THE PROSPECT FOR COMMUNITY-BASED INTERVENTION INTO WORKFORCE DEVELOPMENT POLICY FOR LOW-SKILLED URBAN POPULATIONS: A HISTORICAL CASE STUDY OF RELATIONS BETWEEN THE STATE AND THE OPPORTUNITIES INDUSTRIALIZATION CENTER OF AMERICA (OICA), AND WITHIN OICA, UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

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ABSTRACT

Title: The Prospect for Community-Based Intervention into Workforce Development Policy for Low-Skilled Urban Populations: A Historical Case Study of Relations between the State and the Opportunities Industrialization Center of America (OICA), and within OICA, under the Comprehensive Employment and Training Act

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This case study documents the experience of the Opportunities Industrialization Center of America (OICA) during the transition to and implementation of the Comprehensive Employment and Training Act of 1973 (CETA). It explores the potential of maintaining a community-based workforce development model for low-skilled urban populations in changing policy contexts that rupture existing frameworks linking people to work. Community-based organizations with unique service delivery models, including OICA, were given less direct funding and influence in workforce development provision and production under CETA. I explore to what extent the government and OICA promoted community-based leadership in planning and ideal implementation of workforce development for low-skilled populations in this milieu. I analyzed archival data documenting correspondence between OICA and government and within OICA from the enactment of CETA in 1973 through 1977. OICA was instrumental in adopting context-specific orientations towards government and other service providers to maintain a voice and to garner funding, and also had internal strife over how to expand and prioritize community input within CETA's regulations. More consistent funding and a

sincere commitment to community representation in workforce development provision

and production by both the state and organizations like OICA is essential to promoting

ideal workforce development for spatially and economically isolated urban communities.

Support for and implementation of rigorous internal evaluation, with participation of all

stakeholders, would also improve processes and outcomes for an organization looking to

both promote community empowerment and expand nationally.

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CHAPTER 1
INTRODUCTION

My research examines the possibilities and limitations of community-based intervention into workforce development policy through a historical case study of the Opportunities Industrialization Center of America (OICA). OICA was one of the most effective community-based and minority-led workforce intermediaries for low-skilled and disadvantaged populations in the post-World War II era, especially urban African-Americans. Specifically, the research provides an in-depth understanding of the contested and dynamic relationships between OICA and government and among OICA leaders during the transition to and implementation of the Comprehensive Employment and Training Act (CETA) of 1973.

The relationships and discussion I focus on involve the shifting orientations of the state and OICA regarding representation, structure, and roles in the provision and production of ideal workforce development for economically and spatially isolated segments of the labor market. There was debate between OICA and the government, and within both policy actors, about the proper influence and roles for several stakeholders involved in workforce development. These agents included the federal government, state and local governments, community-based service providers, and industry.

The research offers insight about the role of community-based intervention in policymaking and economic development in urban regions confronted with the structural employment challenges presented by deindustrialization, globalization, and decentralized neoliberal governance. Furthermore, by investigating how OICA adapted to the changing

relations precipitated by governmental policy, while trying to manage its own organizational expansion struggles and dramatic international economic restructuring, I enable a better understanding of the challenges and possibilities of lasting community-based strategies that offer meaningful economic and empowering opportunities for economically disenfranchised groups.

OICA serves as an apt case study of relations between government and community-based workforce intermediaries because its evolution also paralleled —and influenced — the shaping of employment policy since the first comprehensive economic and social policy related to work was introduced, the Manpower Development and Training Act (MDTA) of 1962. Soon after MDTA's enactment, OICA was established in an abandoned North Philadelphia jailhouse in July 1963. It was the culmination of years of diverse community-based, non-governmental interventions into employment problems for urban blacks, which included a selective patronage campaign aimed at combating explicit employment discrimination in Philadelphia.

In 1960, minorities comprised 22.4 percent of Philadelphia's male workers, yet made up 54.8 percent of the city's male unskilled laborers and 78 percent of male domestic servants, but only 8.7 percent of male professional and technical jobs, 6.2 percent of managerial and proprietor positions, 14.3 percent of clerical and sales jobs, and 14.4 percent of craftsmen and foremen (McKee, 2008). Likewise, nonwhite women composed 28.6 percent of Philadelphia's female labor force, yet were overrepresented as 45.9 percent of female unskilled laborers and 86.5 percent of female domestics; they were employed in only 18.3 percent of professional and technical jobs, 11.1 percent of

managerial and proprietor positions, 11.2 percent of clerical and sales jobs, and 19.9 percent of craftsmen and foremen positions (McKee, 2008). While the selective patronage campaign was responsible for generating at least 2,000 skilled jobs for black Philadelphians (McKee, 2008), Sullivan realized that integrating economically redundant minority populations required not only deconstructing barriers to employment but also equipping workers with the motivation and skills necessary to overcome psychological damage caused by discrimination and to compete in the workforce. The OIC thus adopted its signature "whole-man" approach toward job training, which included a Feeder Program designed to impart cultural knowledge, individualized counseling and self-confidence prior to specific skill-training, followed by job placement and post-placement mentoring.

Similarly, several decades of political negotiations resulted in the federal government's first distinct national employment policy, MDTA, in 1962. The purpose of MDTA was to reduce structural unemployment among adult workers displaced because of automation or technological change. Discussions about federal workforce development policy began in earnest in the 1930s, but inconsistent political support and fragmented interests thwarted the formation of comprehensive legislation until MDTA (Weir, 1992). The formation and implementation of MDTA did not initially involve significant input from community-based organizations, however (Anderson, 1976), and the struggle over community input and control would endure throughout the transition to and enactment of CETA.

MDTA coupled with War on Poverty and Great Society programs to make ameliorating urban poverty a national priority. Federal grants to cities proliferated in the 1960s and epitomized the "social welfare orientation" of national policy (Judd, 1984, p. 329). These monies often bypassed city governments in favor of "community action agencies" and nongovernmental and community-based nonprofits, including OIC.

The burgeoning number of grants quickly created "institutional fragmentation," coordination challenges, and local conflicts (Judd, 1984, p. 333). There was also a lack of oversight, standardization, and efficiency in reporting information on changes. A champion of rigorous federal intervention, one-time Senator and Vice-President Hubert Humphrey, began arguing for more local control in the form of revenue sharing (Judd, 1984, p. 333).

Upon his election to the presidency in 1968, Richard Nixon seized on the political momentum for revenue sharing to reorient the locus of power from the federal government to states and local governments. Nixon ushered in an era of "New Federalism," featuring reduced spending on social programs, revenue sharing with little oversight, consolidation of grants into block grant programs, and devolution of authority to state and local officials (Judd, 1984). "New Federalism" was supported by a unique and powerful coalition of urban mayors, business interests, and construction unions (Judd, 1984). City officials welcomed the influx of funds and influence, especially because virtually all urban areas were stifled by funding crises and service cutbacks by the early 1970s (Judd, 1984). Industry elites and construction unions united with city

politicians to form a strong coalition that prioritized urban redevelopment via growth and downtown revitalization (Judd, 1984).

Meanwhile, "New Federalism" was vociferously opposed by Congressional Democrats, unions like the AFL-CIO, and civil rights groups who worried about the "antipoor bias" of revenue sharing (Judd, 1984, p. 345). From this perspective, local governments were not equipped to or interested in promoting values like social justice or equality, and budgets for social programs would suffer. A series of proposals in 1971 nevertheless codified the process of revenue sharing for many government programs, from community development to job training, and did include a reduction in funding (Judd, 347, 1984).

CETA epitomized the decentralization of decision-making and funding authority to state and local governments, and the specialization of service provision. Government officials relied on the mantras of devolution and avoiding the duplication of services to justify their restructuring of the provision and production of job training. City officials, especially mayors, enjoyed the transformation of funding and decision-making authority under CETA: federal grant money was now funneled directly to the offices of mayors.

The new money was not only used to fund training programs, but also to salvage vulnerable budgets and services. Yet while CETA was intended to improve the coordination and oversight of grants via devolution and simplification, there was widespread abuse of funds for political patronage (Delaney, 1975). Mayor Frank Rizzo and other Philadelphia politicians used CETA money to fund street cleaning and trash collection, but also were charged with corrupting the program by hiring for political or

personal purposes (Delaney, 1975). CETA programs also often hired people who were not the most disadvantaged.

After receiving categorical funding under MDTA and enjoying significant input into planning, changes under CETA represented a threat to OICA's singular comprehensive service model and expansion plans. These changes ruptured OICA's historical relationship of fiduciary and political support from the federal government. OICA now was a minority player in negotiations with state and city governments and officials for CETA funds and influence.

The organization's weakened lobbying and funding status was exacerbated by the local systems of patronage that dominated urban politics. These regimes favored ward and commerce interests, and were often averse to diverting funding to inner-city neighborhoods or organizations representing them (Judd, 1984 and Mckee, 2008). Urban planning paradigms were divided along boundaries of race, class, and geography, which also made comprehensive planning that benefited all groups elusive (Judd, 1984, and Mckee, 2008). In this milieu, the pro-growth coalitions of politicians and commerce enacted policies of renewal that displaced poorer populations of color and fragmented opposition to the "politics of growth" (Judd, 1984, p. 378).

CETA also fragmented OICA's unique service delivery model that featured grassroots advocacy and comprehensive services from pre-training motivational exercises to post-training job placement. OICA's own growing pains and management difficulties, which were amplified by inconsistent political and financial support from government,

also prompted consolidation and specialization within the organization to the detriment of its community-based orientation. This case study documents those struggles.

Understanding how the OICA managed and impacted shifting policy environs, in addition to dramatic structural economic transformations and organizational challenges, is significant because the OICA evolved from the community-based vision of Leon Sullivan to a national advocate for grassroots work-based economic development. In the process, the African-American-led OICA struggled to maintain a voice for minority and economically disenfranchised populations in national employment policy formulation during an era when low-skilled workers were increasingly marginalized. The OICA also dealt with internal conflicts over whether the locus of control should be national, regional, or local. This study reveals how OICA leaders negotiated these tensions in attempting to influence policy and coordinate strategies for growth and change on a national and local level.

The prospects for minority-led groups, especially predominantly African-American organizations, to effectively contribute to policy formation and implementation are critical to improving the opportunities of millions of minority and low-skilled workers who are economically redundant, vulnerable, or disconnected from the labor force. By exploring how OICA leaders managed change and communicated with different levels of government, while also negotiating their own internal dialogue about strategies for growth and empowerment, I offer unique insight into the challenges and promise of maintaining a community focus when dealing with complex structural political and economic problems that are also global in nature. I also suggest what OICA's successes

and shortcomings signify for vulnerable populations, and the organizations that attempt to link them to better economic opportunities in diverse political and economic contexts.

As economically vulnerable and redundant populations are most adversely affected by sluggish economies like the contemporary malaise, this insight is invaluable. Analysis of the dynamic relationships between governments, industry, other community-based groups and the OICA also offers knowledge on the merits and drawbacks of different funding and service provision paradigms. This awareness can help elected officials and service providers at all levels discern the most effective models to implementing projects laid out in the current economic stimulus package. The limitations to any workforce intermediary in an increasingly skill-based and technology oriented economy also must be considered and did present significant obstacles to OICA, but this knowledge can provide valuable lessons for where training programs might focus their efforts. OICA's struggle to maintain its community orientation is demonstrative of the tradeoffs inherent in a community-based organization expanding to serve more clients and trying to dismantle structural problems.

Despite the significant impacts of national employment policy on the lives of low-skilled workers and the integral role that community-based intermediaries play in representing this segment of the labor market, the literature is remarkably silent on grassroots intervention. The bulk of the literature surrounding the negotiation and implementation of employment policy involves a discussion of the interplay between government, economists, industry, and unions. While macroeconomic and political concerns about the propriety of public-sponsored employment dominate, such as the

implications for the role of the state and the potential impact on inflation, there is

insufficient contemplation of the role of community-based organizations in shaping and

implementing workforce development policy. Community development corporations are

viewed as the most significant arbiter of intervention into economically distressed areas

in the United States, despite their limitations in reflecting community interests and

fostering empowerment (Stoecker, 1995).

