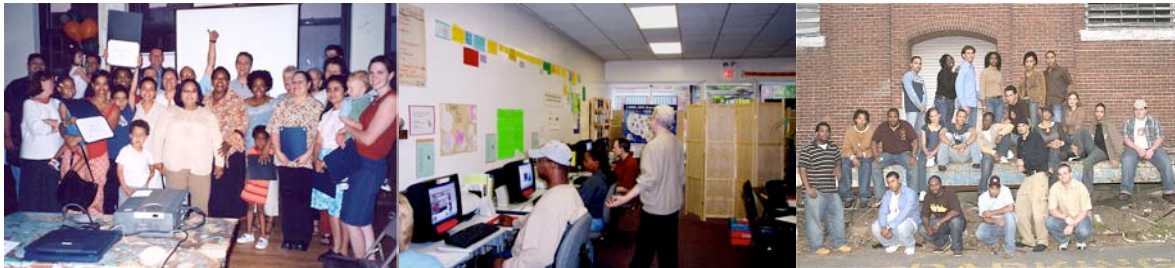


Assets in the Commonwealth



Community Development Corporations in Massachusetts' Workforce Development System

An

MACDC

**Massachusetts Association
of Community Development Corporations**

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Researched and written by James Stevens.

Comments and editing provided by Geoff Beane, consultant, Maureen Flynn, Deputy Director, MACDC, DeAnna Green, Director, Small Business Programs, MACDC, and Joe Kriesberg, MACDC, President.

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Executive Summary

This report explores what Community Development Corporations (CDCs) contribute to the workforce development system in Massachusetts' neighborhoods, towns, and regions. This report argues that CDCs are assets in the state workforce development system because CDCs create and administer programs for low- and moderate-income workers to build individual skills, to connect people to job and social networks, and to expand working people's assets and opportunities.

The first section of this report explores the role community-based organizations play in the state workforce development system and the unique qualities CDCs bring to the programs they operate. For the most part, workforce development programs are a recent innovation in the CDC organizational model, which has typically focused on real estate, small business development, neighborhood entrepreneurship, and community organizing. Many CDCs have expanded their programs to include workforce development because steady employment and opportunities for advancement are critical to help people achieve lifelong economic stability and to provide a foundation for stable communities. CDCs have either recognized gaps in the workforce services in their communities or noticed specific opportunities where they could leverage their existing programs and services to add value to the existing network of providers in their community.

The second section reports the most recent data on CDC workforce development programs in Massachusetts collected by the Massachusetts Association of Community Development Corporations (MACDC). MACDC has surveyed its 60 plus members for the past three years. As a whole, CDCs serve several thousand Massachusetts's residents and workers every year. Between 2002 and 2004, while the number of job training, job counseling, and job placement programs has fluctuated, there has been a steady increase in the number of CDCs offering English for Speakers of Other Languages (ESOL), Adult Basic Education (ABE), and youth programs.

Five case studies of CDC workforce development programs comprise the third section of this report. Each one describes program details and includes testimonials from participants. These case studies reveal the diverse program areas in which CDCs work and provide a frame of reference for how the workforce development system can better support these community-based organizations.

In conclusion, this report suggests how CDCs can be strengthened so that lower wage and lower skilled individuals can achieve greater economic security. Specifically, CDCs and other community based organizations need stable, multi-year funding so that they can build effective programs for their constituents. In addition, CDCs need to partner with other organizations to provide a comprehensive set of services to individuals and they should seek to integrate their workforce programs with their other activities to achieve the maximum impact for their communities. Finally, it is critical that CDCs and the entire workforce development system look to not only increase employment opportunities for lower income and lower skilled people, but also help them to build their assets through savings programs, homeownership, and other initiatives.

Introduction

Community Development Corporations (CDCs) are community-controlled, nonprofit organizations that work throughout Massachusetts to build more inclusive, vibrant, and productive communities.¹ Traditionally, CDCs have focused on building real estate, supporting small businesses, and organizing residents around issues of local concern. Recently, some CDCs have expanded their programs to include workforce development because steady employment and opportunities for advancement are critical to help people achieve lifelong economic stability and to provide a foundation for stable communities. CDCs have either recognized gaps in the workforce services in their communities or noticed specific opportunities where they could leverage their existing programs and services to add value to the existing network of providers in their community.

Low- and moderate-income families, people of color, and immigrants often face significant and sometimes long-term obstacles to employment. These include limited education and skills, few affordable child care opportunities, language barriers, difficulty accessing jobs due to discrimination, and a lack of good transportation. These challenges are even greater for those individuals who live in economically distressed urban and rural communities.

In the past, Massachusetts had a healthy industrial base that supplied good jobs to people with limited skills. Today, as we all know, it is a different story. According to a report sponsored by Massachusetts Institute for a New Commonwealth in 2000, 1.1 million Massachusetts workers did not have the language, skills, or credentials necessary to meet the demands of our rapidly changing economy.

