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Corporate-Community Workforce Development Collaborations

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The literature addressing strategies for connecting low-income, typically low-skilled job seekers to the labor market has grown substantially over the past decade and a half. Improved school systems, better school-to-career feeder programs, employment training programs, and vocational certification and credentialing are examples of supply-side workforce development strategies that seek, by investing in individuals, to increase their capacity to obtain gainful employment. This literature, which emphasizes improving human capital, is a direct response to the research undertaken in the late 1970s and early 1980s that focused on supply-side factors as explanations of income inequality (Becker 1975, 1985). More recent supply-side workforce development literature has addressed additional inhibitors of sustainable employment and advancement for many low-income entry-level workers: the unavailability of child care, problems of transportation and housing, and issues related to work ethic and attitude. A major criticism of supply-side literature, however, is that it is too narrowly focused on developing individual capacity. It predicates employment opportunities on the behavior of low-income people while neglecting a broad array of issues related to public policy, employer practices, and corporate culture, as well as the political, economic, and social context in which they are embedded. Moreover, the needs and expectations of employers are also under-attended. Economic restructuring, the vagaries of employer demand for workers, the proliferation of part-time and temporary workers coupled with the reduction of internal career ladders and living wage opportunities, and mutated forms of employment discrimination and exploitation—none of these are factored into supply-side discourse.

In order to begin to more effectively accomplish the formidable task of creating seamless workforce development systems, it is important to better understand what employers are looking for. The extent to which employers are willing to participate in forming partnerships with other workforce development stakeholders, specifically community-based organizations (CBOs), and the factors that lead employers to collaborate with CBOs are both under-explored. Examining employers' internal systems designed for supporting the acclimation, development, and advancement of nontraditional workers (workers on the periphery of the labor market) provides insight into the nature of corporate-community collaborations. Firms without the necessary support systems—those important for labor market attachment, retention and advancement of nontraditional workers—may rely on CBOs as natural partners for enhancing corporate capacity to successfully bring workers out of the periphery and into the workplace, and for helping workers advance in the work environment. Corporations and CBOs form tight collaborations in such instances. In contrast, firms with greater internal capabilities may have a looser relationship with CBOs, whereby CBOs merely serve as brokers for connecting firms to a new pool of labor. It is important to explore a range of corporate practices and policies that contribute to successful collaborations, as well as those factors that seem to inhibit their success.

The purpose of this paper is to delve more deeply into the structure of employer-based workforce development strategies. More specifically, it is to explore employer perspectives, needs, and expectations with respect to building and sustaining collaborations, particularly with CBOs. It also purposes to look at the usefulness of such collaborative relationships in creating opportunities for disadvantaged job seekers. Over time, collaborations, and the new institutional relationships between corporations and CBOs have the potential of becoming embedded within a broader web of social networks, norms, and policies, thereby creating a more seamless connection between nontraditional job seekers and employers. Until then, however, particular attention should be given to the structure of these nascent and often fragile relationships. This research focuses on the employer side of the collaboration with CBOs. I explore three things: 1) the level of corporate involvement with CBOs, which is referred to as external or corporate connectedness; 2) the level of internal corporate support for and integration of work-

force development practices, which is the corporation's level of cohesiveness; and 3) the extent to which a combination of connectedness and cohesiveness produces different labor market outcomes.

Based on a small yet diverse sample of corporate cases, I found that firms with high levels of both connectedness and cohesiveness are more likely to provide good jobs—those providing living wages, benefits, and the potential for upward mobility. By way of contrast, firms with low to moderate levels of connectedness and cohesiveness are more likely to provide dead-end jobs—those with fairly low wages, low job security, and little mobility. Accordingly, this research fine-tunes Harrison and Weiss's (1998) thesis that argues for the importance of institutional networks for connecting nontraditional job seekers to the labor market and for optimizing their outcomes. Although optimal collaborations or networks—those that produce good jobs—have both high levels of connectedness and cohesiveness, if we look at workforce development collaborations from an employer perspective, external connectedness seems to matter less than internal cohesiveness in producing good jobs for disadvantaged job seekers.

Over the next few sections of the paper, I present a review of the literature on the role of employers in workforce development and their approaches to collaborations with CBOs. I seek to highlight the role of employers' programs in promoting the employment and advancement of low-skilled and entry-level workers. In the following section, I present examples of the different approaches deployed by firms that have led the way in workforce development. For the purpose of organizing the discussion, I have divided the corporate cases selected for the study into four categories. These categories are based on an assessment of the structure of the relationship between the corporation and its partnering CBOs as defined by the corporation's efforts to build capacity at the community level. The corporation may choose to integrate workforce development programs into its core operations (vertical integration), or instead it may promote a strategic alliance, or structure programs as joint ventures.

WORKFORCE DEVELOPMENT AND THE ROLE OF EMPLOYERS

Harrison, Weiss, and Gant (1995) make an important distinction between employment training and workforce development. They state that the intent of workforce development is much more comprehensive than merely training employees; it includes services such as collaborating with other organizations, recruiting job seekers, job matching, mentoring, addressing issues of retention, and following up. Later, Harrison and Weiss (1998) embark on an understudied aspect of the workforce development process. From the community-based organization's perspective they analyze the structure and utility of the relationships or networks that CBOs develop with employers. Additionally, they create conceptual models for better understanding the operations of these relationships and the benefits they produce. Because workforce development extends beyond employment training and job placement into areas of retention, supervisory training, and advancement, it has become increasingly important to integrate the supply side of labor market participation—training, education, and job search strategies—with the demand side, employer needs and expectations. Harrison and Weiss argue for the instrumentality of formal and informal inter-organizational networks for integrating the two sides of the labor market with existing workforce development practices.

Job seekers often utilize informal networks—family, friends, and neighbors—to gain valuable information about economic opportunities. Similarly, employers often rely on word of mouth referrals to gain access to pools of labor. However, the formal relationships being forged between CBOs and employers “hold out the promise of building relationships of trust and competence that can, over time, reduce the individual and social costs of job search” (Harrison and Weiss 1998, p.1). As community organizations attract employers by leveraging longstanding relationships to community members, employers capitalize on these preexisting relationships and provide job seekers with economic opportunities. These mutually beneficial relationships can potentially redistribute jobs, income, and experience in areas hit hard by economic restructuring and public disinvestment. Harrison and Weiss's work was groundbreaking within workforce development research. However, it became increasingly important to better understand the sustainability of

CBO and employer collaborations. In addition to examining workforce development networks from a CBO perspective, researchers have to further explore employer needs and expectations. Using interviews of employers engaged in what they classify as workforce development, this research begins to create a conceptual framework for understanding the under-explored dimension of workforce development collaborations from the employer perspective.

