



Milwaukee Jobs Initiative: Five Years of Better Jobs

The year 2002 marks the fifth anniversary of the Milwaukee Jobs Initiative's first customized skills training graduation. During those five years, our projects have connected more than 1,400 Milwaukee residents to family-supporting job with advancement opportunities.

The Milwaukee Jobs Initiative (MJI) is an eight-year project funded by the Annie E. Casey Foundation, with local and state match funding. MJI brings together business (with leadership from the Greater Milwaukee Committee), labor (with leadership from the Milwaukee County Labor Council, the Wisconsin State AFL-CIO, and union locals), and the community (with leadership from local human service providers and small community-based organizations) to match qualified, central city workers to good jobs.

Our success has come from working on both the demand and supply sides of the labor market – aiding employers in search of qualified workers, and providing support for workers, or would-be workers, in search of jobs. Workers learn the skills they need to do the job, keep the job, and move up in the job. Employers learn how better to train workers, reduce costly turnover, and increase productivity.

As we have worked to make such changes stick, we have identified a third locus for change – the policies, public investments, and ground rules that govern Milwaukee's workforce development system. Here, we seek permanent change in the system that trains and connects job seekers to jobs; in other words, and as we have taken to calling it, *systems reform*. In the following pages we summarize some of our most important accomplishments in testing a new vision for workforce development, and raising support for this vision.

What MJI's Work Has Meant for Job Seekers and Firms

For workers and their families

1. Since MJI's first training class in May 1997, 1,405 participants have been placed in **full time jobs at an average starting wage of \$10.55/hour**. In most cases, this represents an average hourly gain of more than \$2.00 over the participants' prior jobs.

2. The overwhelming majority of placed participants were **people of color**: 68% were African American, 20% Latino, and 2% American Indian.
3. MJI has improved the well-being of the **children** (at least 1,687) living in households of MJI placed participants
4. All MJI jobs offer access to **family health benefits**; only 35% of participants received health benefits at their previous jobs.
5. Of all MJI placements, **seventy-three percent were still working after a year, with 41% at the same or better wage**. Given the challenges associated with retaining entry-level workers — obstacles including educational deficits and lack of work experience among workers who enter MJI-sponsored programs — this represents a significant accomplishment.

For firms

1. Since 1997 MJI has worked with 196 participating companies. Of these,
 - 163 had between one and nine placements;
 - 20 firms had between 10 and 24 placements; and
 - 13 firms had 25 or more placements.
2. MJI training and placement programs have been a cost-effective public investment in labor force development for area firms. An independent benchmarking study prepared by Abt Associates calculated the **cost per successful training and placement** of an MJI manufacturing participant at just over \$3,000.
3. MJI projects have provided a spectrum of training and consulting services to employers, with the aim of helping them reduce the costs of recruitment and turnover, retain and upgrade skilled workers, and increase productivity. These have included:
 - workplace mentoring
 - on-the-job training process and employee orientation process assistance
 - recruitment strategies assistance
 - “train the trainer” workshops
 - supervisory skills training
 - assistance building retention response systems for workers who are struggling with attendance or job performance
 - English as a second language and basic vocational English
 - workplace Spanish
4. For each worker trained by MJI, **firms have matched the public/MJI investment** with an equivalent in-kind investment in on-the-job training for that worker. These

firms invest even larger sums in a wide range of skills upgrading and retention programs implemented with technical assistance from MJI project staff.

5. In a small number of firms, MJI projects have demonstrated **a real alternative to traditional staffing services**. By replacing temporary positions with full-time, permanent positions, firms save on the billing rates, finder's fees, and other costs associated with the high turnover of using for-profit temp agencies.

Demonstrating a New Workforce Development Model

Sectoral organizing

1. MJI has built a **portfolio of employment sectors and training products** appropriate for workers at varied levels of skill and experience.
2. MJI has helped **employers and unions create partnerships** with private-sector leadership in manufacturing, printing, hospitality, health care, construction, and telecommunications/technology, representing tens of thousands of workers. MJI projects are organized around a “sector-based” model. Our opportunity in Milwaukee is to become the first major metro area in the country to establish partnerships for an overwhelming share of the regional labor market. The MJI system of job connection has made it clear that **employer-led sector organizations were the missing link in the workforce development system**. These organizations pool employer voice, focus on industry problems, build new programs for recruiting and training workers, and work at a scale the simple one-to-one employer relationships cannot match. This infrastructure is crucial to making lasting family supporting job connections happen, and this infrastructure is worthy of long-term public investment. Without these employer organizations in the mix, prospects for long-lasting family supporting connections are substantially reduced.
3. MJI has tapped the resource of workers who are already on the job, and in turn increased opportunities for the existing workforce. Incumbent workers can be allies, mentors and trainers for new entrants, but only if they feel that those new workers aren't getting advantages that they never had. **We've increased the availability of training and advancement to the whole workforce** — through on the job training and workplace education centers — rather than just a few. Workers and worker organizations have served as important consultants to MJI projects on the required training to do the entry-level jobs right. Most importantly, current workers have been the shopfloor mentors for new workers, translate the unwritten rules and help instruct on making it through the early trials on the job.

