Innovating with Institutions:
How Strategic Orientations among One-Stop Career Centers Influence
Labor Matching, Adaptation, and Performance

by

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Abstract

Set in the context of labor market restructuring, public policy reform, and blurring
government/nonprofit boundaries, this study examines the functions, adaptation, and
performance of Boston’s three One-Stop Career Centers between 1996 and 2002—a time period
encompassing distinct eras of changing policy and labor market conditions. Along with other
types of labor market intermediaries (LMIs), One-Stop Career Centers have arisen as sites of
organizational and institutional innovation in mediating the labor matching process. However,
compared to other LMIs, much less is known about career centers’ employment brokering
operations. This study helps address this research gap by providing a detailed analysis of three
career centers. This investigation answers three research questions related to the 1) functions; 2)
adaptation; and 3) performance of career centers with differing organizational sponsorships. In
doing so, the study develops a conceptual framework based on three strategic orientations—
community, bureaucratic, and entrepreneurial—that helps to clarify and categorize
organizational processes, change, and outcomes. The study finds that different strategic
orientations are related to variation in organizational planning, practice, networks, and
performance. Strategic orientation is also found to influence organizational adaptability during
both a tight labor market and an economic recession, as well as during implementation of major
federal policy changes related to welfare reform and workforce development reform. The study
contributes to scholarship on employment brokering and labor market institutional change by
offering an empirical analysis and theoretical framework that highlights the emergent role of
One-Stop Career Centers as publicly-funded labor market intermediaries. The study is also
immediately relevant to policymakers and practitioners involved in the more than 1,900 career
centers across the country. For them, this study provides a better understanding of the
programmatic trade-offs associated with career center operations and therefore may help them
improve the labor matching process for both employers and job-seekers—especially those with
barriers to employment.

Thesis Supervisor: Paul Osterman
Deputy Dean and Nanyang Technological University Professor of Human Resources and
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Joaquín Herranz, Jr.
Cambridge, MA
October 2003
# ABSTRACT


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CHAPTER ONE
Study Description and Context

Introduction

Research Problem and Rationale

This dissertation is about regional institutional reform driven by federal, state, and local policies. On one hand it describes an experiment in Boston to improve labor market functioning by restructuring a regional workforce development system through the development of new organizations and relationships to better connect job-seekers and employers. On the other hand, it is a cautionary tale of conflict and adaptation as the high expectations of ambitious public policy are translated into practice with limited resources and mixed interests. Overall, this study provides an institutional history of Boston’s workforce development system through the focal lens of three One-Stop Career Centers between their founding in 1996 and 2002—a period covering changing labor market and institutional conditions. In examining the relationships between organizational strategies, adaptation, and networks with the planning, practice, and performance of One-Stop Career Centers, this dissertation helps address research gaps regarding publicly-funded labor market intermediaries. The study’s specific contribution is a conceptual framework and analysis that helps clarify and categorize diversity, adaptation, and outcomes among career centers. Insights from this investigation are relevant to scholars researching labor market intermediation as well as to policymakers and practitioners concerned with employment
brokering—especially involving disadvantaged job-seekers—and with the promises and problems associated with the more than 1,900 One-Stop Career Centers across the country.¹

This study reveals that each of Boston’s One-Stops has a distinctive strategic orientation derived from their different joint-venture operating partnerships. In documenting the development of the One-Stops, this research finds that strategic choices and network relationships had implications for their planning, practices and performance. As context for this argument, this study provides an analysis of three interacting transformations: changing labor market institutions, shifting federal policies, and evolving public and nonprofit relations. It is the interplay of these factors that have increased the importance of strategy and networks in the workforce development environment.

Economic restructuring, federal employment and welfare policy shifts, and evolving nonprofit/public interactions are transforming the organizational forms, functions, and relationships of regional workforce development systems. These changes have raised the importance of intermediaries in the labor market, especially for disadvantaged workers. In recent years, the need for intermediation in the labor market has increased due to collapsing internal labor markets, shifting work and employment patterns, and weakening employment outcomes for disadvantaged workers (Osterman 1999).² These trends result from the evolving global, distributed, technological economy that is changing relationships among workers and firms towards increasingly flexible, contingent, and network arrangements (Benner 2000);

¹ In 2003, there are 1,968 comprehensive One-Stop Career Centers—including Boston’s three career centers—and 7,523 offices that provide limited career center services.
(Herzenberg, Alic and Wial 1998). Instead of the post-World War II labor market institutional structure defined by “internal labor markets”—relatively stable, long-term associations providing skills training and internal career ladders—the worker-employer relationship is now increasingly flexible, contingent, and mediated by intermediary structures (Benner 2000; Herzenberg, Alic and Wial 1998; Osterman 1999). One dimension of the current economic restructuring is higher employment mobility—both voluntary and involuntary job shifts—and attempts to remake institutions to help workers increasingly maneuver through multiple-firm careers in a more dynamic labor market. Central to this issue are questions about what kinds of institutions and intermediary structures are adapting to changing labor market conditions and whether they are influencing employment outcomes (Osterman et al. 2001).

In addition, federal policy changes involving the devolution of government programs have been transforming the local landscapes of public service delivery. For example, welfare reform (Personal Responsibility and Work Opportunity Reconciliation Act, 1996), workforce development (Workforce Investment Act 1998), and housing (Quality Housing and Work Responsibility Act 1998) are devolving responsibilities to state and local levels, shifting federal support from job training to job placement, and encouraging labor market participation as a

---

2 While there is consensus that labor market conditions have changed, researchers disagree about the extent of this change as well as the advantages and disadvantages for workers, employers, and the economy (Carré 2000).
3 Other trends influencing adaptation in intermediary structures include: shifting work and employment patterns, weakening employment outcomes for disadvantaged workers, more voluntary and involuntary job shifts, and the evolving global, distributed, technological economy (Herzenberg, Alic and Wial 1998; Osterman et al. 2001).
4 In their literature review examining whether connections between employers and employees has weakened in the 1990s, Kruse and Blasi (1998) found increased risk of worker displacement, declining proportions of men but not women in long-term employment relationships, increased temporary help agency employment, and decreased job satisfaction, employer commitment, and loyalty measures.
means towards economic self-sufficiency. These three “policy shocks” signal not only a retrenchment of the welfare state but also reveal an increased reliance on competitive market-based mechanisms for resolving public policy dilemmas. Whether called “privatization,” “marketization,” “new public management,” or “market-based governance,” many researchers suggest that such changing public policies increasingly rely on notions of competition in government practices as a means to spur efficiency, effectiveness, and innovation (Barzelay 2001; Donahue 1989; Donahue and Nye 2002; Gruening 2001; Kettle 1997).  

Concurrent to the growing “marketization” of the welfare state has been the increasing “commercialization” of the nonprofit sector (Weisbrod 1998). Together, these transformations have contributed to a broad trend among public and nonprofit organizations of increasingly sharing discretionary authority over the operation and delivery of publicly financed services (Boris and Steuerle 1999; Salamon and Elliott 2002). In recent decades, there has been a marked increase in the scope of interactions between nonprofit organizations and government agencies at federal, state, and local levels. Nonprofits now routinely help enact and implement public policies through a variety of direct and indirect governmental contracts, grants, incentives, and subsidies. Researchers studying the rise in this sectoral inter-penetration have observed blurred organizational boundaries between nonprofits and government and an associated tendency

---

5 For example, welfare reform ended a 60-year old program of income transfers as entitlements in favor of a time-limited program emphasizing job attachment, with the presumption that labor market participation will lead to economic self-sufficiency. At the same time, public agencies and nonprofit employment and training providers previously focused on “supply-side” job-seeker skills and supports must now also address “demand-side” employer needs.

6 See Lynn (1998) for a theoretical critique of new public management and similar notions of market-oriented governance.

7 One indication of this trend has been the dramatic growth in the number of organizations with nonprofit, tax-exempt status. Relatedly, a majority of publicly-financed social services are now delivered through nonprofits rather than directly by government agencies (Salamon 1993).
towards inter-sectoral relationships in both developing and implementing public policies

Alongside these shifting policy and organizational trends has been a transforming labor market institutional landscape and the emergence of new labor market intermediaries (LMIs): third-party organizations involved in labor matching, training, and career mobility. Although LMIs have functioned for several decades—primarily brokering information and services between jobseekers and employers—some researchers suggest that newer LMIs reflect organizational experimentation and innovation in an era of institutional restructuring. Researchers find that LMIs engage in a range of activities that include: 1) conducting passive job-brokering; 2) supporting social networks among workers; 3) improving the efficiency of the labor-matching process; 4) reforming supply-side workforce development institutions; and 5) trying to change employer demand or firm behavior through bargaining or altered power relations (Benner 2000; Kazis 1998; Osterman 1999). Analysts have examined a variety of intermediary forms including: temporary agencies (Nollen 1996); internet-based job brokers (Autor 2000); union and membership-based initiatives (Benner 2000); community-based staffing services (Carre et al. 2003; Seavey 1998); and employer associations (Richards and Herranz Jr. 2001). Yet, despite growing scholarly and policy interest in LMIs, there is still relatively little known about their

8 Labor market intermediaries are not new and have operated for many decades in the form of public sector Employment Services, union hiring halls, and temporary staffing agencies. Yet these LMIs did not account for significant labor market activity because of the dominance of a post-War employment institutional framework emphasizing long-term attachments between workers and firms, internal job ladders, and intra-firm and inter-firm consistent wage setting practices (Kazis 1998; Osterman 1999).
institutional and public policy context.9 In particular, much less is known about the roles of publicly-funded new LMIs: One-Stop Career Centers.10 The result is an incomplete understanding of the LMI phenomenon and its implications for public policy.

One-Stop Career Centers warrant examination for several reasons. Career centers represent an important yet under-analyzed form of the LMI phenomenon. More so than other LMI types, career centers are directly related to federal and local policies regarding labor matching and employment and training. Federal policy designates career centers the centerpieces of local workforce development systems across the country. Consequently, career centers are widespread

---

9 Following North (1990), “institution” refers to the practices, norms, tangible and tacit rules that are shared by organizations in a common environment. This definition is consistent with the interpretation of researchers of “new institutionalism” that tend to emphasize an institutional field (Powell and DiMaggio 1991). However, this dissertation also draws upon the analytical approach of “old institutionalism” that suggests that organizational behavior may influence institutional context. In this dissertation, “system” and “institution” are used interchangeably, except in cases where “system” refers to the dynamic flows of information and resources among bundled organizational networks with shared objectives. For example, the “employment and training system” refers to nonprofit, governmental, and commercial organizations involved in providing publicly-subsidized employment training. Further, a system may be comprised of “sub-systems” of organizational networks. For example, health care training providers comprise a subsystem of the employment and training system. A system is distinguished by dynamic information and resource relationships among organizational networks. However, organizational networks are not necessarily systems. An organizational “network” refers to a set of connections, links, ties that form a relationship structures and include multiple organizational types such as partnerships, alliances, and coalitions. Organizations within a network may have varying degrees of relationships (e.g., formal to informal, strong or weak) with other organizations in that network. Consequently, “inter-organizational ties” and “network ties” are used interchangeably. In this study, institutional ties, relationships, and connections refer to transactions between organizations operating as part of system in an institutional environment. I distinguish these transactions as information exchange (i.e., legal, political, procedural, fiscal, social) or resource exchange (i.e., money, labor, supplies, facilities).

10 By publicly-funded new LMIs I refer to One-Stop Career Centers legislated by the federal 1998 Workforce Investment Act. These publicly-funded new LMIs supplanted the public Employment Service which was a nationwide system of local employment offices established in 1933. The Employment Service did passive job-matching, had little connection to employment and training services, and focused on the least skilled jobseekers. In contrast, the One-Stops cultivate employer relationships, connect to the employment and training system by administering vouchers; and serve a broader population of jobseekers. Unlike the federal Employment Service which received most of its operating resources by administering unemployment benefits and had few legislated or funding ties to other organizations, the One-Stops are mandated to act as the institutional and funding hub for the local workforce development system. The public Employment Service was characterized by weak relations to jobseekers and employers and historically did not perform well for either job seekers or employers in terms of the quality of its information or its function as a public labor market intermediary. For indications of its poor performance, see Seavey and Kazis (1994), and Holzer (1996). For an historical and institutional explanation of its poor performance from a national perspective, see Weir (1992).
across the country—numbering 1,900 locations in 2003—affecting large numbers of workers and employers. They also encompass varied organizational types due to sponsorship by government, nonprofit, and commercial operators, suggesting that their institutional connections and activities extend throughout the state, market, and civil society sectors. Moreover, many career centers function as hybrid organizations that operate within the blurred boundaries of public and nonprofit entities. Related to their legislative mandate, career centers provide employment brokering services to the general public—anybody who walks in the door—as well as must provide targeted services to very disadvantaged job-seekers—people with employment barriers including welfare recipients and disabled people. Finally, more so than most other LMIs, career centers are directly connected to the institutional employment and training networks that are particularly important to the employment outcomes of disadvantaged workers (Herranz Jr. 2001).

Not only do most existing analyses tend to overlook publicly-funded LMIs, but they also overemphasize LMIs as single organizations mediating between jobseekers and employers thus neglect to fully account for institutional ties in the labor matching process.\textsuperscript{11} According to Wolf-Powers (2001, p.31),

\begin{quote}
    scholars and practitioners should avoid thinking of LMIs simply as the sponsors of programs and incorporate analysis of them as institutions, examining the sociological and historical literatures on craft and industrial unions, community colleges, community
\end{quote}

\textsuperscript{11} For example, Bernhardt, et. al. (2001) do not include One-Stops in their analysis of LMIs operating in the Silicon Valley and Milwaukee. However, they conclude that the demand-side strategies of LMIs are limited in changing firm employment practices and will require public policy intervention. In a companion paper focusing on job placement and career mobility, Benner, et. al. (2001) similarly do not include One-Stops in their analysis. However, they find that "individual LMIs provide some valuable services, but no single organization is able to provide the full range of services necessary to have a significant impact in building career mobility for a large sector of the labor market." They conclude that increased coordination of labor market intermediaries and tracking workers over time could contribute to an overall system of supported career mobility (Benner, et. al., 2001, pp. 24-25). These are key functions assigned to the One-Stop Career Center system as part of the Workforce Investment Act of 1998. In her study of non-profit LMIs in the telecommunications sectors in New York, Los Angeles, and San Francisco, Wolf-Powers (2001) similarly does not examine whether publicly-funded LMIs play a role.
development corporations and even public sector agencies. By looking at the missions, organizational structures and histories of institutions more closely, we may be able to account for their strengths and weaknesses.

The result of not accounting for such factors is an under-conceptualization of the role of LMIs within the institutional structure of the labor market. This makes the theoretical and policy implications of new LMIs both incomplete and indeterminate, particularly regarding the employment prospects of disadvantaged workers.

Institutional ties are especially important to the employment outcomes for disadvantaged workers. Compared to other workers, disadvantaged workers face skill and spatial mismatches, have less access to good job connections through social networks, and tend to have less access to education and training opportunities (Briggs 1998; Holzer 1996; Kasinitz and Rosenberg 1996; Montgomery 1992; Neckerman and Fernandez 1997; Pastor and Adams 1996; Wilson 1987). Consequently, such job-seekers tend to depend more on the organizations and services comprising the employment and training system and the institutional ties that connect the overall workforce development network (Harrison 1998; Molina 1999).

One-Stops provide appropriate subjects to study publicly-funded LMIs within an institutional structure because they are centrally embedded within a dense network of governmental, nonprofit, and private organizations involved in labor market and employment policy. In fact, the One-Stops are intended to be flexible organizations with the explicit purpose of developing and mediating the institutional connections of the local workforce development system. For example, the Boston One-Stops are not government agencies but independent non-profit entities that
receive public funds for the purpose of mediating between private employers, jobseekers, and workforce development institutions. Public policies direct One-Stops to change local labor market institutional arrangements to improve labor exchange, particularly for low-wage low-skilled workers. As a result, the One-Stops provide an excellent focal lens for better understanding the changing dynamics of local institutional reform.

Current research about publicly-funded LMIs is inadequate for several reasons. One reason that there has been little research to date on career careers is that they are relatively new. Many of the more than 1,900 career centers across the country were officially and formally organized in 2001 as result of the 1998 WIA legislation. Consequently, with the exception of Boston and several other “implementation” career centers that were formed in the mid-1990s, there has been little data available to examine career centers. Another reason that career centers are surprisingly under-researched considering their large numbers and prominent local institutional roles is related to conceptions of them derived from the legacy of their predecessor the Employment Service. Many researchers tend to under-emphasize career centers because the centers are assumed to operate similarly to Employment Service offices that were all administered via state governmental bureaucratic structures. In contrast, however, One-Stop Career Centers may be operated by single organizations or partnerships among city or state government departments, community based or regional nonprofits, and local or national for-profit commercial firms. As a

12 By “disadvantaged workers” I refer to those with low-skills, low-education, little work experience, or who may live in low-income neighborhoods.
13 As such, One-Stop Career Centers are not appropriately described by the literature on: 1) public administration and management (Borins 1998); 2) public-private partnerships (Brooks, Liebman and Schelling 1984); 3) or on re-inventing (also known as re-organizing) government (Osborne and Gaebler 1992). Other conceptions more appropriate to the One-Stops include “joint venture” or “network organization” (Powell 1990); or “heterarchy” that describe emergent organizations with interdependent relations, blurred private and public boundaries, flattened hierarchical internal coordination, and competing and coexisting value systems (Stark 2001).
result of this variability in organizational sponsorship and structure, career centers are more complex publicly-funded LMIs than former Employment Services offices. Furthermore, this organizational and institutional complexity poses a challenge for scholars and policymakers interested in understanding the operations and performance of new publicly-funded LMIs. To date, no framework has been offered to adequately conceptualize organizational diversity among the more than 1,900 career centers operating across the country since 2001. Consequently, most existing research on career centers tends to be more descriptive than analytical. This dissertation offers a theoretical framework to help explain career center variation in activities, adaptation, and performance.

**Three Research Questions**

To help address gaps in research about new publicly-funded LMIs, this study asks and answers three main research questions:

- What are the functional roles of career centers under varied operational sponsorship?
- How and to what extent do career centers change in relation to shifting policy and labor market conditions?
- How do career centers perform as labor market intermediaries and does this performance relate to differences in organizational processes and adaptability to changing policy and labor market conditions?

The first question is: what are the roles and functions of One-Stop Career Centers? Apart from their basic similarity to other LMIs as employment brokers between job-seeker and employers, little is known about the specific operations of career centers and whether these have any relationship to a career center’s role as hub within a local workforce development system. To answer this question, this study examines the organizational processes of career centers as a means to reveal the characteristics of their organizational management and activities, as well as the interaction between the two. A process examination enables an investigation of
organizational dynamics. Such an approach is especially necessary in an analysis of organizational and institutional change, which is a major focus of this dissertation. This study examines process along two dimensions: planning and practice. Planning refers to the set of organizational processes that include governance authority; managerial structure; administrative control; staffing and resource coordination; strategy development and enactment; information management, technology, and processing; and organizational feedback and learning. As proxies for these factors, this study focuses on three indications of organizational planning: governance (i.e., operator oversight, advisory board interactions), management coordination (i.e., staffing structure, Continuous Quality Improvement activities), and information processing (i.e., data management and analysis, information technology systems).

The second dimension of the process analysis—practice—refers to the set of organizational processes that include program design; service delivery mechanisms; substantive content of services; flows of services; and services-focused organizational network relationships (e.g., information and resource interactions and partnerships; tie weakness/strength; relationship formality). As proxies for these factors, this study focuses on three indicators of organizational practice: job-seeker services (i.e., categorical and universal service delivery; program design), employer services (i.e., free and fee-based services; customized services), and network activities (i.e., information or resource transactions; strength and recurrence of ties). Examining the three planning indicators and the three practice indicators yield an understanding of organizational processes that answer the question of career center roles and functions.
In addressing the question of career center operations, it is worth noting that more than 50 years of past research on publicly-funded LMIs—Employment Service offices—found widespread evidence of labor brokering activities characterized by passive services, ineffective matching, bureaucratic processes, focus on disadvantaged job-seekers, and weak connections to job-seekers and employers (Jacobson 1995; Weir 1992). Based on these studies, a plausible “null” hypothesis to the question of career center functions is that—like the Employment Service—career centers are bureaucratic, ineffective, passively connected to job-seekers and employers. However, in contrast to the Employment Services administered by state bureaucracies, career centers may be operated by a community-based organization, by a government agency, by a for-profit firm, or by combinations of these organizational types. Little is known about whether such differences in sponsorship influence planning or practice. In answering the question of career center functions, this study also asks the sub-question of whether these roles and functions are related to differences in organizational type.

To addressing the sub-question of whether organizational types are related to career center functions, this study develops a framework of organizational archetypes built upon the idea of three distinct “strategic orientations” that encompass the principal organizational types involved in operating career centers: “entrepreneurial,” “bureaucratic,” and “community.”14 This framework is a reformulation of three basic mechanisms of organizational control: markets (i.e.,

14 The notion of “strategic orientation” is consistent with research suggesting that there are patterns of organizational behavior, expression and common understanding (Louis 1985) that may also be interpreted as ideology (Van Maanen and Barley 1985) or strategy (Weick 1985). These patterns may be interpreted as cognitive schema that are derived from surface level indicators (e.g. language and behavioral norms, espoused values) and structural level indicators (e.g., decision-making process, internal coordination, formalization) (Martin 1992). Moreover, the different types of strategic orientation may be considered as metaphors (Morgan 1998) for the dominant form of control in some organizations. Identifying the main form of coordination in order to comprehend organizational performance in these organizations (Wilkins and Ouchi 1983).
“entrepreneurial”), bureaucracies (i.e., “bureaucratic”), and clans (i.e., “community”) (Wilkins and Ouchi 1983). In this strategic orientation framework, entrepreneurial refers to a shared orientation that is market-focused, opportunistic, and places high normative value on quid pro quo benefits; bureaucratic refers to a shared orientation that is hierarchically-focused, rule-driven, and places a high normative value on legal authority; and community refers to a shared orientation that is collective-oriented, relational, and places a high normative value on moral authority. This study finds that distinct strategic orientations among the career centers are related to their organizational processes. That is, the strategic and tactical choices made by career centers influence their planning and practice of labor market intermediary activities.

Investigating career centers’ planning and practice is relevant because such analysis yields insight about the antecedents and consequences of organizational adaptation.

Consequently, the second main research question is: to what extent do career centers change in relation to shifting institutional conditions? Most research about LMIs under-emphasizes their connections to changing institutional and policy context. Understanding this context is important because one purpose for examining new LMIs is to document labor market institutional change and innovation and the implications for public policy. And, although new LMIs are argued to be adaptive organizational responses to institutional change, few researchers have explicitly examined organizational dynamics and change among LMIs. Most LMI research tends to be static and ahistorical in its organizational analysis. Though describing the origins of LMIs, many studies emphasize cross-organizational comparisons during a one or two year time period. Moreover, many of these studies were conducted during the mid- to late 1990s—during relatively low levels of unemployment—when intermediaries tended to have higher levels of
leverage with employers. In some cases, “model” intermediaries diminished or disappeared following the economic downturn of 2001.\textsuperscript{15} There is little information yet available on how LMIs function during a weakened labor market, arguably a period when job-seekers need such intermediaries the most. Organizational change is especially relevant to career centers because publicly-funded LMIs are generally considered inflexible and non-adaptive, per the legacy of the Employment Service. Therefore, a plausible hypothesis about career centers is that they—like the Employment Service—are non-adaptive.

To answer the question of adaptation or non-adaptation among career centers, this dissertation examines whether their organizational processes changed relative to shifting labor market and institutional conditions. To answer this question, this study analyzes change among the six process indicators previously discussed. Regarding indications of organizational planning, this study investigates changes in operator governance, management coordination, and information processing. Regarding indications of organizational practice, this study investigates changes in job-seeker services, employer services, and organizational network relationships. More specifically, this study examines whether career centers with distinct strategic orientations experience varying adaptability of their organizational processes in relation to changing institutional and labor market conditions. That is, to what extent do career centers with different strategic orientation change in relation to a shifting institutional and labor market environment.

\textsuperscript{15} For example, an internet and membership-based intermediary examined by Benner (2000), disbanded in 2001 following the collapse of many “dot com” companies.
In answering the question of whether career centers are adaptive, this study focuses on organizational change during six years encompassing federal policy reform—welfare reform and workforce development reform—as well as a tightened and loosened labor market.

The historical analysis is formulated around three eras with distinctly associated environmental opportunities and challenges. The analysis of “Era 1”—corresponding to the period including 1996 and 1998—examines the initial conditions and start-up of the centers. The analysis of “Era 2”—corresponding to the two-year period of 1999 and 2000—examines the career centers during the era of welfare reform implementation and of a tightened labor market.\(^{16}\) The analysis of “Era 3”—corresponding to the two-year period of 2001 and 2002—examines the centers during the era of WIA implementation and a weakened labor market. Whether and how the career centers change in relation to these shifting conditions raises in relief the limits and possibilities of their respective organizational processes.

An understanding of career centers’ functions and adaptation certainly broadens existing conceptions of labor market intermediation. However, especially from a public policy perspective, it is also important to know more about the outcomes and performance of career centers. Therefore, the third main question of this study is: how do the variations in career center orientation and their responses to the changing policy and labor market environment relate to performance? Based on past research on the Employment Service that found poor performance in terms of placement rates and services to job-seekers and employers, it is plausible to hypothesize that career centers also exhibit weak outcomes in these regards. In answering this

\(^{16}\) Welfare reform refers to the implementation of Transitional Assistance for Needy Families (TANF) which replaced the former welfare program known as Aid to Families with Dependent Children (AFDC).
question, this study analyzes two dimensions of career center performance.\textsuperscript{17} One level of this analysis examines \textit{operational performance} based on a set of indicators related to the annual outcomes of labor exchange that includes job placement rates, number of job postings, and job-seeker education levels.\textsuperscript{18} This study uses placement rates as a primary indicator because it is the most reliable and consistent indicator collected since the Boston career centers began operating, and because it is the only performance benchmark available to compare the career centers with former Employment Service offices. Another level of analysis examines \textit{organizational performance} based on a qualitative investigation of indications of organizational learning, service innovation, and systemic robustness.\textsuperscript{19} Analyzed together, indications of operational and organizational performance provide a means to assess the career centers’ historical effectiveness during each of three time periods. As part of this longitudinal analysis, the career centers’ performance is compared and contrasted with one another. By examining the historical interaction between career centers’ strategic orientation and their planning, practice, and performance, this study is able to explore the public policy implications associated with career centers’ strategic orientation. Table 1 presents a matrix of the analytical framework used to

\textsuperscript{17} As of 2002, neither Boston nor Massachusetts had developed information systems to reliably and consistently collect career center data about wage rates, job tenure, or detailed job placement demographics. Massachusetts plans to implement such a system in 2004. As mandated by the US Department of Labor per the implementation of the Workforce Investment Act, Massachusetts (along with all other states) began issuing reports in 2000 on its WIA performance, but these reports focused on the relatively small numbers of WIA voucher recipients. Consequently, the annual documentation that serves as a main data source for this study is the most consistent and reliable data on career center activities and performance for the Boston career centers since they began operating in 1996.

\textsuperscript{18} When data are available, this study analyzes other relevant indicators such as number of employer accounts, job-seeker race/ethnicity and gender, sub-populations such as welfare recipients, or contract performance (i.e., job placements of welfare recipients).

\textsuperscript{19} Organizational learning refers to modifications made to organizational processes based on internal or external (i.e., environmental) feedback (Argyris and Schon 1978; Senge 1994). Service innovation refers to the development of services or products based on recombinant knowledge or capacity. Systemic robustness refers to the stability or growth of organizational processes relative to changing institutional and labor market conditions. In contrast to the other sets of indicators that rely upon annually-available quantitative data, this third dimension of performance is analyzed in the context of the career centers’ operations during each of the three eras, and their change from era to era. Moreover, information for this analysis is derived from the process indicators discussed previously.
answer the three research questions related to career center functions, adaptation, and performance.

Table 1: Analytical Matrix

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<tbody>
<tr>
<td>One-Stop Career Centers</td>
<td>Planning</td>
<td>i. governance; ii. management coordination; iii. information processing.</td>
<td>Chapter 3</td>
<td>Chapter 4</td>
<td>Chapter 5</td>
</tr>
<tr>
<td></td>
<td>Practice</td>
<td>i. job-seeker services; ii. employer services; iii. network activities.</td>
<td>Chapter 3</td>
<td>Chapter 4</td>
<td>Chapter 5</td>
</tr>
<tr>
<td></td>
<td>Performance</td>
<td>A. operational: i. job placement rates; ii. number of job postings; iii. jobseeker education levels; B. organizational: i. organizational learning; ii. service innovation; iii. systemic robustness</td>
<td>Chapter 3</td>
<td>Chapter 4</td>
<td>Chapter 5</td>
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This dissertation is structured to provide integrative analyses and answers to the three main research questions. As a context for answering the question of career center roles and functions, chapter two provides an institutional background for publicly-funded LMIs as well as a “strategic orientation” framework that theorizes each Boston career center as an archetypal “community,” “bureaucratic,” or “entrepreneurial” organization. This framework is the analytical lens used throughout the subsequent chapters to clarify and categorize the diverse sets of career center roles and functions, adaptation, and performance. To answer the question of career center adaptation, this study offers three data analysis chapters that each correspond to distinct eras of policy and labor market conditions. During each time period, the career centers are examined and contrasted regarding their different responses to changing policy and labor market environments.
As part of this historical investigation, the three data chapters also analyze the centers’ changing organizational processes and performance during the different eras. The final chapter provides a summary and synthetic analysis of the career centers’ functions, adaptation, and performance as well as a discussion of the public policy implications of this thesis.

**Research Approach: Multi-method Analysis**

This study is based on a multi-method approach combining qualitative and quantitative data that were analyzed to develop three comparative cases studies of One-Stop Career Centers (Miles and Huberman 1994; Yin 1994). Following Ragin (1987, p. 106), the “cases are treated as an interpretive combination of characteristics, not as arrays of sample variables.” Qualitative data was collected through three mechanisms. One method included semi-structured interviews—identified by “snowball sampling”—that lasted between one and two-and-one-half hours with the directors and staff of One-Stops, partner organizations, and allied organizations. Qualitative data were collected via 50 semi-structured interviews with representatives of the career centers, public agencies, nonprofit organizations, and private sector employers during 1998, 2000, and 2002. A second method was a textual analysis of annual organizational documentation assembled by the Boston Workforce Investment Board (WIB) as part of each One-Stop’s charter review process that includes strategic plans, program budgets, customer satisfaction surveys, employer focus groups, and monitoring reports by the WIB. A third method is participant observation in staff meetings of the One-Stops as well as in their sponsored career workshops, industry briefings, and job fairs. Quantitative data was collected from annual review

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20 Charter Review is a re-certification process for each One-Stop that is conducted every three years. The process is information intensive and includes documentation such as budgets, strategic plans, WIB monitoring reports, procedural flow charts, inter-agency memos, demographics, and job placement data. In addition to the Charter Review, the PIC conducts Annual Reviews that rely on similar information.
documentation reports as well as the One-Stop Career System's administrative information system that contains customer databases and placement data.

The investigation included three levels of inquiry: *descriptive*, *relational*, and *evaluative*. The descriptive inquiry involved analyzing the history, characteristics, and services of the One-Stops. The relational inquiry examined the organizational ties of the One-Stops in terms of 1) supply-side organizations (e.g., employment and training providers, public and nonprofit social services, public housing authority); 2) demand-side organizations (e.g., employers and employer associations); and 3) labor exchange organizations (e.g., temporary staffing agencies, job referral services). The evaluative inquiry included interpreting quantitative outcome data such as placement rates for different types of job-seekers, and qualitative data from employer and job-seeker focus groups.

**Research Setting: A Natural Experiment**

Boston provides an appropriate location for this study because it combines “new economy” attributes with an "old economy" industrial structure. Boston is not typical of other locales and so its characteristics can not necessarily be generalized. However, its economic patterns raise in relief and so provide insights into the changing nature of labor market institutions. The Boston One-Stop Career Centers (One-Stops) are particularly relevant because they were established in 1996, making them among the first such publicly-supported new LMIs in the country and, after several years of experience and maturation, provide rich sources of data for analysis.21 The Boston One-Stops are appropriate sites to study publicly-funded LMIs within an institutional
structure because they are centrally embedded within a dense network of governmental, nonprofit, and private organizations involved in Boston's labor market and employment policy environment. In fact, the One-Stops were created as new flexible organizations with the explicit purpose of developing and mediating the institutional connections of the local workforce development system. Moreover, the One-Stops were selected through a process encouraging competitive, distinctive, and innovative approaches while sharing four goals: universal access, customer choice, integrated services, and accountability. One consequence is that each One-Stop is a strategic venture partnership between different types of organizations that emphasize different institutional relationships. For example, The Work Place—operated through a partnership between an entrepreneurial non-profit (e.g., it offers many fee-based services) and the city agency designated to promote economic development—has most aggressively cultivated connections and services to employers. Boston Career Link—operated by three community based organizations—was embedded in dense networks of nonprofits serving specialized populations and communities. JobNet—operated by the Massachusetts Division of Employment and Training and New England’s largest nonprofit social services agency—maintained strong ties to public agencies providing services to the unemployed, welfare recipients, and publicly-assisted housing residents. These differences in organizational partnerships among the One-Stops provide rich and varied sets of institutional relationships for study. Consequently, the three

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21 The federal WIA One-Stop Career Center concept was informed by Massachusetts’ Boston One-Stop Career Centers, which received implementation grant funds from the Department of Labor in 1994 to develop the approach.  
22 One-Stops warrant examination because recent federal policy designates them the centerpieces of local workforce development systems across the country. Public policies direct One-Stops to change local labor market institutional arrangements to improve workforce development, particularly for low-wage low-skilled workers.  
23 The One-Stops are not government agencies but independent entities that receive public funds. As such, these organizations are not appropriately described by the literature on: 1) public administration (Borins 1998); 2) public-private partnerships (Brooks, Liebman and Schelling 1984); 3) re-inventing government (Osborne and Gaebler 1992); or 4) inter-governmental decision-making (Christensen 1999).
different Boston career centers provide a natural experiment to examine how their distinct strategic orientations influence their planning, practice, and performance. Due to the particularity of Boston’s institutional and labor market context, the this study’s findings regarding the specific organizational functions and performance of the three career centers are not generalizable to other locales or career centers. However, because the strategic orientation framework is stylized and based on organizational archetypes, the theoretical implications of this examination may be extended to other career centers and, to some extent, to other labor market intermediaries.

**Outline of Dissertation**

Chapter One provides a framework for analyzing the activities of the publicly-funded labor market intermediaries. The context is that economic restructuring, federal policy shifts, and evolving government-nonprofit relations are concurrent transforming processes that have increased the importance of publicly-funded intermediaries in the labor market. In order to understand these LMIs, an institutional and network approach is required. This is because publicly-funded LMIs function in political environments, have blurred government-nonprofit boundaries, and also serve disadvantaged job-seekers.

Chapter Two sets the federal, state, and local context for workforce development. This chapter provides an overview of the federal Employment Service, describes the Workforce Investment Act, and explains the competitive One-Stop system in Massachusetts and Boston. The Boston Workforce Investment Board is highlighted as an intermediary that oversees the One-Stop Career Centers as well as facilitates their adoption of reflective practice and learning organization.

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24 The private placement firm of Drake, Beam, and Morin was JobNet’s co-operator until it was replaced in early
approaches. This chapter also provides brief histories of the operators that run Boston’s career centers. This information is the foundation for the subsequent analysis linking the operators’ distinct histories and organizational attributes with the strategic orientation of each career center.

Chapter Three is first of three chapters that examines the career centers historically. This chapter reviews the start-up period of the centers that started in 1996 and ended in 1998. This chapter establishes the basic approach of each center to employment brokering. In this and the next two chapters, three dimensions are investigated. The first area is planning and includes issues related to operator governance, organizational management, strategic planning, and the use of information. The next area of analysis is practice and includes development and delivery of services, as well as network ties with other organizations involving information and resource transactions. A third domain involves outcomes indicators such as number of job-seekers placed in employment, placement rates, and populations served. The three dimensions of analysis are subsequently explored in the following two chapters. Chapter Four examines the career centers during the era of welfare reform implementation and of a tight labor market, a period approximately encompassing the years 1999 and 2000. Chapter Five investigates the centers during the era of WIA implementation and a weakened labor market, a period approximately encompassing the years 2001 and 2002.

Chapter Six provides an analysis of the three career centers focusing on the advantages and disadvantages of the centers’ strategic orientation on their planning, practice, and performance. This explores how reduced resources and mixed interests framed the institutional options

1999 by Action for Boston Community Development (ABCD).
available to the One-Stops, thus amplifying the consequences of the strategic decisions made. It also reviews the role of strategic orientation in organizational and systemic adaptation and discusses implications for research and policy. Finally, the chapter offers general principles for public policies aimed at improving the functions of publicly-funded labor market intermediaries specifically, and local institutional reform in general.

Context

Changing Labor Market Institutions

For several decades after World War II, the U.S. economy grew rapidly. During this time, labor productivity was high and many American workers were able to participate in the prosperity. From 1946 to 1973, average wages, adjusted for inflation, grew at 2 to 3 percent per year. Such rapid wage growth fueled upward mobility as many workers experienced large income gains during their careers (Levy 1998). Workers were able to benefit from the booming economy partly as a result of labor market institutions that supported relative stability in worker attachments to firms. Osterman (1999) describes the postwar institutional framework of the labor market as characterized by 1) implicit assumptions that firms and employees had long-term attachments to each other; 2) dominant images of internal labor markets; 3) wage setting practices that placed emphasis on internal equity in firms’ wage structure and external wage consistency among firms and industries (i.e. unions). On the whole these institutional arrangements emphasized stabilizing internal labor markets rather than facilitating job search and information exchange.
By the end of the 20th century, the postwar institutional framework had collapsed. It has been replaced with a labor market structure characterized by some of lowest and highest unemployment rates in more than 30 years and the highest levels of income inequality since the Depression. Along with tremendous economic growth and low unemployment, the new economy is characterized by new forms of work organization and changing labor market institutions (Herzenberg, Alic and Wial 1998; Osterman 1999). The associated transformation of relations between workers and employers towards more flexible and contingent arrangements has contributed to relatively stagnant wage gains, increasing income inequality, as well as declining job security, increased workplace-related stress, and difficulty in balancing work and family (Heldrich Center for Workforce Development 1999). One dimension of the current economic restructuring is higher mobility—both voluntary and involuntary job shifts—and the institutions that are helping workers increasingly maneuver through multiple-firm careers.

For example, temporary services are expanding in numbers and importance. Increases in the use temporary agencies are an indication of a more flexible, dynamic, contingent labor market. The number of temporaries employed by staffing companies tripled from 1984 to 1994 according to U.S. government statistics (Nollen 1996). Not only have flexible staffing arrangements

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25 There are several explanations for increased income inequality. Levy argues that the culprits are 1) slow wage growth since 1973; 2) upwards skill bias; 3) long-term to services; 4) loss of worker bargaining power (Levy 1998). Danziger and Gottschalk point to technological changes, globalization of markets, and other structural changes in the economy that created more demand for higher-skilled workers (Danziger and Gottschalk 1995).

26 Osterman (1999) suggests that the postwar labor market structure collapsed due to 1) increased international competition; 2) technological change due to computerization as well as due to organizational design; 3) increased influence of capital markets on management; 4) breakdown in internal labor markets; 5) decreased employment tenure; 6) changes in wage determination practices; 7) decreased union influence; and 8) changes in patterns of corporate control. He argues that these changes are increasing turbulence in the labor market. As evidence he cites falling job tenure, the rise of contingent work, and the growing industry of temporary staffing firms.

27 Danziger and Gottschalk (Danziger and Gottschalk 1995, p. 147) note that the number of employees in temporary staffing agencies increased sevenfold between 1972 and 1991 from about 200,000 to more than 1,400,000 but still
expanded in the 1990s, there is widespread use of flexible staffing arrangements among establishments of all sizes and across all industries (Houseman 1997; Houseman 1999). Some researchers suggest that temporary services have advantages such as 1) lowering worker and employer search costs; 2) decreasing transaction costs and improving the functioning of the “chaotic” and “inefficient” low-skill labor market; 3) giving workers multiple opportunities to develop skills; and 4) giving employers and workers more flexibility to choose job assignments. At the same time, temporary services have disadvantages such as 1) offering lower wages; 2) furnishing fewer and smaller fringe benefits that those provided by permanent employment or by temporary work covered by collective bargaining agreements; 3) providing little or no job security; 4) encouraging less human capital development (Mangum and Mangum 1986; Nollen 1996). Also, there is inconclusive evidence about the extent to which temporary workers are “promoted” to full time employment.28

There is more consensus on the emphasis that temporary firms place on information and the job-matching process. For example, Manpower Inc., the largest temporary help firm in the world, has developed sophisticated systems around their core business: quality and reliable data about information and workers. As a result, the company generates large volumes of detailed information that is used to help make each job match including information about temporary employees, available jobs, local labor markets and employer’s business needs (Seavey and Kazis

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28 In a survey of 2,189 temporary employees conducted by the National Association of Temporary Services, 38 percent reported being offered full-time jobs by the companies where they went on assignment (Nollen 1996).
The emphasis on information helps the company customize each job match to ensure a good fit between its customers: jobseekers and employers. Such an approach is in contrast to the bureaucratic, passive, automated job referral system of the Employment Service, which did not offer individualized service. Seavey and Kazis (1994) argue that the proven success of Manpower offers several lessons to public labor market intermediaries such as 1) focusing on quality and detailed labor matching information; 2) customizing services; 3) offering specialized computer training programs; and 4) effectively brokering information.

*Labor Market Institutions and Networks*

If competitiveness in the labor market is a function of skill qualifications as well as information and job search, then the quality and structure of information and job connections are likely to influence getting a job. There is considerable economic and sociological literature about how personal and institutional networks are used to obtain jobs (Briggs 1998; Granovetter 1995; Holzer 1996; Kasinitz and Rosenberg 1996; Montgomery 1992; Neckerman and Fernandez 1997). For example, in his classic study on recruitment and hiring, Granovetter found that job information traveled along a web of informal and sometimes circuitous paths among acquaintances. Having a wide array of these extended “weak” ties often produced more opportunities to learn of job openings—and lead to successful employment outcomes—than a denser set of “strong” ties. According to Granovetter, “the structure and dynamics of this network, though elusive and difficult to analyze, largely determine what information will reach a

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29 Seavey and Kazis (1994) note that Manpower invested more than $15 million in information technology to improve their skills assessment, training, job search, and referral systems.

30 Some researchers suggest that there is a potential disadvantage to minorities as a result of employer reliance on informal methods of recruitment (Falcon and Melendez 1999; Holzer 1996).
given person, and, to that extent, what possibilities will be open to him” (Granovetter 1995, p. 18).

Researchers have noted that job search is not just an individual effort. In addition to familial and friendship ties, a person’s social and institutional relationships also matter. People living in poor neighborhoods face extra challenges to find work due to social isolation, weak job networks, and local institutions that are often disconnected from the labor market (Wilson 1996). As a result, residents and whole communities drop from the information loop about job leads, necessary qualifications, and behavioral expectations. In time, even schools and job training programs in these areas can similarly become disconnected to the market and perpetuate secondary labor markets (Pastor and Adams 1996).

This suggests that to be competitive in the labor market, a job-seeker must have—in addition to employable skills—personal and institutional relationships that connect to employers. According to Molina (1999, p. 16), even if they have skills, some job seekers may be challenged by limited institutional relationships of organizations such as employment and job training programs:

In short, rather than a “free market” or level playing field where jobs go simply to the best qualified, the reality is that persons with contacts and relationships, and whose communities are served by educational and training institutions with close relationships with employers, are likely to be more competitive in pursuit of work.

**Institutional and Network Theories**

Increasing recognition of the institutional context of workforce development has resulted in a proliferation of initiatives and research around this issue in the 1990s. Corresponding theoretical
advances have been constrained, however, by an over-reliance on market-based models of firm alliances, a fragmented literature on inter-organizational relations, blurred nonprofit and government organizational boundaries, and the general atheoretical nature of network studies.

In recent years there have been several efforts to bridge the institutional divides acting as employment barriers for the disadvantaged. Across the country, public agencies, employers, unions, and community-based nonprofit organizations have increasingly developed regional networks to more effectively manage workforce development efforts connecting job seekers and employers (Harrison and Weiss 1998, Kazis 1998, Osterman 1999). Other case-study research has also documented institutional linkages across private, public, and non-governmental organizations such as multi-stakeholder comprehensive community building collaboratives (Pitt 1998), and interest-based regional alliances among government and nonprofit service providers (Wallis 1994). Even with the proliferation of such examples and associated case-study reports, existing theoretical analyses remain underdeveloped regarding networks of community-based organizations and government. According to Ferguson and Dickens (Ferguson and Dickens 1999, p. 590), “despite the importance of alliances, there are no standard frameworks in urban change or community development studies for guiding the analysis, design, implementation, or evaluation of alliance-building processes.”

One explanation for this is an over-reliance on market-based models of developing and managing business alliances that may not always extend to governmental and nonprofit alliances.

31 Another problem is that alliance tend to look at two-sector alliance and not three-sectors. For example, the Drucker Foundation's latest book, The Collaboration Challenge: How Nonprofits and Businesses Succeed Through
As Harrison and Weiss (1998) indicate in their book, *Workforce Development Networks*, many of the theories of organizational networks informing their research are derived from corporate strategy and regional economic development. For example, most research about strategic alliances focuses on inter-firm behavior from two perspectives. One view is concerned with firm behavior in terms of maximizing the resources contributed to the alliance while minimizing the risks from such involvement (Ring and Van de Ven 1992). The other strand of research generally emphasizes documenting the conditions for and the advantages of strategic alliances, such as helping firms to effectively manage networks, share information, and operate at scale (Fombrun 1992). These types of studies may provide general lessons and insights for public and nonprofit organizations, but they are limited in their applicability because firms differ from governmental and nonprofit organizations in important ways.

To begin with, differences between public and private sector organizations have been long discussed by organization and public administration theorists offering an array of typologies to classify the distinctions (Dahl and Lindblom 1953; Nutt 1999; Perry and Rainey 1988; Rainey, *Strategic Alliances* (2000) discusses how businesses can strengthen their bottom lines by partnering with nonprofit organizations -- and how nonprofits can use such partnerships to further their charitable work.

There is no consensus on precise definitions of strategic alliances. On one side of the discussion, some researchers argue that all kinds of inter-firm arrangements should be called strategic alliances (Borys and Jemison 1989; Forrest 1992; Lei and Solcum 1991; Murray Jr. and Mahon 1993). In this view, strategic alliance includes relationships such as joint ventures, equity investment, licensing, joint research and development arrangement, technology swap, and buyer-supplier relationship. On the other side of the discussion, some researchers adopt a restricted view of strategic alliances in which independent firms are tied to each other in a substantive manner, i.e., long-term, shared control, and continued contributions (Devlin and Bleackley 1988; Yoshino and Rangan 1995). In this narrower conception, strategic alliances include joint ventures, equity investment, joint research and development, and joint marketing. Furthermore, there is no central theory of strategic alliances. Instead, there are a variety of theories applied to strategic alliances including transaction cost economics (Williamson 1985), game theory (Parkhe 1993), exchange theory (Gulati 1995), strategic behavior model (Hagedoorn 1993), and resource and risk management (Das 1998).
In general, scholars find that public and nonprofit organizations behave differently than do private organizations due to their reliance on government funding, coercive operating rules, differing incentive structures, and regulatory and accountability procedures (Fogarty 1996; Meyer, Scott and Strang 1987; Perry and Rainey 1988). In addition, compared to the private sector, the public sector faces different challenges in strategic management such as policy ambiguity (versus stable goals such as growth, profitability, or market share), government openness (versus private decision making), and competing stakeholder interests (Ring and Perry 1985). Moreover, strategic alliances among commercial enterprises often arise from firm-level cost/benefit analyses and risk/reward calculations. In contrast, “strategic alliances” involving public organizations—and to a lesser extent, nonprofits—often develop as much by internal decision as by external coercion. Public and nonprofit organizations may form alliances to leverage expertise, reduce risk and costs, or respond to complex demand for services. However, public and nonprofit organizations may also obligatorily participate in alliances as a result of legislated mandates or governmental and philanthropic funding requirements. In these situations, the expected advantages of public and nonprofit alliances may be undermined due to shifting policy goals, conflicted interests, and constrained resources.

Complex relationships between government and nonprofit organization also challenge conventional theories of interorganizational relations. There are limitations to approaches that

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33 The most widely accepted categories of public-private differences are external/environmental (e.g., market versus politics), transactional (e.g., bargaining versus regulatory), and organizational processes (e.g., analytical versus influential decision making) (Nutt 1999; Nutt and Backoff 1993; Rainey 1989; Rainey, Backoff and Levine 1976).
deal generally with inter-organizational exchanges as well as limitations on approaches specifically addressing governmental and nonprofit relationships. Scott and Meyer (1991) identify three main inter-organizational analysis approaches that are analytically limited due to restrictive conceptualizations. Organizational set models tend to emphasize single focal organizations and their direct economic interdependencies with other organizations. This perspective directs attention away from the institutional structure and context within which the organization operates. Organizational population models tend to emphasize ecological competition among organizations characterized as having similar forms or functions. This approach tends to ignore the supportive relations and conditions under which organizations cooperate. Interorganizational field models tend to examine horizontal relationships among organizations not having formal authority over one another. This view overlooks vertical and extra-local linkages (e.g., local organizations influenced by state and federal agencies).

Galaskiewicz (1985, p. 298) reviewed the literature on interorganizational relations and found it “highly fragmented,” and argued that

“different theories are appropriate for explaining interorganizational relations in different arenas. Power dependency theory and theories of uncertainty reduction seemed most appropriate in explaining patterns of interorganizational relations in arenas of resource procurement/allocation. Theories of collective action were most appropriate in explaining interorganizational relations in political arenas.”

Galaskiewicz (1985, p. 300) also stated that “it is difficult to model organizational and interorganizational behavior when arenas intersect and overlap.” This lack of satisfactory models is especially problematic for understanding public and nonprofit organizational inter-

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34 Moreover, some researchers argue that there is behavioral variation among public and nonprofit organizations that corresponds to their dependence on funding, regulation, and degree of “publicness” (Bozeman and Bretschneider 1994; Perry and Rainey 1988).
relationships because such entities often operate at the intersection of overlapping political, civil, and commercial sectors.

Public policy implementation studies provide some relevant—though limited—research involving government and nonprofit relations. Much of this research resulted from the dramatic expansion in federal programs to improve the conditions of disadvantaged groups and the functioning of locally provided services. The sudden increase in programs spawned new government and nonprofit organizations as well as new and different relationships among existing organizations. Pressman and Wildavsky (1984) documented the “complexity of joint action” among independent and semiautonomous organizations in trying to implement one program to support public improvement projects and provide employment for minority workers. Downs (1967) wrote of “leakage of authority” as programs move down into agencies attempting to gain support of diverse officials with varying goals and interests. To this process Bardach (1977) added multiple constituencies and their interests. Marris and Rein (1982) discussed conflicting interests among difference levels of government, foundations, and community based organizations. Most of this research is pathologically oriented in that the studies emphasize the lack of coordination among different agencies often isolated from one another and following different policies. Many of these researchers observed that policies, programs, and agencies tend to be defined in limited, functionally differentiated terms. Pressman and Wildavsky (1984) called this the “sectoralization” of policies, and today is sometimes referred to as “silos. Moreover, many of these studies examined how far a program strays from original policy expectations. This research tends to overlook the mechanisms of local policy interpretation and adaptation as well
as the interaction of public and nonprofit organizations in their attempts to accommodate public policy implementation to local circumstances.

Theories of implementation and inter-organizational relations are often under-conceptualized because not only do interorganizational relations often cross arenas, but the organizational boundaries between government and nonprofits have also become blurred as they have become more interdependent. Recent studies have documented the extensive interdependence among nonprofit and government organizations resulting from all levels of government exponentially increasing the use of nonprofits to implement social policy since the 1960s (Boris and Steuerle 1999; Kramer 1998; Salamon and Elliott 2002). Part of this phenomenon is related to the increased privatization or “marketization” of government services. Proponents of privatization hold up the market model as an example of how government should conduct its business to improve efficiency, cost-effectiveness, and accountability (Savas 1987; Savas 2000). Opponents, acknowledging the metaphorical power of the market, fault privatization on historical and empirical grounds (Henig 1995).

Salamon and Lund (1989) argue that the debate over the role of government overlooked a “technological” revolution in the scope of government action. This transformation includes many features of decentralization and privatization and is evidenced by the proliferation of tools now used by the public sector, such as grants, direct loans, loan guarantees, interest subsidies, contracting out, vouchers, tax expenditures, government corporations, and more in addition to direct action. A key feature of this transformation has been the development of an elaborate system of “third-party government” where the federal government operates through other
entities—states, cities, counties, banks, industrial corporations, hospitals, nonprofit organizations, and other nonfederal third parties. In the human service field, for example, government-funded services are delivered more through nonprofit organizations than through government agencies (Salamon 1993).

The increased level of interdependence between nonprofits and government is complicated by a wide range of interorganizational interactions. Government and nonprofit relations may be supplementary (nonprofits fulfilling demand for public goods left unsatisfied by government); complementary (nonprofits as partners, helping deliver goods/services largely financed by government), or adversarial (nonprofits seeking to influence government policies and programs, or government trying to modify nonprofit behavior) (Young 1999). As a result, conventional analytic distinctions of organizations as either nonprofit or government may be imprecise, and in some situations empirically incorrect when those organizational boundaries are blurred or veiled.

The diversity and complexity of nonprofit and government relations were reframed by many researchers in the 1990s under the encompassing notion of networks (Kickert, Klijn and Koppenjam 1997). However, policy networks have also been criticized as evidence of the incompetence of government because they are said to refer to “non-transparent and impenetrable structures of interest representation which prevent necessary innovations in public policy and form a threat to the effectiveness, efficiency, and democratic legitimization of the public sector” (Marsh and Rhodes 1992, p. 9).
Another way to understand the complex relationships between government and nonprofit organizations is to examine the institutional setting in which they occur. An institutionalist framework provides an analytic perspective that includes the constellation of organizational participants as well as their formal and informal relationships, rules, and tacit norms (Powell and DiMaggio 1991). However, this research tends to use the institutional field as the unit of analysis and to under-emphasize the role of power (Perrow 1986) and politics (Christensen 1999) that are important elements of urban policy environments. Political scientists have used institutionalist frameworks to explain processes such as governmental resilience (Clemens and Cook 1999) and public sector innovation (Thelen 1999). However, this research shares similar disadvantages as other studies investigating inter-governmental decision-making (Christensen 1999) or public agency collaborations (Bardach 1998), in that they tend to over-emphasize government organizations in the analysis. Expanding the field of organizational actors to include nonprofits and for-profit organizations would provide a more complete institutional

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35 “The new institutionalism in organization theory and sociology comprises a rejection of rational-actor models, an interest in institutions as independent variables, a turn toward cognitive and cultural explanations, and an interest in properties of supraindividual units of analysis that cannot be reduced to aggregations or direct consequences of individuals’ attributes or motives” (Powell and DiMaggio 1991, p. 8). Institutionalist theorists argue that customs, social norms, or legal procedures constrain choices, autonomy, and flexibility. “Old institutionalists” like Selznick (1949) highlighted influence patterns, coalitions and cliques, and particularistic elements to show how informal frameworks deviated and constrained formal structure, and demonstrated subversion of an organization’s rational mission by parochial interests.

36 Pfeffer (1992) summarizes the literature on power noting that there is evidence that power affects outcomes ranging from allocating budgets to organizational subunits to designing formal organizational structures. However, it is important to distinguish between political activity and administrative action as well as to distinguish between outcomes produced by social power and outcomes occurring by chance, precedent, or the application of rational decision procedures.