In addition, most literature about economic development policy views the

relationship between governments and community-based organizations as top-down or

regime-oriented, whereby collaboration may occur but the responsibility for policy

formation is in the hands of elected officials (Bradford, 2004; Weir, 1992). This

literature can pinpoint the strengths and limitations of state intervention and suggest

strategies for collaboration, but lacks insight for how community-based organizations can

influence policy formation and adapt to shifting policy environs while cultivating their

own capacities.

Concerning workforce development policy, the literature presumes that

government, business, and unions are foremost in impacting employment conditions.

These actors are certainly essential to improving the prospects for all workers and

studying their relations can shed light on challenges posed by policymaking by

partnership (Bresnick, 1984), or on the sociohistorical and political developments that

contribute to current employment dilemmas and allow for "collisions" that pave the way

for new possibilities (Weir, 1992). Still, a lack of consideration for how community-

based actors can negotiate with these stakeholders to ensure that all segments of the labor

market are included in policy formation and implementation limits our construction of new avenues to prosperity for millions of vulnerable workers.

Some scholars place concerns of community-based poverty reduction (Torjman, 1998) and empowerment (Perkins, 1995) at the center of their discussions about economic development and democratic participation in distressed communities. Torjman's work on community-based poverty reduction offers an apt and rigorous framework through which to analyze the mission, effectiveness, and evolution of OICA and government policies. Likewise, Perkin's research can help me understand which policies offered by governments and which activities offered by OICA were empowering.

Other literature stresses the importance of networking across organizational and territorial boundaries to achieve ideal workforce development (Harrison and Weiss, 1998). This work is central to analyzing the experience of OICA because it confronted this challenge to varying degrees and in different contexts in its efforts to expand. Scheie (1995) provides more insight into effective strategies for, and implementation of, ideal workforce development for low-income groups.

I fill gaps in the literature by exploring the relations between different scales of government and the OICA and between various arms of the OICA during the transition to and codification of CETA. I highlight what these external and internal negotiations explain about the ideologies, frameworks, and strategies put forth by government officials and OICA leaders regarding the following issues: the locus of decision-making and funding authority for workforce development and its implications for community representation; the propriety of state intervention into employment and the impact on

different segments of the labor market; the impact of changing policy on effective workforce development models and OICA's specific approach; and the proper strategy for OICA to evolve and best serve disadvantaged populations. I also suggest what these discussions signify for the possibility of community-based intervention into poverty reduction, empowerment, and ideal workforce development.

My research consists of analyzing archival documents from the Temple University Urban Archives, which include correspondence between OIC and government officials and among OIC stakeholders during this dynamic period of policy formation. This methodology helps me understand the following inquiries: What is the possibility for grassroots intervention into employment policy? Can a community-based organization expand nationally and maintain its community focus? How do governments and grassroots groups rationalize their approaches to workforce development policy, how and why do these approaches change, and what do these strategies signify for community representation, empowerment, and the establishment of enduring and effective workforce development practices for vulnerable groups?

Overall, my argument is that OIC demonstrated significant flexibility in its advocacy, planning, and implementation to meet challenges posed by CETA and its own expansion struggles. During the implementation of CETA, OICA was effective as an intermediary, advocate, and training program for diverse, low-skilled urban populations. OICA leaders ensured that community-based organizations could provide input into workforce development plans and consistently lobbied for the best practices of employment training for challenged segments of the labor market. Still, OICA was often

thwarted from fulfilling, and inconsistent in implementing, its mission of empowering all

distressed communities to participate in the planning and implementation of ideal

workforce development because of significant challenges presented by funding, policy,

and socioeconomic contexts, and its own management shortcomings.

In Chapter 2, I review the relevant literature and introduce my methodology. In

Chapter 3, I analyze how policy and organizational developments galvanized OICA to

adopt flexible advocacy frameworks in its approach to government and to occasionally

sacrifice its organizational integrity to maintain funding or influence. In some lobbying,

OICA would passionately champion community-based representation in planning

workforce development, and feverishly lament state control. In political or labor market

structures where OICA did not traditionally have much influence, it would instead argue

for strong federal intervention. If touting its record of efficacy with securing

opportunities for disadvantaged populations seemed prudent, it would adopt that

discourse.

OICA's willingness to sacrifice its mission integrity to adapt and to adopt flexible

advocacy frameworks reflects the magnitude of challenges faced by the organization

because it traditionally resisted compromising its core principles and service model.

Apprehensions about funding, community-based representation, and efficacy in serving

all disadvantaged segments of the labor market -- and gestures of compromise to achieve

these ideals -- are omnipresent in both external and internal OICA correspondence. Yet

critiques that OICA did not serve the most distressed clients coupled with its willingness

to adapt and compromise suggest that these discourse frameworks were as instrumental as they were genuine.

Examples of its *instrumental adaptation* and *organizational compromise* include its willingness to reverse its long-held rejection of stipends or to reject local control in workforce development in favor of federal intervention when the specific labor market scheme warranted such flexibility in order for OICA to gain funding, legitimacy and influence. OICA founder Leon Sullivan would even oppose a raise in the minimum wage for youth because he believed in the neoliberal ideology that an increase would constrict the supply of job opportunities by cost-conscious employers. These sacrifices and organizational inconsistencies are inevitable in a policy and funding context that promotes competition between jurisdictions and service providers for authority, monies and relationships with employers -- rather than collaboration in the planning and delivery of workforce development.

In Chapter 4, I will show how CETA's implications coupled with management difficulties to provoke internal debates within OICA about maintaining its grassroots model of workforce development and appropriate strategies for expanding to serve the growing economically redundant populations. Approaches included national consolidation while others favored marketization or regional control of OICA to adapt to economic and political contexts that encouraged these trends. OICA always had strong ties to industry, but under CETA it would devote more of its attention to appealing to business for employment opportunities and financial support.

In Chapter 5, I present a summary of my findings and the limitations of my research. I include contributions to the literature and policy implications. The OICA experience under CETA demonstrates the very significant challenges presented to organizational expansion and community-based and empowering workforce development in policy contexts without comprehensive and permanent commitments to ongoing employment training and grassroots input.

Still, OICA was able to offer holistic and effective services to millions of trainees and served as a powerful agent and government watchdog, advocating tirelessly for the interests of urban, minority, unemployed, and low-skilled populations even if it did not always live up to the ideals of its mission or model workforce development. Much of the growing pains experienced by OICA centers during the implementation of CETA can be attributed to the mismatch between the ambition of its mission to serve the most challenged segments of the labor market and the labor market demands of global economic restructuring that occurred in that period. Globalization and the United States transition to a service economy progressively rewarded those with higher education, technological aptitude, and "soft" skills and presented limited opportunities for low-skilled populations to prosper.

OICA's intransigence in ceding authority to or partnering with local political and service delivery arrangements did impede its ability to adapt to these conditions, and to expand and cultivate empowering workforce development. Nevertheless, the absence of consistent, comprehensive government and funding support detracted from its capacity for internal management and skills training, as well as limited its ability to engage in

external collaboration with industry and similar advocates. These limitations forced

OICA to compromise efforts at community empowerment when national or regional

consolidation was more prudent, and also frustrated its ambition to expand and serve

effectively.

CHAPTER 2

LITERATURE REVIEW AND METHODOLOGY

Urban Economic Development Policy Paradigms and Community-Based Organizations

Many scholars ponder the possibilities of sustainable economic development, whereby growth is not the only parameter for success and equity and democratic participation are also significant to urban renewal and policy (see Fitzgerald and Leigh, 2002, for example). Bradford (2004) and Florida (2002) stress the importance of new urban policy paradigms that are mindful of local places and vulnerable groups in convening strategies for innovative and equitable growth. Bradford recognizes that there is a "growing mismatch between municipal responsibilities and policy resources available to act" and that urban challenges "demand *place sensitive, holistic* approaches…built from the 'ground or street up,' on the basis of local knowledge, and delivered through network relations crossing program silos, even jurisdictional turfs" (2004, p. 3). While he advocates collaboration between government and communities and encourages realistic solutions to complex structural problems, he ultimately places the onus of responsibility for policy formation in the hands of government officials (2004, p. 9).

Bradford's research suggests that to understand policy formation, it is imperative to know which policy mechanisms were available to government within the sociohistorical context in which CETA formed. My research will offer insight into which policies were favored by distinct arms of government and how these initiatives were rationalized. It will also inquire into how the OICA lobbied for the incorporation of local and place-sensitive knowledge into government decision-making regarding vulnerable

groups and what assets the OICA and communities offered to complement or supplement

government policy. Boris and Steuerle (2006) excavate the fluid and complicated nature

of relations between nonprofits and governments, and provide a paradigm to understand

the OICA's dynamic relationship with the state, which encompassed adversarial,

supplementary and complementary approaches to government. Their work establishes a

foundation for investigating how and why OICA's orientation towards government,

industry, and other community-based organizations changed throughout the planning and

enactment of CETA.

Employment Policy and Vulnerable Populations

Similar to urban economic development policy literature, much of the research on

workforce development policy overlooks the preeminence of community-based

approaches in solving the employment problems of vulnerable populations. Bresnick

(1984) argues for the virtue of policymaking by partnership in formulating youth

employment policy, but only considers the potential contribution of government,

industry, and unions. While cooperation between state, business, and labor interests are

critical to all potential workers, the assumption that unions represent all segments of the

labor market is shortsighted; OICA formed in part because the trade unions excluded

minorities.

In addition, Bresnick's insight on the limited input of industry and labor into the

creation or implementation of job training programs in the United States as a significant

shortcoming of national policy underscores the significance of community-based

workforce intermediaries like OICA in representing the disadvantaged. Nevertheless, Bresnick's work suggests that we need to ask what lessons can be learned from the experiences and struggles of policymaking by partnership between government, business, and labor groups. Moreover, we need to be mindful that different policy contexts represent distinct relations between various interests and I will consider how business, labor, government, and other grassroots organizations factored into the formation of policy and the evolution of OICA. These changing relations shape the possibilities for policy, including grassroots intervention and new strategies for workforce development.

Weir (1992) and McKee (2008) both emphasize how national employment policies have been inadequately coherent or sustained, and instead have served to compound racial differences in labor markets and economic development by developing distinct policies for diverse segments rather than cohesive economic development legislation. Weir (1992) concludes that this separation in policy formation fueled racial tension and distaste for federal intervention into employment. These sociohistorical sentiments combined to categorize workforce development policies into the realm of unnecessary and special interest politics, and ultimately as a subset of welfare policy (Weir, 1992). McKee and Levitan, Mangum, and Marshall (1981) criticize the OICA for perpetuating the "racial bifurcation" (McKee, 2008, p. 16) of workforce development policy by serving as a "closed" labor market intermediary that only catered to minority clientele (Levitan, Mangum, and Marshall, 1981). This analysis suggests that OICA might have limited its potential for greater impact by focusing on urban low-skilled

minorities, but also downplays the vital role played by OICA for these populations and the earnest efforts of OICA to branch out to diverse ethnic and geographical populations.

Government intervention in employment has generally been viewed as reactive (Weir, 1992). The combination of special interests and reactionary policies caused a "path dependence" that prevented innovative policy solutions and relied on existing institutions, such as vocational educational establishments (Weir, 1992, p. 18). Weir does suggest that these different interests and policies experience "collisions" that allow for other actors to imagine new possibilities (Weir, 1992, p. 19), a phenomenon that encapsulates OICA's dynamic intervention into employment policy. These scholars' historical and political insights about employment policy formation allow me to inquire further into the range of policy choices available, the factors that allowed for and hindered OICA's capacity to intervene in shaping legislation, and what these possibilities meant for OICA's strategy as an intermediary for minority and low-skilled populations. For example, OICA leaders had to grapple with the challenge of branching out to vulnerable groups beyond African-Americans lest it be seen as a "closed" or "ethnic" intermediary.