Access to workers, access to services, access to jobs

1. MJI has opened multiple **points of participant recruitment**, including neighborhood and church groups, Job Centers, and community development organizations. By organizing management and labor in a given sector and then working with community

organizations to recruit employees, the MJI has **rebuilt pathways from the central city to good jobs.**

2. MJI has implemented protocols—specific skill/education requirements, eligibility verification for training slot funding, and eligibility testing for supportive services—to manage the **flow of participants into jobs and training**, and smooth the referral of participants to **supports offered by the community.**
3. MJI has refrained from reinventing existing capacity. The MJI has consistently focused on the core competencies of **partners**, knitting together the disparate and confusing infrastructure that is intended to connect central city residents and jobs. Sectoral organizations are good for identifying job openings and the skills required to fill them, and participating employers and their workers are important for building firm-based systems of support (like mentors) that help workers stay in their jobs. Technical colleges are better at developing curricula and providing training, and community-based organizations are better at identifying people who might need the jobs. We've made great progress toward a coordinated system where everyone does what they do best.
4. Through MJI project partner the Wisconsin Regional Training Partnership, and community partner the YWCA of Greater Milwaukee, we've created a full-service **workforce training center** as a demonstration of on-site training, shared organizational capacity, “two-way” participant flow, and coordinated services to workers and firms.

Big steps taken toward a diversified, just-in-time training system

1. MJI projects worked with the Milwaukee PIC to dramatically **streamline the process of implementing training classes.** WRTP collaborated with Milwaukee Area Technical College to create an entry-level manufacturing skills curriculum that meets industry standards. Before the development of **this standardized curriculum**, entry-level training classes had to be assembled fresh for each employer, fatally slowing response time to employer requests for training. Our projects have developed similarly standardized curricula for the health care, printing, and hospitality sectors.
2. MJI's projects made a successful shift organizing **to multi-employer, multiple-source funded training classes.** Initially, MJI's entry-level training classes were held exclusively with individual employers, funded exclusively with Job Training Partnership Act (JTPA) dollars. While JTPA eligibility encompassed most categories of low-income workers, we failed to tap other programs to pay for training participants. During the past two years, however, our projects have successfully used various combinations of training slot funding, including Individual Training Accounts (through the Workforce Investment Act, JTPA's successor), Welfare-to-Work vouchers, vocational rehabilitation dollars, and other sources. This has allowed our projects to open training classes to a broader pool of low-income job candidates, and has allowed greater flexibility in covering the costs of mounting a training class. Moreover, diversified funding let us continue classes even when JTPA CST funding ran out before WIA was implemented in Milwaukee. (Many other highly recognized projects around the country had trouble converting to WIA.) Diversification now makes our projects less vulnerable to the vicissitudes of public training funding.

3. MJI projects have successfully used **multiple training providers** — MATC and WCTC — for multiple training requirements. This training provider diversification now allows our projects to be more flexible and responsive to training needs.

Public and Private Investment for Better Workforce Development

1. We've **reduced the financial dependence of MJI's sectoral projects** on AECF grant funding, which is scheduled to end in 2004. The majority of project funds are now raised directly by MJI's project partners — Wisconsin Regional Training Partnership and the Milwaukee Graphic Arts Institute — from local and national foundations, the local workforce development board (administering state and federal programs), and federal agencies.
2. We've helped foster a local workforce development climate that increasingly **pays for quality and pays for results**; our projects have raised the benchmark for the allocation of workforce development funds. Our local workforce development board, the Milwaukee County Private Industry Council, has set a living wage standard for all WIA adult training funds (customized skills training, on-the-job training, or individual training account), raising its minimum placement wage to \$8 per hour to focus resources on higher quality job opportunities. The PIC has also introduced contracting methods that reward “preferred” training and placement providers who are distinguished by high rates of training completion, post-training placement, and job retention. An increased emphasis on family-supporting employment — as opposed to focusing simply on decline in welfare roles as a sign of success — is apparent as well at the state Department of Workforce Development as it creates tougher employment benchmarks for the programs it funds directly.
3. The MJI and its project partners have helped forward real change in **how public workforce development dollars are invested** in Wisconsin. MJI's board and project partners have been at the table for key statewide workforce development planning, including the Task Force on the Future of Technical Education and Training. Most of its budget and policy recommendations were subsequently implemented in the state budget, including a \$20 million reallocation of surplus TANF into a Workforce Attachment and Advancement Fund to move low-wage workers up the job ladder, a \$13 million Study Grant Program for technical college enrollment, a \$12 million expansion of local school-to-work initiatives for at-risk youth, a \$2 million expansion of the state manufacturing extension program, and direct funds for the Milwaukee Jobs Initiative and its projects.
4. MJI projects have successfully **used the Workforce Attachment and Advancement Fund** to increase retention and advancement in participating firms, with a focus on assessing and assisting employers and unions to create more supportive workplaces and stronger career ladders.
5. **Most recently**, the State DWD set aside \$450,000 in WIA discretionary funds for a new incumbent worker training fund; allocated \$190,000 in Welfare-to-Work discretionary

funds to MJI; and invited a proposal for direct funding of the new workforce training center.

6. MJI's projects have raised **widespread public policy support for sectoral employment and training** strategies. The Milwaukee PIC has established guidelines for the allocation of funds that emphasize the development of career ladders among clusters of firms in the same sector.
7. The MJI board of directors has become **an ongoing business/labor/community table** where a shared-interest workforce development program and policy agenda can be crafted.

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MJI has achieved much during the past five years, while recognizing what long strides have yet to be taken. During 2002, the MJI board of directors will make a policy agenda for extending the reach of “dual customer” sectoral partnerships over the next decade, for advancing employer-linked training and work opportunities for all Milwaukee residents, and for rewarding practices that privilege job quality, and better results, for workers and firms.

Improving labor market outcomes for workers and firms will mean sustained, outcomes-based public and private investment, smart, responsive workforce development methods, and close ties to what works best in community and volunteer organizations who share our vision of whole families thrive in work and life. We are committed to proclaiming, and being a part of, a system in which all of this can happen, and succeed.

For more information about the Milwaukee Jobs Initiative, contact:

Milwaukee Jobs Initiative – Caroline Schultz or Jacqueline Ward, 414-372-7387
Center on Wisconsin Strategy – Laura Dresser or Joel Rogers, 608-263-3889