

Introduction

SkillWorks was established in 2005 to invest in a set of activities that could lead to longer-term, large-scale, and sustainable improvements in the workforce development system in Boston and the commonwealth of Massachusetts. A funder collaborative comprised of public funders and local and national foundations has supported and managed the work over the past decade. The goals of SkillWorks from its inception have been to help low-income individuals attain family-wage jobs, improve the quality of the workforce for businesses, increase the resources available for workforce development, enhance the capacity of workforce development providers to meet the needs of low-income individuals and employers, and, finally, to promote changes in public policy that would support the advancement of low-income individuals into family-sustaining jobs.

SkillWorks was very clear from its inception that success needed to include some level of scale and sustainability in its outcomes through the interaction of all of its activities. Achieving scale and sustainability required broader “system change.” As noted in *Reinventing Workforce Development: Lessons from Boston’s Community Approach* by Jobs for the Future:

“At its core, SkillWorks is about fundamentally changing how workforce development is done in Boston so that it reflects a new set of fundamental principles, provides services reflecting those principles to large numbers of Boston residents and employers, and institutionalizes those principles in the larger workforce system so that they continue long after the funders stop providing grants.”

SkillWorks believed that it could achieve system change through a combination of the core activities that it supported: through its sector-based industry partnerships, its capacity-building activities, and its investment in public policy advocacy.

During Phase I, from 2005 to 2009, SkillWorks funded six workforce partnerships. In addition to the partnerships, SkillWorks made a five-year grant to the Workforce Solutions Group (WSG), a partnership of organizations responsible for designing and implementing the public policy advocacy component of the initiative, and funded a capacity-building team. Phase II of the SkillWorks Initiative began in January 2009. During the planning for Phase II, the funders and staff did considerable work to refine the elements of the initiative based upon the learnings from Phase I. While the overall approach to system change and the specific activities contributing to system change were similar to Phase I, there were some refinements. These included changing the composition of WSG, strengthening the role of the SkillWorks staff in policy, investing in a Green Jobs initiative, broadening the capacity-building work through opening its workshops to the broader workforce development community, and leading the Skills2Compete-Massachusetts campaign and the production of the *Massachusetts’ Forgotten Middle-Skill Jobs* report.

While it invested in many efforts that could contribute to changes in the workforce development system, SkillWorks did not have a deliberate strategy related to system change. For much of its history, many of those involved equated its policy work WITH its system change

agenda. In fact, in addition to the industry partnerships, which have led to some changed practices amongst employers and providers and which are covered in-depth in other chapters of this evaluation, during Phase II there were four “activity areas” that had elements that could lead to overall changes in the ways the workforce development system in Boston served low-income adults and employers. These activity areas were:

1. **Public Policy/Advocacy.** The intent of the public policy activities was to address statewide policies and resource allocations to improve the ability of the workforce development system to help low-income individuals advance to family-supporting jobs. This included the work of WSG as well as the increasing role that SkillWorks staff played in the policy work.
2. **Capacity Building.** The approach to capacity building evolved over the course of SkillWorks. When SkillWorks was first established in 2005, capacity-building activities focused on strengthening the organizational and programmatic capacity of mid-sized community-based organizations in Boston. Midway through Phase I, the focus shifted and the capacity-building activities were refined to strengthen the SkillWorks partnerships. During Phase II, SkillWorks developed a hybrid that emphasized capacity building for the partnerships, but also included workshops and learning communities open to other service providers in the city. With its investment in Green Jobs in Phase II, SkillWorks also engaged many funders and service providers in capacity-building convenings related to green jobs.
3. **Knowledge Capture and Dissemination.** SkillWorks never defined knowledge capture and dissemination as a specific strategy. Yet, during Phase II, it was supporting research and evaluation activities that helped to build the knowledge of the field. SkillWorks staff also played a much greater role in disseminating knowledge about workforce development broadly in the state, and nationally, through blog posts, newsletters, speaking engagements, and convenings.
4. **The Funder Collaborative.** The funder collaborative, which initially included eight Boston area and national foundations as well as the Boston Mayor’s Office of Jobs and Community Services and the Commonwealth of Massachusetts Department of Workforce Development, oversees the investments, ensures their effectiveness, and explores strategic workforce development priorities to achieve their mission. Over the course of Phase II, the make-up of the group evolved, with some new members added, while some of the original members dropped off, particularly those outside of Boston. Given the importance of the funders to the overall workforce system, the group itself became a more important system change mechanism over the course of the Phase II work.

This report examines how all of these components of SkillWorks came together during Phase II to achieve system change.

SYSTEM CHANGE EVALUATION FRAMEWORK

The framework for evaluating SkillWorks system change work during Phase II looks at two distinct types of system outcomes:

1. *Interim system outcomes related to changes in the system “attributes.”* These system attributes include the boundaries, relationships, and perspectives of individuals and organizations within the system. The assumption here is that these interim outcomes could ultimately lead to sustainable and longer-term outcomes and achieve scale of impact for low-income individuals and businesses.
2. *Direct system outcomes related to changes in workforce development system practices, policies, and funding flows.* These system outcomes are more “concrete” and related to specific changes in policies and practices that result from deliberate strategies and activities that focus on changing how the workforce system functions. In the case of SkillWorks, this is related primarily to its policy-related advocacy activities and capacity-building work.

The framework related to interim system outcomes draws from previous evaluation work of Mt. Auburn Associates, which builds on literature on system thinking. The frame recognizes that systems can contain numerous subsystems. For example, community colleges are part of the regional workforce development system, and an individual community college is in itself a “system.”

The evaluation also developed a working definition of the “workforce development system” that has been used to define the scope of the system change work. The definition is:

“Publicly- and privately-funded programs that provide job training and related educational services to youth and adults. The workforce system also includes the broad network of community-based organizations that receives both public and private funding as well as community colleges, adult basic education (ABE) providers, welfare-to-work programs, vocational and technical schools, school-to-career programs, and Food Stamp training programs.”

Finally, the evaluation framework builds from some of the literature on the “attributes” of a “system” (Midgley, 2007; Williams and Imam, 2007; Cabrera et al., 2008; Hargreaves and Paulsell, 2009). Specifically, all systems share certain basic attributes or conditions that have been defined as “boundaries, relationships, and perspectives”:

- *Boundaries:* Boundaries delineate everyone that is influencing and influenced by a system, in effect, the actors within the targeted ecosystem.
- *Relationships:* Relationships are the connections or exchanges that occur among local actors within and across system levels, and they can include flows of information, client referrals, staffing arrangements, funding streams, and sharing of other resources (Olson and Eoyang, 2001).

- *Perspectives:* Perspectives are how different actors within the local system think about and approach the challenges, goals, and strategies within and across the system domains.

In many ways, the SkillWorks approach to system change has sought to change how practitioners and policymakers think about the boundaries of the workforce system through expanding employer involvement; making connections between higher education, particularly community colleges, and the workforce development system; and thinking about the ABE/ESOL programs and investments as part of the continuum of services needed in an effective workforce system. In addition, SkillWorks has sought to change relationships between major stakeholders in the workforce system as well as to change the perspectives of those operating within the system.

METHODOLOGY

This report looks at the system-related outputs and outcomes that have been made during Phase II of SkillWorks, covering the period between January 2009 and December 2014. The analysis of system change builds upon multiple components of the SkillWorks evaluation over the past five years:

- The evaluation team conducted in-depth interviews of partners in the SkillWorks partnerships about system change outcomes.
- The evaluation team tracked the public policy outcomes of WSG for the past five years and conducted annual interviews of WSG members. In addition, in 2012, the evaluator conducted a survey of 18 legislators and aides to better assess the impact that SkillWorks and WSG have had on the legislative outcomes.
- The evaluator also interviewed SkillWorks funders about their perceptions of the policy and system change work as part of the strategic planning process for Phase III of SkillWorks. These interviews asked funders about both their perceptions of the system outcomes and the specific benefits of being part of the funder collaborative. In addition, in March 2014, 16 funders responded to and completed an online survey.
- Fifty-one individuals responded to an online survey distributed to 268 workforce development practitioners in Boston. The survey included questions about perceptions of how the system has changed in the last five years, the role of SkillWorks, as well as changes in the practices and culture of the respondent's organization.