Community-based Poverty Reduction and Empowerment

Other literature explores the relationship between governments and community-based interventions into poverty reduction, and the potential for these relations to foster empowerment.

Torjman (1998) establishes a framework for community-based poverty reduction. Recognizing that the dual labor market that characterizes the modern economy is the prime contributor to inequality, she stresses that a "'bottom-up'" approach can only be effective when implemented in coordination with comprehensive economic and social policies (1998, p. 1). Regardless, community approaches are uniquely non-governmental, but also participatory, active, focused, empowering, and aim for lasting outcomes (Torjman, 1998). They also ensure that low-income groups are directly involved in governing local organizations and cultivating human resources (Torjman, 1998).

Further, the most effective interventions are "multifunctional…seek explicitly to integrate economic and social goals…and combine…job training and placement, job creation and retention…self-employment…and community-based finance" (Torjman, 1998, p. 5). Grassroots strategies also harvest community assets and develop public goods and public space (Torjman, 1998). Torjman does suggest that communities face limitations in inciting necessary changes, but "are in a position to identify problems, raise awareness of issues and promote the appropriate policy shift" (1998, p. 5).

In terms of poverty reduction, community-based organizations must be effective in "meeting basic needs, removing barriers, building skills and promoting economic development," (Torjman, 1998, p. 5). Torjman identifies the crucial functions of both linking and parallel strategies that connect people with existing economic institutions and forge new economic, social, and neighborhood activities (1998, p. 5). OICA attempted both approaches, though producing the latter, including a community investment

enterprise and a black-owned aerospace outfit, proved much more elusive. Both of these

entrepreneurial attempts by OICA to promote economic development were so daunting

because it successfully created jobs, encouraged self-employment, and implemented

technical assistance, but often lacked the fourth ingredient suggested by Torjman –

sufficient access to capital. Gaining access to capital therefore represented one of the

most significant concerns of OICA.

Torjman's paradigm for the process of community-based poverty reduction –

community mapping, strategic planning, creating opportunities, and developing

partnerships -- also resonates with the experience of OICA. Sullivan and other OICA

leaders labored to cultivate the assets of the communities they served, formulated long-

term plans with distinct intermediate outcomes, and devoted their lives to enhancing the

prospects of poor populations. While OICA brokered many partnerships with

governments and industry, it often recoiled from collaborating with other service

providers because it prided itself in its own unique mission.

Torjman endorses leadership development and the transmission of "values and

vision grounded in democracy and empowerment" as pivotal to germinating community

capacity (1998, p. 19). OICA acknowledged this principle, reflected by its commitment

to training and providing assistance to nascent leaders of emerging centers and to

providing mentoring and employment opportunities for youth. Still, the singular

influence of Leon Sullivan and other executives, coupled with incoherent policies that

fragmented OICA's evolution, may have hindered the ability of potential leaders to

emerge. Community members should also be involved in evaluating the work of the

service delivery agent (Torjman, 1998). Funding requirements might have prevented OICA from realizing this tenet. Torjman promotes an incremental approach to securing financing through broader networks as an organization evolves. OICA did not have the luxury of this ideal fund-raising model, because of its rapid evolution and fickle government support. Torjman's work on community-based poverty reduction offers an apt framework through which to analyze the mission, effectiveness, and evolution of OICA.

Citizen participation, individual and group empowerment, and new leadership are critical to community empowerment, just as they are to community-based poverty reduction (Perkins, 1995). "Local self-reliance…direct democracy [and] experiential social learning" (Perkins, 1995, p. 770) in partnership with governments and community-based organizations is also necessary for empowerment. Empowerment must be seen as a long-term goal that addresses the social, physical and economic contexts, which can conflict with short-term exigencies and political realities (Perkins, 1995; Weir, 1992). Perkins also stresses the need for intra- and inter-organizational collaboration and capacity-building to achieve empowerment, but recognizes this can be thorny.

International and national economic policies influence empowerment. Weick (1984, as cited in Perkins, 1995) concluded that local interventions and a global awareness are most efficacious in fostering empowerment. Perkins lauds Clinton's creation of Americorps for its promotion of local control and individual experience in public service, but pans welfare reform legislation as a façade of empowerment with no teeth. Welfare reform has victimized low-skilled and disadvantaged populations, and

"empowerment zones" involve financial incentives but little grassroots mobilization (Perkins, 1995). Neoliberal ideology has rationalized "lower taxes, less government spending and regulation, and international free-market capitalism" as empowering (Perkins, 1995, p. 782). Perkins concludes that there are different levels of empowerment, though it is easier to measure at smaller scales, and any consideration of empowerment should involve a dialectical analysis, multiple iterations of empowerment, and be sensitive to diverse populations and settings. OICA's ability to adapt to global economic conditions and policy changes largely determined its evolution.

Torjman's research on community-based poverty reduction and Perkins' empowerment discussions engender several lines of inquiry regarding the OICA experience. Using their principles, I can suggest how comprehensive the policies and strategies of OICA were in addressing the many economic and social challenges faced by vulnerable populations. I can also inquire into how policies and strategies balanced the need for local and global awareness, suggest the scale at which policies and interventions were most effective, and explore to what extent they engendered participation, empowerment and long-term outcomes.

Ideal Workforce Implementation for Disadvantaged Communities

Some literature does explore strategies for community organizations to implement ideal workforce development for low-skilled and low-income populations. Harrison and Weiss (1998) argue that the most effective community-based organizations involved in workforce development achieve the following: "arrange skills training and placement for

a nontrivial number of neighborhood residents into jobs paying above poverty-level wages, simultaneously enhancing both participants' sense of self-worth and the reputation of the CBOs." Essential to success is finding linkages beyond spatial and organizational horizons. This includes access to quality complementary services and "weak ties" to the labor market (Harrison and Weiss, 1998, p. 37).

The organization's reputation and "connectedness" are as important as the adequacy of its training model; it must be central to the relational chains of employers, especially those involved in production and purchasing (Harrison and Weiss, 1998, p. 24). Business development, community building, and job training should be linked (Harrison and Weiss, 1998, p. 135). Prospective employers should be interested in developing the social and economic capabilities of neighborhood residents (Harrison and Weiss, 1998, p. 48). Systematic and collective institutional interventions, including strategic alliances among industry and educational providers, are also crucial to reducing barriers and reaching the span of networks. Scheie (1995) enumerates essential components of a model workforce development program: concurrent learning; open entry and exit; a rejection of creaming; self-pacing of clients; stable employment and demonstrated competency upon graduation; and mediation or counseling.

Organizational evolution and sophistication in mission, management, and networking are also essential. The training program needs to be sophisticated in networking, "accessing capabilities or capacities" beyond its reach but also cultivating its own simultaneously (Harrison and Weiss, 1998, p. 153). Fulfilling a mission requires assessing and improving capabilities: "In truth, the problem of inadequate attention to

continually honing and expanding organizational capacity is a chronic malady of

community development organization in general" (Harrison and Weiss, 1998, p. 153).

Economic inclusion is not sufficient either, as decision-making opportunities for

residents and maintaining a positive reputation are critical (Harrison and Weiss, 1998, p.

5). Local authority has advantages in building grassroots democracy to challenge local

systems (Harrison and Weiss, 1998, p. 35). At the same-time, it is important to build a

quality peer-to-peer network with standards of evaluation. This often represents a

struggle to "reconcile local responsibility with some degree of centralized quality

control" (Harrison and Weiss, 1998, p. 130). Collaborative benchmarking with other

intermediaries will help in the process of going to scale beyond spatial boundaries

(Harrison and Weiss, 158, p. 1998). Finally, workforce development should be

embedded within a social movement forging paths for progressive policies.

The research of Harrison and Weiss is highly relevant to judging the evolution of

OICA and its ability to network and reduce barriers. Scheie's work provides another

prism through which to evaluate effective implementation of job training. These works

do not excavate how these best practices and strategies become incorporated into policy

or organizational discussions, or the levels of intervention at which they are best

cultivated. They provide valuable indicators, but do not reveal the messy politics

involved in pursuing, forming, and implementing ideal networking across boundaries.

Several scholars have focused on the evolution of OICA in different policy

contexts and socioeconomic circumstances. McKee (2008) outlines how OICA-

government relations fit into broader national and historical conversations about the

merits of Keynesianism and liberal state interventions into employment issues, and how the mission of Leon Sullivan and other dedicated activists preceded OICA's formation. He also suggests that the combination of OICA's self-help philosophy, flexible stance towards government and business, and latent threat of mobilizing minorities endowed the organization with unique appeal and presence. McKee does infer several shortcomings of the OICA, including the singular presence of Leon Sullivan and his impact on developing new leaders, its perception as an ethnic intermediary, and its unrealistic expectations for expansion. McKee's work provides ample background for understanding how the experience of OICA fits into historical debates, but does not offer much about the internal struggles endured by OICA leaders in these negotiations.

Anderson (1976) focuses on the specific challenges and opportunities faced by OICA during the period from the implementation of MDTA through the shift to CETA. His case study involves a look into how policy developments demanded adaptation by OICAs in different cities, in some ways limiting and others empowering. Anderson focused on the impacts of disparate funding streams and changing loci of control in the provision of service delivery brought on by policy shifts on the strategies and possibilities of OICA's intervention.

Anderson's case study offers solid background on the struggle to maintain comprehensive services while expanding despite simultaneous policy demands to decentralize and consolidate. I will add to these literatures by providing a better understanding of how government officials and OICA leaders developed their arguments and adapted strategies for new activities or policies. McKee and Anderson's analyses do

not illuminate the conversations between government and OICA or among OICA leaders to show how different stakeholders rationalized and struggled to formulate new pathways to provide opportunities for vulnerable workers. Finally, their discussions do not explicitly consider to what extent the ideals of community-based intervention or empowerment figured into policy negotiations and implementation.

Methodology

My research consisted of analyzing archival documents from the Temple University Urban Archives, which include correspondence between OICA and government officials and among OICA stakeholders during this dynamic period of policy formation. The Urban Archives features 90 cubic feet of records documenting the OICA experience from the years of 1964-1988. My interest in OIC reflects my curiosity about workforce development for vulnerable urban populations, but also was influenced as a result of visiting the organization's original North Philadelphia location while conducting youth programming at Temple University. I wondered about the history and evolution of OIC from its modest but ambitious beginning as a converted jailhouse. My inquiries prompted me to visit the Charles Blockson Afro-American Collection on Temple's campus, where I found a guide to the OIC collection at the Urban Archives. This guide not only informed me of available data, but also offered a summary of the challenges posed by devolution and expansion. The Blockson Collection also featured a book by OIC's founder, Reverend Leon Sullivan, which provided insight into Sullivan's history, motivation, and objectives.

I then began to visit the Urban Archives to familiarize myself with the breadth of data available. OICA's annual reports provided me a broad overview of the organization's perception of its evolution, including successes and challenges. I complemented archival research with a thorough literature review of work documenting the story of OIC, the role of policy in urban workforce development, and the significance of community-based intervention. After surveying the literature and available archival data, I chose to pursue the following inquiries: What is the possibility for grassroots intervention into employment policy? Can a community-based organization expand nationally and maintain its community focus? How do governments and grassroots groups rationalize their approaches to workforce development policy, how and why do these approaches change, and what do these strategies signify for community representation, empowerment, and the establishment of enduring and effective workforce development practices for vulnerable groups?

To analyze these inquiries, I evaluated the negotiations between OICA and government and within OICA regarding employment policy and OICA's role during the period from the transition to and codification of CETA in 1973 through 1977. This period offers plenty of insight into how OICA handled the simultaneous demands of CETA, organizational growth struggles, and economic restructuring. I focused on internal correspondence among OICA executives and external communication between OICA and government officials regarding the shaping and impacts of federal employment policy during this period.