Across Massachusetts, CDCs fill a unique and valuable role in the state's workforce development system because they operate workforce development programs within a broad-based, community economic development perspective. They typically look at how to build a person's income and assets, an approach that can transform lives by creating opportunities for wealth as well as skill acquisition and decent jobs. Yet, CDCs have limited capacity and face dwindling public funds in all program areas at the state and federal levels despite providing important opportunities to struggling communities.



Community-Based Workforce Development

Community development corporations are just one type of community-based organization (CBO). CBOs play a significant role in the workforce development system. According to the Massachusetts Workforce Alliance, there are over 400 CBOs that provide adult basic education and skills training services in over 150 Massachusetts towns and cities.² They make up over half of all organizations providing workforce development services in the state and service over 75,000 people every year. In contrast, federal programs under the auspices of the Workforce Investment Act provide skills training to less than 3,000 adults (not including dislocated workers) per year throughout the state.³

Research conducted by the Commonwealth Corporation (CommCorp) shows that CBOs make a difference in the earnings and employment of the Massachusetts residents they serve. In a November 2004 research brief, CommCorp highlighted three important results of workforce

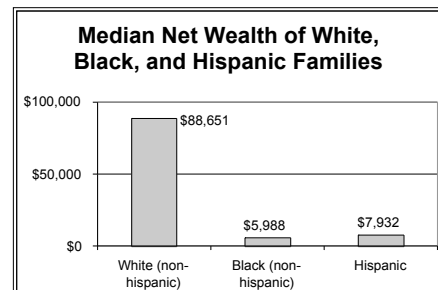
training programs.⁴ First, when comparing earnings two years before and two years after training, people who trained at CBOs achieved a greater increase in earnings on average (\$3,985) than those who trained at other providers. Second, adults enrolled in CBO training programs were 12.8% more likely to be employed two years after training than those who did not enroll. Third, CBOs were “associated with the largest difference in the likelihood of being employed” two years subsequent—17.3% for men and 11.3% for women—among training providers.

Workforce Development and Community Economic Development

Workforce development is an evolving term. Generally, workforce development encompasses the programs or activities that help employers find and retain qualified workers and that help workers prepare for and obtain good jobs. This definition focuses on both businesses and workers to affect businesses’ bottom lines and to bolster workers’ job prospects, respectively.

CDCs have a community economic development mission that pushes the boundaries of this common definition. CDCs understand the needs of employers and they are active in marginalized communities. By virtue of their long term engagement in real estate and finance, due in part to policies for investment in the Community Reinvestment Act, CDCs have developed a competence in dealing with the business community and translating this to low-income communities and vice versa. CDCs function as a community intermediary—they actively engage and offer services to low-income communities while operating as business partners with banks, real estate firms, construction companies, and so on. They understand the opportunities and challenges these communities face, creating programs for community economic development that enable individuals and families to lead healthier and more productive lives.

CDCs engage low-income communities and communities of color to expand their access to economic opportunities because these groups have lacked power historically and endured discrimination that continues still. It is widely known that minority and immigrant groups earn less income than white Americans. In addition to this income gap, there is a significant wealth gap. According to the Pew Hispanic Center,⁵ the median net worth of Hispanic households was \$7,932 and the median net worth of black households was \$5,988 in 2002. These numbers stand in stark contrast to \$88,651, the median net worth of white households in 2002. Overall, twenty-six percent of Hispanic, 32 percent of black and 13 percent of white households had zero or negative net worth in 2002. In light of these realities, CDCs are increasingly focused on both income and wealth development.



If full employment and economic self-sufficiency⁶ are the ultimate goals, workforce development must touch on the conditions that make work and self-sufficiency possible for workers across the Commonwealth. CDCs aim to accomplish this by building affordable housing, by offering technical assistance and financing to small businesses, by providing leadership and skills training to youth and adults, by providing financial literacy training and homebuyer counseling, and by sponsoring Individual Development Accounts (IDAs) to build wealth and assets.

Survey of Massachusetts CDCs

In November 2002, after several years of surveying its members, MACDC launched the GOALS campaign—**G**rowing **O**pportunities, **A**ssets and **L**eaders across the Commonwealth. This campaign established numeric targets in six areas of community development, including expanding employment opportunities through direct job placement and linkage to employers.

In early 2004 and again in early 2005, MACDC surveyed its members through a web-based survey tool. The 2004 survey asked CDCs to report results for 2002 and 2003 while the 2005 survey asked CDCs to report results for 2004 only. In 2004, 53 CDCs responded for an overall response rate of 80%. In 2005, 55 CDCs responded for an overall response rate of 90%.⁷

Survey Results⁸ Summary

According to the 2005 survey, over 20 CDCs indicated that they offered workforce development programs. CDCs were asked to report on broad program categories and community participation. Specific program objectives vary across all CDCs, depending on resources and demand generated through its other programs and community organizing activities. Some focus on occupational skills training while others focus on job seeking skills. Regardless of the program category, CDCs create workforce development programs respond to community needs generated through its community-based organizational structure. See Tables 1 and 2 for a summary of number of program participants and the number of CDCs offering services between 2002 and 2004.