It is important to note that *perception* forms the basis for a large part of this evaluation. While there are some clear quantitative indicators, such as the amount of new funding in the system, the basis of most of the evaluation is the perception of how those working on a day-to-day basis within the system believe the workforce development system has changed and the role that SkillWorks has played in any of these changes.

SkillWorks System Change Activities

This section looks at each of the activities of SkillWorks in terms of its relevance to system change and the “outputs” of this work.

PUBLIC POLICY ADVOCACY

During Phase II, SkillWorks decided to continue to work with the Workforce Solutions Group as the primary vehicle for achieving public policy change in the publicly-funded workforce development system. Based on learning from Phase I, the funders asked that WSG bring in three additional members to its Executive Team (E-Team) in Phase II: a representative from the employer community (the Massachusetts Business Roundtable); the director of the Workforce Investment Association (now the Massachusetts Workforce Professionals Association); and a representative from an organization with workforce research and policy expertise (the Northeastern Center for Labor Market Studies). In addition, given some of the challenges during Phase I, the funders invited the public funders (the city of Boston and the commonwealth of Massachusetts) to participate as non-voting members of the public policy committee.

WSG’s staffing structure also changed in the course of Phase II. In 2012, WSG transitioned from having a staff director overseeing the work to having an outside consultant from The Strategy Group staffing the work. The consultant working with WSG also worked on public policy advocacy directly with SkillWorks staff, had extensive experience working at the state house, and had strong relationships with both legislators and legislative and committee staff.

Over the five years of funding, WSG was actively involved in:

- continuing to build a statewide constituency with an interest in improving the workforce development system;
- engaging in advocacy for increased state funding for workforce development; and
- authoring and advocating for legislation that advances the goals and principles of SkillWorks.

SkillWorks staff was increasingly involved in public policy issues in Phase II. The SkillWorks director helped plan policy forums of relevance to the workforce field and participated as a member on a number of task forces and subcommittees related to workforce development policy. The director also worked with an outside consultant on its policy work and played a very strong role by developing relationships with both state agency staff and legislators. The funder collaborative was involved in overseeing the direction of WSG and engaging in some advocacy work through its organizations and networks.

Over the course of Phase II, WSG and SkillWorks staff undertook the following activities:

- *Lobbying to sustain funding for core workforce development activities in the Commonwealth.* The majority of the time and resources associated with the policy work involved developing proposals for optimal resource allocations for various workforce related needs, building a constituency to support increased investment in workforce development, and actively advocating for resources for the system.
- *Leading the Skills2Compete-Massachusetts campaign and writing the Massachusetts' Forgotten Middle-Skill Jobs Report.* SkillWorks and WSG co-sponsored the Skills2Compete-Massachusetts campaign, together with the National Skills Coalition, which not only resulted in a highly visible report, but also established a specific policy agenda and a new vehicle for advocating for this agenda.
- *Drafting and gathering support for the Middle-Skills Solutions Act.* WSG, SkillWorks, and a number of key partners worked hard in 2010 to draft, refine, and secure sponsors for the Middle-Skills Solutions Act, which was an outgrowth of the Skills2Compete-Massachusetts campaign. The Act was filed in January 2011 with over 50 legislative co-sponsors from both the Massachusetts House and Senate. The majority of the Act, including \$5 million for training, was incorporated into the Economic Development bill of 2012.
- *Hosting a Gubernatorial Candidates Forum in September 2010.* SkillWorks and WSG chaired a committee comprised of many of the Skills2Compete-Massachusetts campaign organizers to plan and implement the only gubernatorial forum on jobs and workforce development. All of the candidates were present at the forum, and a broad audience was in attendance at Bunker Hill Community College (BHCC).
- *Hosting the Annual Massachusetts Jobs and Workforce Summits.* WSG has now established an annual summit that focuses attention on statewide workforce issues. The summits provide an opportunity for WSG and SkillWorks to gain support for some of their important legislative priorities, to put policymakers on the record in support of workforce development priorities, and to engage businesses from throughout the state.
- *Developing the WSG Workforce Champions Awards.* As part of the summits, WSG developed this annual award to recognize an employer champion, a skills training partnership, and a youth employment program. The awards offer an opportunity to give attention to some of the best practices in workforce development. It is also a way to focus attention on employers who are supporting career advancement amongst their low-income, low-skilled employees.
- *Participating in federal workforce advocacy.* WSG and SkillWorks have both been involved in federal policy issues through the National Skills Coalition. Both groups participate in the annual Skills Summit in Washington, D.C., meet with Massachusetts delegation members about workforce policy, and partner to send alerts on relevant federal workforce policy and budget issues.

CAPACITY BUILDING

SkillWorks' capacity-building approach has gone through a number of changes over the past decade. In the initial framework, the capacity-building activities focused on strengthening the organizational and programmatic capacity of midsized community-based organizations in Boston as well as strengthening the SkillWorks workforce partnerships themselves through technical assistance and creating a learning community. This focus on the partnerships evolved as the sole focus in the latter years of Phase I.

In Phase II, a sort of hybrid emerged. SkillWorks selected a new group, the Commonwealth Workforce Coalition (CWC), to deliver and coordinate capacity-building services. The focus on capacity building was on both providing direct technical assistance to funded partnerships as well as more generally building the capacity of the workforce system to deliver dual-customer workforce services. Capacity building became a more explicit part of the system change agenda, with SkillWorks developing a strategy to document and disseminate learnings from the initiative, hosting general trainings and workshop sessions, and creating learning networks that include not only the funded workforce partnerships but also other organizations and grantees.

In addition to the capacity-building work of CWC, as part of its Green Jobs Initiative SkillWorks created a peer learning network of public and private sector funders and a Green Job Training Network for training providers. Another activity that SkillWorks supported that had the potential to impact system capacity has been the Jobs and Workforce Summits (noted earlier) that SkillWorks and WSG have convened annually. These summits, involving a large number of workforce service providers and public sector agencies from around the commonwealth, have workshops and presentations that seek to inform and influence the field of workforce development and are differentiated from other workforce conferences by their emphasis on policy and system change.

CWC Capacity-building Activities

In July 2008, SkillWorks issued a Request for Proposals (RFP) for capacity-building services for Phase II. SkillWorks selected the Commonwealth Workforce Coalition (CWC), a program of the Community Economic Development Assistance Corporation (CEDAC), which seeks to strengthen the capacity of Massachusetts' education, training, and workforce system to produce better employment and earnings outcomes for unemployed and underemployed Massachusetts' residents. SkillWorks selected CWC due to its strong track record in providing customized training and capacity-building programs for workforce development programs and funder initiatives in greater Boston. CWC drew its core consultant group from experienced workforce professionals with direct experience managing the practical aspects of serving low-skilled, low-income jobseekers and employers.

CWC employed three primary strategies to deliver capacity building:

1. individual technical assistance to industry partnerships;

2. peer learning groups (coaches, project directors, working with community colleges, retention and advancement, system change, working with employers); and
3. workshops, trainings, and webinars.

The individual technical assistance was important to the work of the individual partnerships and, while important to building the capacity of individual services providers, did not have broader system relevance. Similarly, most of the participants in the peer learning groups were closely associated with the partnerships. However, while not directly involving those outside of the partnerships, some of the learning emerging from this work was more widely distributed.