External communication generally came from the Executive Office or reflected concerns of the Executive Board. It was directed mostly at different divisions within the Department of Labor, such as the Division of Program Planning and Development or the Associate Manpower Administrator for Manpower Development Programs. There was also correspondence with state and regional offices of DOL. Correspondence within OIC featured discussions between local centers and the national office, locals and regional branches, and regional offices and the national office. The bulk of the letters centered on the implications of CETA. Specific areas of concern were the implications of policies for community representation in planning, the role of the state in employment, and the implementation of best practices in workforce development.

After pulling out data that reflected these negotiations, I created a chart to categorize the data. I organized the data according to the following distinctions: correspondence type (e.g., letter or meeting minutes); the relationship involved in the correspondence (e.g., local-national or regional-local); the issue of concern (e.g., funding or representation); summary of content; date of communication; and implications for empowerment, community-based intervention, ideal workforce development, and organizational growth. This organization enabled me to draw insights based on patterns in the correspondence.

By concentrating on materials such as correspondence between the Executive Director's Office and the United States Department of Labor officials, I was able to uncover the frameworks and texts used by policymakers and OICA leaders to justify their perspectives on the shaping and implementation of employment policy objectives. The

data also shed light on how OICA managed internal changes and shifts in leadership

structures and service delivery paradigms as a result of evolving legislation and its own

expansion strategies. Regarding internal negotiations, I studied the potential effects of

OICA discussions on maintaining its community focus and on its capacity to serve

diverse populations in changing socioeconomic conditions. After categorizing the

collected data based on issues of concern, I drew conclusions on the promise and

challenge of community-based intervention into employment policy. I also offer insight

into what the implications of these negotiations were on the possibility for community-

based poverty reduction and empowerment.

In sum, my research investigates how community-based organizations can

represent vulnerable populations in employment policy formation and adapt to changing

policy contexts while managing their own development struggles. It also explores the

extent to which state interventions can incorporate local knowledge and leadership while

maintaining equitable standards and addressing political and economic concerns. While

making these inquiries, I was mindful of how established principles of community-based

poverty reduction and empowerment can be incorporated into state and grassroots

intervention into employment. My research is also cognizant of the limitations faced by

both governments and grassroots actors in surmounting complex structural economic

issues.

CHAPTER 3

OICA EXTERNAL NEGOTIATIONS WITH GOVERNMENT REGARDING IDEAL PARTICIPATION OF DISTRESSED COMMUNITIES IN THE PLANNING AND IMPLEMENTATION OF WORKFORCE DEVELOPMENT DURING CETA

OICA adopted flexible discourse frameworks in its negotiations with the federal government regarding CETA, in particular with the Department of Labor. The organization and its leaders would either challenge or complement government perspectives and policies depending on the local service delivery structure. Over time, OICA was more reluctant to challenge the government and tried to grow by adapting to CETA's ethos of decentralization, standardization, and marketization. The government was less open to compromise and intransigently stuck to its mantra of devolution and specialization.

Much of OICA's early correspondence to the DOL after CETA's inception took an adversarial stance and centered around the lack of representation of community-based organizations in the planning of workforce development, but was often just as intent on securing financing as garnering influence. OICA deeply lamented CETA regulations that put authority in the hands of Prime Sponsors at the state level, where it felt it had little input into the funding and planning of workforce development. It also championed the role of programs of "demonstrated effectiveness" in the provision of workforce development for disadvantaged and low-skilled populations, recognizing its reputation and record as an apt intermediary for that target clientele. In the first year of CETA's implementation, OICA correspondence and relations with government reflected many

concerns about the funding, provision, and delivery of workforce development for disadvantaged populations in a time when unemployment and inflation were growing national concerns.

Traditionally a recipient of robust financial and legislative support from the federal government, OICA leaders instead took a complementary tone in negotiating for an extension of public service employment catering to the disadvantaged. OICA argued that rigorous federal intervention was necessary to create opportunities for trainees (even while attacking the existing PSE program for not serving the most distressed). It also lobbied for greater federal oversight to protect community-based input in CETA planning and implementation. In instances where local control would detract from OICA's authority in that jurisdiction, however, the organization argued that efficacy should trump geographic domain and that the federal government should support OICA's expansion. OICA officials hoped that its record of effectiveness would help it gain leverage in these regimes.

Protecting Community Input

In early correspondence with OICA after CETA's implementation, The Wisconsin State Manpower Council urged OICA leaders to oppose reductions in state and local funding as detrimental to the most vulnerable groups. The statewide consortium claimed that the provision of workforce development should rest with state and local prime sponsors, who "should be given the maximum flexibility to meet the real needs of their communities and minimum amount of interference from arbitrary Labor

Department restrictions" (8/9/1974). This body also feared the bureaucratization of workforce development and stressed that 90% of funding go directly to organizations serving the unemployed. Whereas OICA leaders shared the Council's passion for local input and direct funding of training programs with a proven record, it vociferously objected to significant state authority in decision-making about workforce development.

OICA leaders were more ambivalent about the propriety of state-led employment training because they feared community-based organizations would lose funding and influence in planning. The first available correspondence from the executive office of the Opportunities Industrialization Center of America to a government agency illustrates OICA's passionate advocacy for the preeminence of community-based organizations (CBOs), rather than the state, in the provision of workforce development. In an October 8th, 1974 letter to the Division of Program Planning and Development of the Department of Labor (DOL), OICA leaders object to CETA because of its failure to delineate the role of CBOs in the acquisition of funding and the ability to advocate for their clients. The letter also emphasizes that programs of "demonstrated effectiveness" in workforce development should receive consideration for categorical funding, which would be a consistent refrain by OICA, appealing to its reputation as an effective intermediary for low-skilled minority and impoverished populations and history of fiduciary support from the federal government.

OICA executives also panned CETA for its dearth of transparency and efficiency in dealing with disputes between prime sponsors and subcontractors. In this correspondence, OICA advocates for strong federal intervention by the DOL in mediating

disputes as a way to protect CBOs from capricious decisions by state prime sponsors. OICA even suggests that, during disputes, CBOs receive interim funding, assurance of participation in workforce development planning, and legal funding from the prime sponsor. The name of the federal body responsible for oversight of workforce development provision is even maligned because of its likeness to OICA: "The Office of Investigations and Compliance to be known as OICA should be changed… Your use in our immediate area of manpower is certainly an intrusion."

Two years later, OICA leaders were still concerned with the lack of democratic legitimacy embedded in CETA. A May 6th, 1976 letter from OICA to the Assistant Secretary for Employment and Training of DOL bemoaned changes to CETA that would impact community-based representation and public knowledge. It specifically challenged restrictions placed on the voting power of CBOs in workforce development planning, as well as a change from three public notices to one about plans as insufficient for the public "right-to-know." The omission of public notification about written comments regarding employment training plans also damaged the accountability and legitimacy of public service employment programs, according to OICA.

Federal Intervention: OICA's Promotion of Rigorous Public Employment and Comprehensive Policies

Despite its fervent criticism of past and current public service employment programs as ineffective at serving or empowering the most disadvantaged populations, OICA's lobbying for ideal workforce development nevertheless went beyond campaigning for community-based representation and criticizing state-led authority to

include fervent advocacy for federal intervention and policies that would holistically

attack rampant unemployment among the disadvantaged. A December 23, 1975 letter

from OICA to the National Commission for Manpower Policy championed public service

employment in social services, education, housing, transportation, environmental

protection, and community revitalization.

Even with long-standing and strong ties to industry, this letter claims that job

opportunities in these sectors "will never be met by the private sector." The letter also

promoted approaches to ideal workforce development led by the public sector: public

education that prioritizes career preparation; national employment policy featuring

ongoing training among private and public agencies; and bolstering the link between

education, training, and employers, including bringing employers into schools and

educators into the workplace. OICA targeted the failing public education system as ripe

for significantly transforming workforce development, advocating "recycling the

underutilized school facilities as career advancement centers." While OICA did not trust

the locus of provision for workforce development being at the state level and had serious

qualms about federal public employment programs, it did favor comprehensive national

intervention:

> The scale must be larger than a few experimental programs. We must make a
>
> national investment in our human potential…We must have a national minimum
>
> income policy…a national service policy…for all human services (not just
>
> education)…Our national policy must be predicated on hope and faith in the ideal
>
> that people will improve themselves. Our present policies are more concerned

with limiting services to those who might take advantage of the country… (OICA

letter to the National Commission for Manpower Policy, 12/23/1975)

Criticism of Traditional Employment Service System

OICA's ambivalence about the role of federal intervention is epitomized by its

simultaneous lobbying for robust federal intervention and intense distrust of traditional

public service employment programs. A July 22, 1976 missive from OICA to the

Assistant Secretary for Manpower of the USDOL encompasses the organization's

concerns about the fragmentation and lack of transparency caused by the Employment

Service's dominance of planning and delivery. For OICA, the Employment Service's

role as the "presumptive deliverer of placement services" without consultation or

sufficient public input had several negative consequences: the fragmentation of

manpower services; less than ideal accountability for placement of trainees; and a

rupturing of the invaluable chain of trust between many Prime Sponsors, the service

delivery agents, and the clients. All of these developments combined to signify a lesser

commitment to the poor and minorities. OICA had particular concerns about the

motivation of trainees if it did not control placement, and also pointed to the Employment

Service's failure to effectively place trainees in jobs under the Concentrated Employment

Program.

Dissatisfaction with the Employment Service only intensified and OICA leaders

later lambasted it as bureaucratic, rhetorical, and incapable of resolving existential

conditions. Regarding proposed amendments to CETA and the Wagner-Peyser Act

(which created the Employment Service), OICA asserted:

> [This is an] Employment Service domination, if not a takeover of
>
> CETA…Proposed changes only address the relationship among the
>
> bureaucracies, state and local government…[and] totally ignore the
>
> problems of poor people…[It is] unclear what role of local officials shall
>
> be. There must be a role for CBOs. We would recommend a
>
> strengthening of the local community involvement rather than the role of
>
> the Governor…The appeals process which utilizes three disinterested
>
> parties, could be a bureaucratic nightmare…The creation of new rhetoric,
>
> "an unbroken sequence of services," assures nothing but the inclusion of
>
> this phrase in proposals…after having been haunted by "duplication of
>
> services'; Amendments are a direct contradiction to the spirit of
>
> cooperation that was evident at the July meeting of the Manpower
>
> Commission…It is my strong recommendation that the August 2, 1977
>
> draft of proposed changes be destroyed and in its place a representative
>
> group of participants in the Manpower Commission be reconvened…
>
> (Letter from OICA to USDOL Administrator of Policy, Evaluation and
> Research, August 1977).

Federal Government Response to OICA Concerns about Structure of Provision of Workforce Development

The government response to OICA's objections relied on the ideology that decentralization in the provision of workforce development to the state and regional level and the specialization of the production of employment training was the most efficient stimulus policy to combat unemployment among the disadvantaged. DOL retorts consistently indicated that a "duplication of services" was an imprudent use of limited workforce development funds and that decision-making at the state Prime Sponsor level was the ideal mechanism for resourcefully involving national, regional, and local perspectives in planning. In effect, CETA's funding ethos of decentralization and devolution coupled with fears about inflation to produce federal budget reductions for workforce development planning, especially for community-based organizations like OICA. OICA and DOL also agreed that programs of proven record should be given due consideration, but final authority for the distribution of funds lay with the state and DOL responses affirmed this jurisprudence.

On January 8, 1975, the Associate Manpower Administrator for Manpower Development Programs of the DOL responded directly to OICA's letter and attempted to assuage its concerns regarding community-based representation, transparency in resolving disputes, and authority for funding reputable CBOs conducting workforce development. The government response reinforced that the prime sponsor retains authority for resolving issues and complaints and for the administration of funding. However, the planning council should include "members who are representative of the

client community" and each prime sponsor must enumerate how it considered programs with proven records of effective workforce development and explain its protocol for choosing specific delivery agents. The letter also promised to review the issue of lethargic intervention by the office Assistant Regional Directors for Manpower (ARDM) and to provide more technical assistance to ARDM for dispute mediation. The office rebuffed OICA's criticism that it caused the cessation of OICA operations in New Jersey, however, proclaiming that those issues were handled adequately.