Job training is defined as a program of study that focuses on building job skills and helping a participant become job-ready. **Job counseling** is defined as assistance to individuals that seek help identifying their skills, targeting careers, choosing next steps in finding a job or training program, or other similar types of assistance. Both job training and job counseling may occur in group or one-on-one settings. **Job placement** is defined as helping job seekers and employers identify one another through job fairs or specific referral programs. **Jobs from Training** is defined as the number of people who obtained jobs directly from the job training programs sponsored by the CDC.

Additionally, CDCs were asked to report the number of participants in **English for Speakers of Other Languages (ESOL)** classes, **Adult Basic Education (ABE)** classes, **Individual Development Account (IDA)** programs, and **youth** development and organizing activities.

Table 1: Total Number of Participants by Program Category across all CDCs, 2002 to 2004

Year	Job Training ⁹	Job Counseling ⁹	Job Placement ⁹	Jobs from Training ⁹	ESOL ¹⁰	IDA	ABE	Youth
2002	1,970	1,160	411	278	60	93	209	1,260
2003	2,250	1,275	507	335	150	126	603	2,221
2004	2,297	1,664	251	372	276	136	422	3,109
Total	6,517	4,099	1,169	985	486	355	1,234	6,590

Survey Analysis

Between 2002 and 2004, the absolute number of participants served annually by all CDCs increased in each program category, except in Job Placement, where the number of CDCs reporting activity declined from 13 to 9. The CDCs that reported declines between 2002 and 2004 cited loss of funding the precipitating factor to ceasing the program

The two CDC program categories with the largest growth were ESOL and youth programs. The number of CDCs reporting that they had ESOL programs increased from just one in 2002 to 8 in 2004, and the number of participants increased from 60 to 276. The number of CDCs reporting that they had youth programs increased from 15 to 22, and the number of participants increased from 1,242 to 2,827.¹¹

The number of CDCs offering programs in each category fluctuates from year to year. This may be due to reporting errors by the CDCs, but much of it is due to the fact that CDCs often operate with limited financial resources, which contributes to instability in program management. CDCs are forced to start and stop programs as funding sources change, which can drive up costs, lower participation rates, and reduce program impact. Creating sustainable, stable program offerings is a major challenge for CDCs, especially since the state legislature eliminated the CEED program in FY 2004 (CEED used to provide up to \$1.9 million annually to CDCs to support a variety of community economic development programs.)

Table 2: Number of CDCs Offering Program, 2002 to 2004

Year	Job Training	Job Counseling	Job Placement	Jobs from Training	ESOL	IDA	ABE	Youth
2002	15	16	12	7	1	3	3	15
2003	16	17	15	9	3	4	4	24
2004	14	12	8	10	8	5	7	23

CDC Case Studies

Using a broad conception of workforce development, we selected five CDCs from across Massachusetts to demonstrate the breadth and depth of programs offered by CDCs. These workforce development programs are just a sample of the diverse programs CDCs operate. Some innovative programs were omitted because they have lost their funding in recent years. For example, Madison Park CDC has stopped a property management training program and is currently negotiating with YouthBuild for its continuance. There are many other strong programs we did not profile that are unique in their own right: Solutions CDC in Holyoke works one-on-one with disabled people with public housing assistance, and Jamaica Plain NDC and Fenway CDC partner with Boston hospitals to run a nationally-recognized healthcare careers program.

While each CDC serves residents of different geographic regions, their fundamental missions are similar: to increase economic opportunities for low- and moderate-income individuals and families, including people of color and immigrants. CDCs promote equitable growth and development that benefits all of the Commonwealth's residents, which strengthens local communities and the state as a whole.

Computer Skills and Career Coaching: Quaboag Valley

The Quaboag Valley lies in south-central Massachusetts between Springfield and Worcester. Quaboag Valley CDC's (QV CDC) rural service area covers 444 square miles, encompassing 15 towns and a resident population of 84,000. Unlike many CDCs, QV CDC does not have an affordable housing program, focusing primarily on small business technical assistance, including business training and lending, and workforce development counseling and training.

There are two components of QV CDC's workforce development program: computer training and soft skills training. Computer training focuses on core business applications at several different levels. While there is a nominal charge for computer classes, people can take the class for free if they meet income requirements. Soft skill training consists of group workshops and one-on-one assistance, according to each participant's needs.

Job seekers learn how to craft cover letters and resumes, how to conduct a job search and how to improve interviewing skills.



Rhoda Hathaway discovered QV CDC through a newspaper advertisement. She worked as a cashier in a local convenience store, but was interested in working in an office environment. "While the computer training gave me new confidence and abilities, the group sessions helped me target what it was that I really wanted to do," Rhoda stated. "[The classes] gave me perspective." Rhoda has taken all the soft skills and computer classes QV CDC offers. With new skills, confidence, and perspective, Rhoda found a new job at a local factory that, while it did not pay as well as the cashier position, it gave her good benefits, including health care, and opportunities for advancement. In two years since joining the company, Rhoda has received raises and praises from her employer.

