

ReWORKing Welfare

Technical
Assistance for
States and
Localities

A How-to Guide

Business Partnerships

How to Involve
Employers in
Welfare Reform

Amy Brown
Maria L. Buck
Erik Skinner

MDRC

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June 1998

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This guide was prepared with the support of the Annie E. Casey Foundation and the Charles Stewart Mott Foundation. It is being published and disseminated as part of MDRC's ReWORKing Welfare technical assistance project.

ReWORKing Welfare Funders

Ford Foundation

Charles Stewart Mott Foundation

The James Irvine Foundation

The David and Lucile Packard Foundation

The Annie E. Casey Foundation

The George Gund Foundation

Commonwealth of Kentucky

State of Oregon

State of West Virginia

State of Washington

Ewing Marion Kauffman Foundation (through the Local Investment

Commission of Greater Kansas City, Missouri)

The California Wellness Foundation

Welfare Information Network

County of Cuyahoga, Ohio

Dissemination of MDRC publications is also supported by MDRC's Public Policy Outreach funders: the Ford Foundation, the Ambrose Monell Foundation, the Alcoa Foundation, and the James Irvine Foundation.

This guide is distributed in association with the Welfare Information Network (WIN).

The findings and conclusions presented herein do not necessarily represent the official positions or policies of the funders or WIN.

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Preface

The passage and implementation of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and the new federal Welfare-to-Work grants have created an unprecedented opportunity to develop innovative initiatives to move welfare recipients into the workforce and toward economic self-sufficiency. As perhaps never before, the spotlight is on the business community — which largely endorsed the goals of welfare reform — to train and hire significant numbers of welfare recipients. In fact, the active involvement of that community is viewed as essential to the success of this effort. With an infusion of resources and a strong economy, it is an ideal time to engage the business community, public agencies, and nonprofit organizations in a dialogue about partnering to meet these new challenges and opportunities.

This guide provides practical advice on engaging the business community in welfare reform. By describing the efforts of initiatives and programs across the country, it offers guidance for the public sector on how to engage the business community, for employers on how to integrate welfare recipients into their workforce, and for other interested parties on how to bridge the gap between welfare recipients and jobs. Since many of these strategies are new and as yet unproven, the guide presents a variety of approaches for readers to consider in developing their own partnerships.

Prepared with the support of the Annie E. Casey Foundation and the Charles Stewart Mott Foundation, this book marks the fourth in a series of “how-to” guides that are part of our ReWORKing Welfare technical assistance project. The project seeks to distill, synthesize, and share lessons from our research and experience in the field to assist states and localities to make informed decisions in this new environment. The funders of ReWORKing Welfare are listed at the front of this guide.

Judith M. Gueron
President

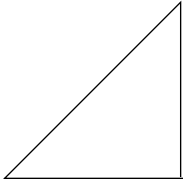
Acknowledgments

Many people contributed their knowledge and experience to this guide, and we are grateful to all those who took the time to speak with us, share their ideas, read drafts, and provide advice.

We especially appreciate the contributions of the following people, whose real-world experience contributed greatly to the substance of the guide, and who helped ensure its usefulness to readers: David McCollough, Chrysalis's Labor Connection; Rich Rainaldi, Denver Workforce Initiative; James Dunn, Greater Richmond Chamber of Commerce; Gayle Hobbs and her staff, Kansas City Local Investment Commission; Jim Van Erden, National Alliance of Business; Jill Hyland, National Governors' Association; Gloria Hancock, New Jersey Department of Human Services; Mike Evans, City of Richmond (VA) Department of Social Services; Marie Kurose and her staff and partners, Seattle Jobs Initiative; John Lederer, Washington State Incumbent Worker Training Demonstration; Barry Van Lare, Welfare Information Network; and Lyn Hogan, Welfare to Work Partnership.

Several of our colleagues at MDRC provided guidance and insight. Judy Gueron, Gordon Berlin, David Butler, Fred Doolittle, Robert Ivry, Freida Molina, Michael Sack, and John Wallace all read drafts and provided advice and encouragement. Rachel Cytron fact-checked the guide and put together the program descriptions and contact information. Sylvia Newman edited the document, and Judith Greissman supervised the editorial and publication process. Patt Pontevolpe and Stephanie Cowell did the word processing.

The Authors



I.

Introduction

1. About Business Partnerships

As states and communities across the country attempt to move large numbers of welfare recipients to work, attention has become increasingly focused on how the business community can be a part of these efforts. More than ever before, private companies are being asked not only to hire welfare recipients, but also to be involved in programs that prepare recipients for work, train them in job skills, and promote job retention once they are working. Indeed, many of those involved in welfare reform believe their efforts cannot succeed without the support and active involvement of the business community.

Shortly after signing the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,¹ the landmark federal welfare legislation, President Clinton challenged “every business person in America who has ever complained about the failure of the welfare system to try to hire somebody off welfare and try hard.”² The issue was further spotlighted with the creation of the Welfare to Work Partnership, a national organization devoted to encouraging businesses to hire welfare

Private companies are being asked not only to hire welfare recipients, but also to be involved in programs that prepare recipients for work, train them in job skills, and promote job retention.

recipients and to helping them do so. Further, the new federal Welfare-to-Work grants are distributed through local Private Industry Councils, workforce development organizations with majority private-sector representation.

At the state and local level, too, the business community has been increasingly called on to be a partner in welfare reform efforts. Over the past several years, welfare-to-work programs (programs designed to help welfare recipients get jobs) have shifted from a human capital development approach (in which welfare recipients are provided with basic education and, to a lesser extent, training and post-secondary education *before* entering the labor market) to a “work first” approach (in which recipients move quickly into jobs). As programs have become more employment-focused, they have paid greater attention to understanding and meeting the needs of employers.

While the business community has responded to the call partly out of a sense of civic responsibility, a more powerful motivation is also at work: Involvement in welfare-to-work activities can help businesses meet their hiring needs, especially in a tight labor market; reduce their hiring costs; ensure that workers are “job ready” and have child care and other supports in place; provide customized training or subsidize the employers’ own training; reduce payroll costs through subsidies or tax credits; and provide post-placement supports to increase worker productivity and job retention. By supporting and partnering

1. See section 5 for more on the federal welfare law.

2. Nordheimer, 1996.

in welfare-to-work initiatives, businesses hope to find solutions to their own workforce needs.

This book is intended to help business partnerships around welfare reform succeed. It provides guidance for the public sector on how to engage the business community, for employers on how to integrate welfare recipients into their workforce, and for other organizations on how to bridge the gap between welfare recipients and jobs. It presents — in plain English and a practical format — lessons from earlier efforts as well as ideas from recent ones. It highlights the biggest challenges ahead and offers suggestions for tackling them. We hope the information will assist government, nonprofit organizations, businesses groups, and private-sector employers in working together to help welfare recipients become self-sufficient.

Kinds of Business Involvement

Business involvement in welfare reform can take a number of forms, both in terms of how partnerships are structured and in terms of business's role. Often, these factors depend on where the partnerships originate and who is leading them. The following are some common approaches:

- ▶ **Government-led efforts** at the state and local levels sometimes take the form of conferences, surveys, or advisory boards that aim to learn the business community's perspective and to obtain input into welfare policy. Another approach is to offer tax credits and subsidies to businesses that hire welfare recipients. Many states and counties develop hiring agreements with businesses and use computerized systems for job posting and matching. In a few cases, welfare reform is actually being implemented at the local level by employer-led boards.
- ▶ **Welfare-to-work programs and community-based agencies** generally try to develop relationships with employers to facilitate the hiring of welfare recipients. They use these relationships to find out about job openings, prepare and match candidates to jobs, and refer recipients for job placement. In many cases, the relationships continue to include post-placement support in an effort to increase job retention and help entry-level employees move up the job ladder.
- ▶ **Job-readiness, education, and training programs** often involve the business community in their design, to make sure they understand and meet the needs of employers. They may be affiliated with particular industries or corporations or have an advisory board of business representatives. Some programs hire staff or secure executives from the private sector in order to incorporate a business perspective and current industry knowledge into the programs. Many also develop relationships with employers for job placement of program graduates.

- ▶ **Individual employers** tend to begin with their own workforce needs and look for ways to meet those needs while providing opportunities to welfare recipients. They may develop new ways to reach out to this group of potential employees, create special training programs for them, or establish support services for employees hired off the welfare rolls. Employers may partner with government agencies, community-based organizations, or labor market intermediaries to provide these services.
- ▶ **Business organizations**, such as Chambers of Commerce or industry associations, see their role as encouraging employers to get involved, while at the same time bringing the concerns and needs of employers to the attention of those responsible for welfare reform. Business associations may provide training for welfare recipients or facilitate the hiring of recipients by their members. These organizations are in a unique position to facilitate the involvement of businesses — and especially small businesses — in a partnership.
- ▶ **Nonprofit and for-profit labor market intermediaries** are likely to see their role as brokering between government and employers. These intermediaries may be staffing agencies, employment programs, or community organizations involved in job preparation, job placement, and post-placement support. Often, intermediaries attempt to use their connections and credibility with employers to give welfare recipients entrée into the labor market. They may also reduce the risk to employers through temporary hiring agreements, trial periods of employment, job coaching, and support services.

This guide attempts to touch on all these areas, presenting the issues and challenges involved as well as some of the best practices to be drawn from the experience of past and present programs. Examples of business partnerships can be found in section 3 and throughout the guide.

Some General Points

We want to emphasize three points that are important to business partnerships:

- ▶ **Business involvement is only one piece of a welfare-to-work effort.** Business partnerships operate in the context of other programs, such as job search and training, and policy elements, such as time limits and financial incentives.³ Rather than developing a stand-alone program, one should look for the best ways to use business partnerships to enhance existing efforts and make sure that all elements are coordinated to achieve their common goals.

3. See section 5 for a description of these and other welfare program elements.

- ▶ **Business involvement should build on elements that have proven effective in the past.** While business partnerships in the welfare-to-work arena are relatively new and untested, there is a lot of research evidence about running effective welfare-to-work programs.⁴ For example, mixed approaches — which include job search, education, training, and work activities — with a focus on quick employment have proven to be

The best business partnerships will build on proven elements of past welfare-to-work programs.

effective. The Center for Employment Training (CET) in San Jose, California, has been shown to be a successful job training model. New initiatives

should take advantage of this experience to build on, rather than replace, these proven elements.

- ▶ **Government retains an important role in providing assistance to welfare recipients.** While establishing partnerships to help move people from welfare to work is crucial, public agencies are still responsible for providing assistance to welfare recipients and often see their role as representing welfare recipients' interests. There is also a distinction between what we call a business partnership and privatization, in which the management of basic program elements is turned over to private agencies. In states and localities where programs are privatized, we hope that those private agencies will find this document useful in developing their own business partnerships.

The Challenge Ahead

The experiences of past welfare-to-work programs put today's challenge into perspective. We know that good programs can help many welfare recipients find jobs. For example, in two of the strongest sites in the National Evaluation of Welfare-to-Work Strategies — programs in Grand Rapids, Michigan, and Riverside, California — 44 and 31 percent, respectively, of those assigned to the programs were employed at the end of two years.⁵

Yet even the most successful programs to date have achieved only limited results. Despite the strong records of the sites noted above, at the end of two years at least half of those assigned to the programs were still on welfare. The time limits and work requirements in the federal welfare law, together with the ambitious goals of reformers, demand that programs do better. We believe that business involvement that builds on the most successful elements of past welfare-to-work programs can improve on the results of those programs.

4. For a summary of the research, see Bloom, 1997. For more on best practices in welfare-to-work programs, see Brown, 1997. See section 7 for more on research findings.

5. Hamilton et al., 1997.

At the same time, building relationships — even getting the public and private sectors to speak the same language — is only the first challenge. (The challenges of business partnerships are discussed in greater depth in section 4.) If the expectations for the current generation of welfare reform efforts are to be met, those efforts must achieve three fundamental goals that past programs have not met:

- ▶ They will need to be much larger, reaching many more individuals.
- ▶ They will need to reach further down into the caseload, helping not only those most able to work, but also those who may have few skills, little work experience, and multiple barriers to employment.
- ▶ They will need to help welfare recipients not only get jobs, but keep those jobs and move to better jobs.

There are no easy solutions to the task at hand. Overall, we hope this guide will provide readers with ideas that will spark the development of creative solutions that make sense in their own communities and with concrete suggestions that will help make their business partnerships more successful.

2. About This Guide

Who This Guide Is For

This guide is designed for those interested in promoting business partnerships as part of welfare-to-work efforts. It does not attempt to address larger goals, such as economic development and community revitalization, that some partnerships may take on. However, the guide can be useful to them, too, insofar as welfare reform is likely to be an important part of such efforts.

We expect that readers will include a broad variety of individuals and groups, such as:

- ▶ **government officials**, or members of task forces or commissions, who are involved in designing and overseeing welfare reform;
- ▶ **administrators and staff in public or contracted private agencies** who are responsible for implementing and operating welfare-to-work programs;
- ▶ **nonprofit or for-profit organizations** that operate job placement programs and want to do a better job assisting welfare recipients and meeting the needs of employers;
- ▶ **employers** who want to hire welfare recipients or be involved in other aspects of welfare reform;
- ▶ **business groups**, such as Chambers of Commerce and industry associations, that want to establish or join welfare-to-work initiatives;

- ▶ **staffing agencies and other labor market intermediaries** that see a role for themselves in bridging the public and private sectors and helping welfare recipients find jobs;
- ▶ **education and training providers** that want — and need — to become more employer-focused in response to welfare reform;
- ▶ **community groups** — such as neighborhood coalitions and providers of low-income housing — that want to help members of their communities find jobs and succeed in employment.

All these players face many of the same issues, but may be seeking different kinds of help; for example, welfare-to-work program staff may need advice on how to market their services to employers, while employers might ask how they can help workers access support services such as child care and health insurance. While not all the information in this book is applicable to all readers, it is designed so that you can pick and choose the sections that are most relevant to you. In addition, the guide is designed to be a useful tool for staff at all levels: providing senior administrators with advice on broad questions and offering front-line staff step-by-step instructions for daily tasks.

How the Guide Is Organized

The remainder of this guide is divided into three parts, each containing a number of short sections.

- ▶ **Part II** (sections 3 to 7) sets the stage for business partnerships, including an overview of the issues, a discussion of the welfare and labor market contexts, and a summary of research findings from similar efforts. We recommend that all readers start here. However, these sections are especially important for those to whom business partnerships are new and who are unfamiliar with either the welfare or business world.
- ▶ **Part III** (sections 8 to 12) offers advice on creating business partnerships — how to identify partners and participants, build relationships, assess the local labor market, and market the program. These sections are intended for readers who are at the stage of planning for and establishing partnerships. In addition, much of the information will be useful to those already operating business partnerships.
- ▶ **Part IV** (sections 13 to 19) presents specific suggestions for business involvement in the welfare-to-work process. It addresses hiring and retaining welfare recipients, making the most of employer incentives, ensuring that welfare recipients are job ready, developing jobs for welfare recipients, addressing transportation problems, increasing job retention, and promoting job advancement. These sections are designed for administrators and staff in public agencies, private organizations, and businesses who are involved in making business partnerships happen.

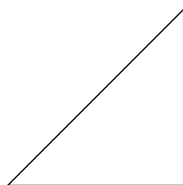
The guide contains not only ideas and advice, but also numerous examples of initiatives across the country — large and small, experienced and new — that have attempted or are attempting to involve the business community in welfare reform. The appendix includes more detailed information on those initiatives and contact information for them and for other organizations.

How to Use This Guide

The structure of the guide outlined above allows readers to quickly identify and turn to those sections that are most relevant to their role in welfare-to-work efforts. In each of the three remaining parts, the sections are designed to be read independently. Some of the areas overlap, in which case the sections will cross-reference others with related themes. We also strongly encourage readers to use the appendix to get more information about what others are doing.

Bulleted material and checklists appear throughout the guide. The bullets are intended to highlight important points and thus make the guide easier to use. The checklists denote specific suggestions for readers.

