

Movin' on up

An entrepreneur's cashout lets young trainees cash in

BY ROBERT PREER

By the age of 35, Gerald Chertavian had made so much money that his two children would probably never have to work a day in their lives. Now the Lowell native has dedicated his life to ensuring that young adults without such advantages can find jobs in the technology-driven economy of the 21st century.

"There are many young adults graduating from high school who are not ready to go to college, nor do they have the skills to get much more than a minimum-wage job," says Chertavian. "It is a very difficult situation to find yourself in when you are 18 or 19 years old."

Thanks to Year Up, some young people won't have to.

Now in its second year of preparing inner-city adults between the ages of 18 and 24 for high-paying jobs, Year Up has its origins in a business plan that Chertavian wrote in 1990 as part of his application to Harvard Business School. He dreamed up a nonprofit education and training organization similar to the one he would establish 11 years later. The only thing missing from the plan was Year Up's extensive use of the Internet—but not even Chertavian could see the future that clearly.

The Year Up program is divided into two six-month semesters, the first spent in the classroom and the second dedicated to an internship at a major Boston company. About 95 percent of the students are black, Latino, or Asian. All have their high school diplomas but for various reasons have not been able to take the next step into the world of work or college.

"We're not college prep and we're not work force development," says Chertavian, now 38. The Boston area already has plenty of programs that focus on one or the other, but Year Up combines the two. And so do their first graduates, with some working part-time while they go to college full-time, others the reverse. Twelve of the 20 graduates from last year's class have been accepted into college, and 17 are in jobs making around \$30,000 a year.

Diego Quintero, a native of Colombia who arrived in Boston when he was 8 years old, was in the first Year Up graduating class. Before entering the program, his career experience consisted of a behind-the-counter job at Starbucks. He describes his 12 months in Year Up as a life-

altering experience.

"I was just coming out of high school. I didn't know what I wanted to do," he says. "[At Year Up,] you are thrown into an environment where everyone is different—different cultures, different backgrounds. We all became very fond of each other. We became good friends."

Quintero, 19, learned the basics of information technology, as well as Web site design and programming.

Year Up prepares inner-city adults for high-paying jobs.

Then his internship in the information technology department of Putnam Investments led to a full-time job with the firm. He is now a technical support specialist who helps other Putnam employees solve their computer or network problems. For Quintero, this was a first taste of success.

"They kept me on here. I'm doing something right," he says. What's more, Putnam has a tuition reimbursement program, and Quintero, who lives in East Boston, hopes to start taking classes soon at the University of Massachusetts-Boston—and start working his way up the ladder at Putnam.

SECOND ACT

If Year Up students seem farsighted, they're only following the founder's example. A year after receiving his master's degree from Harvard Business School, Chertavian and two associates pooled their resources and acquired a money-losing software subsidiary of a large London firm. In the next six years, they would transform Conduit Communications from a 10-person operation with \$500,000 a year in sales to a \$20 million business with 140 employees. The firm, based in London, pioneered the concept of corporate "knowledge management"—the use of intranet systems to manage the flow of information within large corporations. In the late 1990s, Conduit was one of the fastest growing companies in Britain.

In June 1999, Chertavian and his partners sold Conduit for \$83 million in stock and options. Eight weeks

later, the company that bought their company was in turn acquired by a larger firm, sending the value of the stock soaring. Then Chertavian cashed out—just before high-tech stocks collapsed. Chertavian claims no special genius in bailing out when he did, but he acknowledges that selling the company before the technology stock crash was probably not all luck. “I have a saying that bulls and bears make money, but pigs get slaughtered,” he says.

Energetic and ambitious by nature, Chertavian never considered spending the rest of his life lounging on yachts. Like other successful entrepreneurs, he did think about a second act: starting another business that would make another bundle of money. But the potential gain didn't seem worth the risk or the effort. Instead, Chertavian decided to implement his decade-old plan to give a boost to inner-city adults shut out of the job market.

