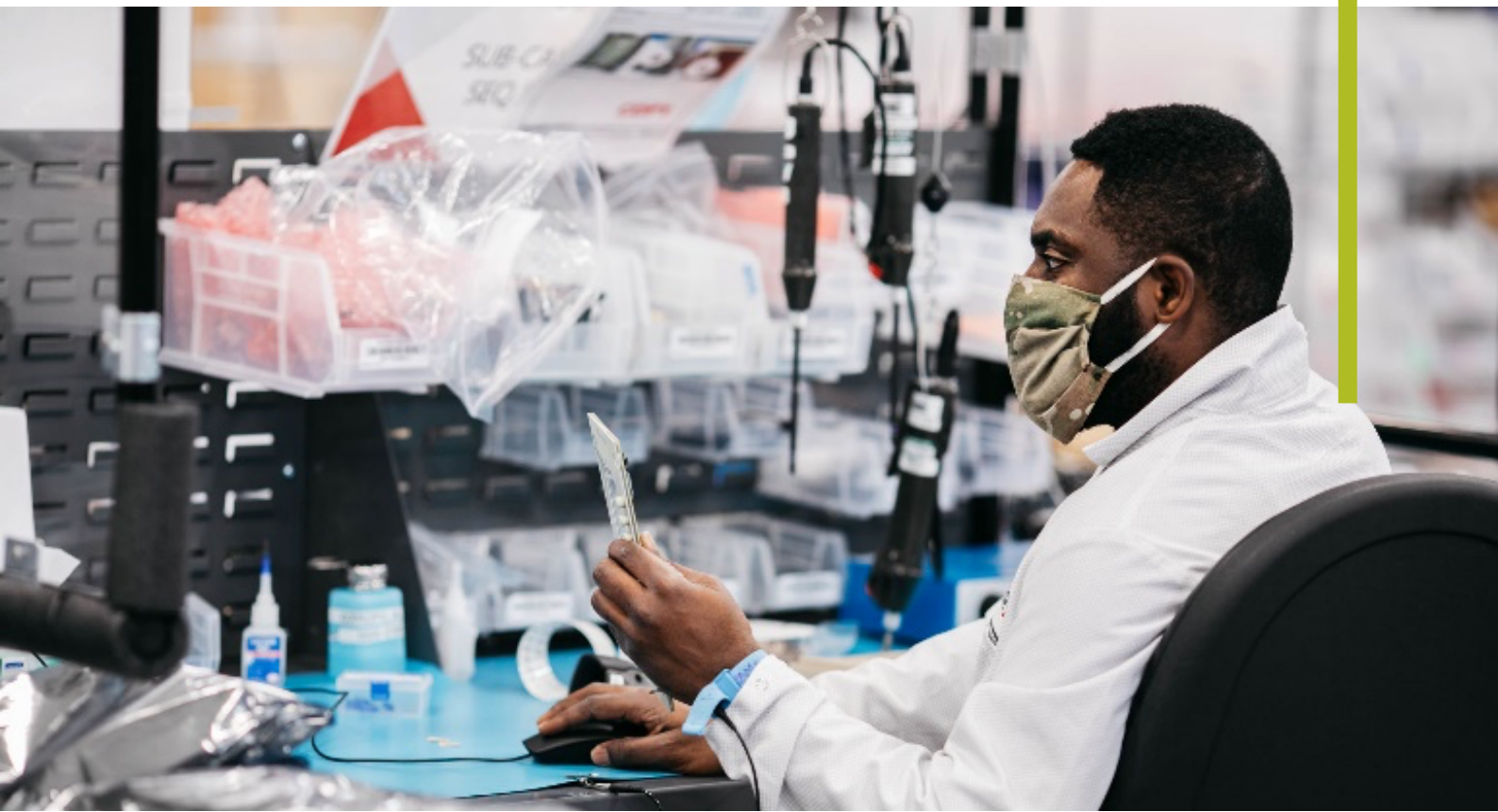


ANNUAL REPORT

WORKFORCE
TRAINING FUND

2021



INTRODUCTION

WELCOME.