This guide does not provide a complete welfare-to-work program model. However, the ideas presented here can help ensure that policies and activities are employment-focused and meet the needs of the business community. We hope you will find it useful.



II.

Setting the Stage

3. Examples of Business Partnerships

Opportunities for business involvement go far beyond hiring welfare recipients. They can range from state-level policy collaborations to local transportation initiatives. Section 1 described in broad terms some of the forms that business involvement in welfare-to-work programs can take. This section offers more concrete examples, first by presenting a brief history of business involvement in welfare, employment, and training programs and then by describing current programs that illustrate the diverse opportunities for business partnerships.

A Brief History

The idea of forming linkages with the business community is not new. Historically, this philosophy has been most evident not in welfare programs, but in programs in the employment and training system. These programs have been broadly targeted to include low-income job seekers, displaced workers, and other disadvantaged groups. As far back as 1962, Congress, in the Manpower Development and Training Act, expanded on-the-job-training (OJT) with the goal of increasing the role of employers in training for the disadvantaged. In 1968, the National Alliance of Business was established as an “intermediary” between government and the business community. The Comprehensive Employment and Training Act (CETA), passed in 1973 (along with amendments in 1978), provided an increased role for business in the planning and management of employment and training programs.⁶

Attempts to promote private-sector involvement in employment and training programs continued with the passage of the Job Training Partnership Act (JTPA) in 1982. Private Industry Councils — also called Workforce Development Boards — which play a policy and oversight role by determining how JTPA funds will be spent locally, are required to have 51 percent private-sector membership. The expectation is that these members will help ensure that the program is managed in a “businesslike” manner, that policy and strategic planning are market-driven, and that training curricula meet employer needs.

Another approach, First Source Hiring, was pioneered in 1978 in Portland, Oregon, to link disadvantaged populations with job opportunities created from public-sector projects. In exchange for receiving public funds to subsidize their relocation, expansion, or development, companies were required to sign a hiring agreement giving local residents the first opportunity to apply and be considered for job openings. The companies were asked to send job listings to community organizations working in low-income neighborhoods that would screen job applicants and send them for interviews.

First source hiring programs enjoyed widespread popularity during the 1980s and then waned in the early 1990s, although the Portland program remains in

6. For more information, see Smith, 1981.

operation and there has been a recent resurgence of this approach. A number of factors contributed to the decline, including lack of contract compliance and enforcement, lack of a strong delivery system to screen and refer qualified applicants, the economic recession in the early 1990s, changing government leadership, and concern that first source hiring would drive businesses to municipalities with less stringent requirements.

In the welfare-to-work arena, attempts to engage the business community have been rare and generally small in scale. The most common examples have been policies that provide tax credits or subsidies to businesses that hire welfare recipients. Despite their political popularity, these incentives have never been widely used by employers (for reasons that will be discussed further in sections 7 and 14). In addition, some welfare-to-work programs have reached out to the business community through local job development efforts. These partnerships have mostly been developed by individual program staff, who form personal relationships with employers in order to learn about job openings and refer clients for placement. Because they are labor-intensive, these efforts have also been limited in size.

Current Initiatives

While current initiatives build on a history of business involvement, they differ in several ways:

- ▶ the degree to which they are led by welfare agencies and targeted to welfare recipients;
- ▶ the extent to which business is involved in policy planning and program design;
- ▶ their scale and ambitious goals;
- ▶ the greatly increased pressure to succeed because of time limits, work requirements, and high expectations.

Below are descriptions of some current business partnerships. (The appendix includes additional examples and fuller descriptions.) These examples were chosen to illustrate the broad range of possibilities for how business partnerships can be structured and what they can do. One is a statewide program run by the welfare agency; another is a partnership between local governments and a regional Chamber of Commerce; a third is operated by a private employer. Some of the programs focus only on job training or placement, while others have broader economic development goals. Readers should bear in mind that the information about job placement comes from the pro-

Current initiatives vary along many dimensions, including the nature and extent of business involvement.

grams themselves. Furthermore, some are relatively new ventures and few have been rigorously evaluated.

- ▶ **America Works** (New York, Baltimore, Indianapolis, and other cities). America Works is a private for-profit employment program for welfare recipients. While America Works provides some job-readiness activities, its primary focus is on job placement and post-placement support. America Works contracts with government on a performance basis: it receives full payment once a participant has been employed for seven months. Over the past 14 years, America Works has placed 12,000 welfare recipients in jobs.
- ▶ **Center for Employment Training** (San Jose, California, and other sites). The Center for Employment Training (CET) uses a short-term occupational training model that has been shown to be effective for welfare recipients and other disadvantaged groups (see section 7 on research findings). CET's success can be largely attributed to its ties to industry, which take the form of advisory committees, staff outreach, and instructors who are hired from industry. CET also integrates vocational skills training with basic education and preparation in the soft skills that are needed on the job. In 1995, CET sites nationwide trained a total of 6,041 students, placing 89 percent of them in training-related jobs.
- ▶ **Denver Workforce Initiative** (Denver, Colorado). This partnership between foundations and the Denver community helps employers recruit, retain, and promote entry-level workers from low-income neighborhoods. Services include training for supervisors in partner businesses, cognitive skills training for job seekers, and an employee support hotline, similar to corporate Employee Assistance Programs, to help workers with problems that might affect their ability to retain and succeed in employment. The Denver Workforce Initiative has recruited over 500 participants and placed more than 160 in jobs.
- ▶ **Greater Richmond Employment Assistance Team** (Richmond, Virginia). Welfare agencies from the City of Richmond and three surrounding counties established the Greater Richmond Employment Assistance Team (GREAT) in 1997. They jointly contract with the Greater Richmond Chamber of Commerce to place welfare recipients in jobs. The Chamber in turn subcontracts job placement activities to a private-sector staffing agency. Another subcontractor, a local training firm, provides job-readiness classes. The Chamber serves as the bridge between the welfare agencies and private-sector service providers. In its first six months, GREAT enrolled over 700 individuals, matching 73 percent of those available for immediate placement with employment opportunities.

- ▶ **IndEx** (Tulsa, Oklahoma).⁷ Established in 1992 by the Metropolitan Tulsa Chamber of Commerce, IndEx contracts with local companies to perform light manufacturing and packaging work at a central site. In exchange for their welfare benefits, participants spend half of each day in an education program and the other half working. The initiative is designed to reduce the labor costs for local companies, keep jobs in the region, and provide participants with real-life work experience as a step toward permanent job placement. Of the 286 participants enrolled in IndEx in 1996, 110 found employment and 76 remained enrolled at the beginning of 1997.
- ▶ **JOBS Plus** (Oregon). Under this state-wide program, recipients of welfare, food stamps, and unemployment insurance are placed in six-month on-the-job-training positions with local businesses. Employers issue workers a paycheck and are reimbursed by the state for wages (at the Oregon minimum wage), unemployment insurance, worker's compensation and FICA (Social Security and Medicare) contributions. The welfare agency provides child care assistance and other support services to workers. In its first year of operation (July 1996–June 1997) 3,558 JOBS Plus participants worked for 1,840 employers.
- ▶ **Local Investment Commission** (Kansas City, Missouri). The Local Investment Commission (LINC) was created in 1992 to develop and oversee programs in a variety of human services areas and is responsible for the implementation of welfare reform in Kansas City. The Commission is managed by a 36-member citizen-board, and more than half the board's members, including its chairman, come from the business community. LINC has authority to determine welfare policies, design welfare-to-work strategies, negotiate contracts with service providers, and monitor outcomes. Since 1995, 2,200 welfare recipients have been placed in jobs through LINC-supervised activities.
- ▶ **Marriott International Pathways to Independence** (Los Angeles, New Orleans, Philadelphia, and other cities). Marriott International started Pathways, its welfare-to-work program, in 1991 to help welfare recipients move into positions with the company and to improve retention among new employees. Pathways provides welfare recipients with six weeks of life and job skills training focused on the hospitality industry. The program includes 60 hours of classroom training and 120 hours of occupational training at a Marriott facility. Since its inception, approximately 850 people have graduated from Pathways.

7. For more information, see Buck, 1997.

4. Challenges of Business Partnerships

Welfare reform poses huge challenges to states and communities. It is important to be aware of these challenges and to plan strategies to address them. This section begins by laying out some specific challenges of business partnerships. (Many are discussed in greater detail in later sections of this guide.) It then discusses three broad challenges of welfare-to-work efforts: serving large numbers of welfare recipients, helping those who are hard to employ, and moving recipients to long-term employment. While there are no simple solutions, we offer suggestions that can help move these efforts in the right direction. The extent to which welfare reform is successful in the long run may largely depend on the ability of states and localities to address these challenges.

The ultimate success of welfare reform may depend on the ability of states to serve large numbers of welfare recipients, help the hard to employ, and promote sustained employment.

Specific Challenges

- ▶ **Building business community interest in a partnership.** While many businesses have hired welfare recipients or joined welfare-to-work efforts, others question the belief that the private sector should assume responsibility for making welfare reform work. In the end, most businesses will remain involved only if their own interests are advanced; that is, if the partnerships provide them with needed labor, reduce their hiring, operating, or turnover costs, or otherwise help their bottom line. For ideas on addressing this challenge, see section 12 on marketing to employers.
- ▶ **Making the partnership work.** Any partnership is difficult to maintain, especially one in which the partners have very different backgrounds and perspectives. It will be necessary for partners to educate each other about their own worlds, develop a common vision and a common language, and establish a process for ongoing communication. Section 11 offers some suggestions on building public-private relationships.
- ▶ **Remaining in touch with business needs.** The current interest on the part of the business community probably reflects the tight labor market as much as anything else. It is reasonable to ask whether initiatives that appeal to businesses in this period of low unemployment will still make sense if labor markets shift. Programs need to be attuned to labor market conditions and find ways to engage employers even when those conditions change. Section 10 provides advice on assessing the local labor market.

- ▶ **Promoting the hiring of welfare recipients without stigmatizing them.** The line between encouraging employers to hire welfare recipients and stigmatizing those same recipients is a fine one. Some research evidence suggests that programs which provide subsidies or tax credit to employers may discourage hiring if employers believe they are being asked to hire unqualified individuals. Programs need to decide how they will approach employers and balance their marketing pitch. For more on this topic, see section 16.
- ▶ **Maintaining a focus on the interests of welfare recipients.** Traditionally, welfare-to-work programs have focused on the supply side of the labor market connection; business partnerships focus on the demand side. The challenge is to strike a balance between the two: understanding the needs of employers and welfare recipients and addressing both simultaneously. The Seattle Jobs Initiative partners with community-based nonprofit organizations to provide case management services, knowing that they will look out for clients' interests. New Jersey based Business Link, its multi-agency private-sector initiative, in the welfare department in order to ensure that serving welfare recipients remains a priority.

Broad Challenges

Serving Large Numbers of Welfare Recipients

Most of the welfare-to-work programs held up as models of private-sector involvement are small-scale efforts; training programs may enroll a few dozen participants a year; staffing agencies and employment programs may place a few hundred a year in jobs. While these small-scale efforts can provide clues to what works, larger systems will be needed to achieve the goals of welfare reform.

As you look for ways to expand current programs or develop larger welfare-to-work systems, consider the following:

- ✓ **Make better use of technology.** The state of automation is still relatively primitive in the world of welfare-to-work programs. Computer systems have helped some programs manage larger caseloads and free up staff time for working with more recipients. You can also use technology to gather and organize information about job openings and recipient characteristics to match people with jobs more efficiently. In turning to technology, however, beware of losing the personal relationships that are often the key to success.
- ✓ **Consider replication as an alternative to growth.** Sometimes programs work well precisely because they are small and know their clients, customers, and community well. Operating several small programs may therefore be a more effective approach than creating one large one. Instead of trying to expand successful models, consider whether promising programs can be replicated in other parts of the state or locality.

-
- ✓ **Diversify your program.** Welfare-to-work is not one-size-fits-all. Different recipients have different needs, strengths, and interests — as do different employers. The more options you have, the greater chance that they will cover every situation. However, recognize that more individualized service will entail greater costs and require a more complex program.

 - ✓ **Think about how the business partnership can help.** For example, take advantage of the technological expertise many businesses have to improve systems for caseload management. Also, use business associations and other intermediaries to reach out to a greater number of both welfare recipients and employers.

Helping Those Who Are Hard to Employ

Beyond the number of welfare recipients served by a program is the question of *who* is served. Many programs work with only a segment of the welfare caseload, often those who are most motivated or appear to be most employable (this is called “creaming”). This may happen naturally, as programs work with volunteers or as attendance and behavior requirements cause some participants to drop out. In business partnerships, especially, there tends to be heavy up-front screening, with only the most seemingly qualified or motivated individuals referred to jobs or training opportunities.

Some people downplay the danger of creaming, arguing that even the most employable recipients have many barriers and that creaming is all right as long as welfare recipients are placed in jobs. Remember, however, that people get jobs and leave welfare all the time (see section 5 on the welfare context). To make a difference, programs must help people who would not otherwise have been hired (the box in section 7, on measuring program success, illustrates this point). This involves a balancing act — recognizing when it is important to work with the most promising recipients in order to build employer trust and when there are opportunities to assist the hard to employ, by providing additional services or broadening the category of “good” candidates for employment.

Section 9 offers suggestions for working with “hard-to-serve” welfare recipients. In addition, consider the following:

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- ✓ **Build in flexibility.** In seeking employment, people face a variety of barriers and also have a variety of strengths on which to draw. Build in flexibility by designing individualized plans to address recipients’ unique situations.

 - ✓ **Draw on community supports.** Rather than trying to develop the resources and expertise to address all the barriers that welfare recipients may face, partner with local service providers and connect recipients with available community services.

 - ✓ **Do not try to solve all problems.** It is easy to get caught up in trying to solve all the problems that welfare recipients face. Instead, focus on short-

term strategies to address specific issues that are preventing recipients from succeeding in work.

- ✓ **Think about how the business partnership can help.** For example, supervisory training, mentoring, and employee assistance programs can provide extra support to new employees. Other ideas include establishing supported worksites, where a team of recipients works with a job coach.

Moving Welfare Recipients to Long-Term Employment

For many welfare recipients getting a job is only the first step. Job loss has a clear cost for everyone involved, including employers, government, and the individuals themselves. The real challenge of welfare reform may be helping those who get jobs to keep those jobs and move up the ladder. Unfortunately, job retention has only recently become a focus for most programs, so there is little experience from which to learn. Some promising ideas are presented in sections 18 (on increasing job retention) and 19 (on promoting job advancement). In addition, consider the following:

- ✓ **Provide post-placement assistance.** In many programs, support ends when a recipient gets a job or when her welfare case closes. In others, program staff maintain some contact for 90 days or more. However, much more intensive follow-up is needed to catch problems as they arise and make a difference in job retention.
- ✓ **Think more broadly about services for the working poor.** Long-term strategies may mean thinking differently about the population you are serving. For example, how can you provide more support to the working poor and more opportunities for education and skill development so working individuals can advance their careers?
- ✓ **Think about how the business partnership can help.** Once individuals are working, employers have a stake and role in promoting job retention. They are also in the best position to identify problems before they result in job loss. Section 13 offers advice to employers on integrating welfare recipients into the workplace.

5. The Welfare Context

Many of those involved in business partnerships may be unfamiliar with the welfare world. Just as public-sector partners need to learn about the needs of employers, other partners need to understand who is on welfare and how the welfare system works

Private-sector partners need to understand who welfare recipients are and how the welfare system works.

— and get beyond the many myths and misconceptions that exist. This section provides a basic introduction to the welfare context in four areas:

- ▶ who is on welfare;
- ▶ what welfare programs look like;
- ▶ the federal welfare law;
- ▶ what states are doing.

Who Is on Welfare

Welfare recipients are a diverse group including people of different ages, ethnicity, education, work histories, and personal stories. Except when otherwise noted, the following facts are based on the full nationwide welfare caseload. Caseload characteristics will also vary by region; state or local welfare agencies should be able to give you a breakdown of local characteristics.