The federal government did exhibit gestures of reciprocity and inclusion of CBOs in modifying CETA regulations and requirements, as demonstrated by a January 21, 1976 letter from the DOL Office of Comprehensive Employment Development soliciting OICA to revise CETA regulations. OICA responded by again lamenting inconsistent interpretations of CETA, specifically between Regional Offices of the Employment and Training Administration (2/12/1976). Concerns also persisted about CBO representation on Prime Sponsor planning councils and insufficient consideration given to programs of demonstrated effectiveness,

The government replies to OICA's objections about the role of the Employment Service also invoked the utilitarian framework of efficiency. In a September 22, 1976 response to the concerns of OICA and the National Urban League about the influence of the Employment Service, the DOL reinforced that the intent of CETA changes is not to aggrandize the Employment Service's role but to efficaciously distribute limited funds and to avoid redundancy in service delivery. The government was not coy about

promoting greater influence of the private sector in providing employment opportunities, however.

A June 18, 1977 Government Report justifying welfare reform, including work requirements and changes to CETA, pushes the privatization of employment. Trainees who received work in the private sector were allowed twice the income allowance before welfare benefits were to be reduced. Meanwhile, supplementary income provided to public service employment participants was lowered. The government did commit to producing 1 to 1.5 million jobs, but stressed that job creation was the responsibility of state and local officials.

Under a month later, the same body produced a report outlining the advantages and disadvantages of different permutations involving the devolution of employment policy. While different proposals weighed whether most authority should be concentrated at the state or local level, all emphasized the preeminence of state and local agents in planning for workforce development. The option of federal management, which could include a categorical delivery system that would fund programs like OICA without discretion, was the least preferred option. This preference was echoed in an August 4, 1977 letter from the USDOL Administrator of Policy, Evaluation and Research about its welfare reform proposal. Despite offering to consult OICA, it championed what had become the government mantra about workforce development – "maximum flexibility for state and local governments to encourage unsubsidized employment."

Inconsistencies and Instrumentality in OICA's Advocacy for "Local" Intervention

"Local" flexibility was not only a framework adopted by the federal government in justifying its approach toward workforce development planning and implementation. Indeed, the OICA orientation toward local control was wholly dependent on the local political context and how the organization fit in. OICA leaders demonstrated their willingness to sacrifice their community-based advocacy framework in local political mixes where OICA did not have a record of influence or where CETA changes would dilute its authority. In such instances, it would generally lobby for stricter federal oversight or enhanced authority for community-based organizations with a proven track record in job training.

Such regimes included where another community-based organization like the Comprehensive Employment and Training Center in San Jose (lauded as an ideal intermediary by Harrison and Weiss, 1998) would be given more control because of its record in that locale or where the local political regime prevented OICA from having much influence. Because of such jurisdictional conflicts, OICA sought to curry favor with local politicians in many districts, and on occasion with kindred agents, such as the Urban League, that shared its blend of advocacy and pragmatism in workforce development. In other disputes, OICA would take a more adversarial stance toward local governments and service providers, showcasing the flexibility OICA was willing and able to adopt to survive in different political climates.

A November 22, 1974 letter from the OICA to the Associate Manpower Administrator for Manpower Development Programs of the DOL echoes concerns about the localized implications of decentralization and lack of clarity about authority for workforce development planning under CETA. Because of "fuzzy language…local Prime Sponsors are asserting their independence within the framework…" leading to a loss of local OICA influence. Moreover, reluctant federal intervention into disputes is lamented as "Justice delayed is justice denied." It is blamed for the interruption of operations in two New Jersey affiliates and a lack of comprehensive service offerings at many locals. According to this missive, OICA local programs were deprived of the ability to advocate for and serve clients by CETA's lack of transparency and clarity in local service delivery structures:

> They have been made a part of a Manpower services assembly line…Twenty years of manpower experience indicates that a referral results in less effective manpower programs…it pains me when I see programs being designed to fail…it is more painful when I see a local OICA which has been doing a good job, being taken apart and in the process being destroyed. I cannot believe that that is the intent of the Congress… Some Prime Sponsors have simply stated that an OICA will not be represented. (11/22/1974)

Adverse conditions in local contexts prompted OICA to compromise its advocacy for local control in favor of an efficacy framework that matched the federal government's desire to promote efficient employment policy. This is reflected in a May 6, 1976 letter

from OICA to the Assistant Secretary for Employment and Training of USDOL. Here the organization reasoned that to receive funding or authority to expand in an area where it previously had no presence, it should not have to be a local program but rather one of "demonstrated effectiveness."

Changes under CETA — including budget cuts, complex funding arrangements, and the bureaucratization, privatization, and fragmentation of workforce development networks —immediately instilled trepidation among OICA leaders and other advocates of workforce development for the disadvantaged about the new legislation's ability to galvanize ideal implementation of training. Policy and ideology moved towards the privatization and devolution of funding, planning, and service delivery of job training as officials worried about the inflationary impact of significant federal expenditures on workforce development. In effect, it augmented the influence of state and local governments and industry at the expense of service delivery agents.

OICA executives and other advocates – including the Wisconsin State Manpower Council – disagreed sharply with CETA's inherent emasculation of intermediaries and community-based organizations that directly served clients. In rallying opposition to CETA, the Wisconsin State Manpower Council argued that monies effectively and directly aimed at the most disadvantaged groups were in fact the best antidote for inflation -- "there is no less inflationary manner of attacking rising unemployment" – rather than a source of inflation (8/9/1974). OICA would embrace this efficacy framework frequently by touting its reputation of concern for the "disadvantaged" (6/23/1975).

OICA's primary gripe about CETA's impact on workforce development implementation, evident in much of its external and internal correspondence, was its fragmentation of existing service delivery chains and of comprehensive services. The organization felt that CETA changes in service delivery arrangements ruptured the invaluable bonds between intermediaries, employers, and clients in many jurisdictions. The referral process, embedded in CETA's ethos of specialization, that shuffled trainees between providers for different services was also maligned by OICA because it disrupted the continuity in delivery it deemed necessary.

In addition, CETA would often only fund part of the holistic services offered by OICA, and OICA's emphasis on motivation prior to training was usually the first casualty. OICA's request that the DOL distinguish administrative from training costs in determining budgets also reflects its earnest commitment to developing the distinct, though complementary, management and training capacities to implement ideal workforce development. OICA executives touted its unique "whole-man" model of workforce development to not only appeal for funding but also to justify its spending as essential to efficacy for a specific target population.

In a May 14, 1975 letter from OICA to the DOL Office of National Projects, OICA stressed the significance of skill and knowledge development, but also the importance of its singular motivational aspect of training: "in concert with the OICA philosophy in all things, [motivation lessons] will focus on the needs and realities of individual participants…[which] requires unique course and material construction and methodologies to work." OICA also objected to changes prompted by the shift towards

the privatization of employment assistance, such as the increased burden put on food stamp recipients and other benefactors of government-sponsored welfare programs (response to a letter from the DOL Office of Comprehensive Employment Development soliciting OICA to revise CETA regulations, January 21, 1976). While government officials thought economic disincentives to receiving public support would encourage private unsubsidized employment, OICA thought clients needed to train under some auspices of government. Ironically, OICA stubbornly held on to its own policy of not offering stipends until this stance proved too unfavorable to acquiring funding and influence.

Federal Government Response about Ideal Workforce Development Implementation

The government response to OICA's qualms about decentralization under CETA leading to fragmentation in service delivery usually appealed to promoting efficient workforce development policy by avoiding the duplication of services. Specialization among service providers was also defended as the most economical mechanism for job training. OICA objected to this justification because it felt that funding the operation of similar functions for two or more subgrantees within a Prime Sponsor's local jurisdiction was at times necessary to meet the needs of clients, to overcome geographic limitations of certain agencies, and to avoid the negative impacts of referring clients from agency to agency (2/13/1976).

Inconsistencies in and Challenges to Ideal Workforce Development Implementation for OICA

Rigid advocacy for comprehensive services and an emphasis on motivation distinguished OICA, but also contributed to inconsistencies in its lobbying efforts and rifts between it and other CBOs specializing in workforce development. For example, OICA training traditionally forbade stipends because of its desire to promote self-motivation without enticements, while other programs offered compensation. (Anderson found that, if anything, stipends *enabled* trainees to participate without detracting from motivation). Executives balked at other agencies receiving additional monies for stipends. Nevertheless, OICA's stance on stipends grew ambivalent in a desire to gain funding, as reflected in a November 17, 1975 letter from the Oklahoma City OICA to the Regional Director of the DOL. After complaining about other providers receiving funding for stipends and the implications for motivating trainees, the letter states: "it does not mean that we are resisting minimal level of stipends…Stipends for each CETA program, or none at all."

In other regimes, OICA was given additional funds to expand, but it lacked the capacity to handle a different geographical – and cultural -- segment of the labor market (Anderson, 1976). This experience suggests limiting factors to OICA's ability to expand: rapid organizational growth galvanized by adaptations to complex funding arrangements and OICA's unique model of people- and skills-based workforce development that targets a specific clientele with a distinct culture, assets, and needs. While OICA was by no means a "closed intermediary" (Levitan, Mangum, and Marshall, 1981) and its

organizational zeal for its paradigm was crucial to its success, its singular model somewhat hindered its goal to serve all segments of the low-skilled labor market.

Correspondence with Government about OICA Management issues

While most of the correspondence between OICA and the government involved discussions about ideal workforce development policy, there were instances in which OICA would inform the DOL of its own internal organizational struggles. A March 1st, 1976 letter from a Michigan OICA local was sent to OICA and forwarded to the DOL, and documented accounting issues and personnel problems that the center experienced. OICA generally did not expose its weaknesses in its pleas for funding and legitimacy in workforce development planning and implementation, which also signifies its instrumental approach to negotiating with government. OICA did face significant challenges in management during its expansion and adaptation to changing policy contexts, however, and apprehension about these obstacles is ubiquitous in exchanges between different OICA leaders.

CHAPTER 4

INTERNAL OICA DISCUSSIONS AND STRATEGIES ABOUT EXPANSION: IMPLICATIONS FOR COMMUNITY INPUT AND IMPLEMENTATION OF IDEAL WORKFORCE DEVELOPMENT

While external negotiations with government reflected a united front, internal correspondence signified anxiety and disagreement within OIC over organizational strategy for approaching CETA and expansion. Some leaders actively criticized the federal government's inaction in combating unemployment, while others sought to capitalize on opportunities embedded in CETA. In addition, OICA's leadership gradually acknowledged that effective workforce development required not only industry support but also collaboration with local governments and other service providers. OICA was consistent in its advocacy for progressive policies and desire to serve all disadvantaged segments of the labor market.

From the time of OICA's inception, its ambitious mission focused on bridging gaps between government, industry, and clients and expanding to serve the many low-skilled, urban, and minority (if particularly African-American) groups traditionally underserved by private employers and public job training programs throughout America. To achieve this goal under CETA, OICA had to balance several responsibilities: adapting to complex funding and service delivery arrangements at the national, regional and local scales; improving its internal management, accounting and evaluation both nationally and locally; learning about the best practices of workforce development; and collaborating with industry and other intermediaries to implement ideal job training. These challenges were exacerbated by economic malaise and growing neoliberal influence that meant

retrenchment of federal government in public welfare. The struggle to simultaneously meet these significant demands and OICA's internal tension about strategies for expansion while still promoting community-based and client-focused interventions is evident in negotiations between national, regional, and local OICA officers.

Internal OICA correspondence at times emphasized solidarity in challenging CETA for its feeble federal interventions into chronic unemployment, its dilution of the influence of OICA and other community-based organizations in planning, and its fragmentation of holistic service delivery. OICA leaders at the national, regional, and local level were always cognizant of these concerns and labored to present a united front against changes brought on by CETA. Even so, much of the internal OICA negotiations during CETA exhibited efforts at adapting to legislative changes through management improvements, and via strengthening relationships with industry and other delivery agents. OICA visionaries realized that direct federal funding for community-based intervention was becoming out of reach and that networking with business and other intermediaries was necessary to survive in a globalizing economy and neoliberal political context that favored privatization in the provision and production of services. Devolution in planning and specialization in delivery required a strong national lobbying presence to maintain political influence, but also a willingness to partner at the regional and local level to survive the vagaries of localized funding and political contexts.

