

**Massachusetts Business Roundtable Symposium  
on Workforce Training Programs**

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Good morning. Speaking both as the co-chair of the Boston Private Industry Council and as a member of the Board of the Massachusetts Business Roundtable, let me say how pleased I am that the Roundtable is addressing the topic of workforce education and training.

I want to thank our Chairman, Bob Marini, and Alan McDonald for this event. Thanks also are due to our host, President Freeland. The international reputation that Northeastern has earned through its Co-op Education efforts is well deserved. The University has organized opportunities for thousands of college students to combine earning and learning in their pursuit of careers.

The Boston business community and its public schools are attempting to build opportunities like those available through Northeastern into programs for high school and junior high students. Many of the firms that have been working in this business-school partnership are represented here today. Some, like the Federal Reserve Bank of Boston, have been engaged since before court-ordered desegregation in the 1970's. I'm happy to report that finally, over the past two or three years, we are making measurable progress. The key to that progress is an organized, well staffed, and carefully measured effort that enlists hundreds of businesses to integrate working and learning. School-to-Work, or as we are coming to call it--School-to-Career--moreover, provides a model and an opportunity in communities all across the Commonwealth.

Later in the program, George Kaye of Partners Healthcare System, and Neil Sullivan of the PIC will lay out the operational details of our efforts in Boston. I believe our experience has a direct bearing on one of the major issues facing this Symposium: how to work with the public school system to ensure its graduates are ready for work, and, increasingly, ready for the higher education necessary to fill today's jobs.

In the short run, business leaders need to focus on workforce issues in part because of very tight labor markets: skilled workers are in short supply. Over the longer term, businesses also understand that accelerated technology, changes in organization, and relentless competition is forcing us to think about the education of *all* workers, not just of professional staff. Years ago, we could afford to think about training programs and school partnerships as part of corporate giving. Now we realize that we are running short of well educated, well trained workers. And so we have a direct economic stake in building an effective workforce development system.

In New England, which lacks abundant natural resources such as iron or coal or oil, we have long celebrated the essential role higher education plays in our economic life. Our great universities, public and private, draw the brightest from the entire world to their graduate programs, and a fair percentage of the graduates stay in our region, fueling our prosperity.

But in the new economy, we have come to understand that first-rate college graduates are not enough to ensure regional prosperity. Mastery of a broader range of skills is necessary for *all* workers who hope to make a significant economic contribution and earn an income sufficient to support a family in the 21st century.

The business leaders who signed the Boston Compact in 1982 understood the importance of a high-quality public school system. We have stayed the course, and with the leadership of Tom Menino and Tom Payzant, finally see effective reform underway. Jack Rennie, chair of the Roundtable's Education Task Force, is widely recognized for his statewide leadership on education reform. It's good to see that he is working closely with Tom Hynes and his Economic Development Task Force on this Symposium.

In Boston, School-to-Career is a key aspect of education reforms. As you will see, it extends the classroom into the work site, effectively lengthens the school days, builds useful relationships between students and work supervisors, and supervisors and teachers. And best of all, I believe it can make a real difference in the way students approach school and their levels of performance.

The best quantitative proof of that difference comes from Brighton High School, where we compared School-to-Career students with their peers. We found that each group started at the same place in basic knowledge (as shown by their Stanford 9 test scores). But after

two years, the School-to-Career students showed much better attendance, completion, and academic grades. Moreover, some in our first school-to-career classes have completed two year associate degrees and are holding down well paid technical jobs. We are now measuring the performance of all School-to-Career students throughout the system.

We know that it makes sense to integrate school and work. To do so at a large scale, however, takes organization within the private sector, as well as on the public side. In Boston, we have begun to reach scale. This summer, we placed 3,915 high school students this summer in 816 Boston firms, earning an average of over \$6 an hour. There were 2,000 young people from ten high schools in career pathways with over 120 firms this school year. And this fall, two of our high schools, East Boston and Brighton, will transform their whole program to a School-to-Career model.

The students in these programs are learning not only academic skills, but workforce competencies as well, with carefully developed instruments for measuring progress. Teachers and supervisors collaborate on learning plans that explicitly include what is to be learned on the job.

How is this scale of effort possible? Several principles apply here:

First, collaboration among the leadership in the business community is imperative. Bill Edgerly, the founding PIC Chairman, understood that no one firm or even a group of large firms could make a system-wide difference. A way had to be found to enlist the support of, and provide help to hundreds of firms willing to participate. Boston's effort operates through the Private Industry Council which acts as the Regional Employment Board, and in collaboration with other groups such as the Chamber of Commerce.

Second, a professionally staffed intermediary organization is needed. Most smaller firms do not have their own human resources staff. Even large firms do not have the time to work closely on a sustained basis with schools, training agencies, and students. An intermediary, led by a board with strong private-sector representation, can carry out these responsibilities on behalf of the entire private sector. For example, it can provide career specialists to bridge the gap between employers, potential workers, and education agencies. No market can function well without good information, and unfortunately, low-income people and employers often have negative ideas about each other. In Boston, the PIC is the intermediary with a substantial staff commitment sustaining the connection between schools and businesses.

Finally, it's important to provide credible, accurate information on progress and setbacks to participants and the public. Especially when success depends upon collaboration between public and private

entities, agreement on what you are trying to do and how success will be measured is essential.

With analytical help from Professor Andrew Sum and Northeastern's Center for Labor Market Studies, we surveyed by phone nearly all graduates of the Boston Public Schools each year since 1985. We know their status in the workforce and in further education. For each student in a summer job, or in School-to-Career, we now have an automated data base of school performance and records, and a record of each participating firm. So we can measure the progress of students, firms, and schools alike as they strive toward improved performance. Setting goals and knowing that there will be a public accounting keeps all the partners focussed.

Getting to this point, and more importantly, continuing this vital effort, has not been easy or inexpensive. Three years ago, Boston won a Federal grant to take its small pilot, known as Protech, to a larger scale. A year after that, Massachusetts won a similar state wide Federal grant. But if school-to-career is the right way to make progress in the public schools, its costs cannot continue to be dependent on Federal largesse. The program must be embraced locally by the states and cities who will make it work. That's why I am so pleased with the commitment of funding and staff to this effort by the Boston Public School System. And it's even more encouraging that the state has also committed significant funds.

In the budget for this year, with important help from House Speaker Thomas Finneran, the Commonwealth has appropriated \$3 million in matching funds to local School-to-Work Partnerships and Regional Employment Boards. For every \$2 in payroll for young people in School-to-Career programs, partnerships and Employment Boards can apply for \$1 to cover the cost of the sort of "connecting activities" I've been talking about.

We CEOs have a great stake in making sure that this state and local money is well spent . As we listen and think about the examples of high-quality programs this morning, I urge you to consider participating in these programs, or increasing your existing participation. School reform is our business, and it's good business as well.