The purpose of the Workforce Training Fund is to provide resources to Massachusetts' businesses and workers to train current and newly hired employees, supporting businesses' productivity and competitiveness. On behalf of the Executive Office of Labor and Workforce Development, Commonwealth Corporation administers the Workforce Training Fund Program that is funded through an assessment on Massachusetts' employers' Unemployment Insurance contributions.

The enabling legislation for the Workforce Training Fund (Massachusetts General Laws Chapter 29 Section 2RR) calls for a report to be filed with the Joint Committee on Labor and Workforce Development and the House and Senate Ways and Means Committees, by September 1 of each year. The report addresses grants made during the previous fiscal year together with such recommendations and additional information as considered appropriate. The report must also include information concerning the collection of the workforce training contributions for the previous calendar year including (i) the amount collected in each quarter and the total amount collected for the calendar year; (ii) the total number of employers that contributed to the fund and the total number of employees employed by that group of employers; and (iii) the contribution rate.

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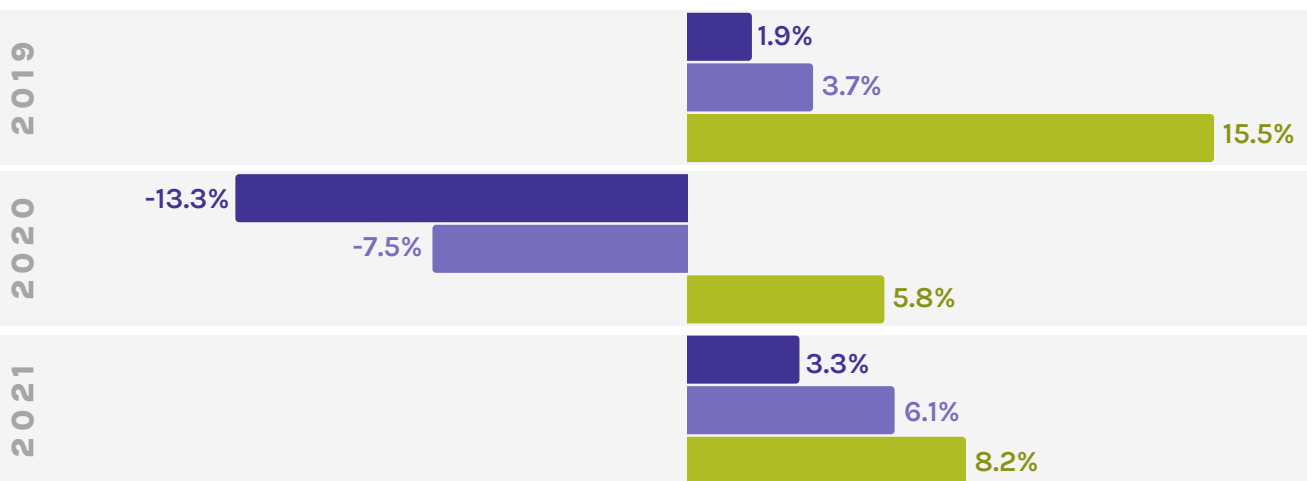
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2021 HIGHLIGHTS

In the face of unprecedented changes in the nature of work and learning caused by the global COVID-19 pandemic, during the Fiscal Year 2021 (July 2020 – June 2021), many Massachusetts employers have transitioned from survival mode to recovery mode. Throughout the pandemic, Commonwealth Corporation has introduced accommodations to allow extended timelines for completion of on-going training projects, waived waiting periods between grants to allow businesses to immediately address emerging needs, increased resources for small business recovery, and streamlined access resulting in greater participation of small businesses. Small businesses have been most significantly impacted by the pandemic, particularly minority and women-owned small businesses. Throughout FY 21, the strategic focus of the Workforce Training Fund Program has been increasing access and resources for small and diverse businesses. By the conclusion of FY21, the Workforce Training Fund Program has reducing barriers to participation, increased the variety of training available to diverse businesses, increased small business subsidies, and increased investment in outreach to underserved communities.