Demographics⁸

- ▶ **Family status.** Only families with children qualify for welfare. Most families on welfare are headed by a single mother.⁹ Less than 10 percent are two-parent families. About 17 percent are child-only cases, in which no adult is counted in the grant calculation.
- ▶ **Age.** Most mothers on welfare are between ages 20 and 39; 6 percent are under age 20, and 12 percent are age 40 or over.
- ▶ **Ethnicity.** Thirty-seven percent of welfare recipients are white, 36 percent are African American, and 20 percent are Hispanic.
- ▶ **Number of children.** Most welfare recipients have one or two children: 43 percent have one child, and 30 percent have two children.
- ▶ **Age of children.** Many welfare recipients have children who are not yet of school age.¹⁰ Twelve percent of families on welfare are either expecting or have a child under age 1. In 39 percent of cases, the youngest child is under age 3.

Education and Work History

- ▶ **Welfare recipients have a range of educational achievement.**¹¹ Of those for whom such information is available, 60 percent have at least a high school diploma, 7 percent have less than an eighth-grade education, and 15 percent have at least some college education.

8. Unless otherwise noted, information is from U.S. House of Representatives, 1996.

9. Bloom, 1997.

10. U.S. Department of Health and Human Services, 1996.

11. U.S. House of Representatives, 1996.

- ▶ **Most welfare recipients have work experience**, though fewer have steady work histories.¹² Data collected from various locations show that while nearly all recipients worked at some point in the past, from 22 to 60 percent of recipients (depending on the location) never worked full time for a single employer for at least six months.
- ▶ **Many families combine welfare and work.**¹³ One study found that 43 percent of those who received welfare at some point during a two-year period either worked while on welfare or moved back and forth between work and welfare.

Caseload Dynamics¹⁴

- ▶ **In an “average” year, about half those on welfare leave the rolls.** The best estimates are that between half and two thirds of those who leave do so because they get jobs.
- ▶ **Most families rely on welfare for relatively short periods.** Seventy percent of welfare recipients leave within two years, and almost 90 percent leave within five years.
- ▶ **Many families later return to welfare.** Over the course of their lifetime, about three fifths of women who ever use welfare will receive assistance for two years or more, and one third will receive assistance for more than five years.
- ▶ **Long-term recipients make up a greater share of the caseload at any point in time because they stay on welfare longer.** On average, about 70 percent of families receiving assistance at a given point in time have already received assistance for at least 24 months, and 48 percent have received assistance for more than 60 months.

What Welfare Programs Look Like

Nationwide, the welfare system is implemented in different ways. Programs vary in terms of the amount of cash assistance they provide, the rules they set, and the services they offer. Different government agencies may operate different parts of the system, and some activities or services may be contracted out to private firms or nonprofit organizations. Most welfare programs, however, share certain elements, outlined below:

- ▶ **Time limits.** Almost all states place limits on the amount of time that families can receive assistance. Most also have shorter limits on the amount of time that individuals can receive welfare without working or participating in welfare-to-work activities.

12. Bloom, 1997.

13. Spalter-Roth et al., 1995.

14. Pavetti, 1996.

- ▶ **Welfare-to-work activities.** All state welfare programs include activities designed to move recipients into employment. They usually begin with an assessment, followed by one or more of the following options:

Job search/job placement. Welfare recipients learn job search skills and are assisted in conducting a job search. Many programs also include some job placement, in which recipients are referred directly to employers.

Job-readiness. These activities provide preparation in basic work skills, such as punctuality, appropriate dress, and interacting with supervisors and coworkers.

Education and training. While there has been movement away from extensive education and training before entering employment, most states provide some opportunities for recipients to attend school or participate in training programs to improve their skills and employment prospects.

Work programs. These provide employment opportunities for welfare recipients, either as unpaid work experience or subsidized employment.

- ▶ **Support services.** Support services help welfare recipients participate in welfare-to-work activities and make the transition to employment. They generally include child care, medical, and transportation assistance, counseling, and access to work clothes. Some support services — called transitional benefits — may also be available to former recipients who have left welfare for work.
- ▶ **Mandates and sanctions.** Almost all welfare programs balance the services they provide with requirements that recipients either work or participate in activities designed to lead to employment. Different states apply different penalties to individuals who do not comply with program requirements, ranging from partial grant reductions to ineligibility for assistance.
- ▶ **Financial incentives.** Most states offer financial incentives to encourage recipients to work and make work pay. These are usually in the form of “earnings disregards,” which discount a portion of earned income in calculating welfare benefits, thereby allowing recipients to keep some of their grant when they go to work.

As you design your business partnership, consider how the activities and services you are planning fit with other state and local welfare policies. For example: Will the activities satisfy state work requirements? Do the time frames for activities make sense in light of welfare time limits? Do other job-readiness, education, and training activities share and support the business partnership’s

goals — and vice versa? Is there duplication in job preparation, placement, or post-placement services?

The Federal Welfare Law

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the previous Aid to Families with Dependent Children (AFDC) program with a program of block grants to states called Temporary Assistance for Needy Families (TANF). Unlike the AFDC program, under which state funding for welfare was matched by the federal government according to a formula, states now receive a fixed amount of federal funding each year.

Under TANF, states have wide discretion in designing their own welfare programs. They can set eligibility criteria and requirements and choose what services they will provide to families on welfare. TANF also places some restrictions on states. In particular, states are required to have an increasing percentage of recipients engaged in work activities each year and are prohibited from using federal funds to assist most recipients for more than five years. Allowable work activities include unsubsidized and subsidized employment, work experience, on-the-job training, and other activities. Some participation in education and training is also allowed.

What States Are Doing

As states implement TANF, they are making use of the discretion allowed under the federal law to test various approaches. For example, states have adopted different versions of time limits and work requirements. Many states have also given counties or cities the power to design programs to meet local needs. While we cannot present here descriptions of every state's welfare reform plan (or even a complete description of what certain states are doing), the following examples will give readers an idea of some of the different governance structures, policies, and programs that states are implementing.¹⁵

- ▶ **California.** California's welfare reform legislation, called CalWORKS, includes a unique version of time limits. After 24 months for current recipients and 18 months for new applicants, individuals will be ineligible to receive assistance for one month (the limits for applicants may be extended to 24 months under certain circumstances). In addition, there is a five-year lifetime limit, after which the parent is excluded from assistance but the children can continue to receive aid.
- ▶ **Florida.** Under its WAGES program, Florida has delegated control of and responsibility for local implementation of welfare reform to local boards, made up of business representatives, community leaders, and local advocates. The local boards have freedom to design their own welfare-to-

15. For a summary of state policies, see National Governors' Association, 1997b.

work programs, contract with service providers, and prioritize spending of state and federal funds.

- ▶ **Illinois.** Illinois's welfare reform encourages recipients to combine work and welfare. Under the state's "Work Pays" policy, welfare benefits are reduced only \$1 for every \$3 of earnings. In addition, Illinois stops a recipient's time limit clock (for both the federal five-year time limit and the state's two-year limit) during months that families report earnings.
- ▶ **Wisconsin.** Under Wisconsin's W-2 program, individuals are eligible to receive assistance only for hours worked. The program offers four tiers of work: unsubsidized full-time employment, subsidized full-time employment, community service jobs, and transitional placements that combine part-time work experience with education and training. Participation in each of the lower tiers is time-limited, as recipients are expected to progress to unsubsidized work.

6. The Labor Market Context

This section provides an overview of national labor market trends and characteristics of the low-wage labor market; it also describes what jobs are available and what skills and qualifications employers are looking for. The section ends with a discussion of the implications of these factors for business partnerships and welfare reform efforts. See section 11 for advice on assessing your local labor market.

Overview of Labor Market Trends

The past 20 years have seen significant labor market changes.

- ▶ **Decline in wages.** Between 1979 and 1995, real wages for workers at the bottom fifth and bottom tenth of the wage distribution fell by 11.1 and 17.0 percent, respectively.¹⁶ The people hardest hit by declining wages include those already with low wages, and those without a college degree, in service occupations, and in younger age brackets.
- ▶ **Rise in percentage of "working poor."** Over the same period, the "working poor" (people with year-round, full-time employment but earning poverty-level wages), increased from 23.7 to 29.7 percent of all people who worked.¹⁷
- ▶ **Increase in low-wage earners.** Between 1979 and 1992, the percentage of people with less than a high school education who earned less than \$5

16. Mishel, Bernstein, and Schmitt, 1997.

17. Mishel, Bernstein, and Schmitt, 1997. Poverty-level wages refer to the hourly wage that a full-time, year-round worker must earn to sustain a family of four at the poverty threshold. This wage was \$7.28 in 1995 (in 1994 dollars).

per hour (in 1992 dollars) nearly quadrupled — from 6.8 to 24.1 percent. At the same time, the percentage of people with less than a high school education who earned between \$10 and \$20 per hour decreased from 31.6 to 21.3 percent.¹⁸

Driving the statistics are fundamental changes that have been occurring in the U.S. economy, with disturbing implications for the low-wage labor market. The economy has been shifting from a manufacturing base to a service base. As this has occurred, well-paying jobs for people with moderate and low skills once available in the manufacturing industries have given way to service sector jobs. These new jobs are clustered at opposite ends of the labor market: high-skill/high-wage jobs and low-skill/minimum-wage jobs. Factors contributing to these changes include increased global competition, the ability of U.S. companies to obtain cheap labor overseas, and advances in technology that have eliminated some low-skill positions.

Characteristics of the Low-Wage Labor Market

There is more to the low-wage labor market than just low wages. The following characteristics are distinctive for this segment of the labor market:¹⁹

- ▶ **Short-duration and high-turnover jobs.** Spells of low-wage work tend to be short in duration, with the average job lasting 46 weeks. Over a two-year period, women in low-wage jobs hold an average of 1.7 jobs and spend 16 weeks looking for work.²⁰ The short length of jobs suggests the transitory nature and instability of jobs and the tendency for low-wage workers to move back and forth between spells of employment and unemployment.
- ▶ **High incidence of part-time and temporary work.** In 1993, 18.8 percent of workers were employed part time. Compared with full-time work, part-time work tends to be lower skilled and lower paid; offer poorer chances for promotion, less job security, and inferior or no benefits; and have lower status in the workplace.²¹
- ▶ **Lack of benefits.** Many low-wage jobs do not offer benefits. The Census Bureau concluded that in 1987 “the percent of workers who received subsidized health insurance was 32.3 percent for people earning below \$10,000 and 83.9 percent for people earning between \$25,000 and \$34,999.”²² This lack of benefits, particularly health insurance, is an important factor in job retention.

18. Blank, 1995.

19. Seavey, 1997.

20. Spalter-Roth et al., 1995.

21. Tilly, 1992; and Mishel, Bernstein, and Schmitt, 1997.

22. U.S. Bureau of the Census, 1992.

► **Deteriorating job ladders and opportunities for advancement.**²³

Previously, low-wage employment was a first step into the world of work, with opportunities for higher wages through promotion and advancement. Research indicates that promotion and mobility for less-skilled workers have declined. Large numbers of entry-level positions have no internal training or career ladders, and many firms recruit externally for higher positions instead of training from within.

Available Jobs

Roughly 44 percent of *all* employment is with firms with 100 employees or more, 30 percent with firms of 20 to 99 employees, and the remaining 26 percent with firms of 19 or fewer employees.²⁴ However, *newly created* jobs are overwhelmingly located in businesses of 25 or fewer employees. Small businesses also have higher rates of turnover and bankruptcy, making employment highly volatile.

A recent survey of employers found that 60 to 65 percent of jobs are located in the retail, financial, and service sectors, with only about 20 percent in manufacturing.²⁵ This is significant, since manufacturing jobs have traditionally provided living wages for semiskilled and unskilled workers — and have been among the best jobs available in central cities. According to the survey, today's manufacturing jobs are primarily located in the suburbs, with service sector jobs more likely to be found in the central city. The survey also asked employers how they recruited for the last employee hired. The two most common methods were re-

Understanding the labor market context, especially for entry-level and low-wage jobs, is crucial to designing effective welfare-to-work strategies.

referrals from current employees and newspaper ads. Only 15 to 20 percent of jobs were recruited through state employment services, private employment services, community agencies, schools, and unions.

Another study looked at the kinds of jobs that welfare recipients hold. It found that the majority of welfare mothers who work are employed in restaurants, nursing homes, private households, hotels and motels, department stores, and temporary help firms (compared with 19 percent of all women who work).

23. Blank, 1995; and Mauricio Gaston Institute, 1992.

24. U.S. Bureau of the Census, 1994.

25. Holzer, 1996. The survey interviewed roughly 800 employers in four cities (Atlanta, Boston, Detroit, and Los Angeles) asking questions about hiring practices, recruiting and screening procedures, and characteristics of the firm and its overall workforce. The survey focused on positions that did not require a college degree.

Specifically, 37 percent of welfare recipients surveyed worked as maids, cashiers, nursing aides, child care workers, and waitresses.²⁶

Employer Requirements

As wages, security, and benefits in the low-wage labor market decrease in relative terms, the types and proficiency of skills needed to obtain entry-level positions are increasing. The survey of employers noted above found that “almost all jobs require daily reading/writing and math tasks, computer use, and customer contact.”²⁷ Jobs in which the only major “skill” is dealing with customers account for only 10 to 15 percent of those available.

Similarly, the survey revealed that “almost all employers require certain credentials from applicants, such as high school diplomas, job-specific experience, references, or previous vocational training before hiring.” Only 7 to 9 percent of jobs require a high school diploma as the only credential, and jobs that require both a high school diploma and some general experience account for 10 to 13 percent of available jobs. Additionally, employers were wary of hiring individuals with unstable work histories and those with a criminal record.

Implications for Welfare Reform

The labor market context has implications for welfare reform — both in terms of the reality that recipients face as they seek to enter the labor force and in terms of the strategies that can help them do so. The following are some of the implications of the current economic context:

- ▶ The jobs that welfare recipients get are likely to offer low wages and few if any benefits.
- ▶ Recipients who have little or no recent work experience or who lack basic skills may have difficulty finding even low-wage, entry-level positions.
- ▶ The temporary nature of much low-wage employment means that job loss will likely be common, even if job retention strategies are implemented.
- ▶ Job placement efforts will need to break into employers’ traditional hiring routes or convince them to try new recruiting paths.
- ▶ For many jobs — especially higher-paying and manufacturing jobs — welfare-to-work programs will need to look to suburbs and address the transportation problems of many welfare recipients.

26. Spalter-Roth et al., 1995. For this study, welfare recipients were defined as single women who received welfare for at least two months out of a 24-month period.

27. Holzer, 1996.

- ▶ Deteriorating job ladders mean that programs will need to find new ways to promote career advancement for welfare recipients who enter the labor market.

7. Research Findings

This section examines some of the major research findings on strategies to engage the private sector in employment programs for welfare recipients and other disadvantaged groups.²⁸ These strategies fall into three categories: training initiatives, welfare-to-work programs, and employer incentives. Related information can be found in sections 5 and 6, which describe the welfare system and the labor market, two contexts that are important for launching a business partnership. As you

Employer involvement in welfare-to-work efforts is relatively new, and little research speaks directly to its effectiveness.

read this section, you will notice that little research has focused exclusively on the effects of employer participation in programs for welfare recipients. Because almost all the programs studied had multiple components, it is difficult to isolate employer involvement and determine its effect on the programs' outcomes.

Training Initiatives

Center for Employment Training (CET)

Research findings from the Center for Employment Training (CET) provide the strongest evidence that employer involvement can make training programs more effective. CET, located in San Jose, California, is a short-term, classroom-based, occupational training program that through rigorous evaluation has been shown to produce long-term positive impacts on earnings and employment. In a study of programs for out-of-school youth in several sites, CET produced a 33 percent increase in earnings relative to a control group of similar youth who were not in CET. After a four-year follow-up of that same population, CET increased net earnings by \$6,700 over four years, the highest among all the programs examined.²⁹ A report by the U.S. Department of Labor concluded that CET participants are "placed into jobs at higher rates than trainees from other programs,

28. Several of the studies described in this section used a random assignment research design in which eligible people were assigned by a random process to either a program group, which was eligible to receive services, or a control group, which was not. Any differences that emerge between the two groups can be attributed to the program services. These differences are known as impacts. Many studies look for differences in areas such as rates of employment, earnings, and rates and amounts of welfare receipt. A program is said to increase earnings, for example, if the average earnings for the program group are higher than those for the control group.