Chris and Paul Corrow initially took QV CDC's small business planning course to jumpstart their business in commercial and industrial cleaning. Like many new entrepreneurs, they worked full-time jobs while trying to grow their business on the side. Facing burdensome business and medical costs, they decided they needed better jobs to support both their family and their business. QV CDC's computer classes and soft skills training helped them navigate the job market and find new jobs.

"When we went through the training, we realized we had experience we never knew we had, like volunteer work and other transferable skills," Chris explains. "We learned that we were worth a lot more.... People feel that there is no way out and they forget the basics. But there are avenues for help that people just don't know about. The CDC can get you on the road. It's a place to grow and change." After QV CDC's workforce development program, Chris found a job that left her mornings free to work on expanding her business. This year the couple is opening a business office and within the next two years, they plan on leaving their jobs and working on their business full time.

Biomedical Careers Program: Just a Start

Founded in 1968, Just A Start (JAS) offers housing and training services to low-income adults and at-risk youth in Cambridge. While most of its workforce development programs focus on youth, JAS offers a 9-month Biomedical Careers Program for adults in partnership with Bunker Hill Community College, which offers 18 college credits upon graduation. The program is currently in its thirteenth year of operation.

Just A Start advertises the program throughout Cambridge, Boston, and the Metro North area in order to draw from a large pool of candidates. The program is quite competitive: staff reports that they receive about 250 inquiries and about 75 people apply for 24 to 30 slots. The program requirements include a high school diploma or GED, a reading and math test, and a screening interview. Additionally, participants must be low-income workers or welfare recipients. Many of the students are African or Asian immigrants, who may already have a college degree but find it difficult to leverage their qualifications to find employment in the United States.

Funding comes from the City of Cambridge, the Massachusetts Department of Education and Training, and private foundations. The continued support is a tribute to the program's success. Over the life of the program, the graduation rate has been 85% and placement rate in the biomedical field has been 75%. The average starting salary for the 2004 graduating class was over \$28,000, which does not include graduates who enter a college degree program.

An indicator of the program's success is its ongoing connection with the biomedical industry. An advisory council composed of area funders and employers meets twice a year to review program curriculum and to discuss job availability and changes in the field. Additionally, program staff has experience in laboratories and participates in job placement efforts.

Steven Jones had steady employment in customer service for 20 years. When he lost his job, he found part-time work and conducted his job search through the Cambridge Employment Program. His case worker made an enthusiastic referral to the Biomedical Careers Program. Although it was a big switch, Steven realized that the customer service field was not what it once was. JAS provided not only the skills training but support to cope with the career change. "Harriet (a JAS teacher) sat with us once a week and told us how the program was 'just a start.' She encouraged us to go back to school and helped us walk through our fears. We were intimidated to go into a new field. We all sat there wondering if this [program] was going to work."

It turns out that it did work. Steven got a job as a manufacturing technician at TKT, a biopharmaceutical company in Cambridge within two weeks of graduating from the program in 2002. He met the employer through a job fair organized by the program. In 2004, he received a promotion and states that he never earned as much as he is earning now in his life. "I learned that there is an amazing group of people out there that love helping people. They could all make a lot more money but they don't. They're very sincere. They're doing a great job and they provide a great service."

The Cambridge Biomedical Careers Program meets the dual objectives of an effective workforce development training program: good for students and good for employers. Students gain valuable skills that allow them to move into well-paying jobs that offer opportunities for advancement. Employers have a steady supply of employees trained for their future needs.

English for Employment: WATCH

The Waltham Alliance to Create Housing (WATCH) is a small CDC that expanded its programs to include English for Speakers of Other Languages classes. They hold intermediate and advanced classes twice weekly in the evenings for ten months. The cost is nominal: 200 hours of training for \$100 per year. In addition to learning English, students focus on job readiness skills including resume writing, interviewing techniques, and networking.

WATCH draws a diverse group of students from all parts of the globe—mostly Central and South American countries. Often times they have come to the United States because of the tense political situations in their native countries. They want to learn English because it will help them move into better work positions and increase their earning potential.

WATCH takes a comprehensive approach to teaching English for Employment students, incorporating book learning with conversational practice, multimedia exercises, and one-on-one case management. In addition, student volunteers from nearby Bentley College work with small groups of students to provide personalized training and direct interaction with native English speakers. A case manager focuses on job readiness skills and identifies any potential barriers to employment while helping students create a five-year career action plan.

Originally from Guatemala, Juan Coz started English for Employment after he had been in the United States less than a year. He was working as a landscaper when the company closed, but he managed to find a new landscaping job with WATCH's help. He graduated from the intermediate class and is currently in the advanced class. His goal is to be a landscaping foreman in the next couple of years, but he cannot do that without better English. "I like to speak with people from [the United States] and understand my boss and co-workers," Juan said. "I can get a better job [when I learn English]." Without solid language skills, Juan cannot build the lasting and trusting relationship with his employer that he needs for on-the-job advancement.

