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Baker-Polito Administration Launches Workforce Development Pay for Success Project
Program will address barriers to employment for limited English speakers

BOSTON – Today, the Baker-Polito Administration, along with Jewish Vocational Service (JVS), and Social Finance, a Boston-based non-profit, launched the Massachusetts Pathways to Economic Advancement Project, a Pay for Success (PFS) initiative that will help limited English speakers in Greater Boston make successful transitions to employment, higher wage jobs, and higher education.

“One of our administration’s top priorities has been to expand workforce development opportunities for everyone in the Commonwealth and to help individuals obtain the skills needed to participate in Massachusetts’ nation-leading innovation economy,” **said Governor Charlie Baker**. “The Pathways to Economic Advancement Project is a forward-thinking public-private partnership that will help match employers with potential employees, and employees with the skills employers need, strengthening the Commonwealth’s workforce.”

“Providing critical English-language skills and vocational training limited English speakers will bolster our workforce and increase economic development opportunities across the Commonwealth,” **said Lieutenant Governor Karyn Polito**. “We are excited for this collaborative program to launch, and look forward to working with our project partners.”

Shortly after taking office, the Baker-Polito Administration created the cross-secretariat Massachusetts Workforce Skills Cabinet (WSC) to align education, economic development and workforce issues, and to strategize around how to meet employers’ demand for skilled workers in each region of the state. Through the WSC and initiatives like the Pathways to Economic Advancement Project, the administration has worked to advance economic opportunities for all in Massachusetts.

“This is another example of our administration’s investments to address workforce skills needs across the Commonwealth,” **said Administration and Finance Secretary Kristen Lepore**. “The project’s funding model is an innovative way to address the workforce skills gap in Massachusetts, and with the results based payment structure, we are ensuring that taxpayer dollars are spent in a responsible way.”

"This is a great example of how a public-private partnership can help close the workforce skills gap using outcome oriented approaches," **said Labor and Workforce Development Secretary Ronald L. Walker II**.

“We’re proud to be the home of the first PFS project dedicated to workforce development,” **said Housing and Economic Development Secretary Jay Ash**. “As a leader in innovation, the Commonwealth understands how important workforce investments are to build a strong, talented workforce and remain competitive. This program will provide limited English speakers with new opportunities to succeed.”

This innovative program will combine nonprofit expertise, private funding, and independent evaluation to increase access to workforce development services, including vocational training, English language classes, job search assistance, and college-transitioning programming for approximately 2,000 adults over three years.

The project is being carried out by the Commonwealth of Massachusetts, represented by the Executive Office for Administration and Finance, the Executive Office of Labor and Workforce Development, and



the Executive Office of Education, in conjunction with partners including JVS, Social Finance, the Harvard Kennedy School Government Performance Lab (GPL), Economic Mobility Corporation, and Jobs for the Future.

PFS provides a tool for results-based government financing, leveraging private capital to fund experienced service providers and enable government to respond to identified needs. Investors are repaid based on the level of measurable success of the program. This data-intensive approach helps governments target funding towards approaches that work, while limiting risk on new policy programs.

This is the third PFS initiative launched in Massachusetts, and the first PFS project in the nation to focus exclusively on workforce development.

JVS, one of Greater Boston's largest community-based workforce development and adult education providers, will offer four distinct program tracks that draw on its expertise integrating adult education with job readiness and employer relationships. Each program track will accommodate varying language levels, personal resources, employment objectives, and educational goals among program participants.

"This innovative source of private and public capital, where government pays only for what works, enables JVS to scale our proven workforce development model, reduce waiting lists, and prepare thousands of talented immigrant workers to meet the demands of our booming economy. We are thrilled to be part of the Commonwealth's groundbreaking effort to creatively expand funding for high-quality human service delivery, and look forward to successfully delivering great results for our clients, investors, and partners," **said Jerry Rubin, President & CEO of JVS.**

Social Finance raised \$12.43 million from 40 investors including financial institutions, donor advised funds, individuals, and foundations, to fund JVS services.

"Social Finance is proud to be a part of the nation's first Pay for Success project to focus exclusively on workforce development," **said Tracy Palandjian, Social Finance co-founder and CEO.** "This public private partnership would not have been possible without the support of impact investors committed to using their capital to advance the core values of our country, including Prudential Financial, Maycomb Capital, CJP, Living Cities, and others. This initiative will contribute to the economic mobility of immigrants and refugees and to the vitality of the Massachusetts economy for years to come."

Since 2011, GPL has provided technical assistance to the Commonwealth in developing and launching three of the nation's 17 Pay for Success projects.

"The Massachusetts Pay for Success project not only allows the Commonwealth to expand important services for English language learners, it will serve as a model for other jurisdictions seeking innovative solutions to developing their workforce," **said Professor Jeffrey Liebman, Malcolm Wiener Professor of Public Policy at Harvard Kennedy School and GPL Director.**

For more information on the Massachusetts Pathways to Economic Advancement Pay for Success Project, please visit: http://socialfinance.org/content/uploads/MAPathways_FactSheet.pdf

For additional quotes from project partners, please visit:
http://socialfinance.org/content/uploads/MAPathways_QuoteSheet.pdf

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