Policymakers and practitioners have also begun to talk about demand-side workforce development strategies. Demand-side strategies seek to address employers needs, wants and expectations, and to be sensitive to how employers hire and what stimulates employer interest in additional semiskilled applicants. Demand-side workforce development strategies attempt to adapt to fluctuations in labor demand and the ensuing income inequality. For example, the skills mismatch argument is essentially a demand-side explanation for labor market inequality that explains the expanding employment gap between educated and less educated workers as a function of disparate technical skills and technological advancement. Moreover, demand-side workforce development attempts to engage in collaboration, recruitment, job matching, mentoring, and retention by paying particular attention to the all too familiar restructured economy. The new economy and changing labor market dynamics in the United States include a transition from a manufacturing economy to a service economy (Bluestone and Harrison 1982; Harrison 1994; Herzenberg, Alic, and Wial 1998), an increased utilization of domestic and international outsourcing, unprecedented pressure to be globally competitive, the spread of new technologies, the trend toward more casual employment relationships and the loss of job security (McCall 2001), and what Howell (1997) describes as an infectious acceptance of “low-road” strategies toward labor. All of these have contributed to the dismantling of career ladders, a growth in inequality, and a collapse in real earnings, particularly at the bottom of the skill distribution.

Yet another approach for connecting low-skilled job seekers to the labor market accentuates the institutional—especially the network—connections between supply and demand. Significant contributions to this body of work highlight sectoral initiatives as well as the role of networks (social networks between family and friends and institutional networks among workforce development intermediaries, CBOs, gov-

ernment agencies, and employers) in matching the disadvantaged to sustainable job opportunities (Harrison and Weiss, 1998; Meléndez and Harrison 1998; Falcón and Meléndez 1996; Granovetter 1973, 1974). It is now generally accepted, however, that many black and Latino job seekers pursuing entry-level jobs in the low-wage segment of the labor market are often impeded by a complex array of barriers such as inadequate technical preparation, untimely or inaccurate information about job opportunities, the physical and social distance between suburban employers and inner city laborers, and manifestations of institutionalized racism.

In addition to encountering labor market obstacles, racial and ethnic minorities pursuing entry-level jobs frequently have the misfortune of being connected to the wrong types of networks (Meléndez and Falcón 1999). In other words, the natural friendship and familial relationships, or strong ties, that most low-income people have tend to be with other low-income people. As a result, the necessary links to information regarding living-wage jobs do not exist for many low-skilled workers and job seekers. The rampant underemployment and unemployment that plagues many inner-city communities at levels that are usually at least twice that of other urban areas can be only partially attributed to inadequate market resources and to structural adjustments caused by plant closings, businesses relocating, and corporate downsizing (Lichter 1988). But beyond that, the absence of valuable marketplace connections developed through formal relationships, or institutional brokers, precludes inner city blacks and Latinos from finding gainful employment.

Workforce development practitioners, researchers, and policymakers alike are increasingly turning to sectoral strategies for linking job seekers to the mainstream economy. Sectoral strategies are considered promising because they target regional growth industries and occupations; therefore, workforce development becomes a customized product based on the needs of employers (Theodore and Carlson 1998; Parker and Rogers 1998). Once promising sectors are identified and targeted, workforce development organizations can efficiently enhance the human capital of job seekers by providing technical training based on employer requirements and specifications. Recent literature on sectoral strategies (Meléndez 1996; Meléndez and Harrison 1998; Parker and Rogers 1998) emphasizes the benefit of encouraging employer partici-

pation in the workforce development process from its inception. Ideally, employers should be regarded as active partners in a seamless process, as opposed being seen as the final destination in the workforce development delivery network. Firms such as United Parcel Service (UPS), Sprint, and Salomon Smith Barney work with community organizations that have the capacity to train potential employees in soft skills as well as in technical skills directly applicable to the jobs they will perform. In turn, these firms assist training organizations in designing and implementing customized curricula.

WORKFORCE DEVELOPMENT IN THE NEW ECONOMY

The effectiveness of all these workforce development approaches—those emphasizing human capital, those focusing on employer demand, and those stressing connections and networks—must be considered in the context of the economic restructuring of the 1990s and the sluggish recovery since 2000. While the new economy of the 1990s was robust and more than 12 million jobs were created (Giloith 1998), for all intents and purposes too few good jobs were accessible to members of low-income communities. The downward spiral in wages for low-skilled workers, which traditionally hits blacks and Latinos hardest, has led to an unprecedented rise in wage inequality (Blau and Kahn 1992; Mason 1995; McCall 2001; Rodgers 1997). There is also a heightened level of job insecurity caused by a complex array of factors: deunionization, corporate restructuring, downsizing, outsourcing, a dismantling of career ladders, and increased utilization of contingent labor. In all, many economists and policy analysts suggest that shifts from manufacturing to services, coupled with globalization (the rapid and accelerating worldwide movement of technology, goods, capital, people, and ideas), have had a disastrous effect on many of America's inner cities (Sugrue 1996). These low-road trends have been in existence long enough to make plain that the workers most vulnerable to changing employment practices are those on the periphery of the labor market: people without college education, the young, and nonwhites (Bernhardt and Bailey 1997).

A large and possibly growing incidence of short-term employment contracts, as opposed to career ladders and long-term investments in

employees, characterizes the new economy. Other characteristics include the measurement of corporate health by a firm's ability to reduce costs through efficient uses of fixed costs; corporate restructuring and reengineering being used as synonyms for downsizing, layoffs, and lateral transfers; rapid technological change; deregulation; and freer global trade arrangements. Consistent with that is the widespread policy of outsourcing systems and departments while hiring contingent, part-time, and temporary workers to perform both highly skilled and menial jobs. Now more than ever, firms are becoming interested in developing innovative strategies for accessing new sources of labor. Since the tight labor market of the late 1990s, corporations have become more involved in external workforce development systems. Many firms realize the economic benefit of hiring employees after they have been screened, and to some extent trained, by external organizations. These benefits are proving to be incentives for firms to build relationships with CBOs and participate in the external workforce development process.

One can only speculate that the "lean and mean" firms of the nineties may have been preparing for tougher economic times. In doing so, they were perfecting what seemed to be a just-in-time human resource management system to fill positions at all levels of the firm. Many firms already have long-established relationships with universities, colleges, and private sector headhunters, and these labor market suppliers usually provide training in the technology, operations systems, and business practices necessary to fill managerial positions at many of the largest employers. One could easily draw parallels between these relationships and the networks that firms are currently creating with CBOs for filling entry-level positions.

