



# Workforce Issuance

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☐ Policy ☒ Information

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**To:** Chief Elected Officials  
MassHire Workforce Board Chairs  
MassHire Workforce Board Directors  
Title I Administrators  
MassHire Career Center Directors  
Title I Fiscal Officers  
MDCS Operations Managers

**cc:** WIOA State Partners

**From:** Alice Sweeney, Director  
MassHire Department of Career Services

**Date:** April 23, 2019

**Subject:** Pay-For-Performance Call for Project Ideas

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**Purpose:** To provide information to MassHire Workforce Boards, MassHire Career Center Operators, and other workforce partners about WIOA-enabled Pay-for-Performance (P4P) Contracts. EOLWD and Third Sector are seeking ideas from local areas for potential projects and opportunities to develop P4P approaches.

**Background:** Third Sector is a nonprofit advisory firm providing training and technical assistance to community organizations and state and local governments to implement outcomes-based contracts. Third Sector has deployed \$480M in public funding via outcomes-based contracts influencing services for 24,000 people. In 2017, Third Sector worked with a cohort of five workforce boards for nine months and supported the launch of the country's first two P4P contracts.

EOLWD and Third Sector are seeking project ideas from MassHire Workforce Boards interested in developing an outcomes-based approach to tracking and measuring progress on economic mobility outcomes for program participants. Upon identifying a cohort of complimentary projects, Third Sector will work in collaboration with MassHire Partners and the EOLWD to scope and jointly

fundraise for a Learning Community that provides capacity building and implementation support.

Third Sector's technical assistance will support a cohort of multiple workforce boards seeking to improve workforce and economic development outcomes for priority populations in Massachusetts. Third Sector's cohort model can include both a statewide Learning Community and one-on-one capacity building support for specific workforce boards or regions to develop local demonstration projects that seek to implement P4P in the delivery of services.

Third Sector and EOLWD will work together to identify and select workforce boards with demonstrated interest and capacity to lead these efforts. Selected workforce boards will take part in a multi-month Learning Community, and periodically meet in-person for intensive half- or full-day trainings. Participants will (i) learn about best practices for implementing P4P, (ii) develop project visions for P4P contracts, (iii) refine the vision's supporting components (e.g., population assessment, data, incentive structures, etc.) (iv) design implementation plans based on their local contexts, and (v) collaborate and problem solve with each other. In the months between in-person gatherings, Third Sector and EOLWD will provide assignments, host webinars, and conduct check-in calls to ensure that the planning processes are on track.

Ultimately, the cohort will work towards achieving the following goals:

1. Design and launch local demonstration projects that could proliferate proven approaches to improve workforce and economic development outcomes statewide
2. Build new outcomes-based funding and contracting approaches to shift incentives for multiple service providers to achieve long-term outcomes
3. Increase utilization of data-driven feedback loops and application of continuous improvement structures at a systems-level

(\*\*\*Note: The number of workforce boards, timeline, and format of cohort can be adapted to fit participants' timeline, scale, funding availability and requirements, etc.)

**Action**

**Required:** Please reference the attached presentation to guide development of ideas and submit project ideas with an Outcomes-Based Project Identification Checklist (see slide 19) to Marina Zhavoronkova by Friday **May 17, 2019**.

**Inquiries:** For additional information, contact Marina Zhavoronkova ([marina.r.zhavoronkova@state.ma.us](mailto:marina.r.zhavoronkova@state.ma.us)), Assistant Secretary for Program & Performance Management. Please reference the title and number of this Issuance in your email.

**Attachment:** WIOA Intro and Case Studies (Workforce Partners Meeting April 4, 2019)