29. Cave, Doolittle, Bos, and Toussaint, 1993.

stay in those jobs longer, and have substantial earnings over time.”³⁰ The cost of the program averages \$6,000 to \$7,000 per student.³¹

Researchers contend that employer involvement in CET is a major factor in its success.³² CET involves local business in four ways:

- ▶ An Industrial Advisory Board, comprising executives and human resources managers from a variety of firms, provides overall guidance for the program and promotes industry ownership.
- ▶ A Technical Advisory Committee, comprising front-line supervisors, provides advice on curriculum and equipment issues.
- ▶ Instructors are hired for their long-time connections to industry.
- ▶ Job development efforts include aggressive outreach to employers.

The San Jose program has been replicated in a number of localities across the country. An evaluation is under way in 12 sites to assess the implementation of the program and its impacts. An earlier study highlighted the difficulty of implementing a new, employer-focused program, especially one that does not fit easily into existing program and funding structures.³³

Welfare-to-Work Efforts

Job Development

Welfare-to-work programs have generally not focused on creating linkages with the business community. This is true even of programs that emphasize quick entry into the labor market. Instead, most focus on the supply side of the labor equation, using activities such as job search and group job clubs to teach recipients the skills they need to go out and look for jobs on their own.

Some welfare-to-work programs combine job search with job development, in which staff develop relationships with employers and get job leads for participants. In general, the programs MDRC has studied that included job development have had greater impacts than those that did not.³⁴ Some of the strongest programs that MDRC has studied used job developers, and program staff have attributed their success partly to the job development component. None of the welfare-to-work programs that MDRC has studied emphasized other types of business involvement.

Supported Work

MDRC conducted the National Supported Work Demonstration in the late 1970s. Participants were assigned to 12 to 18 months of subsidized employment under

30. U.S. Department of Labor, 1995.

31. Meléndez, 1996.

32. Meléndez, 1996.

33. Hershey and Rosenberg, 1994.

34. See Hamilton et al., 1997; and Riccio, Friedlander, and Freedman, 1994.

conditions of gradually increasing demands, close supervision, and work in a crew of peers. Some of the work crews were contracted with private employers for their work experience. Four hard-to-employ groups were targeted for the demonstration: women who were long-term welfare recipients, former substance abusers, ex-offenders, and young school dropouts. Evaluations of the program found it to be most effective for women on welfare, producing increases in earnings of over \$6,000 (300 percent) during the time of subsidized employment and continued earnings impacts over five years.³⁵

Employer Incentives

The most common employer incentives are wage subsidies, including on-the-job training, and tax credits. By reimbursing employers for a portion of wages paid to targeted individuals, thus reducing employer costs, these incentives are intended to increase the likelihood that those individuals will be hired. The extensive research in this area presents lessons for current initiatives, and section 14 provides advice on how to make the most of employer incentives in your program.

Wage Subsidies

Research has found that wage subsidies can have positive results for some populations. For example, the Youth Incentive Entitlement Pilot Projects (YIEPP), conducted from 1978 to 1981, provided guaranteed jobs at the minimum wage to disadvantaged youth aged 16 to 19. The program created fully subsidized jobs in the public, nonprofit, and private sectors. An evaluation found that the program dramatically increased earnings and employment rates for youth in the treatment communities compared with those in other comparable communities. School-year employment rates (part-time work) doubled from 20 to 40 percent and summer employment rates (full-time work) increased from 35 to 45 percent. Private-sector employment for youth increased by 18 percent during the demonstration.³⁶

Wage subsidies and tax credits are often less popular than expected with employers, who find the paperwork burdensome and are more interested in hiring qualified workers.

However, other research on the impact of wage subsidies concludes that they only modestly increase the demand for targeted workers. Wage subsidies by themselves have a low utilization rate and in some cases stigmatize the individuals they are intended to help. Findings from several evaluations, including YIEPP and the National Supported Work Demonstration, suggest that subsidies are more successful in increasing the earnings and employment of disadvan-

35. Gueron and Pauly, 1991.

36. Farkas, 1984.

taged individuals when combined with job development, training, and job search assistance.³⁷

On-the-Job Training (OJT)

The Job Training Partnership Act (JTPA) sponsors employment and training programs for the disadvantaged, including on-the-job-training (OJT), which provides subsidies of 50 percent of wages for up to six months to employers who hire *and train* targeted individuals. The National JTPA Study found positive impacts during a 30-month follow-up period for participants who volunteered for the program and were deemed appropriate for OJT. The study found a 15 percent increase in earnings (or \$2,292) for adult women over 30 months and a 10 percent increase (or \$2,109) in earnings for adult men.³⁸

An MDRC evaluation of OJT programs in the 1980s looked at the implementation of programs in six states, and in two of those states — New Jersey and Maine — examined the impact of on-the-job training on the earnings of participants. Both state programs were voluntary and enrolled individuals who were quite disadvantaged in terms of prior welfare receipt and recent work experience, but who had relatively high levels of high school equivalency attainment. Both programs were found to have positive impacts on earnings. However, the programs did not result in reduction in welfare rolls and led to only small welfare savings.³⁹

Despite their high expectations for serving large numbers of individuals, the OJT programs in Maine and New Jersey remained relatively small. Although both operated statewide, participants were carefully screened for placement, limiting their scale. The scale of OJT programs is also limited by the availability of training slots in the private sector. After the 1980s, when performance audits and new federal regulations required more careful documentation of training provided in OJT positions, employers became less interested in participating. While the regulations were intended to prevent abuse of the program, local JTPA agencies claimed that they made the program more difficult to sell to employers by potentially increasing the paperwork burden and decreasing the size of the subsidies.⁴⁰

Tax Credits

Research indicates that tax credits have been mainly utilized by large firms in the retail and service sectors who learned of the eligibility of their workers after they were hired, and thus received the credit retroactively. In other words, the credit did not affect the firms hiring decisions.⁴¹ Overall, utilization rates of tax credits have been low, accounting for less than half a percent of the private employment during their peak use in 1985.⁴² The low utilization rates have

37. Katz, 1996.

38. Bloom et al., 1994.

39. Gueron and Pauly, 1991.

40. Bloom and Sherwood, 1994.

41. Lorenz, 1995.

42. U.S. Department of Labor, 1994.

been attributed to regulatory burdens and lack of support and marketing by the administering agencies.⁴³

One study suggests that tax credits may actually reduce a targeted individual's chance of being hired. In the study, welfare recipients were randomly assigned to one of three groups: one presented vouchers to potential employers for direct cash rebates; the second presented vouchers for tax credits; and the third had no vouchers. Both groups of job seekers with vouchers were significantly less likely to find employment than the job seekers without vouchers. One explanation for this result is that the voucher signaled to employers that the job seeker was a welfare recipient and thus attached a stigma that discouraged hiring.⁴⁴

Measuring Program Success

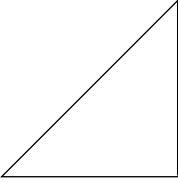
Many welfare-to-work programs measure success in terms of the number of welfare recipients who get jobs. However, because many recipients would have gotten jobs even without the program, this measure can overestimate the true difference a program made and underestimate the benefit of serving hard-to-employ recipients.

The table below presents a hypothetical example of the impacts a program might have for two groups of welfare recipients. As column 1 illustrates, the program would have higher employment rates — and look more successful — if it targeted recipients with recent work histories (70 percent of whom got jobs compared with 40 percent of those with no work experience). However, a comparison of the program's outcomes with what would have happened without the program (column 2) show that the program would make more of a difference by targeting less easily employed recipients. In this case, measuring only job placement would give a false impression of the program's success. This example illustrates the real challenge for business partnerships: to help people get jobs who would otherwise not have done so.

Target Group	Employment Rate with the Program	Employment Rate Without the Program	Difference the Program Made (Impact)
Welfare recipients with recent work experience	70%	65%	5 percentage points
Welfare recipients with no work experience	40%	25%	15 percentage points

43. Katz, 1996.

44. Burtless, 1985.



III.

Getting Started

8. Identifying Partners

A key early decision for new partnerships is to determine who will be involved. Generally speaking, there are three groups of potential partners: the business community, public-sector agencies, and service providers, intermediaries, and other partners. This section covers each of these groups.

Business Partners

Most programs use one or more of the following criteria to identify potential business partners:

- ▶ **Businesses with urgent labor needs.** Many programs begin by looking at local labor market conditions and targeting businesses in geographic areas or industry sectors with a need for workers. (See section 10 on assessing the local labor market.) Tulsa's IndEx program targeted employers in this way. For example, the Zebco Corporation (which assembles fishing poles) was preparing to leave Oklahoma because of the low rate of unemployment and resulting high labor costs. IndEx responded by offering competitively priced labor to Zebco (and other businesses). Those jobs have remained in Tulsa and provide work experience for welfare recipients. Similarly, Chicago's Greater West Town Community Development Project responded to a shortage of skilled workers in the local woodworking industry by establishing a training program. Because of the labor shortage, businesses were willing to be involved in designing curricula, providing training, and hiring graduates.
- ▶ **Businesses with opportunities that match participants' skills.** Some initiatives take a different approach, targeting jobs that match the education and skill levels of program participants. These initiatives tend to focus on immediate employment opportunities, rather than those for which extensive up-front education or training is needed. For example, the Seattle Jobs Initiative targeted three industries — health care, precision metal fabrication, and construction — that research by the University of Washington's Northwest Policy Center identified as having great potential for employing public assistance recipients. While the program's services are available to all employers, staff work to develop relationships in the targeted sectors and provide personalized attention for workforce needs.
- ▶ **Large businesses.** Building relationships with employers requires the investment of staff time and other program resources. Because of this, many welfare-to-work programs target large employers, seeing these efforts as more efficient, with a greater likelihood of a large number of job placements. Large businesses may also be natural partners because of their leadership role in the community or existing hiring initiatives.

- ▶ **Small businesses.** Some regions may have few large employers, and in others small businesses may account for most job growth. Programs may attempt to reach out to small businesses individually, or may do so through intermediaries such as Chambers of Commerce, industry or trade associations, or Business Improvement Districts. Partnering with small businesses requires strategies that take into account their special situation and needs. Staff of New Jersey’s Business Link, in focus group discussions, have found that most small business owners prefer anonymity; they are more likely to get involved if the effort is sanctioned by a trade or business association of which they are a member; they lack resources to invest in training new workers; they have less time and flexibility to attend meetings; and they are especially focused on how the partnership will help them meet their bottom line. Small businesses may also be more concerned about perceived liability issues than large ones.
- ▶ **Businesses with opportunities that pay above a certain wage.** Some welfare-to-work initiatives set goals for placing recipients in jobs that pay a “living wage” or that meet other wage, benefit, or job advancement criteria. In this case, programs need to tailor their labor market analyses to find businesses or industries with jobs that not only pay above those levels, but also offer positions that are commensurate with the skill levels of participants (or for which participants can become ready with a limited amount of education and training).
- ▶ **Employers required to hire additional or disadvantaged workers.** Businesses receiving government assistance through economic development programs, such as Empowerment Zones, are often required to create new jobs or hire disadvantaged workers (and may also receive financial incentives for doing so); they are natural candidates for partnerships. New Jersey’s Business Link targeted employers participating in the state’s Urban Enterprise Zone program. In New York, a statewide marketing campaign focused on employers in or adjacent to economic development and Empowerment Zones.
- ▶ **Businesses with a commitment to community service or welfare reform.** Businesses with established track records of community service are likely partners. Even if such employers are not able to hire program

Look for partners — both public and private — who want to help make welfare reform work and are willing to take chances and try new things.

participants, they can help engage other employers and provide information about the local business environment. In addition, many business leaders have been making high-

profile, public pledges to support welfare reform. Often, these promises are made at the national level by corporate management without a clear

idea of exactly where the hiring will occur. State and local welfare-to-work programs can make the most of these pledges by pursuing job placements with the company's local offices.

Public Partners

Multiple public agencies may have roles in welfare-to-work efforts, including agencies involved in social services, workforce issues, and economic development. The following list identifies several prospective public partners, outlining what each could bring to a partnership. This list may not directly match the structure or roles of public agencies in every state or county. These roles differ from place to place and are also changing as a result of welfare reform or other restructuring efforts. It may be helpful to begin by finding one partner who understands the local landscape and can help identify and establish links with other key partners.

- ▶ **Welfare departments.** The state or county welfare agency is an obvious partner in any initiative. It brings access to participants as well as knowledge of previous welfare-to-work efforts. Take the time to learn about the internal structure of this agency as much as you would any other partner. For example, are welfare-to-work activities located within a specific unit or are they integrated throughout the agency? What services are contracted out to other providers?
- ▶ **Labor departments.** In some states and counties, the labor department is responsible for implementing welfare-to-work programs or subcontracts with the welfare department to place recipients in jobs. Labor departments also operate unemployment insurance systems and so may be experienced in analyzing labor market trends and performing job matching.
- ▶ **Private Industry Councils (PICs).** PICs are known as Workforce Development Boards in some states. Local PICs are responsible for administering Job Training Partnership Act (JTPA) employment and training activities, and in some states they are also responsible for work-related aspects of welfare, school-to-work, and other programs. In addition, they are responsible for administering the new Welfare-to-Work grants from the U.S. Department of Labor. This \$3 billion (over two years) program provides resources for states and localities to create job opportunities for hard-to-employ welfare recipients.
- ▶ **Education agencies.** These agencies include departments of education as well as individual schools, community colleges, and vocational centers. School-to-work programs, in particular, have developed and tested strategies that are relevant to welfare-to-work efforts. The agencies also operate a variety of education programs that are available to welfare recipients

and have access to funding streams that can support education and training activities. In addition, vocational schools often have direct ties to local employers through training programs and curriculum development.

- ▶ **Rehabilitative services.** These agencies typically work with populations that resemble the hard-to-serve portion of the welfare caseload, including individuals who are substance abusers, victims of domestic violence, mentally ill, or learning disabled. Many rehabilitative services agencies have employment and training programs specially designed to meet the needs of these individuals. They may include skills training, job placement, and on-site job coaching.
- ▶ **Economic development agencies.** From their role of promoting economic vitality, economic development agencies often have strong ties to the business community and can be a source of information about the local labor market. However, because of their broad approach, they may not have focused in the past on the particular needs of people making the transition from welfare to work or the issues faced by workers in the low-wage labor market.
- ▶ **Local governments.** Local governments may also be involved in welfare reform even if they are not directly responsible for administering welfare programs. For example, the City of Seattle does not oversee welfare in Washington's state-administered system, but did take the lead in developing the Seattle Jobs Initiative. This local partnership aims to promote training and job placement for a broad population of low-income Seattle residents, including those who do and do not receive welfare.

Service Providers, Intermediaries, and Other Partners

- ▶ **Organizations that provide services to welfare recipients.** The public agencies listed above usually subcontract with other organizations for some services, such as assessment, job-readiness, education, or training. Those subcontractors can contribute their own expertise to the partnership and bring experience working with welfare recipients.
- ▶ **Other service providers.** Other community-based organizations that can bring valuable services to a business partnership might include local child care providers, mental health services, clothing assistance, training programs, and mentoring programs.
- ▶ **Employment programs and staffing agencies.** Local employment programs, temporary agencies, and staffing services can bring valuable experience to the partnership and can help broker the gap between public agencies and private employers. Increasingly, these agencies are playing a role in welfare reform, either under contract with government agencies or on their own, in response to labor needs.

- ▶ **Umbrella organizations.** Groups like the United Way have large affiliate networks of service providers. These networks can provide the partnership with access to community-based organizations in a variety of areas. Umbrella groups can often also provide a larger perspective on the issues than individual organizations.
- ▶ **Local foundations.** Regional or local foundations often have extensive knowledge of issues of poverty, local economic conditions, and the social services landscape. Foundation partners can also help with activities such as goal-setting and facilitating communication. They may also be able to provide funding for partnership activities, especially for administrative costs that may be hard to cover otherwise.