In terms of the broader system, the component of the CWC work that was most relevant to system change was the workshops. CWC organized approximately 18 workshops to support not only the work of SkillWorks partnerships, but also, when possible, organized the workshops in collaboration with other workforce development organizations and funders to expand the audience to other workforce development organizations. Workshops, trainings, and webinars included:

- Assessment Tools Training (May 2009)
- Bridge to College (May 2009)
- Intro to Case Management (May 2009)
- Building and Maintaining Effective Partnerships (March 2009)
- Performance Management/Data Training (April 2009)
- Breaking Through Coaching Training (January 2010)
- SNAP-ET Reimbursement: Simplified (with United Way of Massachusetts Bay and Merrimack Valley and Paul and Phyllis Fireman Family Foundation) (March 2010)
- Community College Partners Summit (SkillWorks partnerships and community colleges, April 2010)
- Workforce Development Funding Streams (July 2010)
- Coaching and Instructing Participants for Post-Secondary Transitions (September 2010)
- Understanding How Community Colleges Operate: What Community Colleges Need to Know (November 2010)
- Excel Training (presented by the Commonwealth Corporation) (December 2010)
- Sustaining Workforce Development Projects (February and May 2011)
- Succession Planning for Workforce Partnerships (July 2012)
- Labor Market Information Workshop (September 2012)
- Tips for Coaching College Success Webinar with Success Boston (December 2013)

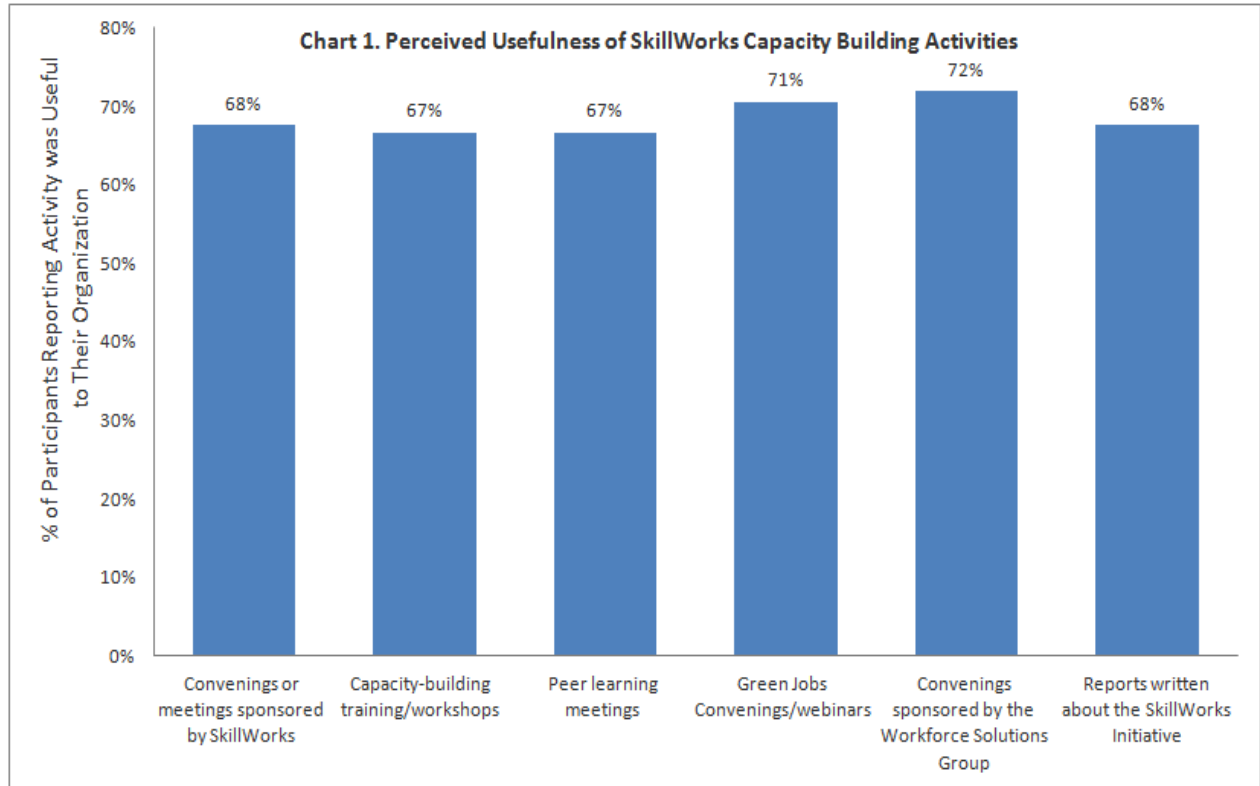
In addition, SkillWorks shared materials developed for individual partnership workshops and for the SkillWorks funder collaborative presentations on its website, along with all the workshop materials listed above.

Perceptions of Usefulness of Capacity-building Activities

To understand better how individuals involved in workforce development perceived the capacity-building work, the survey of stakeholders, undertaken at the completion of Phase II, asked about attendance in various SkillWorks-related convenings and, for those who did attend, how useful they were.

The survey found that a large proportion of the stakeholders responding to the survey had participated in at least one of the activities sponsored by WSG or SkillWorks during Phase II. As an indication of how the capacity-building activities went beyond the core group of SkillWorks grantees, participation amongst all of the stakeholders responding ranged from 35 percent of respondents who attended convenings related to the Green Jobs work to 74 percent who reported attending other SkillWorks workshops. (Approximately 35 percent of those responding were grantees of SkillWorks at some time during Phase II.)

The survey then asked those who participated in SkillWorks-related activities whether their participation had an impact on their organization. The survey found that a large proportion of those involved in the SkillWorks-sponsored capacity-building activities thought it was useful. (See Chart 1.)



KNOWLEDGE CAPTURE AND DISSEMINATION

While SkillWorks did not have a knowledge capture and dissemination work plan as part of its system change strategy, the initiative did always intend to document and share best practices and learning. Over the course of Phase II, SkillWorks made a number of investments related to documenting learning and disseminating information broadly in the field. Amongst these activities were:

- SkillWorks included Jewish Vocational Services (JVS) and the Asian American Civic Association (AACA) in a one-year pilot program to integrate financial stability content and methods into workforce development settings in collaboration with the Midas Collaborative with a grant from the Citi Foundation. The project resulted in the creation of a white paper in December 2013, *Integrating Financial Stability Strategies into Workforce Development Programs: An Implementation Pilot in Boston*, which summarizes key findings and recommendations. This resource is available as part of the capacity-building section on the SkillWorks website and was shared via social media and in broad email blasts by SkillWorks and Midas.
- The Coaches Peer Learning Group developed two tools that SkillWorks then disseminated: *Coaching for College* and *Career Coaching: A SkillWorks Toolkit*. In addition, an accompanying webinar, *Tips on Coaching for College Success: Lessons Learned From SkillWorks and Success Boston*, was developed in collaboration with Success Boston and presented to a statewide audience, and is available on the SkillWorks website.
- Jobs for the Future completed a case study, *Employer-paid Tuition Assistance for Low-Income Workers*, for the National Fund for Workforce Solutions to disseminate a best practice identified in one of the SkillWorks partnerships. Children’s Hospital Boston introduced a new “tuition advancement” policy in which, according to the case study, the hospital “prepays college tuition for low-income, entry-level workers who are seeking degrees within a defined set of high-growth, high-demand jobs.” This innovation was a change in practice that had potential to reach scale if replicated in other employers. While Year-Up, one of the SkillWorks partnerships, did convene its employer partners and invited staff from Children’s to discuss the model, there is no evidence to date of it being replicated.
- As part of its Green Collar Careers Pathway Initiative, SkillWorks issued a Call for Concept Papers opening up funding for planning and research that could inform green training programs. Two of the projects funded were research studies aimed at providing a summary of the specific industry, employment projects, required skills and education, career pathways, and employment opportunities for low-income, low-skilled people. SkillWorks funded the two studies, *Promoting Entry to Career Pathways in the Drinking Water and Wastewater Sector* and *Recycling and Jobs in Massachusetts*, to inform practice in these two sectors. In addition, SkillWorks created the *Green Jobs Investment Guide* to aggregate many of the lessons learned over the course of the Initiative.