Saving for Success: Allston Brighton CDC

Created by community-based organizations and bolstered by federal legislation in the 1990s, individual development accounts (IDAs) are a mechanism to increase assets for low- and moderate-income individuals across the Commonwealth and across the nation. Participants in IDA programs agree to save a certain amount of money (say \$50) each month. Those savings are then matched with funds from public or private grants at a 1-to-1 ratio or sometimes at a 4-to-1 ratio or more. The matching funds act as an incentive for people who, due to financial constraints, find it difficult to save money over the long term. Each structure program varies, but after a period of time, participants can use the money to buy a home, finance an education, or start a small business. In a few number of programs, people can use the money for retirement or to buy an automobile needed for employment purposes.

Currently, there are over a dozen organizations across Massachusetts involved in IDA programs, including 5 community development corporations. Allston Brighton CDC (ABCDC) started their IDA program in 1999, offering financial education and a savings account for homeownership. The home buying and financial education classes ensured that people learned the details of financial transactions and the importance of saving to purchase a substantial asset such as a home. Since the program's inception, over 30 people participated in five different rounds of IDA offerings. ABCDC's latest IDA round changed its focus from saving for housing to saving for education.

In 1999, Erica Nazarro learned about the IDA program through a flyer in her building, a resident-controlled, mixed-income cooperative developed by ABCDC. At the time, she was a divorced mother of two boys earning \$8,000 per year as a cashier at a grocery store and going to school to get a teaching certificate. Initially, she dreamed of buying a home with a backyard, so that her boys would have an open area in which to play and build a tree house. At the time, the IDA program presented Erica and her family with a path to achieving that goal.



However, life and circumstances sometimes force a change in priorities and a postponement of dreams. Housing prices in Allston Brighton have skyrocketed, making homeownership difficult for many low- to middle income families, even those with savings. While the housing market heated up, Erica continued to do well in school, so she began to pursue a Bachelor's Degree in art at Wheelock College. Again, she made high marks and went on to earn a Master's Degree in social work in May 2003.

Over the course of three years, Erica saved \$50 every month, never missing a month and sometimes putting in more money, even though the IDA program did not match the additional amount. Erica ended up with \$7,000 in savings, which she applied to her student loans. While she and her family could not purchase a new home, Erica felt that her education would ultimately improve their fortunes. Currently, she has a good job, running an after school program and intergenerational arts center in Dorchester.

Erica felt that the financial education component of the IDA program was the most helpful. "I learned a lot about budgeting and learned I could save money," Erica says. "In class, we talked about our relationship with money beyond just informational stuff.... We drew where we were five years ago, where we are now, where we are going. This showed me that lots of things are possible in a short amount of time, that there is a lot of hope and wonderful opportunity, and that I shouldn't box myself in. Just because it hadn't happened yet didn't mean it wasn't going to happen. Just because I've been in low-paying jobs, doesn't mean that I'm stuck there."

Beyond building her self-esteem, the IDA classes helped Erica in other ways. Her relationships with her neighbors improved because they attended class together and found common ground. They recognized each others' similarities rather than their differences. Moreover, the classes helped her become a positive role model for her children. They saw that she was committed to attend every class and save every month.

Not only do IDA programs help people struggling to make ends meet save money, but they offer them an opportunity to confront the technical and emotional complexities of money. Erica often thought about money, but never spent the time exploring how interest rates work or how real estate is bought and sold until she participated in the program. Most of all, the program taught her about what was possible and what she could accomplish. Though her priorities changed over time, she focused on what was important to her and to her family for the long term.

Movement City: Lawrence Community Works

Movement City is a youth development program sponsored by Lawrence Community Works (LCW), a CDC located in Lawrence. Movement City started in July 2004 as a merger of two youth-oriented organizations: Hope Street and LCW's Young Professionals program, both of which had operated for several years. Movement City's model is youth-centered and youth-driven—long-term program participants staff the organization as well as direct its curriculum and programming. Hence, the organization refers to Movement City as “a youth empowerment network,” which highlights youth motivation, responsibility, and accountability to themselves and each other.

Youth ages 10 to 19 pay an annual fee of \$40 to join Movement City, which currently has over 140 members. They choose from a variety of creative subject areas, including design, technology, and performing arts. Among others, youth can learn the ins and outs of video and music production, architecture, fashion design, and graphic design. In each area, youth work on projects that last from a week to several weeks. Once a project is done, they have a product they can show off to friends, family, college admissions committees, and potential employers. For example, the dance classes put on shows for parents and other community members, the fashion design class designs and produces dresses for the high school prom, and the graphic design class created a logo for Movement Squad, Movement City's community service group.



In addition to these skill-building opportunities, youth can learn about the college application process, participate in financial workshops that teach them the basic of money management, and sign up for an Individual Development Account to help them save money for college. Moreover, each youth has access to mentoring and tutoring to help them with their personal endeavors at Movement City or their academic endeavors at school.