Flexible and nimble firms drive the engine of America's economic system. Accordingly, it is rational for employers to work with labor force suppliers to obtain trained staff as needed instead of investing internally in the recruitment, training, and development of job candidates, especially for jobs that traditionally have high rates of turnover. CBOs and community colleges, for their part, have cultivated the niche of identifying "employable" pools of entry-level labor and are making capital investments in technology and operations management systems in order to provide more effective training. They are also designing customized curricula based on employer specifications.

It is evident from the above discussion that the context for the implementation of employer-based workforce development programs depends on the approaches deployed by both the employers and their community partners, and on broader economic trends not easily influenced by any one organization. In the next section of the paper, I explain the method used to assess the structure of the relationships and other factors affecting the implementation of employer and communities partnerships.

METHODS

I conducted interviews with human resource directors and staff, corporate foundation officers, and corporate community relations managers at eight large firms (those with more than 500 employees) from industries as diverse as financial services, package distribution, aircraft manufacturing, and life sciences. There were three primary criteria for inclusion: first, firms must have ongoing relationships with CBOs. These could be either tacit or explicit commitments to a CBO or a community. An agreement to hire graduates from training programs, or some other arrangement whereby the firm contracts with the CBO to provide products or services, would qualify. Second, employers must intend to create sustainable jobs (as opposed to seasonal or other temporary work) specifically geared toward low-income men and women from the inner city. And third, employers must be cognizant of the many issues associated with hiring nontraditional employees. The employers interviewed recognized the need to provide support for newly hired entry-level employees. However, this did not necessarily mean that they designed or implemented new policies and procedures; rather, they acknowledged the need to make a concerted effort to help acclimate new hires in ways that might be different from existing protocol.

Identifying firms that met these three criteria was not difficult. I selected eight cases that are representative of a much larger group of corporations actively engaged in developing and sustaining workforce development programs. This new corporate-community activism is related in part to the effects of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, which redesigned the welfare system, shifting it from an income maintenance system to

a work-based system.¹ As human resource managers grappled with the question of corporate participation in welfare reform, they often asked questions about the “appropriate” role of firms in workforce development and Welfare-to-Work.

FACTORS THAT DETERMINE CORPORATE INVOLVEMENT IN WORKFORCE DEVELOPMENT COLLABORATIONS

So far as profit driven corporations are concerned, their most obvious role in workforce development is, clearly, to provide employment opportunities for qualified job seekers. It is important to differentiate, however, between the formal workforce development practices most large firms are involved in through their internal labor market and the various external arrangements firms enter into with other workforce development stakeholders such as CBOs and state agencies, which is really the focus of this paper. Within a firm’s internal labor market (Doeringer and Piore 1971; Osterman 1994), there is a clear incentive to engage in workforce development so as to improve human capital and, subsequently, increase productivity as well as competitive positioning. If our understanding of work is restricted to paid activities performed within a large firm, and we accept Harrison, Weiss, and Gant’s (1995) definition of workforce development, which encompasses more than employee training by including the process of inter-organizational collaboration, recruiting job seekers, job matching, mentoring, and addressing issues of retention and follow-up, then it is easy to understand how workforce development becomes a reiterative process during the life of most workers. Moreover, internal human resource management has become so indispensable to corporate management that departments have emerged to train and retrain employees as they move horizontally and vertically. The cultivation and acculturation of employees is typically an internal function, although more and more employers are outsourcing the responsibility for human resource development to specialists, including independent private sector training firms and community colleges. This is especially true with respect to technical and managerial functions.

Another common strategy used to attract talent is to offer an efficiency wage, paying somewhat above what a given employee might be

worth in order to quickly obtain employees who have acquired industry-specific knowledge and skills. For low-wage, entry-level positions, however, on-the-job training remains the standard. We are unlikely to hear about employers offering significant training to their low-wage, entry-level workers unless the labor market is so tight that even entry-level workers have leverage. Generally, employers anticipate that such an investment would be a sunk cost, owing to the expected high levels of turnover of these positions.

In contrast, the external workforce development networks in which firms participate emphasize the human capital development of a pool of potential entry-level applicants, rather than the training and maturation of specific employees. It is through such external systems that employers work with various labor suppliers, such as CBOs, governments, and educational institutions, to build human capacity and expand the pool of skilled job seekers. In both internal and external workforce development, corporations frequently employ human resource managers, or "buffers," whose responsibility it is to recruit and train new hires and acculturate them to the corporation. The level at which individual buffers are interested in, and receive internal support for, using unconventional practices to connect entry-level workers to a firm often dictates the scope of the partnership between CBOs and that firm. Moreover, the degree to which other firms in a given industry are involved in corporate-community partnerships sways an ambivalent firm's inclination to try these nontraditional arrangements. Consequently, the tight labor market of the 1990s also forced firms to be increasingly innovative and more liberal about implementing strategies to attract workers.

For many low-wage positions, points of entry into firms have expanded with changing corporate structures and changing organization of work (Cappelli et al. 1997). But as firms have become physically and socially disconnected from urban neighborhoods and inner city dwellers, they lose their ability to effectively marry employees to jobs and determine who will be productive workers. Research has shown that many potential applicants for low-skill, entry-level jobs, especially blacks and Latinos from the inner city, are intimidated by traditional cold calling on employers and filling out applications, on account of their fear of labor market discrimination and rejection (Newman 1996). Therefore, informal hiring networks based on word-of-mouth referrals among the friends and family of employees often benefit firms and rep-

resent more comfortable options for such applicants. As we previously observed, however, these informal networks among low-income workers do not regularly produce living wage opportunities. The networks proving to be most lucrative for firms and disadvantaged job seekers alike come from a combination of formal and informal relationships, which describes the role of many CBOs. Community-based organizations serve as the employment broker, as they both cultivate corporations as contacts and prepare job seekers for opportunities.

The role of community-based job developers has expanded as state employment systems have been revamped because of their inability to effectively match job seekers and employers. By utilizing community institutions, firms can choose among a pool of applicants that have been previously screened for all the basic indicators of poor employment performance, thereby increasing the probability of a good fit.

For example, Salomon Smith Barney has a partnership with Wildcat Service Corporation, a CBO that specializes in workforce development. Job seekers who have successfully completed Wildcat's fairly rigorous 16-week internal training program may be placed in a four-month internship at Salomon Smith Barney. During this four-month period job seekers remain Wildcat trainees, and Salomon pays Wildcat for the temporary help. Job seekers use the internship to get acclimated to the corporate culture, and Salomon uses the internship process as a strategy for trying out potential employees before making a commitment to them by offering full-time, permanent positions. (Recently, a similar process has been widely used by private temporary agencies to place highly skilled candidates in private sector positions.) The human resource manager at Salomon Smith Barney was comfortable using this recruiting technique as a nontraditional way to fill even entry-level administrative positions. The firm judged the idea to be an economically sound business decision and a socially responsible business practice.