- Over the course of Phase II, SkillWorks looked to the evaluation effort more in terms of learning rather than merely accountability. Instead of just supporting annual evaluation reports that updated progress of the partnerships, the effort identified specific areas where more in-depth analysis could contribute to field learning. This included the recently completed *Exploration of Coaching Services in SkillWorks, Employer Benefit Report - BEST Corporation: Hotel Training Center Room Attendant Training Program*, and a report on the pilot *College Navigator* effort.

Beyond sponsoring research, WSG and SkillWorks have been much more active in Phase II in systematically disseminating knowledge. SkillWorks, in particular, has become much more active in using social media to keep a large constituency aware of innovations in the field, policy issues at both the federal and state levels, and updates on progress and learning from the SkillWorks partnerships and capacity-building work.

FUNDER COLLABORATIVE

One of the major innovations related to the SkillWorks model has been the funder collaborative, which has been operating for over a decade. This collaborative, as initially conceived, was not seen as a system change-related activity in itself. However, over time it became clear that having a funder collaborative was important to changing the larger workforce system in the city of Boston and, more specifically, how and where resources in the system would flow.

During Phase I of SkillWorks, the funder collaborative focused its efforts solely on the operational elements of SkillWorks. This included hiring and managing staff, deciding on how to allocate funds, reviewing the progress of the industry partnerships and policy work, and setting the goals for the work. During Phase II, the funder collaborative continued to play this role, but also operated more as a learning community. The collaborative discussed issues related to workforce development, both in the commonwealth as well as nationally, and brought in experts to make presentations to the group. The sessions ranged from featuring speakers and materials about the federal workforce system to hosting one of the funder meetings at a career center. Many of these meetings have been open not only to SkillWorks funders but also to funders outside of the SkillWorks Initiative and to grantees as well. One of the outcomes of this work has been a growing level of understanding amongst funders in the philanthropic community about the structure, operations, and funding of the public workforce system at the local, state, and federal levels.

System Change Outcomes

The multiple activities of SkillWorks during Phase II have contributed to two levels of system change-related outcomes:

1. The capacity building, policy work, knowledge capture, and funder collaborative have all contributed to **interim system outcomes**—changing relationships, boundaries, and perspectives within the workforce development system in the commonwealth. The assumption is that over time these interim system changes may lead to the **emergence** of more direct outcomes in terms of changes in policies, practices, and funding flows within the larger system as well as within the many institutions (including employers) that make up the workforce system.
2. The activities of SkillWorks over Phase II have also already led to specific policy, funding, and practice changes—or **direct system outcomes**. Most of these outcomes were the result of **deliberate strategies** developed by SkillWorks.

The following section looks at the outcomes of the SkillWorks system change-related work in terms of both types of outcomes.

INTERIM SYSTEM OUTCOMES: CHANGES IN RELATIONSHIPS, BOUNDARIES, AND PERSPECTIVES

Using the system framework design, the evaluation team has been tracking changes in the workforce development system in terms of the system attributes—its boundaries, relationships, and perspectives. The assumption of this analysis is that changes in the pattern of system attributes can potentially transform how a system functions and, over time, lead to more optimal outcomes for low-income individuals and businesses.

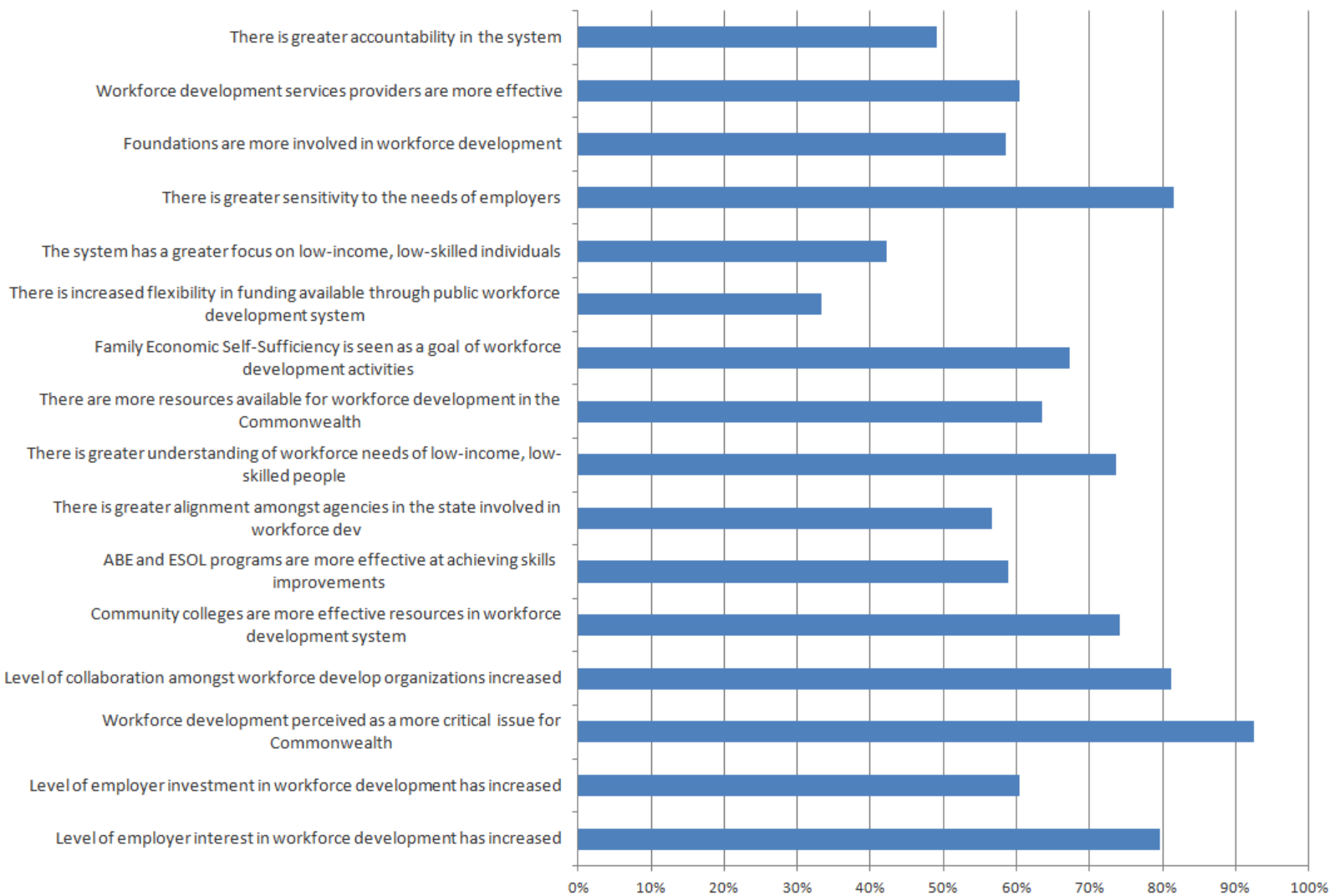
In order to understand these changes, the evaluator conducted a survey of a broad set of stakeholders in the state’s workforce development system, including nonprofit services providers, workforce investment boards, community colleges, public sector agencies, and the philanthropic community. Responses to this survey provide strong evidence that there have been some fundamental changes in the workforce system over the past five years, that many of the changes that have been reported align with the principles and policy perspectives of SkillWorks, and that many of those involved in workforce development attribute some of these changes to SkillWorks.

➡ **Survey respondents report that they perceived significant changes in the workforce development system in Massachusetts over the past five years with many of the changes conforming to the type of perspectives that are at the core of SkillWorks work.**

The survey responses of the 51 individuals involved in the workforce system, as well as the 16 individuals involved in the funder collaborative, provide strong evidence that the workforce system in the commonwealth in 2013 was different along many dimensions from the system at the start of Phase II of SkillWorks. Most notably, over three-quarters of those responding to the survey believe that workforce development is now perceived as a more important issue, that there is greater sensitivity to the needs of employers, that there is more collaboration amongst workforce system providers, and that the level of employer interest in workforce development has increased. (See Chart 2.)

