



# A WORKFORCE DEVELOPMENT VISION

FOR THE HEALEY-DRISCOLL ADMINISTRATION



**MASS WORKFORCE ASSOCIATION**  
**ONE SYSTEM – ONE VOICE**

## ACKNOWLEDGEMENTS

MWA would like to thank those who participated in developing this document, including our Board of Directors, Ad-Hoc Visioning Committee, and Public Policy Committee. We'd also like to recognize and thank our members. Your commitment and passion for workforce development and MWA helps us be an effective policy voice and elevates our work.

The Association's 15-member Board of Directors (below) is composed of knowledgeable leaders from business, nonprofit, labor, and the workforce system. The Board is private sector-led. You can learn more about MWA [here](#).<sup>1</sup>

## MWA BOARD OF DIRECTORS 2022

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**Valerie Sutton**, *Harvard University*, Metro North, Vice-Chair

**James Oliveira**, *MassHire Greater New Bedford Workforce Board*, Greater New Bedford, Treasurer

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## INTRODUCTION

The **Massachusetts Workforce Association (MWA)** is a statewide membership association that leads, advocates, and convenes on behalf of the Massachusetts regionally-led workforce development system.

MWA provides a unified voice of the state's regionally-led workforce development system to ensure it is responsive to the dynamic demands of businesses, job seekers, incumbent workers, and youth throughout the Commonwealth.

Throughout the last 4 years of the Baker-Polito Administration, MWA worked closely with the Executive Office of Labor and Workforce Development, the MassHire Department of Career Services, and other partner agencies. We served as a trusted resource when assistance was needed from the field and brought regional voices to discussions about policy and practice.

MWA, through our membership, looks forward to working with the Healey-Driscoll Administration to deepen the state's collaboration with our regionally-driven and employer-led workforce system. Our member organizations are the on-the-ground experts in workforce development. They work directly with job seekers and employers and have a deep understanding of their regional economies and workforce needs. They are skilled in developing tailored workforce solutions in partnership with regional stakeholders. Including our members' regional perspectives and skills in statewide conversations about workforce system policies and programs will lead to quality outcomes for workers and businesses.



# VISION FOR THE MASSACHUSETTS WORKFORCE SYSTEM

We are at a crossroads and a unique time in workforce development. For the first time in almost a decade, we have substantial funding to leverage our workforce system to meet the challenges our state's workers and businesses are facing in this complicated economy. However, outdated data systems, structural inefficiencies, and limited state/regional collaboration threaten our ability to have an effective workforce system.

MWA and our members seek to work with the Healey-Driscoll Administration to create a ***state of the art*** workforce system that is responsive to and driven by regional needs, innovative and nimble, and inclusive and equitable. Such a system would be:

- **Regionally-led and Employer-driven:** Cognizant of and valuing the diversity of economic realities in each region and labor market. Views employers as key partners in meeting the talent needs of the Commonwealth. Recognizes that MassHire Workforce Boards and Career Centers are “boots on the ground” and are subject matter experts on the supply and demand sides of local labor markets.

- **Inclusive and Equitable:** Acknowledges and works intentionally to include perspectives and lived experience to reverse the impact of historically racist policies that have led to inequitable labor market outcomes for people of color.
- **Innovative and Agile:** Embraces new ideas. Makes the necessary investments to be nimble and responsive to the changing needs of customers. Utilizes staffing and program models that are flexible and can adapt to changing labor market dynamics.
- **Data Driven:** Supported by a data system that makes use of the latest and best technology, can match job seekers' interests and skills with available jobs, and enables the workforce system, state partners and stakeholders to effectively track, manage, measure, and evaluate programs, performance, and outcomes. Connected to a fully integrated cross-agency longitudinal data system (cradle to career, or "P20W").
- **Well Aligned with Other State Systems:** Embraces workforce development as a cornerstone of successful economic development. Strives to align the workforce, education, and economic development systems through significant and sustained investment, employer engagement, and better coordination between K-12 and vocational technical education, higher education systems, and other state agency partners (such as the Department of Transitional Assistance, Rehabilitation Commission, Department of Adult and Community Learning Services, Department of Veterans' Services, and others).

By embracing these pillars of a state of the art workforce system, this Administration can help create a nation-leading and forward-thinking system that better reflects the people and businesses it serves.