9. Identifying Program Participants

Who will be the participants in your employment initiative? This section describes some of the options available in choosing program participants. It then discusses a crucial element for welfare-to-work efforts — accessing those participants. Finally, it presents an argument for working with hard-to-employ recipients and some strategies for doing so.

In deciding on your target group, consider the number of people you can serve (especially early on in the program's implementation) and prioritize who you want to make sure get served first. Also, think about who would benefit most from your particular initiative. In addition, bear in mind that your target population may change over time, owing to changes in the labor market or welfare caseload. Develop strategies to monitor these changes and evaluate the effectiveness of your program. This can be done by including basic information about client characteristics on intake forms, by encouraging upward feedback from line staff, and by periodically surveying both participants and employers.

Optional Target Groups

- ▶ **All job seekers.** In an attempt to streamline services and integrate welfare recipients into the larger employment and training system, many states and localities are designing initiatives that are open to all unemployed or underemployed individuals. These initiatives recognize that welfare recipients often are similar to other low-skilled job seekers and that separate programs for welfare recipients may not only be duplicative, but also may stigmatize recipients' employment efforts. Finally, such initiatives are often concerned about equity in services available to welfare recipients and not to other low-income families.
- ▶ **All welfare recipients.** Many programs limit participation to welfare recipients for a number of reasons. First, if a primary goal is to reduce

welfare caseloads, a narrow focus will target your resources on achieving that goal. Second, assisting nonwelfare individuals does not offer the same offsetting cost savings from reduced welfare spending. Third, while other individuals face similar employment problems, welfare recipients have access to a variety of support services, wage subsidies, and other policies that can help them succeed. Finally, there is a danger that welfare recipients might go unserved in a broader initiative, in which they would compete with others who may have more skills and fewer barriers.

- ▶ **New welfare applicants.** Initiatives that target new welfare applicants hope to take advantage of their typically higher skill levels and more recent work histories. In addition, they hope that immediate participation in welfare-to-work activities will send a strong message that welfare is intended to be only short-term employment-focused assistance. One drawback of this approach is that resources will be spent on some individuals who might otherwise never have come onto welfare (they might not have completed the application or might not have been found eligible) or who might have left welfare quickly on their own, without additional assistance.

- ▶ **Recipients who cannot find jobs on their own.** Research suggests that it is difficult to predict ahead of time who will succeed in finding employment. For this

Balance the desire to place the most promising candidates with the need to help recipients who would not have gotten jobs on their own.

reason, many programs begin with job search activities for almost all recipients, allowing the labor market itself to determine who is and is not easily employable.

Additional services are

then provided to those individuals who have not found jobs, targeting resources to those who need them most.

- ▶ **Residents of a particular neighborhood.** Place-based strategies might target neighborhoods with high levels of poverty and unemployment. Such strategies can often take advantage of — and build on — other economic development initiatives, such as Empowerment Zones, that offer incentives for businesses. They also provide opportunities for close coordination with community-based organizations that can provide other assistance to residents, such as child care or training, and meet the needs of other family members. Finally, place-based strategies often focus on transportation services to expand residents' access to employment opportunities outside their community. (See section 17 for more on addressing transportation problems.)

Accessing Program Participants

Many business partnerships find that their biggest challenge is maintaining a steady flow of participants. Even when the welfare agency is a lead partner, programs often experience bottlenecks in getting participants referred. Procedures for identifying, assessing, and referring participants need to take into account four main factors:

- ▶ **The supply of appropriate candidates.** For example, a training initiative may serve only those welfare recipients with specific interests or skills.
- ▶ **Welfare department requirements.** For example, new applicants may not be able to be referred until their applications are approved.
- ▶ **Participant needs.** For example, recipients may need to arrange child care before being referred.
- ▶ **The program's ability to accept referrals.** For example, new sessions may begin only every other week or may not be able to include more than a certain number of individuals.

Programs that do not have a direct relationship with the welfare agency have recruited participants by partnering with community-based organizations or by reaching out directly to potential participants through flyers, community meetings, and word of mouth. This often means that these programs start on a very small scale, though they can grow as they establish a record and reputation for success. For example, Washington Works, a nonprofit employment program in Seattle, began with no formal ties to the Department of Social and Human Services (DSHS), instead recruiting participants by distributing flyers in public housing developments and other locations. After demonstrating its success with participants who had attitude problems and few jobs skills, DSHS began referring clients to the program.⁴⁵

Defining the “Hard to Serve”

Many welfare recipients have significant and/or multiple barriers to employment. These recipients are often called the “hard to serve” or “hard to employ.” While there is no universal definition, the hard to serve generally have one or more of the following characteristics:

- ▶ long-term welfare receipt;
- ▶ little or no work experience;
- ▶ low education levels;

45. Gooden, 1998.

- ▶ substance abuse problems;
- ▶ mental health problems;
- ▶ histories of domestic abuse;
- ▶ criminal records.

It is important to recognize that while welfare recipients with these characteristics may be more likely than others to have difficulty finding employment, many will succeed (and others who do not at first seem to have significant barriers may have difficulty getting a job). Therefore, rather than using the characteristics listed above to define who is hard to serve, it makes more sense to allow these recipients to define themselves over time, based on their rate of success in job search or other activities.

Reasons for Working with the Hard to Serve

Some business partnerships may decide not to work with hard-to-serve welfare recipients, focusing instead on those most ready to go to work. However, working with the hard to serve is important for several reasons:

- ▶ Programs need to work with those who cannot succeed on their own if they are to make a difference in welfare reform.
- ▶ As caseloads decline across the country, the hard to serve will make up an increasing percentage of those who remain on welfare.
- ▶ Programs have a certain responsibility to try to assist hard-to-serve welfare recipients, who may be most vulnerable to welfare time limits.
- ▶ Because they would have been on welfare longest, programs can realize the largest payoff from working successfully with this group (although a greater up-front investment may also be needed).
- ▶ Business partnerships offer unique opportunities to assist this group of welfare recipients. Employers who have a stake in the initiative may be more willing to hire hard-to-employ recipients or help design programs to increase their employability.

Options for Helping the Hard to Serve

Many programs find that once they have developed strong relationships with employers, the employers are often willing to consider candidates who might not at first appear qualified. Qualifications requested by employers — such as a high school diploma or no criminal record — are often not necessary to do the job, but are used as screens to reduce risk. Partnerships can lessen the importance of these screens by finding other ways to minimize the risk to employers, for example, by providing job-readiness training or post-placement services.

Some welfare recipients may simply not be able to work immediately; they will need to receive assistance focused exclusively on addressing their barriers to employment. It is useful to include in your partnership government and non-profit agencies that can provide mental health services, substance abuse treatment, and other services. Many other recipients, however, can benefit from employment-focused activities such as the following:

- ▶ **Part-time employment.** Allow and encourage recipients to combine part-time work with other activities, such as basic education or counseling.
- ▶ **Work experience.** Paid or unpaid community service jobs in public or private settings offer recipients an opportunity to gain experience designed to improve employability, particularly basic work skills.
- ▶ **Supported work.** Create positions that include close supervision and gradually increasing demands to allow individuals with more significant barriers to ease their way into the world of work.
- ▶ **Outsourcing.** Find business partners who are willing to outsource work to a setting where recipients can work with increased support and reduced pressure. For example, the Corporation for Supportive Housing, in New York, arranged with Eileen Fisher, a clothing designer, to have residents of their buildings assemble swatch cards for seasonal fabrics.
- ▶ **Volunteer work.** Volunteering may be an appropriate transitional activity for recipients who are not able to handle the demands of a paid job.
- ▶ **Job coaches.** Job coaches accompany employees to the worksite, working one-on-one or with teams. They can help new employees learn job skills and adjust to the work environment and can provide personal and moral support.

10. Assessing the Local Labor Market

The program strategies you choose will vary depending on the labor market in which you operate. Nationally, low unemployment levels and a strong economy make this a good time to establish business partnerships. The tight labor market means that employers are eager to reach out to new pools of potential workers and interested in opportunities to better retain their workforce. Labor market conditions are not the same everywhere, however, and some communities continue to face high levels of unemployment and a

Stay in touch with local labor market trends and be able to quickly update your strategies to respond to changes.

limited job base. Whatever your economic outlook, it is important to understand what drives the local labor market: which fields are growing, which are shrinking, and which offer the most promising long-term prospects for job seekers; what jobs are available, what qualifications they require, and how employers hire for those jobs.

Unfortunately, new initiatives often conduct their labor market analyses up to a year before the program will be operational; by the time the initiative is up and running, the labor market may look very different. Conducting or updating your analysis just before you actually begin working with participants can ensure that the program is on track. Furthermore, since conditions change over time — and often change quickly — it is important to regularly reassess the makeup and needs of the local labor market.

This section suggests ways to quickly learn about your local labor market and offers instructions for surveying local employers. It ends with a brief discussion of how business partnerships might respond to various labor market conditions.⁴⁶

Defining the Local Labor Market

A fundamental issue to be addressed is how you define the local labor market. Is it based on the service delivery areas of key agencies, city or county lines, or areas served by public transportation? If the “local” area is defined too largely, it may overlook key differences within the area. On the other hand, defining the local labor market too narrowly risks missing employment opportunities in the region. For example, in defining the Detroit labor market, it would be important to consider the entire Oakland, Macomb, and Wayne tri-county area, while making sure you understand the differences in labor market conditions between Detroit proper and the surrounding counties.

Sources of Labor Market Information

You do not need to conduct a detailed labor market analysis from scratch. Much of the information you need is accessible from the following sources:

- ▶ **The media.** Review recent newspaper and magazine articles to learn what new businesses are starting, what industries are experiencing growth or layoffs, and what issues the business community is facing. (Local newspapers often publish year-end business roundups.) Skim the want ads to see what types of jobs are advertised.
- ▶ **Academic institutions.** The economics departments of local universities often collect labor market information and track changes in local labor market conditions.

46. For more information on conducting a local labor market analysis, see Bosworth et al., 1996.

- ▶ **Government agencies.** The U.S. and State Departments of Labor, Economic Development, and Commerce compile labor market statistics that are often available on their websites.
- ▶ **Service providers.** Talk to local Private Industry Councils or Workforce Development Boards, training providers, and staffing agencies that serve the business community. They should be in touch with local labor market trends and needs.
- ▶ **Business associations.** Chambers of Commerce, trade associations, and other business groups can provide information on their members and on the outlook in their fields.

These resources should give you a basic understanding of your local labor market, including the major industries, areas of growth, and size of local firms. Take note not only of the industry leaders, but also their networks of suppliers and service providers. You should begin to see opportunities for industries to target for further analysis and businesses to approach regarding their hiring needs.

Surveying Local Employers

The next level of analysis is to speak with local employers to learn more about their specific hiring needs. This can be done as a survey (which employers can return by fax), a focus group (with 6 to 10 employers at a convenient location), or one-on-one interviews (at the employer's office). Local businesses are often happy to participate; it gives them an opportunity to share information about what they do. In general, keep it short — a 1- or 2- page survey, a 20-minute interview, or an hour-long focus group. Use your initial analysis (described above) to decide which employers to survey. It may be a cross section of local businesses, employers in targeted growth industries, or those with the largest number of entry-level positions.

Surveying employers also functions as an outreach and marketing tool, to introduce businesses to the idea of a partnership and show them you are serious about understanding their needs. Use the opportunity to identify individuals who might be willing to be involved in a partnership and who could help market your program within the business community.

Survey questions should be tailored to your specific initiative and what you already know about the labor market. Use the following questions to employers as a guide:⁴⁷

Use employer surveys not only to gather information but also to build relationships, market your program, and show that you want to understand employers' needs.

47. Some of these questions are taken from a sample survey in Bosworth et al., 1996.

- ▶ What are the occupations for which you hire entry-level workers?
- ▶ How many openings do you currently have, and what is the outlook for the future?
- ▶ What wages do you pay for those positions? What nonwage benefits are provided to new hires and when?
- ▶ What education levels do you generally expect for these entry-level positions? What special training is required?
- ▶ Are the jobs part time or full time, and what hours do employees work?
- ▶ What wage increases are available at various intervals of job tenure?
- ▶ Who is in charge of making hiring decisions for your firm?
- ▶ How do you usually recruit workers? Are you open to considering new ways of recruiting?
- ▶ Is your worksite accessible by public transportation? Are other transportation options available to employees?
- ▶ How much turnover do you experience in entry-level positions?
- ▶ How many employees from this community have you hired? Have you made any effort to hire welfare recipients?
- ▶ What kinds of on-the-job support would be important to you in considering the employment of welfare recipients?

Make sure to follow up with employers you have surveyed to thank them for their time and let them know what you have learned. For example, send a brief report summarizing the survey findings and listing the next steps to be taken in response. Let the businesses know how they can be involved and invite them to participate in the partnership.

Strategies for Different Labor Markets

Different labor market conditions require different welfare-to-work approaches. Job search and job placement assistance may be sufficient for many recipients where unemployment is low, but will do little good in areas where few jobs are available. The following points are necessarily oversimplified and do no justice to the complexity of labor market differences. We offer them to emphasize the need to tailor your own strategies to the local situation.

- ▶ **Low unemployment and lots of entry-level opportunities.** Many areas across the country are experiencing historically low rates of unemployment, making businesses eager to identify new entry-level employees. Under such circumstances, marketing to employers is less important than developing systems for identifying job openings and matching welfare

recipients to jobs. You may also be able to focus on placing hard-to-employ recipients and creating job ladders for entry-level employees.

- ▶ **Low unemployment and few entry-level positions.** In this situation, jobs are available, but they require a high degree of skill. The business partnership therefore needs to focus on education and training to prepare individuals for available jobs. Employers in need of trained workers may be interested in providing on-the-job training, developing joint training initiatives, or sharing training costs.
- ▶ **High unemployment and few job openings.** In areas with a labor surplus, employers have less reason to become involved in welfare-to-work efforts. Programs need to identify ways to benefit employers — for example, by reducing turnover or cutting costs. Wage subsidies may be more attractive to employers under these conditions. In addition, emphasis should be placed on creating jobs, identifying growth markets, and developing transportation initiatives to get recipients to where there are jobs.

11. Building Public-Private Relationships

Relationships need to be developed over time. It helps to include business representatives, along with other partners, in early discussions about the vision, strategy, and goals of the effort. Expand the discussion to include issues facing the business community. Rather than just looking for private-sector support for welfare-to-work programs, try to find win-win solutions — ways to help welfare recipients and strengthen businesses at the same time. This section offers suggestions for building public-private relationships and maintaining partnerships over time. It ends with some examples of how public-private relationships have shaped welfare-to-work efforts.

Partnerships are about win-win solutions – helping welfare recipients and strengthening businesses at the same time.

Developing Partnerships

Two keys to success in any partnership are communication and trust. A good way to begin the dialogue is to discuss why each of the partners is at the table. What are your goals and objectives? What has motivated you to become a part of this effort? A series of common themes will emerge, providing a framework for the development of the partnership. If any areas of potential conflict emerge — such as sharp differences in philosophy or goals — they may have to be worked through before the effort can proceed.

Here are some additional tips for building public-private relationships:

- ✓ **Seek input from a variety of perspectives.** The business community is not monolithic, and its representation in the partnership should reflect its diversity. Include businesses of different sizes and from various sectors, and representatives from various levels, such as CEOs, managers, human resources representatives, and line staff.
- ✓ **Begin slowly.** Start by getting to know business partners without immediately asking them to contribute to the effort. Show them that you are interested in learning more about what they do and helping meet their needs (see section 10 on assessing the local labor market). Then start by asking businesses to be involved in small ways. For example, ask if you can contact the appropriate person in their company to learn about job openings, or ask a business representative to introduce you to other employers in the same industry.
- ✓ **Be clear about what you expect.** Let all potential partners know exactly what you expect them to contribute to the initiative.
- ✓ **Acknowledge history and perceptions.** It is unlikely that this is the first time public and private organizations in your community have sat down to address similar issues. Discuss past efforts, their success and their failures, up-front. Also, acknowledge and confront perceptions or stereotypes that partners might have about each other.
- ✓ **Have a facilitated discussion.** Make sure all parties are heard and no one view dominates. When the Greater Richmond Employment Assistance Team began its initiative, an outside facilitator was brought in to support a discussion of expectations, objectives, and goals for the collaboration. Thus, while the meeting was convened by the welfare department, it played the role of just another participant. A local foundation provided the funds for the facilitator.
- ✓ **Visit partners' workplaces.** Invite business representatives to visit welfare-to-work activities and speak with both staff and participants. Similarly, have staff from government agencies and nonprofit service providers visit area businesses. They will come away with a deeper understanding of what each does and what the partnership needs to accomplish.
- ✓ **Talk frequently.** While a lot of full-group meetings may not be necessary or desirable, in the early stages of a partnership it is important to communicate frequently to maintain momentum and keep partners informed as the program unfolds. Check in regularly to make sure the program meets the common goals agreed upon and matches the expectations of all partners.
- ✓ **Set realistic expectations.** Choose goals that lead to some early successes to jump-start the partnership, but recognize that real change takes time. Establish intermediate goals to measure incremental progress.