To facilitate discussion of the cases examined in the study, I have categorized corporate involvement in workforce development systems depending on the nature of the external relationships cultivated with the CBOs and on the level of internal engagement in the process. I have grouped the cases into the following four categories:

- 1) Capacity building. Capacity-building strategies aim at improving the capacity of the community-based program participants.

- 2) Vertical integration. Corporations following this approach internalize most workforce development functions, from recruitment to retention, and often do not create extensive partnerships with CBOs.
- 3) Strategic alliances. The most common way firms work with CBOs is through different types of strategic alliances in which participating institutions have common or mutually beneficial goals. Firms following this strategy bolster the organizations' ability to effectively manage networks, share information, and operate at scale.
- 4) Joint ventures. Although joint ventures are a form of strategic alliance, they represent the most cohesive possible partnership between firms and CBOs, whereby both parties have a vested interest in the success of the relationship.

Capacity Building

Both Johnson and Johnson and International Business Machines (IBM) used capacity building strategies to structure their participation in workforce development. Capacity building strategies do not bolster the firms' corporate workforce; instead, they enhance the capabilities of the CBOs by improving the capacity of the community-based program participants. This strategy indirectly increases the pool of qualified job applicants by improving the quality of supply-side strategies. Firms using it exhibit a fairly low level of internal cohesiveness toward workforce development. Capacity building strategies do not require employees to support corporate-CBO networks because firms are not recruiting new staff through this workforce development strategy. Rather, firms use it to develop or finance external human capital development programs such as summer internships for youth, school-to-work programs, technology-based in-kind donations, and technical assistance.

Johnson and Johnson is one of the largest manufacturers of health care products and pharmaceuticals in the country; it has its corporate headquarters in New Brunswick, New Jersey. Johnson and Johnson organized the Bridge to Employment program to provide opportunities for young people to receive the training and education necessary to pursue careers in health-related fields. The program is designed to help

high schools and community colleges develop appropriate curricula by implementing work-based learning through internships, field trips, mentoring, and job shadowing programs. Johnson and Johnson offered grants of up to \$90,000 over three years to groups selected to participate in the Bridge to Employment program. It uses the program as a corporate community relations strategy, which serves the dual purpose of facilitating collaborations with community organizations in disadvantaged neighborhoods and of improving the pool of local labor. The majority of the organizations receiving funds through the program develop stimulating health care–related curricula, pay stipends to interns, and cover operating expenses.

Within each site community collaborations are unique, although each usually includes high schools, local chambers of commerce, CBOs, community colleges, community foundations, and private sector employers. One primary or host organization (Johnson and Johnson requires that it be in proximity to a Johnson and Johnson office or operating company) is assigned to serve as the intermediary between Johnson and Johnson and the community. The collaborative structure is conducive to the multidimensional goals of the program. The goals include 1) building long-term partnerships among businesses, educators, community groups, and parents to develop effective education programs; 2) preparing young people who have dropped out of school, or are at risk of doing so, for the challenges involved in obtaining a job in the health care industry and for fulfilling the requirements necessary to succeed; 3) recognizing and advancing community efforts in locations that have a record of success in helping at-risk youth locate and sustain jobs; and 4) reinforcing parental involvement as an important link between young people and their schools.

“[Providing] internal employment opportunities is not the intention of the program,” says Michael Bzdak, director of Bridge to Employment. “It is really designed to support young people in their pursuit of secondary education in health-related fields. If young people who have participated in the program come to us seeking employment after they have completed some secondary education, great. The program is part of corporate philanthropy, not human resources.” Thus, for Johnson and Johnson, Bridge to Employment is a long-term workforce development strategy designed to ensure a pool of skilled labor for the future.

The IBM Corporation also used a capacity-building approach to establish partnerships with CBOs. IBM is one of the largest manufacturers of technology systems in the world; its corporate headquarters are in Armonk, New York. In response to the urban unrest and race riots that occurred in cities across the United States during the mid to late 1960s, largely due to inadequate economic opportunity, disenfranchisement, and embedded racial inequality, the IBM Corporation initiated a program to develop and support partnerships with community-based job training providers by donating equipment, supplies, technical services, and training. Since the initial partnership with the Urban League of Los Angeles was established, IBM has expanded its support to include more than 170 nonprofit job training centers throughout the nation and has invested over \$26 million in technology and support. These centers have helped prepare more than 67,000 disadvantaged individuals for successful participation in the labor market. In 1996, IBM shifted its philanthropic strategy and created the IBM Workforce Development Technology grant program. This three-year demonstration program builds on IBM's long-standing commitment to and expertise in developing and supporting technology solutions for job training and adult education.

The IBM Workforce Development Technology grant program invested over \$2 million in 10 nationwide projects, including CBOs, public-private partnerships, and schools, with the intent of building the projects' technological capacity and thereby increasing the scope, quality, and efficiency of their workforce development programming. The projects were located in more than 20 cities nationwide and collectively served about 6,000 people. The main goal of the program was to build organizational capacity in employment training by allowing organizations to use cutting-edge technology (such as distance learning, video conferencing, networking software, and Internet access) supplied and supported by IBM. In the process, inter-organizational collaborations were created, access to training was extended to disadvantaged people, and innovative curricula were developed and shared among organizations. Additionally, systems have been created to track programmatic outcomes and employment placements. Although job placement was not a primary goal for most of the organizations participating, they placed approximately 1,300 people in jobs paying between \$6 and \$13 per hour. Jobs included computer repair technicians, security guards,

medical assistants, bookkeepers, customer service representatives, and environmental technicians.

All of IBM's programs connected people to job opportunities using technology. Doris Gonzales-Light, the IBM program manager, believes that the Workforce Development Technology grant program has been very successful in terms of helping nonprofit organizations enhance their internal capacity to implement employment training programs, track outcomes, and leverage resources to generate additional support. When asked how IBM will participate in workforce development in the future, Gonzales-Light responded that it would use another approach but continue its support. For example, IBM made a grant to the Welfare to Work Partnership in Washington, D.C., to help that organization upgrade its Web site and redesign its database. The Partnership database is intended to link job and training opportunities across regions and states; individuals can access the database to locate job openings, skill requirements, and facilities providing training.

In making its resources available to the Welfare to Work Partnership, IBM has moved away from building organizational capacity at the community level, which directly affects individual-level employment outcomes, toward institutional capacity building, in which individual outcomes are more nebulous. If we visualize the levels of capacity building using concentric circles, individual capacity is the micro-level at the center; organizational capacity is the meso-level; and institutional capacity, as with the Partnership, would be the macro-level, or the outer circle.