- Companies completing General Program training grants during FY21 added 1,567 net new jobs in Massachusetts, which is 25% more than planned.
- These firms added jobs at a rate of 8.2% over two-year grants. This compares favorably to the statewide growth of 3.3%, and the national growth in employment of 6.1% for the same period.

JOB GROWTH RATE COMPARISON 2019-2021



■ Massachusetts*
 ■ US*
 ■ WTFP

*Source: Bureau of Labor Statistics

- 82% of the 742 businesses engaged during FY21 were small businesses (i.e. 100 or fewer employees)
- During FY21, five additional Manufacturing Emergency Response Training (MERT) grants were awarded to retrain 137 Massachusetts workers to produce PPE or other vital pandemic-related critical items.
- During FY21, the Workforce Training Fund provided 35 extension grants, totaling \$1,510,822 to train employees from 42 businesses. The purpose of these grants is to complete ongoing training projects that could not be completed according to original timelines due to the Covid-19 pandemic. As a result, 2,887 trainees will be able to complete training that would have otherwise been canceled.

DEVELOP & IMPLEMENT



EMPLOYER AND WORKER-
RESPONSIVE PROGRAMS



ENHANCE

WORKER SKILLS, INCOMES,
PRODUCTIVITY AND RETENTION

EMPOWER



MASSACHUSETTS FIRMS TO
INCREASE QUALITY AND
COMPETITIVENESS

GRANT PROGRAMS

WORKFORCE TRAINING FUND GRANT PROGRAMS

During Fiscal Year 2021 (July 2020 – June 2021), the Workforce Training Fund Program offered four different grant programs to Massachusetts businesses to upskill incumbent workers. These grants support skills acquisition for thousands of workers and improving the competitiveness and productivity of hundreds of businesses across the Commonwealth.

1

GENERAL

Businesses of any size are eligible to apply. (Intermediaries may lead a consortium application.) They may request up to \$250,000 for up to two years to support training for their workforce. Grant funds must be matched dollar-for-dollar. The match may be cash or in-kind (including wages paid to employees during training).

2

SMALL BUSINESS DIRECT ACCESS PROGRAM

The Small Business Direct Access Program addresses smaller-scale training needs by making training slots available in courses on high-demand topics, free of charge, to eligible businesses. Businesses with 100 or fewer Massachusetts employees that contribute to the Workforce Training Fund are eligible to access over 130 popular courses at no cost.

Please Note: Effective on July 1, 2021, the Small Business Direct Access Program has been eliminated. Fully subsidized training for small businesses is now accessible via the Express Program.

[Click Here for More Information](#)

3

EXPRESS

Businesses of any size are eligible to apply. Grant funds will pay for up to 50 percent of the cost of an employee's participation in training courses selected from a database of registered courses. Businesses may receive up to \$30,000 per calendar year; the maximum payment per trainee, per course is \$3,000.

Please Note: Effective on July 1, 2021, the Express Program has been relaunched with important changes to further accommodate small-business recovery. Businesses with 100 or fewer employees may now have the total cost of training subsidized, up to \$3,000 per person and \$30,000 annually.

[Click Here for More Information](#)

4

MANUFACTURING EMERGENCY RESPONSE TEAM

In response to the global COVID-19 pandemic, the Baker-Polito Administration Launched the Manufacturing Emergency Response Team (M-ERT), which is a coordinated response by the Baker-Polito Administration and leading academic and industry stakeholders to support the Commonwealth's manufacturers in their efforts to produce much-needed supplies for front-line workers and the health care system.

