

# **ANNUAL REPORT FISCAL YEAR 2014**



"I want every community to be a place where people believe tomorrow is going to be better than today."

- Governor Charlie Baker

In Fiscal Year 2014, Commonwealth Corporation – alongside our partners in government, business, and education – continued building the skills of the Massachusetts workforce. With the support of the Executive Office of Labor and Workforce Development, we developed partnerships across the state to build talent pipelines and align educational and workforce resources with the hiring needs of the business community.

Over the 2014 fiscal year, 484 unemployed and underemployed Massachusetts residents completed education and training programs that prepared them for jobs in health care, manufacturing, financial services, hospitality, construction, energy efficiency, and early childhood education. Through the Workforce Training Fund, Massachusetts' businesses received more than \$14.5 million in grants to train their workforce to address industry needs and strengthen their competitive position. More than 5,000 teens from low-income communities participated in YouthWorks, receiving career-readiness training and employment experience. Lastly, with support from corporations and foundations, we continued to pilot models and curricula that prepare youth for the world of work.

As the economy continues to generate new jobs, we understand the critical demand for a skilled workforce that provides the competitive edge businesses need to compete, and in turn, create jobs. We look forward to joining with Governor Baker and his administration to shape programs and policies that work for the people and the businesses of Massachusetts.

Sincerely,

Nancy Snyder,

President & CEO



### **ABOUT US**

Commonwealth Corporation is a quasi-public corporation of the Commonwealth of Massachusetts, established by the General Court in 1996. We provide strategic workforce interventions to address a persistent skills gap by investing in programs and services for both youth and adults.

Our mission is to strengthen the skills of Massachusetts' youth and adults by investing in innovative partnerships with industry, education, and workforce organizations. We seek to meet the immediate and emerging needs of businesses and workers so both can thrive in a dynamic, demanding economy. We support the development of education and skills training that

connect individuals – especially those who are having the most difficulty in this competitive labor market – to real job opportunities.

Over the next ten years, Massachusetts faces two major challenges in meeting the skill needs of employers. Nearly one-third of the labor force is over the age of 55 and will be retiring, leaving a significant talent and succession gap. The Georgetown University Center on Education and the Workforce estimated that by 2018 more than two-thirds of all jobs in Massachusetts (68% or 2.4 million jobs) will require some post-secondary training beyond high school. Our work helps to ensure that Massachusetts' businesses have access to a pipeline of skilled workers and that our state's residents have pathways to good jobs in our knowledge economy.

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#### **YEAR IN REVIEW**

# Workforce Training Fund Program (WTFP)

The Workforce Training Fund supports grants to Massachusetts' businesses to build their employees' skills, improving their ability to succeed in a global economy. Commonwealth Corporation administers the Workforce Training Fund programs. In FY14 these included the General Program (grants of up to \$250,000 for customized training), the Express Program (grants of up to \$30,000 to small businesses to pay 50% of the cost of seats in courses they select from a training directory of pre-qualified programs) and the Hiring Incentive Training Grant Program (incentive payments to businesses that hired and retained Massachusetts residents who were long-term unemployed or are veterans).

In FY2014, we made \$13.4 million in General Program grant awards, involving 156 businesses with more than 11,500 planned trainees; approved \$1.18 in Express Program grant applications from 185 businesses planning to train more than 1,700 employees, and approved Hiring Incentive Training Grant applications from more than 330 businesses planning to seek \$4.74 million in incentive payments for hiring and retaining 1,092 eligible new employees.



"Commonwealth Corporation is an asset to our business not only as a leader in developing programming to address the staffing needs of today, but also as an innovator in shaping the talent we seek for tomorrow. Being aligned with Commonwealth Corporation allows us as an employer to address our long term skill needs more strategically and to have a voice in shaping the present and future talent of Massachusetts."

- Rick Laferriere, Manager, Workforce Initiatives, CVS Health

# Workforce Competitiveness Trust Fund (WCTF)

In the first month of FY14 we announced \$4.5 million in grants to 15 partnerships across the state. These partnerships involve more than 100 businesses as well as regional stakeholders from community colleges, vocational technical schools, community-based organizations, workforce investment boards, career centers, and organized labor. This round of Workforce Competitiveness Trust Fund grants was designed to build regional capacity to address the gap between the skills held by unemployed and underemployed workers and the skills needed by employers. The grants are supporting three years of training, placement, and advancement activities. Over the three-year period the programs will serve a total of 866 participants (780 job seekers and 86 incumbent workers). As of the end of FY14, the partnerships had enrolled 575 participants (547 job seekers and 28 incumbent workers).

### Health Care Workforce Transformation Fund

The Health Care Workforce Transformation Fund was established in Massachusetts' health care cost containment law (Chapter 224), which was designed to improve the quality of healthcare and reduce costs. In the spring of FY2014, we awarded 51 Planning grants totaling \$1.8 million to organizations across the state

to support them in identifying workforce challenges associated with the implementation of Chapter 224 and in developing approaches to addressing them. The organizations included health care providers as well as workforce investment boards, education and training providers and healthcare professional/provider associations. Grantees conducted needs assessment, program design and curriculum development activities.



### **YouthWorks**

More than 20,000 teens and young adults from lowincome communities have had an opportunity to work over the last five years through the YouthWorks program. YouthWorks is a state-funded youth employment program that helps teens and young adults get the skills and experience needed to find and keep jobs. Participants take part in paid short-term work placements during the summer and/or school year at public, private, and nonprofit worksites. For many participants, it is their first job. They learn about job expectations, how to relate to supervisors and coworkers, and how to advance through education and training. These lessons, best learned on the job, help put young people on the first rungs of a career pathway. In the summer of 2014, more than 5,500 young people in 31 cities had summer employment through the YouthWorks program.