Vertical Integration

In contrast to the prior cases, Cessna Aircraft Company has a high level of internal cohesion and few external connections. The company's approach to workforce development can be understood as vertically integrated because it has internalized most workforce development functions, from recruitment to retention, as opposed to creating extensive partnerships with CBOs. Vertically integrating external workforce development is a strategy used by firms to reduce interdependencies with significant members of the environment, namely CBOs.

Cessna, a 9,400-person firm based in Wichita, Kansas, started an internal program called the 21st Street Project, a comprehensive job train-

ing program that targets welfare recipients as well as other community residents in need of work. As an aircraft manufacturer, Cessna requires a constant pool of trained or semiskilled laborers to fill entry-level positions, primarily in sheet metal work and administrative services or clerical positions. But rather than relying on capricious labor pool suppliers, who may or may not have access to timely information regarding job openings and may or may not have the capacity to train job seekers according to demand requirements, Cessna has integrated the process internally. (The recruiting and training of potential employees for sheet metal and administrative positions through the 21st Street Project, however, is distinct from the human resource management systems used for other technical and managerial positions in the firm.) Cessna attracts participants to the three-month-long pre-training program by posting announcements in public spaces believed to be accessible to and utilized by potential job seekers, such as on community bulletin boards, in local newspapers, and by distributing them directly to consumers at supermarkets. Cessna also received a pool of job candidates from the Kansas Department of Social Services, which referred welfare recipients ready to transfer to work.

Job candidates must take part in the 21st Street Project's pre-training program, designed to foster both basic academic skills and work ethic and soft skills, before they are allowed to apply for permanent Cessna positions in sheet metal or clerical. During the pre-training period Cessna has no formal commitment to participants, so participants are allowed to continue to receive public assistance. At the conclusion of the pre-training program, successful participants interview for sheet metal or clerical positions. Job seekers asked to participate in one of the 21st Street Project's training programs are considered full-time employees of Cessna. Trainees receive above-minimum wages, health benefits, and vacation time. Approximately 70 percent of trainees successfully complete the training, which includes a series of verbal and written exams, work-based evaluations, and regular progress reports.

Since the inception of the 21st Street Project in 1995, Cessna has expanded the program to address some of the common problems affecting many low-wage workers. Company executives found that the three most common factors impeding successful completion of training were inaccessible or unaffordable child care, the absence of reliable transportation to work, and abusive home environments. In response to an

overwhelming need, Cessna expanded its training campus in November 1997 to include child care facilities and residential housing for trainees and for entry-level and lower-wage employees who have difficulty getting to and from work or are in need of more appropriate living conditions.

Although high costs are associated with developing and maintaining vertically integrated systems because of the additional staffing and overhead associated with the recruiting, training, and hiring process, there are clear economic benefits as well. By vertically integrating labor supply with demand, Cessna eliminates intermediaries and gains first-hand knowledge of potential employees. In a tight labor market, where employee turnover is costly, Cessna is able to make informed assessments about trainees' abilities to be productive and to acclimate to the corporate culture. Although CBOs engaged in workforce development strive to match employers' wants with job seekers' needs, the fit is not always ideal at either end. Vertical integration gives firms more control over their labor force by centralizing authority and decision making. At the same time, it also potentially minimizes opportunities for job seekers that may be excluded from the firm's hiring process, because there are no alternative points of entry.

Strategic Alliances

The most common way firms work with CBOs is through different types of strategic alliances in which participating institutions have common or mutually beneficial goals. Essentially, alliances bolster businesses' and CBOs' ability to effectively manage networks, share information, and operate at scale (Gouillart and Kelly 1995; Fombrun 1992). Since the term "strategic alliance" is quite broad, this section distinguishes among various types based on the degree to which corporate headquarters' commitment to the external workforce development process has permeated the firm, spreading into areas where it was not originally intended to apply. However, the strength of the alliance does not directly correlate with the number of people hired into entry-level positions. Strength is more often indicated by the flexibility of the corporate culture to engage in nontraditional relationships. Higher levels of corporate support for workforce development programs can be cultivated by charismatic human resource directors, or corporate buffers,

who want to implement innovative strategies for attracting workers. Corporate cultures amenable to change often have established avenues to support new ideas.

The workforce development practices at United Parcel Service, United Airlines, Sprint, and Monsanto exemplify three variations of strategic alliances: highly decentralized (UPS), moderately decentralized (United), and centralized alliances (Sprint and Monsanto). In decentralized workforce development alliances, firms exhibit a commitment to integrating external partnerships throughout their regional offices as part of their corporate human resource practices, reflecting a resourceful approach to expanding the pool of labor. Firms engaged in a highly decentralized alliance customize external relationships to meet the specific needs of regional establishments; hence the environment and parameters of each relationship may be different. Regional offices partner with local CBOs to design and implement workforce development programs based on local or branch office employment needs.

UPS, a leader in package distribution and the third largest employer in the United States, has highly decentralized alliances with its CBO partners. The company has a long history of corporate citizenship and of hiring from within the communities it serves; its regional offices make a point of building partnerships with CBOs, churches, state and local government agencies, and schools. These formal and informal relationships with external organizations fulfill a dual need for UPS. They help the firm's local human resource departments develop qualified pools of applicants for positions at UPS, and they also help UPS achieve part of its corporate mission—specifically, to be a well-regarded employer that is mindful of the well-being of its community. UPS regards community involvement as essential to the fulfillment of its mission, says Kerry Benedetto, corporate community relations manager.

As a decentralized organization, UPS has given its regional offices the autonomy to design workforce development strategies based on local needs and resources. UPS personnel are able to develop decentralized workforce development programs because branch offices receive support from corporate headquarters. Indeed, regional offices have the autonomy to individually interpret the organizational philosophy and establish appropriate partnerships and programs that meet the common goal of workforce development. The UPS organizational philosophy and operational structure functions to help the firm do good while do-

ing well. A description of the extent of United Parcel's participation in workforce development and community networks is beyond the scope of this chapter; instead, we take note of a few of the company's unique network relationships.

Although most UPS employees receive a starting wage of \$11 an hour plus benefits, three-quarters of the workforce is employed part-time because of peaks and troughs in the company's delivery cycle. In an effort to provide full-time employment to more of its workers, in 1995 the Chicago branch office began an "Employee Sharing Program." In this program, a consortium of companies creates full-time hours for employees by combining compatible part-time jobs and creating a system of cross-referrals among employers. The employees gain greater work experience and earn additional income, and "the combination of jobs can be more interesting (or less boring), increasing their overall quality of life," says Benedetto. Employee sharing helps mitigate employers' fear of training entry-level workers only to have them leave for alternative economic opportunities. Moreover, the improved quality of life that employees experience has helped to increase retention rates.