Chart 2. Perceptions of Changes in Massachusetts Workforce System

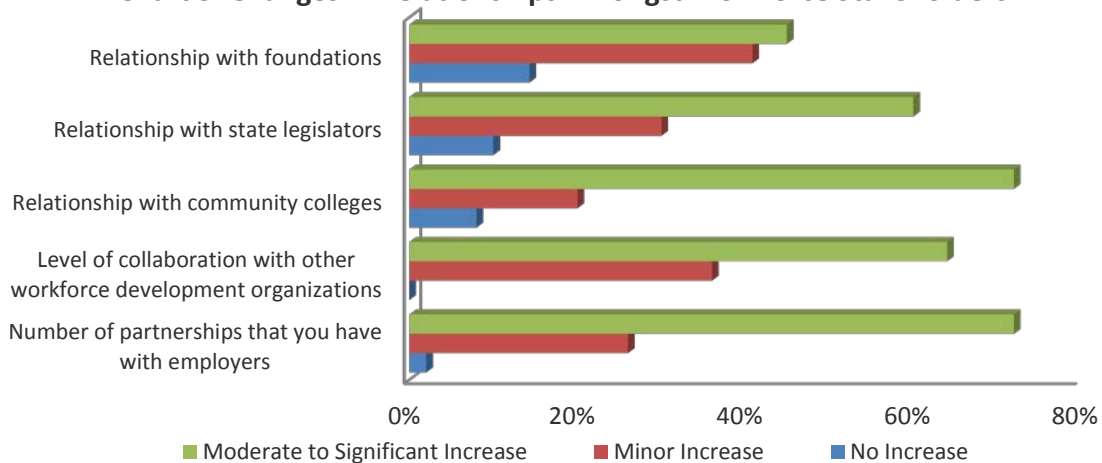
n=67 (51 workforce development organizations and 16 funders)



➡ **Organizations involved in workforce development report significant changes in their relationships over the past five years.**

Over 50 percent of the workforce development stakeholders responding to the survey reported that, as compared to five years ago, they had increased their relationships with state legislators, employers, community colleges, and other workforce development organizations. (See Chart 3.) Although the survey did not ask stakeholders to attribute the degree to which their changed relationships were due to SkillWorks, the types of changes they identified are clearly linked to the work over Phase II of the initiative.

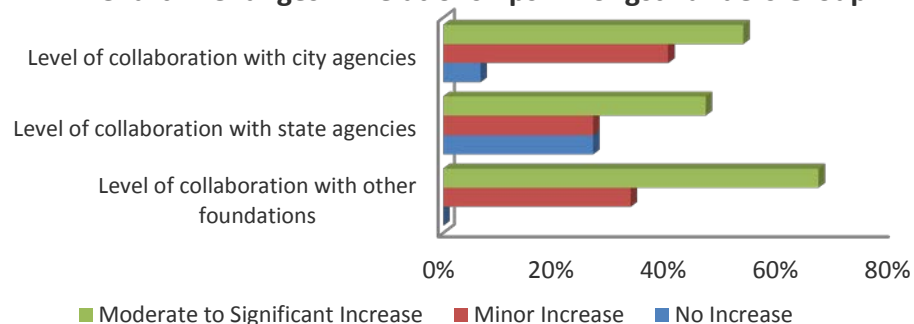
Chart 3. Changes in Relationships Amongst Workforce Stakeholders



➡ **Creating a new “table” through the funder collaborative has helped to create new relationships amongst those in the philanthropic and public sectors and has increased coordination around their workforce-related activities.**

One of the more important system-related outcomes of the SkillWorks Initiative has been its role in changing the relationships between policymakers at the state level and those at the city level, as well as between the public sector and the philanthropic community. The 16 individuals involved in the funder collaborative who responded to the survey reported that over the past five years their level of collaboration with other foundations, the city, and the state increased. (See Chart 4.)

Chart 4. Changes in Relationships Amongst Funders Group



Many individuals involved in the funder collaborative have noted the importance of these new relationships. For example, it is now more common for those in the collaborative to talk with one another between meetings about issues with common grantees (beyond SkillWorks) or to confer about important policy issues. Individuals responding to the survey also noted the following impacts that resulted from their participation in the funder collaborative:

- developing deeper relationships amongst funders, which has translated into more candid conversations and collaboration;
- learning has shaped workforce investment strategies of funders, including placing greater emphasis on postsecondary credentials and self-sufficiency wages;
- creating greater understanding between the philanthropic community and the public sector, leading to some changes in how each has invested; and
- through pooling grant money, SkillWorks allowed individual funders to maximize the impact of their grantmaking.

I think the greatest impact on our partnership with SkillWorks was gaining a greater understanding of the Boston philanthropic community's investments in workforce programming (including funding not SkillWorks-related) which led to some recalibration of the city's linkage investments.

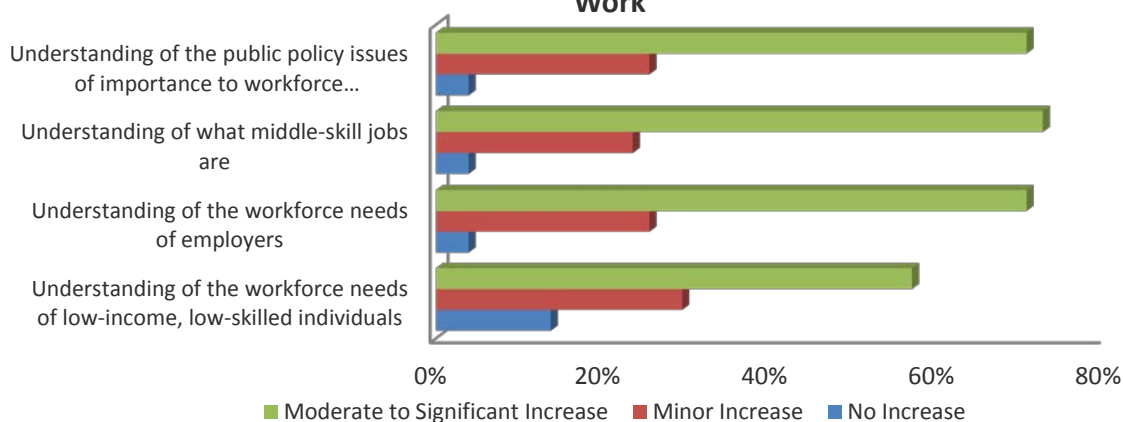
➡ **WSG and SkillWorks' coordinated policy advocacy work has increased the perceived importance of workforce development amongst state policymakers and has changed perspectives about workforce challenges and needs in the system.**

One of the most commonly reported outcomes of the SkillWorks policy work has been the increased visibility of workforce development-related issues in the commonwealth. Evidence from the survey indicates that WSG and SkillWorks have been very successful in this area. The perception of over 90 percent of those responding to the survey is that workforce development has become a more important issue in the commonwealth.

Beyond just raising visibility, perhaps one of the greatest impacts that SkillWorks has had was in changing perspectives amongst policymakers and service providers about the type of workforce challenges the commonwealth faced. The issuance of the *Massachusetts' Forgotten Middle-Skill Jobs* report created considerable visibility for workforce-related challenges in the commonwealth. The report received significant press and raised considerable awareness around the issue related to middle-skill jobs. For example, in the survey of stakeholders, over 70 percent reported a moderate or significant increase in their understanding of what middle-skill jobs were. (See Chart 5.)