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- ✓ **Demonstrate your commitment.** All partners, however they agree to participate, should make it a priority to follow through on their commitment. Overpromising or not following through can lead to disillusionment and broken trust and can stall the initiative. In addition, find ways to publicly recognize all partners — both public and private — who contribute to the effort.

Maintaining Partnerships

Once relationships are formed, maintaining a partnership requires ongoing effort. The following suggestions can help:

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- ✓ **Maintain strong leadership.** A business partnership can easily fizzle if there is no strong leadership to promote it and keep it active. Ongoing support from a high level — such as a governor, county executive, or Chamber of Commerce official — can help keep the initiative visible. At the same time, those leading the day-to-day management of the project need to have a clear understanding of the partnership’s vision and be able to bring partners together to move it forward.
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- ✓ **Dedicate staff to the effort.** Many of those who work on the initiative may have other responsibilities; having at least one staff person dedicated full time to the effort will make sure it happens. That person should be carefully chosen: he or she should have some understanding of both the world of welfare and the business community, be committed to the goals of the initiative, and be in a position to work harmoniously with all partners. Similarly, ask partner agencies and business groups to demonstrate their commitment with staff time.
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- ✓ **Make it easy to be involved.** Encourage the involvement of all partners by respecting their time and making it easy for them to participate. Limit time commitments and make productive use of the time that is spent. Schedule meetings at hours and locations that are convenient. Similarly, find ways to minimize any administrative burdens, such as paperwork around job placement or wage subsidies.
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- ✓ **Give partners choices about how they are involved.** Provide a range of options, especially for businesses that are not able or willing to hire welfare recipients immediately. In Georgia, businesses are given five ways to participate: employment, work experience, mentoring, vocational skills training, and support services. In Oregon, Jeld-Wen, a manufacturer of doors and windows, has acted as the welfare-to-work program’s corporate sponsor, providing more than \$50,000 for advertising and outreach to other businesses.
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- ✓ **Keep focused on the partnership’s mission.** Because they are so business-focused, partnerships run the risk of losing sight of other interests. As one program administrator stated: “If we lose the confidence of the business

community, we are out of business. If we upset a welfare recipient, another one will be in the door tomorrow.” Make sure to balance the needs of the business community with those of other partners and welfare recipients.

Program Experiences

In some places strong public-private relationships have often influenced welfare reform in significant ways. Below are some examples:

- ▶ **Bridging worlds and changing stereotypes.** Welfare administrators in Santa Barbara, California, invited business leaders to work with the county in redesigning its welfare system. A Business Advisory Team was created which meets regularly with county administrators and participates in organizational change, service delivery, and policy development. According to administrators in Santa Barbara, one of the major — and unanticipated — results of the partnership has been a change in the perception that business people have of welfare recipients: from “those people on welfare” to a viable workforce pool.
- ▶ **A welfare program that is responsible and accountable.** The Local Investment Commission (LINC) — described in section 3 — oversees welfare reform in Kansas City, Missouri. LINC is managed by a citizen-board with majority business representation. The expectation is that a citizen-led initiative will be more responsive to community and business needs, hold the system more accountable, and result in more positive public attitudes toward the system.
- ▶ **Input and outreach.** In Delaware, an Employer Committee composed of business representatives from across the state meets each month to provide input on A Better Chance, Delaware’s welfare reform initiative, and to develop better ways for the public and private sectors to work together. The committee is also designed to serve as a marketing tool for placing welfare recipients in jobs. Local coordinating teams also develop local strategies to help welfare recipients obtain and maintain employment.
- ▶ **Two-way education.** In Virginia, the GREAT program organized a breakfast forum with the business community for the sole purpose of understanding their respective environments. Local welfare staff learned about the needs of businesses and business representatives learned about how the welfare system works. The forum allowed the two sides to establish common ground, language, and goals for their welfare reform initiative.
- ▶ **Thinking beyond welfare reform.** The legislation creating Work and Gain Economic Self-Sufficiency (WAGES) — Florida’s welfare reform program — mandates the creation of local WAGES coalitions to imple-

ment the new law's provisions. The law mandates that the coalitions consist of at least 50 percent representation from the business community. In some Florida districts, this has led to consideration of workforce development and job creation as important corollaries to successful implementation of welfare reform.

12. Marketing to Employers

Marketing is a key element of business partnerships; to bring members of the business community on board, programs must first convince them that it is worth their time and effort to become involved. This section presents some marketing basics; it then reviews some of the ways in which involvement can benefit business partners and offers advice on how public and nonprofit agencies can market to employers. Building on these basics, specific marketing strategy should also take into account local labor market conditions, the political environment, and program goals.

Show how the partnership can help employers meet their own workforce needs and improve their bottom lines.

Marketing Basics

Marketing to the business community presents a special challenge to staff of public agencies and nonprofit organizations who have never before had to market their services. The following are some basic marketing principles that may be helpful in developing a marketing strategy:⁴⁸

- ▶ **Marketing is solving someone else's problem.** Good marketing taps into the customer's own motivation, offering a solution to a problem or need. Many programs make the mistake of thinking they need to "educate" the customer. Instead, let your customers educate you — telling you what they want and need.
- ▶ **Marketing is not one-size-fits-all.** Different customers will respond to different marketing strategies. Begin by identifying your target groups (that is, market segments) and then develop unique strategies and materials for each.
- ▶ **Your uniqueness should be stressed.** Your competitors are others who can offer alternative solutions to the same problems. How are you different from them?
- ▶ **The price of your product includes both its cost and value.** Emphasize both the ways you can reduce employer costs and the value you can

48. This information comes from materials prepared by Greg Newton Associates. See the appendix for contact information.

add. While the dollar cost of involvement may be minimal, employers face other costs, including time and risk.

- ▶ **An awareness of market response is essential.** For example, what is the most common question you are asked about your program? This tells you what people are looking for — feed that information back into your marketing message.

Benefits to Business

There are several potential benefits to businesses that hire welfare recipients or otherwise becoming involved in a partnership around welfare reform. By understanding the needs of local employers, you can tailor your marketing to show how involvement helps meet those needs. (See section 10 on assessing the local labor market.) The following are some of the ways in which a welfare-to-work effort can benefit businesses:

- ▶ **Filling labor needs.** According to the Welfare to Work Partnership, most of the over 3,000 businesses that have signed on as interested in hiring welfare recipients say they have done so to fill labor needs.
- ▶ **Reducing hiring costs.** Job listing, referral, assessment, and prescreening can save employers time and money in recruiting workers. Unlike staffing agencies, most welfare-to-work programs do not charge a fee for job placement.
- ▶ **Reducing payroll costs.** Subsidies and tax credits can reduce costs for employers, while the Earned Income Credit can increase workers' take-home pay.⁴⁹
- ▶ **Ensuring that workers are job ready.** Pre-employment activities can reassure employers that new workers have been trained in the basic and soft skills that employers often say are most important.
- ▶ **Providing support services.** Stable child care, transportation, and medical assistance, as well as post-employment counseling, can increase employee retention, reliability, and productivity.
- ▶ **Providing customized or subsidized training.** Partnerships provide opportunities for underwriting some of the cost of training new workers or establishing customized training to meet employer needs.

Marketing Suggestions

As you market your program to the business community, consider the following suggestions:

49. For more information on the Earned Income Credit, see section 18 on increasing job retention, or contact the Center on Budget and Policy Priorities. See the appendix for contact information.

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- ✓ **Be enthusiastic but honest.** A marketing message should be upbeat and emphasize the ways in which the initiative can benefit business partners. The business community has voiced considerable support for hiring welfare recipients; help employers make this commitment a reality. At the same time, do not oversell the initiative or set false expectations. Be realistic about what you can offer businesses in terms of the number of referrals, the skill levels of participants, post-placement support, and so on. In addition, be up-front about what you expect from business partners.
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- ✓ **Respond to what the market wants.** Tailor your marketing approach to respond to areas of interest or need identified by the business community. (See section 10 on assessing the local labor market.) New Jersey's Business Link used surveys to learn about the opinions and needs of the business community and then used those same points (and the language they were made in) to market their program to the business community. Officials said this greatly increased the response to the initiative.
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- ✓ **Emphasize the bottom line.** Whatever their other motivations for becoming involved, employers will always be focused on the bottom line. Remember, however, that there are a variety of ways to support the bottom line (see the previous discussion). Make employers aware of costs they already incur for recruiting, training, and staff turnover.
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- ✓ **Shatter stereotypes.** Dispel the myths that many in the business community may have about welfare recipients. In presentations to employers, Illinois officials emphasize that most adults receiving welfare express the desire to work and most have been previously employed. Some programs have been able to market their expertise working with the welfare population as an asset, by pointing out to employers that their low-skilled employees, many of whom may be former welfare recipients, have much in common with the welfare caseload.
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- ✓ **Practice good customer service.** Make your program accessible and friendly to the business community. This involves simple steps like having a designated contact person for businesses, using professional phone etiquette, maintaining a voice message system, and returning calls promptly. More high-tech ideas include having a toll-free number, maintaining an informational and interactive website, communicating by e-mail, and having key staff carry beepers. When problems arise regarding job placement or other issues, accept responsibility and take steps to quickly resolve the problems.
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- ✓ **Let partners market for you.** Members of the business community are more likely to listen to a message delivered by another business representative. Once businesses are on board, ask them to take part in outreach to other businesses. Also, make use of business associations and industry groups as marketing resources.

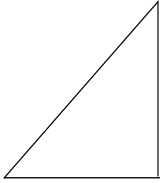
-
- ✓ **Be professional.** Staff involved in marketing should dress professionally, and brochures, business cards, and other materials should be brief, clear, and well designed. In Los Angeles County's GAIN program, job development staff changed their business card style from the standard government issue to one they thought would have greater appeal to business people. Give staff titles that show the project is important and that the business community can understand. For example, New Jersey gave their project's manager the title Director of Private Sector Initiatives.

 - ✓ **Use the language of the business community.** Show from the start that the initiative is in tune with the business community by using business language. Use terminology from survey and interview responses in your outreach to demonstrate that you have heard what employers said and understand their motivations. Avoid government acronyms, abbreviations, and "insider" language.

 - ✓ **Minimize the administrative burden on businesses.** To the extent possible, reduce and simplify business paperwork, from forms used in placing job orders to reporting requirements for wage subsidies and post-placement follow-up. In some cases, it may be possible for program staff to complete paperwork for businesses. Allowing employers to fax information or submit it by phone can also make it easier for businesses to participate and help ensure that information is collected.

 - ✓ **Publicize the initiative and give it a high profile.** A high profile can help launch and market a new initiative. In Connecticut, the Department of Social Services conducted a direct-mail campaign to more than 40,000 employers and created radio spots to publicize its program. You can also use prominent spokespeople to publicize the initiative. They might include the governor or mayor, CEOs of large companies or local representatives from national companies, and community leaders. New Jersey officials say business executives responded especially strongly to an event at which they were able to meet the governor.

 - ✓ **Offer quality guarantees.** To overcome the concern some employers may have about the quality or reliability of workers coming off welfare, consider offering trial periods, during which employers have limited liability if the placement does not work out. (See section 14 on hiring incentives.) Another approach is to guarantee satisfaction by offering to promptly replace an employee who does not work out. Chrysalis Labor Connection, a nonprofit employment program in Los Angeles, finds that doing so increases employers' willingness to accept referrals.



IV.

Program Advice

13. Hiring and Retaining Welfare Recipients

Many businesses may be interested in hiring welfare recipients but not know where to start. This section provides basic advice to employers in three areas:⁵⁰

- ▶ where to find qualified welfare recipients;
- ▶ how to take advantage of wage subsidies and other incentives;
- ▶ how to integrate welfare recipients into their labor force.

This section of the guide is written with the employer in mind. Some of the sections that follow — such as section 14, on making the most of hiring incentives, and section 18, on increasing job retention — deal with parallel topics from the perspective of the partnership as a whole.

Employers who are interested in hiring welfare recipients can begin by contacting local government officials or their local Chamber of Commerce or Private Industry Council to learn what is already happening in the community around welfare reform. (See also section 8 for more suggestions on identifying partners.) Becoming involved may be as easy as joining an existing business partnership or connecting with local job placement efforts.

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Two initial steps can help ensure that the plan moves forward. The first is for top managers — the business's owner, president, or CEO — to make clear the company's commitment to hiring welfare recipients. This will ensure that staff know it is a priority and follow through. The second is to designate an individual or individuals who will coordinate the effort for the company. That way, someone has a clear responsibility for making sure it happens.

Finding Qualified Welfare Recipients

The easiest way to identify potential workers is through a public or private organization that works with welfare recipients. You can do this in several ways:

- ✓ **Post job openings.** Find places to post job listings where welfare recipients can see them and respond on their own. Most welfare-to-work programs have job boards or computerized listings. Some also run job fairs, where employers can set up a table and meet prospective applicants.
- ✓ **Ask for prescreened referrals.** An alternative is to provide information on job openings to local welfare-to-work offices or other employment programs. The staff can then identify and prescreen applicants before referring them for an interview.

⁵⁰. See also Welfare to Work Partnership, 1998.

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- ✓ **Work through an intermediary.** Private nonprofit and for-profit employment programs and staffing agencies involved in welfare-to-work efforts are another source. You may feel more comfortable working with these agencies, who are customer-service focused and experienced in working with the private sector.

 - ✓ **Hire from a job-readiness or training program.** By working with public or private job-readiness or training programs, you can be sure that candidates have certain basic skills. You can even help the programs design their curricula to ensure that graduates have the skills and requirements you are looking for in employees. (See section 16 for more on business involvement in preparing welfare recipients for work.)

Accessing Wage Subsidies and Other Incentives

A variety of incentives are available to employers who hire welfare recipients. These fall into five general categories, which are described in detail in section 14:

- ▶ **wage subsidies**, which reimburse employers for a portion of wages paid to the employee;
- ▶ **tax credits**, which credit employers for a percentage of wages or other expenses;
- ▶ **other financial incentives**, such as no-interest loans to enable businesses to expand;
- ▶ **trial periods of employment**, which minimize the risk and liability to the employer by establishing an initial period of employment during which the employee either continues to receive welfare or is paid by a third party;
- ▶ **support services**, such as child care, transportation assistance, and counseling; while these are direct benefits for employees, they can help businesses by promoting productivity, reliability, and job retention.

In order to receive these incentives, businesses must know about them and complete any necessary paperwork. Many welfare-to-work and employment programs market these incentives as they try to place welfare recipients in jobs. They will often assist you in filing forms or otherwise accessing the incentives, especially if they refer the recipient for the job. In other cases, however, you may not find out about the incentives unless you ask. This is especially true if you are hiring recipients on your own. Some employers choose to work with welfare-to-work programs or intermediaries for this reason.

In addition to the information presented in section 14, the following sources can provide information and assistance regarding hiring incentives, as well as

relevant tax forms, and often have information available on their websites (see the appendix for contact information):

- ▶ local welfare agencies and welfare-to-work programs;
- ▶ the Welfare to Work Partnership;
- ▶ the U.S. Department of Commerce;
- ▶ local Chambers of Commerce;
- ▶ the Internal Revenue Service;
- ▶ local Private Industry Councils or Workforce Development Boards.