37 The “old” institutionalist school of organizational sociology was more concerned with the form and functioning of institutions as viewed from the analytical perspective of organizations (Selznick 1949).

38 For other literature on governmental organization related to: public administration and management, see Borins (1998); public-private partnerships, see Brooks, Liebman, and Schelling (1984); re-inventing (also known as re-organizing) government, see Osborne and Gaebler (1992); privatization of government services, see Savas (1987); inter-governmental organizations and intra-governmental policy, see Christensen (1999); nonprofits as delivery mechanisms of government services, see Salamon (1989); nonprofits as supplementary or complementary government service providers, see Boris and Steurle (Boris and Steuerle 1999).
analysis of a complex, multi-stakeholder policy environment such as a workforce development system.

Taking a system-level view of workforce development is not new. Previous research has discussed the appropriateness and challenge to such a view. According to Grubb and McDonnell (1991, p. v):

the system of education and training institutions that has emerged in response to government funding has become increasingly complex and variegated. Yet because this system has been unplanned and largely uncoordinated, developing incrementally in response to constituent pressures and the inadequacies of past policies, it is in fact a collection of separate institutions, with varied motives and funding incentives and without the integration that the term ‘system’ implies. For this reason, vocational education and job training is not commonly thought of as a system; rather, policymakers, practitioners, and analysts have tended to concentrate on one institution or program at a time, with those studying vocational education, for example, isolated from those concerned with JTPA or welfare programs…This report finds that not only do these institutions show substantial regularities in their interactions, in some communities at least, they are quite interdependent, with a clear division of labor.

The conceptual challenges of examining the interorganizational complexities of workforce development systems are shared across a spectrum of substantive areas such as regional health services, and land, resource, and environmental management. The 1990s saw a proliferation of theoretical and empirical studies from different disciplines examining interdependent organizational relations. Though these relations were not new, many analysts suggested that the existence and importance of such relations had increased in recent times due to societal and organizational shifts resulting from the transformation to an information-based economy. To describe the emergent inter-connected organizational landscape, researchers have offered such theories as “generalized political exchange” (Marin 1990a; Marin 1990b), “advocacy coalition framework” (Sabatier and Jenkins-Smith 1993), “systems thinking” (Senge 1994),
“collaborative planning” (Healey 1997), “communicative planning” (Innes and Booher 1999), and “complex adaptive systems” (Comfort and Kapucu 2002). 39

While there is no single network theory, there is a broad assortment of research employing network concepts, terms, and methods to describe networks of people, of organizations, and of societies. 40 Most network studies, however, tend to be atheoretical, ahistorical, and formalistic in that they over-emphasize structural descriptions (Monge and Contractor 2003). However, network approaches suggest alternative formulations of organizational coordination relevant to the issue of blurred boundaries between government and nonprofit organizations. For example, Powell (1990) makes high-contrast distinctions of network forms of coordination as independent from markets and bureaucratic forms. Stark (2001) posits a hybrid “heterarchic” organization characterized by distributed authority, interdependent relations, blurred private and public boundaries, flattened hierarchical internal coordination, and competing and coexisting value systems.

According to some researchers, such network organizations have advantages over formal hierarchical and bureaucratic organizational forms. In their literature review of corporate networks studies, Podolny and Page (1998, p.57) found evidence that network forms of organization "foster learning, represent a mechanism for the attainment of status or legitimacy, 

39 Complex adaptive systems refer to interacting agencies and jurisdictions that are argued to adapt more appropriately to internal and external threats to a given region than separate, uncoordinated efforts by agencies acting independently to meet the same challenges. Adaptive systems depend upon an information infrastructure that has sufficient structure to hold and exchange information, but sufficient flexibility to adapt to the changing conditions. See Comfort and Kapucu (2002).

40 For an overview of individual and organizational network approaches, see Nohria and Eccles (1992). For an integrative view of individual, organizational, technological, and societal networks, see Castells (Castells 2000). For an argument that patterned networks operate in physics, biology, society, and the economy, see Barabasi (2002).
provide a variety of economic benefits, facilitate the management of resource dependencies, and provide considerable autonomy for employees." In general, network theorists such as Powell (1990) and Uzzi (1996) describe network forms as facilitating 1) knowledge exchange among a labor force, 2) speed and flexibility, and 3) reciprocal and repeated interactions of trust. When present, these allow networks to foster collaborative agreements that reduce risks associated with uncertainty, minimize transaction costs, and support an equilibrium exchange. However, less research has explored negative dimensions and costs associated with networks.

Although most network research has occurred in market settings, there has also been some recent research examining network advantages in community based and workforce development settings. In his literature review of studies of nonprofit community-based organization networks, Cordero-Guzman (2001) found that successful networks provide substantial additional services to residents and increased resources for organizations. However, such networks require significant amounts of time, effort, and resources to design, develop, and maintain. He also reviewed the role of community-based organization network in workforce development and found that they have played five key roles: 1) providing program development, funding, and management; 2) stimulating the creation of networks with organizational actors inside and outside the community; 3) facilitating information gathering and analysis on program processes, interventions, and outcomes; 4) serving as job-matching service between employers and residents; and 5) advocating for community residents. A growing body of research suggests that

41 In their literature review of social service networks involving community-based organizations, Mattessich and Monsey (1992) distinguish between collaboration (formal relationship), coordination (informal relationship), and cooperation (project-specific relationships). They identify multiple factors related to successful collaborations. Keyes et al. (1996) suggest that the successful operation of nonprofit community development corporations depend institutional support networks.
network arrangements are increasingly key forms of organization for emergent labor market institutions (Harrison 1998). However, there has been relatively little focused attention on the role of managerial and policy drivers such as strategy and practice on the development and effectiveness of workforce networks.

One of the findings of this study is that current transformations are increasing the importance of strategy, adaptive learning, and networks in workforce development. One result of these changes is the emerging importance of network forms of coordination by hybrid government/nonprofit organizations. By highlighting organizations that are dynamically embedded in information and resource networks, this study shows that there are emergent patterns to network formation and participation by government, nonprofits and private employers in the evolving workforce development institutional environment. Moreover, the study finds that such links and patterns of involvement have implications for labor exchange and for employment outcomes. One challenge involves managing hybrid government/nonprofit/market network forms of organization. Different strategies reflect values that may alternatively be supplemental, complementary, and adversarial. Over time, these values may coalesce or conflict leading to several organizational and network outcome options such as stagnation, homeostasis [static or dynamic equilibrium], or adaptation.

**Summary**

This chapter provided a framework for analyzing the activities of publicly-funded labor market intermediaries. The context is that economic restructuring, federal policy shifts, and evolving government-nonprofit relations are concurrent transforming processes that have increased the importance of publicly-funded intermediaries in the labor market. In order to understand these
LMIs, an institutional and network approach is required. This is because publicly-funded LMIs operate as part of workforce development networks—including blurred government-nonprofit boundaries—that bridge the institutional divides often separating disadvantaged job-seekers from employment opportunities. The next chapter reviews the federal, state, and local contexts of workforce development policy, and sets the stage for the emergence of career centers as intermediaries in workforce development networks.
CHAPTER TWO
Federal, State, and Local Workforce Policy

Overview

This chapter provides an overview of federal, state, and local institutions involved in providing employment, training, and brokering services in the United States. Since originating in the early 1900s, the evolving employment policy institutional landscape has grown more complex, interdependent, and locally determined. During the past several decades in particular, institutions and organizations educating, training, and matching people for employment have grown in number and complexity. Local networks of employment and job training services have grown through a succession of federal programs such as the Comprehensive Employment and Training Act (CETA), Job Training Partnership Act (JTPA), and the Workforce Investment Act (WIA). Federal and state funding targeting specific populations have expanded the range of publicly subsidized job training to include community-based organizations, unions, proprietary vocational schools, and private firms. Despite their growth, publicly-funded training programs have generated mixed success. And until recently, the U.S. Employment Service served as the government’s primary labor broker for almost sixty years, perennially providing essentially unchanging services with poor results.

The Workforce Investment Act (WIA) is the federal government’s most recent attempt to reform public workforce development and labor exchange initiatives. One-Stop Career Centers are WIA’s main vehicles for reform, emphasizing coordination of programs, customer choice, and universal access to services. Massachusetts’ One-Stop Career Center initiative, particularly
Boston’s innovative “competitive” One-Stop Career Centers, represent one of the nation’s most far-reaching experiments in restructuring local workforce development institutions.

While federal and state programs provide most of the funding and policy parameters of local workforce development systems, it is the local institutional context that provides the key to understanding system practices and performance. Evidence for this was provided by Grubb and McDonnell (1991) based on their national study of local vocational and training systems. First, the education and training system is experienced at the local level by both individuals seeking training and by firms searching for well-prepared employees. Second, the interdependencies among institutions and programs that create local systems are more the product of local factors than the result of federal and state policies. Federal and state policies help shape institutional interdependencies through federal coordination requirements and state-funding mechanisms, but the extent of coordination reflects local practices and initiatives that have little to do with federal and state requirements (Grubb, Brown, Kaufman, and Lederer, 1990). A third reason is the extensive variation across localities in the nature of the education and training systems. On the one hand, Grubb and McDonnell (1991) found little variation among cities in the basic activities of specific types of institutions. Community colleges performed relatively similar functions everywhere despite being distinctly local institutions, and variations among other institutions were similarly minor.42 On the other hand, Grubb and McDonnell (1991) found that particular types of training programs (e.g., short-term, intensive, entry-level) may be provided by different

42 Grubb and McDonnell (1991, p. 4) identified four patterns of institutional interaction: 1) a “standard model” where linkages among institutions are relatively well-articulated and inter-connected; 2) a “parallel systems model” where educational institutions are well-articulated but relatively independent of JTPA and welfare-to-work programs; 3) a system where community colleges are dominant, providing most forms of education and training, including noncredit adult education, short-term job training for JTPA and welfare clients, and customized training
types of organizations (e.g., community college, vocational school, community-based organization) in different cities.

As a result, understanding workforce development requires examining the institutional context of federal, state and local institutional actors and processes. At the same time, an in-depth study of a local workforce initiative such as Boston’s One-Stop Career Center system provides insights for comprehending the institutional dynamics in other locales. This does not suggest that the patterns and findings from the Boston experience may be generalized to other locations. Rather, since many institutions function similarly across different regions as Grubb and McDonnell suggest, then knowledge about local institutional context, relationships, and development may yield perspectives transferable and applicable to other regions. Subsequent chapters provide a six-year analysis of Boston’s One-Stop Career Centers. The resulting historical and institutional knowledge offers a foundation for other studies of One-Stop Career Centers. Boston’s early start and substantial experience with One-Stop Career Centers yields interesting perspectives and lessons for the more than 1,000 One-Stop Career Centers across the country that were mandated by WIA and that were formally implemented in July 2000.

for economic development initiatives; and 4) a locality of autonomous institutions where components of education and training system is relatively independent of other institutions.
Federal Policy and Labor Market Mediation

US Employment Service

Despite recognition among most economists and policy researchers that labor matching is a significant factor in how workers actually connect to jobs, this aspect of how labor markets function has historically received relatively little policy attention compared to the emphasis placed on skills training and human capital development. One reason for this may be that the principal agency traditionally responsible for local labor matching, the U.S. Employment Service (ES), has often been perceived as ineffectual. There is a general consensus among most researchers commenting on the ES that it has historically not performed well for either job seekers or employers in terms of the quality of its employment information and in terms of the effectiveness of its labor matching. As a consequence, the share of all job seekers and employers served by the ES gradually shrank to the point where clients consisted mainly of those most hard to place in jobs (Jacobson 1995). For example, the share of job seekers using the Employment Service dropped from 30 percent in 1978 to 21 percent a decade later, and the share of Employment Service referrals that were hired dropped from nearly 20 percent in the 1960s to 8 percent in the early 1970s where it has remained (Seavey and Kazis 1994). More recent evidence of ES’ poor reputation was provided by a national survey of employers’ recruitment methods that

43 The Employment Service was established in 1933 by the Wagner-Peyser Act to respond to Depression-era unemployment. It created a nation-wide system of local employment offices. Following the Social Security Act of 1935, the Employment Service also took on the task of administering state-run unemployment insurance programs. Main ES activities have included the Unemployment Insurance work test, job interview referral, counseling, skill and aptitude testing, job development (soliciting job vacancy listings from employers), job clubs, job search skills, job search workshops, and job fairs. Wagner-Peyser Act labor exchange services are delivered in three tiers: (1) self-service, (2) facilitated self-service, and (3) staff-assisted service.
found that employers used the Employment Services very little and that they considered
Employment Service information of low quality (Holzer 1996, pp. 51-52).44

One explanation for the historically poor performance of the ES is offered by Weir (1992, p. 81)
who argues in her book “The Boundaries of Employment Policy in the United States” that
political and institutional factors contributed to under-emphasizing labor matching in favor of
programs with larger budgets and more political capital:

Because they were strongly dominated by officials responsible for administering
unemployment insurance, the employment services devoted little attention to job
placement. They functioned much more as passive labor exchanges than as the
aggressive screening and placement agencies that the advocates of labor market policy
envisioned. Moreover, to the extent that the employment services did connect workers
with jobs, they did so in a highly prejudicial manner. They were particularly remiss in
serving the “disadvantaged” and minority clients who were less attractive to employers.

Other researchers have observed that throughout its history, the ES was used as a vehicle for a
variety of “un-funded mandates” and programs. As a result, the ES had responsibility for many
and mixed services but did not have matching levels of funding and support. Although no formal
evaluation studies were ever conducted, a variety of studies have documented low to mixed
success regarding placement outcomes. At the same time, even with relatively poor performance,
some suggest that ES was cost effective for the services it did provide in terms of average cost
per placement. Overall, ES has had limited resources and limited success in moving people from
poverty and unemployment to better jobs.

Despite its mediocre to poor performance, the Employment Service has successfully resisted

44 Holzer (1996) found that employers most often found new employees by using informal methods (35-40 percent)
such as current employee referrals (25 percent) and acquaintances (10-15 percent) over newspaper advertising (25-
30 percent) and Employment Services (5 percent).
attempts to improve its operations or integrate it into comprehensive labor market policy.\textsuperscript{45}

More recently, some observers have suggested that the ES has been undergoing a major renewal as a consequence of the 1994 Worker Profiling and Reemployment Services (WPRS) system and the new Workforce Investment Act (WIA) of 1998 (Eberts and O’Leary 1997; O’Leary and Straits 2000).\textsuperscript{46} Even with such optimism, the ES has yet to overcome other consequences of its long-lasting legacy of ineffectual performance. As suggested by Weir (1992), popular perceptions of ES’ failure fueled political interests that helped shape the institutional context in which other public labor market programs such as job training programs were unlikely to deliver on ambitious policy goals such as reducing poverty. The result has been a widespread perception that similar government interventions in the labor market perform poorly.\textsuperscript{47} Indeed, as the next section describes, federal employment and training programs were often developed incrementally, in fits and starts, as political compromises, with limited resources, yet with high expectations for addressing large-scale labor market and institutional challenges. Predictably, like the Employment Service, these employment and training programs could be cast as failures by political foes and as “mixed successes” by political friends.

\textsuperscript{45} According to Weir (1992, p.81), part of its independence is due to being funded from employer contributions to the Unemployment Trust Fund account, diminishing the administrative funding leverage of federal agencies. Weir goes on to suggest that the Employment Service has also been able to block reform because it developed political alliances with the national association Interstate Conference on Employment Security Agencies, which in turn derived its strength from state-level industrial development interests concerned with keeping the unemployment insurance tax rate low.

\textsuperscript{46} In the WPRS system, those UI beneficiaries who are most likely to exhaust UI are referred to ES services.

\textsuperscript{47} Weir argues that a series of political and intellectual battles over national employment policy in the 1960s ended with the defeat of an “active labor market policy” approach and with labor market policy being subsumed into the War on Poverty. As a result, government-supported job training programs became focused on remedial job training at the lowest end of the labor market and then became identified with welfare programs and African-American inner-city poverty (Weir 1992).
Long and Winding Road: Brief History of Publicly-funded Employment Training

Early Employment Related Legislation

The United States did not have major federal labor legislation until 1917, when Congress passed the Vocational Education Program in an attempt to deal with the influx of unskilled workers to urban areas. Soon after, in 1920, Congress passed the Vocational Rehabilitation Act to assist returning veterans and others in finding employment. Prior to these federal policies, Congress felt that both education and help for disadvantaged people were the responsibility of the states. The states, in turn, passed the responsibility to local communities. With little federal or state support, local communities and voluntary efforts had initiated much of the activity related to employment mediation. The economic crisis begun in 1929 led to unemployment for one quarter of the workforce and overwhelmed the resources of cities and states. In 1933, the Federal government implemented the Wagner-Peyser Act which set up the U.S. Employment Service and established a nation-wide system of employment offices.

The 1960s saw a series of federal employment and training legislation beginning with the 1962 Manpower Development and Training Act (MDTA) that aimed to retrain workers whose jobs had been eliminated by technological change and economic change. Then in 1963, increased youth unemployment led congress to pass the Vocational Education Act, which strengthened the vocational education system. Also in 1963, Congress passed the Economic Opportunity Act (EOA), umbrella legislation encompassing several categorical programs focused on the disadvantaged. The Emergency Employment Act (EEA) of 1971 created a massive public employment program which subsidized jobs in the public sector for disadvantaged individuals. The EEA also began the concept of decentralizing decision making authority closer to the local...
areas. As the programs expanded, so did duplication and overlap. Congress attempted to consolidate and decentralize programs through the next major revolution in job training in 1973, the Comprehensive Employment and Training Act or CETA.

**CETA: Strengths and Weaknesses of Consolidation and Decentralization**

More than previous programs, CETA represented an attempt to bring decision making down to local areas where the services were provided, and a need to consolidate programs under a single administrative structure. As a first effort to consolidate and coordinate the provision of services, CETA had some success, though critics pointed to several system weaknesses. Among its advantages, CETA consolidated duplicative job training programs, emphasized decentralization, permitted program design flexibility to meet local needs, and emphasized local coordination and linkages to avoid duplication with other human resource agencies. Among its weaknesses, CETA developed regulations that became rigid and reduced flexibility, recreated "categorical" separations by adding components to fit special needs; generated negative publicity due to abuse of the Public Service Employment program, and lacked a strong state role to help coordinate and advocate state-local relationships.

**JTPA: Creating the State/Local System**

While CETA was aimed at consolidation, the Job Training Partnership Act (JTPA) of 1982 was an effort to give state and local communities increased responsibility for program design and operation. State Governors provided program oversight while local partnerships between business and community in the form of Private Industry Councils (PIC’s) designed and operated programs at the local level. In this way, States interpreted the law and applied its principles
within the state with guidance from the federal government while local programs enjoyed considerable autonomy with regard to actual program operations.

Among its strengths, JTPA increased local flexibility in program design and service provision, decentralized program development to the State and local level, enhanced community involvement through PICs, and strengthened State role and resources that provided consistency within the State while allowing local diversity. However, JTPA also had some weaknesses such as reducing inflexibility and innovation, involving PICS so closely in operating programs that it reduced their objectivity and ability to provide oversight, and encouraging high variation in levels of coordination and integration.

**Mixed Results among Employment and Training Programs**

Eventually, reformers began calling for modifications to JTPA to address its institutional weaknesses and to create an integrated and seamless system accessible to users via “one-stop shopping.” In addition to improved coordination, there were several other factors that contributed to efforts to once again restructure federal employment training policy. Chief among these was a growing body of evidence that job training programs were not producing the expected results. Though there has been a wide variability in job training programs and their outcomes, the general research consensus was that they have performed modestly—with some small earning gains—but that they have not led to long-term economic self-sufficiency or reductions in poverty. For example, the Department of Labor commissioned a large-scale, long-term
evaluation study of JTPA that found modest (though statistically significant) earnings increases that exceeded training costs.\textsuperscript{48}

In his review of job training evaluation studies, LaLonde (1995) states that the best summary of the evidence about the impact of past programs is that “we got what we paid for.” According to LaLonde, public sector investments in training were exceedingly modest compared to the magnitude of the skill deficiencies that policymakers tried to address. Not surprisingly, modest investments usually yielded modest gains—too small to have much effect on poverty rates. The Department of Labor (DOL) found similar mixed results in the first comprehensive review of one-hundred evaluation studies of employment, training, and education programs for youth, disadvantaged adults, and dislocated workers (US Department of Labor 1995).\textsuperscript{49} However, of all the approaches assessed, the DOL found that job search assistance was found to have positive effects for nearly every population and was one of the most cost-effective and inexpensive. Grubb (1995) summarized his review of employment training evaluations as “small programs with small effects.” By the mid 1990s there was a substantial body of research painting a mixed but generally discouraging portrait of the effectiveness of workforce programs.

\textsuperscript{48} Researchers examined 16,000 applicants to JTPA programs—in 16 locations over a 18 month period—that were divided into a “treatment” group that received training services and a “control” group that did not receive services. Adult women trainees had a 7.2 percent earnings increase compared to women who did not receive training, while men experienced an 2.8 percent increase. JTPA training has no statistical effect on the earnings or employment of youth. See (Bloom et al. 1993).

\textsuperscript{49} Overall, the DOL found mixed results among mixed populations. Among its findings were that 1) short-term classroom training had mixed results but was mostly not successful; 2) long-term classroom training had better results overall than short-term training; 3) subsidized employment had modest effects but was very successful for single-mothers receiving public assistance; 4) some populations had larger net impacts; 5) where they existed, positive gains in employment or wages were modest (US Department of Labor 1995). Note that meta-evaluation studies such as the ones conducted by LaLonde (1995) and the DOL provide a means to assess general program outcomes. However, though they do not address the underlying evaluation issues of program comparability, implementation variability, participant selection criteria, data collection, and measurement issues noted by evaluation researchers (Gueron et al. 1991).
**Systemic and Political Issues**

As labor market and institutional conditions changed, policy discussions about training shifted from the addressing the particular needs of disadvantaged individuals to restructuring training to accommodate the increasing and continuing training requirements of workers in the “new economy.” In contrast to prior legislation emphasizing training for particular disadvantaged individuals, efforts to revise federal employment policy emphasized addressing the training needs of a broader population through a “universal” approach. However, much of the constellation of training providers that evolved via CETA and JTPA tended to focus on specialized, usually disadvantaged populations. Many of the previous debates about training policy swung between whether employers or training providers should have greater influence in developing an orientation for services. That is, part of the discussion involved questions of the appropriate ways to balance and coordinate the various stakeholders. As Donahue (2000, page 13) describes,

> Whether federal, state, or local government takes the lead on the public-sector side, workforce investment involves at least three other players: training providers, employers, and individuals themselves…In practice, debates on the focus and structure of training programs always turn on questions of balance—how much, and how, to incorporate the interests of and the information commanded by each party.

In the early 1990s, the debate about reforming federal training policy shifted from emphasizing providers or employers to focusing on individuals. Several issues propelled this redirection. Many policymakers were frustrated with the JTPA status quo as being too fragmented, too bureaucratic, and felt that training providers were unlikely to be efficient and accountable without competition. To remedy this situation, two forces were recommended that would spur effectiveness, improve services, and foster coordination. The main key element involved

empowering individuals with purchasing power and information and allowing them to choose
among providers. The second factor was supporting individual choice with up-to-date
information technology that provided individuals with better data about available jobs and skill-
demands as well as a range of alternative training providers and their performance. According to
Donahue (2000, p. 14), there was considerable skepticism about these ideas in Congress:

Many legislators were reluctant to see special programs for military veterans, or workers
who lost their jobs due to new trade agreements, or the disabled, or laid-off timber
workers, or ex-offenders, or Native Americans subsumed into a single system. While
some were motivated by simple turf-consciousness, many were honestly convinced that
the disadvantaged would inevitably be short-changed in any universal training system
grounded to market principles.

The Democratic Clinton Administration and a Republican Congress wrangled over the
legislation for several years before agreeing on a “messy compromise, shaped by the themes of
devolution and consumer choice as well as the inertia of the status quo and the commingling of
job training and welfare-reform agendas…[encouraging] a larger role for choice, competition,
consolidation, and consumer information” (Donahue, Lynch and Whitehead 2000, page 15).

Workforce Investment Act: “A Messy Compromise”

Signed into law on August 7, 1998, the Workforce Investment Act (WIA) represented a change
from previous federal employment policies along several dimensions. Implemented on July 1,
2000, WIA provided increased flexibility for state and local officials to establish broad-based
labor market systems using federal job training funds for adults, dislocated workers and youth.
One purpose of the legislation was to create a streamlined system from more than 70 federal job-
related programs. The law mandated coordination among a range of federal job training
programs, including the Employment Service, adult education and literacy programs, welfare-to-
work, vocational education and vocational rehabilitation. WIA’s goal was to provide workforce
development services to employers and workers through a universally accessible, information-
driven, one-stop career center system. State and local Workforce Investment Boards were instructed to have majority employer membership in the belief that the business community could help steer local workforce development systems to more effectively and efficiently improve labor market functioning. WIA’s emphasis on private sector influence extended beyond management to the actual delivery of services. It encouraged private training providers rather than state-sponsored programs.

Key features of WIA are distinctly different from JTPA. In contrast to JTPA and previous federal employment programs that focused on the training needs of workers, WIA aims to serve both job-seekers and employers. Instead of JTPA’s federal mandates, WIA and the US Department of Labor (USDOL) provide state and local WIBs with extensive “local discretionary authority” to determine the kinds of services to provided and the extent to which particular groups of individuals will be targeted. Unlike JTPA, WIA emphasizes coordination of services rather than consolidation of funds into “block grants.” In the one-stop delivery system, many partners are required to coordinate in creative ways to achieve the performance-driven goals mandated in the legislation. Moreover, WIA promotes “universal” access to all job-seekers instead of focusing on particular groups of job-seekers that may be eligible for special categories of government employment and training funds. And, unlike JTPA, which continued until changed, WIA has a five-year sunset provision that requires reauthorization. State and local plans are encouraged to undergo ongoing modification.

Federal employment and training programs include an array of services usually targeted to individuals meeting federal eligibility requirements for specialized categories. The terms
“categorical services,” “categorical programs,” and “categorical system” are often interchangeably used to describe complex, bureaucratic programmatic and funding structures. There are more than 100 federal and state employment and training programs.

**WIA’s Structure: Workforce Investment Boards and One-Stop Career Centers**

There are three main organizations authorized by WIA to plan and implement the new workforce development system: the State Workforce Investment Board (SWIB), Local Workforce Investment Board (LWIB), and One-Stop Career Centers. WIA requires that each governor establish a SWIB that replaces the State Private Investment Council or Human Resource Investment Council. Membership must meet federal guidelines, with 51 percent representing business.\(^5^0\)

Local WIBs replace local Private Investment Councils and are precluded from operating programs so that they operate only as policy setting groups. Local WIBs provide strategic planning, policy development and oversight of the local workforce investment system. Members are appointed by the chief elected official or mayor, and like the state WIB, the local WIBs require 51 percent business membership.\(^5^1\) A local WIB has jurisdiction over a Workforce

\(^{50}\) Federally mandated SWIB members include the Governor; two members of each chamber of the State legislature appointed by the presiding officer of each such chamber; representatives of business in the State (such representatives must comprise a majority of the members of the board and the chairperson must be elected from among this group); representatives of labor organizations, who have been nominated by State labor federations; representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities (e.g. chief executive officers of community colleges and community based organizations within the state); local chief elected officials; lead State agency official responsible for carrying out "one-stop" operations (or, in any case where there is no such official responsibility, a state official with expertise relating to such operations); other representatives and State agency officials as the Governor may designate (e.g. State agency officials responsible for economic and juvenile justice programs in the State).

\(^{51}\) At a minimum, a local WIBs members include: representatives of business in the local area (such representatives will comprise a majority of the board and the chairperson will be elected from among this group); representatives of labor organizations nominated by local labor federations; representatives of local educational entities (e.g. local
Investment Area, an administrative region. A Workforce Investment Area is effectively a name change for the Service Delivery Area (SDA), a term used under JTPA.

One-Stop Career Centers are the foundation and the hub for the delivery of services in the local workforce system. The state WIB sets the criteria for the one-stop system while the local WIB selects, oversees, and monitors the one-stop operators. In selecting a one-stop operator, local boards may choose from a range of eligible organizations including non-profit entity, government agency, business organization (e.g. Chamber of Commerce), private-for-profit entity, Employment Service, or post-secondary institution. One-stop operators enter into a Memorandum of Understanding (MOU) with the local WIB and are formally certified. The MOU between the WIB and each One-Stop operator and partner specifies the financial and service expectations of the WIB and any additional agreements. There can be "umbrella" MOUs or individual MOUs between the local WIB and each partner, and any number of other formats. The WIB signs a MOU with each of the 19 mandatory partners (and any optional partners) specifying the funds to be allocated and the services to be delivered.

One-Stops are the entry point for any person seeking job training or employment services throughout the state. The One-Stop concept replaces the previous public system of services

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52 A regional designation is either requested by local officials or designated by the Governor. Regions with a population of 500,000 or more are automatically designated as local workforce investment areas. States can request single area designation, in which case the state board carries out the duties of the local board.

53 In Boston, the WIB has MOUs with funding agencies and contracts with career centers.
where an individual visited different state agencies to apply for different services. Under the One-Stop system, individuals access all their employment and training needs at one location. Currently, while access is coordinated, funding itself is not integrated. "One-stop partners” make available their “categorical” programs through the One-Stop Career Centers. These programs and services may include adult, dislocated worker and youth programs funded under the WIA, the Employment Service, adult education, vocational education, vocational rehabilitation, welfare-to-work, TAA and NAFTA-TAA, veterans programs, HUD employment and training programs as well as information on filing for Unemployment Insurance.

One-Stop Career Center Services

One-stop centers provide access to three levels of services: core, intensive, and training services. Any worker (employed or unemployed) can receive core services which include assessment, counseling, job search and placement assistance as well as information on the labor market and training providers. Workers who do not find jobs, or who are in need of further assistance to maintain self-sufficiency, can receive intensive services and then training services. Each WIB determines the percentage of their overall budget to allocate to each level of service.

Level I core services provided at all One-Stops cover a range of services such as:

- intake and orientation to One-Stop
- eligibility determination
- initial assessment of skill and abilities
- access to job vacancy listings
- job search and placement assistance
- access to information on job skills requirements
- information on providers of vocational rehabilitation activities
- access to list of eligible training providers
- UI filing information
- information on availability of supportive services
Level II intensive services are available to adults and dislocated workers who have completed one Core Service and are still unable to gain employment or who are employed and have been determined in need of services to get a better job in order to gain self-sufficiency. Intensive Services include individual career planning, resume preparation, job clubs, career counseling, internships, and comprehensive assessments. Basic education, ESL, and basic computer literacy are also sometimes considered Intensive Services.

Level III training services are available to under-employed and unemployed adults and dislocated workers who have completed one Intensive Service and still cannot obtain employment leading to self-sufficiency. To access training, someone must demonstrate he or she possesses the necessary skills to complete a training program, select a training program that is linked to job vacancies in the area, demonstrate an inability to get Federal Pell Grants or any other financial assistance, and meet the state and local priority system requirements. Most adult and dislocated worker training, with some exceptions, must be provided through "individual training accounts" (ITAs). The exceptions include on-the-job training, customized training, training provided to special populations by community-based organizations and areas having insufficient eligible providers. Vouchers can only be used for training with certified training providers. Employers and unions can receive contracts to provide OJT or customized training to new workers or existing workers who need to upgrade their skills in order to retain self-sufficiency.
Massachusetts’ Leading Wedge of Policy Reform: One-Stop Career Centers

Fixing a Broken System

Boston's One Stop Career Center system developed partly in response to criticisms that many government workforce development programs were uncoordinated and ineffective. For example, at the time the Career Centers were established there were about 150 federally funded programs to help people get jobs. Massachusetts had 45 of these programs administered in 5 different sectors and 12 state agencies. Each of the programs had its own rules, eligibility, and data collection requirements. Another criticism was that the programs seem to orient services to job seekers but not job-providers. For example, in some programs, employers were expected to fill out several-page forms indicating their interests and criteria for hiring workers. That is, employers were perceived by some job developers as an extension of the services provided to job-seekers, rather than as customers themselves. In addition, government-supported job referrals declined from 20 percent in 1985 to 3 percent in 1995, reflecting a system apparently out-of-touch with the needs of job-seekers and employers.

Another issue that prompted reconsideration of workforce development programs was the welfare reform debate that pervaded the early 1990s. Massachusetts was one of the first states to emphasize job-first strategies as central to its notion of welfare reform.54 Partly as a result of the dissatisfaction with existing workforce preparedness practices, Massachusetts established the

54 In 1995, the state adopted a program stressing work as a means to self-sufficiency and proclaimed that it “is among the boldest and most far-reaching welfare reform plans in the nation (DTA 1996a, 1-2).” Massachusetts’
Massachusetts Jobs Council (MJC) also known as the MassJobs Council—comprised of private sector representatives— in 1988 to link workforce development with economic development by mobilizing the private sector and integrating the employment service delivery system. In the early 1990s, the MassJobs Council was a high profile group because training was a high priority during the Commonwealth’s high unemployment. The MassJobs Council also exerted political influence through its co-chair Lieutenant Governor Paul Celluci who was also a friend and ally of its executive director. As a result, public agencies were more likely to collaborate with the MassJobs Council in its efforts to integrate elements of JTPA-related training programs with other public organizations such as the welfare department and the Massachusetts Rehabilitation Commission. Such initiatives brought the MassJobs Council national attention because they differed from recent experiences and patterns of Massachusetts and most other states. Buoyed by its successes in coordinating training programs, the MassJobs Council launched an effort to establish a network of One-Stop Career Centers.

“One-Stop Shopping”

Acknowledging the frustration and high transaction costs of both job-seekers and employers in accessing the bewildering array of employment and training services, the MassJobs Council proposed “one-stop shopping” for services that would eventually lead to formal consolidation of programs and funding. In 1993, the MassJobs Council convened representatives of training organizations discuss the proposal. Donahue et. al. (2000, page 40) noted that there were at least two different conceptions of what ‘one-stop’ centers would entail. One group saw it broadly, as the kickoff for a campaign of deep consolidation leading to an integrated workforce development system. The other group viewed the notion more...
narrowly—not systematic integration, but engineering more convenient access to what would remain separate programs.

These different ideas of the one-stop career centers would continue to persist throughout their development and periodically surface as implicit tensions and overt conflicts over their implementation. In the meantime, the MassJobs Council did not reconcile the different conceptions as it acted quickly to respond to a sudden opportunity for funds to test the idea from the Department of Labor. Massachusetts’ proposal to the DOL was influenced by David Osborne, who sat on the MassJob Council’s executive committee and was a well-known public reform expert and author of *Reinventing Government*. Osborne had also collaborated with Douglas Ross, the U.S. Assistant Secretary of Labor in charge of the Employment and Training Administration to develop the training reform idea—customer focus, competition, and consolidation—that underlay the one-stop initiative.

The one-stop career center idea was propelled by a general agreement to improve employment services. In addition to the employer-based MassJobs Council, the Massachusetts AFL-CIO did not oppose the one-stop initiative based on the governor’s commitment that no state employee would be laid off as a result of the competitive process. If necessary, Employment Service employees were to be given opportunities for transferring to unemployment services.55

In October 1994, the MassJobs Council and the state were awarded a $11.6 million federal Department of Labor (DOL) grant for implementation of a statewide One-Stop Career Center

55 Among the states awarded DOL early One-Stop Career Center grants, Massachusetts, Michigan, and Colorado permitted the delivery of Wagner Peyser Employment Services through counties or a privatized entity in addition to unionized ES employees. Final WIA regulations specified that Wagner Peyser Employment Services could only be delivered by unionized state “merit-staff employees.” However, as a result of political and legal challenges, final
system. The MassJobs Council was a policy board rather than an implementation agency and therefore experienced delays in implementing the One-Stop Career Center approach. Part of the delay was influenced by the employment and training community that felt threatened by the competitive process of the new one-stop approach. Prior to the one-stop career center initiative, the Commonwealth’s Department of Employment and Training held a virtual monopoly on employment services. The Employment Service was now expected to compete for funds to run career centers with services that it had administered for decades.

“Competitive” versus “Collaborative” Career Center Models

As part of Massachusetts’ competitive Career Center system model, the state’s Regional Employment Boards (REBs)—policy entities created by JTPA and principally advised by private sector representatives—were invited to submit proposals to be implementation sites or planning sites. The requests for proposals specified that the REBs must be organizationally and fiscally separate from the Service Delivery Areas (SDAs)—the local entities that had managed training, sometimes directly, under the JTPA. Four of 12 REBs in the state applying for the grants met this criteria and were immediately approved and permitted to solicit competitive bids for operating one-stop career centers: Boston, Hampden County, Metro North (Cambridge and areas to is north and west), and Berkshire County. At this stage, the REBs conducted the next level of competition in selecting career center operators. Notably, in both Hampden County and Berkshire County, the private for-profit firm of Employment and Training Institute, Inc. (ETI)—based in New Jersey—was selected as sole operator of a career center.56 These decisions sent

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WIA regulations granted specific exclusions to Massachusetts, Michigan, and Colorado to operate as “pilot programs” and allow non-union (i.e., “merit-based”) employees to deliver Wagner Peyser Employment Services. 56 In Hampden County, ETI, Inc. operated the FutureWorks career center in the city of Springfield. In Berkshire County, ETI, Inc. operated the Berkshire Works career center in the city of Pittsfield.
clear signals to the training providers across the state that a competitive process was being taken seriously. Fearing their programs and funding in peril, local training providers and statewide agencies encouraged the state legislature to file a measure blocking the one-stops on the basis of insufficient funding and merit. Although the governor vetoed the measure, stakeholders holding different ideas about the one-stop career center concept regrouped and eventually came to a compromise in 1997. Competition in choosing one-stop operators would no longer be required. Existing one-stops already selected through competitive bidding could continue, but new one-stops could choose between a “competitive model” or a “collaborative model.” In the collaborative approach, one-stop operators would not have to bid competitively. Operators such as SDAs or the Department of Employment and Training’ local Employment Service offices could be designated to administer one-stops either individually or collaboratively. Collaboration could range from co-location to integrated cooperation. As it turned out, subsequent one-stop operators were chosen using the collaborative model.

The political battle over one-stop career center “competitive models” versus “collaborative models” reflected divergent views among policymakers and practitioners in the employment and training community. According to Donahue (2000), one view was that the Commonwealth’s job training efforts did not need major restructuring because they already operated well and by some accounts were among the best performing in the country. Another view—held by ambitious reformers, was that “politics beats policy,” and that the “resistance to competition displayed by bureaucratic actors threatened by the early one-stops serves as a depressing reminder of how difficult it is to change the behavior of large organizations and how hard they will fight to defend their turf” (Donahue, Lynch and Whitehead 2000, page 44). Although the competitive model had
been contained and bounded within four regions, the battle of institutional restructuring persisted with a deeper competitive experiment in Boston.

**Boston’s Competitive One-Stop Career Center System**

**Boston PIC as Career Center Intermediary**

While the competitive model was used by the initial four REBs to select one-stop operators, the Boston REB took the competitive approach one step further. Because Boston was geographically larger than other regions and required multiple career centers, the Boston REB used competitive bidding to select operators to run three different career centers that would also compete against one another. In Boston, competition would be used in the selection of career center operators, as well as in the operation of career centers. Other REBs used competitive bidding to select who would operate the region’s only one-stop career center.

The REB overseeing this process in Boston was the Boston Private Industry Council (PIC), a quasi-governmental nonprofit agency that was involved in influencing and administering workforce development initiatives.\(^{57}\) PIC’s major program areas included welfare to work, school to career, incumbent worker skills improvement—especially entry-level health care, and the Boston Compact.\(^{58}\) The Boston WIB includes 35 leaders of the city’s private, public, and nonprofit communities. This board delegates certain decision-making authority to an 11 member board.

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\(^{57}\) The Boston PIC is a private, non-profit organization that functions as a quasi-governmental agency because it administers several federally funded workforce development programs. The Boston PIC has a general hierarchical structure but with many semi-independent projects and project staff, and is overseen by a board of directors comprised mostly of private sector representatives. The Boston PIC served as the inspiration and model for the federal JTPA legislation that authorized regional employment boards throughout the country.

\(^{58}\) The Boston Compact is a 1982 agreement among the Boston Public Schools, labor, business, and other parties to improve the success of students in the city's public school system.
Executive Committee that is comprised of a majority of employer representatives. The Executive Committee determines day-to-day policy and program directions for the Boston PIC and Boston’s WIB.

The relationship of the PIC to the Career Centers is best understood as that of an intermediary among the three Centers, as well as an intermediary between the Centers and the state offices concerned with employment and training. The PIC is a chartering agent that charges each Career Center an annual chartering fee of more than $75,000 for its services. According to the PIC Career Center Program Manager, “we charter the centers, but we are not the lead agency.” As a result, it fills a complex multi-functional role as contracts overseer, information broker, facilitator, ombudsman, and monitor for each of the Centers. Included among the services provided by the PIC are:

- policy and information coordination among centers;
- technical assistance with management information systems (provided initial case management software with rights to Centers to alter code);
- program monitoring (i.e., follow-up customer surveys, focus groups);
- organizational development training (arranged joint training in Continuous Quality Improvement);
- staffing monthly meetings for three Centers directors;
- fiscal pass through (not fiscal agent) between state funders and Centers;
- development and coordination of some contracts and memorandums of understanding (MOUs) between state departments and Centers;
- brokering and negotiating between state agencies and Centers.

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59 The PIC Executive Committee consists of six CEOs from the private sector, the President of the Massachusetts AFL-CIO, the Superintendent of Boston Public Schools, the head of University of Massachusetts (Boston), a community representative, and the Mayor’s Chief of Staff.

60 The PIC Executive Committee is supported though a structure of committees and subcommittees. For example, the Workforce Development Committee consists of three subcommittees, the Employment and Training Systems Subcommittee, and the Welfare to Work Subcommittee. The original Career Center Committee that oversaw policy and direction of the PIC Career Center initiative was later subsumed into the Employment and Training Systems Subcommittee that now oversees the Career Center initiative.
As suggested by its services and functions, the PIC occupies different positions in at least two different networks. It is the center of a hub and spoke network among the Centers. It is also the intermediary institution between the Centers and several state and local agencies.

**Career Centers as Customer Service Driven**

To develop its career center initiative, the PIC created a Career Center Committee in 1995 and held a series of focus groups and public meetings around the question of why many employers and job seekers were not using the existing Employment Services system. According to observers (Heldrich Center for Workforce Development 2002), the PIC learned that improved customer service was the primary issue, and that employers wanted Career Center staff to be professional, have knowledge of their industry, designate a single point of contact, and remove a job posting once the job was filled. Job-seekers wanted to be given respect by staff (e.g., have staff keep appointments) and be given some direction in their job search.

Based on what it heard, the PIC determined that a commitment to service excellence would be the driving theme of the one-stops and that the whole initiative would have the following expectations: i) treat employers as a priority customer in the design and operation of both the labor exchange and workforce development systems; ii) become competitive by adopting standards of excellence (e.g., striving to reach performance standards of 100 percent) and develop the best possible technology and facility resources; iii) remove bureaucratic constraints to provide the best possible service to employer and job seeker customers; and iv) develop One-Stop Career Centers that develop labor exchange services, serve as hubs within the workforce development system, are customer-driven, develop and integrate funding sources, and are quality-focused.
Goals for Career Centers

Career centers were expected to subscribe to a basic philosophy of providing employment, education, or job training services to businesses and individuals in an efficient, innovative, and integrated manner. The career centers were also required to address four specific goals:

- **Universal Access**: all individuals have access to free “core” services such as “on-line” job listings, education and training program listings, and resource library. More intensive “fee-based” services such as career counseling and workshops are also available.
- **Customer Choice**: recipients have a choice of centers within particular regions.
- **Integrated services**: “one-stop” model is designed to provide a seamless approach to workforce development system.
- **Remain Accountable**: satisfaction with career center services to be monitored through customer satisfaction surveys; and center funding is to be driven by performance.

There was a menu of services that each career center was expected to provide. For job-seekers, each of the centers were to maintain a resource room with access to computers. Customers could use, free-of-charge, word processing software (for producing resumes and cover letters), job matching software, and internet services. Resource rooms were also to include fax and printing privileges. Each of the centers also was expected to offer free workshops on topics such as “creating a resume,” “creating a skills portfolio,” and “how to find a job.” Basic computer use skills workshops could be offered. For job seekers with more specialized needs, employment counselors would meet and develop longer-term job search strategies.

For employers, Center staff would help determine hiring needs and criteria. Staff would then posts job offerings in the job-matching database and help recruit candidates from client lists. Career Centers were to function as single points of contact for employers connecting to the workforce development system. Career centers were designated to provide employment services to employers by screening, assessing and referring qualified candidates for job openings.
In support of these objectives, the PIC adopted a Continuous Quality Improvement (CQI) framework for the request for proposal, chartering, and annual review processes of the career centers. Each career center was expected to demonstrate a focus on service excellence by emphasizing outcomes and components of a plan that satisfied the needs of its job seeker and employer customers. Within the framework, the PIC gave the career centers wide latitude to establish strategies, markets, and services. In effect, it permitted a diversity of operational approaches among the Career Centers.

**Annual and Charter Review Process**

In order to encourage, document, and assess differences in service approaches, the Boston PIC adopted several mechanisms to monitor career centers’ plans, process, and procedures. The main instrument for this involved the Boston PIC “chartering” the career centers as joint venture partnerships for a three-year period. A charter conferred a semi-autonomous status to a career center that was renewable every three years based on the center’s ability to meet general performance goals—partially based on benchmarks evolving from the competitive environment. To structure this process, the PIC conducted annual reviews of career centers and a “charter review” every three years to determine if the center would be “re-chartered.” Since 1997, the re-chartering and annual review process has essentially remained the same. Though sharing a

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61 Continuous Quality Improvement (CQI) is an approach to improving operations that is mostly applied in the commercial sector but that has been also adopted by many nonprofit and public organizations. CQI is results-oriented with an emphasis on experimenting and adjusting organizational processes to achieve “quality outcomes.” To this end, CQI gathers extensive information related to peer and customer feedback in order to identify and solve systemic problems. CQI approaches are often characterized by team-based leadership and a variety of process flow diagrams.

62 Since the original charters in 1996, the PIC has re-chartered the Career Centers twice (in 1999 and 2002) and conducted seven annual reviews. Rather than a competitive process, the re-chartering has effectively served as a recertification since the PIC determined that the operators were meeting service expectations.
similar set of guiding principles and basic research activities, the tri-annual charter reviews involve more detail than the annual review. As part of the annual review and chartering process, the PIC emphasizes a variety of inquiry-based activities that describe career centers’ development, strategies, governance structure, decision making process, and service delivery process. Most of these activities are structured around the terms and framework of Continuous Quality Improvement (CQI).\textsuperscript{63}

During an annual review the PIC conducts a site visit during which career center staff make presentations responding to questions sent earlier. The PIC also reviews written documents prepared by the career centers that document service levels, and that also consist of yearly progress reports and business plan updates. The PIC also collects customer feedback by convening focus groups of job-seekers and employers. The annual review process is also used a way to focus on specialized areas of Career Center operation each year. For example, one year the PIC asked Career Centers to assess their employer relationships and to build plans around achieving better customer satisfaction among employer customers. To re-emphasize the focus, the PIC uses subsequent annual reviews to revisit each Career Center’s implementation plan and performance related to the specialized area.

In general, the PIC relies upon qualitative information to focus on customer satisfaction. Qualitative information complemented the quantitative information required by funding sources.

\textsuperscript{63} As the annual and charter reviews have evolved, the PIC has increasingly used the explicit language of Baldridge. The PIC organizes its charter reviews by focusing on three core areas: Organization Development and Center Management; Service Delivery Processes and Product Lines; and Performance Results. Each of these core areas corresponds to Baldridge criteria. For example, the core area of Organization Development and Center Management includes the Baldridge Criteria 1—Leadership and Criteria 2—Strategic Planning.
In particular, the PIC examines how the career centers use CQI processes to identify and act upon service and organizational problems. Qualitative measures used to document career center performance include:

- strategic planning processes,
- customer flows,
- employee education and training,
- methods of staff empowerment,
- balancing-funding stream fragmentation with service integration, matching customers and services,
- partnering processes,
- methods of gathering data for product improvement,
- processes by which data is analyzed,

The PIC uses quantitative data to track service utilization by different types of job-seekers and employers as indicators of service delivery. To some extent, the PIC also uses four quantitative indicators to measure career center performance. The four goals include two for job seekers and two for employers:

- Ninety (90) percent of all job seeker customers will be enrolled in an education and training program or service;
- Ninety (90) percent of all job seekers placed in a job will stay at least six months;
- Ninety (90) percent of all employer customers that accept a job seeker for hire will keep the employee for at least six months; and
- Ninety (90) percent of all employer customers who use the Career Center will return within two years for additional services.

These measurable objectives were intended to help meet the Career Center System’s fourth goal of being accountable in the pursuit of high-quality customer service. The qualitative and quantitative assessments of progress in providing customer service combined with the other goals (i.e., universal access, customer choice, and integrated services), a menu of required tiered services, and a CQI-based monitoring process, to comprise the basic framework for the Career Center system.
Career Center Operators: Background and Orientation

With its framework in hand, the PIC issued a “request for proposals” (RFP) as part of a competitive bidding process. Seven groups responded with proposals. After an iterative review of the competing proposals, the PIC accepted the “business plans” of three separate groups to operate Boston’s three career centers. Three sets of career center operators where selected because they addressed the RFP’s criteria and because they expressed an interest in participating in an initiative that promised them wide latitude in delivering and innovating labor matching services. The three sets of operating partners were also selected because they represented diverse organizational backgrounds and strengths.

One-Stop Career Centers and Operators

<table>
<thead>
<tr>
<th>The Work Place</th>
<th>JobNet</th>
<th>Boston Career Link</th>
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<tbody>
<tr>
<td>Operators:</td>
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<tr>
<td>Jewish Vocational Services; Mayor’s Office of Jobs and Community Services (Economic Development &amp; Industrial Corporation/Boston Redevelopment Authority)</td>
<td>Massachusetts Division of Employment and Training; Drake, Beam, and Morin</td>
<td>Dimock Community Health Center; Morgan Memorial Goodwill Industries, Inc.; Women’s Educational and Industrial Union</td>
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Even with diverse operators among the partnerships, each Career Center exemplified a distinctive orientation due to the combined history and background of the sponsoring organizations. The sponsoring organizations had, in most cases, a long history in their approach

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64 Drake, Beam, and Morin exited as a co-operator in early 1998 and was replaced in early 1999 by Action for Boston Community Development (ABCD).
to employment and training. Over time and based on their institutional setting, the sponsors had established relative stability in their organizational purpose, form, and functions. These characteristics were also generally consistent with each sponsor organization’s mission values and roles. As a consequence, the sponsor organizations infused the One-Stops with their own dominant value orientation. The diverse sponsoring partnerships shaped and gave rise to three emergent, distinct value orientations among the Career Centers: “community” at Boston Career Link, “bureaucratic” at JobNet, and “entrepreneurial” at The Work Place. The following section provides background on the sponsoring organizations for each Career Center and illustrates the basis for each Career Center’s orientations. Subsequent chapters reveal how different orientations among the Career Centers relate to their diverse strategies and practices.

**Boston Career Link: Operators and their Community Orientation**

Since its opening, Boston Career Link (BCL) has distinguished itself among the Career Centers for its “community focus” and personalistic “warm and fuzzy” approach. Much of this is due to the community histories and orientation of its operators. Boston Career Link (BCL) opened in June 1996 and continues to be operated by three sponsoring non-profits: Dimock Community Health Center (DCHC), Morgan Memorial Goodwill Industries (MMGI), and the Women’s Educational Industrial Union (WEIU). These three community-based nonprofits all share basic values in serving disadvantaged populations, though their specific target populations differ somewhat. Sponsoring BCL was seen as a way expand the service reach of each of their individual organizations beyond their traditional clientele, while maintaining consistency with their broad organizational missions. These interests were based on organizational histories characterized by adapting and innovating services and programs in response to changing social conditions and problems.
All three sponsors had some shared objectives in partnering, as well as individual motivations that were particular to their organizational interests. Overall, the nonprofits had in common a general interest in repositioning themselves in the new evolving workforce development environment. To varying degrees, the nonprofits saw the partnership as means to have a hand in restructuring Boston’s workforce development system. For one partner organization, BCL was also seen as an opportunity to address the financial strain of providing employment services that were getting harder to support due to diminishing governmental funds with increasing restrictions. All partners shared the expectations of the OSCC policy designers that pursuing the competitive model might even yield profits as a revenue stream. The nonprofits also framed their partnership as a complementary effort that leveraged each organization’s specialized expertise serving particular populations and communities. They suggested that combining the particular experience of the three nonprofits would provide a collective expertise that could be applied to serving the multiple job-seeker populations comprising the universal population expected to be served by Career Centers. BCL is distinguished among the Career Centers for its community-based orientation. It is the only Career Center without a government partner. It is also distinguished by each organization’s long history of serving disadvantaged communities. As an executive director of BCL stated, the three non-profit organizations collectively represent more than 300 years of service to low-income people in Boston.

Employment Services for 125 Years: Women’s Educational and Industrial Union

The history of the Women’s Educational and Industrial Union (WEIU) provides an illustrative example of an organization that developed collective strategies to address the social problems of specific populations. It is also an example of how such an organization has not only adapted its
own services over time, but also helped spawn and support the development of new public institutions. Located in Boston’s downtown, WEIU is not a union in the sense of organized labor but rather a union in the sense of an organization focused on providing collective services and advocacy for women. It was founded in 1877—in response to Boston’s rapid immigration and industrial growth in the 19th century—as a retail store to help women support themselves and their families by selling crafts and foodstuffs. After providing free legal aid to workers for several years and then starting an employment training program for the blind, the WEIU launched a retail training program for women in 1905.65 In 1910 the WEIU established the Appointment Bureau, a vocational advising and placement service for educated women in fields other than teaching.66 The WEIU founded the Bureau of the Handicapped in 1930 to provide training and employment for the physically handicapped, services now overseen by the Massachusetts Rehabilitation Commission—a government agency. The WEIU began providing training for home care staff in 1966 and training for licensed home day care providers in 1970. In 1992 the WEIU started a training program for employment advisors to improve their skills and counseling when assisting career changers, new workers, and the unemployed.

The WEIU was just completing a strategic planning process in the summer of 1995 when the request for proposals (RFP) to create One-Stop Career Centers was released. For the WEIU, the timing was fortuitous since it was reconsidering its approach to employment services. Since its earliest incarnation as the Appointment Bureau in 1910, WEIU’s career center had been one of the organization’s core services. For many years, the WEIU operated a career center that

65 Four year after beginning its employment training program for the blind, WEIU help create the Massachusetts Commission for the Blind. WEIU’s retail training program was adopted by Simmons College in 1917 and continues it today as the Prince Program in Retail Management.
provided a resource library free to the public, career counseling on a sliding scale fee, and job finding workshops with no or minimal fees. By the early 1990s, the career center’s eight full-time equivalent staff provided services to about 3,000 to 4,000 people per year. About 80 percent of the people using the services were women and they tended to be white, college-educated, had access to other resources, and “knew how to get there.” As part of the strategic planning process, the WEIU “had a glimmer” that the internet would change job search, especially for people with resources, which were the kinds of people using their services. At the same time, the WEIU’s technological capacity was limited and would have required investing to update and upgrade its computer and human resources. In its planning process, the WEIU also determined that its career services were running the largest deficit of all programs running deficits. Forecasting that its traditional clientele would use its services less and that its career center deficit could increase, the WEIU looked for other community organizations interested in re-shaping their employment services. In the BCL proposal, the WEIU saw an opportunity to partner with other CBOs having similar values and having complementary career services focused on the disadvantaged, even though other WEIU programs served the disadvantaged. And by offering to spin-off its career resources library, WEIU saw an opportunity to contribute a sizable asset to the collaborative effort while at the same time reducing its own career center deficit.