The M-ERT was launched in FY20 alongside \$10.6 million in new funding to help manufacturers scale their operations to produce PPE and other critical items. This includes funds for related workforce training through Workforce Training Fund Program's Manufacturing Emergency Response Training Grants.

Approved businesses may receive \$2,000 for each employee that is retrained support the production of PPE or other critical items. Grants of up to \$80,000 per company are awarded to support projects that have been vetted by experts to determine critical needs and viable production efforts.

GRANTS AWARDED IN FY21

DURING FY21 \$20,651,335 IN NEW TRAINING GRANTS WERE AWARDED, INCLUDING GRANTS FROM THE GENERAL PROGRAM, EXPRESS PROGRAM, AND MANUFACTURING EMERGENCY RESPONSE TRAINING GRANT PROGRAM.

NEW GRANTS AWARDED IN 2021

2021	Trainees*	Amount	Employers	Average Cost Per Trainee
General Program	9,320	\$16,668,786	170	\$1,788
Express Program	3,470	\$3,708,549	385	\$1,069
Manufacturing Emergency Response Training Grant Program	137	\$274,000	5	\$2,000
	12,927	\$20,651,335	560	\$1,598

*Includes duplication in cases where employers participate in more than one grant/program during 2021

Photo: Jeff Kowalsky/Agence France-Presse/Getty Images

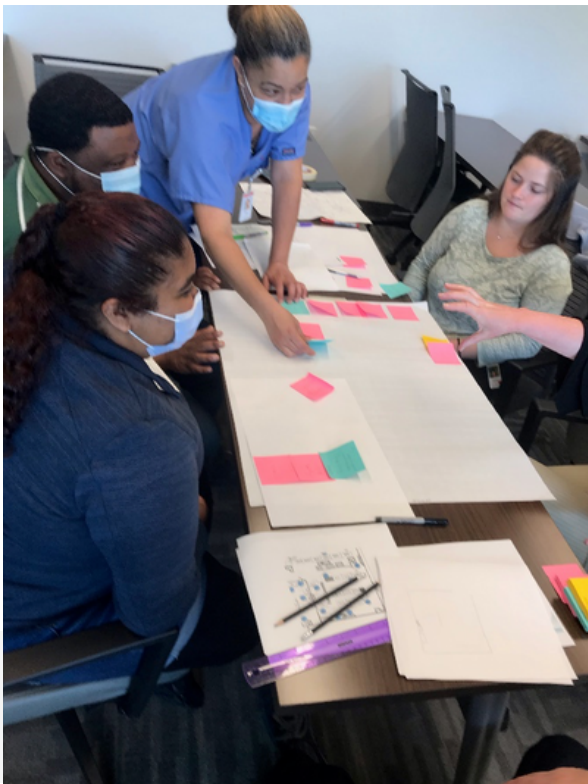


Photo: Greater Boston Manufacturing Partnership

In addition to the 560 businesses served via new grants awarded in FY21, 182 additional businesses enrolled in training funded by ongoing Small Business Direct Access Program grants for the first time. Workforce Training Fund’s Small Business Direct Access Program (SBDAP) grants were awarded in FY20. SBDAP grants were awarded to training providers to procure seats, in bulk, for high-demand courses that would take place over two years concluding in June 2021. Eligible businesses were able to directly enroll their employees in SBDAP-funded courses without applying for a grant. More information on SBDAP is provided in the Impact Analysis section below.

Accordingly, all Workforce Training Fund Programs combined engaged 742 additional businesses during FY21.

GRANTS AWARDED IN FY21 CONTINUED

FY21 General Program Training Grant Awards

In FY21, Commonwealth Corporation awarded 133 General Program Training Grants involving 170 businesses. (Note: this includes 7 consortium grants involving 44 businesses.) The total amount awarded was \$16,668,786. In total, the businesses plan to train 9,320 workers with these funds. The businesses project that by the end of their two-year grant periods they will hire 1,581 additional workers. Training topics included: technical and business software; process improvement; English for Speakers of Other Languages (ESOL); quality assurance; productivity skills; sales and customer service; supervision and leadership; project management; and much more.