Integrating Welfare Recipients into the Workplace

Welfare recipients may have difficulty adjusting to the world of work and acclimating to a work environment. In general, however, it is important to recognize that welfare recipients entering the labor market face many of the same issues as other low-wage employees.

Furthermore, providing special treatment for new employees who come off welfare can lead to their being stigmatized and

Welfare recipients and other low-wage employees face many of the same issues.

resented by other workers. The suggestions that follow, then, are not intended to single out former welfare recipients. Rather, they present ways that employers can help welfare recipients succeed in the workplace — and that can be equally helpful for other employees.

- ✓ **Provide an orientation for new staff.** An orientation can help new employees adjust to their new job, learning where things are, what is expected behavior, and where to turn if they have questions. An orientation can also help new staff feel at home and overcome some of the anxiety around starting a new job.
- ✓ **Make your expectations clear.** Be as clear as possible about what is expected of new employees in terms of both the position and workplace behavior. Do not assume that new workers will know these things or pick them up quickly on their own.
- ✓ **Establish a buddy or mentor system.** Buddies or mentors can offer support to new employees and provide advice and information about the unwritten rules of the workplace. New employees may also feel more comfortable turning to a coworker for advice than to a supervisor.
- ✓ **Make use of welfare-to-work programs and intermediaries.** Many of the same programs that will prescreen and refer welfare recipients for employment also provide post-placement services. Case managers assist new employees in securing child care, and in budgeting, and provide counseling on personal and workplace issues.

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- ✓ **Be flexible.** Where possible, allow for some flexibility in job descriptions and work schedules to accommodate employees. For example, schedule shifts to coincide with children's school schedules, or allow flextime for employees to deal with child care or other emergencies.

 - ✓ **Set up an Employee Assistance Program (EAP).** EAPs provide counselors or a hotline number that employees can contact for advice on a range of issues, from child care needs to personal problems. They generally offer information and referrals and may follow up to see if further assistance is needed. While EAPs are more common in large companies, smaller businesses can contract out, work with a local community agency, or join with other employers to provide this assistance.

 - ✓ **Train line supervisors.** While the relationship between a worker and her immediate supervisor is one of the most crucial elements in job retention, supervisors of entry-level workers often have little training in supervisory skills. Management training, including information on issues that new workers face and how to assist them, can help smooth the transition to employment. Also, build support and training of entry-level workers into the expectations and job descriptions of supervisory staff.

 - ✓ **Address issues before they result in job loss.** To the extent possible, it is helpful to identify problems — from tardiness to conflicts with coworkers to skill deficits — before they undermine continued employment. By identifying and discussing the issue with the employee (either directly or through an intermediary) it will often be possible to identify a solution to the problem.

14. Making the Most of Employer Incentives

One of the most popular approaches to engaging the business community in welfare and employment programs has been to offer employers incentives for training, hiring and/or retaining welfare recipients and other disadvantaged job seekers. The incentives are meant both to encourage employers to hire individuals they otherwise might not have considered and to reimburse the employer for any added training costs associated with less-skilled workers. This section outlines different types of incentives and gives examples of programs that use them.

Given the great extent to which states are including employer incentives in their welfare-to-work efforts, it is especially important to remember the research lessons discussed in section 7. Businesses have generally not been eager to take advantage of incentives, especially given their often cumbersome administrative requirements. In some cases, incentives may actually discourage hiring by suggesting to employers that targeted individuals are unqualified. Another risk is that the incentives will be used by businesses that would have hired the same individuals anyway, resulting in a cost to taxpayers without any added benefit. Despite these cautions, incentives — when used carefully and as one piece of a

welfare-to-work strategy — can be a useful marketing tool and can promote employment of welfare recipients. This section ends with advice for addressing the problems outlined here to make the most of employer incentives in your business partnership.

Types of Employer Incentives

- ▶ **Wage subsidies.** Thirty-two states offer or plan to offer wage subsidies, which reimburse employers for a portion of wages paid to targeted individuals.⁵¹ The two most common types are work supplementation and on-the-job training (OJT). Work supplementation subsidizes employers who hire welfare recipients, paying for the subsidies with funds that would otherwise have gone to the individuals as welfare grants. OJT, which is funded through the employment and training system, offers subsidies to employers who hire *and provide training* to a broader group of disadvantaged job seekers. Programs differ in the amount and duration of the subsidies. Subsidies are often available only for higher-paying (above minimum wage) jobs, and some programs limit the number of subsidized positions that one employer can claim. Wage subsidies are also generally temporary; many programs limit them to 3 to 12 months.

Oregon's JOBS Plus program uses funds that otherwise would have been spent on welfare grants and food stamp benefits to subsidize training and six months of employment. If an employer has not decided after the first four months whether to hire the employee for a permanent, unsubsidized position, during the final two months of the position the employee is provided eight paid hours a week to seek full-time employment elsewhere. The program also includes employer contributions of \$1 per hour worked (after 30 days on the job) to an education fund for the employee.

- ▶ **Tax credits.** Another popular approach at both the federal and state levels is to offer tax credits to businesses that hire targeted individuals.⁵² Two federal tax credits are the Work Opportunities Tax Credit (WOTC) and the Welfare-to-Work Tax Credit (WWTC). The WOTC credits employers for up to \$2,400 of first-year wages for new hires who fall within certain target groups, including long-term welfare recipients. The WWTC credits employers for 35 percent of first-year wages and 50 percent of second-year wages (qualified wages are capped at \$10,000 per year). The credit is available for long-term welfare recipients or individuals who have reached a time limit on welfare receipt.

51. See American Public Welfare Association, 1998, for more information.

52. American Public Welfare Association, 1998.

In 1998, 14 states will offer their own tax credits to employers who hire welfare recipients (some states offer both wage subsidies and tax credits). In addition to providing a credit for a portion of wages paid, Maryland and Pennsylvania give additional credits to companies that assist employees with child care expenses.

- ▶ **Other financial incentives.** Some states have designed different types of financial incentives. Montana banks, working with the Montana Board of Investments and the Department of Public Health and Human Services, offer no-interest loans to enable employers to expand their staffs and hire welfare recipients. The loan amount is determined by the annual wage and employee benefits.
- ▶ **Trial periods of employment.** A trial period can be a significant incentive for employers who are hesitant about hiring welfare recipients and concerned about the risk and cost if the employee does not work out. Trial periods protect employers from worker's compensation and liability costs, and during the trial period employers avoid establishing payroll and completing other administrative tasks related to hiring. These arrangements can be structured in two ways: either the worker can continue to receive welfare during the trial period or a third party can act as the employer of record. Depending on the arrangement, employers may or may not pay wages during the trial period.

In cases in which the worker continues to receive welfare, the trial period looks similar to work experience programs that have traditionally placed recipients in positions with public and nonprofit agencies. The new federal welfare law allows those positions to be created in the private sector as well. For example, Hawaii's Transitional Opportunity Program places welfare recipients in jobs with private-sector employers at no cost for a six-month period (employers do contribute worker's compensation and disability premiums). During the placements, workers are eligible for medical, child care, and transportation assistance.

In other situations, a third party acts as the employer of record during the trial period, and the initiative works much like a temporary staffing agency. America Works, a private, for-profit organization that contracts with welfare agencies, serves as the employer of record while participants work for other companies for a four-month trial period. America Works receives a fee from employers to cover participants' minimum wage salary and support services, including on-site follow-up for both employers and employees.

- ▶ **Support services.** Transitional benefits are an important and often overlooked incentive for employers to hire welfare recipients. Common

benefits include child care, transportation, food stamps, and medical assistance. Most companies recognize the importance of support services in hiring and retaining employees; their current entry-level employees are likely to struggle with the same issues. Post-placement counseling is often also valued by employers who hope it can increase job retention. Many employers may not know about these benefits, which should be marketed as an incentive for hiring these individuals.

Washington Works' Graduate Services Program offers one-on-one job retention counseling, working with program graduates on education planning and career advancement strategies, as well as life skills such as repairing negative credit status, expanding day care options, or buying a car. Washington Works also created a volunteer advocacy program that matches participants with community volunteers to provide emotional support and career guidance. Volunteers participate in six training sessions and commit to weekly phone calls or meetings with the participant for the first four to six months after job placement. All of these services are provided at no direct cost to employers.

Implementing Employer Incentives

As noted in section 7, in the past businesses have been slow to take advantage of available incentives. This is partly because employers have not been aware of

Employers stress that they are more interested in finding qualified employees than in receiving subsidies.

the incentives and partly because they have found the administrative requirements burdensome. More fundamentally, businesses repeatedly stress that they are more interested in find-

ing qualified employees than in receiving subsidies. The following suggestions can help programs that use incentives to better design and market them to help both welfare recipients and employers:

- ✓ **Create strong marketing materials.** Publicize and clearly outline available incentives in a brochure or other marketing materials. Emphasize all types of incentives, including support services. (See section 12 on marketing to employers.)
- ✓ **Provide clear information.** Employers may need help understanding how the different incentives work and deciding which make most sense for them. Designate staff who can explain the incentives, provide any needed forms, and help employers complete those forms.
- ✓ **Simplify paperwork.** Employers have complained in the past about the "mountain of paperwork" involved in obtaining incentives. Minimize paperwork as much as possible and fill out whatever can be completed in advance for employers. Pennsylvania reduced paperwork for its Employment Incentive

Program — which provides a tax credit for hiring welfare recipients — to one page and adjusted the filing deadline to be more realistic for employers.

- ✓ **Target the right group of welfare recipients.** Incentives may make most sense for recipients who have basic skills and no serious barriers to employment. At the same time, you do not want to provide subsidies for recipients who could have found unsubsidized employment. Many programs therefore limit subsidies to long-term recipients or those who complete a job search without finding a job.
- ✓ **Develop protocols to move people to permanent jobs.** Subsidies and other incentives are meant to give welfare recipients entrée to jobs as a step toward permanent employment. Subsidies should be time-limited, and employers should generally be expected to retain successful employees after the subsidies end. If they do not, programs should work to quickly use the experience that participants have gained to place them in other unsubsidized jobs.
- ✓ **Avoid substituting for unsubsidized positions.** Develop guidelines to ensure that welfare recipients are not displacing current workers. A good understanding of companies' staffing can keep you aware of the positions that should be available for recipients. Time-limiting incentives can help guard against the problem of displacement.
- ✓ **Recognize problems.** Keep track of subsidized placements and communicate with both employees and employers to learn about problems or dissatisfaction. Offer to replace employees who are not working out. Similarly, if you have recurring problems with a company, be willing and able to end the partnership.
- ✓ **Follow-up on customer service.** Ask for feedback from employers on how you can make incentives more attractive, more useful, and easier to access.

15. Ensuring That Welfare Recipients Are “Job Ready”

Most welfare-to-work programs offer a variety of job-readiness, education, and training activities to prepare recipients for employment. Involving business partners in the design and operation of those activities can help ensure that programs understand what employers are looking for and teach recipients the skills they will need in the labor market; it can also build private-sector support for the programs. Employers will be more likely to hire welfare recipients when they have had a hand in preparing them and feel confident that they are work ready. Business partners who have confidence in the job-readiness of recipients will also be able to market the program more effectively to other employers. This section outlines a number of ways that business partners can contribute to job-readiness, education, and training activities.

Identifying Job-Readiness Needs

The first step in designing effective job preparation activities is to understand local labor market needs. Related information can be found in section 6, which provides an overview of the labor market context, and in section 10, which offers specific advice on surveying employers and assessing local labor market needs.

The Tennessee Department of Human Services conducted an employer survey to learn what skills and attitudes employers consider most important for success in entry-level positions.⁵³ The skills most commonly identified were following instructions, accurately performing work operations, working on a team effectively, cooperating with others, and listening for understanding. The key attitudes identified were dependability, getting along with others, and “doing the right thing.” The report noted that “of the 16 items most frequently identified, 11 are not job or organization specific.” The findings emphasize that job-readiness for entry-level positions may be less about learning skills for a specific job than about general work habits that are needed for any position. Business input in terms of these “soft skills” is especially important. The term is used to mean many different things — from showing up on time to customer relations — and understanding what employers mean is crucial to designing programs that will meet their needs.

Involving businesses in preparing welfare recipients for work can help ensure that businesses are willing to hire recipients who complete job preparation activities.

Once you know what local employers are looking for, compare those qualifications with the characteristics of welfare recipients. Section 5 provides information on the welfare context nationally, but you should also look at your local caseload. Information that will be useful in determining the job-readiness of welfare recipients includes:

- ▶ education levels;
- ▶ skills and training experience;
- ▶ work histories — how recently recipients have worked, what types of jobs they have held, and how long they have held past jobs;
- ▶ personal situations — medical or mental health issues, substance abuse, need to care for a family member with a medical problem, and so on.

Pre-employment activities should focus on meeting the standards identified by employers. This may involve thinking somewhat differently about how education and training are delivered. For example, based on the Tennessee findings,

53. Davis, 1996.

you might revise a job-readiness curriculum to emphasize teamwork and listening for understanding. You might also:

- ▶ **Integrate basic education with training.** Rather than providing separate basic education or English-as-a-second-language activities, integrate language and math into training curricula so that recipients learn basic skills relevant to the workplace. This is one feature of the Center for Employment Training, described in section 7, that has been shown through rigorous evaluation to be successful. Integrating education with training also makes training available to more individuals by removing requirements that recipients have certain skills before entering training.
- ▶ **Combine classroom and on-site training.** The more that training simulates an actual work environment, the better graduates will be prepared to move from training into a job. On-site training can make what recipients learn in the classroom meaningful. In Minneapolis, Bristol Place Corporation partnered with local nonprofit organizations to prepare welfare recipients for jobs in the mental health field. The 11-week paid internship includes both classroom education and on-site training.

Kinds of Business Involvement

Welfare-to-work programs should take advantage of the many opportunities for business involvement in job-readiness, education, and training activities. The following are some ideas:

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- ✓ **Involve employers in curriculum development.** Once skill needs are identified, business partners can help in the design of curricula to make sure they adequately teach those skills. Several programs have developed customized training to meet the specific needs of an employer, or group of employers, with significant hiring needs. For example, two businesses helped design the six-week training program in electronics offered by a local community college in partnership with Portland’s Steps to Success Program.

 - ✓ **Solicit contributions of equipment.** Training on equipment identical to that in the workplace will help welfare recipients compete for jobs, pass proficiency tests, and adjust to the work environment. Asking business partners to donate equipment can reduce program costs and provide employers who are initially reluctant to commit to hiring with a way to become involved. Be sure, however, that donated equipment is not outdated.

 - ✓ **Use instructors from industry.** Ask business partners to donate staff time for training, or hire staff with private-sector experience. They can bring valuable knowledge of workplace conditions, standards, and practices. In addition, their connections with local industry can assist in job placement efforts.

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- ✓ **Bring employers into the program.** Business partners can speak to welfare recipients in pre-employment activities, from program orientations through completion of training. They can share information about the types of jobs they have available, what they look for in job applicants, what they expect from employees, and their own career paths. Business partners can also contribute by practicing mock interviews with participants and offering suggestions for job search strategies in their fields.

 - ✓ **Take recipients on tours of worksites.** Tours of worksites can help welfare recipients better understand the careers toward which they are headed. This can help motivate recipients and better prepare them for the adjustment to a job.

 - ✓ **Secure hiring commitments.** When possible, ask employers to commit to hiring program graduates. If employers have helped design the program, including standards for successful completion, they should be confident enough in graduates to make such a commitment. For example, in Memphis, Tennessee, local hospitals committed to hiring graduates of the UT HEALTHWORKS program, which prepares welfare recipients for jobs in the health care field.

 - ✓ **Share costs with business partners.** It may be appropriate to share the costs of job preparation activities. This is especially true if the curriculum is jointly developed and the businesses will be hiring graduates. Standard Furniture, based in Alabama, has its own 10-week training program, in which participants work six hours each day and attend class for two hours. Half of the \$6-an-hour salary that participants receive is paid by the employer and the other half is paid with government funds.