## STRENGTHS OF A REGIONALLY-LED SYSTEM

### SECTOR PARTNERSHIPS

MassHire Workforce Boards and Career Centers build strong industry-sector partnerships with local employers. Through these regional partnerships and in collaboration with education and training partners, they develop pipeline and incumbent worker training programs to meet the industry's need for skilled labor with local residents who wouldn't otherwise have access to these career opportunities. The partnerships are essential to the economic success of every region. **Sector partnerships are most successful as they are:**

1. based on local labor market research;
2. developed in direct engagement with local businesses; and
3. involve community-based partners that are culturally competent and help meet the needs of workers and jobseekers.



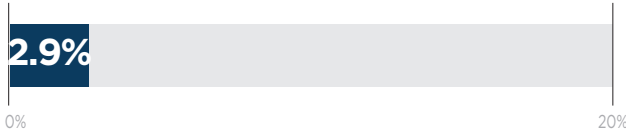
## ECONOMIC CONTEXT

Massachusetts has one of the most competitive innovation economies in the country - and also one of the most inequitable. Our residents who are highly educated and white enjoy far greater wealth and prosperity than those who are not.<sup>2</sup> COVID-19 turned our economy and labor market upside down. Industries such as education and health care, which previously buoyed Massachusetts through economic storms, were dealt a direct blow as the pandemic kept children home and made caregivers particularly vulnerable. Regions whose economic lifeblood depends on tourism were hit by both a lack of customer demand and a worker shortage. Even as our world reopened, these industries have recovered unevenly, with the demand for workers, particularly in care and service industries, exceeding supply. And while wages have increased in response to this demand, inflation increases caused by global conditions and rising energy costs have eaten away most of those gains, particularly for those paid the least.<sup>3</sup>

**The public workforce system is designed to respond to economic crises at the local level.** Each of the 16 workforce regions of our state operates in a local economic environment with unique industry and labor market challenges and opportunities. Each region has a constellation of partners and relationships that can facilitate growth and resilience. MassHire Workforce Boards and Career Centers remained open for business throughout the pandemic to meet employer and worker needs. They pivoted quickly from an in-person service model to offer services remotely and worked with customers to ensure they had access to technology to have access to virtual services. While we continue to recover from the impact of the pandemic and now see another recession looming on the horizon, we will need a partnership with the Healey-Driscoll Administration in which we collectively commit to investing in a state-of-the-art workforce system that can address ongoing and future labor market challenges.

## MASSACHUSETTS UNEMPLOYMENT RATE

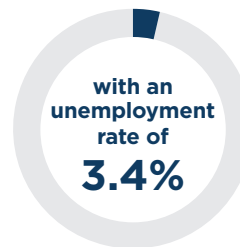
March 2020 (Before the pandemic)



April 2020



## OF THE JOBS LOST DURING THE HEIGHT OF THE PANDEMIC *As of the latest available data (09.2022)*



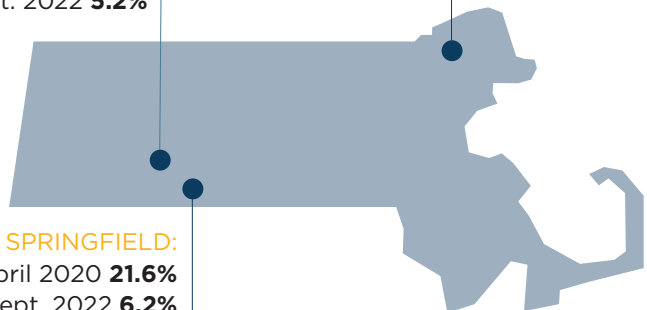
## THE STATEWIDE UNEMPLOYMENT RATE MASKS THE DISPARITIES BY REGION

In April 2020 nearly one-third (29.1%) of Lawrence's labor force was unemployed. Even now, Lawrence, Springfield, and Holyoke face higher unemployment rates, some more than twice that of the state (3.1% not seasonally adjusted as of September 2022).<sup>5</sup>

**HOLYOKE:**  
April 2020 **20.9%**  
Sept. 2022 **5.2%**

**LAWRENCE:**  
April 2020 **29.1%**  
Sept. 2022 **6.4%**

**SPRINGFIELD:**  
April 2020 **21.6%**  
Sept. 2022 **6.2%**



Black and Hispanic and Latino communities continue to suffer unemployment rates that are significantly higher than white workers (4.6% and 5.9% respectively vs. 3.5%).<sup>6</sup>



These sobering numbers do not account for those who have stopped looking for work, or whose hours have been reduced (**114,000 underemployed**), or the concerning number of people - predominantly women and people of color - who have dropped out of the labor force. An estimated 56,200 workers have been unemployed longer than 15 weeks.<sup>7</sup>



