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A New Approach to Low-Wage Workers and Employers Launching the Work Advancement and Support Center Demonstration

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What does it take to help people who hold low-wage jobs climb the economic ladder while simultaneously meeting labor market demand and employer needs for more skilled workers? MDRC's Work Advancement and Support Center (WASC) demonstration will test an innovative approach designed to achieve both these goals by fostering employment retention and career advancement for a broad range of low-earners, including reemployed dislocated workers (those who, because of industry restructuring, now work in significantly lower-paying jobs than they previously did).

WASC combines two main strategies: (1) services to help workers keep their jobs or find better ones and (2) simplified access to programs intended to provide financial support to low-income workers (such as child care subsidies, food stamps, Medicaid, and the Earned Income Tax Credit). In the demonstration's study sites, these combined strategies are being housed in "One-Stop Centers," created by the federal Workforce Investment Act (WIA) of 1998 and used primarily to help unemployed people find jobs. The services are being provided by newly integrated teams of retention-advancement staff drawn from the local workforce programs and work support specialists from welfare agencies. This first report from MDRC's study of WASC examines start-up experiences in Dayton, Ohio, and San Diego, California, which began planning in 2004 and pilot operations in 2005.

Key Findings

- Dayton and San Diego are developing distinct approaches to WASC to respond to their substantially different demographic, institutional, and labor market conditions. For example, Dayton is operating in an economy hard hit by a decline in manufacturing, especially in the automotive industry. In contrast, San Diego enjoys a more vibrant economy that includes growing high-tech and service sectors.
- WASC is being viewed locally as a welcome opportunity to expand the mission of One-Stops to include services for incumbent (that is, currently employed) low-wage and dislocated workers and their employers, rather than focusing almost exclusively on an unemployed population seeking work.

- Employers have responded positively to the sites' efforts to work with them to identify advancement opportunities in high-demand occupations, new routes to participation in career advancement activities, and strategies for recruiting eligible members of their workforce for WASC.
- In learning how to develop and adapt services aimed at assisting working people, both workforce and welfare agency staff are bridging the substantial gaps between the workforce and welfare systems. This entails a major culture change to transcend the systems' traditional isolation and lack of experience combining employment services with access to work supports for low-earners.
- As part of their efforts to create an ethos of advancement, the sites are devising new management techniques and performance standards to keep the entire WASC team focused on career advancement and income improvement.
- Sites have begun outreach campaigns that market economic advancement and are initiating partnerships with employers and community-based organizations to reach low-wage workers.

Future publications will report on the operations and effectiveness of WASC in Dayton and San Diego, as well as in Bridgeport, Connecticut, and Fort Worth, Texas, which joined the demonstration later.