of young people and adult workers who can meet the needs of each business in a series of different sectors --- represents a fundamental shift to a more market driven approach.

The PIC will no longer be acting solely as an inventor and administrator of programs in which business can participate, enroll employees, invest funds, and play financing or oversight roles. The PIC will be developing products and services responsive to the immediate needs and long-term demands of a discrete, diverse business clientele, while, simultaneously, creating opportunities for Boston's youth and adults.

The new PIC's business approach promises demand-driven, high-yield, strategic products which show early and demonstrable impact on business operations and outcomes.

The business development strategy promises resources, both for specific initiatives and for systemic change in response to local economic conditions. As a source of revenue, the pipeline/business development strategies hold great promise. The strategies could become long-term, sustainable sources of revenue. Successful, competitive, profitable services and products represent the

...businesses must engage in a long-term approach to reaching and training prospective future workers. Simultaneously, there is a need for quick results...

future for a system that recognizes and responds effectively to businesses' workforce demands and expectations.

The business development strategy, like virtually all successful PIC initiatives, is responsive to the concerns, and market demands of key local employers. Like most previous efforts, the businesses with the longest and strongest ties to the PIC are leading --the first companies to sign agreements contracting for PIC business services in the coming year are businesses with more than a decade of experience partnering with the PIC. The businesses know exactly who they are dealing with; their experience confirms that the PIC delivers on its promises; and they have the confidence in their partner that is necessary to make such an investment.

For the Boston PIC, looking back over the last twenty-five years, two lessons stand out.

First, change, growth and innovation spring from the persistent cultivation of the familiar; for the PIC, that means the cultivation of long-held relationships. Every significant advancement has resulted from a deepening collaboration with a business or community partner, or team of partners. The PIC's most vibrant and productive partnerships are often its oldest, in which the greatest risks and most productive innovations have occurred.

Second, successful workforce investment inspires business leaders in ways that can fundamentally alter the landscape. An ever-increasing number of CEOs, middle managers, and front-line staff are eager to take on larger leadership roles and prepared to extend themselves and their companies into new territory. Boston's corporate and professional business leaders are passionate advocates for effective approaches to workforce investment.

Boston's businesses have powerful, long-standing ties with the workforce – youth and adult – and with the organizations that support them. When these forces align to create a demand-responsive workforce investment system, the results are more successful individuals, more prosperous businesses and a more vital local economy.

Attachment 1:

A Brief History of the Boston PIC

- 1979** Banker and education advocate William Eagerly, together with other business leaders, founds the Boston Private Industry Council to organize private sector job training strategies in Boston.
- 1982** City leaders sign the Boston Compact, the first collaborative school-improvement agreement between business, higher education and a school system in the United States. Compact partners organize the first Boston Summer Jobs Campaign.
- 1991** Responding to a projected shortage of health care employees, the Boston PIC and area hospitals create ProTech, a groundbreaking School-to-Career initiative. The impact of this student apprenticeship program is recognized nationwide and replicated in school districts across the country.
- 1996** The Boston PIC charts The Work Place, the first One Stop Career Center in Boston. Within a year, Boston Career Link and JobNet also open to serve Boston residents seeking employment and training services.
- 1997** President Clinton signs welfare legislation; Boston PIC organizes 14 partnerships between employers and community-based organizations to transition former recipients of public assistance into work.
- 1999** The Boston PIC receives a \$1 million federal Incumbent Health Care Workers grant to upgrade skills of 400 entry-level health care workers in acute, primary and long-term care settings.
- 2000** The Mayor and eight other business, education and community leaders sign the fourth Boston Compact, committing all partners to meet the "High Standards Challenge." The Boston Summer Jobs Campaign results in 5151 jobs for young people.
- 2001** The Boston Youth Opportunity Center—a joint project of the Mayor's Office, the PIC and the Boston Police Department - opens to provide opportunities for chronically court-involved, truant and other at-risk youth. The Center is supported by a five-year, \$24 million grant from the U.S. Department of Labor.
- Commonwealth of Massachusetts funds the Extended Care Career Ladders Initiative (ECCLI) based on the US DoL supported Incumbent Health Care Workers model piloted by the PIC in 1999.
- The Boston PIC, using a US DoL Skill Shortages grant to address skill shortages in health care develops outreach and recruitment tools and a loan forgiveness program for medical imaging and pharmacy technician programs.

2002 Commonwealth of Massachusetts Department of Education decides to fund the "Classroom at the Workplace" MCAS remediation program piloted by the PIC from 1999 to 2001 with funding from local business.

The PIC also receives two awards from the Commonwealth to implement programs for students at risk of leaving high school without a diploma. One program identifies and supports students in high school and maintains contact as they move into the adult education and skill training systems. The second program supports the development and implementation of training programs specifically for young adults.

Six financial institutions and banks work with the PIC to develop and implement a Commonwealth supported initiative to improve basic skills for employees in account management, data processing and retail banking.

2003 Boston was selected as one of four regions in Massachusetts to take part in the federal Nurse Career Ladders Initiative (NLCI). Through this initiative the PIC developed and delivered nurse career coaching services, established a pilot RN scholarship/for-givable loan pool program, conducted an inventory of metropolitan Boston nurse preparation programs and published a guide to financial support resources.

2004 The Boston PIC, with a consortia of six community based organizations, the city of Boston and one state agency, receives an award to provide employment and housing services to the chronically homeless. This award from: DoL Office of Disability Employment Policy is designed to encourage and enhance coordinated service delivery among agencies and across service systems.

Attachment 2:

Health Care Business Agreement Overview & Sample Deliverables

Workforce analysis, strategy development, and resource alignment:

Conducted in partnership with Northeastern University's Center for Labor Market Studies.