Chertavian spent six months doing library research and visiting education and training programs in both Europe and the United States. After writing a new business plan, he returned to Boston to launch Year Up. His first class of students met in donated office space in the John Hancock Tower—thanks to Tim Dibble, managing general partner of Boston-based Alta Communications, who met Chertavian through a mutual friend about three years ago. (A few weeks later, Year Up moved to its own rented space on Summer Street.) Dibble is now on Year Up's board of directors, and about a dozen other Alta employees have served as mentors to students.

As a group, these first students were not impressive, recalls Dibble. “They were horribly shy,” he says. “They were slouching. They were really not confident being in a business setting.” By the time of last year's graduation ceremony at the Parker House—which was attended by about 200 people, including Mayor Thomas Menino, community leaders, and business executives—that had changed, he says.

“Some of the students gave speeches,” says Dibble. “They were poised and confident. They were unbelievably impressive.”

SOLVING A PUZZLE

During both the classroom and internship semesters, Year Up students receive free tuition and stipends of between \$210 and \$320 a week. (The stipends, and Year Up's other expenses, are supported in part by fees paid by the companies where the interns are working.) The stipend gives students some money to live on, but it's also part of Year Up's strategy to teach the “soft skills” needed to function in a corporate environment, which is foreign to most of the students. That's because what is given can also be taken away.

“If you are one second late for class—not one minute late—you will lose between one and four hours of your



Year Up's Gerald Chertavian: not content to lounge on yachts.

stipend for that day,” Chertavian says. (Students can earn the stipend back by being on time for an extended period.) Then there is the dress code, which gives Year Up students a decidedly different look from the average collegian: no jeans, sneakers, or T-shirts.

Guest speakers from the business community come every Friday to address some aspect of the workplace, while mentors work with students one-on-one. Classes nurture skills in writing, speaking, and networking; other sessions prepare students for college-entrance exams such as the SAT. At current-events classes, students take turns bringing in copies of news stories and leading discussions on the topic.

During one session, Paulo Oliveira, 18, a native of Brazil, passed around an article about the apparent discovery of water on Mars. A spirited discussion ensued, veering from the value of space exploration to the wasteful use of resources on Earth to the need for recycling and non-polluting vehicles. Oliveira concluded his presentation to applause.

“We are trying to get them interested in the world around them,” says Matt McCann, Year Up's director of development and a former Conduit executive. “When they go out into the workplace, they will be having conversations with their co-workers. They also learn how to go into a fluid situation, how to think on their feet. They learn how to put together a presentation in a short amount of time.”

Reginald Meade, a native of the British West Indies island of Montserrat, is another member of Year Up's second class. The 24-year-old came to Boston seven years

ago and graduated from Catholic Memorial High School in 1999. Meade then enrolled at Bunker Hill Community College but dropped out because he couldn't juggle his classes with his job as a busboy.

Year Up has taught him how to balance his checkbook and manage his finances. And coaching has helped Meade get over self-consciousness about his heavy Caribbean accent. "I am more effective at public speaking now," he says.

As for the technical skills taught in Year Up classrooms, they are determined by the needs of the companies that hire interns and fund other parts of the program. As a result, Year Up is training students to design Web pages and work on customer-support help desks. "We are constantly surveying our corporate partners," says McCann. "It differentiates us from a community college or an institution with a fixed curriculum."

Meade, who says he was attracted to Year Up by the prospect of "getting paid to learn," has acquired a love for just this kind of work. "It's like solving a puzzle," he says. Now proficient in Web-page design, he is scheduled for an internship early this year.



Reginald Meade liked the prospect of "getting paid to learn."

Year Up's attention to the needs of employers is helping the program to gain recognition and financial support in Boston's boardrooms. Chertavian launched the program with a half-million-dollar personal commitment and a promise to serve as unpaid director for 10 years. Since then, corporations and foundations have kicked in substantial contributions.