Integral to this aspiration was constantly securing funding and employment opportunities from public and private sources in an era of increasing devolution and marketization in the provision of financing for and implementation of job training,

exemplified by CETA. Thus, fundraising concerns were ubiquitous in internal

correspondence between local, regional, national, *and* industry arms of OICA.

Management and growth struggles were another significant, and related, obstacle to

OICA's expansion and production of empowering workforce development, as indicated

by much of its internal correspondence.

CETA epitomized a trend towards the standardization, professionalization and

outcomes-based monitoring of workforce development. Notwithstanding objections to

the lack of consistency in the interpretation and implementation of CETA regulations,

OICA's growth strategies also reflected qualms about its management capacity. Because

of CETA stipulations and internal management issues at many OICA affiliates, the

organization adapted to improve its management training and internal evaluation

capacities. Often these demands were too onerous for a local to be effective or survive.

Internal struggles over funding and management prompted OICA leaders to

feverishly seek partnerships with industry, and this preoccupation was evident in internal

discussions. It always relied on strong industry ties, but the withdrawal of consideration

for categorical funding and devolution of financing and decision-making – coupled with

the challenges faced in the labor market due to globalization and organizational capacity-

- forced OICA to commit more resources to nurturing business relationships. OICA also

demonstrated a greater willingness to collaborate with service delivery agents conducting

parallel operations when it realized partnerships were necessary to its competitive

advantage as a workforce intermediary.

Challenging CETA: Maintaining an Adversarial Stance towards Devolution in Planning and Specialization of Workforce Development

One of the first available pieces of internal OICA correspondence demonstrates that the organization ideally wanted and advocated for categorical funding that would give OICA freedom from apprehensions about financing and adverse local political contexts. On April 16, 1973, the Executive Office of OICA sent out a letter to all locals soliciting support for categorical funding in the form of an "OICA Bill," in lieu of manpower revenue sharing. OICA would soon adopt a less adversarial posture toward the devolution of funding and planning, recognizing that such flexibility was necessary for the organization to survive.

Nevertheless, there is significant evidence in internal negotiations about how to approach CETA that documents OICA's distaste for CETA's impact on OICA influence and ideal workforce development planning and implementation generally. The fragmenting effect caused by CETA's devolution and specialization deeply troubled OICA, leading to earnest pleas for solidarity in the face of genuine threats to the organization's livelihood. A December 15, 1975 memo from the National OICA Board to Regional officers laments the "pirating of OICA programs by revenue sharing" and calls for "Solidarity – [which is] linked to survival – [we are] getting picked off one by one."

The letter also mentions how the devolutionary process and local control often engenders conflict of interest issues and prevents ideal job training implementation. It also asks rhetorically whether OICA can influence CETA, and whether a "united front

among all OICAs" or leader Dr. Sullivan can mobilize action to lobby Congress. Just a few weeks later, notes from the Executive Council meeting summary relay that when meeting with the DOL, OICA needed to address the lack of clarity about the intent of Congress and the administration in funding workforce development (1/8/1975).

Local OICAs were also preoccupied with how to survive under CETA. One local wrote the national office worrying that funding from CETA is insufficient and that it might have to pay staff monthly to survive (1/28/1976). Inadequate funding coupled with territorial and organizational conflicts to create local tensions. Correspondence between national and local branches of OICA in April 1976 suggested that another service provider jeopardized a California affiliate's exclusive operation, in terms of both funding and the name of the organization.

These obstacles to OICA's input into planning and role in implementation during CETA led the National Board to alert Regional officers on February 6, 1976 that they must support Chairman Sullivan "in his efforts to protect the future of OICA at this time in which training is being made a low priority item by many in the federal government." While this impassioned appeal reflected the sincere beliefs of many OICA leaders about the abandonment of the federal government, the same letter also demonstrated that the organization had already realized it would need to adapt and improve its internal operations rather than rely on government or put too much time into opposing government. OICA executives acknowledged "more and more the continued growth and expansion of OICAs will depend on precision, level of expertise, and the programming sophistication…" (2/6/1976)

For OICA, absolutely relinquishing its espousal of Keynesian federal intervention into employment problems proved elusive. In January 1976, it quoted the National Commission for Manpower Policy in declaring that swift action was essential to put money back into the economy to combat widespread unemployment and that chronic unemployment was more dangerous than inflation. It supported the Commission's efforts to look at Western European models of expansive job training and job creation.

Adapting to CETA: A Complementary Approach Toward Government and Collaboration Across Boundaries

Ultimately, though OICA lobbied vigorously against CETA and maintained its opposition to devolution in workforce development, its leaders knew the organization had to adapt to the policy and assumed a complementary stance towards government and workforce development. It partnered with government, industry, and other community-based organizations to capitalize on new opportunities and overcome internal shortcomings. Some leaders promoted the marketization and advertising of OICA programming to achieve a larger share of funding and influence. The organization also agreed that improving its management, communication, and evaluation was essential to its survival and expansion.

While other correspondence lambasted manpower revenue sharing and complained about the federal government's withdrawal of support, just a few months later a development plan for OICA surfaced that envisioned devolution in funding as an opportunity and abdicated dependence on the USDOL for operating funds. The August

1973 plan saw manpower revenue sharing as a short-term funding problem for OICA, but more so an "opportunity to influence government and private programs…[and to] offer experience and expertise to a very large potential market…" Ironically, the organization itself supported internal devolution to achieve expansion: "the goal is to increase in size and scope to serve all levels of government, business, and [local OICAs]; regional offices need more freedom to solicit contracts, [to have] local experiences incorporated, [so that OICA] can gain more independence from the federal government." Other writing touted emergency revenue sharing as more desirable than increased Title IV funding, which would exacerbate local conflict (1/23/1976).

The August 1973 plan prioritized the regionalization of management and planning, and the marketization of OICA's programming. It called for more independent regional offices to foster greater communication with local OICAs and stressed that regional branches cultivate their own expertise. Market research was also necessary to identify funding opportunities regionally, in the private sector, and through different government programs, including drug prevention and rehabilitation activities and Career Education.

Strict reliance on DOL for funding, a historical crutch for OICA, was critiqued as defining the knowledge and skills of OICA too narrowly. A later national planning document advised that the National Technical Advisory Committee (NTAC) also be decentralized regionally (10/26/1976). Despite the consolidation of authority at the regional and national levels, the organization still acknowledged the necessity of building community support (August 1973).

Internal evaluation and management improvements were also encouraged to assess and improve the capacity of OICA. In particular, the plan stressed assessment of the relationships between the national, regional, and local branches of the organization and whether local centers could effectively expand. The August 1973 Development Plan exclaimed: "a clearly defined policy about relations with local OICAs will be necessary to minimize feelings of competition and jealousy" and the "National-regional relationship must be spelled out." An accounting system was also deemed necessary, in addition to a management training school that would centralize staff training and development.

In July 1974, OICA implemented a hierarchy to streamline communication about issues with CETA. Locals were to submit complaints to regional offices, whereby feedback would be incorporated, and then the concern would be forwarded to DOL and the prime sponsor. This system marked the organization's own devolutionary transition, and suggested a consolidation of authority at the regional level under the auspices of the national offices.

A January 1976 missive about employment policy and OICA from a Regional office to the National office reflected the delicate and dynamic internal tension about CETA and how to approach it. The letter mentioned that there were several powerful agents with conflicting perspectives influencing OICA's orientation towards government, including Chairman Sullivan and the National Executive Director. Thus, "since the range of views vary from positive—Our Founder—to the other extreme, it is suggested that we continue our posture of informing on a needs to know basis and actively review how various filed positions are interfacing with their concomitant CETA relationships."

Clearly, some leaders within OICA felt it imperative to abandon adversarial negotiations with the federal government and to move beyond relying on it to survive. They also acknowledged that the organization needed to address internal weaknesses to survive and expand. A primary preoccupation was indeed how to expand and centralize management training without compromising positive relations between national, regional, and local arms of the outfit. OICA also worried about the local implications of its own expansion strategies and about inciting competition locally. All of these challenges threatened to damage OICA's community-based orientation and ability to implement ideal client-focused workforce development.

Notes from the January 8th, 1975 Executive Council meeting summary also reflected OICA leadership's shift to an adaptive and self-conscious approach to challenges under CETA, rather than placing blame on the federal government. The summary did mention plans for public service employment models that would include significant government intervention, but the bulk of it stressed that OICA needed to improve its own capacities in management, promotion, local collaboration, and cultivation of industry relationships to evolve. Innovation and public relations were essential to avoid organizational collapse:

> We have 35 programs fragmented to the point I am not sure that they can be
>
> identified as OICAs. Title IV is an emergency bill. This could be the base by
>
> which we develop new operations… Some OICAs will not be able to use some
>
> OICA models because of management problems and local relationships. But all
>
> choose a program to present and sell this program using: 1) effectiveness of

existing program, 2) local political support 3) industrial and community support. (1/8/1975)

The summary also included concerns about OICA's capacity to produce jobs for its trainees. While external negotiations with government were still highlighting OICA's efficacy to garner funding and influence, this and other internal correspondence exhibited less confidence in the program's proficiency. It also expressed doubt that the program could serve Spanish-speaking populations, which were growing and in need of mediation to secure employment.

The organization reinforced its commitment to seeking assistance from the private sector and other non-profits. The 1975 summary included notes about seeking seed money from the United Way, and equipment underwriting from the Industrial Technical Advisory Council. It charged that OICA "must maintain maximum effort in the private sector." The evaluation research organization ETS was also noted as a possible funding source, which indicated OICA's trend toward bolstering its internal evaluation and implementing standards.

Strengthening evaluation and improving the organization's accountability were internal changes that also reflected OICA's adaptive approach to CETA. The first available internal document after CETA's inception stressed performance planning and evaluation standards.   Letters from the National office in October and November 1975 lamented that a Management Information System (MIS) was not operational yet and reported the formation of a MIS Task Force to facilitate its local implementation. The Task Force's responsibilities also included negotiating with Prime Sponsors and private

corporations to fund MIS. The standardization and collaboration involved with buttressing OICA's evaluation capacity exemplified OICA's readiness to adjust to CETA but also signified a consolidation of authority at the national level at the expense of local OICAs.

Another strategy to overcome the vagaries of CETA funding and planning structures was the creation of an *Opportunities Guide* and *Regional Resource Library*, which provided information on funding resources and opportunities. It included the best practices of funding acquisition from public and private sources, negotiation, gaining representation on manpower planning councils, and dealing with CETA administrative cost regulations. While this was an earnest effort by the National Office to help regional and local affiliates, it again represented a shift toward the standardization of OICA programming.

OICA leaders even demonstrated a desire to gain sophistication in adjusting to government workings. In December 1975, the National Board relayed its concerns to Regional officers, which included "we need to learn more about politics – the science of government." Even local OICAs realized that sophisticated and innovative lobbying was necessary.

In an August 26, 1976 document entitled *Seven Steps in Search of the Omniversity*, a New Jersey local official stressed the necessity of securing program funding from diverse state and federal agencies beyond DOL. It mentioned the Department of Health, Education and Welfare, the Law Enforcement Assistance Administration, the Department of Commerce, the Department of Housing and Urban

Development (HUD), and the Department of Agriculture all as potential funding sources. Securing private sector financing and sensitivity to state politics were deemed necessary.

Public relations and advertising were also integral to OICA's adaptation and expansion. An October 1976 national planning document suggested increasing the organization's public relations budget and scope, and accessing major media. These marketing efforts were to be complemented by identification of support in the federal and state governments, a clarification of goals, and better fund-raising.