"Middle-skill jobs has become the buzzword in the State House in the last couple of years. There was not a vocabulary to describe that in the past."
State Legislator

Chart 5. Changes in Knowledge of Issues Related to SkillWorks Policy Work



Interviews with legislators as part of the 2013 evaluation report *Assessment of the WSG and SkillWorks Public Policy Advocacy Efforts during the 2012 Legislative Session* also found that when asked about the state’s workforce development challenges, almost all of those interviewed used much of the language and concepts developed through the work of SkillWorks and WSG in the *Skills2Compete-Massachusetts* report as well as the state budget advocacy of SW and WSG. Governor Deval Patrick’s State of the Commonwealth Address in January 2012 is perhaps the greatest indication of the level at which leadership has taken up the framing of the workforce development challenges of WSG and SkillWorks. Governor Patrick noted in the speech:

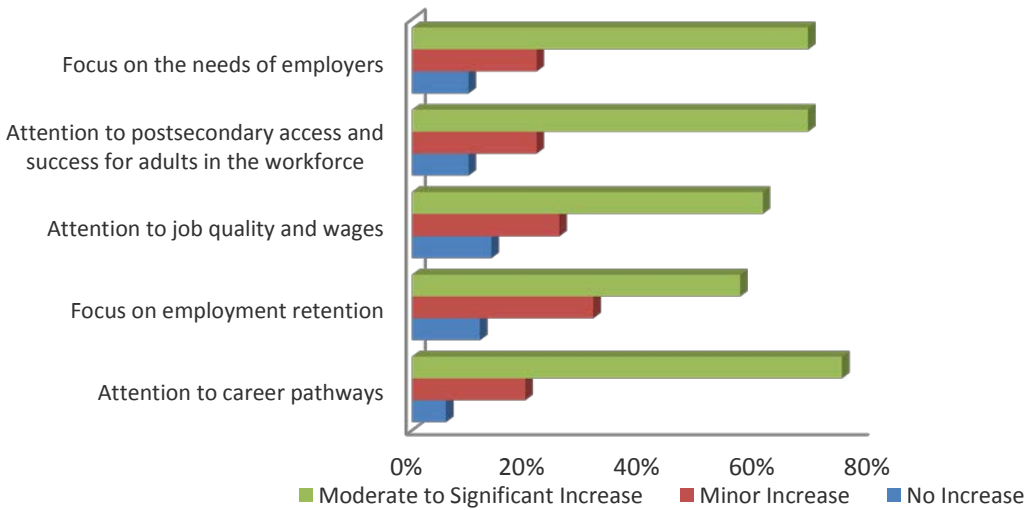
“Many of these openings are for so-called middle-skills jobs that require more than a high school diploma but not necessarily a four-year degree: jobs in medical device manufacturing, or as lab technicians, or solar installers, for example.”

➡ There has been increased awareness of the need to focus on postsecondary access and success for adults in addition to career pathways.

During Phase II, there was new emphasis at SkillWorks on the importance of postsecondary access and success for adults and also on credentials and career pathways. An example of this focus was the SkillWorks grant to the Boston Private Industry Council (PIC) to support a college navigator position at Bunker Hill Community College. SkillWorks’ workforce partnerships had long noted that their participants, who generally have limited individual or even family experience with postsecondary education, struggle with both entering and completing postsecondary degree and certificate programs. Responding to this challenge, the primary goal of investing in the college navigator was to increase college retention rates, credential attainment rates, and credit accumulation for SkillWorks’ participants by providing new support for participants from any SkillWorks partnership transitioning from partnership services to college classes offered at BHCC. A close secondary goal was to improve colleges’ and community-based organizations’ understanding of the challenges faced by adult students and the solutions that could improve their success rates in postsecondary education.

The survey of workforce stakeholders provides evidence that there is a growing understanding about the importance of postsecondary access and success (about 70 percent report an increase in their perception of its importance) and career pathways (about 80 percent report an increase in their perception of its importance). (See Chart 6.) While this change in the system is not entirely attributable to SkillWorks, there is evidence that the initiative has played a significant role in this change. For example the *Massachusetts’ Forgotten Middle-Skill Jobs* report, as well as much of WSG’s policy work, have emphasized the importance of postsecondary skills and credentials. In addition, the models developed by the partnerships, particularly the work of JVS in allied health, have been highly visible. During Phase II, a few other key actors led significant work focused on community college reform that also built the case for postsecondary access and success. While SkillWorks did not lead this work, some have noted that SkillWorks helped “season the wood” for the efforts to reform the community college system.

Chart 6. Changes in Perspectives of Workforce Development Over Past 5 Years



DIRECT SYSTEM OUTCOMES: CHANGES IN WORKFORCE DEVELOPMENT SYSTEM PRACTICES, POLICIES, AND FUNDING FLOWS

Achieving interim outcomes in terms of changing relationships, boundaries, and perspectives has already led to more concrete changes in the workforce system. These include not just changes in perception, but also changes in practices, policies, and funding flows. This section looks at outcomes related to changes in practices amongst the organizations that provide services in the workforce system as well as the statewide policy and funding changes that have resulted from the activities of SkillWorks and WSG.

Workforce System Capacity and Practices

- ➔ **The SkillWorks Green Capacity Building grant to the Boston Housing Authority (BHA) led to revisions in its system for providing jobs training, employment, and contract opportunities for its residents.**

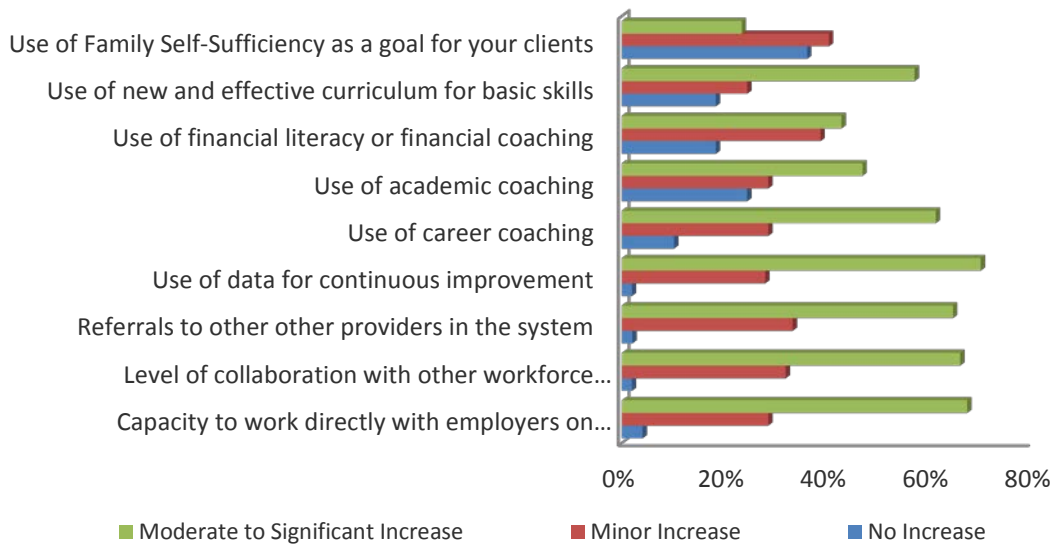
SkillWorks awarded the Boston Housing Authority a Green Capacity Building grant to revise its Section 3 policy and to increase compliance. The Section 3 program requires that recipients of HUD funding provide job training, employment, and contract opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods.

This past spring, the BHA revised and began to implement its new Section 3 policy utilizing a collaborative approach across BHA departments. The new policy includes a Section 3 Training Fund and a focus on working with industry leaders to provide employment and training opportunities to BHA residents. The centerpiece of this initiative is the Building Pathways Building Trades Pre-Apprenticeship Program, a seven-week, 226-hour training program preparing low-income Boston residents for union apprenticeships. SkillWorks' support was key to developing this new approach to providing opportunities for BHA residents to access good jobs in their neighborhoods.