100+ Years of Employment and Training: Morgan Memorial Goodwill Industries

Like WEIU, Morgan Memorial Goodwill Industries (MMGI) was motivated to form BCL as a consequence of its long history and interest in providing employment services to Boston’s disadvantaged people. MMGI is currently located in the Roxbury, a community of low-income

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60 The WEIU opened the country’s first credit union in 1913.
and working class residents that also has a sizable minority population. Started in 1895 by Reverend Edgar J. Helms, the Boston Goodwill was the founding organization of what has become a worldwide network of 227 independent Goodwill Industries affiliates. Reverend Helms’ idea was to provide employment and training to immigrants in Boston’s South End by having them collect unwanted household goods and refurbish the items for resale. The resold goods not only paid the workers' wages but also provided low-cost items for poor and working individuals. The success of this approach was soon expanded beyond new immigrants to include other disadvantaged workers. It was also replicated in other cities where community organizations adopted the Goodwill Industries name and strategy. By 1920, the Goodwill “network” extended to major cities including Baltimore, Brooklyn, Milwaukee, San Francisco and Pittsburgh. In the 1930s and 1940s, Boston’s Goodwill Industries responded to the employment crisis of the Great Depression and World War II by further developing its workforce development services. In addition to offering programs to assist the poor, Goodwill gave greater attention to people who were physically or otherwise disabled. In Boston and nationally, Goodwill played a role in providing adequate numbers of workers to produce many basic necessities during World War II. During the past thirty years, Boston’s Goodwill further expanded its clientele to accommodate workers as the work environment changed and new social issues emerged. The organization's programs were redefined to also address the needs of the homeless, people with substance abuse problems, people with criminal histories and welfare recipients. At the same time, MMGI’s main population has continued to be those with physical and mental disabilities. And while retail operations remain its core vehicle for employment services and resource development, MMGI now also offers limited computer skills training in an attempt to match the emerging technological requirements that were being required by
employers. As MMGI added different types of disadvantaged people to its core service population, Goodwill also over time expanded its funding sources beyond its retail services to include a variety of philanthropic grants and governmental employment training funds. By the mid-1990s, MMGI recognized that the governmental funding structure for employment and training services was changing. For MMGI, partnering to sponsor BCL was a way to position itself within the emerging workforce development environment. Collaborating to form BCL was also seen as a continuation of its long history of providing employment services to an expanding range of disadvantaged workers.

**A Hundred Years of Metamorphosis: Dimock Community Health Center**

Like WEIU and MMGI, Dimock Community Health Center (DCHC) was also motivated in partnering to form BCL as a result of its historical and contemporary interests in employment-related services in Boston. It also provides an example of an organization that has reshaped its institutional mission and practices as a result of changing societal and community conditions. Located in Roxbury—a low-income community of predominantly minority residents—Dimock was originally incorporated in 1862 as the New England Hospital for Women and Children. Soon after its inception, the hospital became a pioneering training center for women physicians and nurses.67 Throughout its history, the hospital continued to operate at the leading edge of changing social conditions and trends. For example, in 1969, the hospital’s board of directors shifted the organization’s orientation from hospital to that of a community based organization and re-inaugurated it as Dimock Community Health Center. The board believed that as a community based organization, Dimock would be better able to meet the health needs of its

67 For example, the hospital graduated the nation’s first nurse in 1873, and the first African American nurse in 1879.
service area as well as address the social and economic issues that influence individual and family health. As part of this organizational change in 1969, Dimock received a Rockefeller Foundation grant to start its workforce development services with a focus on providing training for entry-level health positions. Since that time, Dimock has provided health-related employment training services to disadvantaged people, especially residents of Boston’s low-income Roxbury community. Many of these employment services have depended on governmental training funds that, in Dimock’s experience, have become increasingly restricted. Like the WEIU and MMGI, Dimock saw in the BCL proposal an opportunity to reposition their employment services within a changing workforce reimbursement structure. According to Dimock President Jackie Jenkins-Scott, the BCL was a way to “test if they would survive in the new era.” More importantly than this, however, Dimock saw BCL as an opportunity to leverage each organization’s strengths, to build upon the informal and formal relationships among the three sponsors, and to “revolutionize” the emergent workforce development system.

For all three nonprofits, forming BCL was consistent with each organization’s espoused values of serving disadvantaged populations. As partners in BCL, the nonprofits could continue to serve their traditional constituencies as well as combine their organizational capacities to serve larger numbers and more diverse types of people. Each partner had specialized skills, experience, and organizational connections related to providing services to particular groups. Dimock brought to the table a long history in workforce development, experience with working with the urban minority poor, and contacts in the health industry. MMGI similarly had a long workforce development history, as well as particular experience working with disabled people, and expertise in retail services through its stores. The WIEU offered a long history serving middle-
class, middle to older-age women in a downtown location, with varied corporate contacts. Though focusing on different populations, the organizations suggested that there were general skills related to employment and training that could be applied universally to most job-seekers. In joining together, the organizations felt that they presented a compelling partnership because of the complementary nature of their employment services.

Another consideration by the organizations’ leaders in pursuing the partnership were the organizational, personal and gender ties among the partners. Over the years the organizations had formally and informally worked together on various projects. Not only had the organizations directly had positive working experiences, they were also well known to each other through indirect associations working in the workforce development field. WEIU’s president had previously worked on several projects with Dimock’s president. Dimock had previously collaborated on projects with Goodwill. Each organization also offered distinct sets of strong connections as well as overlapping weaker ties to community organizations in the different neighborhoods where they were located: Roxbury, Dudley, and downtown.

Gender also tied the partners together. Both WEIU and Dimock had female executive directors. During the proposal process in 1995, Goodwill selected a new chief executive officer. All three leaders noted in interviews that the fact that they were all female contributed to a shared sense of equitable partnership in overseeing BCL. “We created a true collaborative, with all the pros and cons,” reflected Jenkins-Scott. The three leaders comprised the board of directors of BCL, and held responsibility for joint planning and hiring/firing of BCL’s executive director. The partner
organizations agreed to split any profits. They also planned to spin-off BCL as an independent nonprofit when it had matured and grown.

All three partners also saw in the One-Stop Career Center request-for-proposal (RFP) a chance to “revolutionize” the workforce system by combining resources and serving a broader section of jobseekers rather than only the poor. The RFP’s emphasis on partnership, innovation, and seamless service delivery was appealing because each nonprofit felt that it was consistent with each of their organization’s values and goals. The RFP also suggested that not only would there be sufficient funds—a little more than $2 million—to support the One-Stop, but that the competitive model encouraged entrepreneurial fee-based services that could generate positive revenue streams: “profit.”

The brief histories of BCL’s sponsors illustrate several characteristics that they shared. Each organization has maintained a long-standing commitment to serve particular population. To hold such focus for more than one hundred years demonstrates strong dedication to the values of community service and to the persisting needs of particular groups of disadvantaged people. It also demonstrates a long-term organizational identification with particular populations that has transcended any single visionary or charismatic leader. Over time, the organizations have expanded their services beyond their core populations to other disadvantaged groups. According to all three sponsors, expanding their service reach remains historically consistent with their organization’s fundamental mission values of tending to the social welfare of disadvantaged people.
Another important attribute of the sponsoring community organizations has been their capacity to adapt to large- and small-scale social, economic, and public policy changes. They have more than merely survived the major transformative processes of the past 100 years: industrialization, urbanization, and the expansion (and retrenchment) of this country’s social welfare state. They have managed to maintain their solvency while remaining relevant to particular disadvantaged communities. Each sponsor has demonstrated an enduring capacity for organizational sustainability. As their histories suggest, their organizational lives are mostly characterized by organic change and environmental sensitivity. At the same time, they have, in some circumstances, innovated social programs that have been adopted by governmental agencies (e.g., WEIU) as well as community organizations outside of Boston (e.g., MMGI). Such longevity and institutional influence may be partly explained by the strong relationships that the sponsors have developed over time with their clientele, other organizations, and within their communities. According to the sponsors, such trust relationships developed from long-term and repeated interactions based on the organizations’ clear articulation and practice of values related to dedicated service to particular populations. As social and economic environmental conditions changed, the sponsors have learned to share information and resources across crisscrossing webs of individuals and organizations embedded with shared values in networked communities of practice. As an example, the sponsors described how the BCL collaboration emerged from such a network. As the RFP was being developed, communication signals filtered through the network of community organizations involved in employment services about setting up a Career Center. Several community organizations expressed such an interest. The three sponsors were familiar with one another’s reputation in the community for dedicated service to disadvantaged populations. Over the years, they had also been in a variety of formal and informal relationships
together. However, what distinguished these three organizations to one another was a shared interest in leveraging their collective capacities to affecting larger scale institutional reform. In other words, what drew them together in this initiative was that they saw in the career center not another service delivery program, but rather an advocacy mechanism for changing Boston’s workforce development system.

**JobNet: Operators and their Bureaucratic Orientation**

Unlike BCL’s operator-driven community orientation, JobNet has an underlying bureaucratic orientation that is largely attributable to its sponsorship by a large state agency historically associated with administering Massachusetts’ public Employment Service. JobNet opened in January 1997 under the sponsorship of the state Division of Employment Training and the private placement firm of Drake, Beam, and Morin (DBM). In 1998 DBM ceased its relationship with JobNet. In 1999, JobNet’s new sponsoring operator was Action for Boston Community Development (ABCD), a nonprofit human services agency with headquarters in downtown Boston.

**Classic Government Bureaucracy: Massachusetts’ Division of Employment Training**

As explained previously, DET has operated Massachusetts’ “Opportunity Job Centers” which housed the Employment Services and unemployment insurance offices for many years. Historically, the DET has been considered an archetypal government bureaucracy partly due to its association with the administration of unemployment benefits. The “unemployment office” was the place to go to stand in line, fill out unemployment claim forms, listen to a government worker repeat eligibility criteria, and perhaps conduct job search by browsing card catalogues listing openings that employers had called in. As one former DET employee described it, the
basic protocol was “shut up, sit down, fill out form, and wait ‘til you’re called.” DET’s coordinating orientation was rule-bound, procedural, and hierarchical due to the kinds of programs it managed as well as for the state and federal institutional infrastructure within which it existed. In addition to administering the unemployment insurance cash benefit program to eligible unemployed workers, DET also administered federal training and placement programs and allocated dedicated federal funds.

In addition to its own internal bureaucratic functions, DET also exists within a larger bureaucratic complex of state agencies. DET operates within the Department of Labor and Workforce Development (DLWD), which itself operated under the Office of Labor, Education and Economic Development.

For these reasons, DET has operated as a classic governmental hierarchical bureaucracy. One aspect of such an orientation is an emphasis on following norms and routines and inflexibility towards innovation and change. An example of this is seen in the original siting plans for JobNet. Many DET long-term Employment Service employees were reluctant to change their working practices and were resistant to the One-Stop Career Center concept. When it first proposed operating JobNet, DET planned to locate it in the first floor of the state offices Hurley Building, where the Employment Service (aka Opportunity Job Center) had been located for many years. The OSCC Committee determined that the new One-Stops should be in locations away from their sponsoring operators so that they would be considered new enterprises. As one OSCC

68 In the 1990s, DET became less reliant on unemployment offices after developing its telephone claims center. Callers can now initiate new claims, reopen existing claims, track the status of a claim or ask questions of DET
Committee member stated, “we didn’t want business as usual except with new paint on the walls.” DET revised its proposal and JobNet was approved for its new location in commercial office space near the financial district.

_The Corporation: Drake, Beam, and Morin_

Originally, JobNet was operated through a collaborative initiative of DET and the private placement firm of Drake, Beam, and Morin (DBM). Founded in 1967, DBM is a human resources consulting firm specializing in outplacement assistance for corporate layoffs, as well as career assessment, training, organizational development, and job design. Founded in 1967, DBM began offering outplacement services several years after its founding in 1967, and career transition services in the 1970s. In 1974, Drake, Beam and Morin was acquired by Harcourt Brace Jovanovich, a multi-million dollar publishing company. In 1979, DBM received its first large group outplacement assignment and responded by developing its “career center” concept as an innovative approach to delivering career transition services that went on to become an industry standard for large-scale outplacement services. With its experience in offering career center services, DBM saw JobNet as a means to build upon its experience and enter what was represented to be an emerging market with profit potential. However, DBM exited the venture after one year for several reasons. Even with the emphasis by the OSCC system designers in setting up the One-Stops as “flat organizations,” setting up JobNet surfaced a series of tensions between DBM’s private sector market-place orientation and DET’s traditional bureaucratic practices. As the fiscal agency for JobNet, DET’s influence soon dominated decision-making over DBM. Soon after their JobNet proposal was selected, both partners saw that the One-Stops employees. Still bureaucratic, DET has made unemployment insurance more convenient, while arguably—since it
were going to receive less operating funds with more restrictions than originally represented by the RFP. Familiar with governmental budgetary and regulatory politics, DET adjusted. With weakened influence and diminished opportunities for profit, DBM exited.\textsuperscript{69} With DBM gone, DET proposed to operate JobNet by itself by drawing upon its Employment Service experience, staff, and resources. At the same time, DET set out to find a replacement partner.

\textit{A Neighborhood-Distributed Bureaucracy: Action for Boston Community Development}

In 1999, DBM was replaced with the non-profit agency Action for Boston Community Development (ABCD). After Drake Beam and Morin’s departure from JobNet in 1998, DET and JobNet essentially put out a bidding process among selected government and large nonprofit organizations to become JobNet’s new collaborator. Although Bunker Hill Community College was seriously considered, ABCD’s successful track record in applying for government contracts and its strong connections to disadvantaged communities helped ABCD to submit the winning bid. Like Boston Career Link’s operators MMGI, WEIU, and DCHC, ABCD is a nonprofit organization with strong community ties. Yet, in many ways, ABCD has more in common with DET regarding a bureaucratic orientation. ABCD’s bureaucratic characteristics are partly explained by its history, size, and structure. Unlike MMGI, WEIU, and to some extent DCHC, that all evolved slowly from grassroots civic innovation, ABCD quickly emerged as a major actor in local politics and service delivery after its creation by civil elites, federal agencies, and a national philanthropic foundation. In 1961, a handful of civic leaders formed the Boston Community Development Program (BCDP) to develop “human renewal” as a complement to urban renewal. Initially supported by the mayor and the Permanent Charity Fund (now the

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may not be possible— less personal.
Boston Foundation), the initiative was formally incorporated as Action for Boston Community Development in 1962 with funding from the Ford Foundation’s Gray Areas Program, followed by grants from President John F. Kennedy’s Committee on Juvenile Delinquency and the U. S. Department of Labor. With passage of the Economic Opportunity Act in 1964—creating the “War on Poverty”—ABCD was designated as the city’s official antipoverty agency. Since that time, and in the spirit of “maximum feasible participation,” the Board of Directors has been comprised of elected representatives from Boston’s neighborhoods who formally share decision-making responsibility with representatives of municipal government and the private sector.  

Over time, ABCD has grown organizationally and bureaucratically to be the largest independent non-profit human services agency in New England. As one Career Center director put it, “ABCD has a lock on Boston’s poor indigent population.” ABCD’s strong relationship with poor communities has enabled it to become a major contractor, administrator, and social services provider with federal and state funds. In 2001, such funds comprised 90 percent of its $108 million total annual budget. Of this, 48 percent were federal funds administered through state and city agencies, 28 percent were direct federal funds, 14 percent were state funds, and the remaining 10 percent of revenue were from city and local grants, or contributions. Although 70 percent of its budget goes to early education and services to young families, ABCD administers a broad array of social service programs including:

- Head Start
- Child Care Services
- Foster Grandparents

69 In 2001, DBM was acquired by The Thomson Corporation, a multi-billion company serving the worldwide business and professional services marketplace.
70 ABCD developed Area Planning Action Councils (APAC) in Boston’s neighborhoods in 1964-65. Each neighborhood APAC selects a board member who then sits on the ABCD Board of Directors.
• Youth Programs including an Alternative High School (University High) in cooperation with the Boston Public Schools
• SUMMERWORKS, providing career-oriented work experience for low-income teenagers each summer
• a now-independent and fully accredited Urban College of Boston; a two-year college
• Career Development
• LearningWorks which includes two cutting-edge welfare-to-work programs funded by the federal Department of Labor
• Management of the Massachusetts Bay Area Combined Federal Campaign (CFC), Commonwealth of Boston Employee Charitable Campaign (COMECC); City of Boston Employee Campaign (COBEC), and private sector campaigns which together reach out to more than 150,000 federal, state, city and private sector employees and benefit more than 3,000 charities
• Health Services/Family Planning
• Housing and Homeless Services
• Community Services
• Elder Services
• Intergenerational Programs
• Housing Services
• Fuel Assistance
• Weatherization
• consumer services and advocacy

To manage such diverse programs, ABDC has developed into a complex, bureaucratically organized organization. Throughout its history, ABCD has provided employment and training services via contracts with state and federal agencies. In 1971, it created its Center for Jobs, Education and Career Training, which reorganized employment and training programs into assessment, basic education, career programs, career counseling and job placement services. In 1999, ABCD received a $2.8 million DOL welfare-to-work grant in partnership with Morgan Memorial Goodwill Industries. About two percent of ABCD’s budget is currently used for employment and career development services.

ABCD’s bureaucratic orientation initially posed a challenge when it partnered with DET to operate JobNet. During the first year of collaboration, ABCD treated JobNet as a new program to
add to its long roster of service contracts. For ABCD, this entailed incorporating JobNet into its varied reporting and accounting systems with their requisite forms and processes. DET, too, had its own procedures and requirements. JobNet’s executive director Rosemary Alexander had been a long-term DET employee and was familiar with many of its rules and regulations. However, she was also very familiar with the people and processes she could use to abbreviate, short-cut, or circumvent procedures that she felt interfered with her ability to effectively manage JobNet.

With no similar insider or tacit knowledge to navigate through its bureaucratic processes, ABCD presented itself as an inflexible and cumbersome partner. Later sections will further develop the theme of how the bureaucratic orientations of DET and, to some extent, ABCD, have influenced the operations of JobNet.

**The Work Place: Operators and their Entrepreneurial Orientation**

Whereas its operators provided Boston Career Link a community orientation, and JobNet’s operators gave it a bureaucratic imprint, The Work Place (TWP) developed an entrepreneurial style from its sponsors: the Mayor’s Office of Jobs and Community Services (JCS)/Economic Development & Industrial Corporation and the non-profit Jewish Vocational Services.

According to Work Place director Thomas Ford,

> we operate more like business than a government agency…we don’t have a program, we have products and services…and the decision maker is the user, even if that person is not the payer, kind of like Blue Cross.

**Enterprising Agencies: Office of Jobs and Community Services and the Economic Development and Industrial Corporation (Boston Redevelopment Agency)**

The Work Place’s entrepreneurial orientation is partly explained by the predominant private sector orientation of its city agency operator. In fact, the city agency operator is a joint effort by
two allied city agencies: the Office of Jobs and Community Services and the city’s Economic Development and Industrial Corporation (EDIC). Both agencies are divisions within the Boston Redevelopment Agency—the city department that is responsible for Boston’s economic development. To this end, EDIC is primarily involved in promoting and managing a variety of land and industrial development efforts. For example, EDIC manages the agency's three industrial parks: the Marine Industrial Park in South Boston, the Crosstown Industrial Park in Roxbury, and the Alsen-Mapes Industrial Park in Dorchester. Also part of EDIC is the Boston Local Development Corporation (BLDC), a private, non-profit corporation which offers financial services and lending programs to companies locating or expanding in Boston. EDIC is also comprised of the Boston Industrial Financing Authority (BIDFA), which issues both tax-exempt and taxable industrial development bonds to finance hard assets for Boston's businesses and institutions. In all these activities EDIC acts entrepreneurial itself, as well as supports entrepreneurial behavior in the private sector.

Jobs and Community Services (JCS) shares EDIC’s entrepreneurial emphasis, but with a focus on education, training, career development, and human services. JCS describes itself as an “innovative public agency” that promotes economic self-sufficiency among all Boston residents by serving as an advocate, clearinghouse, and laboratory for best practices in literacy, lifelong learning, job training/placement, and human services to Boston residents.

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71 Jobs and Community Services (JCS) allocates federal and state grants through program areas including: Adult Services, which supports adult literacy, job training, and welfare-to-work programs; Central Artery / Tunnel Training Program, which promotes union apprenticeships; and Human Services, which manages Community Development Block Grant funds.
Entrepreneurial Nonprofit: Jewish Vocational Services

The Work Place’s entrepreneurial style was also shaped by its other operator: Jewish Vocational Services (JVS). Known for its own leadership and innovation in employment and training, JVS also influenced The Work Place to develop an entrepreneurial orientation focused on innovative practices. With origins in the tradition of Jewish Communal Services, JVS had its foundations during the Great Depression when Jewish organizations provided employment assistance to Jewish people facing mass unemployment and discrimination (Berger 1981). In response to the influx of Jewish refugees from Eastern Europe, a national conference on Jewish unemployment was convened in 1938 by the Council of Jewish Federations and Welfare Funds.\(^{72}\) That year, Jewish Vocational Services was formed in Boston. Over time, JVS has adapted itself to changing social, economic, and political conditions and is now a nonsectarian agency that has provides workforce development services to Jewish and general communities.

In the mid-1990s, JVS underwent a strategic planning process that culminated in shifting the organization’s employment services focus to emphasize continuous lifelong learning by providing the connections, resources and support needed to achieve next-step career-advancement goals, family sustaining wages, and “durable self-sufficiency” for the at-risk populations. It was during the strategic planning process that JVS decided to collaborate to form The Work Place.

\(^{72}\) The 1938 conference eventually led to the formation of the International Association of Jewish Vocational Services (IAJVS), a not-for-profit association linking 29 social service agencies in the United States, Canada, and Israel. Boston’s JVS is one of those 29 agencies.
JVS is organized into the four areas: the CALL, Neighborhood Business Builders, Career Moves, and The Work Place. Academic and training courses at the Center for Careers and Lifelong Learning (CALL) are intended to help diverse clients prepare for a career, keep skills current, and upgrade skills in order to advance. A small business loan program, Neighborhood Business Builders (NBB) provides various forms of capital, training and business development support to entrepreneurs and small businesses. Target populations are minorities and people in economically distressed communities who are under-served by the capital market and other support services. Career Moves offers mostly fee-based career development services, lectures and workshops for professionals seeking job leads, networking contacts or employer recruitment assistance. Career Moves also coordinates with the Young Leadership Division of Combined Jewish Philanthropies, offering professional networking and career management events specifically designed for young Jewish professionals. Finally, JVS presents The Work Place as an offering a wide range of customer-focused, high quality employment services, many of which are available at no cost, with customized services offered for a fee.

Chapter Summary

This chapter reviewed the history and highlighted key issues associated with federal workforce development policy. In addition, Massachusetts and Boston’s recent workforce development policies were detailed and discussed in order to set the stage for the development of Boston’s One Stop Career Centers. Assembled together in this chapter, the brief histories of federal, state, and local workforce development policies provide institutional context for understanding the expectations and challenges confronting the career centers. Moreover, regarding the career centers, this chapter highlighted the distinct histories and purposes of the career centers’ sponsoring operators. The operators’ organizational backgrounds shaped the strategic
orientations of each career center. As evidenced in subsequent chapters, the distinctive strategic orientation of each career center significantly influenced its planning, practice, and performance.

For Boston Career Link, the three operators all shared long histories of providing community-based services. With roots in the 19th Century, each of these organizations has developed during more than 100 years an approach that maintains a focus on particular populations that carries over into disadvantaged populations more broadly defined. In conducting its work, each organization was also connected through webs of personal and organizational ties to a wide network of community groups and initiatives. Based on such relationships, the three operators joined forces to sponsor BCL as a way to leverage the experience and particular expertise of each organization, to serve a broader group of disadvantaged people, and to attempt to influence the emerging restructuring workforce development system.

For JobNet, the partners represented longstanding major actors in Boston’s employment environment. Over time, they each developed into large behemoth agencies that were bureaucratically and hierarchically organized in order to manage the high volume and regularized provision of services. Such structure was also the result of attempting to rationalize the multiple demands and high expectations of diverse public needs. As major stakeholders in the employment and training sector, both DET and ABCD had interests in maintaining their organization’s role in Boston’s evolving employment services system. For them, sponsoring JobNet was a means to protect their organizational interests, preserve their complex operations, and to influence the emerging system.
For The Work Place, the sponsoring operators functioned in a competitive environment that valued entrepreneurial behavior. With its focus on economic development, EDIC worked primarily with land and industrial developers and financiers to promote private sector initiatives. In this setting, JCS had the opportunity to hear from business employers about their human resource needs. EDIC/JCS were frustrated that Boston’s employment and training providers were not adequately meeting employer demands for a range of workers. Sponsoring TWP was seen as an experiment to focus on the demand side of employment services. JVS saw TWP as a way to broaden its services to a wider group people as well as to expand its reach into the employer community.

In the competitive environment of the OSCC selection process, the sponsors highlighted their competitive advantages that derived from their distinct organizational experiences and expertise. The OSCC Committee welcomed such differences as a way to experiment with varied and innovative approaches to employment services.
CHAPTER THREE

Overview

This chapter examines the initial set-up and operations of the three career centers and provides the foundational structure for subsequent analyses in the following two chapters. Through detailed examples and narrative analysis, this chapter introduces and describes the indications of process and performance that are used to answer this study’s three research questions. In addressing the question of functional diversity and of adaptation among the career centers, this chapter examines process indicators regarding planning (i.e., operator governance; management structure; information analysis) and practice (i.e., service delivery approaches and priorities; information and resource transactions with other organizations; network relationships and activities). In addressing the question of performance, this chapter introduces and discusses indicators related to two dimensions of performance: service outcomes (i.e., placement rates, job postings) and demographic measures. Subsequent data analysis chapters continue to examine process indicators to answer questions about organizational diversity and adaptation, as well as to analyze outcomes indicators to address the question of performance. This chapter sets the stage and begins documenting how the career centers shared similar constraints and opportunities in preparing and operating the centers. At the same time, due to their sponsorship, they also each faced a variety of unique advantages and challenges. Career center responses to their situations partly derived from the particular strategies, initial learning, and relationships of the operators.
Boston Career Link

Planning and Practice

First Six Months: Budget Constraints, Resistance, Strings

Within its first six months, Boston Career Link (BCL), experienced a series of issues that would re-surface in various forms during the rest of its existence. Despite the high expectations and rhetoric surrounding the OSCC as a competitive model that would be well-resourced, seamless, innovative, and flexible, the partners soon learned that those initial conditions were not as originally forecast. Immediately after being selected to start up BCL, the operators encountered fewer resources, more strings, heavier institutional resistance, and deeper management challenges than they originally planned.

In setting up Boston Career Link (BCL), Dimock Community Health Center was chosen among the partners to serve as the lead operator because it had more fiscal capacity to manage BCL’s cash flow. However, BCL immediately encountered fiscal problems when it learned that its first-year funding in 1996 was about $1.9 million, several hundred thousand less than originally budgeted. Resolving initial budget issues took months. Complicating this were requirements that added unplanned costs. In addition to a lower budget and higher costs than projected in original proposal, BCL also faced cash flow problems due to slow payment and reimbursement by the state.

73 For example, the PIC required that OSCC offices be physically independent and not located within partner organization offices, and that each OSCC have a minimum of 10,000 square feet. In the operators’ original conception, BCL was to be located in very low-rent space within MMGI’s large office/retail complex in the low-income Dorchester neighborhood. Obliged to alter their proposal, the operators experienced a month-long delay before eventually settling on commercial space on Huntington Avenue that was accessible on subway and bus lines.
BCL also found that while seamless funding may have been the goal, it did not describe the continuing infrastructure “silos” of federal, state, and local funding streams and budgets. BCL had to develop and manage contracts not only with the PIC but also with different funding sources such as the Massachusetts Commission for the Blind, the Massachusetts Rehabilitation Commission, and the Department of Transitional Assistance. These contractual relations often conflicted with BCL’s original approach of providing the same universal services to all clients.

For BCL, building relationships and developing contracts with state agencies was complicated by institutional resilience and animosity. According to the CEO of one of BCL’s operators, “state bureaucrats hated this program because it took away their power and union people were afraid they would lose jobs, so they all did everything they could to sabotage negotiations.” Even though the PIC provided some intermediary support in facilitating, it did not pool money itself and make it available to the One-Stops. In this environment, BCL—and Dimock as fiscal agent—spent a lot of time negotiating. BCL’s position in reaching financial agreements was complicated because of the competitive framework within which OSCC were expected to operate. Each OSCC often had to negotiate their own agreements rather than collectively. From the perspective of one BCL operator, this situation gave the other One-Stops an unfair competitive advantage because both The Work Place and JobNet had government partners and so had better access to both funding and clients. However, all three career centers faced similar challenges in establishing contract relationships with several public agencies.

and located in central Boston, but on the edge of South Boston and near the low-income residents that the partners
Budgetary constraints also compelled BCL to prioritize its allocation of staffing resources. In this regard, BCL emphasized job-seeker services at the expense of employer services. The result was that its employer services staff was not fully funded. With no employer services team leader, this component suffered under-management and relied instead on Dimock’s and WEIU’s existing connections with 30 health care employers primarily from teaching hospitals, home health care, and HMO community.

An over-riding challenge for BCL was having appropriate leadership and staffing to manage its dual customer orientation and its varied network relationships. BCL’s first executive director left within the first six months. Although having community-based workforce development experience, she was unable to develop and implement the leadership and interpersonal skills needed to manage the career center’s complex organizational relationships. Dimock subsequently loaned its Vice President for Career Services to serve as acting executive director.

In addition to insufficient resources dedicated to employer services, BCL also faced technological constraints. Limited computer skills and problematic computer software prevented staff from entering job-posting data. With no working talent bank that could electronically match resumes with hundreds of job postings, staff manually sifted through paper resumes and job posts to find employment. This, too, soon became a problem, because BCL’s office, located in a “basement” walk-down from the street, experienced three floods during the winter season. Some, but not all, resumes were ruined and lost.

Historically served. As a result, the partners had to re-budget to pay $115,000 per year for a five-year lease.
*Retooling Strategy after Six Months*

After six months of operating and experiencing both mixed performance and mishaps, BCL retooled its strategy for the remaining six months of its first year. BCL’s interactions with job-seekers and employers provided the staff with familiarity of other industries. BCL learned that there were sizable numbers of openings in the health care and the hospitality industries, and made these priority areas. In addition, BCL expanded its employer outreach to include financial services, retail, and food service. At the same time, BCL decided to focus on lower-skilled job openings to address the employment needs of those job-seekers with little education and experience. BCL was particularly interested in providing services to customers associated with the Department of Transitional Assistance (DTA)—the state welfare agency—that offered resources in the form of welfare to work contracts. As part of this strategy, BCL planned to develop employer ties with community-based small businesses, especially those located in lower- and mixed-income neighborhoods. BCL felt that such businesses were more likely to be within walking distance or easily accessible by public transportation for people with low-incomes or receiving public assistance. BCL also thought that such businesses were likely to have flexible work hours enabling low-income and welfare mothers to retrieve their children from school and day-care.

*Universal Access versus Categorical funding*

One of the most complex challenges in its first year involved BCL’s capacity to integrate categorical funding streams with universal access. BCL’s original vision of employing generalists that offered universal services was based on block grant funds that provided flexibility. Instead, the emerging fiscal environment was increasingly characterized by categorical funding streams and performance-based revenue. BCL determined that it needed to
re-align its staffing services in order to earn budget revenue from these sources with some degree of predictability. BCL’s approach to this situation was to develop “integrated teams for special populations” in order to meet its placement goals and earn its performance based revenue. For BCL, integrated teams also served another purpose. These teams were seen as an attempt to foster dialogue and coordination between service delivery and placement outcomes. That is, integrated teams were a vehicle for case management.

On the other hand, BCL greatly focused the activities of its integrated teams based on categorical funding. Instead of separating job-seeker and employer services as distinct activities that only connect during the labor matching process, BCL created teams focused on particular population groups. For example, BCL created a DTA team of employer services and job-seeker services and a Title III (i.e., federally funded program for dislocated workers) team of employer services and job-seeker services. BCL’s strategy of emphasizing categorically funded populations also included the cultivation and organizational connections to support this goal. In addition to the informal organizational networks available through its operating sponsors, BCL decided to formalize its own relationships by inviting organizations to sit on its Customer Advisory Council (CAC). BCL’s plan for the CAC consisted of:

- seeking a balance among members to create partnerships for political advocacy and marketing, outreach to community based organizations to identify candidates who will meet categorical placement goals (particularly sources for DTA customers already involved in supportive services to help reduce barriers to employment) and employer advice and counsel.74

In its efforts to reconcile the competing operational demands of categorical funding streams and universal access, BCL often sacrificed its services to employers. As early as the end of its first
year, BCL determined that it had understaffed its employer services relative to job-seeker services. To rectify this, an Employer Account Executive (EAE) was reassigned from providing services for DTA customers to join another EAE in focusing on employer services. Within months of making this change, BCL had hosted 19 on-site employer events, including industry briefings and job fairs. According to BCL’s annual report, these employer-based activities were largely responsible for increased job placements, job postings, and new accounts. Nevertheless, BCL subsequently refocused its services towards categorical customers and reassigned its Employer Account Executives (EAE) to DTA recruitment in order to meet DTA customer placement goals. These actions severely limited employer services. This tactic significantly reduced BCL’s focused ability to outreach, market, and develop employer business. It also hampered BCL’s ability to define and develop employer service offerings beyond placement.

In its first year, BCL responded to budgetary and policy challenges by shifting its tactics with a focus on the immediate responses to meeting categorical funding objectives. According to several staff and outside observers, BCL seemed to be operating in perpetual crisis.

**Crisis Management during the Second Year**

BCL’s second year was characterized by attempts to stabilize itself through restructuring its internal governance and strengthening its external relations with community organizations. A major theme of these efforts was that they were consultative in nature. That is, BCL relied on advice and familiar relationships to guide its planning. The first action was formally hiring Guy Bresnahan, Dimock’s Vice President of Career Services, as BCL’s executive director, after serving as the interim director for more than six months. Another action was the decision by

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BCL’s executive board to seek the counsel of an organizational consultant to assess BCL’s organizational structure and to recommend changes. After soliciting recommendations from their professional and friendship networks, BCL’s operators found and hired a consultant.

The organizational consultant found that BCL had mixed and overlapping internal reporting relationships. While noting that they were possibly appropriate in a crisis atmosphere, the consultant determined that such commingled relationships were confusing and inconsistent with BCL’s organization chart. Moreover, they contributed to miscommunication, inefficiency, counter-productive interpersonal issues, and functional breakdown. He reported that reporting lines—regardless of where personnel fall within the formal operating units appear to be based on such factors as actual informal daily practice, personality differences, prior personal professional relationships or organizational affiliations, or previous organizational structures that are no longer operative.75

The consultant recommended that “there should be more formal linkages between career counselors and account executives—through clusters, working groups, or cross-team pairings—to encourage greater coordination of client services…[because] these two principal program areas of BCL operations appear to lack the level of coordination and cross-communication that could ensure greater efficiency in moving clients through the counseling-to-placement process and greater success in making quality placements.”76 According to the consultant, BCL’s coordination had been essentially “left to chance.” BCL’s operators and director agreed to adopt the suggestions.

In addition to seeking counsel on its organizational structure, BCL also relied upon consultants to help provide and implement CQI training. Outside assistance was required because of problematic attempts to implement CQI from within BCL. Initially, CQI was strongly associated with BCL’s first executive director during the first six months of operation. After she left, both BCL’s operating sponsors and staff were leery of a CQI approach as it had become identified with the first director’s style and managerial ineffectiveness. The personal identification of CQI to the former director became an obstacle that slowed down its internalization within BCL. Additionally, CQI’s long-term systemic approach was increasingly out-of-sync with what became BCL’s standard operating mode of urgency and improvised tactics. Acknowledging its ambivalence towards CQI, and at the behest of the Boston PIC, BCL sought outside CQI assistance.

Selected through professional and friendship networks, Quality Improvement Collaborative (QIC) was hired to conduct training and facilitation for BCL’s Quality Improvement Teams. QIC was also selected because its specialty was assisting nonprofit and government agencies to focus CQI techniques on developing evaluative processes aimed at meeting funding requirements. Under the director’s direction, some investments were also made to upgrade BCL’s technological capacity by improving management information systems (MIS) used for internal purposes and for upgrading reporting systems used for external relationships with other

77 The Quality Improvement Collaborative is a consulting group teaching Total Quality Management (TQM) to nonprofit and government agencies primarily in the public health sector. QIC is a service of Health and Addictions Research, Inc., a private, non-profit research organization that provides program and policy consulting services on issues related to substance abuse, behavioral health and criminal justice.
agencies. For BCL, CQI was implemented primarily as a complement to the upgraded technology systems as a way to enhance BCL’s reporting systems. In its annual report, BCL reported that “this training has clearly paid dividends, as BCL’s documented performance gains far exceeded those established in FY98.” While BCL used CQI successfully in improving the targeting and reporting of performance outcomes, it did not adopt CQI in ways that significantly influenced its organizational planning and processes.

At BCL, CQI was adopted and grafted onto its ad hoc approach and existing management structure. As BCL experienced crisis and lagging performance, it determined that it would not support activities that did not expressly help improve performance. Conventionally, CQI is not introduced by applying it to the most pressing problems facing an organization. However, BCL “re-designed” CQI as a “just-in-time” training module using the achievement of actual performance goals as training objectives.

CQI was not implemented by BCL in ways that significantly changed its planning processes nor structure. BCL continued to function through layered levels of mixed and overlapping relationships. In some cases, it was difficult to distinguish the functional versus rhetorical adoption of CQI terms. At the same time, BCL’s personalistic and relationship-based working environment persisted. And BCL continued its emphasis on categorical services. Of the two QI teams that were established, one dealt with DTA customer process analysis and recruitment, and the other dealt with employer services but with an emphasis on “job-readiness.”

BCL also did not fundamentally forego its dominant reliance on mixed formal and informal information gathering approaches in favor of CQI’s more structured use of systematic, process flow analysis to diagnose and solve problems. Rather, BCL continued to use “open awareness” of many kinds of interactions as a “listening” tool to intuitively guide planning and programming. However, BCL’s “open awareness” approach sometimes led to failed initiatives due to insufficient market research. For example, based on “staff perception” of what customers needed, and assuming that BCL’s employed customers would pay for them, BCL designed and offered a 8-week intensive self assessment series of four new fee-based workshops with titles such as “New Year, New Career” and “GiveYourself a Career Check-Up.” Due to insufficient registration, ten of the twelve scheduled workshops were cancelled, and the other two workshops were each offered only one time. The BCL Quality Council analyzed the failure of these workshops and determined that they were not adequately marketed; the organization relied too heavily on staff perception of customer needs without testing these perceptions with customers; and that further customer research needs to be conducted before offering any new fee-based job-seeker products and services.\(^\text{79}\)

**Collaborating with CBOs**

In addition to its efforts to make internal changes to stabilize the organization in its second year, BCL also sought to strengthen its external relations as a means to buttress and extend support from other community-based organizations. Boston Career Link had several levels of relationships with community organizations. First, BCL had close connections with its operators. Senior managers from each of the partners, together with the BCL management team, formed a

Management Committee that lent professional partner expertise and helped coordinate complementary resources from each operator (and the larger community) to support the work of Boston Career Link.\textsuperscript{80} For example, BCL assumed annual responsibility for the Career Counselor training series that had been offered for many years by WEIU.\textsuperscript{81}

Consistent with its operators’ roots in providing grant-funded community services, BCL initiated several projects such as delivering training for adult literacy and ESL instructors on career counseling and assessment techniques at the Higher Education Information Center; collaborating with Children’s Hospital’s Institute for Community Inclusion to provide outreach and employment services to disabled TANF recipients residing in Boston’s Enhanced Enterprise Community neighborhood; collaborating with Dimock’s HIV Services Department to provide employment related services to City of Boston funded HIV case managers and several Boston AIDS service organizations.\textsuperscript{82}

In reaching out to its network of community nonprofits, BCL also expanded its Customer Advisory Council (CAC) with the result that it was predominately comprised of representatives of community based organizations.\textsuperscript{83} In its first meeting, the Customer Advisory Council suggested that BCL conduct outreach and collaborate with Boston’s community-based organizations (CBO) to address “misconceptions” about career centers. In response, BCL convened an informational breakfast meeting that was attended by 12 nonprofits active in____________________

\textsuperscript{80} Boston Career Link, Business Plan Update, Charter Review Fiscal Year 2000, page 5.
\textsuperscript{81} BCL hired a conference coordinator and professional trainers to conduct the professional development seminar for career counseling professionals throughout New England.
workforce development. Eight of the twelve attendees accepted BCL’s further invitation to attend regular Thursday afternoon meetings to make presentations to staff about specific programs for which they were recruiting. As a result, BCL both immediately strengthened working relationships with several CBOs, as well as developed a monthly open-invitation process for other CBOs to attend meetings and share information. According to Charter Review Fiscal Year 2000 Site Visit Report, BCL planned to “continue to emphasize collaboration with community based service providers and initiate efforts to develop working relationships with these service providers.”

**Employer Services**

However, BCL was not as successful in developing relationships with employers. At its second meeting, the CAC suggested that BCL hold a similar informational breakfast for employers to increase awareness of the “new configuration of customer friendly labor exchange services offered by career centers.” BCL made initial plans but did not hold such an event.

Because of BCL’s continuing focus on servicing job-seekers and on increasing categorical funding, BCL gave less attention to employer services. Given choices between devoting resources to categorically-funded job-seekers or employers, BCL often chose the former. As noted in a site visit report, “BCL’s effort to balance these usually competing demands and the shifts in organizational vision, mission and focus they entail may have taken the strongest toll on

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83 In addition to seven nonprofit representatives, CAC’s five employer representatives included Blue Cross Blue Shield, a small restaurant owner, a lawyer, hospital administrator, and a business association, the Associated Industries of Massachusetts.


the employer services group in terms of role conflicts and loss of focus over the last year.”  

For example, when BCL reassigned Employer Account Representatives to DTA recruitment and had them rotate to local DTA offices to recruit welfare recipients, BCL “significantly reduced the units’ ability to outreach, market, develop employer business and define/develop service offerings beyond placement.”

When the imbalance between job-seeker and employer services became pronounced, BCL refocused its employer services and rededicated Employer Account Representatives to working exclusively with employers rather than splitting time between employer services and DTA outreach and follow-up. The result was that BCL increased on-site employer events, including industry briefings and on-site recruitment. BCL also held several on-site “mini” job fairs with employers that were “familiar” and that regularly posted jobs at BCL. At these events, job-seekers were pre-screened and indicated which employers they wanted to meet. In finding modest success with these mini job fairs, BCL considered charging employers a fee for the free and popular job fairs, but there was staff discomfort about requesting fees. BCL also did not emphasize expanding its job fair approach to “non-familiar” employers. Instead, BCL planned to do versions of this approach as neighborhood job fairs by collaborating with community-based organizations.

Since its first year, BCL’s one main continuing employer interaction was through hosting “industry briefings.” At these bi-monthly briefings, multiple employers in a similar sector made

presentations on labor market trends and on what skills and qualifications the employers found desirable. Often, the employers had no specific jobs to offer. According to a BCL career counselor, the briefings were still useful even when no jobs were available because they allowed employers to “network” amongst themselves and with job-seekers. The industry briefings were also BCL’s main source of information about employers, except for the information provided by the Boston PIC as part of its annual “voice of the customer” employer focus groups and related labor market data. In fact, BCL did not conduct any employer focus groups, although it conducted several focus groups for different populations of job-seekers. However, one employer suggested that BCL have clerical skills testing software to assist employers with an increased screening service by documenting the keyboard speed and accuracy levels of BCL job referrals.

BCL’s emphasis on job-seekers also influenced how it filtered and responded to employer information. After initially targeting employer services in four industries—health care, financial services, retail and food services—BCL became familiar with the employment features of each industry. In its second year, BCL refocused its industry targeting strategy based mostly on the employment needs of job seekers. As a result it focused on health services and hospitality as sources of jobs for its categorically funding low-skill workers. In some ways, BCL’s employer services staff basically functioned as job developers. As it learned about the employment opportunities in different industries, BCL provided job-seekers with information about occupational skills recognized as having cross-industry appeal such as programming and technical support, marketing communications, administrative and clerical, and customer service.

88 BCL had discussions with the Dorchester Bay Community Development Corporation, the Dudley Street Neighborhood Initiative, and Jobs for Youth.
**Job-Seeker Services**

Even during the time when BCL rededicated staff to focus on employer services, BCL informally developed and implemented an integrated team approach based on categorically-funded job-seekers. For example, a DTA team was comprised of employer services and job seeker services. According to the Boston PIC’s Charter Review Committee:

> This has led the organization to conclude that it needs to rely upon ‘integrated teams for special populations’ in order to meet its placement goals and earn its performance based revenue in order to have any degree of predictability regarding categorical funding streams.\(^89\)

Related to its focus on categorically-funded job-seekers, BCL increased referrals to education and training programs, especially for DTA customers, Title III dislocated workers, and Trade Adjustment Assistance Act customers. In the first quarter of FY99, BCL made 43 education and training referrals with 100 percent enrollment rates, compared to 4 in the first quarter of FY98. Part of the increase was due to the development of process that included inviting local training providers to make presentations at staff meetings.

**Populations and Placements**

During its first years of operation, BCL tended to have higher proportions of job-seeker customers that were college educated, female, and white as compared to the other career centers. This pattern continued even as BCL began to emphasize services to categorically-defined disadvantaged workers.

By the end of its first fiscal year (1997), BCL had registered a total of 5,800 individuals. About one-third of registrants were primarily DTA referrals, or others with low skills. Another third
were recent college graduates or the short-term unemployed. The remaining third were experienced workers in a variety of career transition stages, including those involved in a job or career change as well as dislocated workers. Many of the people in the “experienced” group were referrals from WEIU, either new direct referrals or previous users of WEIU’s career center that had transferred over to BCL. Partly as a result of WEIU’s referral-base and BCL’s proximity to Northeastern University and Longwood Medical Area, a majority of BCL’s job-seekers were women, relatively well-educated—most having at least a college degree, white, and young. BCL served a higher proportion of young job-seekers—23 percent were under 22 years old—compared to six percent at TWP and four percent at JobNet’s that were under 22 years of age.

Many of BCL’s job-seekers previously or currently attended college or had completed a degree (See Appendix Table 8). In its first year, the majority—72 percent—of BCL’s customers had some college attendance or degree. In comparison, 33 percent of JobNet’s job-seekers had some college attendance or completed a degree, and 63 percent of The Work Place’s job-seekers had some college attendance or completed a degree. Correspondingly, BCL tended to have lower percentages of job-seekers with less educational attainment compared to the other career centers. In 1997, about one-quarter (24 percent) of BCL’s customers had only a high school degree or no high school degree. In contrast, about two-thirds (67 percent) of JobNet’s customers had only a high school degree or no high school degree, and more than one-third (37 percent) of The Work

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90 Among BCL job-seekers in 1997, 31 percent had college degrees and 21 percent had advanced degrees. In contrast at JobNet, 16 percent had college degrees and 8 percent had advanced degrees. At The Work Place, 24 percent had college degrees and 13 percent had advanced degrees.
Place’s customers had only a high school degree or no high school degree.\textsuperscript{91} BCL’s distribution patterns of educational attainment remained basically unchanged during its first two years.

By the end of its second year, despite BCL’s shifting towards categorically-funded job-seekers, the majority of BCL’s job-seekers had a similar composition as the year before: female, and relatively well-educated. Part of this was due to the continuing referrals from WEIU. Women comprised 64 percent of BCL’s job-seekers. About 54 percent of all customers had a college or graduate degree, 21 percent had some college, and 25 percent never finished high school. However, BCL’s focus on disadvantaged workers contributed to increases in job-seekers from communities of color. Almost 50 percent of job-seekers were African-American, 30 percent were white, 9 percent were Hispanic, and the remainder were Asian or other. About 20 percent of BCL’s job-seekers were under-employed, or temporary or part-time workers. And 16 percent were full-time permanent employees seeking career advancement or change. Compared to its first year, a larger share—about 62 percent—of BCL’s job-seekers were unemployed. In general, though they remained predominantly female and educated, BCL’s job-seekers included more unemployed people than the prior year.

BCL’s job placement rate for the unemployed jumped from 16 percent in the first year to 49 percent in the second year (See Appendix Table 4).\textsuperscript{92} In fact, the number and placement rate for this group was the highest among the three career centers in its second year. There are several

\textsuperscript{91} At BCL in 1997, 16 percent of job-seekers had only a high school degree/equivalent and 6 percent did not have a high school degree/equivalent. In contrast, 47 percent of JobNet’s job-seekers had only a high school degree/equivalent and 20 percent did not have a high school degree/equivalent. At The Work Place, 25 percent of job-seekers had only a high school degree/equivalent and 12 percent did not have a high school degree/equivalent

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explanations for this. Compared to the other two career centers, BCL had higher percentages of higher educated job-seekers—making them easier to employ. BCL also had fewer total numbers of job-seekers—making it easier to provide services. One reason BCL had fewer job-seekers than the other two career centers was that BCL “historically exercised the strongest control over its ‘front door’ by requiring anyone using services at Boston Career Link to register as a member and attend a QuickStart orientation session.” This process tended to filter through more motivated job-seekers as well as quickly engage job-seekers into a counseling and case management track. In contrast, customers at the other career centers could sign-in and immediately and independently use resource room computers and materials. Despite having a lower volume and higher percentage of educated job-seekers that made placements easier, BCL had the lowest placement rates in its first year partly due to its haphazard data collection and reporting systems.

BCL’s increased placement rates in its second year partially resulted from changes overseen by its new executive director to address what he stated were “serious data collection and reporting deficiencies and MIS staff supervision lapses.” These changes included following-up with employers on job referrals, periodically mailing to job-seekers a follow-up mail-back postcard with a financial incentive for returned cards, and better staff attention to daily data entry and employer outcome feedback. As part of this effort in the second year, BCL also purchased the

92 A career center’s placement rate refers to the percentage of unemployed job-seekers—who used at least three services from that career center—that found employment in that year.
93 In 1998, 43 percent of BCL’s job-seekers had a college degree or higher, compared to 34 percent at The Work Place and 20 percent at JobNet, and 38 percent of BCL’s job-seekers had a high school degree or less compared to 43 percent at The Work Place and 71 percent at JobNet.
CareerMaker job-matching software developed by The Work Place, as well as instituted the barcode data collection technology process pioneered by The Work Place.

In addition to these improvements, BCL also bolstered its counseling approach. BCL offered a Monday morning “Job Seeker Success Group” that was a staff-facilitated peer support group for job-seekers who needed additional support around the job search where “job-seekers interact and offer encouragement and support to one another with guidance and support from the BCL career counselor.” BCL conducted a job-seeker focus group and noted that the quality of its placement services was often related to BCL’s “caring and compassionate approach with customers.”

While BCL did especially well placing unemployed and dislocated workers, it had difficulty placing job-seekers with low-skills and receiving welfare. Even as its placement performance improved dramatically, BCL noted that “the placement of DTA customers in sufficient numbers to fully draw down BCL’s annual performance-based allocation continues to be a problem.” BCL recognized that while the welfare-to-work mandate would likely change the demographic composition of BCL’s membership, DTA members as a group were not a significant segment of its approximate 3,000 new job-seekers. However, BCL was concerned that “a grossly disproportionate commitment of already scarce staff resources is required to deliver increasingly prescriptive and administratively burdensome services to what will amount to a small percentage of the customers served by BCL during the fiscal year.”

Summary

In its first years of operation, BCL provided indications of a strategic orientation characterized by community processes. Regarding its planning, BCL’s management was marked by shifts in organizational leadership and focus that contributed to a sense of immediacy in operating and delivering services. In this “crisis environment” BCL emphasized short-term practices rather than long-term planning. BCL reacted to situations, drawing upon the social service experience of staff to address needs as they arose. Personalized instead of planned responses distinguished BCL activities. This consultative mode extended beyond service delivery to management and the use of information to inform planning and practice. BCL tended to use “sensing” modes to gather and interpret information rather than systematic data collection and analysis. This approach tended to favor and reinforce BCL’s strengths in providing categorical services. At the same time, BCL extensively used its organizational relationships to varied networks of community and social service agencies for both planning as well as service delivery. That is, BCL tended to collaborate most closely with organizations that shared BCL’s orientation toward relational processes and specialized populations. Relatedly, BCL had poor ties to DTA.

Managing with a short-term horizon and a focus on targeted job-seekers resulted in compromising the delivery of services to employer. By placing a lower priority on employers, BCL’s employer services group experienced role conflicts and loss of focus. This situation was exacerbated by BCL’s attempts to maximize performance-based earnings by further deploying categorical job seeker services. BCL moved resources to welfare clients rather than employer services, contributing to further imbalance between the two types of services. In contrast to its pursuit of governmental contract-based resources, BCL developed few fee-based services.

Indeed, BCL staff were generally inexperienced and uncomfortable with offering fee-based services. Overall, the patterns of BCL’s management, services, and inter-organizational ties reflected an orientation towards community processes characterized by ad hoc tactics, relational coordination, personalized focus, and consultative and perceptual information.
The Work Place

Planning and Practice

Open for Business

The Work Place (TWP) was the first Career Center to begin operations because it was able to quickly implement its proposal, unlike BCL or JobNet that engaged in extended negotiations over appropriate sites. Opened in March 1996, TWP located its offices in class “A” offices in a corporate tower in Boston’s financial district at 101 Street. Its location was both strategic and symbolic. TWP selected its office building as a signal distinguishing its operations as more business-like rather than governmental. It wanted to be downtown so that it was close to large corporate employers and to be able to offer unemployed and employed job-seekers access to a wide range of employment positions. Its location was also easily accessible via the subway. From its inception, TWP situated itself within proximity of a dense network of commercial establishments, and tried to look, act, and talk like a business.

According to The Work Place Director Thomas Ford, “we operate more like business than a government agency…we don’t have a program, we have products and services…and the decision-maker is the user, even if that person is not the payer, kind of like Blue Cross.”

Ford explained that the Work Place functions as

99 Personal interview with Tom Ford, Director of The Work Place, April 23, 1998.
a labor market intermediary whose core business is facilitating labor exchange. Our raw material is the labor force...that is, both job seekers and employers are inventories for each other and we are the brokers...with our product being the labor match.

Ford stated that TWP was driven by the needs of its job-seeker and employer customers. He noted that “we serve our customers, not clients.” An example of TWP’s customer focus is in how the agency developed its approach to services. Ford stated that when they started offering traditional employment development services for job seekers, “no one was buying, so we broke it down into ten customer interests: like preparing resumes, cover letters, or going through the job bank...these are now part of our services repertoire.” He added that the approach “does not mean one size fits all, but that you need to tailor to different populations...that there are different services but the same quality.”

To offer multiple lines of service that customers would use and purchase, TWP focused early in its operations on developing processes that gathered and analyzed information. To function as a customer-driven organization, TWP determined that it required extensive information about customer behavior, service utilization, and satisfaction. The organizing framework for these processes was customer service. According to Ford, “everything gets articulated as a customer-service problem or it is not a big problem.”

TWP’s particular emphasis on customer-service and information gathering distinguished it from traditional government programs. As an example, it was noted that there were no intake forms. Instead, customers were requested to register with their name and address. Because the same services were offered to all people under the principle of universal access, additional information was voluntary. As an incentive to provide this extra information, fully-completed forms were entered in monthly drawing for a free lunch. According to Ford, this “market” incentive
approach resulted in the refusal rate decreasing from 25 percent to 4 percent. Ford further noted that, unlike government programs, TWP’s customers received a membership card. Instead of filling out forms when using different services, members’ cards had a magnetic strip that was swiped whenever members used the resource room, attended workshops, or met with counselors.