Thirteen large firms—including Abt Associates, Bain and Co., Digitas, Fidelity Investments, Hale and Dorr, Partners HealthCare, and Putnam Investments—now

Huntington
THEATRE COMPANY

**AWAKEN YOUR SENSES ...
DISCOVER THE HUNTINGTON!
2002-03 SEASON**

A Month in the Country

Adapted by Brian Friel,
from Ivan Turgenev

Directed by Nicholas Martin
September 6 – October 6

John C. Reilly in Marty

(World Premiere Musical)

Book by Rupert Holmes

Music by Charles Strouse

Lyrics by Lee Adams

Based on the screenplay by Paddy
Chayefsky and on the United Artists film

Directed by Mark Brokaw
October 18 – November 24

Valerie Harper in

The Tale of the Allergist's Wife

(Boston Premiere)

by Charles Busch

Directed by Lynn Meadow

at the Wilbur Theatre, in collaboration with
Broadway in Boston/Clear Channel Entertainment

December 3 – January 12

The Blue Demon (World Premiere)

Book by Darko Tresnjak

Music by Michael Friedman

Lyrics by Darko Tresnjak and

Michael Friedman

Based on an original concept by

Darko Tresnjak

Directed by Darko Tresnjak

January 3 – February 2

Breath, Boom (Boston Premiere)

by Kia Corthron

Directed by Michael John Garcés

March 7 – April 6

Springtime for Henry

by Benn Levy

Directed by Nicholas Martin

May 16 – June 15

SUBSCRIBE TODAY!

CALL 617 266-0800

www.huntingtontheatre.org

This space generously donated by Barbara & Stephen Roop.

participate in the internship program, at a cost to the companies of between \$775 and \$875 per week per intern. The difference between what the company pays and what the interns get is used to operate Year Up.

The Boston Foundation provided a \$50,000 start-up grant for Year Up's first year of operation and a similar amount for the second year. Other foundations that have contributed to Year Up are the Trefler Foundation and Hyams Foundation.

Geeta Pradhan, director of the Boston Foundation's New Economy Initiative, is an unabashed fan of Chertavian and Year Up. "It's a program that speaks to a sense of hope about young people," she says. "It takes these young people who, in a sense, have had to drop out of life. It believes in them. It puts them in places where they never imagined they could be."

Peter D. Tedeschi, senior vice president of distributed systems at Putnam Investments, says Year Up interns have been a good fit with the company. Two of them were hired for full-time, permanent positions after their internships ended. "They are very polished and very eager to learn. They have a very positive attitude," he says.

Tedeschi is impressed at how Chertavian and others at Year Up were willing to approach the internship placements from the employer's perspective. "They did their legwork and took the time to understand Putnam and what our culture is and what our needs are."

NOBLESSE, BUT NOT OBLIGE

Mirroring the mandatory dress code for his students, Chertavian dresses "business casual": dress shirt, no tie, pressed slacks. And he still has a boyish eagerness about him. But he becomes passionate in talking about the need to provide urban young people with an opportunity to realize their potential.

"I do not accept the opportunity gap that exists in this country," he says. "We [at Year Up] believe the potential of urban young adults is unlimited. We won't work with anyone who doesn't believe in their potential also."

Chertavian says he did not start Year Up out of any sense of obligation or need to "give back" for the good fortune he has found in life. He says he does what he does because he enjoys it. "I don't see this as a sacrifice at all. I see it as a blessing," Chertavian says. "I am blessed to be able

to get up in the morning and do what I do."

Chertavian's grandfather and grandmother were Armenian immigrants who came to Lowell to work in the textile mills. His grandfather started a shoe repair business, and, like his grandson, he had a knack for timing. His shop opened as the Great Depression hit, and with



Putnam's Peter Tedeschi, left, saw Diego Quintero move up from intern to employee.

few people able to afford new shoes, the repair business flourished.