- ➔ **Many workforce development organizations reported that they have adopted new practices that align with SkillWorks goals.**

The stakeholder survey, completed in May 2014, assessed how SkillWorks has affected the workforce field in terms of capacity and practices. This survey asked those in the system to report changes in their practices over the past five years. The responses to this survey provide strong evidence that there have been some fundamental changes in the organizations that have been working in the workforce development field over the past five years. The areas with the most significant change were in the use of data, the use of career coaching, and working with employers, all major elements that SkillWorks promoted, documented, and supported during Phase II. (See Chart 7.)

Chart 7. How Stakeholders Perceive the Changes in Their Organization's Approach to Workforce Development Over Past 5 Years



While all of these changes are not attributable to the activities of SkillWorks, there is evidence that many of those responding attributed the activities of SkillWorks to a large number of the changes in their organization. For example, when the survey asked respondents to describe how the capacity-building activities of SkillWorks impacted their organization, the respondents provided specific examples, including:

- “The Jobs and Workforce Summits exposed us to new and innovative initiatives that influenced our overall approach, including our focus on career pathways.”
- “We implemented various college career curriculum training materials that we got from workshops.”
- “SkillWorks college navigation and coaching for success have influenced staffing and thinking about best practices and replication of practices for the targeted populations.”
- “Thinking on middle skills has had significant impact on career pathway thinking.”
- “Workshops have influenced how we use LMI, how we teach others to use LMI and think strategically about their careers as well as approaches to policymakers and legislators.”
- “SkillWorks helped us to improve our data management and tracking skills and improved our relationship with employers.”
- “Strengthened our ability to act on strategic issues. For example, the charter for career centers is now contingent upon their deepening relationship with employers.”

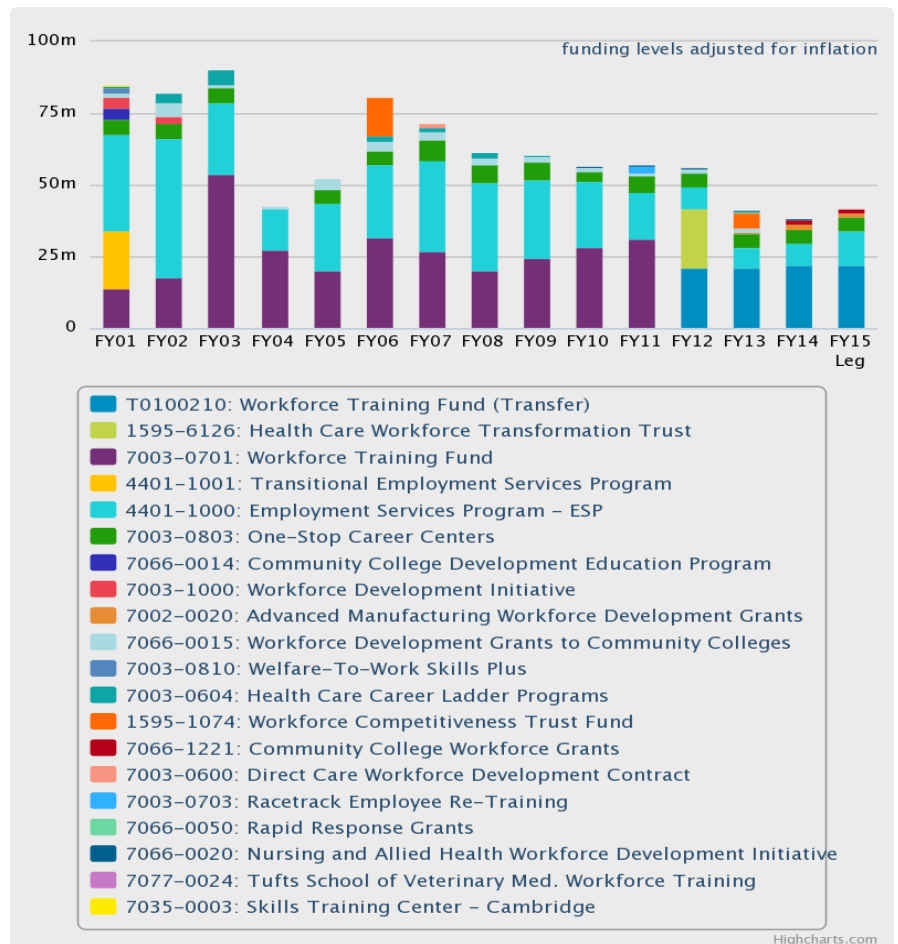
- “We are thinking more about labor market information, middle skills, and building career pathways.”
- “Because of SkillWorks activities, our organization has been able to improve our employer engagement model.”

DIRECT POLICY OUTCOMES IN MASSACHUSETTS

A large proportion of the time and resources associated with the public policy advocacy work of SkillWorks was focused on state funding for workforce training and career readiness. Every year, WSG developed a detailed set of Workforce Budget Priorities that, in addition to funding the Workforce Competitiveness Trust Fund (WCTF), included its expectations about funding for the employment services program, one-stop career centers, at risk youth, ABE/ESOL funding, and a variety of other priorities over the years. The reality was, however, that for most of Phase II of SkillWorks there were serious fiscal challenges facing the commonwealth due to the Great Recession. As a result, much of the advocacy may have led to minimizing budget decreases versus getting the budget to the level appropriate to meet the workforce challenges in the commonwealth.

In 2014 (as part of Phase III), SkillWorks funded the Massachusetts Budget and Policy Center to create an online tool that provides information and analysis of state spending on jobs and workforce training (itself an important contribution to system change). According to its analysis, state funding for workforce training has dropped 30 percent between FY 2001 and 2014. Over the five years of Phase II of SkillWorks, state funding for workforce development declined by about \$14 million, or 27 percent. It is important to note that much of this decline is related to the Employment Services Program of Transitional Aid to Families with Dependent Children, which was not a key WSG priority in the last five years.

Chart 8



While overall state funding has dropped significantly, the policy advocacy work of SkillWorks did result in the following legislative and funding successes.

➡ Increased funding for the Workforce Competitiveness Trust Fund.

WCTF is a state-funded workforce development initiative administered by Commonwealth Corporation that supports programs in critical industry sectors in Massachusetts. Created during Phase I of SkillWorks, it is a key component of the Workforce Solutions Act, which included \$24.5 million for workforce development, including an investment of \$11 million in the WCTF. Creating a sustainable source of funding for WCTF, or at least recapitalizing it, was one of the highest priorities of WSG during the last year of Phase II of SkillWorks. In 2012, advocates were initially pleased with a \$5 million proposed allocation for the WCTF in the governor's budget and a \$10 million allocation in the House Jobs Bill. However, when the governor filed a supplemental funding bill that authorized the spending of most of the consolidated budget surplus for other purposes, it became evident that there would be little, if any, resources left for the WCTF. WSG and SkillWorks then turned to the Senate and lobbied hard for a direct appropriation in the Senate version of the Jobs Bill. Eventually, the Senate version included an amendment for a \$5 million direct appropriation to WCTF. After a flurry of lobbying by SkillWorks, WSG, and legislative champions, the Conference Committee adopted the direct \$5 million allocation to the WCTF within the Economic Development and Jobs Bill.¹

The 2014 legislative session also resulted in a \$2.5 million appropriation for the WCTF and the establishment of the Middle-Skills Job Training Fund. Aside from the benefits of actual funding dollars from the WCTF, there have also been improved systems alignments due to the structure of the regional training partnerships that were outlined in the Middle-Skills Solutions Act. By requiring career centers, community colleges, workforce investment boards, career and technical high schools, and community-based organizations to partner together to meet local labor needs, the resulting training programs were able to leverage the particular strengths of each partner to improve sustainability and employment outcomes. Employers also helped ensure that the training was accurate and accepted according to industry standards, and pledged jobs and paid internships as part of their investment in the partnerships. Through this vehicle, employers became strong partners in developing these training pipelines with the state workforce system, and have increased their own advocacy in support of the WCTF.

➡ Continued funding for Workforce Training Fund Program (WTFP).