GENERAL PROGRAM AWARDS BY INDUSTRY

Industry	# of grants	Amount Awarded	%
Manufacturing	66	\$7,763,380	47%
Professional, Scientific & Technical Services	23	\$3,340,126	20%
Healthcare & Social Assistance	7	\$1,282,190	8%
Finance & Insurance	6	\$922,699	6%
Construction	5	\$854,132	5%
Transportation & Warehousing	5	\$668,375	4%
Educational Services	6	\$578,028	3%
Retail	3	\$273,310	2%
Other Services (except Public Admin)	5	\$261,000	2%
Accommodation and Food Services	3	\$205,877	1%
Information	1	\$186,010	1%
Management of Companies & Enterprise	1	\$149,700	1%
Agriculture/Forestry/Fishing/Hunting	1	\$147,600	1%
Real Estate/Rental/Leasing	1	\$36,359	0%
Grand Total	133	\$16,668,786	100%

GENERAL PROGRAM AWARDS BY WORKFORCE BOARD REGION

Workforce Board Region	# of grants	Amount awarded	%
Metro North	26	\$3,005,356	18%
Metro South/West	21	\$2,506,019	15%
Boston	12	\$1,872,196	11%
Hampden	14	\$1,701,503	10%
Greater Lowell	10	\$1,407,225	8%
Central MA	13	\$1,272,903	8%
Merrimack Valley	7	\$1,073,931	6%
North Shore	7	\$983,240	6%
North Central MA	5	\$773,600	5%
South Shore	6	\$542,884	3%
Bristol	5	\$524,979	3%
Franklin/Hampshire	3	\$467,675	3%
Cape & Islands	2	\$276,575	2%
Brockton	1	\$231,000	1%
Greater New Bedford	1	\$29,700	0%
Grand Total	133	\$16,668,786	100%

GRANTS AWARDED IN FY21 CONTINUED

FY21 Express Program Grant Awards

In FY21, Commonwealth Corporation approved 573 grant applications from 385 businesses for a total of \$3,708,549 in grant funds to train 3,470 employees. (Note: Businesses may submit multiple applications; employees may participate in multiple courses.) Training topics included process improvement; quality assurance; IT administration; marketing; sales and customer service; supervision and leadership; occupation-specific skills training; project management, business software; and much more.

EXPRESS PROGRAM AWARDS BY INDUSTRY

Industry	# of grants	Amount Awarded	%
Manufacturing	147	\$1,317,263	36%
Professional, Scientific & Technical Services	115	\$579,939	16%
Other Services (except Public Admin)	90	\$558,322	15%
Construction	50	\$436,630	12%
Finance & Insurance	94	\$249,171	7%
Educational Services	13	\$103,275	3%
Information	9	\$78,742	2%
Real Estate/Rental/Leasing	8	\$71,512	2%
Accommodation/Food Service/Hospitality	7	\$71,400	2%
Healthcare & Social Assistance	14	\$65,597	2%
Wholesale Trade	6	\$53,698	1%
Retail	5	\$42,508	1%
Transportation & Warehousing	6	\$38,343	1%
Admin/Support/Waste Mgmt./ Remediation Services	1	\$27,500	1%
Arts/Entertainment/Recreation	3	\$10,047	0%
Agriculture/Forestry/Fishing/Hunting	5	\$4,603	0%
Grand Total	573	\$3,708,549	100%