All of this correspondence about and attention to improvements in internal management, evaluation, fund-raising, and public relations exhibit OICA's earnest efforts to adapt to CETA exigencies. These changes often meant a sacrifice of local autonomy and threatened mission creep and organizational compromise. Nevertheless, the organization did have significant internal challenges, foremost being the degree of decision-making at the national, regional, and local levels.

Internal Management and Financing Struggles during CETA

Adapting to CETA's devolution and cognizance about the need to enhance its management did not prevent administrative or financial difficulties or internal squabbles about the proper locus of decision-making within OICA. Soon after CETA's initiation, a local OICA notified the national office about management challenges in handling the devolution of non-federal funds (4/30/1973). The same memo complained about the Regional director's absence at local meetings, especially because conflicts with his dictates were aired.

Tensions between regional and local offices were evident in other in-house discussions. A July 1976 memo voicing administrative concerns brought up disagreements about authority between a regional arm and a local OICA center in Stockton, California. Another series of correspondence from May 1973 dramatically recounts a clash over clout between a regional and local, when a Portland affiliate accused the San Francisco regional office of intimidation:

> [We have] sporadic funds received, budget cuts, staff cutbacks, business
> donations freezing…[We] can handle the problems that occur on the
> outside, but it is very hard to cope with the in-fighting…[This is a]
> witchhunt…You have violated the cardinal rule of OICA by sending Mr.
> Cabello (regional officer) in here to impose the regional's will upon the
> people…How in the world you and your staff can sit in San Francisco and
> conclude that you know what is best for Portland, I don't know. (May
> 1973)

The letters also implied that OICA was transforming into a service akin to the Concentrated Employment Program, which was widely criticized within the organization for its lack of community orientation and inability to serve the disadvantaged.

National leaders expressed concern about local management and accounting soon after CETA's enactment. A May 1973 discussion between the Office of Field Operations, the National Office, and local OICAs focused on local budgetary issues and locals owing money to OICA. Many locals began requesting loans from OICA, while soliciting county money and corporate contributions. Regional-national communication

indicated critical management problems in many locals related to failing boards, accounting irregularities, delinquent IRS taxes, unstable finances, and conflicts with regional offices or other local training programs (7/19/76).

The dire state of affiliate finances is embodied by an October 13, 1976 memo from the National Board to Regional offices requesting Biweekly Status Reports about OICAs that have closed or face serious financial or legal issues.

An external accounting audit corroborated OICA's apprehension about financial management. It raised concern about a significant disallowance, unused facilities, investment questions, and unpaid vacations (10/22/1976). Still, the audit praised OICA for efforts at achieving solvency: "Notwithstanding the above (accounting issues), I do believe that you are to be congratulated for the improvement in the working capital position of OICA and the rather substantial dent that has been made in the fund balance deficiency."

Money management issues persisted, however. A November 2, 1976 note expressed unease about the financial stability of locals, including the need to restructure or eliminate the Fort Wayne, Indiana affiliate because it cannot be funded. OICA's ability to expand was becoming a serious issue. Efforts to create a model in the Virgin Islands quickly faced funding complications. Correspondence attributed financial worries to unease about CETA keeping its funding commitments as much as internal capacity, however (2/5/1977). OICA began to ration financial support. Because a local director attended a nationally-sponsored Budget & Operations meeting, OICA agreed to postpone a local's fees until its fundraising capacity improved.

The primary strategy for expansion, in the context of adapting to policy demands and severe funding constraints, was through technical assistance. This reflected OICA's top-down implementation and development orientation, as well as its desire to assist locals with capacity-building. Evaluation and marketing of locals was to be standardized and "dispel with superfluous and grandiose information (12/4/1975)."

Knowledge-sharing and transfer of best practices was also encouraged, but this advice was as much about fund-raising as ideal workforce development implementation. Despite all OICA's struggles with solvency, the National Board still wondered as late as December 1975 if the organization could become self-sufficient financially. Successful expansion was becoming illusory by the beginning of 1976, however, as a message from the National office to Regional officers noted plainly: "[A] gap exists between administrative direction towards expansion and implementation of same."

Promoting Ideal Workforce Development for Spatially and Economically Isolated Groups

OICA experienced significant challenges and contradictions during its transition from a community-based training program to a nationally recognized and categorically funded intermediary to a struggling organization trying to adapt to CETA and expand. Yet it still exhibited a capacity to promote ideal workforce development for disadvantaged communities. For an organization that forbade industry members from being on boards of directors lest it jeopardize its community orientation, OICA always cultivated industry ties for support and trainee employment. OICA also softened its adversarial stance toward collaborating with other community-based service providers,

acknowledging that the magnitude of challenges it and its client base faced required cooperation and integration of supports.   Also, even if OICA sacrificed community autonomy to expand and present a united front, it never abandoned its advocacy for policies that reflected the needs of economically disadvantaged communities and groups.

OICA was dogged in its pursuit of diverse industry relationships, recognizing that its trainees needed links to jobs and that private financing was critical. The earliest piece of data that I researched was a January 4, 1973 newspaper article announcing a $40,000 grant given to the Atlanta OICA by Allstate Insurance. By June 1973, a National Plan endorsed an "industrial buddy concept" for the 110 existing affiliates. The plan also recommended that the strengths and weaknesses of Industrial Advisory Councils be inventoried in conjunction with surveying local affiliate needs. Retaining and establishing industry and philanthropy contacts remained a priority for the National OICA Board, as evidenced by several planning documents.

The relationship between OICA and business was often symbiotic. Industry leaders tried to capitalize on the positive public relations and ties to a labor pool associated with facilitating opportunities for the disadvantaged. One industry notice addressed to OICA was entitled "Solving Equal Opportunity Problems: New Opportunities for the Poor, and the Positive Response From Industry." General Motors supported and complemented OICA's mission starting early in the program's development by providing financial and technical assistance. Another industry giant, AT&T, volunteered to coordinate fundraising for the annual "OICA-TV Gala" (3/19/1976). Just a few weeks later, OICA Executive Director Elton Jolly sought

assistance to compile a list of local OICAs that could fundraise via the gala, and reiterated the need for strong industry support.

OICA's realization that compromising authority or sacrificing part of its model to collaborate with other effective community-based organizations was integral to its growth and ideal implementation of workforce development. The need to collaborate became apparent when OICA began serving the growing immigrant community. At the end of 1974, a regional office stressed the distinct challenges confronted by the Hispanic community in New England. It suggested "partnering with other organizations attuned to client needs, which are significant and many" (12/27/1974). The letter also challenged the National office to show the same deference to other organizations as displayed by providers that commit to developing and implementing OICA programs. Another missive from a regional office to the National Office echoed apprehensions about the "ethnic problem'" of serving the Hispanic population (4/2/1975).

The Office of Field Operations only identified two inter-agency conflicts in March 1975, yet by the end of 1975 nurturing relationships with other community-based organizations became a priority for the National Board. A top concern was "recognizing limitations of our influence and [using] resources of others in the community to help OICA" (12/15/1975). OICA still battled the Comprehensive Employment and Training Center of San Jose – another well-regarded and influential workforce intermediary for disadvantaged populations – for influence (7/19/1976). But Reverend Sullivan met with Vernon Jordan, president of the Urban League, to collaborate (11/23/1976). Also, OICA's close relationship with the NAACP was demonstrated by a letter thanking the

NAACP for helping out OICA in an emergency (2/18/1977). OICA demonstrated more affinity toward organizations led by African-Americans and focused on the specific struggles of the African-American community.

Still, it did make efforts at collaboration, realizing it could not serve all disadvantaged segments of the labor market on its own and could benefit from networking resources. It was not a closed intermediary, but acknowledged its limitations.

Toward Comprehensive Economic Development and Progressive Policy

Although challenges related to funding, service delivery structures, and mismanagement thwarted OICA's ability to effectively serve all client bases, it consistently promoted progressive policies that addressed the evolving needs of low-skilled and economically disadvantaged populations. OICA always involved significant advocacy to complement its pragmatic approach of motivating and training clients and then linking them to employment. As global and domestic economic structuring increasingly isolated low-skilled groups from opportunity in the 1970s —spatially and economically — OICA leadership sought to find ways to develop the financial capital of poor communities.

OICA advocated both relocating trainees closer to avenues of economic mobility and cultivating endogenous community economic development. Combining these approaches was deemed necessary for disadvantaged youth, whose plight sparked the activism of Reverend Sullivan. The *Omniversity* plan adopted the residential relocation approach of Job Corps and took a holistic ethos towards the structural, cumulative nature of poverty (Bradshaw, 2006).

It envisioned multipurpose, multifaceted programming at an isolated farm in New Jersey to serve the needs of underprivileged groups, especially youth (8/26/1976). Trainees were to build the campus's facilities and would participate in programs modeled after the Civilian Conservation Corps, such as wilderness management, beautification, and subsistence farming. Participants would also benefit from training in both cooperative management and leadership. A planning priority according to the National Technical Advisory Committee (NTAC) was leveraging the resources and opportunities presented by HUD's Youth to Job Transition Program (10/26/1976).

Cultivating neighborhood financial capital and investment was always a goal of OICA, but it became an increasing priority as capital mobility became crucial to economic opportunity and less promising for many isolated urban enclaves. NTAC championed the creation of a Community Investment Cooperative (CIC), which would advance minority entrepreneurship, investment, and small business development (10/26/1976). Integral complementary objectives to building the capacity of communities would be coordinated by the Urban Services (Housing and Education) Committee. Two months later, the National Office sent out a letter to industry leaders to plan an initial meeting for the formation of a Community Investment and Real Estate Subcommittee.

Remarks by Reverend Sullivan at the November, 23, 1976 National Executive Committee Meetings reflected the organization's shift toward more comprehensive solutions to economic deprivation. He articulated that the "second phase" of OICA's efforts would move beyond its thirteen-year focus on establishing mechanisms for

manpower training. While that endeavor centered on "training poor people for jobs that do not exist now; [the] second phase is economic or neighborhood development (central city revitalization)." Tellingly, even as Sullivan was pursuing more ambitious goals, he realized that expansion was less important and less realistic: "OICAs will not grow as rapidly as before."

Sullivan also knew that OICA's influence was limited by the countervailing effects of the most influential institution in the lives of his target population: public schools. He had "many concerns about [the] failures of public education" and emphasized the need to intervene in the lives of dropouts (11/23/1976). Educational inequity provided a reason for Sullivan to meet on equal footing with the Urban League's Vernon Jordan.

OICA's rocky expansion to the Virgin Islands, incorporated under OICA, only represented a fraction of its international efforts. OICA International is outside the scope of this paper, but made significant interventions in South Africa and other African countries. Another complementary challenge, health education, was made a priority. A University Chairman had the responsibility to develop and incorporate a health training curriculum, noting that "health education [is] an issue among poor and minority populations (3/1/1977).

OICA was also criticized for perpetuating a gendered labor market by focusing on the "whole man" and steering women into lower-paying clerical jobs. Its leadership was primarily male as well. Nonetheless, an initiative to create a National Women's Auxiliary (NWA) showed progress toward greater inclusion. A May 1976 letter from the

National Office to regional offices exclaimed: "MANPOWER IS WHAT WE HAVE.

WOMANPOWER IS WHAT WE WANT TO BUILD FOR OICA IS BOTH." Locals

were responsible for funding NWA, however, an NWA representative was only

guaranteed a seat on the local board and "will report to the Board Chairman, or *his*

delegate" (May 1976).

CHAPTER 5

CONCLUSION: FINDINGS, CONTRIBUTIONS TO THE LITERATURE,

POLICY IMPLICATIONS AND LIMITATIONS

OICA exhibited flexible and dynamic discourse frameworks in its approaches to

complex policy and political contexts under CETA. The organization's adaptive

behavior, which included occasional infidelity to its mission, reflected its instrumental

and realistic approach to survival within demanding circumstances. CETA's funding and

service delivery arrangements did not often enhance OICA's capacity to serve

effectively.