To orient its operations to satisfy customer demand, TWP emphasized the collection and use of customer information and the development of organizational learning processes. These processes were primarily based on Continuous Quality Improvement (CQI) that focused decision-making on solving problems at the direct service level.

**CQI, Strategic Planning, and Governance**

TWP used CQI both strategically and symbolically to orient TWP as an agile, fast-paced, entrepreneurial enterprise. CQI training began before TWP first started operating. Within several months of opening, four teams were formed to focus on customer satisfaction, customer outreach, inter-organizational communication, and customer flow. TWP quickly determined that the scope of each team’s work was too broad, and restructured the teams into smaller groups with narrower areas: marketing of “Work Keys,” talent bank process and procedure, customer follow-up, front desk flow, library flow, and data integrity. For TWP, the adoption and implementation of CQI was part of an attempt to:

> institutionalize CQI as an organizational philosophy and practice rather than confine it to a training program…We as an organization acknowledge that a true learning organization must apply the methodology and tools of CQI to all processes—not just convenient, easy-to-tackle processes and issues.  

Ford compared the use of CQI at The Work Place to the use of CQI in the Saturn car-manufacturing plant, but said “we don’t have a stop button…instead, any one can mention issues to our process-improvement team.”¹⁰¹ He said that all staff are expected to spend at least half a day a week on relearning and applying CQI methods, and that it has been useful in distinguishing between system (organizational) problems and staff problems.

TWP used CQI as an organizing process to identify and solve problems at two levels: policy decisions and program decisions. Policy decisions occurred in three weekly meetings involving leaders of TWP and its operators that reviewed performance, planned improvements, and developed general strategies.¹⁰² Program decisions were made by customer-specific teams, as well as process improvement teams assembled to deal with operational issues. Individual staff initiated process teams in response to their observations or customer feedback. Program level decisions were encouraged to happen as close to the direct service level as possible within the context of policy decisions made at the executive level. “You can’t have the customer as decision-maker unless front-line workers are also decision-makers,” stated Ford.¹⁰³

TWP’s initial team-centered and CQI orientation was challenged later in its first year when it became clear that original funding levels would not materialize. As a result, TWP’s original

¹⁰¹ Personal interview with Tom Ford, Director of The Work Place, April 23, 1998.
¹⁰² One weekly meeting between the directors of JVS and TWP provided an opportunity to supervise and review management of the career center. In another weekly meeting involving the director and senior managers of TWP and the director and assistant director of JVS, the group discussed the performance of major customer activities as well as the organization’s relationship with each of its stakeholders. A third weekly meeting involved JVS’ director and assistant director, TWP’s director, and the director of the Office of Jobs and Community Services to discuss overall career center performance and progress in resolving issues. Additionally, every other month there was a meeting of TWP’s director and JVS’ director with TWP’s oversight board to review program and fiscal management, and receive input and technical assistance in developing, marketing and fine tuning products.
¹⁰³ Personal interview with Tom Ford, Director of The Work Place, April 23, 1998.
organizational structure went through changes in order to maintain customer service levels and address the needs of categorical funding streams. Categorically-funded programs entailed tighter accountability, more record keeping and reporting, and specific programs designed to provide intensive one-on-one services to customers from DTA, Title III, Mass Rehab, and Mass Commission for the Blind. To address these increased demands on staff time, TWP restructured itself by converting several management positions to direct service and creating categorically-focused teams. The staff reorganization resulted in having a Core Team (Manager of Career Resources Library and Career Counselors), and categorical DTA and Title III teams. Each categorical team had career counselors, job developers, and a lead counselor who served as team leader. Although TWP was concerned

that creating teams focused on planning for targeted populations would create staff divisions, undermine the philosophy of cross-operational functions and would compromise the concept of an ‘authentic’ one-stop career center (leading to a model resembling co-location) and the principles of universal access and customer choice. These concerns have not materialized.104

When pressed by the new fiscal environment, TWP reacted by altering its organizational structure and delaying the development of new services, but also continued relying on its CQI approach and teams. In fact, TWP used the restructuring as an opportunity to support individual and organizational learning. It did this by utilizing skills learned through its main staff development processes: off-site training, CQI training, and TWP’s performance evaluation process known as Performance Enhancement Process (PEP).105

105 PEP is a multi-rater, peer assessment system in which the entire staff has the opportunity to rate other staff members in categories such as continuous learning, team work, leadership, and communication. To foster interpersonal working relationships and cooperation amongst staff, performance improvements were suggested through a peer review process and annual pay increases were based not on individual performance but on organizational performance.
A majority of staff participated in off-site training seminars on topics such as presentation skills, supervision skills, sales, and time management. CQI training included flowcharting, affinity diagramming, systems thinking, and team based decision making. Ford said that all staff were expected to spend at least half a day a week on relearning and applying CQI methods, and that it has been useful in distinguishing between system (organizational) problems and staff problems. All staff members were involved to varying degrees in some combination of TWP staff development processes. According to Ford, engaging the entire staff in its re-evaluation and re-design was instrumental to building a team-based organization because “if you want to be competitive in the world, eliminate competitiveness within the organization.”

Software Developer and Vendor

At the outset of career center operations, DET was supposed to provide talent bank and job-matching software. Within its first few months, TWP determined that the state was unlikely to develop the software in a reliable and timely way. For TWP, this presented a problem for employer services. Using CQI processes, TWP found that it was taking too much time to respond to employers’ requests for job candidates because TWP was screening applicants manually. TWP determined that it took two to three days to sift through several thousand job postings before finally getting a resume on an employer’s desk.

TWP also contacted other career centers—both in Boston and throughout Massachusetts—that also needed labor matching software and that expressed an interested in purchasing one for $5,000. So, with the entrepreneurial enthusiasm, TWP formed a team and created its own

software translation system. After several months of bootstrapped resources, TWP unveiled its package, CareerMaker, that matched employers’ job specifications to potential applicants’ qualifications. Instead of three to four days, the software’s job-matching processes took only one hour. Not only did JobNet and Boston Career Link purchase licensed copies of TWP’s software, but the state’s Department of Labor and Workforce Development began reviewing CareerMaker and negotiating with TWP about distributing it to all career centers in Massachusetts.

TWP also modified the software provided by the state, Account Manager, which was designed to record and track employer information only. To integrate it with the talent bank in CareerMaker, TWP developed reports to track the number and type of referrals made to individual job listings, and to track how a placement was made. That is, a report function was created to track whether a placement was made via CareerMaker, internal staff referral, or through self-directed referral via the internet JobBank.

TWP also developed other methods to track its labor exchange activities. TWP was the first Boston career center to implement a bar code data collection system. After registering and

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107 TWP also developed a connection between CareerMaker and FastTrack, a Lotus Notes based program that customers used in a self-directed manner in the Career Resource Library. FastTrack was used by customers to develop a Career Action Plan (CAP) by moving through a map of services designed to help them determine their strategy for job search, education and training, or career information. The CAP provided a series of questions about customer objectives and prompts a menu of options from which the customer can choose. FastTrack then tallied the services chosen, generated a hard copy, and had the capacity to measure a customer’s plan against actual services utilized by comparing the plan to the service record in TWP’s information management system. FastTrack also generated an email to TWP’s “Quality Coach” anytime a user completed CAP’s customer satisfaction section. This feedback was designed to support the software’s continuous improvement and as a mechanism for assessing customer satisfaction.

108 The Client IMS is a case information management system used to capture categorical customer placement data. In early 1997, TWP conducted telephone follow-up to check whether categorical placement data was being tracked correctly. Follow-up phone calls and mailings were subsequently and periodically used to track placements for categorical funding sources. Placement data for non-categorical customers was captured by contacting employers,
becoming a “member” of TWP, customers were given a membership card with a bar code imprinted upon it. Customers were then requested to swipe the card when first entering the center and when using services such as the Career Resource Room. In this way, TWP was able to track usage patterns and determine what services were being used and when. All this information was integrated into its management information system.

TWP was especially interested in employer feedback and ways to improve employer services as well as to recover dissatisfied business customers. Starting in April 1997, TWP sent or faxed a “transactional survey” automatically to every employer whose job posting expired. The survey measured satisfaction and solicited information about improvements. Participants in TWP’s job fairs were also surveyed regarding satisfaction with the event.

Since its inception, TWP intensely used data to inform strategies and practices for both employers and job-seekers. TWP used evaluations, transactional surveys, telephone interviews, semi-annual focus groups of job-seekers and employers, exit surveys, and its internal information management systems as feedback mechanisms in its CQI processes that have led to changes in programs and services. For example, regarding under-utilization of periodicals, TWP responded to customer preferences by reducing general business magazines in favor of more professional and trade association newsletters with job listings. Although emphasizing data-collection processes and technology, TWP used a variety of information sources to support its decision-making and practice.

through mass mailings, via “The Finish Line”—TWP’s job placement hotline, and anecdotal information received through a variety of means, including the receptionist who was often the main contact for non-categorical customers.
Relationships with Employers

Since it began operating, TWP emphasized its services to employers. As previously mentioned, TWP used a variety of methods to gather information about the needs and preferences of employers. TWP also engaged in activities to strengthen relationships with employers, develop new products, and market its services to employers. TWP staff actively networked with employer associations such as the Chamber of Commerce. TWP also created an active Advisory Board that consisted mostly of employers in finance, marketing, law, education, accounting, administration, real estate, and human resources. In addition to improving its general services and contacts with employers, TWP focused on developing fee-based revenue-producing employer products. In its first year, TWP developed four such products: job fairs, on-site recruitment, customized recruitment, and job-profiling software-based consultation.

In May 1997, TWP contracted to coordinate a job fair at Logan Airport for the Massachusetts Port Authority (Massport), an independent public authority which develops and manages Logan International Airport and the Port of Boston. TWP worked closely with MassPort to design the job fair to meet MassPort’s specific needs. For example, TWP used its CareerMaker software to target job-seekers for the MassPort fair and to send a specialized mailing to the job-seekers living in the neighborhoods surrounding Logan Airport (based on zip code analysis of TWP’s database). MassPort had identified this customized service as important because it wanted to recruit workers living in areas that were affected by Logan’s operations, accessible and available for all its work shifts, and disadvantaged economically. Twenty vendors participated in the fair,

109 Massachusetts Port Authority as an independent public authority whose facilities employ more than 20,000 people. MassPort is not part of the state government, although Massachusetts’ governor appoints its board. MassPort
522 job-seekers attended, 362 interviews were conducted, and 68 hires were made. Ninety-six percent of vendors indicated they would participate in a similar fair again. Several Logan Airport vendors subsequently became direct employer customers of TWP.

TWP also conducted fee-based customized recruitment for employers. According to TWP, “employer business depends on the development of a relationship over time, not only upon immediate placement outcomes.” One example of this emphasis on building relationships is TWP’s experience with Filene’s Basement, a retail department store in downtown Boston. Initially, TWP did not have candidates to refer to Filene’s for some of its job openings. Over time, TWP remained in contact with Filene’s and eventually held two onsite job fairs and provided consultation services for Filene’s Somerville Distribution Center’s plant closing. According to TWP, its initial interactions with Filene’s produced no “traditionally reportable outcome,” but its “investment in establishing a relationship later yielded positive customer services” for both the employer and job-seekers.

TWP and JVS Entrepreneurial Ventures

Its relationships with employers also spurred TWP to pursue new products. Several employers complained to TWP about a mismatch between candidates’ skills and the requirements of a job, leading to high turnover and the need for companies to recruit for the same positions repeatedly. Through its connection to JVS, TWP learned of a job profiling software package used by JVS organizations in other parts of the country. This software—Work Keys—provided detailed skills

receives no state taxpayer funds for its operations. Its revenue is generated by user fees charged at the facilities it operates and through bonds it issues as a bonds authority.

110 Vendors included eight airlines and a mix of hotel, food service, and airline support enterprises.

analysis for any position as well as skills analysis for incumbent employees who may have possessed transferable skills or who could move into new positions with additional training. TWP and JVS decided to collaborate in marketing and sharing revenue from using Work Keys together. Targeting incumbent workers, TWP staff conducted assessments with the software and JVS offered skills training. The decision by TWP and JVS to collaborate in using the Work Keys software as a profit generator was part of a larger strategy by the two organizations to diversify TWP’s revenue with more fee-based services. This effort was driven by a motivation to replace “lost” public revenue: the difference between TWP’s original proposal budget and the actual funding. TWP intended to diversify its revenue by developing fee-based activities and “aggressively pursuing grants” with JVS.¹¹³

**Prioritizing Categorical Customers and Employers**

By 1998, a changing fiscal environment for the career centers increasingly emphasized categorical funding over “core” support. In its first year, 16 percent of TWP’s operating budget was targeted specifically on welfare recipients. In its second year—FY99—funding targeted to welfare recipients from multiple sources increased to nearly half of TWP’s operating budget. While resources for categorical customers had increased, funding for core services decreased by 40 percent in its second year. In response, TWP adjusted its operations. It re-allocated resources to welfare and self-directed job-seekers while attempting to maintain its priority commitments to employers and CQI. These responses to changing external conditions were complicated by internal changes in staffing and structure. TWP experienced significant staffing changes because of resignations/turnovers, addition of new staff for new contracts, and reassignment of existing

staff to accommodate funding and priority changes. During 1998, eight of its total 27 staff resigned and nine were hired. Unlike JobNet with its relatively stable operations and low staff turnover, TWP’s dynamic operations contributed to higher levels of staffing volatility.

**Identifying and Marketing to Self-Directed Customers**

During this time of adaptation, TWP also re-focused its attention on its “self-directed” customers. After a year of operations, TWP recognized that about 75 percent of its customers were self-directed. The remaining 25 percent of customers had more barriers to employment, used a majority of TWP’s career services resources, and tended to receive categorically-funded services. As a result, TWP had many opportunities to collect information about members of this latter group through their various interactions with TWP’s data gathering processes such as service evaluations and information systems. On the other hand, the self-directed customers did not interact very much with staff and so TWP had less customer information about their service use, job-search trajectory, and placement outcomes. After experimenting with several information gathering methods, TWP subsequently found that the most effective—and expensive—approach involved contracting with a call center to conduct telephone follow-up surveys. Although costing $16 per completed call, this approach yielded utilization and satisfaction data as well as information that more than 200 “self-directed” customers had successfully found employment using TWP services.

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114 Three of the eight resignations were from the leadership team including the assistant director, the Quality Coach, and the Career Resource Librarian. Other resignations were by two Employer Account Managers, Career Counselor, Network Administrator, Program Assistant, and a Receptionist.
115 TWP has continued to use this approach because of the valuable information and placement data it yields.
TWP was especially interested in self-directed customers because it saw this group as potential users and buyers of enhanced fee-based services. After investigating customer usage and interest in fee-based services, TWP determined that it did not have a sufficient mix of suitable fee-based services and associated marketing efforts. The Career Services team then experimented with different approaches. One action was making changes in the physical layout of the library and the way resources were organized. Staff especially looked at how to increase interactions with customers. The new objective was not simply to help customers find resources they asked for, but to improve the use of the resources, and to connect customers to other TWP fee-based services when self-directed services were not the most effective way to meet customers’ goals.

One example involved the development of new resume service offerings. Originally, only one type of fee-based resume service was offered. Feedback and customer surveys revealed that different people had varied resume preparation needs. So, TWP invested in resume development training for staff and certification by the Professional Association of Resume Writers. TWP then offered distinct resume packages for entry-level, professional positions, and executive or specialized positions. Instead of a single resume service at a single price, TWP offered a menu of ten choices with varying prices to accommodate different needs and budgets.

**Prioritizing Employers**

To help maintain its focus on employers despite categorical-funding pressures, TWP continued using a variety of information gathering approaches to assess employer needs and TWP services. In addition to its continued use of transactional surveys sent to employers, TWP convened specialized focus groups. TWP used the focus groups not only for information gathering but also
for marketing. After the focus groups, most participants purchased fee-based services, and several of these employers purchased individual recruitment activities at TWP. One focus group focused on employers who hired large numbers of entry level workers. TWP invited employers who hired entry level workers as a way to understand and address the mismatch between employers’ postings and jobseekers’ qualifications. According to TWP:

> fully 75 percent of our job-seeking customers are not appropriate referrals to jobs listed on the job bank…Employers who post jobs in our job bank are looking for workers skilled in engineering, graphic design, CAD/CAM, research, interactive media design or public relations. Jobseekers in our talent bank are seeking administrative and clerical positions (25 percent), trade positions (20 percent), or low skilled positions (20 percent) such as warehouse worker, retail sales, shippers/receivers or stock clerks.

TWP used the focus groups to learn more about the needs and preferences of employers who hired entry-level workers. TWP also sought to cultivate stronger relationships with such employers as a means to improve employment opportunities for its many low-skilled job-seeker customers. For TWP, this was more than a complementary approach to the traditional method of relying on individual job developers to find employment positions. It was consistent with TWP’s general strategy of emphasizing employer demand as a primary guide for its operations.

In an effort to more directly align its operations with the needs of employers, TWP increased the influence of its Employer Advisory Council (EAC) to provide strategic guidance and governance. TWP had planned to also set up a job seeker advisory council but decided to delay that council for two reasons. First, TWP believed that the growth of the employer-based business was a “higher and more critical priority” at that stage of its development.” And, TWP already had a mix of processes for gathering feedback from job-seeking customers (e.g., surveys, focus groups, and service evaluations). TWP prioritized the employer council over the job-seeker council.
council in order to ensure that they could “invest the necessary energy and resources” to address what TWP considered “the most critical and difficult challenge facing The Work Place,” growing the employer side of its business.\textsuperscript{117} Although TWP also had feedback mechanisms for its employer services, it created the Employer Advisory Council to strengthen its connections to the business community, to tap into the employers’ expertise for the development of fee-based services, and to better align TWP’s strategies and practices with employer needs. After being formed in October 1998, the employer council met monthly to guide TWP’s organizational and business growth and to develop a business plan for new enterprises. According to TWP, the Employer Advisory Council:

> provides advice to The Work Place on the relevance, effectiveness, and responsiveness of The Work Place’s services to employer customers, and recommends improvements as needed. It also assists The Work Place in identifying new trends in the labor market that constitute opportunities for The Work Place to develop new services or improve/expand existing ones.\textsuperscript{118}

By its second year, the Employer Council provided more than guidance. It replaced the monthly formal oversight previously provided by the Executive Committee of the JVS Board of Directors. The formal nature of the employer council’s relationship to TWP had two particular strategic advantages. It addressed the concern raised in the previous year’s charter review process that TWP had been planning—perhaps too many—collaborative ventures with JVS in an effort to diversify its revenue. And it addressed TWP’s efforts to operate more like a business by closing identifying with employers. In fact, the employer council was comprised of seven

\textsuperscript{117} The Work Place, Progress Report, Charter Review FY2000, page 2.  
members who were all employers. The employer council provided TWP with closer employer relationships, while, at the same time, maintaining a governance tie to JVS.

**Fee-based Services**

TWP had several interests in building stronger employer relationships and in developing more profitable fee-based services: revenue diversity, service enhancements, and performance measures. TWP focused on developing fee-based services in an attempt to create additional revenue streams in order to offset the increasing share of its budget represented by categorical funding. For TWP, fee-based services also provided ways to broaden the scope of services made available to customers beyond free core services. Successfully selling its services in the marketplace was also an indication to TWP that its activities were valued enough by employer and job-seeker customers to pay for them:

> If career centers in general and The Work Place in particular are going to become viable players in the regional labor market, we must offer high quality services that are in demand by employers. It is dangerous to assume that only those things that government wants to fund (through welfare reform, for example) meet the true needs of employers. The ultimate measure of the quality and value of our services and our viability in the marketplace is the employers’ willingness to pay for these services. If we are not able to establish ourselves in the market place, we will not succeed.

TWP attempted to increase its fee-based services by enhancing existing products and develop new services. TWP’s fee-based services to employers were essentially those offered beyond the free core service of posting job openings. According to TWP, simply posting jobs does not work for many employers who use a multi-pronged approach to filling their human resource needs. For these employers, TWP offered several options: job fairs, information tables, and in-house

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119 Five members were TWP employer customers and two members were also members of the JVS Board of Directors. One of the two council co-chairs was also a member of the JVS Board, where she sat on that board’s JVS Program Committee that monitored TWP’s progress toward meeting its goals and objectives.

recruitment. Job fairs ranged from large events with up to fifty employers to “mini job fairs” at TWP for a single employer. These often involved specialized recruitment of job-seekers such as recruitment from specific neighborhoods (e.g., East Boston and airport area) or special skills or language capacity. Some employers paid for the opportunity to display and talk about their positions at a booth in TWP’s lobby or to merely display the information on a table in the resource library. Other employers opted for more active services such as on-site recruitment where employers made presentations to groups of job-seekers in a classroom style setting. Interested job-seekers then filled out application forms in one room while the employer conducted interviews in an adjoining room. This approach allowed employers to reach larger numbers of job-seekers and often resulted in same-day hires. According to TWP, its fee-based employer services reflected “our ability to listen, to understand what the customer really needed, and to be creative and responsive in developing solutions, [and] led to greater customer satisfaction as well as increased revenues for The Work Place.”\textsuperscript{121} In its drive to develop new fee-based services, TWP started in late 1998 to work with its Employer Advisory Council and a team of graduate students from the Harvard Business School to develop a business plan for new enterprise ventures aimed at generating significant employer based fee income.\textsuperscript{122}

At the same time that it emphasized fee-based employer services, TWP also developed and offered a variety of fee-based services for job-seekers that ranged from $10 for scanning an internet job site to $250 for an executive resume package. TWP’s efforts to increase fee-based revenues from job-seekers had some success. However, TWP’s emphasis on fee-based employer

\textsuperscript{121} The Work Place, Business Plan Update, Charter Review FY2000, page 19.
\textsuperscript{122} TWP approached two and four year colleges that did not have placement offices and offered fee-based job market research, assessment, counseling, resume and interview coaching services to students and their parents.
services meant that this revenue stream increased more than from job-seekers. Fee-based income increased from just over one percent—$18,000—in Fiscal Year 1998 to five percent—$81,509—in Fiscal Year 1999. During this time, employer-based revenue increased from $6,759—or 37 percent of total fee income—in Fiscal Year 1998, to $64,467—or 84 percent of total fee income—in Fiscal Year 1999. In contrast, during this same time, job-seeker fee income only slightly increased from $11,319—or 63 percent of total fee income—in Fiscal Year 1998, to $13,043—or 16 percent of total fee income—in Fiscal Year 1999. So, while employer income increased 850 percent between Fiscal Year 1998 and Fiscal Year 1999, job-seeker income increased only 15 percent.

There were two main reasons for the difference in increased income from employers versus job-seekers. First, TWP’s career services catalog had “over-sold” its free core services and “under-sold” its fee services. Second, many career services staff had backgrounds in the public and nonprofit sectors and were uncomfortable and under-trained in selling and marketing. In response, TWP planned to modify its marketing materials and to train staff. Another explanation for the difference in income is that TWP invested more resources into its fee-based employer services. By focusing resources on employers, TWP managed to significantly increase its income from employer services. Compared to fee-based job-seeker services, TWP saw more flexibility and profit potential in developing fee-based employer services. And, as will be discussed more in the next chapter, a tightening labor market was compelling employers to increasingly work with TWP to meet their human resource needs.

Populations and Placements

During its initial years of operation, the ethnic and racial mix of TWP’s job-seekers was similar to that of Boston. In its first year (fiscal year 1997), approximately 45 percent were white, 27 percent were African American, 11 percent were Latino, 6 percent were Asian, and 11 percent were “other.” About half of TWP’s job-seekers were female, and about three-quarters were between the ages of 22 and 45 years of age. In its first year, more than one-third (37 percent) of TWP job-seekers had only a high school degree or less, about one-quarter (26 percent) had attended some college but not received a degree, and more than one-third (37 percent) had a college or advanced degree (See Appendix Table 8). Among TWP job-seekers in fiscal year 1997, a majority—63 percent—had at least some college education, as compared to 33 percent at JobNet and 72 percent at BCL. About one-quarter (24 percent) of TWP customers had a college degree, and 13 percent had advanced degrees. Among TWP customers, a little less than one-quarter (22 percent) had only a high school degree or equivalent, and eight percent never graduated from high school. About seven percent were welfare recipients. In its second year, partly due to its pursuit of fee-paying customers, TWP’s percentage of customers with college or advanced degrees increased from 37 percent in 1997 to 45 percent in 1998.

TWP was the first career center to reach the 20 percent placement goal that was the benchmark established by the REB (See Appendix Table 4). During its first year of operation, TWP not

124 In comparison, a majority (67 percent) of JobNet job-seekers had only a high school degree or less, only 9 percent had attended some college but not received a degree, and about one-quarter (24 percent) had a college or advanced degree. At Boston Career Link, about one-quarter (24 percent) of JobNet job-seekers had only a high school degree or less, 20 percent had attended some college but not received a degree, and a majority (52 percent) had a college or advanced degree.

125 The State WIB and Boston WIB determined that the Employment Service had found jobs for an average of 20 percent of clients. This figure became a general benchmark to ascertain how the new career centers performed relative to the previous system.
only had the highest placement rate of 33 percent (compared to 15 percent at JobNet and 16 percent at Boston Career Link), but TWP also had the highest number of placements (See Appendix Table 5). TWP had 1259 placements compared to JobNet’s 207 and BCL’s 557. In its second year, TWP’s placement rate was 28 percent (compared to 21 percent at JobNet and 49 percent at BCL).

Due to its emphasis on employer services, TWP had much higher rates of filling the job positions posted by employers. For example, TWP reported that it filled 32 percent of employer-posted employment opportunities in its first year, compared to 18 percent at JobNet and 9 percent at BCL.

Summary

More so than the other career centers, TWP indicated that it quickly embraced the competitive and entrepreneurial spirit of the Boston career center initiative. To support its organizational planning, TWP adopted a CQI approach even before it opened its doors, whereas BCL and JobNet adopted CQI later, and then only partially. An indication of its entrepreneurial orientation was TWP’s emphasis on data-driven management and program planning as a method to conduct “market-based” analysis and product development. For example, TWP invested early in developing technological capacity to support labor matching services, such as creating and licensing CareerMaker software. Similarly, TWP innovated the use of bar code technology as a means to track customer usage of services. TWP’s entrepreneurial orientation was especially indicated by its strong planning and practice focus on employer services, particularly those

126 TWP’s high numbers in its first year is partly due to its being first career center to open, thereby giving it a longer reporting period, as well as larger market share due to the late entry of its “competitors.”
services and products that generated fees and “profits.” To this end, TWP prioritized the investment of organizational resources into developing relationships with employers. TWP also cultivated organizational ties to governmental and nonprofit agencies. However, unlike BCL and JobNet, TWP followed through on its interest in developing ties with employers and employer networks by establishing and sustaining an Employer Advisory Council. Reflecting its entrepreneurial orientation, it was only when TWP realized in its second year that categorical funding could be a significant source of revenue that TWP accelerated the development of categorical-funded job-seeker services. Overall, in its planning and practices, TWP demonstrated an entrepreneurial orientation characterized by strategic rather than tactical coordination, systemic (i.e., “market”) assessments, data-rich analysis, technological innovation, fee-based services, and an employer focus.
JobNet

Planning and Practice

Services for All while Targeting the Poor

The operators of JobNet originally proposed that JobNet be located in the old main Employment Service downtown office. On the one hand, this request was similar to the proposals for the other career centers in that operators wanted to locate services within one of their existing buildings. However, whereas the other career centers quickly adjusted their proposals in response to REB questioning and located other office space for the career centers, DET was less flexible and more resistant to moving away from the old Employment Service headquarters. In fact, the JobNet proposal was rejected twice by the Boston PIC because it did not signal that JobNet was sufficiently distancing itself from DET and its Employment Service past. Because of its revised location proposals, JobNet was the last Career Center to open. JobNet was eventually located in commercial office space that afforded accessibility to a wide range of Boston residents and workers because it was several blocks from Boston’s main train/bus/subway South Station terminus. Within a year, JobNet also set up a satellite office at 1010 Massachusetts Avenue, which was shared space in the Newmarket Square local DTA (welfare) office. This location provided access to TAFDC recipients and residents of the low-income Roxbury and Dorchester neighborhoods. The decision to set up operations at these locations reflected JobNet’s dual strategy of providing accessible services to all job-seekers, while at the same time focusing on the most disadvantaged.
Integrating the satellite office into JobNet’s operations proved to be problematic, however. With no information systems to connect it to the main location, the Newmarket office functioned as a quasi-independent program. According to the Boston PIC, JobNet had:

no formal mechanism for the satellite staff to participate in training, staff meetings and other staff development activities at the main office. A significant opportunity for information sharing, and skill development among the staff is lost through this lack of integration. Further, organizational identity, both on the part of the satellite staff and in the public perception by those customers who receive services through the satellite office, may also be compromised by the lack of integration.127

In several ways, these themes would continue to describe the main challenges experienced by JobNet in its early years: integration, information, and identity.

Uneven Partnership

JobNet (JN) opened in January 1997 under the sponsorship of the state Division of Employment Training and the private placement firm of Drake, Beam, and Morin (DBM). From the beginning, DET was the main operating influence. All of JN’s financial and payroll transactions were directly managed by DET. DET also provided many of JN’s original staff, with at least one staff person coming from DBM. Furthermore, JN’s first executive director was a long-term veteran of DET. With such heavy reliance on DET personnel, JobNet’s general orientation was based on DET’s bureaucratic tendencies. Though formally (e.g., financial and information systems) and informally (e.g., personnel networks) connected to DET, JobNet did have some limited managerial discretion. Part of this leeway was due to the arms-distance oversight provided by JobNet’s Governing Board. Comprised of DET’s assistant deputy director and DBM’s operations vice president, the Governing Board met every six weeks to two months to receive the executive director’s operational updates and had little role in strategic planning. One
reason for the hands-off approach was that neither DET nor DBM had prior experience with giving or receiving policy or operational direction from a board of directors. Though JobNet proposed to develop an external advisory board of job-seekers and employer as a vehicle to hear the “voice of the customer,” no such board was convened in its first two years.

JobNet not only had limited influence from its Governing Board, but also from DBM. DBM did not exercise strong policy or managerial direction through its role on the governing board. As a result, even during its first year when it had few procedures in place, JobNet relied on its DET-based staff to organize itself and deliver services. In this setting, JobNet adopted a CQI approach mostly characterized by a team-centered management style. That is, task teams were empowered to implement ideas in weekly staff meetings. This approach was more pragmatically-driven than conceptually-grounded. That is, the first executive director—a long-term DET employee with a professional background in administering unemployment insurance—was inexperienced and uncomfortable with CQI processes. And, not having direct experience in employment services, especially those related to employers, the director relied on staff to figure out what and how to deliver core and enhanced services to both job-seekers and employers. At the same time, the team approach showed DET’s bureaucratic influence. Teams were organized into functional areas that were called “staff coalitions.” These groups were “empowered” to set standards and benchmarks, solve problems, and report recommendations to the management team in areas such as resume standards, resource room operations, marketing of JobNet services, and Title III (dislocated worker) program administration. These “staff coalitions” established “benchmarks”

such as customer wait time of less than five minutes, on time start to all workshops and orientations, and return of phone/voice messages within 24 hours.

JobNet associated its team-based organizational structure with its general strategy to distinguish JobNet’s “empowerment approach” with DET’s traditional “dependency model” in which services were provided to those eligible and that assumed that clients could or would not manage their own job search needs. During its first year of operation, JobNet was influenced through its partnership with Drake Beam and Morin to experiment with customer-focused approaches in providing employment services. JobNet initially adopted a “self-help” customer service model that encouraged customers to learn job-search skills on their own so that, “like bank ATMs and gas stations, some of the responsibility falls on the customer. For example, when asked by customers to create resumes for them, staff instead directed them to workshops and resource room computers. Despite experimenting in team-based processes, JobNet’s associate director suggested in 1998 that JobNet’s emphasis on self-reliance and teamwork would likely change as its internal operations matured and became formalized.128

**Computing by Hand: Information Management as Priority**

Even with DET’s considerable staff and technical resources at its disposal, JobNet, like Boston Career Link with its more limited resources, was challenged by technological problems related to its management information systems. Accustomed to DET’s well-established data collection and reporting systems, JobNet staff members were especially frustrated with the lack of a state-wide information system for collecting data from the One-Stop Career Centers. This lack of

128 Personal interview with JobNet associate director, April 17, 1998.
standardization was for JobNet, “a nightmare of manual, crisis-driven, ever-changing reports.”

Without state-mandated information systems to implement, JobNet was compelled to adopt new software systems—Account Manager, CareerMaker, and Lotus Notes—some of which it purchased from The Work Place. The software, requiring new training for staff, produced mixed success because key procedures continued to be manually and routinely conducted for almost one year. Most importantly, with no talent bank software, most labor exchange was conducted by hand, as had been done historically by the Employment Service. JobNet’s default use of such paper-based forms was yet another signal of the center’s latent bureaucratic tendencies. This practice limited the specificity by which staff could target qualified candidates for job postings. JobNet also had under-developed information systems to manage other career center functions. For example, JobNet maintained an 8-column hand-written ledger for tracking fee-based money received for services and space rental for eleven months, before transferring this data management activity to Intuit’s Quicken software. Such technical limitations were especially frustrating for JobNet because, more so than Boston Career Link and the Work Place, JobNet’s former DET staff were accustomed to standardized documentation and reporting routines. This difference among career centers was evident in their first annual review progress reports, where JobNet—much more so than BCL and TWP, considered one of its main organizational priority and performance issues to be the identification and response to managing information systems. In contrast to the many reports it generated for state agencies, JobNet critiqued itself for not preparing internal management reports. To address its relative lack of sophistication in its technical operations and to allow program managers to run more detailed

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130 JobNet paid The Work Place licensing and consulting fees for software and support.
reports, JobNet determined that it would hire an additional information technology (IT) staff person and to make IT a priority.

**Responding to losing a Partner, Peers, and a Director**

In its second year, JobNet continued to wrestle with its information technology issues, and encountered new challenges including the departure of DBM and of JobNet’s executive director. DBM decided to withdraw its participation as a career center operator because it calculated that it was unlikely to make a profit and because it had less influence over JobNet’s operations that it had anticipated. With fiscal management authority and with former employees in JobNet’s key leadership positions, DET’s formal and informal influence constrained DBM’s ability to shape JobNet’s activities. Moreover, the organizational interests and competencies of DBM and DET sometimes clashed. For example, DBM was unaccustomed to developing or providing services to disadvantaged job-seekers. Conflicts with DBM contributed to another major change faced by JobNet in its second year, the departure of the executive director.

According to a JobNet informant, the director left—and returned to DET—due to the stress and frustration of attempting to reconcile the conflicting views and expectations of DET, DBM, and Boston’s One-Stop Career Center system. In an attempt to rebuild JobNet, DET—at this point JobNet’s sole operator—recruited Rosemary Alexander as the new director in the summer of 1998. Alexander was a DET veteran who had actual experience administering several local DET offices, unlike the previous director with a long tenure in DET’s central administration. At this point in its governance, JobNet had no other operator except DET. Neither did JobNet have a Customer Advisory Committee. For nearly nine months, JobNet was governed by DET and by the new director designated by DET. As a result JobNet reasserted the bureaucratic orientation
inherited from DET. As the leader in this chain-of-command, Alexander focused on the three activities: finding another operating partner, improving information systems, and enhancing management and labor exchange processes.

To find a new partner, DET initiated a standard state competitive procurement process for contracts in May 1998. After reviewing the three bid responses to the RFR, Alexander persuaded DET not to award the contract and instead to modify and re-issue the RFR so that it contain specific language encouraging more collaboration and in-kind contributions rather than a “vendor” type relationship as suggested in the original RFR. These changes delayed the selection process so that a new partner was not chosen until February 1999.

**Fixing Information Technology**

During this time, several changes were made to JobNet’s information systems. Compared to the other career centers, JobNet had the least amount of information technology staff, yet the highest amount of staffing resources devoted to meeting reporting requirements. To address this, JobNet hired another IT person and began transitioning from its mixed assortment of career center information management systems to the DET’s automated information management system to record DTA placement program activity. This decision was made to improve the accuracy of reporting and to reconcile data between the DET system and the DTA system. JobNet also reviewed the problems with its data entry and reporting and found several issues. One issue was that JobNet used a variety of reporting systems that not all staff used similarly or consistently. In response, JobNet instructed staff to schedule appropriate amounts of time for data entry, even if it reduced time for direct client services delivery.
In an effort to simultaneously improve its information systems and its internal management, JobNet organized two CQI teams to examine problems with its labor exchange. Both teams identified inconsistent data collection procedures as the culprit. Overall, JobNet’s approach to information and systems management was establishing procedures and instructions for administering the tasks, documentation, and reportable outcomes associated with the labor matching process. JobNet’s self-identified strategic priorities included “re-establishing consistent procedures for capturing important information regarding use of Center resources and service delivery; revising customer management procedures to promote improved case management; re-establishing employer recruitment set-up/follow-up procedures; restructuring ongoing orientation and follow-up procedures to ensure that JobNet customers provide job attainment information on a timely basis; initiating direct referral activities on a more consistent basis; and streamlining the cycle time for matching qualified customers with jobs.”

Emergent Bureaucracy and the “Walking Wounded”

JobNet’s second year of operation was characterized by increased formalization using DET’s familiar organizational processes: rules and documentation. However, JobNet did this through staff teams and CQI processes. That is, JobNet’s team-based CQI processes focused on data collection, forms, procedures, and reporting outcomes. In this way, JobNet attempted to develop a hybrid emergent bureaucracy focused on quality service. According to Alexander, she took the job of directing JobNet because she wanted to learn “how to do customer service” and combine it with the “tried and true structure of DET” in delivering services.

Alexander said she had to retrain JobNet staff to de-emphasize DET-based case management approaches and to strengthen the labor exchange aspects of employment services. At the same time, Alexander said that she felt “the public charge is very serious… our reason for being is for public dollars to be used for indigent and refugee populations. The majority of people who come here have problems…the state is seen as the last resort for the walking wounded.” One consequence of this is that many of JobNet’s customers are not job-ready and require referrals to other support services. Staff time devoted to such people does not result in a “placement.” In fact, JobNet staff found that many people in the DTA-supported structured job search (SJS) program were “difficult” customers, some wanting a place to stay during the day, some with mental or emotional problems, and some who identified the career center as the “state” employment service where they had a “right” to demand certain services and levels of attention.

**Relationships with Job-Seekers**

As the last career center to open, JobNet had the advantage of knowing that the initial block grant budgeting would be compromised, and that categorical funding would be an important source of revenue. Based on this information and on DET’s experience with such programs, JobNet organized its operation with lead Career Associate (CA) specialists in specific program areas such as welfare, Skills Plus, Title III (dislocated workers), and ADA (American Disabilities Act). Having Career Associates with population specialties meant that there were several types of relationships with job-seekers.

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Customers eligible for categorical funding were more likely to access JobNet either through the satellite office and other local area welfare offices, or referrals by other recipients. In addition to being an active presence in welfare offices, JobNet built on its DET connections to make presentations at unemployment insurance monthly meetings. With its location at the edge of Chinatown, JobNet’s Asian staff established relationships and made presentations at local Chinatown organizations such as the Asian American Civic Association. These outreach activities contributed to JobNet seeing a higher percentage of unemployed than the other two career centers. It also had a higher percentage of customers with only a high school degree. Having a satellite office within a DTA office also contributed to JobNet reporting 74 DTA job placements through October 1997, a number that exceeded the 50 placements reported by the other two career centers combined.

**Employer Services**

Through its connection to DET, JobNet had access to a large base of employers. This is because, over time, many employers had grown accustomed to listing jobs with DET to meet job posting requirements associated with ensuring affirmative action outreach compliance. As a result, JobNet did not have to conduct much outreach or marketing to employers. In fact, JobNet’s main challenge was managing the volume of employer calls coming in. In this regard, JobNet mostly applied the standardized DET-esque case management approach that it developed for categorical job-seeker customers to how it managed employer relations. In general, the EAs were not able to convert many employers from the free core posting to fee-based services. Moreover, the large volume of employer referrals from DET soon became problematic because JobNet staff had to enter the jobs data into both the Career Center software (Account Manager) and the DET (TED) information system. Then, after posting the jobs twice, staff had to manually conduct matches
because the candidate data was stored in different software that did not permit labor matching. In addition to hand-sorting resumes and job postings as part of its labor exchange process, Employer Associates and Career Associates also used staff meetings to discuss the “job of the week” and the “client of the week.” Such non-automated systems resulted in “hit and miss” job matching. So, even with a large, installed employer customer base, JobNet was challenged technically and procedurally in turning this asset into job matches, enhanced (i.e., fee-based) employer services, or into a revenue stream.

**Populations and Placements**

In comparison to the other Boston career centers, JobNet tended to have higher volumes of job-seeker and employer customers, higher percentages of job-seekers with low educational attainment, and lower placement rates.

In its first year, the ethnic/racial composition of JobNet’s job-seekers was, like TWP’s demographics, relatively similar to that of Boston, with the exception that JobNet had a higher Asian population due to its proximity to Chinatown. JobNet’s job-seekers were 35 percent white, 30 percent Asian, 21 percent African-America, 9 percent Hispanic, and 4 percent other. JobNet had a slightly more balanced gender distribution among the career centers: 51 percent female compared to TWP’s 55 percent female and BCL’s 65 percent female population.

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133 Fiscal Year 1997 data.
JobNet consistently served higher proportions of less educated job-seekers than the other career centers (See Appendix Table 8). In its first year, 67 percent of JobNet’s job-seeker customers had only a high school degree/equivalent or less; and 20 percent did not have a high school degree. These percentages were significantly higher than those of TWP (37 percent with only a high school degree/equivalent or less, and 12 percent with no high school degree) and BCL (24 percent with only a high school degree/equivalent or less, and 6 percent with no high school degree). Similarly, JobNet consistently served lower percentages of job-seekers with higher educational attainment. Only 9 percent of JobNet’s job-seekers had some college versus 26 percent at TWP and 20 percent at BCL. The percentage of JobNet’s job-seekers with a college degree or higher—24 percent (8 percent with advanced degrees)—was also much lower than that at TWP—37 percent (13 percent with advanced degrees), and BCL—52 percent (21 percent with advanced degrees). While the percentage distributions of educational attainment among JobNet’s job-seekers did not vary significantly during its first several years, JobNet’s percentage of less educated customers slightly increased as its percentage of customers with college degrees decreased.

By the end of its second year, JobNet’s total share of job-seekers was much higher than that the other career centers, a pattern that has continued to 2003. In Fiscal Year 1998, JobNet registered 4592 new job-seekers or 42 percent of all such customers at Boston career centers (See Appendix Table 7). In contrast, TWP registered 3486 new job-seekers (32 percent of system volume) and BCL registered 2841 new job-seekers (26 percent of system volume).
JobNet’s relationship to DET continued to provide it with many employer referrals. JobNet’s identification with the State Employment Security System was the main source of job postings. According to JobNet, “on a continuing basis many employers listing job orders with us realize that they do not only receive quality referrals but also satisfy the federal requirement, for those receiving federal funding, to post job orders with the public employment service.” JobNet’s relationship with state contributed to JobNet consistently having higher numbers of employer accounts and job postings than the other career centers. In Fiscal Year 1998, JobNet opened 769 employer accounts—representing nearly half of all such accounts opened by Boston career centers. Relatedly, 1486 jobs were posted at JobNet (See Appendix Table 6). In comparison, TWP opened 432 employer accounts and posted 904 jobs, and BCL opened 389 employer accounts and posted 761 jobs.

Like BCL, JobNet’s information technology problems contributed to reporting low placement rates in its first year. For that year, JobNet reported a 15 percent placement rate and BCL reported a 16 percent placement, while TWP reported a 33 percent placement rate (See Appendix Table 4). In Fiscal Year 1998, JobNet’s placement rate increased to 21 percent, while BCL’s rate increased to 49 percent and TWP’s rate decreased to 28 percent. One explanation for JobNet’s low placement rate compared to the other career centers is that JobNet had the largest volume of job-seeker customers, as well as a higher proportion of less educated individuals. In its emphasis on serving the very disadvantaged, JobNet saw many customers with low literacy skills, varied or limited work histories, and those needing social service supports (e.g., homelessness, substance abuse). However, not all disadvantaged customers had poor placement rates. JobNet

found that its satellite office within a DTA office had a higher placement rate than the main office. After analyzing differences in labor exchange methods, JobNet determined that the approach at the welfare office involved more comprehensive case management techniques that yielded more complete information exchange between staff and customers and employers.

**Summary**

JobNet’s bureaucratic orientation was exhibited through several aspects of its planning and practice. The most telling indication of bureaucratic processes was DET’s strong formal and informal influence on JobNet’s management, particularly after the departure of DBM. Most of JobNet’s leadership and staff were former workers of the DET/Employment Service. DET provided much of the financial and data system administration for JobNet. DET provided sufficient capitalization to manage payroll and other disbursements while awaiting contractual reimbursements. In this regard, JobNet was more fiscally stable and therefore less administratively stressed and dependent on categorical funding than either BCL or TWP. Through DET, JobNet was able to draw upon well-developed financial systems to manage complex contracting relationships with other governmental agencies. DET connections also provided entry to establishing resource-sharing relationships with other state agencies such as the co-location of JobNet’s satellite office at DTA’s Newmarket square office. However, because JobNet was deeply embedded in public bureaucratic structures and networks and because JobNet did not have a well-developed board or systematic CQI training, JobNet’s practices and services tended to reflect governmental processes. Consequently, JobNet identified its biggest managerial and administrative challenge as involving the upgrading and managing its management information systems—central concerns of government bureaucracies. In contrast to its strong relationships with government agencies, JobNet had weak relationships with employers even as
it processed large numbers of employer job postings. JobNet’s primary interest regarding improving its interactions with employers consisted of developing consistent procedures for data entry and documentation of employer job postings. JobNet had no fee-based services to offer by the end of its first year, and very limited fee-based services at the end of second year.

Chapter Review

In 1998, a casual visitor to all three of Boston’s career centers would likely have observed more similarities than differences among them. The office layouts were so consistent that the centers appeared to have shared the same office space designer: computer resource room, library, training rooms, and offices. Likewise, all three centers offered similar types of career planning and job search services and workshops. However, before they opened for business in 1996 and during the next few years of their operations, the career centers made different decisions that influenced how they planned, practiced, and performed as labor market intermediaries. In the case of Boston Career Link, the career center quickly entered into a period of crisis management marked by managerial turnover, shifting and reactive tactics, and a reliance on mixed and overlapping personal and organizational networks for support. BCL’s approach to information was characterized more by situational, “sensing,” and interpretation modes rather than systematic, technological, and analytical methods. BCL’s personalistic approach was exhibited through a reliance on internal and external consultative processes that favored services to job-seekers over those to employers. At The Work Place, an entrepreneurial zeal for team-based information-rich CQI processes focused its services on employers. TWP emphasized the consistent use of systemic and strategic analysis in its management and in its development and delivery of services. TWP supported this approach with investments in technology and data
analysis methods. In response to diminished funding, TWP emphasized fee-based services for both job-seekers and employers in an attempt to diversify its revenue. JobNet’s bureaucratic orientation emerged quickly as a result of few counteracting forces to DET’s formal and informal influence. In this setting, JobNet used a hybrid process of CQI-infused teams and categorical specialization to standardize practices around information systems and labor matching. By combining such procedures with its inherited relations with government agencies referring job-seekers and employers, JobNet administered a high volume of employment services, especially to the most disadvantaged job-seekers. Regarding performance, TWP was the first career center to pass the benchmark indicator of a 20 percent placement rate, reaching a 33 percent placement rate by the end of the first year, compared to JobNet’s 15 percent and BCL’s 16 percent. TWP also had the highest number of placements at 1259 (compared to JobNet’s 207 and BCL’s 557). Reflecting its focus on employer services, TWP filled 32 percent of employer job postings, compared to 18 percent at JobNet and 9 percent at BCL. However, by the end of the second year, BCL had the highest placement rate, 49 percent, compared to 28 percent at TWP and 21 percent at JobNet. BCL’s surging placement rate may be partly explained by having significantly larger percentages of higher educated job-seekers than the other career centers, increased organizational investments in placement data record-keeping, and customized case management practices. JobNet’s increased placement rate is partly explained by improved recording keeping and labor matching procedures. While no clear explanation is evident, TWP’s decreased placement rate may be partly explained by the organization’s slight shifting of resources to categorically-focused—harder to place—job-seekers and to employer services.

135 TWP’s high numbers in its first year is mostly due to its being first career center to open, thereby giving it a longer reporting period, as well as larger market share due to the late entry of its “competitors.”
CHAPTER FOUR


Overview

After a start-up phase of several years, the career centers entered into a second era highlighted by welfare reform implementation and a tightened labor market. During this era—comprising the years 1999 and 2000—the career centers experienced changing institutional conditions in their external environment that were associated with corresponding internal operational shifts. In this chapter, the career centers are examined as they continued to evolve their operations and fashion different approaches to the mix of challenges and opportunities presented by welfare reform and low unemployment rates. As will be revealed, the career centers did not respond equally to these changing situations. Related to their strategic orientation, the centers exhibited differences in their planning, practice, and performance. Boston Career Link focused on altering and re-building relationships as a response to its persistent managerial and planning problems and to its challenges of delivering services associated with welfare reform. The Work Place focused on adjusting its plans and practices to better promote development of fee-based and employer services in order to exploit the opportunities presented by increased employer demand for workers. At the same time, TWP reorganized its teams as a means to adapt to the demands of welfare reform. JobNet focused on integrating a new operator into its increasingly formalized planning and programs at the same time as adjusting its information and service delivery systems to the new requirements of welfare reform.
Boston Career Link

Planning and Practice

Consultative Strategic Planning

Despite some management restructuring, Boston Career Link kept experiencing shifting reporting and authority relationships as it continued focusing on disadvantaged customers. Overall during 1999 and 2000, BCL’s basic over-arching management structure did not change, and episodic staff and management turnover contributed to a reliance on personal and peer relationships for carrying out day-to-day operations. At the same time, BCL persisted in emphasizing services to individuals with employment barriers while still having the largest percentage of most educated job-seekers of all three career centers. According to BCL,

“it would be fair to say that low-income people have been the target population of BCL. This target population is consistent with the missions of the collaborating agencies and is also the population for which there is the most funding available for services, including Welfare-to-Work and Department of Transitional Assistance funding.”

As noted by BCL, disadvantaged people were targeted because they were the traditional recipients of services by BCL’s operators and because they represented sources of revenue. However, providing services to those for whom governmental funds were available tended to reinforce BCL’s tendency to rely on immediate tactical responses to funding opportunities rather than long-term planning. Initially, BCL’s hoped that its Customer Advisory Council could provide operational oversight and supplement the advice and oversight of its operators on the governing board. However, this expectation did not bear out as intended. For example, BCL was not able to carry out the CAC’s proposals that BCL sponsor a second annual informational meeting for Boston’s education and training providers or hold a similar meeting for
employers. Acknowledging BCL’s penchant for reacting to the immediate needs of its customers and its own administration, the CAC determined in its second meeting that it was necessary to conduct longer range strategic planning to evaluate BCL’s viability and identify opportunities for the center’s future growth and development. The CAC specifically recommended that the operators hire an independent consultant to facilitate strategic planning prior to initiating its operations in fiscal year 2001 and prior to implementing WIA. In the fall of 2000, BCL’s governance board (i.e., MMGI, WEIU, DCHC) selected Workforce Learning Strategies (WLS) as the strategic planning consultants. Like BCL’s organizational and CQI consultants, WLS was partly selected due to overlapping professional and friendship networks evolved over time.

Recognizing BCL’s unstable history, WLS was charged with developing a strategic plan that would help BCL respond to changing institutional conditions as well as would align BCL’s role with that of its operators and other community partners. According to the strategic plan, BCL’s main challenges and opportunities related to changes in the labor exchange environment including welfare reform; implementation of WIA; limited state government support for a

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137 After hosting its first informational breakfast in 1998, BCL determined that 1999 was a transition year for WIA and that there were too many uncertainties regarding how Individual Training Accounts would be piloted. Instead of its own event, BCL decided to participate in a Job Training Alliance meeting. However, this meeting did not occur.
138 BCL’s operators were familiar with Workforce Learning Strategies’ principals—Suzanne Teegarden and Barbara Baran—through several institutional relationships. Previously, Suzanne Teegarden was the President of the Massachusetts’ quasi-public Corporation for Business, Work, and Learning (CBWL), which promoted workforce development and economic development policies, and provided state-level policy oversight to career centers. Also at CBWL, Baran was Vice President for Workforce Development. And, Teegarden and Baran were Co-Directors for the Workforce Strategies Collaborative (WSC) at Northeastern University’s Center for Urban and Regional Policy. WSC worked with career centers and government and community agencies on workforce development issues.
139 To develop BCL’s strategic plan, WLS interviewed BCL’s stakeholders and evaluated the career center environment and prospects for future development. As background, WLS defined target job-seeker populations and analyzed who BCL was serving; determined who the other Boston career centers were serving; profiled Boston’s working age population; and identified those groups facing serious barriers to employment.
competitive career center model; and the influence of a strong economy and tight labor market on labor exchange practices.\(^{140}\) Moreover,

people from low-income families, people from communities of color and linguistic minorities are less likely to be part of an informal network to learn about job openings. These groups may also face barriers to employment, such as prejudice, lack of English skills, limited work histories and low educational attainment, and may be more in need of the job search assistance, career counseling, interview training, access to job training programs, and other support services that BCL provides.\(^{141}\)

“After lengthy discussions,” BCL’s operators agreed on four areas of realignment: adapt to WIA; focus on populations in greatest need of career center services; target particular employers that match the employment needs of targeted job-seeker populations; and align more closely with the three collaborating agencies. The operators met with PIC which accepted the proposed realignments.

The strategic plan suggested that BCL focus on Empowerment Zone (EZ) residents because they fit many categories of disadvantaged workers including low-income, communities of color, and linguistic minorities. BCL noted that an advantage of focusing on EZ residents was that planned economic development projects in the EZ would generate job opportunities. According to BCL, “most of these projects will house industries with natural alliances to the collaborating agencies and with many entry-level jobs.”\(^{142}\) Focusing on EZ residents also provided rationale for plans among BCL’s operators to re-locate BCL to offices within MMGI’s large building, which

\(^{140}\) The consultants’ analysis attributed most of BCL’s operational challenges to lower than anticipated funding levels, significant funds being categorical rather than discretionary, cash flow delays, and insufficient funds for universal access services. The consultant report forecast that career center funding would remain flat or decrease, that WIA could make additional demands without providing additional funding, and that funding levels would not support a free-standing career center. BCL therefore determined that in order to remain financially viable, it had to reposition itself and its services.


\(^{142}\) Charter Review FY ’02, Boston Career Link Business Plan and Progress Report, p. 5.
happened to be situated in the Roxbury neighborhood section of Boston’s Empowerment Zone. By moving its operations to MMGI’s low-rent office space, BCL’s operators hoped to reduce BCL’s overhead costs as well as strengthen the operators’ oversight of BCL.

**Strategic and Structural Re-alignment**

One immediate outcome of the strategic planning process was an agreement by the three operators to continue their involvement with BCL but Roxbury that MMGI would take over financial, operational and managerial responsibility, and that Goodwill’s Board of Directors would provide oversight to BCL. Moreover, BCL would move to office space within MMGI’s building, which was located in the low-income neighborhood and within the Empowerment Zone. BCL’s operators felt that the move would bring BCL closer to the disadvantaged job-seekers it was most interested in serving. A consequence of the process was that during the strategic planning in fall 2000 several key staff persons left the organization including the executive director and the information technology manager. Due to these departures, BCL personnel scrambled as duties were reassigned and staff were re-organized. By the end of 2000, BCL had a new management structure, and new weekly staff meetings. These management shifts resulted in delaying implementation of the strategic plan. As BCL reported, “formal deployment of most of BCL’s strategic plan has been put on hold while the lead agency status was transferred from Dimock to Goodwill and while the Steering Committee has been recruiting a new director.” Even as it attempted to develop a long-term strategic plan, BCL continued to operate in an environment of perpetual re-organization.