EXPRESS PROGRAM AWARDS BY WORKFORCE BOARD REGION

Workforce Board Region	# of grants	Amount Awarded	%
Metro South/West	114	\$743,076	20%
Metro North	86	\$614,296	17%
Boston	41	\$360,955	10%
Bristol	33	\$308,066	8%
South Shore	51	\$267,299	7%
North Shore	29	\$215,699	6%
Central MA	38	\$194,925	5%
Hampden	46	\$183,878	5%
Greater Lowell	34	\$160,797	4%
Brockton	13	\$141,673	4%
Cape & Islands	13	\$126,883	3%
North Central MA	10	\$114,463	3%
Merrimack Valley	26	\$93,579	3%
Greater New Bedford	11	\$82,000	2%
Berkshire	17	\$51,122	1%
Franklin/Hampshire	11	\$49,843	1%
Grand Total	573	\$3,708,549	100%

GRANTS AWARDED IN FY21 CONTINUED

FY21 Manufacturing Emergency Response Training Grant Awards

In response to the global COVID-19 pandemic, the Baker-Polito Administration Launched the Manufacturing Emergency Response Team (M-ERT), which is a coordinated response by the Baker-Polito Administration and leading academic and industry stakeholders to support the Commonwealth's manufacturers in their efforts to produce much-needed supplies for front-line workers and the health care system. The M-ERT was launched alongside \$10.6 million in new funding to help manufacturers scale their operations to produce PPE and other critical items. This includes \$1 million for workforce training through Workforce Training Fund Program's Manufacturing Emergency Response Training Grants. Approved businesses may receive \$2,000 for each employee that is retrained support the production of PPE or other critical items. Grants of up to \$80,000 per company are awarded to support projects that have been vetted by experts to determine critical needs and viable production efforts.

During FY21, five Manufacturing Emergency Response Training Grants were awarded to support projects that have been vetted by experts to determine viable PPE production efforts. A total of \$274,000 was awarded to train 137 workers.

Photo: Center for Manufacturing Technology



IMPACT ANALYSIS

WTFP GENERAL PROGRAM GRANTS CLOSED IN FY21

General Program Training Grants Completed in FY21

In FY21, 106 General Program Training Grants closed after completing training initiatives. In total, the 106 grantees projected adding 1,253 workers by the end of the two-year grants. The actual number of net new jobs added by the end of their grant period was 1,567 which is 25 percent greater than proposed job growth.

Overall, the grant recipients reported 8.2 percent employment growth over their two-year grant period compared to 3.3 percent statewide, and 6.1 percent nationally.

JOB GROWTH RATE COMPARISON 2019-2021



*Source: Bureau of Labor Statistics

Businesses in the Manufacturing industry made up the largest share, 59 percent of the General Program Training Grants that ended during FY21. The next largest industry sector was Professional, Scientific and Technical Services, followed by Finance & Insurance.

Of the 106 grantees to complete training in FY21, 58 (55 percent) reported an increase in their Massachusetts workforce since the beginning of their grant period. Eleven (10 percent) reported their employment levels remained unchanged and 37 (35 percent) reported they had fewer employees at the end of the grant period.

IMPACT ANALYSIS

WTFP GENERAL PROGRAM GRANTS CLOSED IN FY21

FY21 GENERAL PROGRAM GRANTS CLOSED DURING FY21

Industry	# of grants	% of grants	# New Jobs	% of new jobs
Manufacturing	63	59%	1093	70%
Finance & Insurance	11	10%	94	6%
Professional, Scientific & Technical Services	11	10%	284	18%
Healthcare & Social Assistance	7	7%	104	7%
Construction	4	4%	-10	-1%
Transportation & Warehousing	3	3%	11	1%
Educational Services	2	2%	7	0%
Other Services (except Public Admin)	2	2%	-1	0%
Accommodation/Food Service/Hospitality	1	1%	0	0%
Arts/Entertainment/Recreation	1	1%	-38	-2%
Information	1	1%	23	1%
Grand Total	106	100%	1,567	100%

The original amount awarded to the 106 grantees totaled \$11,388,405; the final amount expended at the end of the grant period was \$8,241,403 (72 percent of the amount awarded). 73 percent of grantees did not expend their full contract amount.