The labor force participation rate has nearly returned to pre-pandemic levels, but there are still 48,000 payroll workers who haven't returned to the labor market from the pre-pandemic high in February 2020. Job openings are at record levels (**80,000 openings** in September 2022), but hiring has been concentrated in lower-wage service sectors, dampening overall state GDP.<sup>8</sup>





# RECOMMENDATIONS

The Healey-Driscoll Administration will face workforce challenges, some of which were exacerbated by the pandemic, but many of which were present long before the public health crisis. The Administration has an opportunity to invest millions of dollars in currently available ARPA, federal, and other state funds to:

## 1 | REIMAGINE THE WORKFORCE SYSTEM

Create one that is future focused and responsive, uses state-of-the-art technology, shares data easily among partners, has access to real time data to inform decision making, and utilizes flexible staffing models to meet the needs of employers and job seekers. The following are the most urgent priorities to this end.

### ● INVEST IN A MODERN DATA SYSTEM THAT CAN INTEGRATE WITH OTHER STATE SYSTEMS

- Create an internal working group, including regional directors and individuals who will work with the data system, to review the RFP that was drafted by the Baker-Polito Administration for the MOSES data system replacement. Within the first 60 days of the new Administration, update and release an RFP



to replace and reimagine the workforce data collection and reporting system (MOSES). This data system should include but not be limited to: a CRM platform that would allow workforce regions to track, manage, and coordinate business services across workforce partners, tools to better match job seeker skills and interests to open jobs, and the ability to track participation by race, ethnicity, gender, and other key demographics for all state and federal job training programs to limit duplicative data entry and allow for meaningful analysis.

#### ● **MAKE DATA ON WORKFORCE OUTCOMES PUBLIC AND ACCESSIBLE**

- Work with MWA, agency partners, and the legislature as needed to ensure timely access to DOR and/or DUA wage data to understand the employment outcomes of the individuals served by the workforce system.
- Prioritize becoming a meaningful partner with the Massachusetts Education-to-Career Data Hub<sup>9</sup> to develop an integrated P20W longitudinal data system. The public dashboards that the Data Hub has already released are good examples of what could be developed for the workforce system.



#### **STRENGTHS OF A REGIONALLY-LED SYSTEM**

##### **SERVING YOUTH**

MassHire Workforce Boards and Career Centers receive some federal funding to serve out-of-school and other underserved youth. They also receive funding from the Executive Office of Labor and Workforce Development and the Executive Office of Education to oversee several programs (primarily YouthWorks and Connecting Activities) that offer career readiness skills, occupational training, work-based learning, and employment opportunities for at-risk youth ages 14-24.

The state funding and strong relationships that have been formed regionally support better alignment between the K-12, vocational technical education, and higher education systems with the workforce development system. These partnerships and programs offer young people much more than a summer job or internship. They offer intentionally scaffolded opportunities to explore a variety of careers, learn fundamental work skills, and engage in real work experiences, with support that sets them up for long-term success in the labor market.



## STRENGTHS OF A REGIONALLY-LED SYSTEM

### EMPLOYER DRIVEN

The MassHire system is comprised of 16 workforce regions. Each has a business-led Workforce Board, appointed by a local lead elected official. The Boards and their staff are responsible for the oversight of federally funded employment and training services, addressing critical labor market issues in the region, and developing strategic partnerships with local leaders in economic development, K-12 and higher education systems, government agencies, chambers of commerce, and community-based and labor organizations.

Regionally, MassHire Workforce Board staff:

- convene employers,
- develop and oversee industry-sector partnerships,
- ensure the education and training programs in the region are aligned with employer demand, and
- identify funding opportunities for training programs to help local businesses find workers and remain competitive.

MassHire Career Centers also serve businesses. Their business services representatives reach out to regional businesses that are hiring to learn about their skill needs and work with Career Center team members to facilitate employment matches with local job seekers.

## ● PRIORITIZE REGIONAL/STATE COLLABORATION

- Ensure regional representation and input on the committee charged with hiring the permanent Director of MassHire Career Services.
- Require representation of a workforce board or career center director on the MassHire State Workforce Board and the Commonwealth Corporation Board of Directors.
- Continue the cross-secretariat Workforce Skills Cabinet and improve the execution of the programs and policies under their purview by engaging local expertise and partnering with regional workforce system representatives from initial program development all the way through to implementation.
- Create a standing working group with senior leaders from the Executive Office of Labor and Workforce Development, Commonwealth Corporation, MassHire Department of Career Services, and local MassHire directors (appointed through MWA) to discuss and collaboratively create policies, programs, and flexible staffing models.