The Employee Sharing Program has proven to be a mutually beneficial program. It satisfies UPS's need for employees who will work unconventional shifts, such as from 4 a.m. to 8 a.m., and at the same time it meets the needs of those participating employers, such as non-competitive firms at a local airport or small businesses, that often cannot provide full-time work. Participating employers receive employees based on a referral from UPS, which includes a background check, drug testing, and training, along with a benefits package that often surpasses what these firms, particularly the small businesses, can offer part-time employees.

In addition to running the Employee Sharing Program, which is an internally operated, decentralized initiative, UPS offices partner with established and respected local CBOs, such as the Urban League, as well as with smaller organizations. UPS offices have long-standing partnerships with CBOs, and the company believes these partnerships are successful on account of the shared goals of providing economic opportunities, sustainable employment, and social welfare. Benedetto suggests that UPS is interested in building partnerships with CBOs that are forward-thinking and can provide employment training based on the needs and specifications of UPS. For example, UPS engages in

workforce development partnerships with CBOs willing to provide off-peak training, such as the aforementioned early-morning shift of four to eight. CBOs also must be willing to provide both soft skills, such as punctuality, attention to detail, and physical fitness, and the hard skills, or technical skills, necessary to be a successful UPS employee, such as safe driving habits and technological acumen.

The difference between highly and moderately decentralized alliances lies in the level of corporate involvement and the degree of authority relinquished to regional offices to create and participate in external partnerships or commitments. In a highly decentralized alliance, external workforce development relationships may look different in each locale, but moderately decentralized alliances maintain a more uniform approach to regional workforce development.

United Airlines, based in Chicago, employs over 94,000 people, 37 percent of whom hold clerical and managerial positions, 29 percent of whom are mechanics, 24 percent flight attendants, and 10 percent pilots. United is the largest employee-owned company in the United States. In 1994, when Gerald Greenwald became chairman and CEO, he facilitated the company's transition to employee ownership. Greenwald saw United's long-term success and leadership in the airline industry as being dependent on creating a corporate vision that was shared by workers, management, unions, and shareholders. Early on, Greenwald made a corporate commitment to President Clinton that United would take a lead role in creating replicable strategies for corporate participation in the Welfare-to-Work program. United's core participation has evolved into a decentralized, regional office-based program whereby local, community-based partnerships are formed to fill entry-level reservations positions throughout the firm.

Although United serves approximately 100 domestic and nearly 40 international airports, its external workforce development partnerships operate primarily in 11 regional offices, with concentrated efforts in six: Chicago, Miami, New York, Denver, Los Angeles, and San Francisco. In each, United has created relationships with CBOs and government agencies, which perform the employment training and referral services in the workforce development network. According to Scott Gilday, director of people services for the airline, "United relies on external organizations to train job seekers in the soft skills, such as attitude, job performance standards, work ethic, and communication . . . United

provides all new hires with the necessary technical skills in a six- to seven-week internal program.”

Given the high costs associated with training new employees, United forms long-term relationships with CBOs such as the Urban League to increase the probability of a good fit. CBO partnerships are judged based on referrals’ staying power, or the CBO’s ability to refer job seekers who will remain on the job. Over 35 percent of unsolicited new hires leave United within a year, but referrals from CBOs and government agencies tend to produce a much greater success rate.

Eileen Sweeny, manager of civic affairs at United, offers an explanation for the company’s seemingly high overall attrition rate and the significantly lower attrition rate for former welfare recipients. She notes that as part of the employee stock ownership program, in which over 55 percent of corporate personnel participate, wage concessions were made over a five-year period; as a result, newly hired employees, from front-line workers to pilots, received reduced benefits and salary. “An average hourly wage for newly hired front-line workers is \$7.67,” she says. “However, these newly hired workers may work beside coworkers, doing similar jobs, who earn \$16 per hour because they were hired prior to the employee stock ownership program, enacted in 1994. This is bound to have a discouraging effect and create turnover.” On the other hand, former welfare recipients are more inclined to stay with the company, she observes, because they have fewer leverageable skills owing to a lack of experience. They may also feel a sense of loyalty to the firm for giving them a chance.

The Welfare-to-Work program is a significant addition to the human resource practices of United Airlines. The airline expected to hire 2,000 people off of the welfare rolls by the year 2000. It has created new positions—so-called field employment staff—to execute and manage the program and to serve as links between the firm and CBOs. United views this human resource investment as an economically rational and efficient expense because the company is now able to reduce the high costs associated with turnover.

While United has made a considerable contribution to the Welfare-to-Work program, the overwhelming majority of its placements fill entry-level reservations positions, which typically have the highest rates of turnover in the industry. Even taking into account Sweeny’s explanation, United’s 35 percent attrition rate per year is curious. It leads one to

question how much of the turnover can be attributed to the individuals involved and how much to the organization. Its efforts at cultivating a more dependent pool of labor, which leads to reduced turnover, does not suggest that the organization is inclined to address the underlying causes of job dissatisfaction.

The third and final form of strategic alliance, centralized alliances, reflects workforce development relationships designed and implemented centrally, within corporate headquarters as opposed to at regional offices. There seem to be two types of centralized alliances. Some, of which we give an example below, are not very different from decentralized alliances, except that they are designed to fill in-house job openings and provide limited employment opportunities. Others, as in the second example below, have firms that outsource more and more of their entry-level operations. Such firms are inclined to create centralized alliances characterized by a narrow span of control over workforce development and incorporating a limited interpretation of workforce development partnerships. Levels of cohesiveness and connectedness vary based on corporate culture and philosophy.

Sprint, whose headquarters is located in Kansas City, is a leader in the global telecommunications industry: a provider of local, long-distance, and wireless services and an innovator in the nationwide fiber optic network. By partnering with local CBOs, Sprint built a new call center in Kansas City's inner city to process long distance calls throughout the county. The facility is called the 18th and Vine Call Center or, informally, "The Jazz Rock" (reflecting the historic jazz district that flourished at 18th and Vine). The Kansas City Area Development Council, whose mission it is to bring jobs and businesses into Kansas City, encouraged Sprint to create jobs in the inner city by opening its call center there as opposed to in the suburbs, where Sprint already operates four centers. In addition to the Area Development Council, Sprint worked with the Black Economic Union to rebuild the site to house the call center, and with the Kansas City Urban League and the Full Employment Council to fill 60 new call center jobs. The demand for jobs in the area far outnumbered the supply: a job fair, held at the local community college, yielded more than 700 applicants for the 60 available slots.