- Meetings with a leadership team, including hiring managers, to determine the objectives of the analysis and workforce priorities;
- Report that includes demographic and occupational trends specific to the organization and across the labor market in Boston
- Demand and supply analysis for critical growth occupations at the organization
- Analysis of the alignment of existing investments with the workforce needs of the organization over the next three to five years

Nursing Career coaching & Loan Forgiveness program design for incumbent workers

Provided by a nurse career coach employed by the PIC and through a partnership with the Higher Education Information Center.

- Sessions providing information on nursing careers and educational preparation
- Individual counseling with the career coach
- Group and individual sessions with the Higher

Education Information Center on how to finance education

- Development of policies, procedures and implementation strategy for loan forgiveness program

High School Programs including summer jobs, school-year internships and school partnership development

Intensive and longer-term support from a career specialist, health careers coach and account manager beginning in the student's sophomore year in high school and continuing through higher education.

- Identify and prepare students for summer jobs with health care career exploration workshops
- Deliver supervisor training and support
- Develop work-based learning plans with supervisors, teachers and students
- Broker feedback to high schools and pathway leaders; meetings to develop strategies/enhance partnerships with schools
- School-year internships with programmatic links to the high school curriculum and support through higher education.
- High school partnership development that seeks to meet academic requirements for higher education in health careers and employment experiences that are well coordinated with the curriculum.

Measurement projects

Evaluation of existing programs and return on investment studies of existing investments. These studies will be done with the engagement of hiring managers, will evaluate the effectiveness of projects in meeting the expectations of hiring managers, supervisors and human resources, and will document the return on investment over time of costs associated with creating a pipeline of skilled professionals who can fill high-demand occupations.

Career awareness and career center connections

Develop customized sourcing strategies that reach a priority population in Boston and create the career awareness, educational and employment experiences that expose and prepare individuals for high-demand careers in health care.

About the Authors

Andrew Bundy & Elaine Fersh

The case study was prepared by Andrew Bundy and Elaine Fersh of Community Matters, an independent firm consulting to public/private collaborations and innovative non-profit, philanthropic, educational, and government agencies.

Inquiry Guide

Beyond Demand Driven

1. Based on the Boston PIC's experiences, the author identified several elements of success and developed a Theory of Action. To test the usefulness of the theory, before developing your next major project or initiative answer the following questions.

A. Our organization's strengths include :

B. Our organization knows and can do well the following -

C. Our organization is well positioned to partner with the following organizations, businesses and individuals .

D. Our organization is supported by top people at the following organizations and businesses :

E. Our organization maintains ongoing personal contacts with the following organizations, businesses and individuals :

F. Our organization has built trust by consistently delivering on the following promise(s) :

G. Our organization has built accountability based on data (measurable results) in the following areas :

H. Our organization has promoted enterprise, creativity, and risk in the following initiatives, projects and enterprises :

I. Our organization's mission remains clearly in view, when we have opportunities to initiate or participate in such activities as :

11. Based on the Boston PIC's experiences, the author identified twelve Core Practices. Select an opportunity your organization is considering and use the Core Practices to develop your action plan.

1. Exercise initiative
2. Recruit key business leaders
3. Place primary emphasis on relationships
4. Produce high quality, credible and reliable data
5. Start small
6. Ensure that all partners win
7. Pursue diversified funding streams that benefit many
8. Serve as the research and development arm for partners
9. Align the three core forces (business, workforce and intermediaries)
10. Recognize the link between trust, risk and investment
11. Recognize the link between economic conditions and the opportunity
12. Cultivate a culture of "responsible opportunism"

III. Based on the Boston PIC's experiences, aligning three core forces is key to success. The three core forces are business, workforce and intermediaries. "Intermediaries" includes schools, adult skill training and educational agencies, foundations, corporate philanthropies, human service organizations and government agencies. Select an opportunity your organization is considering and use three core forces to develop your action plan.

A. Businesses

(Role, Responsibilities, Tasks, Actions)

B. Workforce

(Role, Responsibilities, Tasks, Actions)

C. Intermediaries

(Role, Responsibilities, Tasks, Actions)

National Business Learning Partnership

Participating Organizations

Career Opportunities Cape Cod, MA
Pikes Peak Workforce Center, CO
Chicago Workforce Center @ Pilsen, IL
San Diego Workforce Partnership, CA
Delaware WIB
East Central Georgia Consortium
Tulare County WIB, CA
Eastern Arkansas WIB
Hampden County WIB, MA
Idaho Career Centers
Maine Career Center
Lower Rio Grande Valley WDA, TX
Frederick County, MD
Manumack Valley WIB, MA
Mayor's Office Employment Development, MD
Nevada JobConnect
NW Tennessee WIB
NW Georgia Workforce Area
Oakland WIB, CA
Pasco-Hernando Jobs & Education, FL
Pacific Mountain Consortium Workforce Development Council, WA
Southern Essex WIB, MA
North Valley Job Training Consortium, CA
Southern Maryland Works
Gulf Coast WIB, TX
SW Washington Workforce Council
Tampa Bay Workforce Alliance, FL
Workforce Essentials, TN
The Employment Source, OH
San Diego Workforce Partnership, CA
Topeka Workforce Center, KS
Northwest Concentrated Employment Program, WI
Dept. of Employment Services, Washington, DC
Utah Department of Workforce Service
West Central Arkansas Workforce Centers
West Piedmont WIB, VA
North Central WIB, PA
West Virginia Region 7 WIB
NW Nebraska Workforce Development
Workforce Alliance, KS
Pee Dee Regional Council, SC
Workforce Investment Council of Clackamas County, OR
Boston Private Industry Council
WorkSource of the South Plains, TX
Capitol Area Michigan Works