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143 BCL’s operators originally proposed locating BCL in MMGI, but were prevented from doing so by the PIC.
**DTA-Contracted Services and Programs**

During 1999 and 2000, in the midst of its shifting planning and managerial efforts, BCL remained challenged in responding to varied categorical performance-based mandates that needed to be satisfied in order to fully fund staffing and operations. Many of the categorical requirements were related to the rolling out implementation of welfare reform. To meet these outcome performance and revenue targets, BCL focused on DTA-contracts for welfare recipients to such an extent that a “disproportionate level of staffing was committed to DTA services at the expense of new product development and implementation.”\(^{145}\)

In providing DTA-contracted services, BCL reported that its two main “marketing techniques” consisted of strong relationships with DTA employees and targeted services to TANF recipients. According to BCL, its “outreach workers have a good relationship with DTA employees, and have worked to keep those relationships solid, through relationship-building events and other positive interactions.”\(^{146}\) However, BCL acknowledged that such relationships did not necessarily translate into more customers or effective services. In early 1999, BCL opened a satellite office across from the Dorchester DTA office, but closed it a year later in March 2000 because it “did not significantly increase the number of BCL clients.”\(^{147}\)

A more successful marketing technique was “product differentiation” regarding services to TANF recipients. According to BCL, its “job search program is more staff intensive and structured than those of other career centers, and BCL believes it has been more successful. BCL

\(^{146}\) Charter Review FY ’02, Boston Career Link Business Plan and Progress Report, p. 11.
\(^{147}\) Charter Review FY ’02, Boston Career Link Business Plan and Progress Report, p. 11.
is able to market its specialized program and superior success rate to clients and those assisting
clients.”148 In 1999, for example, BCL launched the Career Transitions Project (CTP), an
intensive post-placement case management and supportive services for DTA customers making
the transition from welfare to work. Under a contract that was operated with the Behavioral
Healthcare Network, the CTP assisted BCL to meet expanded job retention and earnings increase
standards by providing an integrated system of post-placement services for welfare recipients. A
key feature of the CTP was a service coordination design that provided an array of work-related
support services delivered by a community-based, mobile, multi-disciplinary team of
professionals and paraprofessionals. The services were designed to provide flexible and
sustained involvement by TANF customers with the goal of long-term job retention.

In 1999, BCL also began an experiment with a service it called the “Job Match Café,” an attempt
to improve the labor matching that occurred between candidate referral and employer contact.
Using funds made available by DTA through DET for employer-focused initiatives, BCL
allowed primarily DTA job-seeker interest to drive which four employers were invited to meet
job-seekers at four café events.149 The Job Match Café reflected BCL’s tendency to emphasize
job-seeker preferences and relational interactions in its approach to labor exchange. However,
Job Match Café did not produce many hires and was subsequently discontinued.

In its drive to increase the funding it derived from DTA contracts, BCL also experimented with
incentive plans for staff and welfare customers. BCL’s staff incentive plan was built around
performance in finding employment for welfare customers. A portion of funds earned on DTA

contracts above BCL’s financial target was returned to BCL staff in form of bonus. One indicator of the incentive program’s success is that BCL outperformed every career center in the state on a similar DTA contract in fiscal year 2000. Although BCL had high placement performance compared to other career centers, BCL was not able to determine the specific impact of the customer incentive plan because it did not collect information or have a control group. BCL’s high placement rates for DTA customer reflected BCL’s effectiveness in providing labor exchange services to targeted customer groups, even without having formalized strategies or information systems.

Special Services for Special Populations

In addition to its DTA-focused activities, BCL continued to provide services to other targeted groups. In some cases, BCL staff routinely provided services onsite to community-based groups who wanted their customers to have enhanced access to labor exchange services. In other cases, BCL developed services and programs in collaboration with its operators as well as other community-based organizations. For example, BCL engaged in several projects providing

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149 Employers who participated included the New England Aquarium, Pitney Bowes, Citizens Bank, and Marriott.
150 Twenty five percent of every dollar earned by BCL above the financial goal was dispersed to staff as a bonus. Incentive amount distribution depended on the intensity of the staff person’s involvement with DTA customers.
152 Similarly, BCL was unable to assess the affects of a bonus program in 2000, in which BCL offered to pay DTA customers $200 for work-related expenses if they enrolled in job search, found a job, and retained it for 30 days.
employment services to disabled people. BCL also offered specialized services to specific groups involved HIV job-seekers.

BCL’s focus on specialized groups of customers also influenced the development of BCL’s services and products that, though not explicitly targeted to a single population, revealed an emphasis on targeting specific groups or specific neighborhoods. In 1999, BCL’s first job fairs occurred in venues mostly located in disadvantaged neighborhoods and targeted to job-seekers with barriers to employment. BCL’s first off-site job fair was at the Bromley-Heath Public Housing Development and, although small, was considered a success. In April 1999, BCL was the lead sponsor for the “Spring into Employment Job Fair” that was organized by the Dorchester Bay Community Development Center (DBCDC) and held at Dimock Community Health Center. Encouraged by the reception from job-seekers and employers, BCL held a larger job fair at its own offices five months later in September.

Another way that BCL attempted to address the special needs of individuals was through the use of weekly clinical counseling services provided by the Corporation for Business Work and

\[153\] With funding from the Federal Rehabilitation Services Administration, BCL collaborated with Goodwill, the Institute for Community Inclusion, and Children’s Hospital to develop “Working Solutions,” a three-year employment demonstration project to help people with disabilities who both receive public assistance and live in Empowerment Zone/Enterprise Communities. Along with job search and job seeking skills, Working Solutions provided case management to assist with issues such as child care, transportation, housing, or medical needs. However, Working Solutions provided services to a relatively small number of disabled people. In its first year, the program enrolled 29 people and secured employment for 14 of them.

\[154\] To address the employment needs of HIV job-seekers, BCL collaborated with Dimock Community Health Center’s HIV Services Unit to develop the “Phoenix Program” with funds from the Boston Public Health Commission, and provided career counseling and job placement services to people with HIV/AIDS. Of the 60 participants in 1999, 20 participants were successfully placed in jobs.

\[155\] The Bromley-Heath Public Housing Development is composed of approximately 1000 housing units located in the Roxbury-Jamaica Plain borders of Boston.

\[156\] The job fair attracted 12 DBCDC-affiliated fee-paying employers who met with 75 job seekers.
Learning.\textsuperscript{158} BCL’s counseling approach to labor matching was noted by the Boston PIC in reporting on a site visit presentation comprised of four different case studies describing four individuals with different characteristics and employment goals:

The studies demonstrated the extremely customized, intensive, psychosocial approach counselors take to employment counseling...It was clear from these presentations that career counseling services at BCL are comprehensive, tailored to the needs of the individual and flexible depending on the needs of the job/training seeking customer...More generally, job-seekers at BCL start out receiving group services, then proceed to more individualized services.\textsuperscript{159}

In focusing on specialized populations, BCL relied upon over-lapping and cross-cutting relationships among staff to share knowledge and experience. The REB noted that,

From the site visit and reports it was clear that the organization uses the expertise and resources of its entire staff to contribute to the development of its programs for specialized populations. This is one way that BCL manages the tension between fragmentation and integration posed by categorical funding in a system that is mandated to provide universal access to services.\textsuperscript{160}

**Employer Customers**

In contrast to its consistent focus on specialized groups, BCL was un-focused in its services to employer customers. BCL’s main interactions with employer consisted of posting job announcements and of hosting Industry Briefings. According to BCL, “the Industry Briefing has been BCL’s distinct method of allowing employers to interact with potential hires.”\textsuperscript{161} In January 2000, BCL’s management and staff determined that a new goal for the briefings would be to repeatedly invite those few specific employers that already had a good track record of

\textsuperscript{157} “Job Fair Expo ’99” attracted 18 fee-paying employers from different industry sectors and 335 job-seekers, most of whom were existing BCL customers. According to BCL, 20 people were hired into jobs at the job fair.  
\textsuperscript{158} BCL used the behavioral health clinician to help BCL staff with specialized counseling for customers as well as several in-service training sessions for BCL staff such as setting boundaries and working with customers with substance abuse issues. BCL also worked with the clinician to help design new core workshops including Overcoming Age Barriers, Coping with Job Loss, and Assertive Communication.  
\textsuperscript{159} Charter Review Report FY ’02, Boston Career Link, p. 4.  
\textsuperscript{160} Charter Review FY ’02, Boston Career Link Report Review, p. 9.  
\textsuperscript{161} Charter Review FY ’02, Boston Career Link Business Plan and Progress Report, p. 12.
hiring from BCL and providing the types of jobs appropriate to BCL’s targeted customers.\textsuperscript{162}

However, just before this plan was implemented, BCL developed its new strategic plan in fall 2000 that changed the goal to targeting industries rather than specific employers.

\textit{Temp Agency Relations in a Tightened Labor Market}

Related to the tightened labor market of 1999 and 2000, temporary staffing agencies sought out more intensive ties to career centers. Since their opening, the career centers had each developed mostly informal relationships with several temporary staffing agencies. These relationships ranged from posting temp agency positions in a binder in the resource room to fee-based recruitment.\textsuperscript{163} In other cases, career associates sometimes referred a job-seeker to temporary agency as a means of gaining entry into a specific industry or as a way to get work experience. As the labor market tightened, temporary agencies increasingly sought to use the career centers as sources of workers. At the same time, career centers looked to temporary agencies as paths to employment for job-seeker customers and as potential purchasers of fee-based services. In early 1999, the interactions between the temp agencies and the career centers developed into mutual interests of formalizing the relationships and specifying the range of services the career centers would offer and temp agencies would purchase. Career centers had independent discussions with temp agencies while the temp agencies had similar conversations with all three career centers.

In the interest of developing coordinated services for temp agencies across the career centers, the PIC’s Employer Services Work Group became involved as an intermediary and convened an

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{162} For BCL, examples of employers that hired TANF and low-income workers included Marriott Corporation, Partners Health Care, and Northeastern University.
\item \textsuperscript{163} More so than the other two career centers, The Work Place offered fee-based services for temp agencies including recruitment and, in some cases, placement.
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initial meeting with all the career centers and several temp agencies and held subsequent
discussions throughout 1999. Career centers proposed offering a variety of fee-based
marketing services that could be purchased individually or bundled together as a “Visibility
Package” for $500. Staffing agencies indicated a willingness to also pay for listings in a temp
agency directory that would be distributed to job-seekers and employers, and for ads in the
directory, and a print binder of their listings. Temp agencies were also interested in paying career
centers to provide job readiness training to job seekers who were contracted with the agency but
who received negative feedback on assignments regarding “soft” work place skills and
behaviors.

As the discussions progressed between the career centers and the temp agencies, BCL developed
a particularly close relationship with one temp agency named Volt. BCL and Volt had separate
discussions about revenue sharing arrangements and negotiated a near-final agreement. BCL’s
intent was to replicate this arrangement with some of the 20 staffing agencies who already made
cooperative—though non-revenue sharing—working agreements with BCL. Despite BCL’s
strong interest in the deal with Volt, the negotiations were drawn out because they competed
against BCL’s other more immediate priorities as well as BCL’s persistent staff turnover and
organizational stresses. Before the agreement with Volt was signed, the senior executive at Volt
who had developed the agreement with BCL departed Volt. Without a personal relationship to

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164 Temp agencies involved in the discussions included Volt (specializing in office and light industrial jobs), Arbor
Associates (specializing in social workers, case managers, child care jobs), Tac Staff (specializing in office,
technical, and engineering jobs), New Boston (specializing in office, hospitality, accounting, and light industry
jobs), OnSite (specializing in office, engineering/technical, and warehouse jobs), and Enet (specializing in
accounting, administration, legal, and medical).
165 The agreement involved a payment of a referral commission (5 percent of the workers pay rate) to BCL for
referrals hired by Volt; a 20 percent share of Volt’s conversion fee for BCL referrals who are retained as permanent
Volt, BCL was left to find another person to broker the deal within Volt. As a result, BCL put the Volt deal on a “back-burner” and made it less of a priority. By the time BCL renewed its interest in the Volt deal in late 2000, the temp industry was experiencing the earliest signs of the oncoming recession and this time Volt put the deal on the back-burner. In a later section, BCL’s relational approach to the temp industry is contrasted with The Work Place’s approach.

**Populations and Placements**

During 1999 and 2000, BCL’s emphasis on categorically-defined disadvantaged job-seekers influenced the composition of its customer population resulting in shifting percentages of people with educational attainment. Nevertheless, special populations (e.g., welfare recipients, economically disadvantaged, disabled) continued to comprise approximately one-third of BCL’s job-seeker customers. Even as the percentage of higher educated job-seekers decreased at BCL, BCL continued to serve larger percentages of people with high educational attainment as compared to the other career centers (See Appendix Table 8). Between fiscal year 1998 and fiscal year 1999, the percentage of BCL’s population with bachelors or advanced degrees dropped from 54 percent to 39 percent. Correspondingly, BCL’s percentage of job seekers with a high school diploma or less increased from 25 percent in fiscal year 1998 to 40 percent in fiscal year 1999. In 2000, BCL’s percentage of job seekers with a high school diploma or less remained the same at 40 percent, while this group increased from 43 percent in 1999 to 47 percent at TWP, and from 70 percent to 75 percent at JN. Also in 2000, BCL’s percentage of job-seekers with some college education increased from 21 percent in 1999 to a 27 percent in employees; a 50 percent share of Volt’s direct placement fee charged to their direct hire employers when BCL referred the client; and monthly career resource library table fees.

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2000. During fiscal year 2000, BCL had significantly higher percentages of educated customers than the other career centers. At BCL in 2000, 60 percent of customers had attended college or completed a college degree, compared to 53 percent at TWP and 25 percent at JN.\textsuperscript{167}

In fiscal year 1999, BCL was the top performing career center in terms of placement numbers and rates (See Appendix Tables 4 and 5). BCL placed a record high 823 job seekers into employment and had a placement rate of 44 percent compared to TWP’s 24 percent and JobNet’s 21 percent placement rates. BCL also had the highest entered employment rate for Title III (dislocated workers) with 87 percent and the highest wage at re-employment of $14.69, which was a 102 percent wage retention rate compared to the planned standard of 91 percent. BCL was also the top performing career center statewide in terms of job placements (achieving 90-days retention) and earnings associated with job-seekers with disabilities referred by MRC and the Massachusetts Commission for the Blind. BCL placed 253 DTA job-seeker customers, 179 or 78 percent of which retained the minimum 30 days required to qualify as reimbursable placements. BCL also distinguished itself by a achieving the lowest enrollment to placement ratio among the Boston career centers. BCL partly attributed its DTA placement increases to its innovative staff incentive plan designed to financially reward incremental performance gains versus established fiscal year 1999 performance benchmarks.

\textsuperscript{166} In comparison, TWP’s percentage of job-seekers with bachelors or advanced degrees dropped from 45 percent in 1998 to 34 percent in 1999, and JN’s percentage of job-seekers with bachelors or advanced degrees barely changed 20 percent to 19 percent. \textsuperscript{167} In 2000, job-seekers with bachelors or advanced degree comprised 33 percent of BCL’s customers as compared to 2 percent at JN and 26 percent at TWP.
In fiscal year 2000, BCL’s placement rate decreased slightly to 41 percent from 44 percent in fiscal year 1999. However, BCL’s 41 percent placement rate was still higher than JN’s 39 percent and TWP’s 33 percent placement rates (See Appendix Table 4). In 2000, BCL also led the state in placing transitional assistance customers and in DTA payment receipts for meeting contract goals.

**Summary**

During 1999 and 2000, BCL continued to experience shifts in organization and management, though to a lesser degree than the chronic crisis of its initial years of operation. Selected through BCL’s personal and organizational networks, strategic planning consultants counseled BCL’s operators through a collaborative consensual process that yielded agreements including developing closer relationships between BCL and operators, focusing on disadvantaged job-seekers, and strengthening existing relationships with employers. By the fall of 2000, BCL had yet again initiated organizational restructuring. Just as its organizational restructuring plan emphasized rebuilding and strengthening relationships, BCL’s day-to-day operations and labor exchange activities also continued to reflect a tendency towards personal interactions, counseling, and networking. The advent of welfare reform and its emphasis on categorical-based contracts heightened BCL’s own emphasis on specialized populations. BCL’s reaction to welfare reform implementation involved prioritizing categorical customers over employer customers. BCL maintained this emphasis even as the labor market tightened and employers and temp agencies sought out and were interested in paying for services. In its service delivery and in its collaborations with community nonprofits and public agencies, BCL drew upon its extensive ties to diverse networks of social service organizations for specialized expertise, supports, and
resources. Although BCL did not generally use information systematically to inform planning or practices, BCL did target its information collection and reporting activities to document its placements of categorical customers in order to meet contract compliance requirements. As a result, BCL was able to report significantly increased placement rates.

To help job-seekers get jobs and to help fulfill its contract requirements, BCL relied internally on psycho-social case management approaches. On the one hand, these methods allowed BCL counselors to customize service delivery to the particular issues of its varied job-seekers. On the other hand, such personalistic attention was both staff- and time-intensive. To reward staff in sustaining their efforts and on focusing on placement outcomes, BCL instituted a financial incentive program in 1999.

As part of its attempts to recruit and provide employment services to disadvantaged job-seekers, BCL expanded the scope of its collaborative projects with its operators and other community-based partners. BCL’s embedded ties to its operators and to the community-based networks of other nonprofit social service organizations enabled BCL to target specific populations. BCL’s relationships with the other organizations also yielded information about grant opportunities as well as provided sufficient trust among the organizations to pursue funding opportunities. The joint efforts allowed the organizations to share access to customers and to combine expertise in social supports and employment services.
The Work Place

During the years 1999 and 2000, The Work Place responded to the challenges associated with increased reliance on categorical funding—particularly related to welfare reform—as well as the opportunities presented by heightened employer demand for workers in a tightened labor market. Organizationally, TWP continued innovating its information technology and relying on CQI process. TWP also restructured staff from generalists to specialists and from cross-functional teams to specialist teams. TWP continued its focus on employers by expanding products such as job fairs and innovating new services such as its “Corporate Partners” membership program. In its efforts to respond to employer demand for workers, TWP experimented with connecting employers with untapped labor pools such as pre-release prison inmates and non-custodial fathers.

Planning and Practice

Continuous Multi-level Strategic Management

During 1999 and 2000, TWP continued to operate under the same management structure and processes that it had set-up previously involving daily, weekly, and monthly levels of oversight and planning. According to TWP, “although there are two layers of management between the director and the direct service staff, The Work Place behaves as a very flat organization. The majority of the planning, problem solving and strategic decision making happens in the leadership team (often including the JVS Executive Director). The layers of management serve
to ease the burden of supervision and are not used as a chain of command.” On a monthly basis, the Employer Advisory Committee (EAC) provided “direct oversight of Work Place operations” and took an “active role in developing and improving products and services” including providing guidance on job fair products and the organization of company info in the resource library. The EAC provided budget oversight while fiscal authority was provided by JVS’ Board of Directors’ Finance Committee.

While TWP maintained continuity in its management throughout 1999 and 2000, TWP did experience other changes. In January 2000, TWP moved out of its financial district offices due to escalating rents related to the booming economy; and relocated to new offices on Chauncy Street near Downtown Crossing. Also in early 2000, several staff resigned during a time when TWP restructured its staffing assignments.

**Adaptation to Welfare Reform and Categorical Funding**

During TWP’s many planning meetings in 1999 and 2000, one of the main topics under discussion involved assessing the extent of change associated with the evolving career center system and the implementation of welfare reform, as well as formulating responsive and appropriate strategies. According to TWP,

> Over the past three years, the Career Center initiative in Massachusetts has made a clear shift in priority, from a market-driven enterprise committed to finding new ways of providing more relevant services to all customers, both job-seeker and employer, to a funding source driven program providing services to job-seekers prescribed by the funding source.\(^{170}\)

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\(^{168}\) The Work Place FY 2001 Business Plan, p. 2.  
Since the budget indicated in the original career center RFP in 1996, funding for career centers had decreased each year to the point where TWP’s FY2000 budget was down by more than 20 percent of initial forecasts. Overall, funding for career center operations had decreased while funds restricted to particular customers had increased.171

Even though welfare reform contracts represented a growing share of its budget, TWP had the least direct involvement with DTA among the career centers. Of all the centers in 1999, TWP had the smallest presence in DTA offices, the lowest share of DTA referrals, and the poorest performance in terms of DTA placements. One explanation for this is that TWP had a limited functional relationship with DTA. According to Tom Ford, DTA was a “payer” rather than a business partner or customer with whom TWP had a transactional or exchange relationship:

   I think about the welfare department as a third-party payer not a partner, and we never sit down to talk. Terms like $3,300 per placement are negotiated at the state level and given to us as ‘take it or leave it. My partners are training providers, corporate partners, Massport, and the state Department of Revenue.172

TWP’s “arms-length” relationship with DTA offices was compounded by TWP’s early determination that TWP’s universal services, customer-driven career services approach was incompatible with the DTA’s approach that “government is the decision-maker telling the client what to do.” In fact, initial assessments by DTA customer focus groups, the REB, and the other

171 In fiscal year 1998, 70 percent of TWP’s career center funding was for core services; in fiscal year 1999, 50 percent was for core; and in fiscal year 2000, core funds represented about 40 percent of total budget. Core services decreased both as a percentage of career center allocations, and in actual dollars. Between 1999 and 2000, funding for core services was reduced by 46 percent.171 At the same time, categorical funding increased by 63 percent between fiscal year 1998 and fiscal year 1999; and increased again in fiscal year 2000 by 16 percent. Overall, funding for categorical job seekers increased by 89 percent between fiscal year 1998 and fiscal year 2000. This increase was most apparent in funds targeted to welfare recipients. Between fiscal years 1998 and 2000, funding restricted to services for welfare recipients increased by 170 percent. In fiscal year 2000, funds for welfare recipients accounted for almost half of TWP’s funding from all sources.

172 TWP’s governmental “partners” such as MassPort or the Department of Revenue purchased services from TWP. Personal interview with Tom Ford, May 11, 2001.
Boston career centers suggested that DTA offices were not appropriate venues for career center services. While the other centers made “concessions” and increased their presence at DTA offices, TWP “stuck to its guns” and did not change its approach of mostly delivering services at TWP offices. However, as a result of its relatively poor performance on DTA contracts in 1999, TWP decided in 2000 to add capacity at the largest DTA office (Dorchester) by installing a full-time presence and to develop a satellite office. In this effort, TWP stated that it was committed to offering a complete mix of career center services at those locations because “we are here to serve welfare customers, but we are not going to just run another welfare program.”\textsuperscript{173} In addition to adding services, TWP also adapted its practices.

TWP made several changes to adapt to welfare reform and to increased categorical funding. Together with the rising share of career centers’ budgets on categorical funding, there was also an increasing trend among these categorical funds towards performance-based contracting—payments not for services but for job placements. As result, a growing portion of funding was withheld until customers were placed in jobs that they retained for 30 days or more. This meant that career centers had to wait at least 90 days after incurring cost before getting reimbursed. For nonprofits like TWP’s fiscal agent JVS, this system contributed to potentially serious cash-flow problems. In response to these trends, TWP instituted a variety of adjustments to how it structured its management and employment brokering services. TWP re-organized its primary work teams while maintaining a cross-functional team approach. During its annual site visit presentation in December 2000, TWP noted that the shift to categorical funding had compelled TWP to restructure its staffing configuration away from its previously flat and flexible cross-
functional team alignment to one of layered specialists. Nevertheless, TWP insisted on addressing the needs of welfare customers while still practicing universal access and CQI team processes.\textsuperscript{174} TWP redesigned services to include a twenty-hour per week structured job search component and job search services at local welfare offices. TWP also added assessment and referral services. So as not to have the two services become competitive, both activities were combined into a single team. The team met weekly, coordinated activities, and conferred on individual cases to try and provide the most appropriate services for individual needs.

The changing funding structure of the career centers has also challenged TWP’s efforts to concentrate resources on its employer customers as its priority customer. The increased focus on services to categorical job seekers, and the performance standards that connect funding to placement outcomes, resulted in an increased role for job developers at TWP. One consequence was that two teams would be working with employers: job developers, working on behalf of job-seekers, and account representatives, for whom the employer is customer. TWP was “concerned that this would cause confusion and dilute our commitment to employers to provide a single point of contact, and to treat them as a priority customer.”\textsuperscript{175} To protect its priority service commitment to employers, TWP modified the process it had established for employer account representatives, and identified elements of that process that could apply to or be adapted for the

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\textsuperscript{174} After examining customer flow, job placement, and post-placement services, TWP determined that three welfare related categorical funding streams (i.e., Direct Placement, Welfare to Work, Post-Placement) had given rise to three case management systems. That is, one welfare customer could have three TWP case managers. Consequently, TWP convened a CQI team that studied the issue and drafted a “fishbone diagram” illustrating areas of overlap as well as potential gaps in service. Based on the analysis, TWP revised its process so that there was one point of entry for customers and a “cradle to grave” case management approach, reducing the number of “hand-offs” in the customer flow and related opportunities for customers to “fall between the cracks.”

job development process. Even as it adapted its processes related to employer services in response to increased categorical funding demands, TWP stated that it remained committed to its employer-focused approach to labor exchange, and that

In spite of this fundamental structural shift, the organization retains a focus on quality, customer service and choice, teams are still the primary functional unit, staff development is a priority, CQI is integral to the organization’s way of doing business, data is mined regularly to inform business strategy, product development and improvement, and the organization maintains ‘an intense commitment to the employer as customer.

TWP used its strong relationships with employers in adapting the changing demands associated with welfare reform and categorical funding. For example, near the peak of the economic boom, Logan Airport faced acute labor shortages, especially during its peak business travel times of early morning and early evening. In TWP’s first experience brokering a large number of employment interviews between a major airline and welfare-to-work customers, many of the job-seekers were offered employment. However, about half-a-dozen people rejected the job offers. TWP contacted the welfare recipients and learned that they turned down the jobs because the employer required that the workers be available at all times to work. Subsequently, TWP worked with both its employer and its job-seeker customers to develop more compatible scheduling options. Moreover, many welfare recipients with young children were limited in their employment options because the mothers depended on childcare services usually offered during standard working hours. TWP’s Transitional Services Group and Business Services Group joined together to persuade MassPort to assist a daycare provider in setting up “non-standard hours” daycare at Logan Airport. According to TWP,

176 For example, if the first contact with an employer was for job development, TWP collected the same information about the employer that it would have collected if it had opened an employer account. The job developer then informed the employer of the full range of services available at The Work Place, and stored the employer information in the same database used for employer accounts.
Access to daycare at the airport which provides services during the “peak travel/peak job start” hours will go a long way to solving two problems. The employers at Massport will be able to tap into a large pool of prospective employees who could not consider an airport job without this service. Our TAFDC job seekers will have the services necessary to take advantage of opportunities at the airport. A Win-Win situation!\textsuperscript{178}

As the Massport example illustrates, TWP’s established relationships with employers enabled TWP to not only connect welfare recipients to job opportunities, but to also broker arrangements that were mutually beneficial to employers and workers.

**Data Analysis and CQI in the Strategic Planning Process**

Alongside its commitment to employer services was TWP’s organizational priority on data-informed strategic planning. According to TWP,

> Strategic planning is critical to the success of any business, but it is especially important to career centers, which operate in an environment where political and funding priorities, labor market dynamics, and economic trends can fluctuate quickly and without notice. We must be able to recognize these environmental factors, understand both the opportunities they offer and the threats they impose, and respond to them in ways that take the fullest advantage of the opportunities while minimizing the threats. To do this, we must practice strategic planning and strategic thinking, not as annual or biannual events, but as a way of conducting our business on an ongoing basis.\textsuperscript{179}

One of the key mechanisms used by TWP for strategic planning continued to be information-intensive and team-based CQI processes.\textsuperscript{180} To support its knowledge-based CQI processes and strategic planning, TWP continued to develop its information technology capacities. In 1999, job-seeker and employer databases were integrated to yield better information about the labor

\textsuperscript{177} The Work Place Progress Report, Site Visit & Performance Summary, Charter Review FY’01, p 40.
\textsuperscript{178} The Work Place FY 2001 Business Plan, page 15.
\textsuperscript{179} The Work Place FY 2001 Business Plan, p. 6.
\textsuperscript{180} In its first two years (1996-1997), TWP leadership used input from the whole staff to create two sets of teams to work on issues such as talent bank development, web site development, and data integrity. The dual strategy was to address the issue and to provide CQI training in methods and techniques. Beginning in 1998 and increasingly in 1999 and 2000, CQI teams developed in response to a particular “opportunity for improvement” identified by any individual on staff. The quality coach then guided selection of team members to assure the required skills and cross-functional perspective was represented, and established a charter (i.e., outcomes desired, timeline, definition of limits of authority and spending); and provided technical assistance.
matching process. TWP also developed a new, Microsoft Access-based case management system as a substitute for the non-Y2K compliant system used by Boston’s career centers.\footnote{With DET’s approval, TWP developed the new software application rather than adopt an alternative scaled-down version of DET’s employment services system—Job Service Matching System (JSMS)—because TWP considered the state’s system a “retreat from a knowledge-based case management system to a simple tracking and reporting system that would have resulted in a 90 percent loss of the organization’s knowledge base.” Although TWP offered its software for free to other career centers, none adopted it; leaving TWP as the only center in the Commonwealth that did not use DET’s JSMS. Both JSMS and TWP’s software application were interim measures until DET’s new career center system MOSES was implemented in July 2000.} Along with its information systems, TWP continued to invest in data collection, particularly about placement and retention.\footnote{TWP contracted with a private company to make follow-up phone calls to those job centers -seekers who stopped using services. For TWP, the telephone survey was effective in documenting successful job placements, but expensive as each completed call cost $16. Despite the expense, TWP determined that the quarterly placement data were valuable for tracking program outcomes and making improvements.} In addition to collecting data about job-seekers, TWP continued to gather information from employers by emailing or faxing surveys of outcomes and satisfaction, and, when not returned, making follow-up phone calls.

**Employer Services in a Tight Labor Market**

In 1999, TWP’s used CQI to respond to employer demand during the tight labor market. TWP polled employers and found that they wanted higher-skilled people, and were willing to pay for recruitment. So, TWP reformulated this employer need into a strategic priority to increase TWP’s market share of higher-skilled job seekers. TWP identified a “mis-match” between the generally lower skill levels of its job-seeker populations and the desire among employers for higher skilled workers. In its fiscal year 2001 Business Plan (page 8), TWP stated that “employers are satisfied with our referrals for their entry level and lower skilled positions, and are ready to increase their business with us if we could produce the referrals,” and “employers are willing to pay for the recruitment of these employees, so an opportunity clearly exists as long as the economy stays strong and labor shortages continue to exist.” However, like the other
career centers, TWP had mixed success in engaging with skilled job-seekers because there were almost no public resources to do so. Moreover, many of these “high-end” customers tended to be self-directed in that they preferred to use resource room resources independently. Although categorical funding had directed TWP staff attention towards lower-skilled customers, TWP made engaging job-seekers with professional, managerial, and technical backgrounds a strategic priority in 1999 and 2000. According to TWP, “expanding our market share in this segment of our business would satisfy an immediate customer need. In addition, it would position us to continue to provide valuable services to employer customers when the economy softens.”

Although primarily a response to employer demand, TWP’s increased services for higher skilled job-seekers was also an opportunity to generate more fee-based revenue from the higher skilled and often employed job-seekers themselves. According to TWP, “we believe professional, managerial and technical job seekers represent a significant source of untapped income. Although our fee services to job seekers have grown steadily since we opened in 1996, they continue to represent an insignificant portion of our total income (less than 1 percent). In fact less than 2 percent of our job-seeking customers purchased fee services in FY 1999.” As a result, a related strategic priority was to increase fee income from non-categorical customers. To address these strategic priorities, TWP conducted labor market analyses to identify job positions in high demand by employers and career services desired and valued by high skilled workers. TWP also explored the potential labor pools represented by incumbent workers most likely to

and customer service feedback information was so worthwhile that it increased its budget for the calls from $10,000 in fiscal year 1999, to $20,000 in fiscal year 2000.

change jobs, graduating college and vocational school students, and “hidden” labor pools (e.g., older workers, people with disabilities).

As part of its strategy to attract more skilled job-seekers, TWP developed a variety of initiatives including increasing the collaboration between its Career Services and Employer Services teams; experimenting with providing services to new college graduates; revamping its website to appeal to “higher-end” users; enhancing its services with new and evening offerings; improving its resource room’s hardware, software, and staffing; and pursuing older workers as an “untapped labor pool” with skills and employment experience.

In addition to recruiting and servicing higher skill job-seekers in order to meet employer demand, TWP also initiated several efforts to directly provide competitive services to employers. Inspired by the exuberant entrepreneurialism of the robust economy, TWP decided to venture deeper into the world of commerce. Although it already considered itself entrepreneurial, TWP determined that it could act more business-like in the pursuit of fee-based opportunities. Strong demand by employers for its fee and other services persuaded TWP that it could generate more revenue if TWP acted even more entrepreneurial. According to TWP,

\[185\text{ In its FY2001 Business Plan (page 10), TWP stated “with the economy being what it is, and the need for employees with raw skills, talent and education, our efforts to work with these institutions is in line with the demands of the current economy.” TWP worked with a number of two- and four-year colleges (e.g., Bunker Hill Community College, Roxbury Community College, Northeastern University, Simmons, and Wheelock) to offer “one-stop” placement services to graduates. TWP found that it was able to “increase the number of higher level job-seekers in our customer base and provide more appropriate references to our employer customers” (FY2002 Charter Review Progress Report, page 5). The result was that the number of job-seekers with some college increased from 1,335 in 1999 to 1,694 in 2000, and TWP’s overall placement rate increased by 10 percent from fiscal year 1999 to fiscal year 2000.}
\[186\text{TWP’s re-designed website was launched in August 2000, and was the most sophisticated career center website in the Commonwealth according to the Boston REB at the time.}
\[187\text{TWP developed several services for older workers, including a November 1999 fee-based panel discussion attended by 40 older job-seekers customers and featuring employers of older workers.}]}
We acknowledged that we, as many other non-profits, tacitly felt as though we couldn’t truly compete with private businesses. We recognized that it takes a certain amount of entrepreneurial spirit, competition and risk to run like a business. The spirit and risk-taking attitude had certainly existed at The Work Place, but for some reason we had not been able to grasp the true meaning and market value of employer services.\(^ {188}\)

As the first step to strengthening its entrepreneurial orientation, TWP changed the name of Employer Services to Business Development. This began a “trend toward better clarification” that opened up the “opportunity to be creative.”\(^ {189}\) Soon after initiating its Business Development Department, TWP launched “Corporate Partnership,” a fee-based membership program that entitled employer members to discounts and special TWP services.\(^ {190}\) Corporate Partnership was partially inspired by the popularity among businesses of developing strategic partnerships, alliances, and networks; and by TWP’s market research showing that corporate partnership represented a multi-billing dollar industry. As noted by TWP,

> The idea of Corporate Partnership has recently been widely written about and seemed like a reasonable way to parlay our knowledge of the labor market and our labor exchange function into fee-based services…We could learn to act more like a business by actually working more closely with them. In turn, the employer could take advantage of our connections to the community and reach different labor pools to fulfill their hiring needs.\(^ {191}\)

Corporate Partnership was an experiment in developing relationships and business services, though not necessarily derived from the actual membership fees because the fee charged was “so nominal in comparison to the amount of money [Corporate Partners] pour into advertising.”\(^ {192}\)

To launch and market Corporate Partners, TWP held a Masquerade Ball in November 2000

\(^ {188}\) The Work Place FY 2001 Business Plan, page 17.
\(^ {189}\) The Work Place FY 2001 Business Plan, page 17.
\(^ {190}\) For an annual fee of $200, Corporate Partners received: discounts on all TWP fee services (e.g., job fairs/recruitment sessions, workshops); a biannual newsletter; and advertising access on TWP website. TWP also conducted a needs analysis of each Partner’s major staffing and workforce development issues so that customized services could be offered. In 2000, TWP had 22 Corporate Partners, mostly representing large employers as well as several temporary staffing agencies.
\(^ {191}\) The Work Place FY 2001 Business Plan, page 17.
\(^ {192}\) The Work Place FY 2001 Business Plan, page 17.
complete with food, dance lessons, palm readers, as well as newly produced TWP promotional materials. Corporate Partnership members did indeed buy more fee-based services, as well as provide TWP with valuable customer feedback and labor market monitoring information.

In addition to the fee and free services it provided employers as part of its ongoing employment brokering, TWP’s most extensive interaction with employers occurred through its job fairs. The largest job fairs were contracted by Massport. In March 1999, TWP held its fourth MassPort job fair in two and a half years for businesses at Logan Airport. This job fair attracted 1004 job-seekers—up from 552 job-seekers at the first MassPort job fair in 1997—of whom 19 percent were hired. In addition to its MassPort job fairs, TWP contracted to organize customized job fairs for specific industry sectors such as finance, hospitality, and transportation (e.g., Metropolitan Boston Transit Authority).

In an example of TWP’s efforts to respond demand for workers and to explore hidden labor pools, TWP arranged for a job fair at the Suffolk County House of Corrections in summer of 2000. According to TWP, “employers in this economy who are in desperate need of entry-level workers are also opening their doors to this untapped labor pool.” Eight companies participated in the job fair that occurred in the prison with inmates in preparation for release. Several inmates were hired upon release based on contacts made during the job fair, and another 15 ex-offenders followed up at TWP. TWP began talking with employers in 1999 about such an

193 Of those hired at the 1999 MassPort job fair, 28 percent were from Logan Airport’s “impacted” communities.
194 TWP also conducted fee-based “recruitment sessions” at employer sites. In 2000, TWP conducted 12 on-site recruitment sessions.
event, and worked with prison officials to provide a tour and information about the prison and its programs to assuage employer fears. According to TWP, “we have worked hard to educate and inform the employer population about this group of customers…the added value of specific skills gained through this program, the demystification of the general population’s stigma, and the partnering promise of support and assistance through the process of hire are safeguards that allow the employer to ‘take a chance’ on this population.”

Temp Agency Connections in a Tight Labor Market

During the tight labor market, temp agencies increasingly called upon the career centers for referrals and possible fee-sharing relationships. As previously noted, all three centers were involved in PIC attempts to coordinate and standardize any fee arrangements. While both BCL and JN went along with those plans, TWP decided to more aggressively pursue the temp agency overtures. According to Ford, “we are all part of the labor exchange industry and they see us as helping to improve their image…and helping to form strategic alliances amongst themselves…for economies of scale.” Ford stated that temp and temp to perm were increasingly legitimate forms of employment, and that, TWP itself hired several of their employees first as temp to perm. TWP also wanted to explore temp to perm as a possible TWP service. Seeing temp agencies as potential customers and partners, TWP arranged for competing temporary agencies to sit down together – a first time event— and to help TWP design new fee-based services. The agencies then paid for these services, such as a job fair at which many temporary agencies participated. According to Ford, TWP’s efforts were partially undermined

196 Participating employers included Clark Construction Corporation, Bovis Lend Lease, Hilton at Logan Airport, New England Apparel, City of Boston, and the Massachusetts Water Resources Authority.
because it had to wait on the PIC process to finalize standard fee arrangements. However, according to PIC staff, the PIC proceeded carefully due to concerns about the temp industry’s overall bad reputation and due to the PIC’s interest in developing high quality services for career center customers. Partly due to the PIC’s caution, the development process took a year to complete. By then, in late 2000, the temp agencies had “gone elsewhere” as the labor market started to loosen. Nevertheless, TWP maintained its own relationships with some temp agencies and these became “good” TWP customers. According to TWP’s business services manager, several temp agencies were supportive of TWP and participated in focus groups and job fairs, as well as “spent lots of money” at TWP on recruitment and special mailings. TWP developed such strong working ties to some temp agency staff that they frequently discussed labor market trends on the phone or over lunch.

**Focus on Fee-Base Revenue**

During 1999 and 2000, a major focus of TWP was on the development of fee-based income, which had been steadily increasing. Fee income was one percent of total revenue in fiscal year 1998, and increased more than four fold to five percent of total revenues in fiscal year 1999. TWP’s most successful product line was job fair services which brought in 80 percent of total fee-based employer services. Based on its research, TWP determined that it needed to continually refine and market its job fairs and other fee-based services. One result of this was the launching of TWP’s Corporate Partners program, in which employers paid different fees corresponding to different levels of membership that entitled the employers to “enhanced” services and recruitment.
Populations and Placements

The general trends of welfare reform and a tight labor market contributed to shifting TWP’s job-seeker customer base resulting in more customers with low educational attainment and fewer customers with high educational attainment. The movement toward categorical customers resulted in an increase in the percentage of customers with a high school diploma or less, from 30 percent in fiscal year 1998 to 43 percent and 47 percent in fiscal years 1999 and 2000, respectively (See Appendix Table 8). Correspondingly, TWP had fewer customers with high education and skills due to the tight labor market—which made it easier for people to find jobs using sources other than career centers—and due to TWP’s move away from the financial district in early 2000—which had provided TWP with close access to many working professionals. The percentage of TWP’s customers with a bachelor or advanced degree declined from 45 percent in fiscal year 1998 to 34 percent in fiscal year 1999. This percentage further declined to 26 percent in fiscal year 2000—after TWP moved away from the financial district halfway through fiscal year 2000. Overall, TWP had fewer customers with any college education during 1999 and 2000. TWP’s percentage of customers with any college education declined from 70 percent in fiscal year 1998 to 53 percent in fiscal year 2000.

During 1999 and 2000, TWP had fewer customers with high educational attainment looking for employment, but more employer customers looking for workers. More employers used TWP services in 1999 and 2000 than in the previous years. For example, TWP opened 173 new employer accounts in the second quarter of fiscal year 1999 as compared to 71 new accounts

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199 Fee-based revenue grew from $18,000 in FY ‘98 to $81,509 in FY ‘99. Most of the increase was due to employer fee income rising from $6,750 in FY ‘98 to $68,014 in FY ‘99.
200 At the same time, the linguistic minority population increased from about 21 percent in 1998 to 26 percent.
opened in the second quarter of fiscal year 2000. TWP opened a total of 544 employer accounts in fiscal years 1999 and 2000. Of these, 396 or 73 percent were repeat customers.

The shift in the composition of its job-seeker customer base towards less educated workers and the increased employer demand for higher skilled workers partially contributed to lower placement rates in 1999. TWP’s placement rate declined from 28 percent in fiscal year 1998 to 24 percent in fiscal year 1999 (See Appendix Table 4). TWP was the only career center to post decreases in both its placement rate and its placement numbers in fiscal year 1999. TWP had 20 percent fewer placements in 1999 than 1998 (See Appendix Table 5). In fiscal year 1999, 1,045 job-seekers were referred to jobs and 495 of them were placed in jobs, while in fiscal year 1998, 1,024 job-seekers were referred to jobs and 621 were placed.

While the number of TWP’s placements decreased by 20 percent between 1998 and 1999, TWP actually increased by 30 percent the number of referrals it made in response to employer job postings. In fiscal year 1999, TWP responded to 638 job postings with referrals, while in fiscal year 1998 it responded to 489 job postings.\(^{201}\) So, although TWP increased its referrals responses to employer job postings, it actually had fewer placements. This is likely due to the “mis-match” TWP identified between increased employer demand for higher skilled workers and the available labor pool at TWP that was increasingly comprised by workers without high skills and education. This tendency is similarly reflected in TWP’s determination that more of its job-seekers required additional education and training. TWP’s referrals to education and training programs increased 105 percent from 246 in 1998 to 505 in 1999. And, while 67 percent (164) 

\(^{201}\) These job posting numbers and referrals do not include job positions and applications at job fairs.
of referrals entered education and training programs in 1998, some 89 percent (450) of referrals entered programs in 1999.

By the end of fiscal year 2000, TWP’s placement rate increased to 33 percent from 24 percent in fiscal year 1999 (See Appendix Table 4). There are several explanations for this. One contributing factor is that TWP experienced a decline in job-seekers at the same time that it increased its employer activities. In fact, TWP had the largest decline in job-seeker volume among the centers, falling 37 percent as compared to 34 percent at JobNet and 17 percent at BCL. At the same time, TWP continued to expand the number and types of employer services in 2000. For example, TWP opened 475 employer accounts and posted 849 job positions in fiscal year 2000, as compared to 371 accounts and 800 positions in fiscal year 1999 (See Appendix Table 6). Another contributing factor is that TWP also reorganized its customer engagement process, particularly regarding welfare to work customers. While TWP failed to meet its DTA contract goals in fiscal year 1999, TWP performed at 125 percent of its contract goals in fiscal year 2000. In addition, by doubling its budget for contracted telephone follow-up of customers from $10,000 in fiscal year 1999 to $20,000 in fiscal year 2000, TWP collected more data about successful placements.

Summary

During 1999 and 2000, TWP’s operations were affected by the external factors of increased categorical funding (i.e., welfare reform) and a tight labor market, as well as by TWP’s internal efforts involving restructured services, expanded employer activities, data collection, and a continued reliance on CQI processes.
The implementation of welfare reform and the concomitant rise of categorical funding challenged TWP’s emphasis on customer choice and universal service. TWP initially resisted reallocating its staffing resources to accommodate the requirements and expectations associated with providing specialized services to welfare customers. For example, TWP did not join the other career centers in their decision to provide dedicated staff at DTA offices. At the same time, TWP did not have similar levels of personal and organizational relationships with DTA or with the many community-based organizations that provided specialized services to DTA and other categorical customers. One of the consequences of these factors is that, unlike the other career centers, TWP failed to meet its DTA contract goals in the first full year of welfare reform.

Also, because employer customers were TWP’s strategic priority, TWP tended to over-emphasize services to employers at the expense of services to job-seekers. While TWP significantly increased its income from employer fee-based services between 1998 and 1999, TWP’s placement rate declined from 28 percent to 24 percent. However, during the very low unemployment period in 2000, TWP increased employer fee-based revenue as well as rebounded its placements from 24 percent in 1999 to 33 percent in 2000.

After reviewing its mixed results for 1999, TWP used CQI processes to strategically restructure its staffing resources in order to address its new funding environment. TWP also worked harder to cultivate stronger relationships with DTA offices and other government and community organizations. While TWP did not have BCL’s or JN’s embedded connections to partner organizations based in disadvantaged neighborhoods with access to categorical customers and expertise, TWP attempted to compensate by creating its own satellite “mini” career center” in a
South Boston low-income neighborhood. In addition, TWP used its move to a new location in January 2000 to re-design service delivery and to better integrate its business services and career services. By the end of fiscal year 2000, these efforts helped TWP to increase its placement rates, to exceed DTA contract goals, and to continue enhancing and deepening its relationships with employer customers.
**JobNet**

In comparison to BCL and TWP, JobNet’s bureaucratic predisposition and Employment Services orientation made welfare reform implementation and the concomitant shift to categorical funding less of a challenge. At the same time, JobNet was challenged in developing relationships with community-based organizations that were important for accessing categorical customers and the specialized support services they often required. Regarding the tight labor market, JobNet continued to be challenged in providing services to employers beyond its established role as a place for job postings that satisfied federal employment opportunity notification criteria. Nevertheless, this institutionalized relationship with employers offered JN a large base of job positions with which to try and place its large customer base of disadvantaged populations. As a result, JobNet’s biggest challenges during 1999 and 2000 involved fashioning a partnership with ABCD and restructuring its information systems.

**Planning and Practice**

*Stability Amidst Change*

Like BCL and TWP, JobNet experienced external pressures on its operations due to welfare reform implementation and a tight labor market. However, JobNet was also challenged by internal issues resulting from integrating a new operating partner and adopting new information technology systems. According to JobNet, “the difficulties of a unified management structure are apparent given the differences in staff compensation, approach to work and restrictions imposed
by merit pay regulations.\textsuperscript{202} Chief among the differences between ABCD and JobNet was that while both had bureaucratized personnel procedures, many JobNet staff operated under union-based state-level Employment Service rules. As a result, one of the JN’s main issues in 1999 was developing the processes and procedures for ABCD to become a co-operator with DET.

According to the REB’s January 2000 charter review site visit report,

merging of organizational cultures has proven to be challenging. Having acquired a partner, JobNet needed to establish a partnership. In order to deal effectively with significant differences in operational processes, organizational structure, reporting relationships, etc., all parties had to reexamine their perceptions and priorities and work on compromises for common goals.\textsuperscript{203}

One example of organizational differences between JobNet and ABCD was that salary levels and related benefits for positions with similar job titles were significantly lower for ABCD than for JobNet. Initially, these differences contributed to tension and confusion among staff, highlighted distinctions in organizational approaches and loyalty, and generally undermined team-based efforts. After nearly a year of negotiations between DET and ABCD, the organizations were able to develop new job classifications appropriate to the functional roles of JobNet staff and to the classification structure at ABCD.

To address the issues associated with including ABCD in JobNet’s operations, JobNet created a “JobNet/ABCD Operations Group” that was comprised of JobNet’s director and its learning organization specialist, and of ABCD’s education and training director and its LearningWorks program director. However, rather than collaborative co-ownership, the relationship between JobNet and ABCD was mostly characterized by coordination. The operations group met monthly to coordinate service delivery, review initiatives, promote operational directions and ensure that

strategies were “effectively communicated.” As a monthly meeting, the operations group did not provide ABCD with ample opportunity to be involved in daily administration. Indeed, ABCD was not involved in day-to-day management. Instead, ABCD’s participated in monthly meetings as much to help JobNet with program planning and review as well as to help ABCD pursue its own interests. For example, consistent with its interests in applying for and managing grants, ABCD successfully partnered with JobNet in receiving a grant to provide post placement services to welfare recipients.

**Reaching out to Neighborhoods**

For JobNet, one of the reasons that ABCD was selected as a partner was for its extensive network of neighborhood organizations. Indeed, bringing in ABCD as a partner was associated with one of JN’s strategic goals for fiscal year 2001 to “initiate expansion of JobNet’s scope of service delivery to Boston neighborhoods and community based organizations.” However, stabilizing its operating collaboration with ABCD took longer than anticipated—nearly a full year—and delayed JobNet’s cultivation of ABCD’s relationships with community organizations.

According to the REB’s January 2001 site visit report regarding JobNet’s operations in 2000, challenges facing its organizational growth and development has shifted from structural and managerial instability to tasks of solidifying interagency partnerships and ensuring quality performance. Put otherwise, its focus has needed to become more external, building new alliances and partnerships with community based organizations and

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204 Day-to-day management of JobNet is provided by a four-member senior management team comprised of JobNet’s director, learning organization specialist (Chief of Operations), Business Services Manager, and Branch Office Manager.
205 Through the “Building Futures” project, the organizations collaborated offering a broad range of supports including daycare, housing, utilities, transportation, as well as life and career planning counseling around issues of personal money management, household budgeting, training and education, and career succession (including temp to hire positions).
employers in order to identify opportunities for growth in the external environment that did not exclusively depend on DET’s historical liaisons.207

As part of the effort to extend its relationships beyond DET and into neighborhoods, JobNet planned in 2000 to develop an Advisory Group with representatives from state agencies, community based organizations, organized labor, and selected industry sections and interest groups.208 However, JN did not convene the Advisory Council due to “growing pains” in its partnership with ABCD. Instead it developed an expanded “Governance Board” (i.e., JobNet and ABCD) that included a few representatives of community based organizations and private sector representatives. The board met periodically to review broad policies and issues and to provide feedback to the overall operation.209 JobNet’s lack of success with its Advisory Group highlighted its inexperience and continuing ambivalence with having participatory board oversight.210 Because it did not have an active board representing diverse and external community-based interests, JobNet had relied on its DET-inherited, contract-based, relatively weak relationships to neighborhood nonprofit organizations. Consequently, JobNet looked to ABCD to strengthen its access to community organizations.

As a first step, JobNet conducted outreach to ABCD’s Neighborhood Service Centers, as well as set up a satellite office at ABCD’s Learning Works in downtown Boston. Using that satellite as a model, ABCD and JN planned to offer services at four ABCD offices in Dorchester, Parker Hill,

208 JobNet’s plan for the Advisory Council included representatives from the Boston Housing Authority, Department of Education, financial services, health care, youth community, higher education, hospitality/tourism, health and human services, telecommunications, and construction.
210 During the first year of operation, JN’s board was comprised of a single representative from each partner organization and functioned at a minimal level during the start-up phase of the career center. During the second year, the two organizational representatives attended formal board training but then the partnership dissolved, and
Fenway, and Roxbury. In following years, JobNet and ABCD planned to roll out similar services in other neighborhoods. JobNet intended for the joint operation to provide broader awareness and access by city residents to JN services and to increase community-based employer utilization. However, according to ABCD, it did not fully welcome JobNet into its LearningWorks operation. After its unsuccessful proposal to run a One-Stop Career Center, ABCD had developed LearningWorks as an example that it could also deliver career center services. Consequently, ABCD administered LearningWorks as a separate operation that utilized limited services from JobNet.

Experiencing fewer opportunities to access neighborhood resources than it expected from ABCD, JobNet fell back on its own well-established connections with government agencies. As noted by the REB, “by virtue of having the Division of Employment and Training as its lead agency, it brought historically strong relationships with the many agencies and entities with which one-stop career centers have to partner and upon which they depend in order to conduct their business.” As a result, JobNet had more success relying on its ties with DTA. JN physically co-located at DTA’s Newmarket Square office in Roxbury with a complete array of core and employment services. According to JobNet,

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\text{the logistics of being physically located near inner city neighborhoods and community based organizations provides an opportunity to interact with a variety of entities in communities that are not accessible from the downtown office. This proximity to the inner city is beneficial in enhancing JobNet’s connectivity to Boston’s neighborhoods and supports one of our primary strategic objectives which is to increase neighborhood access to JobNet’s services.}^{212}
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the center director was left without direct board oversight to reorganize operations. In the third year, the board had one representative. In the fourth year, the board once again had two members when ABCD became a partner.

212 Charter Review FY ’01, JobNet Business Plan, p. 3.
In addition to its relationship with ABCD and its links with DTA branch offices, JobNet also formed “other alliances, partnerships, through letters of intent, endorsements and informal agreements…these ‘partnerings’ have put us in touch with special populations served as well as provided strengthened access and referral to JobNet customers.” JobNet’s “partnerings” involved offering employment services, making referrals, and providing case management.

**Responding to Welfare Reform**

Welfare reform implementation and the shift to categorical funding challenged JobNet, but to a less degree and in slightly different ways than the other career centers. In some respects, the tension between categorical and universal services had long been an issue for the Employment Service. JobNet was able to draw on this ES experience to help balance competing demands and expectations for services. According to JobNet, “the existence of a continuing flow of non-categorical Wagner-Peyser customers has tempered the trend toward disparate specialization in client categories.” In addition, JobNet’s bureaucratic predisposition had already influenced the structuring of its operations towards categorical division and reporting. As a result of JobNet’s familiarity with categorical conditions and its organizational experiences, JobNet did not perceive the shift to categorical funding as a radical transformation. Moreover, JobNet was able to use its strong ties to DTA as a means to gain access to and deliver services to welfare

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213 JobNet established relationships with organizations such as Operation Able, the Red Cross, Boston YMCA, Boston Neighborhood Network, and Boston Housing Authority.
214 During 2000, JobNet staff increased their involvement in consortia involving the Job Training Alliance, the BHA, the Suffolk County House of Correction, and the ABCD Work Pathways Program. For example, JobNet Partnered with BHA to organize and participate in the Bromley Heath Community Happening and the South Boston Community Event that brought together residents, employers, training vendors, and community organizations to provide information and recruit participation in employment and training services.
recipients. JobNet established a satellite office at a local DTA office and made regular staff visits to several other welfare offices.