Talecha Barthelmy, 17, began participating in Hope Street five years ago. She had heard about it from a friend and took mostly dance, poetry, and drama classes. She enjoyed participating because it was fun, it gave her time to do her homework, and there was one-on-one help if she needed it. If she weren't at Hope Street, Talecha said she would probably “hang out with friends and do something bad.” She went on to say, “when things go down [in Lawrence], it gets blown up. We want to present something positive to the community.”

When Movement City started last year, Talecha volunteered to teach the Introduction to Dance class. Because leadership effort, she started working as Movement City's receptionist and administrative coordinator. She works after school for 3 hours a day, 3 days a week. When she's done at 5:30, she does her homework or participates in one of the subject areas. “Movement City has made me an organized person, a focused person,” said Talecha. “It's kept me in reality.”

Overall, Movement City focuses on the whole person, including their social and emotional well being. After school, Movement City is an alternative to home and street life that might not have a positive or productive influence on the lives of youth. A safe place where youth can come together, Movement City fosters individual and group creativity, develops leadership and technical skills, and creates mentoring and asset development opportunities. All of these combined can have lifelong impacts on young people like Talecha.

Conclusions and Recommendations

Like many other CBOs, CDCs offer a range of different types of programs that fall under a broad conception of workforce development. For CDCs, workforce development is not simply job training or counseling, but a range of services that promote the long-term economic stability and security of the people and communities they serve. CDCs bring important assets to the workforce development system: they are located in the communities that need these services most; they have the linguistic and cultural competencies to reach key populations; they can leverage their housing and economic development programs to achieve greater impact; and they have strong existing relationships with many local employers.

CDCs operate workforce development programs at a considerable scale and variety in Massachusetts. These variances in capacity show that CDCs face an uncertain future. Public and private funding sources make only short-term commitments and fail to stabilize the amounts available over the long term. Moreover, unlike real estate and small business lending, workforce development programs do not offer cash flows to sustain CDC programs.

CDCs would like to expand their role in the workforce development system to serve more people and more communities in Massachusetts. Toward that end, MACDC offers the following recommendations.

- 1) The survey data reveals that many CDCs struggle to sustain consistent programming over the years. Starting and restarting programs and managing staff turnover can drive up the cost of offering these services. Moreover, effective recruitment and outreach requires consistency over time to build up word-of-mouth networks that are essential to reaching “hard-to-serve” individuals. Therefore, public and private funders should commit workforce development funding for longer terms (three and five year contracts) to create more organizational stability and to ensure full awareness among potential program participants. At the same time, CDCs need to diversify their funding and avoid the temptation to alter their program strategy for short term funding opportunities.
- 2) The case studies illustrate that strong CDC programs leverage the synergies between program areas and offer comprehensive services to their participants (directly or through partnerships). Funding must be flexible so as to encourage such synergies. To engage in comprehensive community development, CDCs must learn how to build complementary programs.
- 3) As relatively small organization serving a defined geographic area, CDCs cannot be all things to all people. They must seek out strategic partnerships with other workforce and social service providers to meet the diverse needs of their constituents. Such partnerships also make it possible to combine job counseling, job placement, basic education, and asset development.
- 4) Approximately one-quarter of the population in Massachusetts is living on wages that are below the Family Economic Self-Sufficiency Standard. An equal number lack the basic skills, language, or credentials to succeed in today’s economy. Therefore, the workforce development system must focus public resources on these low- and moderate-income workers.

- 5) Asset development programs such as IDAs offer a promising strategy to help people break the cycle of poverty. Obtaining assets can be transformative for people in unanticipated but wonderful ways. IDA programs confront the enormous “wealth gap” between people of color and whites in our country. State government needs to join with private foundations and the federal government to provide funding for IDA and other asset development initiatives.
- 6) The Massachusetts state government should increase funding for smaller CBOs, like CDCs, and groups newer to the workforce development field. As it stands, state funding tends to target larger CBOs and CDCs that have built impressive workforce development programs. However, there are many effective non-profit organizations that serve smaller communities or more targeted populations that are also worthy of investment.
- 7) CDCs and other community organizations provide highly critical support services that are not sufficiently funded by the current system. These include such services as outreach, case management, training in resume writing and job interviewing, and assistance dealing with other issues such as housing and child care. State and federal programs need to provide more funding for these elements if we are to have a successful and comprehensive approach to workforce development.
- 8) Staff members at CDCs and other CBOs themselves need training to enhance their skills. In the past few years, the Commonwealth Workforce Coalition, of which MACDC is a member, has begun offering professional support programs, but needs additional, more consistent funding to expand its efforts. At the same time, CDCs need to invest in their staff members so that they can take advantage of opportunities provided by CWC and others to build their skills as professionals in this field.