Chertavian's father was a dentist, and is now retired. Gerald started working part-time at a gas station when he was a young teenager. "My dad believed in hard work," he says. "I've been working since I was 13."

After graduating from Bowdoin College, Chertavian went to work as a credit officer for Chemical Bank. Living in New York, he spent many hours with David Heredia, his "little brother" in the Big Brothers/Big Sisters program. Heredia lived with his mother and four brothers in a crime-ridden Lower East Side neighborhood, and Chertavian encouraged his interest in art by giving him paints and brushes. Heredia, now in his mid-20s, lives in Los Angeles and recently got a job as an artist for the Walt Disney studios.

Long before he made his fortune, Chertavian sent his little brother to college. "He paid for his 'little brother's' college when he didn't have two nickels to rub together," recalls long-time friend and mentor Douglas George, an executive at Citigroup in New York who worked with Chertavian at Chemical Bank.

But it is his salesmanship, as much as his generosity, that makes Chertavian stand out. "He has incredible inter-

personal skills,” says George. “He can make people do things they would not otherwise do. You can go into a meeting with him and you will wind up handing him your wallet—and you will be thanking him.”

Behind the energy and the charm is a calm, calculating side, according to people who know him. Chertavian is neither curt nor hurried in his interactions, but he also wastes no time. The Boston Foundation’s Pradhan admires Chertavian’s “sharpness,” and he wishes more people in the nonprofit world had it.

“Year Up has both the heart and the head in it.”

“Gerald is a true social entrepreneur,” says Pradhan. “Year Up is a program that has both the heart and the head in it.”

The program’s staff is small and close-knit. McCann and Tom Berte, a former Digitas manager, share fundraising and corporate relations duties. Outreach head Linda Swardlick Smith is a former executive director of Training Inc., a Boston YMCA job-training program. Year Up had five teachers last semester, and the faculty is expected to

grow considerably this year.

Chertavian’s wife, Kate, a British native, also volunteers for various duties. She is an artist and former art dealer, and her eclectic collection of prints and photographs brightens Year Up’s suite of offices and classrooms.

A GOOD BET

Chertavian’s vision for Year Up is to start small and grow. The first class began with 22 students, only two of whom did not graduate. One student dropped out to take a \$30,000-a-year job as an administrative assistant. Another was chronically late and was asked to leave. He joined the military.

One of the graduates from that first class is Talianya Thames, a 2001 Brighton High School graduate who parlayed her accomplishments in the Year Up program into a full scholarship at Cambridge College, where she takes evening courses and plans to major in human services. At the same time, she turned her Year Up internship at Fidelity Investments into a full-time job as a Web programmer.

“It’s kind of challenging,” she says of her current load of work and college, “but it’s worth it. I’m grateful to have earned a full scholarship.”

The class that started in the second half of 2002 had an



BUILDING MASSACHUSETTS.
ONE JOB AT A TIME.

As the state’s economic development authority, MassDevelopment provides the financial tools and real estate expertise that launch projects and stimulate growth.

Over the past two years, MassDevelopment has assisted in creating or retaining nearly 50,000 jobs across the state, while investing close to \$3 billion in projects – 138 with a housing component.