However, JobNet’s focused interest in targeting welfare recipients taxed the organization’s resources and diminished its performance due to the increased demands associated with welfare reform. The most pressing issue for JobNet was that Structured Job Services (SJS) required by welfare reform was very labor intensive and required significant amounts of staff time in the delivery and documentation of SJS activities. Not only did SJS require extra time and services, but it was also stressful for JobNet’s staff. According to a JobNet 1998 memo:

> The difficulties of working with individuals with multiple barriers to employment, the psychological pressure on clients facing cessation of benefits, and the issues faced by DTA staff and management with regard to the responsibility of having to make life changing decisions all exacerbate the performance problems.

For JobNet, the time required in the delivery of SJS services was compounded by the efforts involved in collecting and managing information. It was largely due to SJS and the demands of welfare reform that influenced JobNet’s information systems strategies. Transitioning to DET’s information management system provided better compatibility with the DTA system than the former Career Center systems. Requesting data entry equipment from DET at three DTA sites reduced data collection time and increased time for service delivery. As a result, JobNet requested and implemented new data collection procedures and training from DET as a way to improve JobNet’s reports to state agencies as well as JobNet’s placement rates.

216 Massachusetts’ version of welfare reform involved requiring welfare recipients to participate in a Structured Job Search (SJS) program with a minimum of 20 hours devoted to employment services and search activities.
218 DTA required that each client case contain the following list of documents: membership form, career action plan, cover letter, talent bank form, sample application, transportation form, case notes, ESP-7s, job leads, data entry forms, ad hoc letters (banks, referral to support services, etc.), and summary evaluation forms.
For JobNet, adapting to welfare reform and categorical funding also involved increasingly bureaucratic formal and informal processes. At the same time, JobNet acknowledged that the overall trend of categorical funding threatened integrated staffing services. Like the other career centers, JobNet reconciled the tension between universal and categorical services within the context of its organizational orientation. For JobNet, this meant emphasizing bureaucratic specialization while accommodating generalist flexibility.

Bureaucratic functionalism was the dominant form of organizational structure and regulatory control at JobNet. According to JobNet,

staff are organized by categorical and targeted programs and functions as specialists...Within the center, staff are also organized into a number of ongoing teams grouped by program function...The purpose of the teams is to assist team members to stay current with procedures, processes, and program regulations and to effectively work toward continuous quality improvement in their respective content areas. 219

So as to minimize its bureaucratic legacy, JobNet referred to its categorical divisions as “boutiques of services.” More than a name change, the boutique concept was intended less to convey the separateness of services than to focus on customized services to particular groups. JobNet’s tendency toward bureaucratic control persisted through its various efforts to de-emphasize this orientation.

JobNet was notable not only for its own bureaucratic tendencies but also for how easily it internally accommodated other bureaucratic agencies. Several units and departments operating at JobNet were not directly supervised under JobNet management. With the exception of Veterans’
Services representatives rotating through all Boston centers, this situation was unique among the Boston career centers. \(^{220}\) For example, staff in the Job Corps Unit did not report directly to JobNet’s director and did not get paid through JobNet’s funding allocations, yet they attended general staff meetings, conducted center orientations, and participated in center-wide activities.

JobNet’s attempts to structure its internal processes around team-based approaches also illustrated its tendencies toward hierarchical control. \(^{221}\) In an attempt to counteract its hierarchical tendencies and to communicate and promote whole team concepts, JobNet selectively used CQI processes to develop cross-functional process improvement teams that worked collaboratively. At the same time, JobNet used CQI to reinforce its DET-inherited legacy of civil service and union-based staffing structural characteristics such as stability and seniority.

According to JobNet’s director, “staff longevity, collegiality, and professionalism” have contributed to JobNet’s ability to provide quality services despite JobNet’s challenges. One indicator of staff stability is that JobNet had the lowest staff turnover among the Boston career centers, losing only three staff in its first three years. JobNet used several methods to support staff cohesion and development. \(^{222}\) The REB observed that JobNet “valued employee


\(^{220}\) All three Boston career centers provided space to representatives of the Department of Veterans’ Services of the Commonwealth of Massachusetts. However, these representatives were more integrated within JobNet’s operations than the other centers. At JobNet, the representatives attended general staff meetings, participated in CQI teams, and conducted basic skills assessments and center orientations for new members. At the same time, they did not report directly to the JobNet director and were not paid out of the center’s funding.

\(^{221}\) To manage its staff, JobNet developed organizing mechanisms such as “Whole Team” (full staff) and “Program Team” (specialized groups or “boutiques”) meetings and processes.

\(^{222}\) JobNet used an Employee Performance Review System as a structured mechanism for communicating roles, responsibilities and expectations regarding job duties and responsibilities. JobNet also used “Management by Walking Around” as a less formal approach to gauge employee satisfaction and performance by “visiting” staff at their workstations, after workshop delivery, and in break rooms to gather feedback on day-to-day issues and suggestions. JobNet also conducted an annual retreat at the home of a staff person. for the last two years.
development as a vehicle to support work innovation, service quality and work satisfaction.\textsuperscript{223}

To this end, JobNet developed several standardized processes for staff development. Consistent with its bureaucratic tendencies, JobNet’s internal staff development processes emphasized procedures promoting stability, order, and control.\textsuperscript{224} Likewise, even JobNet’s CQI training tended toward standardization. JobNet contracted for CQI training and certification.\textsuperscript{225}

\textbf{Prioritizing and Restructuring Information Systems}

During 1999 and 2000, JobNet’s reliance on DET for its information technology services yielded both advantages and disadvantages. On the one hand, JobNet was able to better adapt to the increased reporting requirements associated with welfare reform and categorical funding. JobNet was also able to rely on DET for staff training in PC applications and systems technology as well as to receive technical assistance from the Labor Exchange Operations (LEO) Department at the DET for “setting up mechanisms and using appropriate instruments and analytical systems to track and measure impact results.”\textsuperscript{226} On the other hand, JobNet was restricted by the limitations of DET’s support for information systems.\textsuperscript{227} For example, JobNet fully converted to DET’s automated data system Job Service Matching System (JSMS) from the Career Center data

\begin{footnotes}
\footnote{223 Charter Review FY '00, JobNet Business Plan, p. 8.}
\footnote{224 JobNet developed a structure for transitional development of a new staff member which is intended to provide the new employee with growth experiences to achieve full proficiency (to deliver quality core services) within approximately three months on the job. The structure includes: 1) Attending two \textit{Welcome to JobNet} Orientation programs conducted by different experienced staff members; 2) Conducting \textit{Welcome to JobNet} Orientation monitored by experience staff; 3) Attending each of the “seven step” job search workshops listed on monthly schedule; 4) Conducting at least one “seven step” workshop within first month of employment; 5) Achieving proficiency in at least two workshops within three months; 6) Developing an area of specialty involving delivery of services, enabling categorical services to be provided to at least three customers within the first three months.}
\footnote{225 Whereas BCL had hired private nonprofit consultants who specialized in CQI training for nonprofit social service providers, JobNet contracted with a state agency department that specialized in providing CQI certification to state agencies. Also, unlike BCL, JobNet (like The Work Place) had “quality improvement” responsibilities assigned to a senior management position.}
\footnote{226 Charter Review FY '01, JobNet Business Plan, p. 4.}
\footnote{227 For example, in 2000, JobNet had to wait a year to have broken bar code readers repaired.}
\end{footnotes}
system (IMS). The change consolidated a considerable amount of data collection, but JobNet still had to do dual data entry for dislocated worker and adult skills training programs.

Due to JobNet’s dependence on DET, JobNet was deeply involved in the development and implementation of a state-wide information system for career centers in 2000. According to JobNet, probably the single most significant event for the career center this past year has been the transition from a variety of information management systems to a single data management system MOSES—the Massachusetts One Stop Employment System. Since implementation on July 5, 2000, the MOSES system has significantly impacted day to day operations…We estimate that we are currently using about 30 to 40 percent of the MOSES system potential and even at that level of utilization, MOSES is meeting the core data needs of the center.

Although JobNet was focused on adopting and restructuring its data collection and reporting systems in accordance with DET’s state-wide career center technological overhaul, JobNet remained challenged in its efforts to utilize information in support of its internal operations. The REB observed that

the reporting and tracking mandates of the state still largely influence JobNet’s use of data. As a result, there were data requested for this report that the organization could not provide. JobNet does not yet appear to be using service data or other historical information to identify trends or potential opportunities. While the organization administers workshop evaluations, the data is used informally; not analyzed in a rigorous way to improve services. The organization continues to conduct its monthly follow-up mailing but has not yet tabulated the customer satisfaction feedback from this source.

Regarding its use of information, JobNet’s continued to emphasize data collection for the purposes of meeting the reporting requirements of government contracts and programs. So, while

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228 The Commonwealth’s Division of Employment and Training launched a new management information system (MIS) system, the Massachusetts One-Stop Employment System (MOSES) on July 1, 2000. While the system accurately stored and reported demographic data, the system was initially less developed in its ability to produce accurate volume and placement reports.


230 Charter Review FY ’01, Progress Report, Site Visit Summary, p. 31
it dedicated considerable resources to adopting and maintaining government-based information systems for reporting purposes, JobNet was less attentive to conducting data analysis in support of strategic planning or program diagnosis.

**Limited Employer Services**

Just as JobNet collected lots of data but conducted little analysis, JobNet also accumulated many employer job postings but provided relatively few customized services. According to the REB, “with the exception of the job fair held as part of its work with the Suffolk County House of Corrections (a program that all centers participated in) it appears that JobNet has made little progress in developing services to employers.”

One reason for JobNet’s underdeveloped services to employer is that JobNet had relatively passive and weak connections to employers. In comparison to The Work Place that had developed varied levels of professional and peer relationships with employers, JobNet’s relationships with employers tended to be distant and perfunctory. JobNet was even challenged in its efforts to identify and invite employers to participate in meetings out of professional courtesy. According to the REB,

> JobNet has lagged in its ability to understand and respond to the needs of employer customers for services that extend beyond job postings. Its difficulty to develop a solid employer customer base, despite significant staff effort, was most tellingly reflected in its difficulty identifying employer customers it could refer to PIC-facilitated employer focus groups.

JobNet was aware of some of its limitations regarding employer relationships and services.

Indeed, one of the criteria that JobNet had listed for selecting a new partner was that the new partner would have experience and relationships with employers to enhance JobNet’s services to employer. ABCD was chosen as a partner partially because ABCD had a long history of

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involvement with employers as part of ABCD’s education and training programs. Initially, JobNet and ABCD planned to consolidate their resources in order to strengthen services to employers. JobNet stated in its business plan for fiscal year 2001 that, “through a focused and coordinated effort, JobNet and ABCD job development staff and resources will be organized and consolidated to function as one single unit.”233 The plan entailed using ABCD’s Learning Works as a base of operations to support JobNet’s services to employers as well as services to a “variety of departments/units throughout the larger ABCD organization.”234 The plan’s main objectives were to “strategically increase involvement within the Greater Boston Business Community” and to develop fee-based revenues. To implement the plan, a coordinator of Employer Services was newly hired in 1999 and reported out of ABCD/Learning Works. However, that person resigned from the position in early 2000. So, JobNet lost not only its employer services link with ABCD, but also a way to carry out its plan to improve employer services.235 Meanwhile, ABCD continued to develop its own programs with employers.236

On its own, JobNet continued to emphasize procedural relationships with employers rather than relationships focused on employer needs. According to JobNet, “one important aspect of our approach to quality service involves ‘the JobNet never have them guessing communication strategy’ [original italics] this requires anticipating process intersections where an employer could be left to guess what is going on.”237 JobNet’s interpretation of quality services to

235 A new employer services coordinator at Learning Works was hired in January 2001.
236 For example, in 1999 and 2000, ABCD organized 10 area banking institutions and the New England College of Finance to provide training and employment opportunities to low income, inner city residents to enter banking jobs.
employers meant that employers could expect consistent and documented responses to job postings. That is,

when an employer requests the posting of his/her employment opportunity they receive a job posting form to complete and fax back to JobNet. After faxing the form to JobNet, the employer may have to guess if in fact the form was received. To alleviate this guess-work and instill customer service within the process, employers whose jobs are posted receive a faxed Job Posting Confirmation Form that provides pertinent information enabling the employer to locate and review his/her job posting.238

JobNet’s procedural emphasis regarding employer services persisted through 1999 and 2000. One reason for this was related to JobNet’s historical and institutional connections to the old “unemployment offices” and Employment Services. Due to this association, JobNet continued to receive high numbers of job postings because employers had become accustomed to posting jobs with those entities as a means of fulfilling federal employment notification requirements for equal opportunity purposes. As a result, JobNet had inherited a reactive and passive relationship with employers from the old Employment Service. JobNet struggled with this legacy as it attempted to identify and treat employers as customers. According to JobNet in its progress report about activities in 2000,

the Business Services Team has recognized the need for consistent and proactive activities designed to recognize and promote the concept of ‘employer as customer.’ As a result of this radical thinking, Business Services staff have taken steps to insure that employers receive multiple contacts in the course of receiving core services.239

Yet, even as JobNet acknowledged that the “employer as customer” concept represented “radical thinking” at JobNet, the center maintained an interpretation of customer service that emphasized procedural consistency.240

240 JobNet’s procedurally consistent interpretation of customer service to employers emphasized the job posting process. This process involved 1) sending a “Job Posting Confirmation Letter” within 48 hours after a employer posted a job; 2) conducting a telephone follow-up call 14 and 30 days later to inquire about the status of the position; 3) if a position remained open two weeks after its posting, a JobNet staff person browsed the talent bank to identify
JobNet’s ambivalence about developing customized employer services also extended to a discomfort in generating fee-based revenue from services to employers. JobNet did not share The Work Place’s perception that fee-based services to employers was a indicator of meeting customer needs as well as strategic opportunity to diversify revenue. Neither did JobNet share Boston Career Link’s approach of organizing employer fee-based job fairs as a means to financially support its efforts targeting specialized job-seekers. Instead, JobNet decided to offer job fairs but not charge employers because “to charge for this service without an adequate supply of candidates may reap small benefit in the short term, yet adversely impact our reputation in the long term.”

There were several motivations behind the decision not to charge employers fees for participating in job fairs. One reason JobNet did not charge fees was to minimize the costs to employers of accessing JobNet’s job-seekers, many of whom were lower skilled. Another reason was that by providing free job fairs, JobNet was held less accountable for job fair outcomes and therefore less likely that employers would be disappointed in its services and less discouraged from using its services in the future.

During 1999 and 2000, JobNet reported in its progress reports and strategic plans that it needed to improve its employer services. Yet, despite its many plans, JobNet also acknowledged that it usually did not follow-up and implement them. For example, JobNet stated that while a priority had been the “enhancement of the labor exchange process,” the “necessary operational changes, potential candidates; 4) at the two week mark, a JobNet staff person would also advise the employer of JobNet’s On-Site/Off-Site recruiting service where a JobNet recruiter actively recruited, screened, and referred candidates.

staff assignments or staff training relative to this priority have not yet been addressed.”

JobNet recognized that strengthening services to employers was not only immediately important in a tight labor market, but that it was also necessary to improve its labor exchange because “although the market economy remains robust, indicators are evident that major downsizing has been set in motion.” By the end of 2000, the REB observed that JobNet once again expressed an interest to end its “long struggle to develop a discrete set of services for employers” and to “draw a line in the sand,” and that “this represents the organization’s full realization of a change in role from a former state Employment Service office to a local career center that values the employer as customer.”

Despite JobNet’s self-awareness of its need to extend better services to employers, such improvements would continue to lag compared to JobNet’s priorities of developing services, procedures, and information systems focused on government-funded categorical job-seekers.

**Populations and Placements**

In 1999 and 2000, JobNet served the largest percentage of job-seekers with the least educational attainment. In fiscal year 1999, 70 percent of JobNet’s new job-seekers had a high school degree or less, compared to 43 percent at TWP and 40 percent at BCL (See Appendix Table 8). With the advancement of welfare reform and categorical funding, JobNet’s percentage of less educated job-seekers increased. In fiscal year 2000, 75 percent of JobNet’s new job-seekers had a high school degree or less, compared to 40 percent at BCL and 47 percent at TWP. JobNet also had much higher percentages of disadvantaged job-seekers without high school degrees or

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equivalents. In 2000, high school drop-outs comprised 39 percent of JobNet’s customers compared to 26 percent at TWP and 17 percent at BCL. JobNet also had significantly fewer job-seekers with college degrees. In 2000, only 2 percent of JobNet’s job-seekers held a bachelors or advanced degree compared with 33 percent at BCL and 26 percent at TWP. While JobNet’s percentage of linguistic minorities decreased from 33 percent in 1999 to 23 percent in 2000, it continued to have the highest percentage among the career centers. JobNet also served 50 percent of all the unemployed job-seekers among the three career centers.

Historically, JobNet served the largest number of job-seekers among the career centers and had the largest share of system volume (See Appendix Table 7). In 1999, JobNet served 40 percent of all job-seekers at the three centers. JobNet served 56 percent more job-seekers than BCL in 1999, and 19 percent more than TWP in 1999. Even though the number of JobNet’s job-seekers decreased 34 percent between 1999 and 2000 from 4458 to 2942, JobNet still served larger numbers of job-seekers than the other career centers. In 2000, JobNet served approximately 24 percent more job-seekers than TWP or BCL. The overall decrease in job-seeking customers among career centers between 1999 and 2000 partially reflected when the unemployment rate reached its lowest levels. During this time, the relative ease of finding jobs using other methods meant that many people required less use of career center job search resources.

Even as job-seekers used career centers less, employers increased their utilization of career centers during the tight labor market. At JobNet, new employer accounts increased from 358 in

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244 Charter Review FY ’02, Executive Summary Report., p. 2.
1999 to 1662 in 2000, and posted positions increased from 816 in 1999 to 2884 in 2000 (See Appendix Table 6).  

JobNet’s job posting activity increased significantly between 1999 and 2000 as a result of the tight labor market and JobNet’s focus on collecting and reporting data systems. JobNet was the only Boston career center that totally converted to DET’s Job Service Matching System which improved data entry of employer activity. In addition, it appeared JobNet “devoted minimal resources to new business development, concentrating nearly all of its employer services resources on posting new positions.” JobNet’s procedural emphasis on streamlining the job posting process also contributed to the center’s majority share of officially reported job postings among the career centers. In 2000, 72 percent of all jobs positions posted at Boston career centers were posted at JobNet (See Appendix Table 6).

Corresponding to its higher numbers of job-seekers and posted positions, JobNet also had a high number of actual job placements. While JobNet historically had higher placement numbers than TWP, it was only in 2000 that JobNet surpassed BCL in the number of job placements (See Appendix Table 5). During the very low unemployment period of 2000, JobNet was responsible for nearly half of all placements among the centers. In 2000, JobNet had 128 percent more placements than TWP, and 71 percent more placements than BCL.

245 JobNet’s relatively lower numbers of job postings in fiscal years 1997 and 1999 were mostly due to data collection problems associated with installing and adopting new information systems.
246 Charter Review FY ’01, Progress Report, Site Visit Summary, p. 27
247 Official job postings were those entered into the career center data system. This approach tended to under-represent job listings in venues where there was less formal data collection such as job fairs. For example, if job
Interestingly, before JobNet’s significant increase in placement numbers in 2000, JobNet’s placement rates during its first three years of operation were comparable to those of the old Employment Service.\textsuperscript{248} Whereas the Employment Service averaged 20 percent placement rates, JobNet’s initial placement rate was 15 percent in 1997, and remained at 21 percent for fiscal years 1998 and 1999 (See Appendix Table 4). Indeed, until 2000, JobNet’s placement rate had lagged behind both BCL and TWP. However, between 1999 and 2000, JobNet’s placement rate jumped 18 percentage points from 21 percent to 39 percent.

Several factors contributed to JobNet’s increased placement rate between 1999 and 2000. One reason is that JobNet improved its data capture and information system processes. Another reason is that as JobNet had fewer job-seekers and more employer customers and postings, it was able to devote more resources to helping job-seekers get job placements. During the same time that JobNet’s job-seeker population decreased by 34 percent, JobNet’s placement rate bounced up 18 percentage points. According to the REB, “this decrease may have permitted the organization to focus more intensively on its customer base; that it’s stunning increase in placement rate occurred while its volume was decreasing significantly may not be entirely coincidental.”\textsuperscript{249} A similar relationship seems evident at TWP, where, between 1999 and 2000, the placement rate increased 9 percent during the time that the job-seeker population decreased 37 percent.

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\textsuperscript{248} Placement rates are calculated for unemployed job-seekers who used at least three career center services before being hired. This method enabled career centers to benchmark their placement rates against the previous Employment Service system, that had average placement rates of 20 percent.
The relationship between higher placement rates and lower numbers of job-seekers is also evidenced in a comparison between JobNet and BCL. BCL historically had significantly fewer numbers of job-seekers and higher placement rates than the other centers. Compared to BCL in 1999, JobNet had 36 percent more job-seekers and a 110 percent lower placement rate. JobNet narrowed these differences in 2000. Compared to BCL in 2000, JobNet had 20 percent more job-seekers and only a 2 percent lower placement rate. In 2000, as fewer numbers of job-seekers used its services, JobNet was able to increase its reported placement rate. At the same time, however, JobNet continued to have much higher numbers of disadvantaged job-seekers than either BCL or TWP. As the REB noted about JobNet’s placement rate in 2000, “the organization achieved a stunning improvement in its placement rate last year while continuing to serve what may be the most challenging job seeking customer profile in the city in terms of educational attainment, linguistic challenges, and labor force attachment.” Among the three career centers in 1999 and 2000, JobNet had the largest number of job-seekers—and the most disadvantaged job-seekers, the highest number of job postings, the highest number of placements, and still managed to have the second highest placement rate.

Summary

Compared to the other career centers, JobNet reacted less directly to welfare reform and categorical funding, and to the tight labor market. In some respects, JobNet was both more resilient and less adaptive to these external conditions because of its Employment Services legacy. During 1999 and 2000, JobNet was primarily occupied with developing a partnership

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250 Compared to TWP in 1999, BCL had 24 percent fewer job-seekers and a 83 percent higher placement rate.
with ABCD and with integrating new information systems. After its fitful efforts in 1999 to include ABCD as a “full partner” in running JobNet, ABCD settled into a “limited partner” role. One aspect of this relationship was that ABCD tended to treat JobNet as one of ABCD’s many contracted services and programs. As a consequence, JobNet was not strongly influenced by ABCD and continued operating with an overall bureaucratic orientation. Although the attempts to develop a partnership relationship were time-consuming and somewhat disruptive for JobNet managers, JobNet remained organizationally stable.

In addition to not being a strong co-operator, the ABCD relationship also fell short for JobNet by not providing two other sought after capacities: strong connections to neighborhood-based organizations and access to employers. As a result, JobNet primarily relied upon its established institutional links with government agencies while seeking out “partnerings” with community based service organizations. Overall, JobNet continued developing and implementing the operational procedures and information systems that contributed to JobNet having the highest numbers of job-seekers, position postings, and highest placement rates among the centers.

**Chapter Review**

Examining indicators for the three career center system during the tightening labor market provides context for the career centers’ activities. The system reached its highest ever 38 percent placement rate of unemployed customers in Fiscal Year 2000. This rate was ten percent higher than the previous year. The high rate is noteworthy because it occurred with lower numbers of job-seekers and higher percentages of less-educated job-seekers. In FY 2000 the Boston centers

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placed 2,265 customers in jobs, compared to 2,073 in the previous year. However, the centers enrolled 7,638 new job-seeking customers in FY 2000, which was a 31 percent decline from the 11,062 new customers enrolled in FY’99. The decline in new job-seekers is mostly attributed to the robust economy in that fewer people looked for jobs, and that, for those searching for jobs, there were relatively plentiful ways besides career centers for finding employment. The proportion of customers who did not complete high school rose in FY 2000 from 19 percent to 26 percent. There was a 10 percent decline in the proportion of customers with four-year college and advanced degrees from 28 percent of all customers in FY1999 to 18 percent in FY2000. The race and ethnicity of new customers remained relatively constant between FY1999 and FY2000. Unemployed customers grew as a proportion of the population from 76 percent to 82 percent as employed customers decreased from 24 percent of the population to 18 percent.

The strong economy enabled the career centers in their efforts to help welfare recipients find jobs and to help employers find relatively lower-paid—though less experienced and less skilled—workers. Each career center exceeded its contracted goal for placing welfare recipients in jobs during FY2000, helping 612 welfare recipients to find jobs. BCL had the highest number of placements of welfare recipients in the state. In FY1999, Boston’s centers placed 717 welfare recipients, exceeding the number of job placements for welfare recipient FY1998 by 174, a 32 percent increase. At the same time, the average hourly wage of welfare recipients placed in jobs in FY1999 was $8.65. The relatively low average hourly wage rate reflects that many of the positions were often low-skill entry-level jobs—positions expected for welfare recipients—but also that they paid above the minimum wage.
During the era of a tight labor market and welfare reform, each organization adapted to its institutional environment by making distinctive strategic choices. Examining career centers’ focus on employers is a good way to highlight strategy differences because, more so than job-seeker customers, the career centers have more discretion regarding the level and scope of services provided to employers. Looking at how career centers related to employers is also illustrative of different strategies because, during the tight labor market, more employers were involved and interested in working with career centers in order to meet their labor demand. At BCL, services to employers tended to reflect an interest in developing informational and networking relationships (e.g., industry briefings, job match café, thematic job fairs) that were fashioned around BCL’s niche strategy of enlisting its extensive network of community resources to focus on special groups of disadvantaged job-seekers. One aspect of BCL’s niche strategy was that, compared to other centers, BCL tended to provide specialized services to fewer numbers of job-seekers that resulted in higher placement rates. At TWP, services to employers tended to emphasize fee-based arrangements (e.g., job fairs) and a focus on addressing the particular labor demands of employer customers. TWP tended to prioritize services to employers rather than job-seekers, in contrast to BCL and JN that prioritized job-seekers. Although TWP initially failed to meet its contracted DTA placement goals, it soon realigned its services and cultivated relationships with public and community agencies so that it continued serving traditional categorical populations while also pursuing employers to whom to market and provide access to its categorical job-seekers. JobNet’s Employment Services legacy provided it with passive but prolific connections to employers who posted significantly more job positions with JobNet than with the other centers. JobNet’s attempt to develop closer and neighborhood-based

252 The centers served twice as many employers in FY 2000 (2,264) as in FY 1999 (1,014).
employer relationships by selecting ABCD as an operator resulted in mixed success. As a result, JobNet developed few customized services for employers during the tight labor market, but continued generating many job postings.

During the tight labor market, welfare reform represented the major institutional change related to public policy that affected the career centers during 1999 and 2000. The career centers experienced welfare reform as an aspect of the larger institutional issue of categorical funding versus service integration. Even though self-directed job-seekers continued to represent approximately two-thirds of job-seeker customers in 1999 and 2000, the centers’ focused a majority of staff resources on special populations because a majority of center funding was tied to delivering categorical services to groups such as welfare recipients, economically disadvantaged, and the disabled. Indeed, one reason why categorical programs increasingly used the career centers as entry points for services was because the one-stop mission was to integrate and coordinate services. However, as more programs were funneled through career centers, the more the centers experienced duplication of assessments, case management, and services. These potential redundancies also put pressure on centers’ internal communication and reporting coordination. To address these issues, the centers assigned staff and resources in varied ways to develop processes to reduce the redundancies.

Just as they had for employers, the three career centers evolved distinctive strategies for job-seekers. The outcome of BCL’s strategic planning process was that specialized job-seeker populations became BCL’s strategic priority. In particular, BCL identified disadvantaged groups such as low-income, disabled, or residents of the Empowerment Zone as targeted populations for
its services. This priority also influenced BCL to target employers and industries that tended to hire from these populations. TWP’s emphasis on universal services for all its job-seeker customers shifted slightly in 2000 as it increased its services to welfare/categorical customers in pursuit of contract-based revenue. TWP also targeted high skilled job-seekers sought after by employer and likely to pay for fee-based services. JobNet continued its strategy of focusing on the most disadvantaged job-seekers, especially those already connected to governmental programs, at the same time as providing services to large volumes of “self-directed” job-seekers.
CHAPTER FIVE

WIA & Weakened Labor Market Era: Recent Years (2001-2002)

Overview

During 2001 and 2002, the career centers responded to a changing institutional environment highlighted by the implementation of the Workforce Investment Act and by the tightened labor market brought on by economic recession. As the economy worsened, many more job-seekers used career center services at the same time that employers had fewer job openings and need for center services. This situation stretched and strained the organizational resources of the career centers. And, as general funding for career centers continued to decline, more categorical programs used the one-stops as entry points for services. Moreover, WIA altered the career centers’ relationship to many employment training providers from that of a referral partner to one of administrator and arbiter of training vouchers. In this environment, the centers continued to be confronted by the conflicting demands of providing universal access while also addressing the needs of categorically-funded job-seekers. All three career centers responded to the changing conditions through planning and practices that more intensely exhibited the traits associated with their strategic orientation. Boston Career Link emphasized stronger collaborations with its operators and its network of community services, as well as refocused attention to specialized disadvantaged populations. The Work Place prioritized business development as a management orientation, provided more customized services to employers, and initiated strategic partnerships with community and public agencies. JobNet strengthened its ties to DET and formalized more procedures related to service delivery and data collection.
Boston Career Link

Planning and Practice

Change in Governance, Structure, and Location

BCL experienced several major changes in 2001 and 2002 that involved new governance by Goodwill, another round of restructuring staff, and a move to another location. Although Goodwill took over direct fiscal and managerial responsibility of BCL on January 1, 2001, BCL did not complete restructuring career center operations until the end of 2001. In the intervening year, BCL experienced managerial flux. Interim leadership was provided by BCL’s acting executive director and operators as they worked to restructure BCL in accordance with the strategic priorities developed in Fall 2000. Following months of planning discussions, BCL moved in September 2001 to Goodwill’s large building complex in the Roxbury neighborhood within the Empowerment Zone, and occupied office space alongside several other programs administered by Goodwill. The next month—October 2001—Goodwill replaced BCL’s acting director with the hire of Joanne Pokaski as BCL’s new director.253

In the same month that BCL’s new director was hired—October 2001, the three operators formed an Advisory Committee comprised of about a dozen members representing job-seekers, employers, training agencies, and community organizations. The REB noted that “members of the Advisory Committee were selected based on their access to job-seeker and employer

253 Pokaski had formerly managed Goodwill’s community and government relations as well as several special projects for several years prior to her new assignment as BCL’s director. Goodwill’s decision to hire Pokaski as BCL’s director was supported by Dimock and WEIU, and was consistent with the operators’ Fall 2000 strategic priorities that emphasized enhancing services to special disadvantaged groups and strengthening relationships with community and government agencies.
customers whose needs and resources align with the strategic imperatives.”²⁵⁴ That is, criteria for membership in the Advisory Committee was based on BCL’s strategic priority of targeting specialized disadvantaged populations. Within a month of hiring a new director and developing new governance arrangements, BCL created a new management structure and also set up three cross-functional teams to address the three issues that had most challenged BCL since its opening: marketing, computer-based job matching, and tracking job-seekers’ membership and placement information.²⁵⁵

*Sensing Data*

Even as BCL reconfigured its organizational structure, it did not substantially alter its basic operating processes. For example, BCL did not adopt the formal structure of CQI teams. Instead, BCL selectively used CQI group process methods for what BCL termed “rapid improvement” or “local experiments.” In general, BCL continued its ad hoc approach to finding and reacting to problems. As noted by the REB, BCL identifies issues, moves to gather some information about the nature of the problem and then designs and tries a solution. If the solution works, it stays. If not, the product or service is modified or something else is tried…The use of this model may be both a strength and a liability at BCL. The strength is BCL’s ability to move quickly once it recognizes a need for improvement. The liability lies in the fact that the continuing reliance on informal methods and lack of use of formal CQI teams may leave the organization slow to recognize such opportunities.²⁵⁶

BCL continued its ingrained pattern of emphasizing “sensing” modes for gathering and interpreting information. In some ways, BCL’s relocation within Goodwill—a traditional social

²⁵⁵ One result of its organizational changes was that BCL had the most ethnically and linguistically diverse management team in its history.
services agency, re-enforced BCL’s tendency to mix up social casework and using data for system management. For example, as noted by the REB of a site visit to BCL in January 2002, the organization presented even small attempts to meet customer needs (rooms too hot, someone needing clothing for an interview, individual experiencing particular difficulty with the interview process getting extra help) as using customer feedback to meet customer needs. Solving individual problems on a case-by-case basis (case management) is an important component of quality service. But unless the data is aggregated and analyzed with root causes of system-wide problems identified, solutions prioritized, measures implemented and evaluated for their impact and effectiveness, this remains more a social casework and not a CQI model.257

The strength of BCL’s case management was that it focused attention on meeting individual needs. The weakness was that, without systemic data, BCL sometimes missed opportunities to make best use of its resources for system improvement.

BCL’s reorganization did not fundamentally change the kind of information that BCL emphasized in its operations. BCL continued to rely on “sensing” approaches in gathering and interpreting information. As noted by the REB,

Historically, the organization focused on basic tracking for invoicing and performance outcomes with little focus on formal data collection and analysis for quality improvement…BCL has always relied heavily on informal organizational ‘sensing’ methodologies and review of workshop and other activity/event evaluations to guide service delivery designs and improvements. There has been little formal cumulative data collection, quantification and analysis of customer satisfaction.258

Although BCL did use computer-based information systems to some extent, BCL did so in a style consistent with its prior consultative and particularistic manner. BCL, like other career centers in Massachusetts, were compelled to adopt MOSES—the statewide information system designed expressly for one-stop career centers. However, BCL did not actually fully integrate the system within its operations. In 2001 and 2002, BCL hired a consulting company to run reports

Indeed, during BCL’s transition year of 2001, BCL had no Team Leader for Information Systems and Administrative Services. Instead, consultants and MMGI staff provided these services. Nevertheless, BCL had an increased its information systems capacity due to the availability of MOSES-based data and the administrative capability of BCL’s new director.260

**Closer Collaboration to Serve Populations in Greatest Need**

Following its strategic planning process in late 2000, BCL undertook a variety of follow-up activities during 2001 and 2002. BCL focused on four key areas that involved “realignment” of its services: focusing on populations in greatest need of career center services, working more closely with three collaborating agencies, adapting to WIA, and targeting certain employer populations. BCL’s highest realignment priorities were targeting specific populations and integrating BCL deeper with its operators. These priorities were inextricably combined both in concept and in execution.

Several issues were associated with BCL’s priority of increased collaboration among the three operators. To begin with, as part of its strategic planning process, BCL’s operators determined that BCL had developed too much autonomy based on the belief that it could someday be spun-off as its own independent nonprofit entity. BCL’s operators abandoned this assumption and consequently permitted Goodwill to increasingly integrate the career center into its operations.

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259 In late 2002, Goodwill began the process of hiring someone to produce reports from databases and run analyses for all Goodwill’s training and career services programs, including running MOSES reports for BCL.
260 With access to MOSES standardized and streamlined data collection and reporting, BCL requested that its consultant analyze patterns of service utilization. The REB observed in 2002 that, for the first time, BCL reported patterns such as that young people and Hispanics were more likely to attend job fairs but not industry briefings, while women, Caucasians, and people with disabilities were more likely to attend industry briefings but not job fairs. Even in its analytical priorities, BCL continued to focus on service trends among particular populations.
Unlike Dimock that, as BCL’s former fiscal agent, had enabled BCL to be jointly governed by the three operators, Goodwill assumed full managerial control of BCL. Goodwill and BCL also increasingly blended programmatically.\textsuperscript{261} According to BCL, “a workgroup of BCL and Goodwill training programs managers has been created to explore and maximize synergies between the two.”\textsuperscript{262} Another aspect of BCL’s closer alignment with Goodwill—as well as with Dimock and WEIU, was that BCL’s job-seeker populations began to more closely resemble those of its operators. BCL’s relocation to Roxbury was a key strategy in this “realignment.”

According to BCL,

Focus on the Population Most in Need of Career Services meant targeting BCL’s efforts on communities of color, low income job seekers, people with language barriers, those with little work history, those without computers at home, individuals with disabilities and those without a job network. Demographic data are showing that BCL’s move from its former site…to its current site…has brought about changes in BCL’s demographics in the way we had hoped.\textsuperscript{263}

While BCL’s move and closer connection with Goodwill increased the career center’s population of disadvantaged job-seekers, there was a trade-off to these actions. On the one hand, having its offices within Goodwill made BCL more accessible to people with disabilities who received Goodwill services. Also, its location in the Empowerment Zone put BCL closer to neighborhoods with higher rates of unemployment and lower incomes. BCL believed that its proximity to different groups of disadvantaged job-seekers—particularly those living in the neighborhood—enabled such job-seekers to receive more focused services. On the other hand, BCL was less accessible to many city residents because BCL was no longer centrally located in Boston or easily accessible by the subway system. And, unlike its former commercial storefront

\textsuperscript{261} For example, BCL and Goodwill were competitively awarded the City of Boston’s only career center contract to provide post-placement support citywide in 2002.
\textsuperscript{262} Boston Career Link, Progress Report, Fiscal Year 2003, page 5.
\textsuperscript{263} Boston Career Link, Progress Report, Fiscal Year 2003, page 2.
site that indicated “universal access,” BCL was now situated next to Goodwill’s used clothing and merchandise store that communicated “social services.” Considering the initial symbolic importance that the REB had placed on appropriate venues for career centers, BCL’s move signaled a major change of identity.

Adapting to WIA

Following its renewed focus on specific populations and closer collaboration with operators, BCL’s next priority was adapting to WIA. WIA implementation began formally on July 1, 2001, and represented an overhaul of the workforce development system. WIA’s major changes included eliminating contract-based training; instituting a voucher-based “Individual Training Account” system; enlarging the pool of non-profit and for-profit training providers; broadening the eligibility criteria for training; and decreasing the amount of available training funds. WIA also established the one-stop career centers as the mandated connecting hubs of local workforce development systems.

There were three dimensions to how BCL adjusted to its role as modified by WIA. First, career centers were expected to administer the process by which training vouchers were issued to job-seekers. This meant that center staff conducted initial assessments of a job-seeker’s employability. If the customer was eligible and could benefit from training, then the career center referred the person to several training providers on an approved “vendor list.” Due to WIA’s emphasis on “customer choice,” the customer was required to visit several providers before selecting one. The customer then returned to the career center, which processed the voucher

paperwork. As a result of the career centers’ new relationship to training providers, center staff were expected to act as neutral administrators. As noted by the REB, implementing WIA at BCL “has led to a redefinition of the counselor role from advisor/advocate for job seekers to now include that of arbiter of resource allocation.”265 This added a slight constraint on BCL staff, who were accustomed to having a more active advocacy relationship with job-seekers.

A second dimension of BCL’s adjustment to WIA was that BCL had to devote dedicated resources to WIA-related services. BCL increased the amounts of staff time and career center space dedicated to WIA information sessions, individual counseling for eligibility determination and follow-up, and coordination with training providers. These added demands on BCL’s resources strained its already stretched capacity resulting from consecutive years of reduced career center funding. A third aspect of adapting to WIA was that BCL was expected to provide job-seekers as well as employers with current and projected labor market information. Although BCL had previously accessed labor market information to provide context for its services, it was less necessary due to the strong labor market that yielded jobs in many industries at many skill levels. In the WIA environment, BCL was expected to have more specific knowledge about labor market conditions because a job-seeker’s current “employability” was a criteria in whether s/he was eligible for a training voucher. As a result, BCL was confronted with the challenge “to gather better labor market information to understand where hiring opportunities lay in an economic downturn.”266 However, compared to the other two career centers, BCL not only had the least direct access to governmental sources of data, but also was the least oriented to systematic data collection and analysis.

Service Delivery and Labor Matching in a Weakened Labor Market

During 2000 and 2001, despite its major organizational restructuring, BCL’s services for job-seekers remained mostly stable. BCL continued to offer workshops that, while generally similar to those offered by the other career centers, tended to reflect more psycho-social leanings. BCL maintained its outreach to DTA offices, while providing actual services at BCL. Many of BCL’s specialized programs continued, though some grant-funded programs ended. BCL also kept on offering its support group (“Job Seeker Success Group”) for job-seekers.

Like the other career centers, BCL continued its attempts to reconcile the provision of seamless and universal access with the increased delivery of categorical services associated with welfare reform and WIA. BCL’s response to these competing expectations entailed providing more counseling services as well as more overlapping services. For BCL, “this repetition of information about the breadth of services available is a way to address the effects of funding “silos” on service delivery.” Instead of having planned and formalized mechanisms for connecting categorical services, BCL relied on offering redundant cross-referential information to customers. This approach offered counselors and customers multiple opportunities to selectively pursue services that seemed appropriate to individual needs. However, this approach

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267 Workshop titles included Informational Interviewing, Clarifying Your Job Values, Skills Identification, The Job Interview, How to Write a Resume and Cover Letter, Assertive Communication, Positive Thinking for Success, and Negotiating the Job Offer.
268 For example, the three-year contract to operate the Phoenix Program—an AIDS/HIV employment services contract run by BCL and Dimock—ended in 2002.
269 In 2001, BCL introduced new “Ask the Counselor” sessions where customers signed up for fifteen minute check-in and advice sessions. BCL initially offered the sessions from 4-5 p.m. but had low response, and so moved the sessions to 1-2 p.m.
also caused BCL to expend additional staff resources due to its non-systematic performance of duplicative tasks and referrals.

BCL’s fourth and least developed priority involved targeting employers. Even as BCL recognized that “this realignment is critical to the center’s success,” BCL stated that “of the four realignments, this one has been the least realized” during 2001 and 2002.271 One of BCL’s main challenges was that it had previously developed relationships with employers that had been suitable matches with its predominately college-educated job-seekers. As BCL shifted its focus and location to increase its pool of disadvantaged job-seekers, BCL found that it did not have extensive connections to employers that hired many lower-educated and lower-skilled job-seekers. BCL stated that as its job-seeker population changed, “there grew an increasing gap between job seeker skill sets and interests and the employment opportunities available with the employers with whom we have long-standing relationships.”272 BCL’s emphasis on relying upon its strong relationships with community organizations for access and services to job-seekers and with employers for hiring had worked well during the tight labor market. This was a particularly effective practice for BCL’s many employment-ready job-seekers when the economy was booming. However, BCL had less history and fewer strong relationships with businesses able to employ disadvantaged workers.

Another challenge to BCL’s efforts targeting employers was that the economic recession that began in 2001 caused many firms to slow their hiring of workers. In this environment, BCL found it more difficult to help disadvantaged job-seekers get job placements. Even so, some

businesses continued to hire—especially entry level workers—and BCL re-focused its services to target them. However, developing relationships with employers in an economic downturn required more attention than during the economic boom when many employers sought out career center services. Recognizing that it needed to focus more attention on employers during a loose labor market, BCL re-organized its employer services.

In 2002, BCL made several changes to “re-align” its employer services. First, BCL changed the name of its Employer Services team to Employment Opportunities Team. Second, BCL created a new position to manage its employer services. Third, in a departure from its previous cross-functional approach, the reconfigured Employment Opportunities Team was solely focused on employer customers. As a result, employers were essentially framed as members of a targeted group that would received “specialized services.” Fourth, BCL developed, for the first time, performance goals for its employer services that supported the organization’s overall goals. Fifth, BCL prioritized industries (i.e., retail, food services, health care, and hospitality) that seemed to offer the most appropriate employment opportunities for disadvantaged job-seekers. Sixth, BCL redesigned and increased the frequency of its employer events.

As part of its employer services realignment, BCL reassessed and revised what had been its main direct connection between employers and job-seekers: the Industry Briefing—a two-hour monthly event with a panel of up to six employers, usually from same industry. The REB noted:

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After four years of offering this product as the equivalent of a large ‘informational interview’ BCL noted in evaluations that job-seekers were interested in more than information—they wanted to see employers that actually had jobs.273

BCL continued to offer the briefings, but increased the frequency to twice a month and made them available to BCL registered customers only.274 And, in a departure from past practice, BCL made stronger efforts to invite employers who actually had jobs they were looking to fill.

Another aspect of BCL’s realignment of employer services was BCL’s efforts to further develop collaborations with its operators and partners in pursuit of better relationships with employers. For example, BCL sought to take advantage of its closer relationship with Goodwill by piggybacking on its relationships with employers of disadvantaged workers.275 BCL planned to use such opportunities to “build more deep relationships with a number of employers, similar to the relationships Goodwill has with TJ Max, CVS, and Jiffy Lube.”276 Similarly, BCL continued developing relationships in the health care industry through program partnerships with Dimock.

In addition to its general attempts to improve employer services, BCL also tried to strengthen its ability to link local residents and businesses. BCL hired a Job Developer/Account Executive to exclusively work with employers in the neighborhood “who offer jobs that are conveniently located for local residents.”277 BCL’s neighborhood focus contributed to the fact that it administered the most Empowerment Zone training vouchers of any of the career centers.

274 During the summer months when industry briefings were not offered, BCL offered its Job Match Café. Although the Job Match Café infrequently produced job hires, BCL kept is as a way to keep access between employers and job-seekers during summer months when no industry briefings offered.
275 In October 2002, BCL and Goodwill were jointly awarded a US Department of Education grant to place people with disabilities into competitive employment.
However, one of the disadvantages of BCL’s focus on targeted industries, specialized populations, and specific neighborhoods was that it was less prepared than the other career centers to respond to the employment needs of a wide spectrum of job-seekers and employers affected by the economic downturn. For example, the closing of the Power One electronics assembly plant in Allston resulted in more than 300 layoffs of mostly Asians with limited English proficiency. All three career centers were involved in providing employment and training services to the dislocated workers. However, the situation revealed that BCL was the only Boston career center without Chinese language capacity. To address the influx of Chinese speaking customers, BCL used translator services and later hired the translator as a regular employee.

**Populations and Placements**

During 2001 and 2002, BCL’s job-seeker demographics changed as a result of its realignment of services to specific disadvantaged groups and its move to the low-income Dorchester neighborhood. However, during this same time the economic downturn resulted in more skilled and educated job-seekers utilizing career center services. As a consequence, BCL experienced a surge in the numbers and types of job-seekers.

BCL’s percentage of people with a high school diploma or less increased from 40 percent in fiscal year 2000 to 42 percent in fiscal year 2001 (See Appendix Table 8). After its realignments, BCL’s percentage of job-seekers with a high school degree or less jumped to 49 percent in 2002. The increase in this population is especially noteworthy because the other career centers experienced a percentage decline in this group as a result of serving more higher educated job-seekers in a worsened labor market. BCL experienced a relative decline in the percentage of
higher educated job-seekers in 2002, while the other centers had percentage increases. BCL’s job-seekers with a bachelors degree or higher decreased from 33 percent in fiscal year 2000, to 25 percent in fiscal year 2001, to 24 percent in fiscal year 2002. Meanwhile, the percentage of JobNet’s job-seekers with a bachelor’s degree or higher increased from 13 percent in 2001 to 18 percent in 2002, and TWP’s percentage increased from 20 percent in 2001 to 26 percent in 2002. BCL’s major realignments and its move in 2001 contributed to a significant change in BCL’s placement rate as BCL increasingly served harder to place job-seekers. BCL’s placement rate declined being the system’s highest in 2000 at 41 percent to being the lowest in 2001 at 25 percent (See Appendix Table 4). Another indication that BCL’s job-seeker population characteristics had changed was that BCL’s share of system unemployed increased from 27 percent in 2000 to 34 percent in 2001; and the share of unemployed among BCL’s own population increased from 69 percent to 77 percent in 2001. However, as BCL settled into its new location and refocused its services on specialized disadvantaged populations, its performance improved. BCL’s placement rate changed from being the lowest in fiscal year 2001 at 25 percent to tying with JobNet for having the highest placement rate in fiscal year 2002 at 30 percent. BCL’s pattern of placement numbers mirrored that of its placement rate and reflected that BCL had more job-seekers with barriers to employment. Even as the number of jobs posted at BCL increased from 279 in 2000 to 706 in 2001, the number of job placements declined from 655 in 2000 to 516 in 2001 (See Appendix Table 5). However, as its realignments became more developed in 2002, BCL’s performance improved. Even though it had more job-seekers, fewer job postings, and worsened economy in 2002, BCL’s number of placements and its placement rate increased between 2001 and 2002. Between 2001 and 2002, BCL’s number of job
placements increased from 516 to 706, and its placement rate increased from 25 percent to 30 percent. Another indication that BCL’s was implementing its realignments was that BCL went from performing worst against goal among Boston career centers on its performance based Employment Assistance Services (welfare to work) contract in fiscal year 2001 to performing best against goal in fiscal year 2002.

Summary

During 2001 and 2002, BCL experienced major internal changes due to the restructuring of its governance and management, and several realignments due to its strategic planning process in 2000. BCL also had to adapt to changes in the external environment most notably related to the implementation of WIA and to an economic downturn. BCL relocation to Goodwill’s facility and BCL’s refocus on specific job-seeker populations signaled a shift in the services and customers it serviced. At the same time, BCL continued to fundamentally orient its services and operations through social casework and relationship approaches. BCL’s specialized services enabled it to provide higher quality customized services. However, it did so un-systematically. BCL remained a “high-touch” and “organic” organization that could be flexible and adaptive, but at the expense of redundant overlapping resources and with potentially missed opportunities for system enhancement. Nevertheless, BCL’s social casework approach and its extensive ties to networks of community-based service organizations enabled BCL to provide “customizable” services to targeted specialized populations. However, BCL’s placement rate decreased as it increasingly served disadvantaged job-seekers. The net effect was that as it served larger percentages of disadvantaged job-seeker groups, but in comparable ratios as the other career centers, BCL’s placement rates became more similar to the other centers.
The Work Place

During 2001 and 2002, The Work Place adjusted its services in response to increased numbers of job-seekers and decreased levels of employer demand resulting from the recession and economic downturn. TWP remained organizationally stable, though it continued to formulate modifications to its services. For its job-seekers, TWP tailored employment transition services for people recently unemployed as well as for those with more long-term employment barriers. For its employers, TWP maintained connections by switching some fee services to free services, and exploring new services such as career progression and outplacement assistance. In response to WIA, TWP worked harder to develop relationships with training providers as well as public and community social service agencies.

Planning and Practice

Reprioritizing Services to Employers

During 2001 and 2002, TWP’s governance remained stable compared to the significantly restructured operating partnerships at BCL and JobNet. However, more so than BCL or JN, TWP experienced a relatively high level of staff change. Almost half of TWP’s usual complement of approximately 32 staff-members turned over in 2001. More notably, TWP modified its management structure to accommodate the increased importance of WIA and  

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278 TWP continued to engage in frequent operational and strategic discussions with JVS and the Mayor’s Office of Jobs and Community Services.

279 In 2001, 14 of TWP’s usual complement of approximately 32 staff members were new hires, including a new assistant director and a new career services coordinator. In many cases, the new hires filled positions of departing staff. At the same time, however, TWP hired new staff to expand or create new capacity as TWP “moved aggressively” into new areas of services, such as for populations involved in the criminal justice system and ready to re-enter the workforce. TWP also hired staff that increased its ability to serve diverse communities. By the
welfare reform, as well as to revise its employers services in response to the new economic reality of reduced employer demand. In 2001, TWP expanded its leadership team to include a Access to Training (WIA) Services Manager and a Transitional Services/Justice Resources Manager. TWP’s most important management adjustment involved the reorganization of its employer services.

In 2001, TWP hired a new employer service manager, changed the group’s name to Business Development Team, and more closely integrated the team services with those of career services. There were several reasons for these changes. First, WP concluded that it needed to refocus and streamline its services in an economic recession during which employers’ needs were changing and in which they were more selective and less likely to pay for services. In this environment, TWP decided to reassess and, if necessary, to reinvent its delivery of services to employers. Related to this and in its continuing efforts to enhance services to employers, TWP hired a new manager of employer services, who had experience in both the nonprofit and for-profit worlds, brought an outsider’s “fresh eyes” to TWP. The new manager recommended that employer services be renamed Business Development to reflect nomenclature in use by the business community and to signal to employers that TWP “spoke their language.” Moreover, the name change served the strategic and symbolic purpose of helping TWP reframe its approach to employer services as part of the most comprehensive organizational restructuring in its history.

Since its inception, TWP had examined the successes and failures of its approach to employer services and had adjusted it so suit internal and external conditions. However, the economic beginning of 2002, half of TWP’s staff were bilingual speakers, 62 percent were minority, and 63 percent of
downturn compelled TWP to more sharply refocus and realign its approach and services to employers. As the economy progressively soured during 2001, TWP reassessed its employer services and determined that, in its zeal to prioritize its services to employers, it had not fully integrated services to employers with services to job-seekers. That is, unlike the other Boston career centers, TWP had chosen to dedicate separate resources on employers. In the words of TWP, “historically, Job Developers worked exclusively with our DTA clients and the primary focus for Employer Account Representatives (EARs) was their work with employers.”280 In this respect, TWP had chosen a different tack than the other career centers. As noted by the REB,

While all the Boston centers adopted an account management structure for servicing employer customers, TWP was unique in establishing the position of the ‘Employer Account Representative’ (EAR) and the employer services group as a position and a unit that was distinct from the ‘job developer’… The organization was determined to establish a function that viewed the employer as the primary customer.281

After several years of offering parallel services to job-seekers and employers that intersected incidentally, TWP’s CQI-based assessment processes revealed systemic problems with that approach.282 TWP found that job developers and EARS often competed for job leads and were sometimes confused about who had authority or received credit for successful job referrals. TWP identified another issue that was even more problematic regarding TWP’s drive to generate fee-based services. Employers frequently interacted with job developers offering free services and available job candidates that were supported by categorical funding while, at often at the same time, the employers were asked to pay for services by EARs. Following its re-assessment of

supervisors were from minority populations.
282 As part of its analysis, TWP also identified “lessons learned” that included the difference between posting a job and serving a customer, the cultivating a relationship with an employer, and that employers use career centers to solve problems.
employer services, TWP consolidated job developers and EARs into the Business Development Team in November 2001. According to TWP,

The newly constituted Business Development Team is founded on the belief that the object of labor exchange is not the ‘sale’ of a worker to an employer, nor is it the ‘sale’ of a job to a job-seeker. The true object of labor exchange is the brokerage of a win-win relationship between an employer and a job seeker.283

On the one hand, TWP’s reconstituted Business Development Team shared similarities with the co-mingled job developer/employment services positions at the other career centers. As noted by the REB, “the structure of TWP’s Business Development Team resembles the structure of the employer services teams at the other centers. In this sense, TWP has ‘come full circle.’”284

However, there were important differences. TWP continued to assert the primacy of an employer services orientation. This was most evidently seen by how TWP changed its organizational structure as part of its Business Development Team restructuring. TWP altered its organizational structure so that the Business Development Coordinator and the Career Services Coordinator reported directly to the Manager of the Business Development Team. Even as the functions of job developers and EARs were blended, and were connected to job-seeker services, all these activities were framed under the purview and authority of business development. That is, all job-seeker and employers services served the organizational priority of business development.

Another difference between TWP and the other centers was TWP’s focus on enhancing employer services and TWP’s heavy reliance on CQI-based experimentation in developing its particular blend of services. Over a period of six months, TWP convened three teams to facilitate the merger of the Business Development and Job Development units. As described by the REB,

these teams examined three aspects of the job seeker/employer interface with TWP (employer services, job development, and talent bank), developed three different organizational models which were ‘test driven’ or piloted prior to a final decision on the reorganization which was initiated in December [2001] and continues to ‘roll out.’

Whereas BCL’s and JN’s major changes in 2001 and 2002 were focused on improving services for job seekers, TWP’s major organizational changes were associated with improving services to employers. Although TWP’s most extensive CQI efforts were related to its reassessment and redesign of employer services, TWP also used CQI processes to integrate employer services with job-seeker services, and to continually assess and improve its operations.

TWP was distinguished from the other career centers not only on what it predominantly focused upon using CQI, but also in how TWP used CQI. As noted by the REB,

The Work Place’s commitment to CQI is comprehensive. It incorporates both the structural elements (most notably teams) and the methods of (formal data gathering, scientific surveys, statistical analysis of results, etc.) in a careful, methodical approach to problem identification, problem solving, and strategic planning.