Appendix: Survey Results from the MACDC GOALS Campaign

**Table 1: Number of Participants in Job Training programs
2002 to 2004**

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	110	40	40	190
Arlington Community Trabajando, Inc.	0	0	24	24
Asian CDC	10	10	0	20
CEDC-SM	24	24	3	51
Coalition for a Better Acre	28	0	26	54
Codman Square NDC	0	45	0	45
Dorchester Bay EDC	90	105	255	450
Fenway CDC	300	300	200	800
Greater Gardner CDC	90	68	0	158
IBA	0	116	40	156
Jamaica Plain NDC	334	320	752	1406
Just a Start	266	276	226	768
Madison Park DC	24	83	55	162
Main South CDC	300	432	352	1084
Methuen Arlington Neighborhood Inc.	50	50	50	150
Quaboag Valley CDC	210	266	206	682
Viet-AID	45	45	3	93
WATCH	69	50	33	152
Worcester East Side CDC	20	20	32	72
Total	1970	2250	2297	6517
Number of CDCs	15	16	14	

Table 2: Number of Participants in Job Counseling programs 2002 to 2004

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	48	48	40	136
Arlington Community Trabajando, Inc.	0	0	17	17
Asian CDC	2	2	10	14
CEDC-SM	150	150	0	300
Coalition for a Better Acre	28	14	26	68
Dorchester Bay EDC	50	50	100	200
Fenway CDC	24	45	50	119
Greater Gardner CDC	8	10	0	18
IBA	0	20	40	60
Jamaica Plain NDC	220	295	436	951
Just a Start	266	276	226	768
Main South CDC	60	95	352	507
Methuen Arlington Neighborhood Inc.	50	50	50	150
Oak Hill CDC	75	60	200	335
Quaboag Valley CDC	40	40	22	102
Solutions CDC	40	40	62	142
Viet-AID	30	30	0	60
WATCH	69	50	33	152
Total	1160	1275	1664	4099
Number of CDCs	16	17	12	

Table 3: Number of Participants in Job Placement programs, 2002 to 2004

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	20	20	0	40
Arlington Community Trabajando, Inc.	0	0	2	2
CEDC-SM	75	125	0	200
Coalition for a Better Acre	26	5	24	55
Codman Square NDC	0	10	0	10
Dorchester Bay EDC	62	60	78	200
Fenway CDC	30	40	17	87
Greater Gardner CDC	2	2	0	4
Jamaica Plain NDC	88	55	82	225
Methuen Arlington Neighborhood Inc.	35	35	0	70
Nuestra Comunidad DC	0	0	6	6
Oak Hill CDC	0	0	31	31
Quaboag Valley CDC	10	17	0	27
Salem Harbor CDC	10	10	0	20
Solutions CDC	18	39	11	68
Twin Cities CDC	25	25	0	50
Viet-AID	10	15	0	25
WATCH	0	40	0	40
Worcester East Side CDC	0	9	0	9
Total	411	507	251	1169
Number of CDCs	12	15	8	

Table 4: Number of Participants in Jobs from Training programs, 2002 to 2004

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	20	8	0	28
Asian CDC	0	2	0	2
CEDC-SM	0	0	3	3
Coalition for a Better Acre	28	0	24	52
Dorchester Bay EDC	60	43	78	181
Fenway CDC	0	0	17	17
IBA	0	57	28	85
Jamaica Plain NDC	28	17	40	85
Just A Start	123	144	89	356
Madison Park DC	12	40	12	64
Main South CDC	0	0	15	15
Methuen Arlington Neighborhood Inc.	0	0	45	45
WATCH	7	15	21	43
Worcester East Side CDC	0	9	0	9
Total	278	335	372	985
Number of CDCs	7	9	10	

Table 5: Number of Participants in IDA Programs Reported by CDCs, 2002 to 2004

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	41	41	38	120
Dorchester Bay EDC	0	0	16	16
Lawrence Community Works	12	36	34	82
Main South CDC	0	3	4	7
Solutions CDC	40	46	44	130
Total	93	126	136	355
Number of CDCs	3	4	5	

Table 6: Number of Participants in ABE Programs Reported by CDCs, 2002 to 2004

CDC Name	2002	2003	2004	Total
Codman Square NDC	0	28	0	28
Dorchester Bay EDC	22	262	60	344
Greater Gardner CDC	0	0	6	6
Homeowners Rehabilitation Inc.	0	0	42	42
IBA	0	0	25	25
Just a Start	107	108	83	298
Lawrence Community Works	80	205	156	441
Main South CDC	0	0	32	32
WATCH	0	0	18	18
Total	209	603	422	1234
Number of CDCs	3	4	7	

Table 7: Number of Participants in ESOL Programs Reported by CDCs, 2002 to 2004

CDC Name	2002	2003	2004	Total
Asian CDC	0	25	0	25
CEDC-SM	0	0	25	25
Fenway CDC	0	0	25	25
IBA	0	0	18	18
Lawrence Community Works	0	45	48	93
Nuestra Comunidad DC	0	0	2	2
Salem Harbor CDC	60	80	100	240
Viet-AID	0	0	34	34
WATCH	0	0	24	24
Total	60	150	276	486
Number of CDCs	1	3	8	