## 2 | EMBRACE INNOVATION AND THE REALITIES OF TODAY'S LABOR MARKET

Create more incentives and versatile funding that encourage the development of innovative programs and services to meet the unique and regional needs of customers. The approaches needed to serve job seekers and businesses have changed dramatically since the pandemic; regions need more freedom and support to test new programs, update their physical spaces, and discover and develop innovative and scalable approaches to engage with customers.

### ● ESTABLISH TWO NEW MASSHIRE WORKFORCE FUNDS

- **Workforce Innovation Fund:** Create a flexible innovation fund to allow workforce entities to test and scale new solutions, ideas, and programs that break down silos and encourage collaboration. This fund could also provide flexible dollars for marketing and education campaigns about training opportunities and support new partnerships with community organizations to reach untapped talent. These are essential activities but often cannot be supported with federal funds.
- **Workforce Infrastructure Fund:** Create an infrastructure fund to increase capacity and help modernize the MassHire system. The way in which workforce entities provide services has changed dramatically and will continue to change. The MassHire system needs access to funds to help it strengthen its infrastructure and attract a diverse and talented workforce.

**Through MWA and continued collaboration with workforce development leaders throughout the Commonwealth, the Healey-Driscoll Administration can be at the forefront of a nationally recognized workforce system that transforms lives and strengthens businesses. We are dedicated to high quality service delivery and meaningful partnership. We have a lot of work to do, but we are committed and ready to work together to strengthen our Commonwealth.**

# ENDNOTES

- <sup>1</sup> Massachusetts Workforce Association, accessed 11/16/22, <https://massworkforce.com/>
- <sup>2</sup> The Editorial Board, “The \$8 figure that shamed Boston gets an update,” The Boston Globe, May 16, 2022, <https://www.bostonglobe.com/2022/05/16/opinion/8-figure-that-shamed-boston-gets-an-update/>.
- <sup>3</sup> Editorial Board, “Benchmarks Bulletin: Nation Outpaces State Economy in Q3, UMass Journal Reports,” MassBenchmarks, October 27, 2022, <https://myemail.constantcontact.com/Benchmarks-Bulletin-.html?soid=1102424019284&aid=YtantfS-IMs>.
- <sup>4</sup> Bureau of Labor Statistics (BLS), “Seasonally Adjusted Monthly Labor Force and Unemployment Rate Estimates” and Bureau of Labor Statistics (BLS), Seasonally Adjusted Current Employment Statistics (CES) “Massachusetts Seasonally Adjusted Non-Farm Employment”; Massachusetts Dept. of Unemployment Assistance, Department of Economic Research, Accessed 11/16/22: [https://public.tableau.com/app/profile/maeconomicresearch/viz/FrontPageCharts/MAVs\\_USRates](https://public.tableau.com/app/profile/maeconomicresearch/viz/FrontPageCharts/MAVs_USRates).
- <sup>5</sup> Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS), “Not Seasonally Adjusted Unemployment Rate Estimates by City/Town,” Massachusetts Dept. of Unemployment Assistance, Department of Economic Research, Accessed 11/16/22: <https://lmi.dua.eol.mass.gov/lmi/LaborForceAndUnemployment/TownComparison>.
- <sup>6</sup> Bureau of Labor Statistics (BLS) Current Population Survey (CPS) 12-Month Moving Averages, Massachusetts Department of Economic Research, Accessed 11/16/2022: <https://public.tableau.com/app/profile/maeconomicresearch/viz/MARaceandEthnicity/UnemploymentRates>.
- <sup>7</sup> Current Population Survey (CPS), Local Area Unemployment Statistics (LAUS), “Alternative Measures of Labor Underutilization for States,” Accessed 11/2/22: <http://www.bls.gov/lau/stalt-archived.htm>.
- <sup>8</sup> Bureau of Labor Statistics (BLS), Seasonally Adjusted Current Employment Statistics (CES), “Massachusetts Seasonally Adjusted Non-Farm Employment Totals,” Massachusetts Department of Economic Research, Accessed 11/5/22: [https://public.tableau.com/app/profile/maeconomicresearch/viz/FrontPageCharts/MAVs\\_USRates](https://public.tableau.com/app/profile/maeconomicresearch/viz/FrontPageCharts/MAVs_USRates).
- <sup>9</sup> Massachusetts Education to Career Research and Data Hub, Accessed 11/15/22: <https://www.mass.gov/massachusetts-education-to-career-research-and-data-hub>.



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