At TWP, CQI was used hand in hand with data analysis to guide the development and refinement of services. These processes underlay the strategic planning approaches and language that permeated TWP discussions and activities. For example, TWP often conducted “SWOT” exercises to identify the strengths, weaknesses, opportunities, and threats surrounding its current or proposed services. In these ways, TWP emulated a entrepreneurial firm’s practice of uncovering and pursuing market opportunities. An example of this is TWP’s development of services to job-seekers and agencies involved in the criminal justice system.

Ex-offenders as a Niche Market

Several factors contributed to TWP’s development of services to ex-offenders as a niche market. To begin with, TWP initially organized job fairs within the Suffolk County House of Corrections (SCHOC) in order to respond to employer demand for workers during the tight labor market. TWP also sought to develop an under-served market comprised of inmates and non-custodial fathers within the criminal justice system that were about to “re-enter” the workforce but that had limited ties to the labor market. Over time, TWP built a track record with government agencies, inmates, and employers as well as cultivated relationships with organizations that enabled experimentation with job fairs and other services. TWP also gained expertise through its own services and program referrals so that TWP was able to “minimize employer risks” and to successfully expedite the hire of newly released ex-offenders.

At the same time that TWP innovated services to ex-offenders and employers, TWP also learned that there were opportunities to receive grant funds to support and expand these services. TWP recognized that the prison industry was stable and growing. And, for many years, TWP sought to diversify its revenue streams in order to balance the shrinking financial support for general career center operations and the fluctuating resources tied to categorical services. In particular, TWP saw that ex-offender non-custodial fathers represented a niche market with the potential to diversify and stabilize TWP’s revenue. At the same time, TWP saw an opportunity to expand services to under-served job-seekers and to connect employers to an under-tapped labor pool.

286 During this time, as part of a demonstration grant, all three career centers provided pre-release and post-release job readiness training and job search assistance to inmates. However, TWP pursued this opportunity more assertively than the other career centers. The best evidence of this is TWP’s job fair within SCHOC between inmates and employers, the first time such an event had occurred. Following the demonstration grant, SCHOC received
Consequently, TWP cultivated partnerships with public agencies in the criminal justice system that enabled TWP to be awarded grants and contracts. And, under the brand name “Fatherhood Connections,” TWP developed a “product line” of employment services for non-custodial fathers within the criminal justice system about to re-enter the labor force.

TWP’s expansion into the ex-offender market resulted in the establishment of formal relationships with three agencies where TWP located staff. TWP’s success in developing organizational partnerships and securing resources demonstrated that TWP had a sophisticated capacity for strategic planning and marketing. However, TWP’s initial expansion of ex-offender services also illustrated that TWP had an under-developed capacity for delivering specialized services to ex-offenders. In its first attempts to provide services to non-custodial fathers within the criminal justice system, TWP relied upon some of its established approaches to employment services for disadvantaged job-seekers. It soon turned out that TWP made several errors in how it conceived and delivered services. According to TWP,

Although we believed we knew something about the men we wanted to serve and what they needed and wanted, we were not prepared for the pressure they felt to “get a job now,” for the low threshold they had for “process,” or for the lack of trust they had that any “institution” could or would listen to and help them. We also believed that the relationships we had relationships we had established for recruitment would be a solid

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287 At SCHOC, TWP stationed a full-time staff person who provided pre-release job training and job search services. At the Suffolk County Family and Probate Courthouse (SCFPC), an on-site TWP staff person provided assessment, referral, and counseling services for men at the court. The staff person also facilitated the referral connection to TWP’s main office and access to a full range of employment services including welfare-to-work, WIA, and customized services. At The Brooke House—a pre-release center and halfway house for re-entering offenders—TWP stationed a staff person to provide job readiness training and job development services as part of collaboration with the Ella J. Baker House and with Bunker Hill Community College.

288 Relatedly, TWP “made the case” and brokered an agreement with the SCFPC, the Probation Department, and the Department of Revenue so that enabled TWP to provide employment services to non-custodial fathers so that they could meet their child support obligations.
base of referrals and that intensive outreach would not be needed. Again, we were mistaken.289

TWP also found that its intake process—designed “to gather as much information about the ‘whole’ individual” as possible, was “too long, intimidating, and stressful” for ex-offenders who said “all I need is a job.”290 Consequently, TWP lost customers at each of the assessment and placement process. For TWP, delivering services to ex-offender non-custodial fathers was a “tremendous learning opportunity.” TWP discovered that

these men had a profound mistrust of any system or institution. They were frequently products of fractured families, failure at school, failed relationships, incarceration, etc., and they did not believe than any system or program could provide genuine assistance and a positive experience. It became clear to us that we needed to find other “messengers” to deliver the Fatherhood Connection’s vision and mission.291

To address the problems with its ex-offender services, TWP relied on its relationships with community-based nonprofit social service organizations. According to TWP, “working with our partners (e.g., Family Services of Greater Boston, Ella J. Baker House), we developed a plan for extensive community outreach that tapped the connections and relationships of all three Fatherhood Connection partner organizations.”292 TWP streamlined the intake process in coordination with its CBO partners, who also became more involved in the program by providing structured workshops and by hanging “around for casual chat with customers so that they may further develop relationships with customers.”293 Through its Fatherhood Connections program, TWP learned that in its eagerness to expand its product line, TWP had developed contract-based resource-focused organizational relationships but had under-developed community-based supports-focused organizational relationships.

TWP’s re-constituted Business Development Team and TWP’s lessons from marketing services to ex-offenders demonstrated TWP’s continuing entrepreneurial orientation. They also reveal that, despite TWP’s ability to learn and moderate its practices, there are drawbacks to an over-emphasis on expanding and marketing new product lines and an under-emphasis on collegial and supportive relationships with community and public organizations. This is not to suggest, however, that TWP had undervalued the importance of relationships with other organizations involved in the workforce development system. Rather, similar to how it viewed its relationships with employers, TWP tended to treat its relationships with community organizations strategically and instrumentally. This was illustrated in how TWP framed its connections to community organizations and training providers as it prepared and responded to the implementation of WIA.

Preparing and Adapting to WIA

TWP saw WIA as an opportunity “to reconsider and revise” several of its job-seeker services and consequently “evaluated and improved upon internal practices given the new parameters and relationships designed in the WIA legislation.” After assessing the expectations and requirements associated with WIA, TWP worked to adjust and develop appropriate services and relationships. TWP determined that one of WIA’s most significant changes was the broadening of eligibility for training. To illustrate the difference, TWP contrasted the characteristics of job-seeking customers under JTPA (Jobs Training and Partnership Act) and WIA. Under JTPA, TWP’s job-seeker customers were mostly dislocated workers with work histories, high school diplomas and/or some college education, and had varying marketable occupational skills.

However, under WIA and related to the diverse layoffs of the recession and throughout 2002, TWP reported that its customer profile had “changed drastically” and that customers seeking training are more diverse in age, ethnicity, education, and skill level. We see airline pilots laid-off after the September 11 terrorist attacks and CFOs of failed dot coms, to immigrants with no English skills who have lost their jobs when their factory moved overseas, and nearly every kind of worker in-between.

In particular, TWP noted that there were “significant numbers of individuals being served under WIA who have the highest barriers to employment” including customers who were homeless, mentally and physically challenged, low income, long-termed unemployment, and youth ages 18-24. TWP perceived WIA as a second wave of government funding that demanded the delivery of specialized services. Yet, unlike welfare reform, TWP saw WIA as opening the floodgates to specialized services for a multitude of different populations.

For TWP, WIA represented a proliferation of specialized services that threatened the career center’s universal services approach. As summarized by Ford, “one-stop career centers are always going to be generalists, if we become too specialized, we fail; so, we partner with specialists.” TWP’s primary strategic response to WIA was to strengthen and build relationships with nonprofit agencies with specialized expertise. In particular, TWP emphasized developing close relationships with organizations advocating for the homeless, working with teen mothers/fathers, serving youth, providing mental health services, and offering a variety of social supports. According to TWP,

We have decided to build stronger bridges with community-based organizations that will provide access to the following services: housing, mental health, childcare, clothing, and food…Forming strategic partnerships with other community based “specialists” offers us

an opportunity to assist our customers with their basic needs while working towards meeting their short and long-term educational goals.\textsuperscript{298}

In addition to increased demands for specialized services, TWP saw other challenges associated with WIA. According to TWP,

> We were concerned about our ability to manage the potential flow of customers seeking training. We were also worried that Boston residents most in need of training might not be using Career Centers; with broader eligibility criteria, we were afraid that by the time the neediest training seekers learned how to access ITAs, none would be left. In addition, we are sensitive to the concerns of training providers, and are determined to redefine our relationship with them. In this new funding environment, the training provider is our customer.\textsuperscript{299}

TWP also determined that WIA implementation required closer working relationships between training providers and career centers. In an attempt to address many of its concerns at the same time with limited staff, TWP organized a training fair (modeled after job fairs) that brought together “needy training seekers,” training vendors, and other stakeholders involved in the new training voucher system. TWP conceived and took lead responsibility for organizing the first joint “Training Fair” between career centers and training program providers in July 2001. In partnership with other stakeholder organizations, TWP invited all the vendors approved to provide training in Boston.\textsuperscript{300} TWP also sent invitations to selected groups of “needy training seekers.”\textsuperscript{301} As a result of the training fair, TWP reported that 150 training seekers connected with more than 40 training programs, almost 70 ITAs were issued, training vendors gauged

\textsuperscript{298} The Work Place FY 2001 Strategic Plan, page 18.
\textsuperscript{300} TWP partnered with the other Boston career centers and with the Job Training Alliance, the Boston Housing Authority, the Boston Welfare Office Directors, and the State Unemployment system.
\textsuperscript{301} TWP sent invitations to housing authority residents in Boston’s poorest neighborhoods, welfare recipients with time left on assistance to make training an option, Unemployment Insurance recipients with more than 15 weeks of benefits remaining, and families participating in Head Start and Fuel Assistance programs. Group orientations were held prior to the training fare to assure participants were eligible and interested in training.
levels of interest in their programs, and “career centers had the opportunity to begin to develop closer relationships with training providers.”

As WIA implementation unfolded during 2001 and 2002, TWP continued to build relationships with community based organizations and training vendors. TWP worked more closely with partners to develop new and enhanced services for its job-seeker customers, including youth, limited English speakers, welfare recipients, college graduates, and dislocated workers with advanced degrees and skills. TWP also tried harder to “search for and hire staff members that reflect the population, which we are currently serving or are in need of targeting.” By strategically replacing staff or filling new positions, TWP increased staff demographic so that about half of staff were bilingual with a total of 15 languages spoken and 62 percent of staff represented communities of color.

TWP also modified its job placement services and its follow-up and post-placement services to address the demands of WIA and categorical customers. In both its planning and delivery of services, TWP continued to resist the “push and pull” of categorical funding by trying to assert the prioritization of universal services and customer choice. As described by TWP,

> At The Work Place we do not manage programs; we have customers with needs and we have resources available. Our role is to assess the customer’s needs and to match the appropriate resources to address those needs to assist each customer to be a better job seeker and employee. By looking at a customer’s individual needs, and TWP resources,

304 For example, TWP designed a quarterly progress evaluation report for training providers to complete, required that training voucher recipient check-in with TWP staff monthly, and polled graduating customers about their marketability.
we are able to offer each customer the fullest possible menu of services and avoid pigeonholing customers by “category.”\textsuperscript{305}

As it established new product lines and expanded its programs, TWP developed an array of cross-cutting services and referral systems. TWP described the process as a way to move customers quickly through the “front door” to “vestibule” service providers who could more intensively assess customer needs and suggest programs that might address those needs and move them efficiently and effectively towards the customer’s employment goal. According to TWP,

Customers are never told what they must do, but are offered suggestions as to how best they can use the resources available to them. Customers are always offered the most choices appropriate to their circumstances, as the more information the customer has the more informed and creative will be the customer’s decision making. It is always the policy of The Work Place that it is the customer’s choice, not ours.\textsuperscript{306}

One consequence of TWP’s approach was that it had many “front doors” and “vestibules” of service. In fact, according to the REB, “TWP is unique among the Boston centers in the number of remote sites it operates… it manages multiple ‘front doors’ in the community.”\textsuperscript{307} Related to its efforts to develop relationships with nonprofit and governmental organizations, TWP had six other locations in different communities where it provided services.\textsuperscript{308} According to TWP,

Building and managing successful partnerships internally at TWP and with other agencies has been key to managing our changing environment and to responding to our customers’ needs...Building and maintaining partnerships with agencies with different service sets who are interested in serving populations in transitions has been an important part of our success and is increasingly important as resources dwindle and customer needs increase.\textsuperscript{309}

\textsuperscript{305} The Work Place quoted in Charter Review Report FY’03 The Work Place, page 5.
\textsuperscript{306} The Work Place quoted in Charter Review Report FY’03 The Work Place, page 5.
\textsuperscript{307} Charter Review Report FY ’03, page 11.
\textsuperscript{308} During 2001 and 2002, TWP operated in six locations: DTA Dorchester Office, DTA Roslindale Office (closed January 2002), Roxbury Resource Center (opened January 2002), South Boston Resource Center, Suffolk County House of Correction (SCHOC), Brooke House (pre-release center for the SCHOC), and the Suffolk County Family and Probate Courthouse.
TWP increasingly developed and relied upon its partnerships with nonprofit and government agencies as the economy stalled. The relationships became more important during the second year of WIA implementation when more customers and more competition for training vouchers tapped WIA’s relatively limited resources. In 2001, TWP saw 5 people for every 1 voucher. In 2002, TWP saw 10 people for every 1 voucher. And, while the demand for vouchers doubled between 2001 and 2002, the drop out rate declined. Even when TWP could not issue a voucher to a customer, TWP still made referrals to other community and public services. At the same time, TWP maintained and cultivated its relationships with employers so that it could connect job-seekers with employment. However, sustaining employer connections during the economic downturn was challenge. In contrast to the economic boom when employers readily sought TWP’s services, the taciturn economy required that TWP work harder and more creatively to maintain relationships and to continue providing services to employers.

Refocusing Employer Services in a Weakened Labor Market

As a result of the weakened labor market conditions in 2001 and 2002, TWP modified its services and connections to employers. Rather than emphasizing fee-based services that employers were purchasing less frequently, TWP invested in creating, maintaining, and cultivating relationships with employers. According to TWP,

> This past year, the Business Development Team has focused considerable time and effort on building and growing relationships with employers and within our own departments at TWP. The work being done with employers has been somewhat different than in past years. With the downturn in the economy, fee services in general decreased in demand. The Business Development Team has taken advantage of this lull by being more strategic and creative in terms of building relationships with employers.\(^{310}\)

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As part of this strategy, TWP invited employers with whom it had long-standing relationships—as well as emergent relationships—to deliver workshops to job-seeking customers. And, while TWP produced fewer job fairs, it increased the number of on-site recruitment sessions from 10 in 2001 to 28 in 2002. During this time, TWP continued to build new employer relationships. TWP organized frequent breakfasts for employers at its main office. TWP found the events an “effective way to network and keep relationships going through the slow economic time.”

TWP also worked more closely with its operating partner’s parent agency, the Boston Redevelopment Agency, to co-sponsor a Backstreets Employer Breakfast in November 2002.

Another illustrative example of how TWP adapted its services and relationship to employers during the weakened labor market involves Massport. TWP significantly reconfigured its services and relationship to Massport. Since TWP’s first year of operation, it had developed a strong relationship with Massport. This was most evident in the annual job fair that TWP produced for all the tenants at Logan Airport. Due to the economic downturn and the events of September 11, Massport faced reduced labor needs and found less benefit from job fairs. In particular, Logan Airport’s labor situation changed from experiencing chronic worker shortages to undergoing layoffs, transitioning from private to government security personnel, and increasing demands for workers able to pass security background checks. As Logan’s labor conditions changed, TWP assessed the emergent opportunities for its services and strategically responded. TWP took the lead in assisting security screeners prepare for the transition to the

311 TWP targeted small and mid-size businesses and community based organizations located in Downtown Crossing, Roxbury, Dorchester, and Jamaica Plain.
313 The Boston Redevelopment Authority’s Backstreets Initiative aimed to support the economic development of 4,000 businesses employing 100,000 workers in Boston’s wholesale, construction, commercial services, and food
Transportation Security Administration. TWP provided assessment, counseling, and outplacement services for the private security workforce at Logan. TWP helped non-citizens by offering an intensive citizenship training program at the airport, in partnership with JVS. For pilots dislocated due to reduced flight schedules, TWP facilitated pilots’ access to certification training for “in-demand” aircraft and got them flying again soon. TWP out-stationed a staff person at Logan to provide outreach, intake, and assessment to screeners as well as “downsized” airline employees (e.g., United, US Airways). TWP also proposed and began developing a career ladders initiative that would create career opportunities among airport employers when those opportunities did not exist within specific companies.

In addition to cultivating its ties with employers, TWP sought to generate new services appropriate to the changing economic situation. After conducting employer focus groups and forecasting increased layoffs, TWP developed a product line of outplacement services for medium-sized businesses. TWP also offered outplacement services to nonprofit organizations after assessing that government cutbacks were reducing social service agency staff. Ford noted that TWP continually sought out opportunities to provide fee-based services, and that “we live in a nonprofit world, but we still try to be entrepreneurial.”

**Populations and Placements**

During 2001 and 2002, the combination of a weakened labor market and the implementation of WIA contributed to a large increase in the number of TWP’s job-seeker customers. At the same time that it served larger numbers of job-seekers, the distribution of its customers’ characteristics processing industries located in South Boston, New Market, Hyde Park, Charlestown, Neponset, Allston-Brighton, East Boston, and Jamaica Plain.
remained relatively stable, with the exception of having a larger percentage of higher educated job-seekers. Between 2000 (tight labor market) and 2002 (weakened labor market), the number of TWP’s new job-seeker customers increased 107 percent (2547) from 2363 to 4920 (See Appendix Table 7). \(^{315}\) As a result, even as its job-seeker demographics shifted, TWP saw many more customers from different cross-sections of job-seekers. The proportion of job seekers with the lowest and highest levels of educational attainment shifted slightly. Customers with a high school diploma or less slightly increased from 47 percent in fiscal year 2000 to 50 percent in 2001, and then slightly decreased to 49 percent in 2002 (See Appendix Table 8). Likewise, customers with a bachelors degree or higher dropped from 26 percent to 20 percent in 2001, but then increased back to 26 percent in 2002. That is, as the economy worsened, TWP saw more educated and skilled job-seekers as layoffs rippled through higher skilled occupations. In addition, customers from linguistic minority groups declined from 26 percent in 2000 to 20 percent in 2002 as more English dominant customers sought employment through TWP. The racial and ethnic composition of TWP’s customers remained relatively constant through 2002.

During the worsening economy of 2001 and 2002, TWP experienced many more people searching for jobs and fewer available employment openings. At the same time, TWP continued to cultivate its relationships with employers. Between 2000 and 2001, the number of job positions posted at TWP declined from 849 to 646 while it increased at the other career centers (See Appendix Table 6). \(^{316}\) Unlike the other centers, TWP emphasized its job fairs as its main

\(^{314}\) Tom Ford, Site Visit, January 14, 2003.
\(^{315}\) Between 2000 and 2002, the number of JobNet’s new job-seekers increased 77 percent (2255) from 2942 to 5197, and BCL’s new job-seekers increased 90 percent (2112) from 2368 to 4480.
\(^{316}\) Between 2000 and 2001, the number of posted jobs increased from 279 to 706 at BCL, and increased 2884 to 4770 at JobNet.
venue for marketing available jobs; and available employment positions at job fairs are not calculated in the official tabulations of posted job positions. That is, counts of job postings tend to undercount career centers’ customized services to employers, especially those provided by TWP. That said, TWP’s job postings increased from 646 in 2001 to 778 in 2002, while JobNet’s and BCL’s job postings decreased. Indeed, as the labor market worsened between 2001 and 2002, the number of TWP’s job postings increased 20 percent while JobNet’s job postings decreased 4 percent and BCL’s job postings decreased 42 percent. TWP’s increased number of job postings was an indication of TWP’s strong employer relationships and services.

There are several other indicators of how TWP weathered the economic downturn more effectively than the other centers. As previously noted, TWP had a higher percentage increase of job-seekers compared to the other centers. Between 2000 (tight labor market) and 2002 (weakened labor market), TWP’s new job-seeker population increased 107 percent compared to 77 percent at JobNet and 90 percent at BCL (See Appendix Table 7). During this same time, the number of TWP’s job placements increased 25 percent, while JobNet’s decreased 19 percent, and BCL’s increased 8 percent. Even though TWP had the largest increase in job-seeker customers, it also had the largest increase in job placements, despite a weakened labor market. Also, while the placement rates declined at all three centers between 2000 and 2002, TWP experienced the least percentage change. Between 2000 and 2002, TWP’s placement rate declined nine percentage points from 33 percent to 26 percent (See Appendix Table 4). In comparison, between 2000 and 2002, JobNet’s placement rate declined 9 percentage points from

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317 The REB uses jobs posted to MOSES for its official tally of job postings.
318 Between 2001 and 2002, JobNet’s job postings decreased from 4770 to 4562 and BCL’s job postings decreased from 706 to 408.
39 percent to 30 percent, and BCL’s placement rate declined 11 percentage points from 41 percent to 30 percent. Although its new employer activity declined in 2001 and 2002, TWP had more “repeat customers” than the other career centers. Nearly 70 percent of its employers did repeat business with TWP in 2001, compared to 40 percent at JobNet (BCL did not report repeat business). TWP’s high repeat business with employers is an indication of TWP’s strong connections with employers. Indeed, TWP repeatedly emphasized in most of its progress reports and strategic plans that it considered its customized services and strong relationships with employers as an organizational priority.

Summary

Although its governance remained stable during 2001 and 2002, TWP restructured its management so that its Business Development operations provided the overall frame for its operations. Related to the weakened economy and of WIA’s widened training eligibility criteria, TWP experienced a significant increase in the numbers and diversity of job-seeker and training customers. In response, TWP established strategic partnerships with community and government agencies that provided specialized services. TWP also partnered with agencies so that career services could be provided at community-based locations. TWP also experimented with developing services for niche markets such as ex-offender non-custodial fathers. To maintain and build relationships with employers during the economic downturn, TWP initiated more networking events as well as formally launched its Corporate Partnership program—fee-based membership services for selected business firms.319

319 The Work Place originally developed the idea for the Corporate Partnership program during the economic boom.
JobNet

During 2001 and 2002, both JobNet’s governance and management structures were relatively stable. In its operating relationship with JobNet, ABCD’s role remained that of the silent partner, while DET’s influence increased. In response to increased demands on its services due to the economic downturn and WIA implementation, JobNet primarily made procedural changes to streamline its intake and service flows. Service lines at JobNet continued to be separated as “boutiques” with modest levels of integration. JobNet’s procedural emphasis on data collection/reporting and service delivery contributed to its ability to manage the highest volumes of both job-seeker and employer customers among the career centers.

Planning and Practice

Institutional Embeddedness

Compared to its first year challenges of integrating ABCD as a co-operator, JobNet’s relationship with ABCD during 2001 and 2002 was mostly characterized by a settled pattern of limited partnership. Although the JobNet/ABCD Operations Groups continued to meet quarterly to coordinate service delivery and review initiatives, ABCD did not take an active leadership role in JobNet. And, while DET did not have a direct active role in providing leadership to JobNet, DET did impose procedural requirements tied to the extensive administrative, fiscal, and technological resources it provided to JobNet.\(^{320}\) In addition to being directly embedded within

\(^{320}\) For example, DET provided JobNet with contract and payroll services, and computer and office machine technical support.
DET, JobNet was also institutionally embedded within bureaucratic and city and state
governmental systems.

With DET’s strong influence, ABCD’s silent partnership, and with JobNet’s director and
assistant director in charge of operations, there were few mechanisms in place for guidance and
information from other sources. JobNet had been historically challenged in developing a
governing “board of directors” akin to those of the other career center. The REB went so far as to
note that “a classic non-profit board structure may not be an appropriate ‘fit’ with an
organization whose lead partner is a large state bureaucracy.” Nevertheless, after some stalled
attempts, JobNet convened the first meeting of its Advisory Board in 2001, inviting a DET
representative, the ABCD Education and Training Director, employers, and representatives of
training providers and other community based organizations. The Advisory Board met
intermittently and discussed JobNet issues, but lacked legal or administrative authority as well as
a clear role. As noted by the REB, “the resources, support, expertise and broader community
perspective that a board can bring to strategic planning and program operations remains lacking
at JobNet.” During 2002, the Advisory Board’s membership re-shuffled and shrank, leaving it
with representatives from three government agencies (i.e., DET, DTA, BHA), two
community/workforce development associations, and ABCD. The Board had no employer
representatives. Consequently, four of the six Board members represented large bureaucratic
organizations, and the remaining two members primarily dealt with the city and state

322 JobNet’s initial conception of the Advisory Group included inviting representatives of virtually every stakeholder
group involved in Boston’s workforce development system. This approach was soon abandoned after the REB and
JobNet determined that the proposed group lacked clear purpose.
governmental policy-making apparatus. Once again, governmental and bureaucratic interests, more so than community or business interests, influenced JobNet. This situation was less a reflection of happenstance as of organizational priorities. JobNet stated that it made no “concerted effort on re-building the Board” in 2002 due to budgetary constraints and staff-redeployment, but that it “expect[ed] to re-establish the Board and its activities” in early 2003.325

In addition to being institutionally connected to governmental and bureaucratic interests via its Advisory Board members, JobNet was also shaped by its direct embedded relationship with DET. For example, in 2002, JobNet assumed administrative oversight for Unemployment Insurance (UI) Walk-In staff.326 This was a flashback to the old Employment Service offices that had similar responsibility for UI local services and hence, became known as the “local unemployment office.” This administrative decision affected JobNet, but not The Work Place or Boston Career Link which operated more independently from DET than JobNet.327 Consequently, JobNet modified its reporting structure into two major categories—Counseling Services and Operations. Career Associates reported to the assistant director, while administrative and UI reported to the business services manager.328 Thus, at least with regard to UI, JobNet had reverted in some ways to its ES roots. In addition to assuming one of the main programs formerly administered by the ES, JobNet’s organizational structure somewhat

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324 Advisory Board members included leaders of the Boston Workforce Development Coalition and the Massachusetts Association of Community Development Corporations.
326 In October 2002, DET re-assigned Unemployment Insurance (UI) Walk-In staff to report directly to One-Stop Career Centers throughout Massachusetts. Nearly all of the 28 career centers that were directly administered through DET were given program responsibility for UI. Although it was not directly administered by DET, JobNet was included in this change because of its strong indirect relationship to DET.
327 Of the 32 One Stop Career Centers in Massachusetts, four (including Boston Career Link and The Work Place) were operated independently from DET.
resembled the traditional hierarchical, categorical, and procedural characteristics of the old set-up.

“Tried and True Structure”

Even with the integration of UI and some staffing adjustment, JobNet’s overall structure remained relatively stable.\textsuperscript{329} As noted by JobNet in December 2002,

> “the organizational structure has remained in tact. This tried and true structure…continues to operate in tandem to ensure that quality services are not only delivered but are tailored to meet the ever-changing needs of our customers.”\textsuperscript{330}

Though JobNet represented itself to the REB as a team-oriented organization, the center’s director and assistant director managed most of the career center’s activities.\textsuperscript{331} According to JobNet, “while the Senior Management Team provides direction and develops agency-wide policy and procedures, it is informed by a “Whole Team” process (general staff meetings) and by program specific and project specific teams.”\textsuperscript{332} This statement is notable for indicating that JobNet’s leaders set policy and procedures and that functional separation in both work process and service delivery was a chief characteristic of JobNet’s organization.

\textsuperscript{328} Assuming responsibilities for UI and administration was familiar to the business services manager because he had formerly directed an Unemployment Office/Employment Services local office.

\textsuperscript{329} In 2002, due to decreased funding that resulted in four fewer positions, JobNet made some staffing re-adjustments. Instead of replacing four exiting staff, JobNet re-assigned staff but loss positions formerly assigned to WIA, EAS, and Wagner-Peyser.


\textsuperscript{331} For example, when JobNet’s Branch Office Manager was transferred to another DET area in July 2001, JobNet’s director and assistant director assumed the supervision and day-to-day management for the branch office. For almost seven months until a new branch manager was hired, they met regularly with the staff at the location to develop strategies, provide support, and respond to branch issues.

Evidence of JobNet’s functional divisions was illustrated by the separation of staff members into “program specific teams” that administer “boutiques of services.” Program specific teams primarily dealt with day-to-day operation of categorical programs. During a 2001 REB site visit, JobNet presented graphics of a “corridor of opportunity” that emphasized separation of boutiques as well as “key interfaces” showing service and population overlap. The REB noted that “this is the clearest articulation of the tension between the ‘boutique’ approach and service integration in JobNet’s development.” The integration of categorical services was further complicated in that some boutiques (Vets, Job Corps, Employment Connections) had dual reporting relationships to their home agency and to JobNet.

In an attempt to reconcile the competing demands and divisions associated with categorical and universal services, JobNet formed two project specific teams focused on front door “intake” processes and on the orientation process. There were several reasons why JobNet focused on these two issues. First, JobNet experienced a surge in job-seekers using its services because of the weakened labor market. Second, WIA had directed more people looking for training to the center. Third, due to decreased funding, JobNet had to reallocate tasks and re-deploy fewer staff members. The sum effect of these conditions, particularly the “ever-increasing volume of job seekers utilizing the center,” compelled JobNet to determine that “it was important to work more

333 In addition to the customary categorical programs, JobNet also considered “Self-directed Job-Seekers” as boutiques.
334 In 2002, Program Specific Teams included Training (WIA), Employment Assistance Services for welfare recipients, Rehabilitation Services, Veterans Services, and Business Services.
336 Categorical staff in these “boutiques” were not paid from JobNet’s payroll but still participated in general staff (Whole Team) meetings, CQI teams, and conducted skills assessment and orientations.
efficiently.” Indeed, “Do More With Less” became the “imposed mantra of the career centers during 2002, according to JobNet. 

JobNet’s responded with three procedural adjustments. First, the front desk or “customer help desk,” as the first point of contact, “was targeted for more standardization and consistency.” The redesign involved development of “Customer Focused Quality Standards,” an eleven point set of instructions emphasizing completion of enrollment forms, MOSES data entry, and record keeping. A second procedural change consisted of a redesigned orientation. Unlike previous orientations that were offered by rotating teams of staff members (as a mechanism for cross-training), the new “Welcome to JobNet” orientation process was conducted by a select group of staff members. JobNet noted that, “his group is responsible for standardizing the orientation presentation to ensure that full and comprehensive information is shared and that an initial assessment is conducted within this seminar.” As part of this process, JobNet developed two checklist forms: a “Customer Needs Checklist” and a “Next Step Voucher.” The third procedural adjustment consisted of providing more center services in group formats. JobNet wrote that “conducting more group services such as workshops, industry briefings, and seminars was a strategy utilized to deliver services to more people while economizing on the use of staff

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339 For several years, JobNet had emphasized that “everyone is an assessor” and rotated staff through the front desk, where “every interaction is opportunity assess the needs of customer and help identify appropriate services.”
341 The “Customer Needs Checklist” was a form consisting of 14 different job search needs and corresponding services, workshops, or staff members recommended by JobNet. Following this “self-sort,” customers were encouraged to attend an Intake session in which a counselor helped assess identify employment goals, barriers and appropriate services. From this point, customers were issued “Next Step Voucher” slips as they progressed along the “job-readiness continuum.” The “Next Step Voucher” was designed to indicate the next service recommended or expected. They were issued after intake sessions and after each subsequent activity (e.g., Training Information Briefing, Workshops, Resume Critiques, Industry Briefings).
resources.” While indicating that this approach was useful in providing services to increased numbers of customers, JobNet acknowledged that its “group activities and service methodologies” hindered it from tending to individual needs. In December 2002, JobNet reported that,

The high levels of frustration among job seeking customers (because of long-term unemployment) and the low levels of job search skills among many has made this endeavor significantly more difficult. Even those customers who may have higher levels of job seeking skills are becoming frustrated and are in need of additional support.

In making its procedural adjustments, JobNet only selectively used the CQI approach. That is, JobNet adopted the terminology and structural concepts of CQI—teams and process flow diagrams to diagnose problems and identify potential solutions, but did not rely on systemic data gathering and analysis. The REB observed that “JobNet continues to rely on informal data gathering and structural CQI methods” but “has made only intermittent progress on using cumulative, quantified data analysis to address the root causes of organizational issues and to methodically address issues of customer satisfaction.” Although JobNet did not collect information to systematically inform its services and operations, JobNet did invest resources in attempting to strengthen its formal data collection capacity.

Data In and…Data Out?

On the one hand, JobNet continued its long-standing interest and investment in enhancing its ability to gather data and generate standardized reports. On the other hand, JobNet remained challenged in its ability to generate analytical reports. Indeed, JobNet historically had a problem providing timely data to WIB and using data for improving services. In the past, this was

attributed to technology problems outside of JobNet’s control. That is, JobNet’s reliance on DET for information technology meant that DET’s related problems became JobNet’s problems. For example, for some time, DET’s job seeker tracking system and job matching technology did not match. Later, JobNet was challenged in managing five different state information systems. However, even after data were consolidated into MOSES, the problems persisted. In 2001, JobNet attributed its problems to DET’s system-wide connectivity difficulties, but BCL and TWP had the same problems and were still able to generate timely and complete data to the WIB. The REB observed that it typically took multiple iterations of data requests and data exchange before JobNet provided complete data, even when data templates provided. According to the REB,

> even when JobNet has provided requested data, it often has been incomplete. Finally, the persistence of difficulty in data provision and the interpretation of data requests is unique to JobNet.  

JobNet was challenged in providing analytical data because, associated with its bureaucratic orientation, JobNet emphasized data collection procedures and standardized, routine data reports. Indeed, JobNet used extensive data to generate varied reports. However, JobNet tended not to systematically collect and analyze data for process improvement.

Instead of developing its data capacity to support its internal systems improvement, JobNet prioritized and showed leadership in improving the data collection and reporting system itself. JobNet expressed concern about the quality of postings to MOSES due to inconsistencies in

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346 During REB site visits at JobNet in 2001 and 2002, the information technology manager made a presentation that listed an assortment of reports using MOSES data, including an Airline Related Impact Report, Client Activity Report, Welfare Enrollments, Employment Outcomes, and Status Updates and Completions.
posting procedures, job description language, and even font utilization. With the support of the REB and its representative to the statewide MOSES Policy Work Group, JobNet convened a statewide work group to improve the processes through which employers receive existing services as well as serve as the sounding board for initiatives related to or impacting employer community. In addition to its efforts to improve job posting systems and employer-related procedures, JobNet also made some changes to its services for employer customers.

**Employer Services in a Weakened Labor Market**

After several years of lagging behind The Work Place and Boston Career Link in offering employer services, JobNet addressed employer complaints and suggestions by shifting its employer services from relatively passive to more active. As a first step, JobNet renamed its Employer Services to Business Services, mimicking TWP’s similar name one year prior. Next, JobNet re-specified its Business Services staff as a “Program Specific Team.” This essentially re-framed Business Services as a categorical services department similar to JobNet’s other Program Specific Teams. In addition, JobNet made attempts to increased the number and familiarity of its relationships with employer by more frequently visiting employers.

JobNet’s biggest modification to its actual services involved modifying JobNet’s version of an “Industry Briefing” from a passive labor market information session to a stronger recruitment opportunity. This revision consisted of changing some procedures as well as increasing the number of employers with available jobs. In the revamped session, employers not only provided

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347 In addition, employers had complained that filled positions were not quickly de-listed from the system.

348 The Massachusetts Employer Relations Learning Opportunities Team (MERLOT) work group, comprised by managers and employer representatives from career centers across the state began meeting in fall 2001.
job-seekers with an overview of the industry, the firm, and a specific occupation, but also .

interviewed candidates for current unfilled openings. JobNet also began a series of “Employer Quorums,” which were occasional informational marketing efforts to employers and other related associations that focused on government programs supporting incumbent worker training and development. Another service change occurred in response to employer complaints that many of the candidates that JobNet referred needed improved interviewing skills. To address this, JobNet introduced a videotaped “Mock Interview” as a free service to job-seekers. JobNet also developed a follow-up data gathering tool for employers to complete in which they evaluated job candidates’ interviewing skills.

As a result of JobNet adjusting its services to employer customers, the REB noted that, compared to its history of weak services and relations with employers, JobNet made “significant progress in articulating and focusing its efforts to outreach to and engage a broader community of employers.” However, JobNet acknowledged that the economic downturn presented a challenged to its ability to maintain the large number of employer contacts that had previously been “very easily attained” due to its relationship with DET. As a response, JobNet stated that it was “developing the reporting capacity to identify employers that have used our services.”

349 JobNet’s Program Specific Teams included Training (WIA), Employment Assistance Services for welfare recipients (EAS), Rehabilitation Services, and Veterans services.
350 In 2001, JobNet conducted eight briefings that were attended by a total of 226 job-seekers, and of whom 53 were hired. The largest briefing was attended by 95 job seekers and include employers from industries such as shipping, telecommunications, health care, human services, and security.
351 Public programs discussed include unemployment insurance, Worker Opportunity Tax Credit, Workforce Training Fund, and the recently initiated state “Building Essential Skills through Training” (BEST) initiative.
Related to its efforts to improve its connections to employers, JobNet also attempted to expand its outreach efforts to job-seekers as a way to meet employer and job-seeker needs.

**Weak Connections to Community Organizations**

JobNet made several attempts to strengthen its connections to community organizations as a way to find workers for employers and as a means to access the diverse supportive services offered by nonprofits. In coordination with ABCD and its network of neighborhood centers, JobNet held a meeting in spring 2001 with neighborhood-based community based organizations as a community outreach effort. However, JobNet determined that it would be difficult to dedicate the staff resources required to convene monthly meetings. Instead, JobNet used the sign-up list to create a broadcast email list (list serve) of job leads.\(^{355}\) Subsequently, JobNet developed a set of procedures to send its “JobNet Jobs” email on a daily basis.\(^{356}\) However, JobNet reported that the email effort became “somewhat disappointing” in 2002 because it appeared that “when budget crunches hit some of the first to get axed are the job developers/counselors.”\(^{357}\) This became a problem since the emails were sent to individuals who no longer worked there and whose email addresses were often terminated.\(^{358}\) In this illustration, JobNet demonstrated its tendency towards operational procedures in its relationships with community organizations rather than the reciprocal and embedded relations that characterized BCL’s networks and TWP’s strategic alliances. In general, JobNet was more likely to closely collaborate with other bureaucratically

\(^{355}\) Before it developed the broadcast email list, JobNet tried to find a job seeker to match a job posting from its own database and if it didn’t, it would go to go to other organizations such as skills training programs.

\(^{356}\) As soon as a job was posted in MOSES, JobNet sent the broadcast email to a variety of community agencies that included Family Services of Greater Boston, Bruce Wall Ministries, Mattapan Family Services, Parker Hill Community Services Program, and ABCD


\(^{358}\) Nevertheless, JobNet reported that it continued to identify other community organizations to add to the list, which sometimes posted as many as 35 new job leads every day.
inclined public agencies. For example, JobNet coordinated with the Boston Housing Authority (BHA) to sponsor job fairs in public housing development sites.359

Populations and Placements

The weakened labor market contributed to significant shifts in the job-seeker profile at JobNet. More White, Non-Hispanic job-seekers used JobNet services in 2001 and 2002. Between 2000 and 2001, the percentage of JobNet’s African Americans job-seeker customers decreased from 37 percent to 31 percent. Historically, due to its location near Chinatown and its multi-lingual staff, JobNet had a larger percentage of linguistic minority job-seeker customers than the other centers. JobNet’s share of the system’s job-seeker population that was linguistic minority rose from 43 percent in 2000 to 48 percent in 2001. And, as a share of its base, linguistic minorities increased from 23 percent to 27 percent at JobNet in 2001, the largest of any Boston career center.360 JobNet’s percentage of linguistic minority customers declined as other populations increasingly used its services during the weakened economy, and as other centers developed linguistic minority language capacity and services. In 2001, 67 percent of all Asian customers receiving at least one service at a Boston career center used JobNet. In 2002, this percentage declined to 51 percent.

Before the economy weakened, JobNet had historically had higher percentages of job-seekers with lower educational attainment compared to the other career centers. Indeed, JobNet usually

359 JobNet partnered with the BHA, the Committee for Boston Public Housing, and the Franklin Field and Franklin Hill housing development Tenant Task Forces to hold a community-focused job fair with more than 18 employers and community organizations that was attended by more than 300 community residents.

360 Linguistic minority job-seekers represented 17 percent of BCL’s base and 20 percent of TWP’s base in 2001.
had in excess of 60 percent more such job-seekers than BCL or TWP (See Appendix Table 8). However, in 2001 and 2002, JobNet’s percentage of job-seekers with less educational attainment began to resemble that of the other centers as the economy weakened. The percentage of JobNet’s job-seekers with a high school degree or less decreased from 75 percent in 2000 to 56 percent in 2001, and to 48 percent in 2002. In 2002, at both BCL and TWP, 49 percent of job-seekers had a high school degree or less. JobNet job-seekers with a Bachelors degree or higher increased from 2 percent in 2000 to 18 percent in 2002. Meanwhile, BCL’s percentage of job-seekers with a Bachelors degree or higher decreased from 33 percent in 2000 to 24 percent in 2002; and TWP’s percentage of 26 percent remained the same between 2000 and 2002. So, while JobNet saw similar percentages of less educated job-seekers as the other centers, it saw a fewer percentage of highly educated job-seekers. At the same time, however, JobNet had higher numbers of job-seekers than the other centers.

JobNet, like the other centers, registered more new job-seekers as the economy worsened. Between the peak of the tight labor market in 2000 and the weak labor market in 2002, the number of JobNet’s new job-seekers increased by 2255 or 77 percent—from 2942 in 2000 to 5197 in 2002 (See Appendix Table 7). Although the other centers had higher percentage increases, JobNet continued in 2001 and 2002 to have consistently larger total numbers of job-seekers. Consequently, JobNet also consistently had bigger shares of total system job-seeker

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361 In 2000, JobNet customers with a high school degree or less constituted 75 percent of job-seeker population, compared to 47 percent at TWP and 40 percent at BCL.

362 In comparison, the number of BCL’s new job-seekers increased 90 percent, from 2368 in 2000 to 4480 in 2002; and TWP’s new job-seekers increased 107 percent from 2363 in 2000 to 4910 in 2002.
volume. During 2001 and 2002, as in previous years, JobNet saw more than one-third of all new job-seekers registered at the three centers.\(^{363}\)

In addition to having higher numbers of job-seekers, JobNet also had large numbers of job postings. JobNet’s new job postings increased from 2884 in 2000 to 4770 in 2001 (See Appendix Table 6).\(^{364}\) At the same time, however, the number of JobNet’s new employer accounts declined from 1662 in 2000 to 872 in 2001, reflecting both a weakened economy as well as a large established base of employer accounts. Despite the increased amount of job postings, JobNet’s job placement numbers decreased. From its all-time career center high of 1119 placements in 2000, JobNet placement numbers decreased to 903 in 2002 (See Appendix Table 4). However, JobNet still made more placements than the other centers. JobNet made 291 or 48 percent more placements than TWP in 2002, and 197 or 28 percent more placements than BCL 2002 (See Appendix Table 5). Just as it historically had larger numbers of job-seeker customers, JobNet also consistently made larger numbers of job placements than the other centers.\(^{365}\) JobNet made two of every five (40 percent) job placement among the three career centers in 2002. Partially due to the increased size of its job-seeker populations and to the worsened labor market, however, JobNet’s placement rate declined. JobNet’s placement rate of 39 percent in 2000 declined to 33 percent in 2001, and to 30 percent in 2002. JobNet tied with BCL for the highest placement rate in 2002.\(^{366}\) In addition, the proportion of JobNet’s customers placed into full-time jobs increased from 82 percent in 2001 to 84 percent in 2002.

\(^{363}\) JobNet job-seeker customers represented 37 percent of system volume in 2001, and 36 percent in 2002.  
\(^{364}\) While JobNet’s job posting increased by 1886 between 2000 and 2001, BCL’s job posting increased by 427 and TWP’s job postings decreased by 203.  
\(^{365}\) In 2002, Job made 903 job placements compared to 706 at BCL and 612 at TWP.  
\(^{366}\) TWP’s placement rate in 2002 was 26 percent.
Summary

During 2001 and 2002, most of JobNet’s governance and operations remained consistent. DET’s influence on JobNet increased due to ABCD’s silent partnership and to limited external guidance from JobNet’s Advisory Board. JobNet’s bureaucratic orientation surfaced in its continued efforts to standardize intake, service, and data collection procedures. Similarly, JobNet’s “boutiques of services” was an indication of the career center’s functional separation of categorical services. However, partly due to its procedural and departmental emphasis, JobNet was able to accommodate the administrative and referral requirements associated with WIA implementation. JobNet’s standardized processes also enabled it to adapt to the significantly increased numbers of job-seekers looking for employment in the weakened economy. JobNet’s procedural emphasis on data collection/reporting and service delivery contributed to its ability to manage the highest volumes of both job-seeker and employer customers among the career centers. In addition, JobNet formalized its connections to employers and procedurally revamped its industry briefing into high volume events. In an attempted outreach to job-seekers and community-based service agencies, JobNet sought to leverage ABCD’s strong connections to neighborhood-based organizational networks. However, rather than embrace the neighborhood organizations as BCL did organically and TWP did opportunistically, JobNet—per its bureaucratic orientation—offered the community organizations an arms-length and impersonal broadcast email list. JobNet had more success partnering with a government bureaucracy such as the Boston Housing Authority, with which it sponsored job fairs in public housing developments.
Chapter Review

In 2001 and 2002, the career centers encountered major shifts in their operating context associated with the economic downturn and WIA. There are several ways in which these changing external conditions affected the centers. Basically, the careers experienced a surge in job-seeker customer demand for jobs and a drop in the centers’ job placements. Between 2000 and 2001, the number of new job-seekers at all three centers jumped 41 percent from 7,673 to 10,815. At the same time, the number of job placements among the centers decreased 25 percent from 2,265 to 1,688. The largest share of decreased job placements occurred at JobNet, which dropped from 1,119 placements in 2000 to 678 in 2001. JobNet’s significant drop in placements partially reflects that JobNet, compared to the other centers, had the weakest relationships with employers. Overall, the gender, age and ethnic proportions of its customers remained similar, while the proportion of customers with higher educational attainment and higher skill levels increased.

The most visible consequence of the combined effects of the economic downturn and WIA was the significant increase in the numbers and variety of job-seekers at all three career centers. More so than during the tight labor market, the centers encountered a wide range of job-seekers in terms of educational levels, skills, and employment experience. Career centers were required to deliver an increased number and range of services to surging numbers of customers. Also as

368 The number of job positions posted at all three centers increased from 4,012 in 2000 to 6,122 in 2001. However, this increase is mostly due to improved data collection associated with the adoption of MOSES.
369 BCL had 51 fewer placements in 2001 than 2000. TWP had the closest employer relationships and had similar placements (491) in 2000 as in 2001 (494).
370 The number of Asian and Latino customers for all career centers increased by 59 percent from 1,560 customers in FY2000 to 2,476 in FY2001, while the proportion of this population as a share of the system rose from 22 percent to 24 percent.
result of weakened economy, the centers needed to work harder at relationships with employers. In response to these conditions, the career centers made several internal and external changes to their planning and practices that were generally consistent with their strategic orientations.

In addition to the transformed economic landscape, the career centers also experienced a different governmental institutional context. WIA had supplanted welfare reform as the main public policy “shock” in 2001 and 2002. Welfare reform, which had loomed large in the previous era (1999-2000), had receded as a major influence on the centers in 2001 and 2002. Due to TANF’s time limits and emphasis on finding employment, the number of welfare recipients decreased significantly in the first years of implementing welfare reform in 1999 and 2000. After the initial influx of welfare recipients looking for jobs, smaller numbers of TANF recipients used career center services. As part of its retrenchment, DTA had only two offices in Boston by the end of 2002. Although the career centers still had DTA contracts, the resources for these services decreased. For example, in 2002, mid-year budget cuts eliminated structured job services for TANF recipients. Subsequently, twelve career center staff members paid through these contracts lost their positions in 2002.371

Even though welfare reform itself had become less urgent, the career centers continued to be challenged by the demands of providing services to categorical customers. Indeed, compared to the relative ease of finding jobs for the first wave of TANF recipients—many of whom had some employment skills and experience—in the tight labor market, many remaining TANF customers

371 Consequently, career centers could not provide the 20 hours of structured job search services required by DTA to meet TANF recipients’ work requirements. Instead, the centers made available workshops and resource library resources.
facing time limits had more employment barriers and faced a tougher labor market. Likewise, the centers continued to expend a disproportionate amount of their resources on providing services to categorical customers. Though WIA was framed as a re-commitment to providing universal services, in many ways it was a second wave, after welfare reform, of demanding specialized services of the career centers.

WIA refocused and reconnected the career centers to employment training beyond that defined as available to the most disadvantaged job-seeker. That is, the centers were expected to develop expertise on the employability and training requirements for a wide range of job-seekers having diverse employment skills and experience. This increased the level of specialized knowledge required of career center staff. Concomitantly, as the assessment and referral locus for training vouchers, the career centers were compelled to strengthen their relationships to a diverse set of nonprofit and for-profit training providers. However, WIA’s emphasis on customer choice also positioned career centers as relatively neutral administrators. This role constrained the ability of the centers to advocate on behalf of customers and to leverage the centers’ established relationships with training providers. In addition, WIA compelled the centers to modify staffing and services to accommodate their mandated responsibilities for assessment and administration.

In their adaptation of organizational planning and practice to WIA—and to the changed labor market—the career centers responded in ways consistent with their strategic orientations. BCL’s strategic plan clearly raised in relief its tendencies toward particularistic, relational, and communicative modes. This was evidenced by its focus on targeted populations, strengthened operator relationships, and facilitative social casework. Even as BCL implemented its refocused
strategic priorities, it continued to experience managerial instability and exhibit signs of “chronic crisis.” BCL’s approach to CQI revealed that BCL continued to mostly rely on “sensing” and “interpreting” information rather than systemic data collection and analysis. However, BCL was able to take advantage of improved information systems that were developed and administered by external providers such as MOSES and outside consultants.

TWP asserted business development as its general management goal and subsequently re-integrated its job development and employer services, transitioned many fee to free services, delivered more customized services, and increased its employer outreach and networking activities. By reorganizing its management and service structure in this way, TWP attempted to maintain its priority of employer and fee-based services despite the challenges presented by WIA and reduced employer demand. TWP provided further indication of its entrepreneurial orientation through its creation of Corporate Partners, customized services to Massport, and development of ex-offenders as a niche market. TWP’s approach to CQI revealed its ongoing utilization of extensive systemic data and analysis to identify strengths, weaknesses, and opportunities. In adapting to WIA, TWP determined that career center staff were more appropriately positioned as generalists that then required the specialized supportive services available in community-based nonprofit organizations—and to a lesser extent in public agencies. Consequently, TWP initiated a variety of strategic partnerships and alliances with nonprofit and governmental organizations. In many instances, these relationships tended to be based on grant and contract-based programs.
JobNet’s management of an Unemployment Insurance Walk-In Center was both a symbolic and physical representation of JobNet’s Employment Services legacy. With a silent partner, a dysfunctional advisory board, and an embedded relationship within DET, JobNet continued to operate with bureaucratic stability, efficiency, and resiliency. In its job-seeker and employers, JobNet tended to emphasize procedural (e.g., standardizing data entry for MOSES) and departmental (“Boutiques of Services”) modes. JobNet’s approach to CQI revealed a focus on standardized data collection and reporting, but little data analysis. On the one hand, JobNet demonstrated relatively weak and impersonal relationships with job-seekers, employers, and community organizations. On the other hand, JobNet was deeply embedded in governmental bureaucratic systems that enabled JobNet to serve much higher numbers of job-seekers and employers than the other career centers. In this regard, JobNet was relatively more “efficient” in offering services, though not as “effective” as BCL in providing specialized services to job-seekers, or as “effective” as TWP in customizing services to employers.

In their adaptation to the altered economic and institutional environment of 2001 and 2002, all three career centers shared a common response in that each of the centers fell back upon their operators for resources and relationships in support of WIA implementation as well as employer outreach. BCL piggybacked on Goodwill as well as its other operators for access to long-established community-based organization and employer relationships—often related to serving targeted job-seeker populations. TWP initiated, for the first time in its history, CQI teams with JVS to identify best practices on outreach and marketing to employers. TWP also worked with the BRA to co-host networking breakfasts with “Backstreets” employers. As it continued its
“limited partnership” with ABCD, JobNet deepened its institutional embeddedness within DET through its adoption of DET information systems and administration of UI walk-in centers.

Another common response among the career centers during this era of economic recession was that the centers reassessed and redesigned their employer services. Like other aspects of their adaptation, each of the career centers modified their planning and practice in ways consistent with their strategic orientation. BCL adapted its services (e.g., job fairs) as well as targeted employers based on their location (e.g., Empowerment Zone) and likelihood of hiring disadvantaged jobseekers. BCL refocused its employer services with a manager, targeted services, performance goals, and changes to industry briefings and job fairs. However, BCL made these changes in the context of refocused strategic priorities on specialized populations and related targeted industries, as well as strengthening relationships with familiar employers. TWP restructured its organization around business development. TWP sought to sustain and develop employer relationships by shifting some fee to free services, providing more customized services (e.g., Massport), and even offering “special” access to services (e.g., Corporate Partner). JobNet made procedural enhancements to its employer interactions and data collection and conducted higher volume job fairs. JobNet was able to use its position and influence within DET to help improve the state’s job posting information system (i.e., MOSES) based on employer suggestions and complaints. Independently, each career center exhibited a distinctive orientation with associated advantages and disadvantages regarding their operations and adaptation in terms of their planning, practice, and performance. Combined, the centers operated together to form a dynamic system that enabled organizational learning, adaptation, and innovation. These issues are discussed in the following final chapter.
CHAPTER SIX
Research Conclusions and Implications

Findings

Set in the context of labor market restructuring, public policy reform, and blurring government/nonprofit boundaries, this study investigated Boston’s One-Stop Career Centers. Along with other types of labor market intermediaries (LMIs), One-Stop Career Centers have arisen as sites of organizational and institutional innovation in mediating the labor matching process. However, compared to other LMIs, much less is known about career centers’ employment brokering operations. This study helps address this research gap by providing a detailed analysis of three career centers. This investigation set out and answered three research questions related to the 1) functions; 2) adaptation; and 3) performance of the career centers. In doing so, the study developed a conceptual framework based on strategic orientation that helps to clarify and categorize organizational processes, change, and performance.