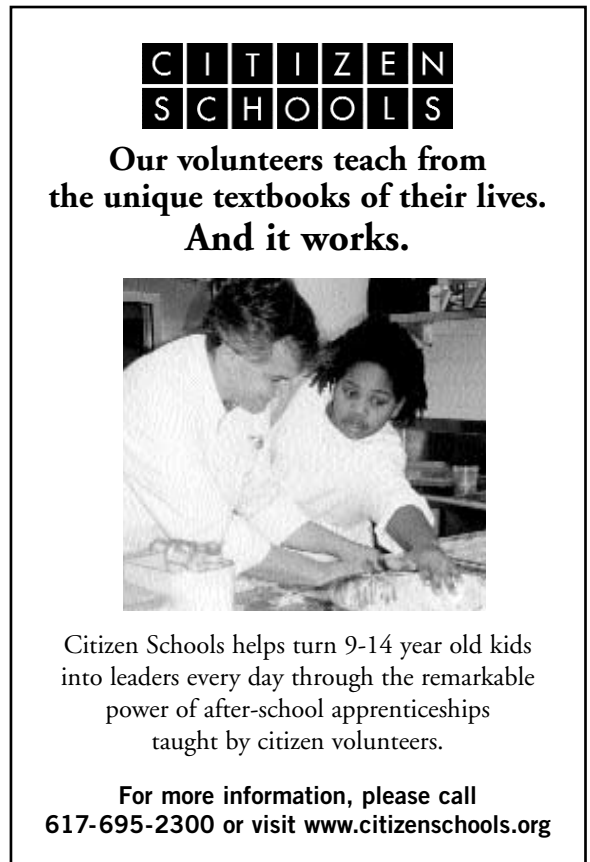
New jobs. Advanced infrastructure. More housing. A better life in Massachusetts. To learn more, contact MassDevelopment at 800-445-8030 or visit massdevelopment.com.

FINANCING | DEVELOPMENT SERVICES | REAL ESTATE

The team that gets it done.


 **MASSDEVELOPMENT**
75 Federal Street, Boston, MA 02110

(Image: Advanced Technology and Manufacturing Center, Fall River, Massachusetts)



**CITIZEN
SCHOOLS**

Our volunteers teach from the unique textbooks of their lives. And it works.



Citizen Schools helps turn 9-14 year old kids into leaders every day through the remarkable power of after-school apprenticeships taught by citizen volunteers.

For more information, please call 617-695-2300 or visit www.citizenschools.org

This space generously donated by David & Marsha Feinberg.

initial enrollment of 30. Year Up is slated to launch two classes in 2003, one at the Summer Street office and the other at a second site at Cambridge College. (Year Up and Cambridge College, of which Chertavian has become a trustee, have a loose affiliation, and Chertavian hopes that his students will soon be able to get college credit for some of their Year Up courses.) That would give Year Up about 100 students a year. In 2004, Chertavian wants to boost enrollment to 200.

The next objective is to show that the Year Up model works in other cities. "We have to prove it's not a fluke in Boston," Chertavian says. Providence, RI, is first on the list of targets for expansion, and Chertavian envisions taking the program to cities across the country. But in going national, Year Up will have to prove that its techniques can work with employers outside the information technology sector.