Securing one of the available positions thus became a very competitive process. The Full Employment Council and the Urban League

provided prescreening of job applicants (based on diction, telephone etiquette, work history, drug testing, and motor and cognitive skills) along with placement services and job training; applicants that passed the first round of screening participated in a training course administered by Sprint and Metropolitan Community College. Because call center employment is growing in the Kansas City area, Sprint helped design a six-week course to provide job seekers with the technical and soft skills necessary to obtain call center jobs with any of the city's major employers, including American Airlines, AT&T, and Sprint itself. The firm also made a significant investment in the training program by deploying staff to train community college trainers and by helping the college purchase equipment and technology to be used for training. Sprint expected its return on investment to be a pool of qualified job applicants, thereby lowering costs associated with turnover.

Another example of a centralized strategic alliance comes from Monsanto, located in St. Louis. Monsanto is a life sciences company that employs approximately 20,000 people; the business focuses on biotechnology in the areas of agriculture, food, and health. During the early 1990s Monsanto downsized and subsequently divested, or outsourced, most entry-level positions, including mailroom and printing, janitorial services, food services, laboratory glassware care, and some manufacturing, to independent firms that have become the firm's suppliers. Monsanto participates in workforce development by referring entry-level job seekers to its regional suppliers, such as Marriott and Pitney Bowes.

Deborah Patterson, a human resource director at Monsanto, says that the firm's current workforce development structure is best suited to Monsanto's needs. "Working with extraneous CBOs would require a lot of unnecessary paperwork," she says. "Moreover, most of the positions that Monsanto has to offer require at least an associate degree for entry-level technician jobs. Job seekers that have been successful with suppliers also have access to Monsanto's internal job postings, which is a way for applicants to join the Monsanto team after receiving the appropriate training." Monsanto's workforce development practices exemplify low internal cohesiveness and low external connectedness.

Joint Ventures

Although joint ventures are a form of strategic alliance, they represent the most cohesive possible partnership between firms and CBOs, whereby both parties have a vested interest in the success of the relationship. Joint ventures are often formed to reduce unpredictability in the environment. Within such arrangements, firms begin to depend on their CBO partners to supply pools of qualified and motivated job applicants, while CBOs rely on firms for support in designing curricula, offering real work experience, and hiring graduates from training programs.

Salomon Smith Barney (SSB), a leader in global financial services with corporate headquarters in New York City, has made a strong commitment to partnering with CBOs in order to expand its pool of qualified job applicants for entry-level jobs throughout the firm. Since mid-1995, SSB has partnered with Wildcat Service Corporation to provide Welfare-to-Work opportunities for single mothers receiving public assistance. The goal of Wildcat's Private Industry Partnership (PIP) project is to create a replicable, cost-effective way to significantly increase employment in growth-oriented industries and long-term job retention among public assistance recipients. The structure of the program allows individuals on public assistance to move through the three-step process of training at Wildcat, gaining on-the-job experience through an internship at SSB, and obtaining a living-wage career opportunity with SSB.

Wildcat provides vocational education and basic skills training through a 16-week program that focuses on life skills, basic education, computer skills, work ethic, and a general acclimation to the corporate culture. Timeliness and dressing appropriately for work are strictly enforced during training in order to foster favorable work habits among a population of people that have been out of the formal workforce for some time. In collaboration with SSB's human resource staff, Wildcat provides training in intermediate and advanced software applications that are compatible with SSB's systems.

At the conclusion of the training program at the Wildcat site, trainees have the opportunity to interview for a full-time paid work assignment (internship) at SSB. These internships last for an additional 16 weeks, during which time the trainee remains a participant in the Wildcat program. Thus, SSB pays Wildcat \$8 an hour per intern, as opposed

to the \$20 an hour SSB would normally pay a temporary agency. This significant savings in labor costs was one of the main economic incentives for SSB's choosing to enter into a joint venture with Wildcat. During interns' tenure at SSB they develop new skills that are useful at SSB and transferable to other work settings. They also attend workshops at SSB targeted at helping them make the transition to a corporate environment, and covering topics such as conflict resolution and presentation skills. The workshops are open to all entry-level administrative and support staff at SSB; they are particularly illuminating, however, for the Wildcat interns.

During the course of the 16-week internship, interns undergo a written evaluation by their SSB manager. At the end of the internship, a hiring decision is made based on individual performance as well as the needs of the firm. Interns have attained permanent placements at SSB in departments such as research, legal, information systems, accounts payable, marketing, operations, public relations, and treasury. In 1998, salaries generally ranged from \$22,000 to \$28,000; also included is a comprehensive benefits package featuring stock options, tuition reimbursement, and access to backup child care.

Barbara Silvan, human resource director at SSB, and the program's champion, believes the program is so successful because "the managers at SSB really love Wildcats [the interns]. Where else can you try out employees for four months before you hire them? The Wildcats are highly motivated and well trained, they really want to work, and they've exceeded expectations. This was not initially designed to be a jobs program but rather an inexpensive way to fill numerous job openings. I could not have planned this better. The retention rate among the Wildcats is about 94 percent."

Both Silvan and Jeff Jablow, senior vice president at Wildcat, observe that one of the keys to the program's success is that it is a partnership between the corporation and the CBO. There is regular communication and continual follow-up, and since both parties want the partnership to be a success they actively engage in troubleshooting whenever a problem arises. Additionally, the first 16-week training program remains flexible and adaptable to SSB's needs. Trainees, interns, and newly hired employees know they always have someone at Wildcat whom they can communicate with about problems or issues as they occur. The relationship does not end once a trainee is placed;

rather, a new type of relationship begins. And as a professional CBO, Wildcat conducts its business in such a way as to help its partner meet its corporate objectives.

What seems particularly interesting about joint venturing is the difficulty in encouraging firms to engage in external workforce development at this level despite the program's success in sustaining durable labor market connections. The SSB example suggests that success is contingent on the intellectual, emotional, and financial investment of participating institutions, sometimes spearheaded by charismatic leaders at corporations or CBOs. The leadership at SSB and Wildcat developed a professional relationship that fostered trust and understanding about the parameters and expectations of the partnership. What was particularly important for this relationship was the authority of SSB's human resource director (the buffer) to implement nontraditional and somewhat controversial connecting strategies that, nevertheless, quickly gained support at all levels of the firm.