The preceding chapters documented the planning, practice, and performance of Boston’s career centers between 1996 and 2002. During these six years, the centers experienced three eras of changing labor market and public policy conditions. In these time periods, the centers exhibited difference approaches—related to their strategic orientation—in their management, their service delivery, their relationships with job-seeker and employer customers, and their network ties to other organizations. Correspondingly, the centers adapted to the transforming economic and institutional landscape in different ways. These findings are summarized in Table 2 below.
Table 2: Summary of Boston One-Stop Career Centers, 1996-2003

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<tbody>
<tr>
<td><strong>Planning</strong></td>
<td>Management crisis; tactical coordination; weak CQI; data &amp; IT instrumental for contract compliance; strong CBO &amp; weak employer relations</td>
<td>Management and staff turnover; strategic realignment process; weak and episodic CQI; focus on contract compliance; “sensing” information</td>
<td>New governance, location; service refocus; CBO advisors; focus on disadvantaged jobseekers; more CBO partnerships and ties; superficial CQI</td>
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<tr>
<td><strong>Practice</strong></td>
<td>Services focused on categorical job-seekers; case management approach; ad hoc service delivery</td>
<td>Ties to DTA workers/offices; categorical customers focus; CBO referral &amp; contract ties; employer info (briefings) ties</td>
<td>specialized populations refocus; more CBO referrals; job-seeker-based employer ties</td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Jagged placement rate performance; most high educated &amp; least low educated jobseekers</td>
<td>Significantly higher placement rates; most high educated &amp; least low educated jobseekers</td>
<td>Decreased placement rates; more less educated but still many high educated jobseekers</td>
</tr>
<tr>
<td>JobNet (bureaucratic)</td>
<td>Little board or community oversight; focus and struggle with IT; emergent bureaucratic structures</td>
<td>Bureaucratic coordination; data collection and reporting focus; procedural management; relatively easy transition to welfare reform</td>
<td>Increased DET influence; weak external governance; stable management; categorical teams &amp; boutiques; limited CQI</td>
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<tr>
<td><strong>Planning</strong></td>
<td>Focus on categorical customers; strong ties to welfare offices; passive but extensive employer ties</td>
<td>Procedural emphasis; strong ties to public agencies and weak ties to CBOs influence services; weak employer ties</td>
<td>Standardized practices and procedures; state IT systems implemented; mimetic employer services</td>
</tr>
<tr>
<td><strong>Practice</strong></td>
<td>Procedural emphasis; strong ties to public agencies and weak ties to CBOs influence services; weak employer ties</td>
<td>Standardized practices and procedures; state IT systems implemented; mimetic employer services</td>
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<tr>
<td><strong>Performance</strong></td>
<td>Low to moderate placement rates; large percentage of less educated jobseekers</td>
<td>mid-level placement rates; high numbers of job-seekers and employers; most least educated jobseekers</td>
<td>Largest customer volumes; least high-educated jobseekers; highest placement rates</td>
</tr>
<tr>
<td>The Work Place (entrepreneurial)</td>
<td>Strategic coordination, Team-based management; strong CQI use; technology innovation</td>
<td>Consistent management structure and CQI data &amp; technology processes; shift re categorical funding</td>
<td>Business development as management priority; niche markets focus; closer ties with JVS &amp; BRA</td>
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<tr>
<td><strong>Planning</strong></td>
<td>Customer-driven; development of fee-based services; priority on employer services</td>
<td>Team restructuring; new jobseeker markets; more fee-based services for customers; temp agency ties; job fairs</td>
<td>Employer networking; fee to free services; Corporate Partners; partnerships with CBOs and public agencies</td>
</tr>
<tr>
<td><strong>Practice</strong></td>
<td>Team restructuring; new jobseeker markets; more fee-based services for customers; temp agency ties; job fairs</td>
<td>Employer networking; fee to free services; Corporate Partners; partnerships with CBOs and public agencies</td>
<td></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Fastest to high placement rate; balanced performance regarding placement and fee-based services; balanced demographics</td>
<td>moderate placement rates; increased fee-based services; mixed job-seeker education levels; lower job seeker and higher employer volumes</td>
<td>Increased volume; higher proportion of high educated jobseekers; strong placement performance</td>
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Based on the documented evidence, the following sections further analyze the process, practice and adaptation of the career centers as well as discuss the strategic orientation framework typology and its implications for research and policy. As part of this discussion, the bureaucratic orientation is elaborated as an analytical lens that may help explain “stereotypical” or common career centers elsewhere in the country. The strategic orientation framework is also applied theoretically to deconstruct and re-interpret the network dynamics of a local workforce development system. Following these analyses, the chapter concludes with suggested directions for future research and policy.

**Boston Career Link’s Processes, Performance, and Adaptation**

As the community-oriented career center, Boston Career Link had deep roots in Boston’s neighborhoods and nonprofit social service agencies as reflected in the statement of an early BCL director that BCL’s operators “collectively represented 300 years of social service.” This depiction suggested that, by association, BCL followed a historical tradition of commitment to disenfranchised communities. It also represented the collectivity of BCL’s operators and a general consensus among them in social mission and operations. Through most of its existence, BCL’s governance and management was similarly group-centered rather than leader-centered or strategy-centered. That is, BCL mostly relied upon its networked relationships with others in the community to share information, resources, and service delivery. On the one hand, BCL’s interdependence on its community networks tended to impede its own strategic planning because of the planning and managerial challenges associated with coordinating many disparate organizational interests and actors. On the other hand, BCL’s network ties enabled it to shift and share resources as needs arose. In this regard, BCL’s experience highlighted the network trade-
off of multi-party involvement (and flexible information and resource exchange) versus strategic coordination.

A psycho-social casework counseling approach dominated service delivery and, to some extent, it also influenced the reporting and management relations within BCL. This approach prioritized “sensing” rather than analysis in regard to data. As a result, BCL tended to emphasize immediate tactical responses rather than long-term strategic planning. Consequently, several staff and observers noted that BCL seemed to operate in chronic crisis mode. Symptomatic of organizations in crisis, BCL had high staff turnover. Indeed, BCL has the highest turnover among the career centers of both staff and managers. One of BCL’s reactions was to hire an organizational consultant who counseled BCL to function more “rationally.” After repeated crisis interventions and restructuring attempts, the cumulative effects of several years of crisis contributed to BCL’s major strategic “realignment.” Although it did not have internal capacity for strategic planning, BCL was able to draw upon its network ties to bring in consultants. BCL’s ability to do so demonstrated one of the advantages of being deeply embedded within a dense organizational field. Based on the counsel of consultants, BCL developed a strategic plan that essentially reflected the priorities of its operators. BCL’s strategic realignments mirrored the established patterns of its operators by focusing on disadvantaged groups, locating in a particular low-income neighborhood, and increasing collaboration amongst operators and community partners. With limited capacity to manage incremental organizational adjustments, BCL was compelled to refocus its practices only as the result of an organizational “revolution” that returned BCL to its operators’ roots as service providers to specialized disadvantaged
populations. In this upheaval, BCL changed its operator governance, its location, and its relations to job-seekers and employers.

BCL’s focus on relationships and immediacy extended to its practices. BCL exhibited a tendency to provide highly customized services that matched the individualized needs of its job-seeker customers. BCL not only had internal expertise to do so, but also drew upon its overlapping membership in diverse networks of community-based organizations for particularized information and resources to address the interests of distinct populations. However, at the same time, BCL tended to provide services to specialized populations and self-interest groups. As a result, instead of serving a broad cross-section of the public, BCL served relatively smaller numbers of job-seekers meeting general “selective” group-eligibility criteria. The net effect of its particularized approach was that BCL tended to have higher placement rates than the other career centers, while usually also serving smaller numbers of customers—and, until its last year, the most educated and arguably the easiest to place job-seekers. Regarding its operational performance, BCL tended to have among the highest placement rates. However, BCL also tended to have the highest levels of educated job-seekers. This raised the possibility of “creaming” opportunities in that BCL may have had more employable job-seekers—even those who were members of specialized disadvantaged groups—than the other career centers.

Issues of creaming aside, BCL was the top operational performer among the centers based on the indications of overall high placement rates and the ability to place welfare recipients. However, BCL had the poorest organizational performance with regard to learning, innovation, and robustness. BCL’s perpetuating crisis atmosphere undermined organizational learning as well as
opportunities to integrate and leverage possibilities for innovation. BCL’s realignments in 2001 and 2002 were a retrenchment indicating its inability to sustain the career center goal of universal access. Here, BCL illustrates a paradox of a community network-based orientation regarding adaptation. During the flush times of strong labor market and institutional resources (i.e., plentiful contracts for placing welfare recipients in jobs), BCL’s networks functioned well in that they expanded and provided a mix of strong and weak ties that both delivered specialized services to job-seekers as well as information connections to employers. In this volatile and resource abundant environment, BCL’s community networks may have required little coordination as they exploited the fast information and resource exchanges of dense, multi-layered network structures. However, during a lean time of economic recession and reduced public resources when there were fewer resources to flow through networks, BCL contracted to its relationships based on its strongest ties and most dense network cores. This suggests an environmental sensitivity that belies a robust capacity to sustain operations in the midst of dynamic institutional change. That is, as an indicator of organizational performance, BCL had poor system robustness because it behaved in uneven and exaggerated ways. Regarding overall system responsiveness, BCL tended to function very well during good times, and poorly during bad times.

The Work Place’s Processes, Performance, and Adaptation

As the entrepreneurial-oriented career center, The Work Place established a market-friendly approach with the opening of its offices in a posh high-rise corporate tower in Boston’s financial district. Since that time, TWP’s priorities remained providing “quality” employer services and pursuing fee-based services. In interviews and in its “business plans” and progress reports, TWP repeatedly used phrases such as “customer choice” and “business-like” operations to distinguish
itself from other government programs. One indication of its attempt to deviate from governmental rules-based practice was TWP’s adoption of CQI. TWP used CQI as an organizing framework to use extensive data for assessing opportunities, diagnosing problems, generating options, and experimenting with services, product lines, and marketing campaigns. TWP’s strategies tended to reflect its main priorities of providing customized employer services and diversifying its revenue streams. Its sustained use of CQI to monitor internal operations and external conditions contributed to TWP having the most stable organization (among the three career centers) in terms of operator governance, management, service delivery, and placement performance.

Regarding its operational performance, TWP was the first career center to surpass the 20 percent placement rate benchmark accomplished by the former Employment Services. TWP managed to sustain these higher placement rates throughout its history without the oscillating placement rates exhibited by BCL or JobNet. At the same time that it achieved generally middle range placement rates—as compared to the other career centers, TWP indicated demonstrably higher operational performance in terms of serving employer customers. Compared to the other career centers, TWP had much higher fee-based employer revenue. Regarding its organizational performance, TWP showed the strongest indications of learning, innovation, and robustness. TWP embraced CQI processes as part of its self-identification as a learning organization. TWP developed innovations in information technology as well as in new niche service markets. In terms of system robustness, TWP, in contrast to the other centers, sustained relative stability in its operator governance, organizational processes, and operational performance throughout changing institutional and labor market conditions.
TWP’s emphasis on developing customer-driven services and cultivating strong connections with employers enabled it to respond in different ways during changing economic conditions. In the tight labor market, TWP helped connect employers to “untapped” labor pools such as soon-to-be-released inmates, as well to much-in-demand higher skilled workers. In the weakened labor market, TWP offered outplacement and tailored services. On the one hand, TWP’s focus on employers allowed it to provide innovative services that neither of the other career centers did. On the other hand, compared to BCL, TWP had weaker network ties to community organizations, and, compared to JobNet, had less connections to state agencies. In general, TWP expressed the most frustration and ambivalence about providing services to very disadvantaged job-seekers. Nevertheless, when TWP determined that it was strategically, politically, and financially necessary to develop such organizational partnerships, TWP initiated collaborations with social service and governmental agencies. Without external pressures and monitoring, it is uncertain that TWP would have invested as it did in developing the organizational relationships and practices associated with delivering services to the most disadvantaged job-seekers.

**JobNet’s Processes, Performance, and Adaptation**

As the bureaucratic-oriented career center, JobNet’s repeated proposals to be located in the same office space as the former Employment Service was more than symbolic. These attempts reflected a commitment to a procedural way of life. Indeed, throughout its history, JobNet continued to be deeply embedded within DET, a classic government bureaucracy. Although its initial one-year partnership with a corporate staffing service provided an opportunity to flirt with a flattened organizational structure, JobNet’s leadership, staff, and resources continued to be dominated by a hierarchical and procedural orientation. For JobNet, bureaucracy was a “tried
and true structure” that offered several advantages such as stability (e.g., low staff turnover), standardization (e.g., equitable and fair treatment), and efficiency (e.g., high service/product volume at low cost). As a “government bureaucracy with a heart,” JobNet demonstrated a tendency to offer services to all customers equally (i.e., in standard ways) even as it made special efforts to provide services to the most disadvantaged job-seekers (e.g., least educated and skilled). This duality reflected JobNet’s perspective that it was an agency of the State and therefore was both an equal opportunity service provider as well as the provider of “last resort.” In the latter role, JobNet provided services and referrals for the most needy people.

JobNet’s organizational processes reflected its public bureaucratic orientation. JobNet’s hierarchical rule-based modes undermined its attempts to share governance with a for-profit firm co-operator, a community-based nonprofit co-operator, as well as its attempts to convene advisory boards. Another telling indicator of its orientation was JobNet’s procedural emphasis on service delivery and information processing. Overall, JobNet demonstrated a tendency towards standardization rather than customization and attention to individual needs. Consequently, JobNet exhibited mixed operational performance. Based on its placement rates, JobNet was a low to moderate performer compared to the other centers. However, JobNet made significantly larger numbers of actual placements, serving both higher numbers of job-seekers and employers than the other centers. In this regard, JobNet showed indications of higher efficiency (i.e., high placement rate relative to cost) and lower effectiveness (i.e., less customized and personalized services). At the same time, JobNet historically served much higher numbers of less-educated job-seekers than served by the other centers.
Regarding its organizational performance, JobNet showed indications of relatively moderate learning, weak innovation, and strong robustness. JobNet’s organizational learning was moderated by its paradoxical characteristics. In combination with its albeit limited use of CQI, JobNet’s procedural tendencies resulted in the continuing codification of its organizational processes. This had the advantage of building and documenting organizational knowledge and the disadvantage of inhibiting adjustments. Similarly, tendencies toward codification were associated with tendencies toward organizational calcification that restricted innovation. Conversely, JobNet’s procedural emphasis contributed to a stability of organizational processes in relation to its customers and its ties to other organizations. In turn, this stability re-enforced JobNet’s resiliency. In this way, JobNet’s bureaucratic orientation enabled a tendency towards laggard adjustment that, while not highly adaptive, was sufficient to sustain operations in the midst of institutional systemic change. In a similar way that BCL retrenched into its network core during environmental stress, so did JobNet more deeply embed itself into its bureaucratic institutional host. The re-integration of the Unemployment Insurance Walk-In Center within JobNet’s offices at the end of 2002 was both a symbolic and operational indicator of DET’s bureaucratic resiliency.

**Strategic Orientation Framework: Implications for Research and Policy**

This study has argued that the three Boston One-Stop Career Centers provide a natural experiment to examine career center functions, adaptation, and performance through analysis based on a strategic orientation framework. The career centers experienced similar funding levels, legislative mandates, institutional parameters, and labor market conditions. Of course, the centers had many organizational processes in common. However, the centers also exhibited some differences in their approaches and performance. A strategic orientation framework helps clarify
and categorize these differences in such a way as to elaborate the answers to the questions posed at the outset of this study. From a theoretical perspective, strategic orientation is an analytical lens used in this study to raise in relief the institutional context of the career centers regarding their planning, practice, and performance. Strategic orientation refers to a career center’s bundle of attributes and activities (e.g., strategic priorities, management mechanisms, information use, service delivery mode) thematically organized around a normative value set. Conceptually, these three orientations are depicted as Weberian “idealized” organizational archetypes in Table 3.

Table 3: Strategic Orientation Value-Sets

<table>
<thead>
<tr>
<th>Values Dimension</th>
<th>Bureaucratic</th>
<th>Entrepreneurial</th>
<th>Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideology</td>
<td>legislated order (e.g., state-focus), fairness</td>
<td>market-focus, individualism, innovation, efficiency</td>
<td>civil society focus, humanitarian, compassion</td>
</tr>
<tr>
<td>Goals, preferences</td>
<td>stability, accountability, equitable treatment</td>
<td>value-maximization</td>
<td>social balance, equitable outcomes</td>
</tr>
<tr>
<td>Power and control</td>
<td>very centralized with more reliance on rules</td>
<td>quasi-centralized with reliance on teams</td>
<td>less centralized with interest groups</td>
</tr>
<tr>
<td>Implicit structure</td>
<td>hierarchical, departmental</td>
<td>quasi-autonomous units (often hierarchically structured)</td>
<td>loosely-coupled units</td>
</tr>
<tr>
<td>Decision process</td>
<td>procedural, rationality, top-down</td>
<td>technical, opportunistic, middle-out</td>
<td>situational, participatory, bottom-up</td>
</tr>
<tr>
<td>Decisions</td>
<td>follow from programs and routines</td>
<td>follow from value-maximizing choice</td>
<td>result from socially negotiated solutions/problems</td>
</tr>
<tr>
<td>Information requirements</td>
<td>reduced by use of rules and procedures</td>
<td>extensive and systematic</td>
<td>ad hoc</td>
</tr>
<tr>
<td>Rules and Norms</td>
<td>precedent</td>
<td>optimization, experimentation</td>
<td>participatory, moral, customary</td>
</tr>
</tbody>
</table>

Partially derived from Pfeffer (1981)

The three strategic orientations were illustrated by the Boston career centers. Overall, Boston Career Link demonstrated a “community” strategic orientation in its organizational processes. Indications of this were revealed in both its planning and practice which were characterized by consultative approaches, relational interactions, tactical rather than strategic planning, network-
embedded information and resource transactions with community-based nonprofit organizations, services to specialized populations, and psycho-social personalized counseling. BCL’s mixed portfolio of organizational ties provided it with an extensive repertoire of tacit and specialized knowledge about different sub-populations. Consequently, BCL’s operational performance was episodically effective but relatively inefficient and uneven. Its organizational performance tended to be weak in terms of learning, innovation, and moderate in robustness. The BCL experience suggests that a career center operated primarily by community-based organizations may demonstrate a community strategic orientation.

The Work Place demonstrated an “entrepreneurial” strategic orientation in its organizational processes as indicated in its planning and practice that were characterized by multi-level data-enriched strategic analysis and planning, information technology development, focus on fee-based services to employers, strong ties to employer networks, customer-driven approach, opportunistic quid pro quo relationships, development of niche markets, and adoption of business tools (i.e., CQI, SWOT). TWP’s operational performance tended to be efficient and moderately effective. In its organizational performance, TWP tended to be strong regarding its organizational learning, innovation, and robustness. The TWP experience suggests that a career center operated primarily by for-profit firms, economic development agencies, or even market-focused entrepreneurial nonprofits may demonstrate an entrepreneurial strategic orientation.

JobNet demonstrated a “bureaucratic” strategic orientation in its organizational processes as indicated in its planning and practice that were characterized by a dominant hierarchical governance and management, procedural focus, extensive and standardized data collection, and
weak impersonal ties to employers, job-seekers, and community organizations. In its operational performance, JobNet was the most efficient among the career centers in terms of serving the highest volumes of job-seekers and employers, but otherwise tended to be less effective. Regarding its organizational performance, JobNet tended to be uneven its organizational learning, weak in its innovation, and moderately uneven in its robustness. The JobNet experience suggests that a career center operated primarily by a state governmental agency, large municipal authority, or even a very large community-based organizations may demonstrate a bureaucratic strategic orientation.

In addition to suggesting that each strategic orientation is generally related with sets of organizational processes and performance outcomes, the strategic orientation framework also posits that there are associated tendencies regarding organizational change and adaptation. In an institutional environment of increased service demands and diminished resources such as Era 3, a community orientation suggests a career center tendency to retrench to populations, terrain, community networks, and employers with whom the center already has familiar and strong relations. A bureaucratic orientation suggests a career center tendency to re-strengthen procedural processes and fall back on its institutional host. An entrepreneurial orientation suggests a career center tendency to reduce costs while expanding markets and networks.

Strategic orientations may also be associated with organizational behavior during different economic conditions. During a tightened labor market, an entrepreneurial orientation may be associated with efforts to market and sell its services quickly and opportunistically, privileging its services to employers over job-seekers. A community orientation may be associated with a
tendency is to place more employable job-seekers first as a reaction to easily available job opportunities, to leverage employer demand in order to place disadvantaged workers, and to deepen its services to hard-to-place populations. At the same time, a community orientation may be associated with a constrained ability to see and act quickly to market opportunities. A bureaucratic orientation may be associated with a tendency to try and respond efficiently to employer demand, to make job placements for high numbers of disadvantaged workers, but to otherwise miss opportunities to provide services.

During weakened labor market, an entrepreneurial orientation may be associated with a career center tendency to shift resources towards maintaining relationships with employers, to shift fee to free services, to expand its network and market of potential customers, to customize and adjust to employer needs, and to outreach to community and public agencies for supportive services. A community orientation may be associated with a career center tendency to retrench to withdraw into its networks, and to continue providing services even if not directly connected to job placements. A bureaucratic orientation may be associated with a tendency to streamline procedures so that it sustains organizational stability while responding to increased service demands.

Strategic orientation is a means to examine the advantages and disadvantages of three organizational archetypes: “community,” “entrepreneurial,” and “bureaucratic.” Examining differences in strategic orientation helps clarify and categorize the strategies, practices, and relationships of the career centers, as well as illuminate the centers’ adaptation to changing institutional and labor market conditions. The archetypal and stylized strategic orientations also
help to situate the activities of the career centers as publicly-funded labor market intermediaries that operate at the nexus of civil society, state, and market as mediating organizations that bridge, translate, and facilitate information and resource exchange.

A Stereotypical One-Stop Career Center

At an empirical level, the strategic orientation framework helps elaborate the answers to the research questions regarding Boston’s specific career centers. At a theoretical level, the framework also provides generative metaphors to help deduce general characteristics of a stereotypical (generic) career center’s organizational processes that tend to distinguish them from other types of labor market intermediaries. Understanding the generalized characteristics of a stereotypical career center is relevant because many of the One-Stop Career Centers across the country are likely to share a central tendency towards a bureaucratic orientation. Unlike the Boston career centers that developed in a “competitive” environment, many career centers were reconstituted organizations based on reformulated public programs and services. That is, as a publicly-funded labor market intermediary, a typical career center operates in an institutional environment characterized by governmental context. In this regard, a stereotypical career center mostly functions within parameters dominated by a governmentally-based bureaucratic orientation. Correspondingly, planning tends to occur linearly along hierarchical and departmental structures in relation to legislated mandates that often proscribe services, target populations, and outcomes. In this setting, management coordination and information processing tends to be standardized in a cascading series of procedures. Because these organizational processes happen in a governmental context, much of the accountability imperatives tend to be political in that they lean towards satisfying multiple interests, as well as “institutional” in that they promulgate state edicts. This in turn influences an organizational tendency towards
achieving outcomes based on compromise, equity/fairness, and stability. As a publicly-funded labor market intermediary, a typical career centers seeks to achieve these outcomes for several constituency groups: job-seekers, employers, community organizations, and other public agencies. In the constrained resource environment that is common of government, the stereotypical career center attempts to achieve its outcomes by maximizing its resources through bureaucratic procedural processes that tend towards efficiency. Related to its bureaucratic orientation, a main focus of a career center’s efficiency efforts is the efficaciousness management of information. Consequently, this tends to be a career center’s emphasis in the labor exchange process. Hence, a stereotypical career center’s operational performance may tend to be relatively high in that it tends to provide relatively efficient, standardized information services to many and diverse customers. In this regard, a career center’s organizational processes tend towards efficiency (i.e., high volume, low cost, “impersonal” services) over effectiveness (i.e., customized personal services). Similarly, in its organizational performance, a career center tends to exhibit learning and innovation in organizational processes (e.g., information processing, standardized services) related to improving efficiency rather than effectiveness. At the same time, the career center tends to be systemically robust in that it strives towards organizational and political stability by meeting the minimum expectations of many diverse constituents. These propensities suggest that a career center is relatively insensitive to environmental change unless institutional conditions change significantly. In these circumstances, the career center may adapt, but slowly, and then mostly in relation to procedural modification and sustaining “efficiency” outcomes.
A stereotypical career center shares attributes with some types of labor market intermediaries but is also distinguished in important ways. A stereotypical career center is most like other LMIs that improve the efficiency of the labor-matching process. Although the career center is involved in WIA-based workforce institutional change, it is less directly active in reforming supply-side workforce development institutions as compared to some activist community-based LMIs. Although a career center provides space and time for networking among job-seekers and with employers, there is little evidence that the career center supports the kind of active social networks attributed to membership-based LMIs (Benner 2000). There is no evidence that a career center is able change employer demand or firm behavior through bargaining or altered power relations as demonstrated by some community-based workforce intermediaries (Osterman 1999). However, in contrast to other LMIs, career centers are central hubs of changing workforce development systems that operate in every metropolitan region. Consequently, as a publicly-funded LMI mandated to provide “universal” access, career centers are available to almost all urban job-seekers and employers. Relatedly, and in contrast to most other LMIs, career centers are mandated to provide services to the most disadvantaged job-seekers. Associated with these distinguishing features of career centers are varied opportunities and challenges. As noted previously, a stereotypical career center has a general tendency towards relative efficiency and ineffectiveness associated with its operation in a governmental context. However, this study shows that career centers may demonstrate variance in their organizational processes and performance depending on strategic orientation. Therefore, simply operating in a governmental context is not predictive of the functions and outcomes of publicly-funded labor market intermediaries. The opportunity to be operated by different organizational types suggests that career centers may exhibit several strategic orientations and associated outcomes. Moreover, as
evidenced from the Boston career center experience, there is a range of possibilities for career centers regarding their organizational processes and performance. Consequently, policy makers and practitioners have a range of options in the development and operation of career centers.

**Strategic Orientations and Network Dynamics**

Using the strategic orientation framework as an heuristic device helps illustrate that under changing economic and institutional circumstances, all three bureaucratic, entrepreneurial, and community orientations represent essential components of a fully functioning publicly-funded labor market intermediary. The planning, practice, and performance of Boston’s career centers highlight that each strategic orientation is an essential component of publicly-funded labor market intermediaries. These workforce intermediaries operate at the nexus of state, market, and civil society. In this way, workforce intermediaries are more likely to be effective when they incorporate functional and institutional attributes associated with the three sectors. Having elements of all three strategic orientations is especially important for enabling adaptation and innovation during periods of changing institutional and economic conditions. However, emphasizing attributes of each sectoral orientation in a career center’s organizational processes offers distinct advantages and disadvantages. A bureaucratic orientation offers stability, equitable treatment, and relative efficiency, but tends to be inflexible and not responsive to employers. An entrepreneurial orientation offers high adaptability, innovation, customer-choice, and employer focus, but is ineffective on its own in providing services to specialized disadvantaged populations, and must be monitored due to its opportunistic tendencies. A community orientation offers specialized services for targeted disadvantaged groups, flexibility, and modest to high performance results, but tends to be tactically reactive and operationally under-organized. Each of the Boston career centers exhibited dominant tendencies associated
with a single strategic orientation. Of course, they also shared, to some degree, elements of all three orientations. In this regard, all three centers illustrated the increasing prevalence of blurred boundaries between governmental, market, and civil society sectors in developing and implementing public policies. From this perspective, the Boston career centers provide a prismatic view of the complexity of network dynamics prevalent in many aspects of contemporary public management.

Researchers have noted that public policy implementation sometimes occurs under uncertain circumstances and in interaction with dynamic politics and interests (Pressman and Wildavsky 1984). Moreover, Salamon and Lund (1989, pp. 12-13) note that the proliferation of new tools of public action and the emergence of third-party governance not only complicates program management and accountability, they

raise questions about the adequacy of traditional theories of public administration…. [that draw] sharp lines between the public and private sectors and among levels of government, and emphasizes hierarchic patterns of authority…. It is no wonder, then, that these forms of government action should involve immense confusion and contradiction over who should perform what roles and in what fashion…. It no longer involves simply the running of a public agency and the management of public employees. It also involves the manipulation of a complex network of players and institutions over which the public manager has only imperfect control, yet on which he or she must depend to operate an agency’s programs [emphasis added].

To address this dilemma, some theorists have proposed network approaches as a way to make sense of policymaking and the implementation process that occurs within complex institutional settings. Whether an “advocacy coalition framework” (Sabatier and Jenkins-Smith 1993) or “governance and generalized political exchange” (Marin 1990a; Marin 1990b), these perspectives provide insights into how policymakers and researchers may better understand policy design and implementation in a complex environment. However, network approaches have often been generalized with a normatively positive bias as featuring: 1) reciprocal and
interdependent relationships; 2) trust established over repeated interactions; 3) pluralistic yet shared interests; 4) political exchange; and 5) mediated consensual agreements. This dissertation finds evidence supporting claims that, when successful, interest networks provide policy responses that are responsive, effective, stable, and lasting. On the other hand, this study has also revealed that networks may be unmanageable, unaccountable, and inefficient.

One way to understand why the disadvantages of generalized network approaches are often overlooked is to consider that network ideas appeal to a broad range of ideological interests. The problems of networks are sometimes filtered out through the rose-colored lens of their respective ideological interests. For example, conservative populists may mainly see networks as a means to reduce the role of government by expanding the role of voluntary and nongovernmental entities. Likewise, liberal grassroots advocates may see networks as a means to channel public resources to community and nonprofit entities functioning as social nets. Both views tend to contrast the idealized virtues of self-organizing networks such as individual choice and pluralism with the undesirable hierarchical rigidity of bureaucracies. However, networks may also be dysfunctional. Although there are few empirical studies of network failure—partly due to data and methodological constraints—some suggestive evidence indicates that networks may underperform or not operate as intended (Podolny, 1998). Like markets and bureaucracies, networks have their own inherent set of potential liabilities. Networks often rely on the contingent resources of informal relationships that may vary over time, making it difficult to sustain networks in terms of duration, intensity, or competence. Rather than reflecting equitably distributed resources and decision-making, networks may also potentially exhibit hazards such as by oligopoly, manipulation, autocracy, parochialism, segregation, or discrimination. Instead of
diversity and pluralism, networks may exhibit fragmentation, un-coordination, and redundancy. In comparison to bureaucratic organizations that are relatively manageable, accountable, and stable, organizational networks may be relatively unmanageable, unaccountable, and unstable. A generalized network perspective is especially problematic in a public policy context due to challenges associated with coordinating multiple stakeholder interests in problem definition, decision-making, policy direction, resource distribution, service delivery, and evaluation.

A generalized network approach may mask important differences in networks that are otherwise highlighted when framed by strategic orientation. The strategic orientation framework provides an analytical approach that helps identify the characteristics and trade-offs of distinct dynamic network strategies. A network that is dominated by one particular strategic orientation is likely to accrue many of the advantages associated with that perspective. However, as this study has illustrated, the benefits are likely to be lop-sided and the weaknesses may be exaggerated. An alternative is combine all three strategic orientations in a way that balances and equilibrates the strengths and weaknesses of the different orientations. A key element in the example of the Boston career centers is the flexible role of nonprofits in being able to exhibit distinct strategic orientations as well as being less restricted than government agencies. Mark Moore (2002, p. 314) notes that

nongovernmental organizations have this freedom to innovate and adapt to heterogeneous clients at least in part because their operations are not wholly accountable to politics and government but only in that part of their operations that is covered by the government contract. In contrast, a public bureaucracy would be entirely accountable to politics and government. As a result, when a government agency tried an innovation that failed, or when it responded differently to differently cases, it would be vulnerable to charges of reckless incompetence and unfairness.

However, nonprofit status alone is not sufficient to encourage experimentation and innovation, as the Boston career centers demonstrated. One of the distinguishing features of the Boston career
The center system is a heightened level of relative variety in their approaches associated with both their “competitive” framework and their “universal” access to diverse customers. In this regard, the career centers are very different from the old Employment Service and the former employment and training system (i.e., JTPA). Though both ES and JTPA programs were ostensibly available to a relatively wide range of under-employed and unemployed job-seekers, in practice the public and nonprofit administering agencies focused on disadvantaged people. Over time this emphasis tended to constrain the knowledge, capacity, and opportunities available to ES and JTPA service providers since most of their interactions were with lower-skill job-seekers and firms that hired such workers. As a result, these service providers developed relatively narrow expertise in the low-wage end of the labor market. In contrast, the Boston career centers developed “competitive” services to a broad array of job-seekers and employers encompassing skill levels from low-wage to high-tech. Due to their exposure to higher-skilled job-seekers and firms seeking such workers, Boston career center staff expanded their knowledge of the job requirements associated with a variety of industries. By broadening and deepening their knowledge of job-seeker and employer needs across the labor market, the career centers were able to offer both sets of customers more informed services. Moreover, career center familiarity with different parts of the labor market enabled staff to make innovative employment connections. For example, The Work Place was able to broker employment arrangements between MassPort (Logan Airport) and welfare recipients so that negotiated work schedules and day care services would enable the single, low-income mothers to fill vacant morning-shift jobs. For the Boston career centers, the twin policy drivers of universal customer access and competition combined to spur a range of innovative services and responses to new opportunities. Competition and universal access were mechanisms of institutional transformation in the Boston
career center system. In this regard, the career centers operated within a competitive environment far different than Boston’s previous employment and training system and different than most other such systems in the nation.

In their review of regional employment and training systems around the country, Grubb and McDonnell (1991) found “surprisingly little” competition in local education and training systems. Overall, there was little evidence of overt competition among education and training institutions, and very little overlap in services (Grubb et al. 1989; Grubb et al. 1990; Grubb and McDonnell 1991). Instead of competition, Grubb and McDonnell (1991) found a general stratification of programs, with division among institutions based primarily on types of programs and secondarily on types of clients. They also determined that regional employment and training systems tended to fall into well-established patterns of institutional inter-dependence. They noted that because of the “continuing tension between the relative stability of local institutions and the proliferation and growing complexity of policy initiatives, a system-wide perspective on work-related education and training is critical” (Grubb and McDonnell, 1991, p. 63). Indeed, one of the goals of Boston’s competitive career center approach was to foster a more adaptive workforce development system. While still embedded within established institutional fields, the

372 When competition occurred, it happened in two main ways: competition for students, and price competition. There is also some competition in RFP process where organizations compete on quality criteria, reputations, prior success with JTPA, or claims about ability to service particular populations. Some providers can offer programs at lower costs. See Grubb and McDonnell (1991).

373 Grubb and McDonnell (1991, p. 4) identified four patterns of institutional interaction: 1) a “standard model” where linkages among institutions are relatively well-articulated and inter-connected; 2) a “parallel systems model” where educational institutions are well-articulated but relatively independent of JTPA and welfare-to-work programs; 3) a system where community colleges are dominant, providing most forms of education and training, including noncredit adult education, short-term job training for JTPA and welfare clients, and customized training for economic development initiatives; and 4) a locality of autonomous institutions where components of education and training system is relatively independent of other institutions.
“competitive” Boston career centers represent a more dynamic system as compared to Employment Services and the former JTPA system.

The histories of Boston’s competitive career centers illustrate that strategic orientations influence organizational responses to institutional and environmental change. On the one hand, this study finds some agreement with the argument of Powell and DiMaggio (1991, p. 198) that organizational change is episodic and is mostly due to exogenous factors. On the other hand, while exogenous conditions may spur change, the Boston career centers suggest that endogenous organizational factors—such as strategic orientation—also influence the scope of organizational change. Relationally, most research finds that change among public agencies is largely attributed to external, coercive governmental rules. However, this study finds that hybrid public/nonprofit organizations—at least in the case of the Boston career centers—do not always react to government requirements as coercive directives. Indeed, these organizations exercised some latitude in creating local modifications, unplanned changes, and innovation. This dissertation suggests that hybrid public/nonprofit organizations have wider scope of policy interpretation and action than that generally exhibited in conventional public agencies. Given the escalation in blurred public/nonprofit initiatives, it is relevant to better understand internal organizational processes and their relationship to public policy development and management. Understanding these relationships is especially important for researchers and policy makers interested in gaining knowledge not only about how policy conditions influence organizational and programmatic outcomes, but also how publicly-funded programs and organizations interact as levers and mechanisms in the dynamics of local institutions. The strategic orientation framework offers a way to theorize such systemic complexity.
At an abstracted level, strategic orientation may be used to parse the three sectors—state, market, and civil society—that career centers seek to mediate. That is, the workforce development institutional field may be theorized as including representatives of each sector: employers that mostly function in a market environment, government agencies that mostly function in a state environment, and nonprofits that mostly function in the civil society environment. Each sector consists of a system of relationships characterized by a dominant type of exchange. In this formulation, system refers to the dynamic flows of information and resources. These dynamic flows occur through network structures. A system is comprised of a variety of network structures with varying structural characteristics. A system may consist of several sub-systems. From this perspective, each career center may be conceived as having a dominant sectoral orientation associated with a degree of embeddedness in a particular sector or system. As this study argues, each orientation has advantages and disadvantages. Similarly, each sector has its strengths and weaknesses and may function complementarily to help address the failures inherent in each sector (Young 1999). For example, the state may intervene in response to market failure—such as asymmetrical information. Nonprofits and civil society may intervene in response to governmental failure—such as an inability to address specialized individual needs. The state may also intervene in response to civil society/nonprofit failure—such as representing special interests rather than the public good in toto (i.e., emphasizing particularism versus universalism). In this formulation, a highly functional and coherent workforce development system requires the concerted interplay of all three sectors and orientations.
A workforce development system with a single career center and dominant strategic orientation may be unbalanced and dysfunctional in its ability to leverage the advantages and to compensate for the failures associated with each sectoral orientation. That is, a governmentally bureaucratic career center is unlikely to provide customized services to employers as compared to an entrepreneurial-oriented center, or specialized services to job-seekers as compared to a community-oriented center. Therefore, all three strategic orientations may be necessary in order to address the demands of all three sectors. Considered together, the aggregated and cumulative effects of having three strategic orientations may provide a means to optimize the workforce system’s dynamics. Moreover, the concurrent and overlapping operation of the three orientations may help to balance and equilibrate the system’s dynamics over time. Of course, managing such a system is a challenge.

One possibility is to integrate the three orientations via a dynamic intermediary arrangement. In the example of the Boston career centers, this role was played in part by the career center office and staff at the Private Industry Council (PIC). This intermediary provided support for both the overall competitive initiative and the individual centers. Notably, the intermediary staff had background in organizational development and learning, and infused such concepts into the system’s design and annual review process. However, the intermediary staff did not have the same degree of formal decision-making authority as the WIB, operators, or center staff. So, although the PIC was involved in the decision-making process—by gathering and brokering information and conducting the annual review process—it was ultimately not responsible for particular decisions. Rather, the intermediary’s work focused on developing relationships and
partnerships among multiple stakeholders through convenings as well as by providing staff support to mediate state and local career center legislation.

The most important intermediary function of the PIC was its administration of the annual review and re-chartering process. The PIC departed from standard evaluation practice by emphasizing CQI processes. In contrast to formal evaluation techniques that emphasize quantifiable program outputs, the annual CQI-esque review encouraged analysis of problems and solutions. This type of reflective examination focused on varied issues such as governance, service delivery, and information analysis at both operational and systemic levels. The intermediary also supported a level of “soft” competition among the career centers that enabled the centers to differentiate themselves in terms of organizational processes. Consequently, each of the centers developed services and markets that arose from their strategic orientations. In this regard, the intermediary provided an extended “policy tether” that enabled each career center to experiment, learn, and develop within the rather generous parameters of Boston’s competitive career center environment. It was in this way that the intermediary attempted to manage a system that was expected to be both “competitive” and “integrative.” In some respects, the intermediary sought to gently cultivate different operational approaches and to minimize mimetic isomorphism—the tendency of organizations in the same institutional field to develop similar forms and functions over time. For example, none of the career centers ever read any other center’s annual review and chartering reports even though the extensive documentation provided potentially valuable information about business plans, market opportunities, and strategic and tactical lessons. Such “competitive intelligence” was not provided to career centers mostly due to the intermediary’s
silent and informal practice of simply not mentioning it. According to an intermediary staff member, “no one ever asked for it.”

The flip side to encouraging operational differentiation and experimentation among the career centers was that it may also have contributed to system redundancy and under-performance. For example, in some cases, all three centers provided services that could have been delivered most efficiently by only one center. Similarly, more than one center made similar service and program “experiments” but—due to the competitive environment—did not share lessons. Consequently, some successful practices were not shared across the system and some failed practices were replicated when they could have been avoided based on another center’s lesson. Of course, due to differences in strategic orientation, it was possible that the same practice could be effective in the hands of one center and less effective in the hands of another. Indeed, a goal of the Boston experiment in competitive services was to explore such differences.

Another drawback to having a competitive environment and different strategic orientations was that the combination of “competition” and “fragmented” categorical government programs challenged the overall goal of a One-Stop Career Center to provide seamless services and a coordinated workforce development system. While each of the Boston One-Stop Career Centers demonstrated improvement over the old Employment Service, there are still problems and trade-offs. For example, a distinct benefit of the competitive approach was an increased diversity of labor matching services and an increased heterogeneity of job-seeker and employer customers. However, there are indications that some specialized disadvantaged populations may be receiving fewer targeted services because they are being delivered through career centers rather
than through community-based service agencies. And, while programmatic experimentation has increased, so has service redundancy and “reinventing the wheel” regarding program development. Furthermore, even with “competition” and blurred government/nonprofit boundaries, the Boston career centers were fundamentally constrained by their governmental institutional context.

Overall, this study contends that Boston’s “experimental” career center system has been worthwhile and successful in several ways. First, the Boston career centers have demonstrated improved operational and organizational performance compared to the previous Employment Service. Although this investigation has not explicitly compared the career centers to the ES, the evidence suggests that all the centers exceeded the ES’ 20 percent placement rate for unemployed job-seekers. In addition to measuring higher than the ES on this operational indicator, the career centers also exhibited much higher efficiency and effectiveness than the ES in providing services to customers such as employers, middle-class job-seekers, and welfare recipients that the ES historically under-served. In comparison to the Employment Service, the career centers also displayed higher organizational performance in terms of learning, innovation, and systemic robustness. Organizational differences between the Employment Service and the career centers were particularly evident in the case of JobNet. With its embedded ties to DET and its bureaucratic orientation, JobNet seemed like it would have the most in common with the Employment Service. However, JobNet had significantly higher placement rates than reported by the ES. Moreover, in comparison to the standard practices of the Employment Service, JobNet

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374 For example, all three career centers provided services to the same DTA offices and staged job fairs. Arguably, it may have been more resource efficient if one center had managed and delivered such services.
demonstrated a higher degree of experimentation and initiative regarding program development and service delivery to a broader range of customers.

In addition to improving upon the practices of the Employment Service specifically and the workforce development system generally in Boston, another worthwhile advantage of Boston’s competitive approach is that it has yielded valuable lessons and insights. Boston’s career center system has provided a laboratory to examine career center functions, adaptation, and performance in the context of inter-sectoral institutional network adaptation and governance in ways that are directly relevant to researchers, policymakers, and practitioners.

**Research and Policy Directions**

This study has argued that One-Stop Career Centers represent a distinctive dimension of the growing phenomenon of labor market intermediaries. This investigation has not only contributed to LMI research by providing detailed analysis of career centers, but has also contributed to LMI theory-building by arguing for and demonstrating how an institutional and historical analysis enriches understanding local labor market intermediation. For example, a static description of the Boston career centers focused on a single era would have provided lop-sided findings that overlooked variation in processes and performance. Moreover, as a line of theoretical research, the strategic orientation framework developed in this study may also be extended to other types of workforce intermediaries. That is, it is conceptually possible that any of the dominant strategic orientations may be exhibited by workforce intermediaries even if their organizational type is overtly nonprofit, governmental, or commercial. Furthermore, although this study has emphasized three distinct strategic orientations, it may be possible for a career center or workforce intermediary to shift orientations over time, or to blend elements of different
orientations. While such notions are speculative at this point, continuing research that applies the framework may help refine and sharpen understanding of the causal and correlative relationships between the components of a strategic orientation and organizational processes and performance. Prior to such additional theorizing, an immediate next research step may involve further testing the conceptual framework by investigating other career centers across the country using strategic orientation as a template. For example, a national survey could be administered that identifies a career center’s strategic orientation based on the indications of organizational processes analyzed in this study. Another approach may involve more deeply examining the relationship between strategic orientation and performance in the Boston cases. For example, it may be possible to continue mining the experiences of Boston’s career centers based on soon-to-be-available data linking career center job-seeker customers’ service utilization and their employment outcomes (e.g., wage rates, job tenure). Apart from pointing to additional research, this study has immediate policy and practice implications. Although empirically-based, this dissertation has been theoretically-focused in that it has emphasized the development of a conceptual framework for understanding and explaining career center operations more generally. Due to its stylized and archetypal formulation of the strategic orientation framework, the findings of this study lend themselves to be generalized regarding their implications for public policy.

This study has implications for federal, state, and local policies related to career centers. Despite initial attempts to encourage reform based on customer choice as part of WIA, implementation of the legislation in almost all states has mostly resulted in co-location of public agency services and programs. That is, most career centers do not operate in a competitive environment. As a result, it is likely that many of the career centers across the country share many of the attributes
of the stereotypical career center. Consequently, the stereotypical career center discussed earlier provides a means to understand, plan, and anticipate the range of possible organizational processes and performance. Moreover, most centers function as the sole publicly-funded intermediary in a city or region. To the extent that state and regional workforce development authorities seek to experiment with different configurations of career center operators and approaches beyond a stereotypical governmental bureaucratic form, the strategic orientation framework may provide some guidance on potential policy and performance parameters. In this regard, the Boston career centers provides lessons for the more than 1,900 One-Stop Career Centers around the country that are currently operated by either government agencies, nonprofits, and commercial entities, or by mixed partnerships of all three types.

Of course, this study does not necessarily suggest that other Workforce Investment Boards mimic the Boston career center system. The coexistence of three career centers with distinct strategic orientations may not be pragmatic in many settings due to reasons such as insufficient resources, political discordance, and inappropriate institutional and labor market conditions. This study also does not suggest that any one of the three career center strategic orientations be used as a single best prototype to be replicated in other locales. However, this study’s findings do suggest that the strategic orientation framework may be used as a guide to align career center design and development with public policy objectives. A WIB particularly concerned about the employment needs of diverse sets of disadvantaged job-seekers might consider developing a career center with a community strategic orientation. A WIB desirous of stimulating economic development might consider promoting a career center with an entrepreneurial strategic orientation. A WIB interested in generally and efficiently enhancing the labor matching process
for the maximum number of job-seekers and employers might consider establishing a career center with a bureaucratic strategic orientation. In choosing to emphasize a particular strategic orientation, a WIB may anticipate—based on the Boston experiment—that the advantages of a strategic orientation are likely to be accompanied by its associated disadvantages.

It is more likely that most WIBs across the country will experience the dilemma of already overseeing a stereotypically bureaucratically-oriented career center. Indeed, most career centers are mainly operated by public agencies or have dominant roles in partnering arrangements. In these cases, an alternative is to somehow programmatically combine aspects of all three orientations within one career center. Though not a specific focus of this investigation, this mixed-orientation transorganizational scenario may draw insights from this study’s findings. For instance, to bolster a career center’s entrepreneurial characteristics, a WIB may emphasize or require: 1) incentives related to performance goals (e.g., percentage of revenue from fee-based services to employers); 2) governance influence by business representatives (e.g., employer advisory committee); and 3) integrated use of CQI processes. To enhance a career center’s community characteristics, a WIB may emphasize or require: 1) contractual or financial relationships with groups or networks of community based nonprofits; 2) governance influence by community representatives (e.g., community advisory committee); and 3) staff with connections to neighborhood nonprofits. Interjecting and experimenting with the tactical activities associated with different strategic orientations may be one approach to maintain a dynamic, adaptive, and quality-focused career center. By mixing and adjusting such key factors in the transorganizational processes of a career center, a WIB may be able to cultivate a check-and-balance approach to career center operations.
However, for many WIBs, the primary challenge concerning career center policy is somewhat paradoxical. On the one hand, a WIB will likely be interested in policies that help career centers sustain resources and services. In this regard, such policies may reinforce the main tendency of a bureaucratic strategic orientation—stability and static equilibrium. On the other hand, a key lesson from the Boston career centers is the necessity to adapt and innovate in order to be in dynamic equilibrium with changing labor market and institutional conditions. Consequently, WIBs should also be interested in policies that promote high-functioning career centers operating dynamically within turbulent environments. That is, WIBs should encourage career centers to exhibit high organizational performance as indicated by learning, innovation, and systemic robustness. In this regard, WIBs are advised to explore the tactics associated with entrepreneurial and community strategic orientations. These approaches include complementary systemic feedback mechanisms such as “sensing” and CQI analysis, as well as customized services, urgent responses, and reciprocating relationships.

Of course, it is possible that WIBs may face other challenges as they introduce to bureaucratic career centers some of the approaches associated with entrepreneurial and community strategic orientations. These challenges involve efforts to offset the negative attributes associated with those approaches. Entrepreneurial practices will require additional monitoring to guard against opportunistic behavior and an inclination to under-serve disadvantaged populations. Community-oriented practices will require close observation to check for overt favoritism or “creaming” as well as a tendency to operate non-systematically. It is possible that the most obvious disadvantages of entrepreneurial and community orientations may be counteracted by the
advantages of bureaucratically oriented career centers such as standardized procedures, accountability, and equitable practice. In any case, it will require experimentation and experience for WIBs and career centers to calibrate the optimal mixture of strategic and tactical approaches that is appropriate to meet policy objectives in their local environment.

An overall implication of this study is that it may be possible to design and develop a career center’s strategic orientation and therefore to more clearly conceptualize and shape appropriate local policy parameters related to publicly-funded labor market intermediation. A key finding of this research is that career centers potentially provide local policymakers with operational levers to influence the inter-sectoral dynamics of workforce development networks. In order to do this, however, it is necessary to cultivate a institutional perspective that encompasses the public, nonprofit, and commercial sectors. The strategic orientation framework enables such a perspective. At the same time, the institutional perspective must also include a cognitive map of the “network of networks” that collectively comprise the structure of the workforce development system. An institutional perspective makes possible a more comprehensive understanding of the local implications of transformative processes such as economic restructuring, federal policy shifts, and blurring governmental and nonprofit boundaries. From this perspective, local decision-makers may better navigate the transforming institutional terrain by responding creatively to challenges and opportunities.

Institutional insights may inform local decision-making that often occurs environments with abundant political interests, scarce resources, and under-explored policy options. In these contested settings with multiple stakeholders, clarifying policy choices may contribute to
improving deliberations about programmatic trade-offs. Doing so may better target public resources towards improving the efficiency and effectiveness of the job matching process during turbulent times of shifting institutional and labor market conditions. Consequently, career centers may better help employers to access diverse and under-tapped pools of workers as well as may better help job-seekers—especially the disadvantaged—to leverage information and services in their pursuit of enhanced employment outcomes.
Appendix

Table 4: Job Placement Rates at Boston One-Stop Career Centers*
Fiscal Years (FY) 1997-2002

<table>
<thead>
<tr>
<th>Era 3</th>
<th>FY 2002</th>
<th>Placement Rate</th>
<th>FY 2001</th>
<th>Placement Rate</th>
<th>FY 2000</th>
<th>Placement Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Work Place</td>
<td>26%</td>
<td>30%</td>
<td>33%</td>
<td>26%</td>
<td>30%</td>
<td>33%</td>
</tr>
<tr>
<td>JobNet</td>
<td>30%</td>
<td>33%</td>
<td>21%</td>
<td>28%</td>
<td>21%</td>
<td>49%</td>
</tr>
<tr>
<td>Boston Career Link</td>
<td>30%</td>
<td>25%</td>
<td>44%</td>
<td>32%</td>
<td>31%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Table 5: Number of Job Placements at Boston One-Stop Career Centers
Fiscal Years (FY) 1997-2002

<table>
<thead>
<tr>
<th>Era 3</th>
<th>FY 2002</th>
<th>Total Number of Placements</th>
<th>FY 2001</th>
<th>Total Number of Placements</th>
<th>FY 2000</th>
<th>Total Number of Placements</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Work Place</td>
<td>612</td>
<td>28%</td>
<td>903</td>
<td>41%</td>
<td>706</td>
<td>32%</td>
</tr>
<tr>
<td>JobNet</td>
<td>494</td>
<td>29%</td>
<td>678</td>
<td>40%</td>
<td>516</td>
<td>31%</td>
</tr>
<tr>
<td>Boston Career Link</td>
<td>513</td>
<td>30%</td>
<td>706</td>
<td>33%</td>
<td>548</td>
<td>29%</td>
</tr>
</tbody>
</table>

Table 6: Job Positions Posted at Boston One-Stop Career Centers
Fiscal Years (FY) 1997-2002

<table>
<thead>
<tr>
<th>Era 3</th>
<th>FY 2002</th>
<th>Total Number of Positions posted</th>
<th>FY 2001</th>
<th>Total Number of Positions posted</th>
<th>FY 2000</th>
<th>Total Number of Positions posted</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Work Place</td>
<td>778</td>
<td>14%</td>
<td>4562</td>
<td>79%</td>
<td>408</td>
<td>7%</td>
</tr>
<tr>
<td>JobNet</td>
<td>646</td>
<td>11%</td>
<td>4770</td>
<td>78%</td>
<td>706</td>
<td>11%</td>
</tr>
<tr>
<td>Boston Career Link</td>
<td>816</td>
<td>16%</td>
<td>2884</td>
<td>72%</td>
<td>279</td>
<td>7%</td>
</tr>
</tbody>
</table>

* Placement rates are calculated for unemployed job-seekers who used at least three career center services before being hired. The Employment Service system had average placement rates of 20 percent using a similar benchmark.
Table 7: New Job-Seeker Customers at Boston One-Stop Career Centers
Fiscal Years (FY) 1997-2002

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>The Work Place</th>
<th>JobNet</th>
<th>Boston Career Link</th>
<th>Total (3 Career Centers)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Job-Seekers</td>
<td>Percent of Total</td>
<td># Job-Seekers</td>
<td>Percent of Total</td>
</tr>
<tr>
<td>Era 3 FY 2002</td>
<td>4910</td>
<td>34%</td>
<td>5197</td>
<td>36%</td>
</tr>
<tr>
<td>Era 3 FY 2001</td>
<td>2985</td>
<td>28%</td>
<td>4046</td>
<td>37%</td>
</tr>
<tr>
<td>Era 2 FY 2000</td>
<td>2363</td>
<td>31%</td>
<td>2942</td>
<td>38%</td>
</tr>
<tr>
<td>Era 2 FY 1999</td>
<td>3751</td>
<td>34%</td>
<td>4458</td>
<td>40%</td>
</tr>
<tr>
<td>Era 1 FY 1998</td>
<td>3486</td>
<td>32%</td>
<td>4592</td>
<td>42%</td>
</tr>
<tr>
<td>Era 1 FY 1997</td>
<td>6208</td>
<td>44%</td>
<td>1916</td>
<td>14%</td>
</tr>
</tbody>
</table>

Table 8: Job-Seeker Education Levels at Boston One-Stop Career Centers
Fiscal Years (FY) 1997-2002

<table>
<thead>
<tr>
<th>Job-Seeker Education Level</th>
<th>Fiscal Year</th>
<th>The Work Place</th>
<th>JobNet</th>
<th>Boston Career Link</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Percent of Job-Seekers</td>
<td>Percent of Job-Seekers</td>
<td>Percent of Job-Seekers</td>
</tr>
<tr>
<td>With HS degree or less</td>
<td>FY 2002</td>
<td>49%</td>
<td>48%</td>
<td>49%</td>
</tr>
<tr>
<td></td>
<td>FY 2001</td>
<td>25%</td>
<td>34%</td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td>FY 2000</td>
<td>26%</td>
<td>18%</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>FY 1999</td>
<td>50%</td>
<td>56%</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>FY 2001</td>
<td>30%</td>
<td>31%</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>FY 2001</td>
<td>20%</td>
<td>13%</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>FY 2000</td>
<td>47%</td>
<td>75%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>FY 2000</td>
<td>27%</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>FY 2000</td>
<td>26%</td>
<td>2%</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>FY 1999</td>
<td>43%</td>
<td>70%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>FY 1999</td>
<td>23%</td>
<td>11%</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>FY 1999</td>
<td>34%</td>
<td>19%</td>
<td>39%</td>
</tr>
<tr>
<td></td>
<td>FY 1998</td>
<td>30%</td>
<td>71%</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>FY 1998</td>
<td>25%</td>
<td>9%</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>FY 1998</td>
<td>45%</td>
<td>20%</td>
<td>54%</td>
</tr>
<tr>
<td></td>
<td>FY 1997</td>
<td>37%</td>
<td>67%</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>FY 1997</td>
<td>26%</td>
<td>9%</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>FY 1997</td>
<td>37%</td>
<td>24%</td>
<td>52%</td>
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