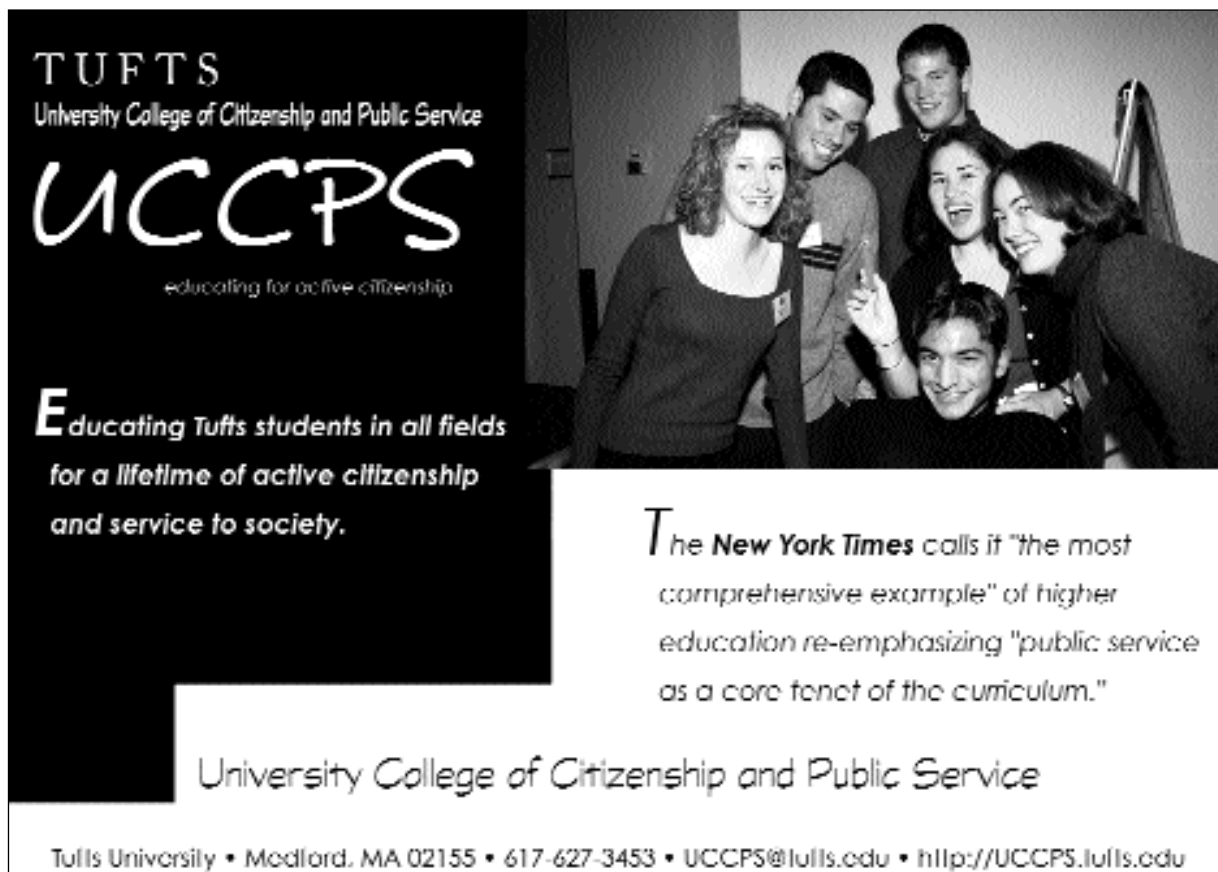
Chertavian and other Year Up officials acknowledge that growth will not be easy. It means securing greater commitments from businesses for internships and winning funding from government agencies. The program now receives no government money, but through a partnership with Cambridge College, Year Up expects its students to become eligible for Pell Grant federal

college assistance.

About 65 percent of Year Up's \$2 million budget for the current fiscal year comes from foundations and individual benefactors. The organization's goal is to move toward self-sufficiency by bringing that percentage of philanthropic support down to 20 to 30 percent over the next three years.

Pradhan says "the jury is still out" on Year Up's expansion plans. "It is a lot easier to do what they are doing for a small group," she says. But Craig Underwood, president of Underwood Consulting and a member of Year Up's board of directors, says that a hopeful sign for the organization is its success in securing internships in such a harsh economic climate. Despite the downturn in the economy, Year Up has secured internships for all of this year's students, and is on its way to lining up commitments for the next class. "It's a very easy time to say no to Year Up," Underwood says. "When you are laying off people, you normally do not need another Web programmer."

But then, not a lot of people say no to Gerald Chertavian. And that bodes well for Year Up. "Sometimes you bet on the person," says Pradhan. "After I met Gerald, this was a person I knew was going to succeed." ■



TUFTS
University College of Citizenship and Public Service
UCCPS
educating for active citizenship

Educating Tufts students in all fields
for a lifetime of active citizenship
and service to society.

The New York Times calls it "the most comprehensive example" of higher education re-emphasizing "public service as a core tenet of the curriculum."

University College of Citizenship and Public Service

Tufts University • Medford, MA 02155 • 617-627-3453 • UCCPS@tufts.edu • <http://UCCPS.tufts.edu>