MEASURES OF CORPORATE INVOLVEMENT

The eight case studies suggest that tighter (more connected) relationships between firms and CBOs lead to the creation of jobs in the short term and of career opportunities in the long term. Loose relationships, in contrast, simply build capacity in the short term and have the potential for job creation in the long term. Firms collaborate with CBOs to varying degrees; some firms create first-source hiring arrangements with CBOs, while others have informal agreements and merely pass along information about job openings. Collaborations tend to be structured in accordance with the overall corporate vision, or corporate culture, which becomes evident through its human resource practices. Corporate workforce development operations run the gamut, as we have seen, from centralized to decentralized initiatives, or from workforce development practices initiated and implemented through corporate headquarters to those initiated and implemented through regional offices.

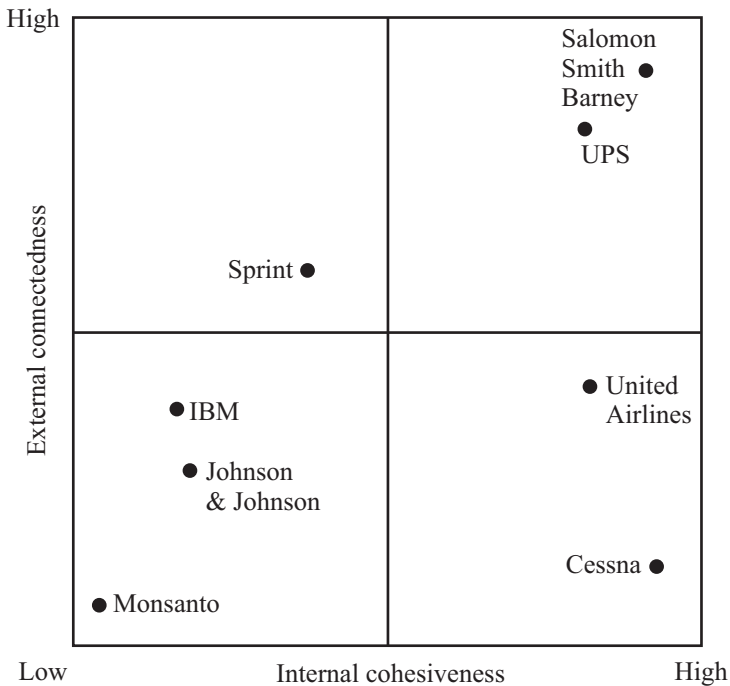
Time and time again, firms express concern and uncertainty about collaborating with CBOs above and beyond traditional job placement relationships, and many firms exhibit reluctance to embark on a joint venture strategy, despite its significant returns. The tight labor market

of a few years ago helped make unconventional working relationships more acceptable. Now we can expect that more and more firms will be pushed into alternative workforce development relationships as a result of their past success and the recognition of the importance of investing in relationships that attract and develop pools of entry-level workers. While employers are looking toward underutilized sources for pools of domestic labor, CBOs are becoming increasingly knowledgeable about designing training programs and brokering business relationships, with the goal of altering negative perceptions about nonprofit organizations and their constituents.

An important question remains. Now that the market has softened, will firms revert to their old ways of doing business, or have CBOs created relationships that are sustainable? It appears that some firms only tapped into the resources of CBOs during severe labor droughts but have since reverted to a range of more familiar practices for attracting entry-level job seekers. However, a cadre of savvy, forward-thinking CBOs engaged in workforce development did not relent when the labor market softened. Rather, these workforce developers focused on building sustainable relationships with a range of firms. They offered services that extended beyond increasing job placements to skill development and retention. The restructured economy and the proliferation of jobs in the service sector has created an even greater, albeit unfortunate, demand for low-wage, entry-level positions. As firms have become accustomed to outsourcing nonessential functions, reputable CBOs have emerged as the likely candidates to continue brokering entry-level positions, alleviating firms from being inundated with job applicants they do not want, and do not have the capacity, to process.

Although we do not know exactly what determines the structure of corporate-CBO relationships, we can see patterns in the types of jobs created. Using a conceptual framework to analyze corporate involvement in workforce development may be helpful. The level of cohesiveness represents the firm's commitment—reflected in its internalization of workforce development strategies (see Figure 13.1). Highly cohesive firms, such as Cessna, Salomon Smith Barney, UPS, and United Airlines, changed their organizational structure or protocol to adapt to new workforce development strategies. These firms utilized different external workforce development techniques, but each altered their old structure to incorporate new ways of attracting labor. United Airlines created new staff positions

Figure 13.1 Corporate Connectedness and Cohesiveness in Workforce Development



SOURCE: Author's calculations

to manage the influx, whereas Cessna made financial investments in infrastructure and personnel. The commitment within each highly cohesive firm was such that it altered “business as usual” at numerous levels within the corporation, not just in human resources or in the departments where new hires were working. This degree of commitment cannot easily be expressed in dollar terms because it encapsulates intangible aspects of the corporate culture. But we can, however, assert that firms engage in cohesive practices because they perceive them as a rational strategy for attracting employees given the constraints peculiar to those firms. Rarely do firms establish cohesive relationships based on purely altruistic intentions. Cohesiveness and altruism are not synonymous.

In contrast, the level of connectedness defines the strength of the relationship between firms and CBOs, specifically with respect to corporate involvement in external workforce development processes. The degree to which human resource managers and corporate trainers collaborate with CBO job developers and trainers to design training curricula, implement and adjust programs, and follow up on placements defines connectedness. Highly connected firms anticipate long-term benefits from relationship-building investments.

Firms with higher levels of connectedness—those with strong external relationships—tend to also have high levels of internal cohesiveness, although the reverse is not also true. The research found that highly connected firms, which engage in regular communication with their CBO partners, have, at some level, altered the tasks and responsibilities of their many human resource managers. And firms that actively network with CBOs tend to provide career opportunities in the long term as well as job opportunities in the short term. Highly connected and cohesive firms are more inclined, on account of their significant investment, to offer career opportunities to entry-level job seekers so as to ensure retention and job satisfaction. They do this by providing mentoring programs, skill upgrading, ongoing training, and supervisory training and advancement.

In the end, according to the research, the best jobs are created in firms characterized by both external networks (connectedness) and internal support (cohesiveness) with respect to utilizing the nontraditional pools of labor made up of former welfare recipients. So it is not just networks that matter in creating good jobs. Firms also have to be ready to embrace change.

Note

1. As of 1999 there was a list of over 7,000 employers formally participating in Welfare-to-Work through the Welfare to Work Partnership in Washington, D.C. The Partnership is a national effort on the part of the American business community to help move those on public assistance into private sector jobs. The mission of the Partnership is 1) to encourage firms to hire and retain former welfare recipients without displacing existing workers, and 2) to provide participating companies with the information, technical assistance, and support needed to create and manage successful programs. At the time this research commenced, the

Welfare to Work Partnership was in its infancy, with few corporate participants. All the firms included in this paper participate in the Partnership, although at different levels of engagement.

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