### **SSYI**

Massachusetts started the Safe and Successful Youth Initiative (SSYI) in 2011, awarding grants to 11 communities that demonstrated the highest rates of youth violence: Boston, Brockton, Chelsea, Fall River, Holyoke, Lawrence, Lowell, Lynn, New Bedford, Springfield, and Worcester. The initiative's core strategy is to reduce recidivism and youth violence by increasing intervention and prevention services for young men who have a history of violent behavior.

As the technical assistance provider for this initiative, Commonwealth Corporation works to reduce youth violence in SSYI cities by better preparing, educating, and training young men of color and connecting them to the job market. Providing proven-risk young people with meaningful employment pathways enables them to develop a sense of self-worth, build their confidence, and get them on a positive trajectory.

# Partnership with the Department of Youth Services

Commonwealth Corporation partners with the state's Department of Youth Services (DYS) to ensure that youth and teens committed to the Massachusetts' juvenile justice system have access to high-quality education and employment opportunities.

The Bridging the Opportunity Gap Initiative (BOG) is a combination of employability and reentry programs for young people committed to DYS. It was introduced in 2006 through funds from the Massachusetts State Legislature and has supported innovative transition and reentry programming for youth ever since. The BOG initiative is comprised of five program options – work-based learning program, vocational program, arts and cultural program, GED/HiSET and tutoring program, and mentoring program offered both in the summer and year round. This past year 46 youth obtained a total of 62 industry-recognized certifications such as OSHA, ServSafe, National Customer Service, First Aid, and auto industry credentials.



#### **Exclusive Tees**

Exclusive Tees is a social enterprise that aims to make a difference in the lives of youth at risk by employing them in a fully operational silk screening business. With coaching from a local for-profit silk screening company, youth work as a team to fulfill custom orders. Through the program, they develop skills, build self-confidence, and set goals for success in transitioning to mainstream employment. The implementation of vocational and employability programming like Exclusive Tees promotes positive change in youth at risk by actively engaging and supporting them.

### **RESEARCH**

In FY14, Commonwealth Corporation released an updated edition of the *Massachusetts Health Care Chartbook*, funded by the MA Department of Higher Education. This chartbook, originally produced by Commonwealth Corporation in 2007, was produced to inform workforce development professionals, educators, employers and job seekers about the status and recent history of health care careers and trends in Massachusetts' Health Care and Social Assistance Sector. The chartbook includes data on employment, occupational distribution, salary, and regional distribution.

In collaboration with the Corporation for a Skilled Workforce, we published a working paper on *Creating Pathways to Careers in Precision Machining for Opportunity Youth*. This paper outlines how improving the basic and technical skills of young people, particularly through on-the-job training, could help employers respond to their need for skilled workers, while also creating real career pathways for the nation's 3.8 million opportunity youth. Successful strategies are currently underway in Michigan and Massachusetts to build the manufacturing workforce pipeline and connect young people to these jobs.

### **PUBLIC-PRIVATE PARTNERSHIPS**

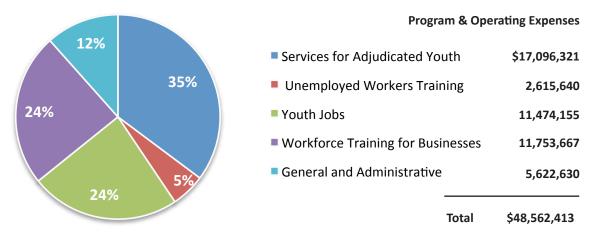
### **Arts InFusion**

Arts InFusion addresses the rehabilitative needs of juvenile offenders through arts education led by community organizations and individual artists. With support from our foundation partners almost 200 youth committed to DYS participated in Arts InFusion, exploring themes in Shakespeare, writing original lyrics for Afro-Caribbean drumming, or creating a community mural. Arts education provides young people with alternative forms of expression, learning, and opportunity for performance and is a powerful way to reach young people who are facing a difficult transition in their lives.

### Signal Success

As a result of our 2012 study on teen unemployment, Commonwealth Corporation has created and thoroughly tested a career-readiness and soft-skills curriculum to help better prepare teens for the world of work. Our goal with Signal Success is to offer it as a career-readiness curriculum as part of the regular course offerings within the public school system. In the last several years there has been a focus on college- and career-readiness, both in Massachusetts and at the national level. Currently, many schools focus primarily on college readiness, however, we believe that career-readiness courses could help reduce teen unemployment and are essential to providing students with the core skills needed for success in work, school, and life.

## **FY14 Financial Highlights**



### **OUR SUPPORTERS**

Commonwealth Corporation is committed to creating public-private partnerships to leverage government funding and broaden our impact. We deeply appreciate the support of the following corporations, foundations, and government agencies.

#### **Government Partners**

Executive Office of Labor and Workforce Development

Department of Youth Services

Department of Higher Education

Department of Elementary and Secondary Education

Executive Office of Health and Human Services

Executive Office of Public Safety

MA Clean Energy Center

Executive Office of Housing & Economic

Development

16 Regional Workforce Investment Boards (WIBs)

# **Corporate & Foundation Partners**

State Street Foundation

The Boston Foundation

**Cummings Foundation** 

BNY Mellon Foundation

Eastern Bank Foundation

Gardiner Howland Shaw Foundation

Frank Reed & Margaret Jane Peters Memorial Fund I

The Frank Stanley Beveridge Foundation

Cabot Family Charitable Trust

National Endowment for the Arts (NEA)