Immediately subsequent to CETA's enactment, OICA leaders vociferously

clamored for more robust policies attacking unemployment. They consistently touted

their reputation, efficacy, and link of trust to disadvantaged segments of the labor market.

Yet over time OICA felt compelled to adopt a complementary orientation toward

government and business to receive funding and maintain influence, even if it often

exhibited an adversarial stance in its internal and external criticism of government policy.

Depending on the local context, OICA would either become friend or foe with political

leaders and service providers.

It would also sacrifice part of its model in some arrangements to maintain funding

streams. For example, despite its fervent advocacy for community representation, OICA

leaders would at times lobby for funding of "programs of demonstrated effectiveness"

rather than local service providers if such a structure would aggrandize its influence.

OICA's strategy to focus on lobbying the Department of Labor and reluctance to work

with state and local governments reflected its historically positive relationship with the

federal government, but also its own national consolidation. OICA's constant self-promotion as a community-based organization that best represented the disadvantaged was also duplicitous because of its national expansion and record of not always serving the most distressed populations.

This organizational compromise exemplifies the difficulty OICA had in balancing its commitment to community control with its ambition to expand and need to sustain influence and funding. OICA's evolution was thus marked by *instrumental adaptability* and occasional *mission creep*. It also demonstrated flexibility in adopting a greater propensity for collaboration and networking – especially with other service providers – upon realizing that the magnitude of its mission outstripped its capacity.

An important criticism of OICA is that it was too ambitious in attempting to expand to serve all disadvantaged segments of the labor market at home and abroad. Economic restructuring and its criteria for economic and spatial stratification – levels of human and financial capital-- dramatically diminished OICA's prospects for achieving its mission. OICA was not training its clients for jobs that "do not exist now," but rather for employment that was becoming obsolete or insufficient due to outsourcing, immigration and persistent wage inequity.

Sullivan and other leaders acknowledged this ominous mismatch, but also knew the obstacles to prosperity for underserved communities are structural: failing schools, disinvestment, and spatial and political isolation from the loci of job growth. No strict focus on individual deficits related to employment in devalued segments of the labor market, such as clerical or textiles work, could overcome these barriers or meet the

human capital demands of the service economy. No amount of networking across boundaries would solve these problems either. These structural barriers compelled OICA to continue to lobby for rigorous federal intervention into the institutional challenges faced by its clients.

CETA's priority for devolution and specialization did not adequately confront these challenges either. Government's willingness to limit the influence of an organization with deep community ties and a proven record of training, rather than to provide and broker proper supports, is alarming. Applying the mantra of devolution and efficiency universally and unequivocally to workforce development did not always benefit the populations it intended to serve. Neither government nor OICA always served the most disadvantaged and special needs populations, such as those with very low literacy levels or disabilities, signifying that the most vulnerable groups are not necessarily served by policy or community-oriented organizations. There was little evidence that OICA's clients were politically empowered or directly involved in the organization's planning. Linking workforce development, democratic participation and client leadership while expanding, proved elusive in a difficult policy context.

Given its substantial constraints, however, OICA's evolution and persistence as an advocate and workforce development agent for underserved and low-skilled populations is noteworthy. It may have expanded beyond reason, allowed mission creep, and shortchanged its target population by refusing to collaborate in certain contexts. OICA showed the ability to implement ideal workforce development when it displayed sound management and enjoyed comprehensive support from government, industry, and

other service providers. If not absolutely, it demonstrated an uncanny ability to network across organizational and territorial boundaries to promote ideal workforce development.

The dynamic relationship between government and OICA under CETA, and the tense internal debate within OICA, tells much about both the ideological and pragmatic debates over the effective governance and implementation of workforce development policy during the 1970s. Efficiency and efficacy are promoted but not necessarily practiced. Community and local representation take on different meanings in both political discourse and on the ground. Approaches and alliances change as the state and community-based organizations evolve to confront new economic challenges and realities.

My research also shows how difficult it is for an organization to maintain its mission and community orientation while trying to adapt to structural economic and political changes. As capital began to move more freely and be important to success in the labor market, OICA struggled to expand and helps its clients. Other institutions, most notably public schools, also failed these populations. All of the players in OICA's story --- government, industry, other service delivery agents, and the organization itself – need to go beyond networking across boundaries and addressing internal management or policy arrangements to address structural contradictions.

Contributions to the Literature

I add to the literature by highlighting the motives, rationales, and implications of negotiations between government and OICA and among OICA leaders during CETA. Most studies do not explore the processes that influence policymaking and

implementation from the perspective of both government and community-based organizations. I also explore the interaction of different scales of governance within the state and within OICA. My attention to the implications for community empowerment and ideal workforce development implementation is also unique. The bulk of the literature focuses on the role of policymakers, business and educational institutions, but does not uncover how an expanding community-based organization and effective workforce intermediary negotiates the struggle for funding and influence while also advocating local empowerment and ideal implementation.

Isolating my research to a five-year period, while embedding it in a historical and political context, enabled me to explore in detail the adaptive nature of OICA. I did not focus on outcomes, but the discursive processes by which policies are brought to life are essential to understanding governmental and community-based intervention into workforce development. Coupling analysis of the external and internal discussions of OICA led to the insight that the organization was instrumental and even hypocritical in its public relations. This flexibility and inconsistency was countered by government intransigence in its adherence to devolution and specialization to the detriment of comprehensive policies and job training models. CETA marked a significant transition in the governance and implementation of workforce development, and my research investigates this dynamic period in a singular manner.

My research uncovers the complexity of maintaining a consistent model of workforce development and facilitating expansion in fickle policy and funding contexts. I also provide rich insight into the many demands on an expanding community-based

organization, including changing policy and delivery arrangements, inadequate funding, mismanagement, and incoherent vision. Finally, I give credence to the established ideal workforce development practices, and measure OICA's capacity to implement these principles.

Policy implications

This case study illuminates several policy challenges in promoting lasting community-based workforce development. The most significant policy shortcoming evidenced by the OIC experience under CETA was the lack of comprehensive and consistent funding and support from the federal government for community-based intervention. United States' workforce development policy has been fragmented, short-sighted and inadequate to confront structural problems associated with capitalism, deindustrialization, and economic restructuring. This half-baked commitment to meaningful job training has led to the public and political impression that workforce development amounts to a waste of resources, further threatening its legitimacy and support. Ideal workforce development requires comprehensive and long-term financing and government backing.

The enactment of CETA also embodied a trend toward concentrating authority for workforce development at the state level, which also contributed to variable and unpredictable service provision and delivery contexts. OICA leaders grew frustrated with the lack of clarity about the role of community-based organizations in workforce development planning. CETA did not include or protect a defined niche for community-

based organizations to provide input. Policies should ensure that these outfits have a meaningful voice in planning discussions. They should also seek to minimize conflict and maximize collaboration between stakeholders in creating workforce development plans.

Community-based organizations have to adhere to their missions of client representation as well. Despite its fidelity to disadvantaged populations, even OIC failed to serve the neediest of clients and did not consistently seek client input in developing strategy. Client decision-making is critical to individual and neighborhood empowerment, as well as a robust democracy. There are not likely to be policies truly representative of community needs without earnest input from clients.

In addition to sincere community representation in planning, a significant challenge to both policymakers and service providers is broadening access to worthwhile employment opportunities. Job trainees need to be linked with positions that are stable and long-term with adequate pay and chances for advancement. Vulnerable urban populations with limited education and job experience are often relegated to the unrewarding sectors of the dual labor market that characterizes the United States' service economy. Overcoming these structural constraints requires not only identifying client needs and assets, but also a thorough appraisal of labor market opportunities and qualifications.

Strategies include targeting specific sectors that are viable, accessible, and appropriate to the skills of clients. OICA was prescient in its promotion of employment related to environmental sustainability and this would be a beneficial sector to target.

Occupations like solar panel installers are in demand and could be lucrative for trainees if given the appropriate schooling. In addition to relevant sectors, intermediaries should try and link trainees with clusters of employers that include production and purchasing of products. Companies with access to supply chains generally include better quality jobs.

As Sullivan and other OICA leaders realized, this skills mismatch challenge can only be met with a transformational restructuring of public education in America. Schools often represent holding cells for dead-end and stultifying work rather than breeding grounds for career success and advancement. Educational inequity and youth disconnection greatly limit the prospects of individuals and whole neighborhoods in many urban locales confronted by disinvestment. This dearth of institutional human capital cultivation makes it very challenging to prepare clients for opportunities in an economy that rewards knowledge and technological skills, meaning that OICA was often unable to prepare trainees "for jobs that do not exist now."

The skills mismatch that stifles many economically isolated and underserved urban communities is compounded by a spatial mismatch between these neighborhoods and the loci of job growth.   Job growth is increasingly a suburban phenomenon, distant from many city regions. This disconnect is amplified by a modal mismatch, or insufficient access to automobiles for many vulnerable urban populations.

Thus, as OICA leaders recognized, policies and workforce intermediaries need to promote exogenous development strategies that bring trainees closer to job opportunities as well as endogenous development that generates local employment. While mobility or relocation programs —such as Job Corps or OICA's *Omniversity* plan — can link some

clients to jobs outside of the neighborhood, they do not significantly transform the prospects of most individuals in distressed communities or of the neighborhood at large. Instead, governments and community-based advocates should prioritize capacity-building, business development, and entrepreneurship.

Minority entrepreneurship is vital to revitalizing communities of color, as research has proven that minority owners are more likely to hire people of color, even if they do not reside in the neighborhood of business (Bates, 1991). OICA did promote minority-owned businesses and community investment, but there was not much specific evidence of the organization facilitating start-ups. Hiring discrimination persists in thwarting urban minorities from many job opportunities. Enforcement of anti-discrimination laws and funding minority entrepreneurship ventures would increase access to more quality employment for isolated urban populations. Policies and programs also need to be mindful of race, class, and geographical distinctions in urban areas and work to overcome these barriers rather than exploit them for self-serving interests.

Though OICA served more disadvantaged segments of the labor market than government public service employment programs, neither effort was able to employ those with special needs with any significance. This reality reflects a critical policy gap and the difficulty in securing employment for those with disabilities, youth, immigrants, and ex-offenders. From its inception, OICA committed substantial resources to helping these groups, but structural barriers were often insurmountable.

OICA did improve the livelihoods of many traditionally underserved populations, with little connection to lucrative labor markets. Government funding and policy, notwithstanding CETA's deficiencies, did support some effective workforce development initiatives, including OICA.   More consistent financing and support for formative evaluations of effective workforce intermediaries could help transcend some management issues experienced by many community-based programs like OICA.

A less punitive welfare state would also help smooth the transition to employment for special needs and other populations with barriers to jobs. More support for higher education, a higher minimum wage, and greater access to complementary services like healthcare, childcare, and transportation are also essential. Parental leave for workers would help families balance domestic stability and professional obligations. Efforts to dismantle the gendered labor market and provide equal pay would behoove female clients of job transition programs.

Limitations

My study was limited by the data available at the Temple University Urban Archives. While extensive, there are most likely documents missing. The breadth of data available, and its categorization, also presented a challenge to absorbing all evidence regarding discussion about, and indicative of, orientation toward government and community in promoting workforce development. I also did not focus on outcomes, but rather the process of advocacy for and implementation of workforce development in a devolutionary context.

My findings are limited in their generalizibility because of the singular model and experience of OICA. The complexity of measuring changes in organizational orientation and implementation, as well as the internal struggles of OICA regarding these issues, also limits the strength of my conclusions. In addition, while my research did include government correspondence and reports, the bulk of my data originated from OICA. Organizational records can be misrepresentative because groups labor to publicize records with a positive impression of the organization. The data certainly revealed contradictions within the organization, but additional internal discontent might have been distorted or kept private. Also, analyzing the development of OIC International would have provided a broader understanding of OIC's shifts in advocacy and implementation of workforce development. Nevertheless, my research is relevant to understanding the possibilities and limitations of community-based workforce development in evolving economic, policy and organizational contexts.

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