WSG and SkillWorks were successful in advocating for sustained state support for the WTFP, a state fund enacted into law in July 1998 and financed by a very small surcharge on the Unemployment Tax paid by Massachusetts employers. Its purpose is to provide resources to Massachusetts businesses and workers to train current and newly hired employees. In FY 2009 and FY 2010, the state diverted approximately \$19 million from the WTFP to the state general fund. In the FY 2011 budget, the governor again suggested taking \$10 million from the fund.

¹ For more information, see the 2013 evaluation report by Mt. Auburn Associates, *Assessment of WSG and SkillWorks Public Policy Advocacy Efforts during the 2012 Legislative Session*.

Also, WTFP was scheduled to expire at end of 2010. With active advocacy of WSG, a legislative panel filed two bills to extend WTFP through 2015 and make the fund a trust. These efforts resulted in putting \$20.5 million into the fund in FY 2011 (\$11.5 million in new funding and \$9 million in carry forward) and extending the WTFP through 2015. In 2011, with the support of many employer associations and partners, WSG succeeded in getting language in the budget that would turn the WTFP into a trust fund, eliminating the need to fight for and protect yearly appropriations. This language was included in the final FY 2012 budget and signed into law by Governor Patrick in early July 2011. While not solely responsible for this success, many stakeholders interviewed attributed a good part of the credit for the success to the extensive advocacy work of WSG and SkillWorks.

➔ **Increased funding for summer youth jobs.**

Working in collaboration with the Youth Jobs Coalition/Massachusetts Communities Action Network (MCAN), the WSG was actively involved in an advocacy campaign that helped to increase the amount of funding for summer youth jobs in the summer of 2010. The state allocated the full \$8 million of funding as a result of the governor “spending forward” FY 2011 funds. During 2010, WSG also helped to secure additional funding for youth jobs for the summer of 2011. In 2011 budget advocacy, WSG campaigned alongside other youth and workforce advocates to preserve funding for summer jobs in 2012, securing a total of \$7 million for summer jobs, including FY 2011 supplemental budget commitments. A review of funding trends by the Massachusetts Budget and Policy Center reveals that the youth development area was the one category within the Jobs and Workforce Budget that has received significant increases in state funding, “more than doubling since FY 2001.”

➔ **Inclusion of funding for Community College Workforce Development Grant Fund.**

SkillWorks and WSG were instrumental in FY12 in getting an inclusion as an outside section in the fiscal year 2013 state budget of a Community College Workforce Development Grant Fund modeled after the Workforce Competitiveness Trust Fund, but overseen by the Board of Higher Education. Resources for the fund will come from \$12 million a year from revenue associated with gaming license fees in Massachusetts. In addition, the fund’s advisory board includes WSG partners.

As well as the outcomes achieved during Phase II, there were some legislative successes in the legislative session that marked the beginning of Phase III of SkillWorks, but that built upon the foundation of work that was done over the course of Phase II. These successes include:

➔ **Inclusion of funding for pre-apprenticeship training as part of the state’s transportation bond bill.**

While enacted after the completion of Phase II, WSG and SkillWorks were recently successful in creating a requirement through the state transportation bond bill “that the Massachusetts Department of Transportation, in executing these projects, shall train not less than 300 participants per year from low-income, minority, youth, or young adult populations in pre-apprenticeship programs registered with the division of apprentice training.” While initially hoping to get a dollar amount committed for this usage, Senator Ken Donnelly and

Representative Sean Garballey, strong supporters of WSG and SkillWorks, translated the funding amount into training slots in order to get sufficient support for the amendment, which was then adopted in the final bill.

➡ **A final “welfare reform” bill was approved by the Massachusetts legislature and signed into law by Governor Patrick which included a number of workforce related changes that were part of the advocacy work of WSG.**

As part of the welfare reform bill, the following provisions represented areas that were part of the WSG agenda:

- allowing education and training to count toward the Transitional Aid to Families with Dependent Children (TAFDC) work requirement of 24 months;
- allowing recipients in some circumstances to save money exceeding the \$2,500 asset limit in special account;
- increasing the vehicle value limit to \$15,000;
- increasing the work-related expense deduction to \$150; and
- investing \$11 million to provide job placement support and education and training programs if needed.

Conclusions

Over the course of the last 10 years, many have equated the SkillWorks system change agenda with its public policy work. This work, which expanded considerably during Phase II, included leading the Skills2Compete-Massachusetts campaign and the related report on middle-skill jobs, and partnering with its grantee, WSG, to author state legislation to support its policy agenda. Most notably, WSG and SkillWorks staff have advocated consistently over the past five years for state resources to address the commonwealth's workforce development needs. As a result:

- There is strong evidence that state policymakers view workforce development as a much more critical issue.
- During incredibly difficult fiscal times, WSG and SkillWorks have been successful in getting additional state funding for their priorities, such as the Workforce Competitiveness Trust Fund and youth summer jobs, and some believe these efforts have helped to minimize the loss of funding in many workforce development areas.
- The advocacy work contributed to the restoration and sustainability of the state's Workforce Training Fund Program.
- The work of SkillWorks and WSG influenced both statewide reforms of the community college system as well as the establishment of a new Community College Workforce Development Grant Fund.

It is important to note that this policy work has built over time. Interviews with state legislative leaders found that because of their interactions with WSG and SkillWorks, they now seek to identify the workforce development possibilities in other legislation. And, with the new perspectives on the importance of the skill challenge in the commonwealth, getting legislation passed that includes workforce-related components has become more likely. The previous five years of advocacy work on the part of SkillWorks and WSG led to the success in the 2013-2014 legislative session in getting job training as part of the state's transportation bond bill and getting an increase of \$14.8 million in funding for the WCTF and the new middle-skills job training grant fund.

While the funding and policy gains at the state level have been important, in the long run the work outside of the legislative arena is equally important in terms of changes in the workforce development system in Boston, as well as in the commonwealth. The work of SkillWorks, through its policy activities, capacity building, and knowledge capture and dissemination, has led to a new way of doing workforce development. Workforce development practitioners report new practices such as the increased use of academic and career coaching (both promoted through SkillWorks), increased capacity to work directly with employers, increased collaboration with other workforce development organizations, and increased use of data for continuous improvement. The capacity of the workforce development system, and the

practices that have become normalized amongst providers, are very different today than they were at the time that the evaluator completed the *Baseline Evaluation of the Workforce Development System* for SkillWorks in 2006.

Finally, the funder collaborative itself emerged as a source of system change. SkillWorks has influenced how funders allocate resources, with greater alignment with the priorities identified through the work of SkillWorks. And, new relationships between the philanthropic funders and the public funders are leading to better leveraging of resources and more effective grant making.

Beyond Boston and Massachusetts, SkillWorks has also influenced the workforce development field. While not a focus of this evaluation, over the course of Phase II, SkillWorks staff have not only been more engaged in state and city policy-level activities, but they have also been influential at the national level. SkillWorks is widely regarded as one of the strongest funder collaboratives in the National Fund for Workforce Solutions. The learning from SkillWorks, which it disseminates through its websites, networks, and speaking engagements, has influenced the work of other collaboratives around the nation. And, as an active member of national organizations, the SkillWorks director has also influenced national policymakers and other philanthropic leaders as they seek to address the serious skill challenges in the nation's workforce.

Perhaps the one area of system change where there has been the least progress is around the engagement of employers in the system. Some of the important groups representing the business community, such as Associated Industries of Massachusetts, the Massachusetts Business Roundtable, and the Alliance for Business Leadership, have shown increased support for investments in training through the WTFP and the WCTF. However, while the evaluation of partnerships has found some changes at individual employers, there is less evidence that the work of SkillWorks has changed the perspectives of many individual employers outside of their direct investments. While throughout Phase II there were conversations about how to increase employer engagement and efforts to publicize some best practices such as the tuition advancement policy at Boston Children's Hospital, few of the activities were really focused on the broader employer community. Given how important employers are in the system, this is an area that should receive greater focus over the course of Phase III.