**Table 8: Number of Participants in Youth Programs¹¹
Reported by CDCs, 2002 to 2004**

CDC Name	2002	2003	2004	Total
Allston Brighton CDC	70	78	95	243
Arlington Community Trabajando, Inc.	0	25	60	85
Asian CDC	8	12	12	32
CEDC-SM	0	0	20	20
Coalition for a Better Acre	0	0	14	14
Codman Square NDC	45	60	60	165
Dorchester Bay EDC	0	255	455	710
Fenway CDC	0	24	7	31
Greater Gardner CDC	10	10	62	82
Hilltown CDC	14	14	0	28
Homeowners Rehabilitation Inc.	0	0	55	55
IBA	20	42	60	122
Just a Start	235	245	194	674
Lawrence Community Works	80	120	150	350
Lena Park CDC	0	0	648	648
Madison Park DC	0	0	50	50
Main South CDC	13	12	34	59
Mattapan CDC	0	200	0	200
Methuen Arlington Neighborhood Inc.	370	370	330	1070
NOAH	0	10	0	10
Nuestra Comunidad DC	0	56	0	56
Oak Hill CDC	250	360	471	1081
Quincy-Geneva New Vision Housing Corp	60	30	0	90
Salem Harbor CDC	0	0	10	10
Solutions CDC	25	38	30	93
Somerville Community Corp.	0	0	60	60
Twin Cities CDC	0	100	144	244
Urban Edge Housing Corp.	60	75	88	223
Valley CDC	0	5	0	5
Viet-AID	0	80	0	80
Total	1260	2221	3109	6590
Number of CDCs	15	24	23	

Endnotes

¹ For the purposes of this report, the term “community development corporation” is defined as a non-profit organization that serves a specific geographic area. CDCs are membership organizations which all community residents are eligible to join for a nominal fee. In addition, at least 51% of the board must be elected by those members. CDCs have a mission that is focused on serving lower income and lower wealth families and individuals and/or the communities in which they live. CDCs can operate in urban, rural and suburban communities.

² *Workforce Development: A Diverse Provider Network Meets Diverse Workforce Needs*, Massachusetts Workforce Alliance, May 2003. Available at www.peer.mwapolicy.org.

³ *FY2005 Career Center Performance Reports for Quarter Ending December 31, 2004*, Massachusetts Workforce Investment Board, February 28, 2005. Available at <http://www.massworkforce.org>.

⁴ “Training Matters: Earnings and Employment Effects by Type of Service Provider,” *Research and Evaluation Brief*, Commonwealth Corporation, Volume 2, Issue 7, November 2004. Available at <http://www.commcorp.org>.

⁵ Kochhar, Rakesh, *The Wealth of Hispanic Households: 1996 to 2002*, Pew Hispanic Center: October 2004. Available at <http://pewhispanic.org>.

⁶ As an alternative to the federal poverty standard, the Women’s Economic and Industrial Union and Wider Opportunities for Women created the Family Economic Self Sufficiency standard (FESS), which represents the minimum income a person or a family must earn to live without direct, means-tested, government subsidies or assistance. For example, the FESS for a single adult with one preschool child and one school age child living in Boston is \$51,284. The FESS for the same family living in Worcester is \$40,598, reflecting the differences in the cost of living in different parts of the state. (See Pierce, Diana with Jennifer Brooks, *The Self-Sufficiency Standard for Massachusetts*, released by the Women’s Educational and Industrial Union, April 2003. Available at <http://www.weiu.org>.) In 2004, the Commonwealth Corporation, the Department of Housing and Community Development, and Massachusetts Community Action Programs published a guide on how to create effective workforce training programs that stressed a self-sufficiency framework. (See *Establishing Effective Workforce Development Programs: A Resource Guide for Community Action Agencies and other Community-Based Organizations in Massachusetts*, Massachusetts Association for Community Action, November 12, 2004. Available at <http://www.masscap.org>.)

⁷ While this is indicative of overall participation by MACDC’s members, it may not represent results from all CDCs that have workforce development programs.

⁸ CDCs operate on multiple fronts with respect to job creation. First, they provide financing and technical assistance to entrepreneurs to create and expand local businesses. Second, they build housing and other real estate projects that generate construction jobs. Finally, they offer programs that directly build a person’s ability to find and retain good jobs. While past MACDC reports on the GOALS Campaign include all of these job creating activities, this report focuses on these and other workforce development programs. See MACDC 2004 GOALS report.

⁹ Data on job training, job counseling, job placement, and jobs from training programs may overlap. For example, CDC job training programs may include a job counseling component.

¹⁰ ESOL programs are often considered a kind of ABE programs—it is unclear whether CDCs make this distinction.

¹¹ This report includes data on CDC youth programs because many do focus on helping young people develop positive careers. However, many other youth programs are not focused on career development and instead provide recreational, cultural, or educational opportunities.