FY21 GENERAL PROGRAM - # GRANTS CLOSED BY REGION

Workforce Board Region	# of grants	% of Total
Metro South/West	17	16%
Boston	12	11%
Metro North	12	11%
Hampden	11	10%
Central MA	11	10%
North Shore	10	9%
Merrimack Valley	9	8%
Greater Lowell	5	5%
Franklin/Hampshire	4	4%
North Central MA	3	3%
South Shore	3	3%
Greater New Bedford	3	3%
Brockton	2	2%
Bristol	2	2%
Berkshire	1	1%
Cape & Islands	1	1%
Grand Total	106	100%

IMPACT ANALYSIS

WTFP GENERAL PROGRAM GRANTS CLOSED IN FY21

In total, the 106 grantees planned to train 7,094 employees; the actual number of trainees reported was 7,184 (101 percent of planned). Sixty-three percent of grantees trained as many workers as planned or more. Thirty-seven percent did not train as many workers as originally planned.

FY21 GENERAL PROGRAM - ACTUAL # TRAINED BY REGION

Workforce Board Region	# of Trainees	% of Total
North Shore	1,336	19%
Metro North	1,140	16%
Boston	1,056	15%
Metro South/West	799	11%
Hampden	561	8%
Central MA	523	7%
Merrimack Valley	417	6%
Greater Lowell	353	5%
Franklin/Hampshire	247	3%
South Shore	213	3%
North Central MA	138	2%
Brockton	118	2%
Cape & Islands	114	2%
Greater New Bedford	94	1%
Bristol	57	1%
Berkshire	18	0%
Grand Total	7,184	100%

FY21 GENERAL PROGRAM - ACTUAL # TRAINED BY INDUSTRY

Industry	# of Trainees	% of Total
Manufacturing	3,746	52%
Finance & Insurance	1,082	15%
Professional, Scientific & Technical Services	794	11%
Healthcare & Social Assistance	642	9%
Construction	348	5%
Information	155	2%
Educational Services	115	2%
Transportation & Warehousing	108	2%
Arts/Entertainment/Recreation	106	1%
Accommodation/Food Service/Hospitality	55	1%
Other Services (except Public Admin)	33	0%
Grand Total	7,184	100%

Photo: WTFP Grantee Cogmedix

IMPACT ANALYSIS

WTFP GENERAL PROGRAM GRANTS CLOSED IN FY21

General Program Training Grants Withdrawn in FY21

In FY21, 61 businesses that had been awarded General Program Training grants elected to withdraw from the program prior to completing training. These grants were intended to use a total of \$7,051,656 in WTFP funds but used only \$2,390,101 (34 percent) prior to withdrawing due to unanticipated circumstances that resulted in cancelation of training. Unused funds will be reprogrammed for future grants.

COGMEDIX

On August 14, 2020, Cogmedix of West Boylston celebrated shipment of its 5,000th unit of Zoll ventilators, a milestone made possible by Massachusetts' coordinated response to Covid-19 and the Manufacturing Emergency Response Training grant (MERT).

Zoll Medical Corp., a leading manufacturer of hospital grade ventilators, and Cogmedix an accredited medical device manufacturer and supplier to Zoll, were each awarded a two-year Massachusetts Workforce Training grant in early 2020 to train on similar topics: Process Improvement, Quality Assurance and Leadership. By March 2020, both companies were playing a critical role in the nation's response to the pandemic.



Photo: WTFP Grantee Cogmedix

Zoll announced plans to scale up production 25x its usual output to 10,000 ventilators a month, and contracted with Cogmedix to help meet demand. Cogmedix was awarded a Massachusetts Emergency Response Training grant (MERT) to train its employees and implement three FDA-compliant production lines. Zoll successfully met its production goals in the Fall of 2020 and the Workforce Training Fund continues to support employee training at these essential businesses.



Video: <https://columbiatech.vids.io/videos/709cd7bc1c1ce2c7f9/coghlin-companies-ventilator-video-mp4>

“

In the face of the most challenging pandemic of our lifetime, the team at Cogmedix was able to rapidly establish compliant work cells, train staff, deploy record management systems and scale up production.

Chris Coghlin
President and CEO, Coghlin Companies

Source for quotes: Engler Modic, Elizabeth. “Zoll Medical Collaborates with Cogmedix.” Today’s Medical Developments, Nov. 6, 2020.

Jon Rennert
CEO, ZOLL

We have always strived to build the highest quality portable ventilators on the market. We have a large highly trained workforce and state-of-the-art factories. However, when ZOLLs demand outpaced capacity, Cogmedix helped us scale up manufacturing to meet the urgent need for expanded production.

”



PIANTEDOSI

THE PIANTEDOSI BREAD COMPANY WAS FOUNDED IN 1916 BY AN ITALIAN IMMIGRANT AND HAS REMAINED A FAMILY BUSINESS WITH THE 4TH GENERATION NOW TRANSITIONING INTO LEADERSHIP. THE COMPANY PRODUCES OVER 500,000 UNITS OF BREAD AND ROLLS PER DAY AND IS SOLD NATIONALLY AT RESTAURANTS AND RETAIL LOCATIONS. THE COMPANY EMPLOYS APPROXIMATELY 200 PEOPLE, THE MAJORITY OF WHOM ARE IMMIGRANTS FROM OVER 20 COUNTRIES.

Photo: Piantedosi



THE CHALLENGE

- Traditionally managed in silos, with little collaboration across departments; sought to reset the culture to be more proactive vs. reactive.
- Even as demand has grown, efficiencies have not kept pace; needed to operate more efficiently to stay competitive.
- Wanted to minimize communication breakdowns that can affect productivity, quality, and safety.

THE SOLUTION

- Training included: Leadership skills for Sr. Managers, Mid-level and Emerging Leaders, and Supervisors. (e.g. Interpersonal Communication, Team Building)
- Process improvement (e.g. Value Stream Mapping, Root Cause Analysis, Problem Solving)
- Advanced ESOL, Literacy (writing and math)

I came to the US in 1996 from El Salvador and English class has been good for me and gave me more opportunities. I'm not scared to speak to my boss and other people. My daughter is proud of me and told me 'you speak so much English now'

Reyna Gladamez, Participant

BUSINESS IMPACT



REDUCED RAW MATERIAL WASTE 25%



EIGHT EMPLOYEES WERE PROMOTED



SAFETY RECORD FOR 2020 WAS BEST IN COMPANY HISTORY



REDUCED COMPLAINTS RE: FRESHNESS FROM 49 TO 3

ANNUAL COLLECTIONS OF WORKFORCE TRAINING FUND CONTRIBUTIONS

For the calendar year January 1, 2020 - December 31, 2020, a total of 222,796 employers contributed to the fund. These employers employed a collective total of 4,375,102 employees* for the same period.

The following chart shows the amount collected in each quarter and the total amount collected for the calendar year. The actual contribution rate is 0.056%.



*includes duplication in cases where workers are employed by two or more different organizations during one calendar year.

ADVISORY BOARD MEMBERS



BOARD CHAIR
KRISTIN CARLSON
President
Peerless Precision

JOAN ABBOT

Assistant Director
Boston Education, Skills, &
Training Corp. (BEST)

JULIE E. BRADY

Political Coordinator
Teamsters Local 25

ENEIDA M. ROMAN, ESQ

Founder
ROMAN LAW, Co-founder,
THE LATINA CIRCLE

JENNIFER DELUCIA

Manager
JohnLeonard Employment
Services

FRANKLIN PERALTA

Director of Business
Engagement and Public Policy
English for New Bostonians

JULIE PINKHAM

Executive Director
Massachusetts Nurses
Association



We thank you for your continued support.

WORKFORCE
TRAINING FUND

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