 - ✓ **Build on employers' own training.** It may not be necessary to duplicate job training that is already being conducted by businesses. Build links to refer participants, prescreen candidates, or share costs for on-site training. In a Massachusetts program called Employer Saves, employers who hire at least three welfare recipients at wages of at least \$7 per hour are reimbursed for the cost of in-house training for up to \$600 for one month.

16. Developing Jobs for Welfare Recipients

In most welfare-to-work programs, the primary contact between program staff and employers is through job development and job placement. This section describes the various ways these connections can be structured and then describes the steps and practices involved in job development and placement.

The key to job development is good customer service — in other words, being responsive to employer needs. This requires a certain flexibility and willingness to venture outside normal operating practices. For example, meet employers when and where it is convenient for them. When businesses have special hiring needs, be open to accommodating them to the extent possible.

Be aware, however, that such responsiveness sometimes leads job developers to focus on only the most highly skilled welfare recipients. While you do not want to refer unqualified applicants, consider your whole caseload in deciding who could do the job and fit well with the company. In addition, work with employers to evaluate what skills are really needed for the job and what are simply screens that the employer has used in the past. Once a relationship has been established, employers may be willing to consider candidates whom they otherwise might not have considered.

The key to job development is good customer service.

Options for Job Development and Job Placement

Job development and placement efforts can take different forms. Below are descriptions of some of the most common ones. You can choose one or use a combination of them.

- ▶ **High-profile outreach.** Job development may begin with a campaign by a governor's office, task force, or other high-profile group to encourage businesses to hire welfare recipients. The crucial next step for such campaigns is to follow up with interested businesses, identify corporate contacts with responsibility for hiring, determine their hiring needs, and set up procedures for job placement. In Illinois, for example, hiring commitments developed at the state level were followed by meetings with local welfare administrators who could facilitate job placement.
- ▶ **Job orders developed by program staff.** In this type of job development, staff learn about job openings — by searching job listings, making cold calls to employers, and networking through local business associations — and refer candidates for available positions. In the process, they build relationships with employers to refer candidates for additional openings that may arise. This is a labor-intensive effort and therefore is limited in scale. However, it can assist individuals who have difficulty finding jobs on their own and can establish a basis for post-placement follow-up and support.
- ▶ **Linkages with government agencies.** This option takes advantage of existing resources in public agencies. Departments of rehabilitative services may have experience placing hard-to-serve individuals in jobs. State departments of employment services may have databases of job listings and systems for job matching. Integrating welfare recipients into this larger pool of job seekers may avoid stigma and make job placement easier. The larger pool also helps ensure that job orders can be filled, even if no qualified welfare recipients are found. One danger of this approach

is that welfare recipients might be overlooked in the larger system, especially if they tend to be less skilled than other job seekers.

- ▶ **Use of brokers or intermediaries.** Intermediaries can help bridge the gap between government and the business community. These are usually nonprofit or for-profit organizations with experience in job placement. The Seattle Jobs Initiative works directly with industry representatives, who are contracted to develop jobs and who then coordinate with other program staff to match recipients with job openings. Both types of arrangements take advantage of the intermediaries' experience and employer connections.
- ▶ **Set-asides and first source hiring.** These arrangements give welfare recipients first access to job openings and an edge in their job search. For example, in Nevada, the Las Vegas Chamber of Commerce and the gaming industry formed a partnership in which the industry agreed to set aside 10 percent of all new job openings for welfare recipients. New Jersey's Business Link has focused on establishing first source arrangements, in which business partners list job openings with the state employment service that will be available only to welfare recipients for three days before becoming available to other job seekers.
- ▶ **Use of temporary firms and staffing agencies.** For-profit or nonprofit staffing agencies already have employer contacts and an infrastructure for job matching and job placement. Welfare-to-work programs can refer recipients to staffing agencies as part of a job search strategy or establish more formal contracts. In Detroit, recruiters for Kelly Services set up an office in the same building as the one-stop career center. In Virginia, the GREAT program subcontracts with Interim Personnel, a private for-profit staffing agency, to place welfare recipients in jobs.

While some jobs available through staffing agencies may be permanent or temp-to-perm, many will be short term. Temporary positions can give welfare recipients an opportunity to develop skills, gain work experience, and build references. When a temporary placement ends, however, it should be quickly followed by another placement. Staffing agencies may also have little experience working with hard-to-employ recipients — and little interest in doing so. Nonprofit staffing agencies, which operate in several cities, may offer more expertise in this area and may put more emphasis on advancing the interests of recipients.

Steps in Job Development and Job Placement

Step 1: Target Employers



See section 8, on identifying partners, for advice on which businesses or industries you may want to target for job development efforts.

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- ✓ **Make sure you have the right contact person.** Unlike more general outreach efforts, which may focus on business owners or CEOs, job development should target staff who actually make hiring decisions. This may be the owner, human resources staff, or line supervisors.

 - ✓ **Take advantage of existing relationships.** Ask business partners to identify potential employers for job development. Another idea is to hire someone with recent experience in a staffing agency or human resources department. When Chrysalis, an employment program in Los Angeles, hired an experienced staffing professional to direct job placement efforts, she brought not only her understanding of the staffing business, but also extensive employer contacts.

 - ✓ **Use an account executive model,** in which one job developer is responsible for all aspects of service for a given group of employers. This helps staff build personal relationships with employers and avoids overwhelming employers with calls from numerous job developers.

Step 2: Make the Pitch

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- ✓ **See section 12 on marketing to employers.**

Step 3: Identify Job Openings

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- ✓ **Keep in touch with the business community.** By maintaining regular contact with employers, staff can promote the program, forge relationships, and learn about hiring needs as they arise.

 - ✓ **Learn which employers have ongoing hiring needs.** Some employers have an ongoing need for workers. Establish procedures for regularly referring appropriate candidates, for example, by calling the employer each Monday morning to take the week's job orders. These arrangements can save time and provide convenience for both parties.

 - ✓ **Make use of business associations.** Streamline job development by working with intermediaries that can provide access to a large number of job openings, such as a staffing agency, a business association, or the human resources department of a large company. For example, the Washington Restaurant Association notifies employment services offices in Seattle and Spokane of openings in all its member businesses.

 - ✓ **Establish a variety of mechanisms to receive job orders.** Some employers will prefer calling in orders, others will want program staff to call them, and still others will prefer using faxes or e-mail. Customizing your procedures makes you service convenient to employers.

 - ✓ **Get the right information.** When processing a job order, be sure to get the information from employers that you will need to make a successful match.

This includes information about work location and hours, job responsibilities, and skill or certification requirements. Focus on the skills really needed to do the job rather than qualifications such as education or work history that are often used by employers to screen applicants. In addition, try to get a feel for what the work environment is like. Finally, be sure to find out the time frame for filling the position.

Step 4: Match Job Seekers and Jobs

- ✓ **Look at more than just job qualifications.** The majority of entry-level jobs have few explicit skill requirements. Therefore, matching job seekers and jobs involves knowing more about each and making a good fit. Visiting a worksite can help make job developers aware of less tangible qualities about the workplace environment that can help you make a better match.

 - ✓ **Do not set up for failure.** Referring applicants who are underqualified or not job ready will lead to disappointment on the parts of both the employer and the applicant. This is especially important in the early stages of a relationship with an employer, when the program is proving its reliability.

 - ✓ **Advocate for recipients where possible.** By finding out exactly what a job will entail, you can determine when it is appropriate to ask employers to consider candidates who may not meet formal job qualifications. Remember that the qualifications employers set are often screens to reduce their risk. Offer to reduce risk in other ways, such as by providing candidates who have child care in place or who have successfully completed a job-readiness program.
- Reduce employers' risk — for example, by providing candidates who have child care in place or who have successfully completed a job-readiness program.**
- ✓ **Use information from past placements.** Once you have successfully placed at least one recipient with an employer, use this experience to inform future placements. An account executive model can facilitate this; the account executive can develop knowledge of specific employers that will allow for more appropriate referrals.

Step 5: Refer Candidates for Placement

- ✓ **Provide service options.** Give employers options as to how they want job candidates referred. For example, some may want individuals to submit an application, while others may want prescreened referrals.

- ✓ **Understand business timing needs.** Business hiring needs often operate on a quick timetable, which traditional government programs may not be able

to accommodate. Have procedures in place to speed up timetables when needed, such as securing child care for a worker who needs to start employment immediately.

- ✓ **Offer to schedule interviews on site.** It may be easier for an employer to visit the program site for a series of prescheduled interviews. On-site interviews can also make it easier for program staff to gather job applicants and support them in the interview process.
- ✓ **Hold job fairs.** Job fairs allow employers to meet a large number of prospective applicants and do their own prescreening. Some employers may even interview applicants on the spot. Job fairs also provide an opportunity for program participants to practice meeting employers.
- ✓ **Check that supports are in place.** Before placing a participant in a job, make sure that transportation, child care, and other supports are in place. Those needs may change as individuals move from participating in the welfare-to-work program to a job. In addition, check to make sure that backup arrangements are in place in case the primary supports fall through.

Step 6: Follow Up After Job Placement

- ✓ **See section 18 on increasing job retention,** for advice on how your program can help new workers succeed in employment.
- ✓ **Follow up with both parties.** If the parties are willing, use your relationships with the employer and the employee to follow up with both parties and see how the placement is working. In addition, encourage both parties to contact the program when a problem arises — and intervene before it results in job loss.
- ✓ **Ask specific questions.** It is often hard to identify issues that may jeopardize placements, and employers and employees may not recognize issues as problems until they become advanced. Specific, rather than general, questions — about work expectations, schedules, job tasks, and performance — can help get at these issues.
- ✓ **Facilitate post-placement support services.** Help employees access transitional benefits such as child care and Medicaid, and other supports, such as Earned Income Credit. When subsidies or tax credits are available, offer to help employers complete and facilitate the processing of any required paperwork.
- ✓ **Use follow-up to learn of other openings.** The follow-up to a placement offers an excellent opportunity for staff to further develop relationships with employers and learn about other openings the employer might have.

Step 7: Respond to Failed Placements

- ✓ **Maintain relationships.** Use the groundwork you have laid in establishing a relationship with the employer to maintain that relationship for future job placement. Continue working with recipients, too, helping them find a new job and/or address any issues that contributed to the job loss. Recognizing that turnover is common among entry-level workers can help program staff, employers, and recipients accept failed placements without jeopardizing on-going relationships.
- ✓ **Refer other candidates.** If a placement fails, offer to promptly refer additional candidates, to minimize the disruption for the employer. Guaranteeing up-front to replace any employees who do not work out can also make businesses more willing to consider candidates who may not meet formal job requirements.
- ✓ **Learn from the experience.** Hold discussions with both the participant and the employer to understand why a placement failed, and use the experience to make the next one more successful. This may signal the need to be more specific about job descriptions, duties, and responsibilities, as well as to do more careful screening of candidates.
- ✓ **Do not be afraid to end relationships.** Some jobs may simply not be appropriate placements for participants. Remember that both the welfare recipient and the business are your clients and be willing to stop referring participants to problem employers.

17. Addressing Transportation Problems

As jobs have moved from the city center to the suburbs, the distance between where jobs are located and where many welfare recipients live has increased. This shift has been particularly true for manufacturing, warehouse, and entry-level service positions. In response, welfare-to-work efforts have begun to test strategies for addressing this problem. This section examines transportation issues related to welfare reform, presents suggestions for assessing transportation options, and highlights some innovative approaches.

The reverse of programs that transport people to where jobs are located are initiatives that attempt to bring jobs to where people live. They include areas targeted for economic development such as Empowerment Zones and Enterprise Communities, as well as programs that provide loans to or invest in companies that create new jobs in targeted communities. Becoming involved in these broad economic development initiatives offers business partnerships a chance to expand their vision to longer-term community development. It is also natural for welfare-to-work initiatives to partner with job creation efforts, to meet the workforce needs of new and growing businesses.

Transportation Issues

The success of welfare reform initiatives will depend in part on adequate support services, including transportation. Several factors should be taken into consideration when developing plans around transportation and welfare reform, including.⁵⁴

- ▶ **Distance between home and work.** As noted above, there is an increasing disparity between where jobs are located and where many welfare recipients live. Two out of three new jobs are located in the suburbs, and up to 40 percent are not on public transportation routes.⁵⁵
- ▶ **Increased workforce volume.** More people will be looking for work and needing transportation as a result of the work requirements in the federal welfare law.
- ▶ **Lack of personal transportation.** It is estimated that less than 6 percent of welfare recipients own a reliable car, thus having to rely on public transit or other alternatives.⁵⁶
- ▶ **Nonstandard work hours.** Many entry-level and service sector jobs require evening, night, and weekend hours. Public transportation is often limited or not available at these times. In addition, work hours for such jobs may change from week to week, making it hard to set up regular transportation alternatives, such as van service or carpools.
- ▶ **Fragmented systems.** Several different transportation systems may operate in one community, and multiple service providers may offer transportation assistance to their clients. Make sure that these efforts complement, rather than duplicate, each other, and look for ways to piece together fragmented systems into a comprehensive one.

The Local Investment Commission (LINC), in Kansas City, Missouri, conducted an analysis of the transportation needs of welfare recipients involved in subsidized employment. They found that those who rely on public transportation spend an average of 49 minutes traveling five miles to work. Those with personal transportation spend an average of 27 minutes to travel 8.1 miles. The travel time included time spent reaching child care providers as well as jobs.⁵⁷

Assessing Transportation Options

In assessing the transportation options for welfare recipients moving to work, first create an inventory of transportation services and their routes, including:

54. Kaplan, 1997.

55. Reichert, 1997.

56. Community Transportation Association of America, 1997.

57. Van Ness, 1997.

- ▶ the public transit system of buses, vans, and trains;
- ▶ taxis;
- ▶ shuttle services;
- ▶ vans and carpools;
- ▶ services offered by employment or job training programs;
- ▶ services offered by community agencies, senior centers, or churches;
- ▶ volunteer driver programs;
- ▶ funds available to repair or purchase cars;
- ▶ programs that can provide or lease cars to recipients;
- ▶ welfare rules that disregard the value of a vehicle in calculating benefits.

When conducting your inventory of the transportation options, note the following characteristics:

- ▶ days and hours of service;
- ▶ access to people with disabilities;
- ▶ eligibility criteria to use the service;
- ▶ type of payment (e.g., fare, vouchers);
- ▶ fixed schedule or dispatch service;
- ▶ availability of subscriptions for regular service.

Also, look to see if there are areas where job seekers and jobs are clustered. For example, housing projects or inner-city neighborhoods may be places where a transportation initiative could pick-up many people in one place. Similarly, there may be multiple job opportunities around airports, malls, or corporate parks. Remember that employees will need transportation not only to and from work, but also to and from child care providers.

Ideas for Facilitating Transportation

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- ✓ **Help welfare recipients buy or repair cars.** Many welfare programs have increased the limits on the value of a car that recipients can own. Many also provide one-time assistance for recipients to make car repairs. Other ideas include offering no-interest or low-interest loans so recipients can purchase a car, selling donated cars to recipients at a low cost, or offering affordable leases on cars that recipients then own after a certain amount of time.
-
- ✓ **Consider transportation as a factor in job matching.** When referring welfare recipients for job placement, consider not only their interests and

skills, but also their access to transportation. Kansas City LINC, which conducted the transportation analysis described above, includes information on transportation options in its job-matching database. When matching recipients with jobs, program staff look at not only skills and interests, but also where jobs are located, whether recipients have access to private transportation, and whether public transportation is available.

-
- ✓ **Coordinate work schedules.** Work with employers to coordinate the schedules of employees who work in the same company so that they can share transportation. This will allow carpooling, and also make it more cost-effective to operate a van service or other transportation alternative.

 - ✓ **Coordinate with child care needs.** Try to match welfare recipients with jobs that will be convenient to child care or that will minimize the need for child care. For example, Rachel's Bus Company contracts with Chicago-area schools and hires welfare recipients and other inner-city residents. When possible, drivers who have school-age children are assigned routes that involve picking up their own children, thus eliminating the need for baby-sitters before or after school.

 - ✓ **Coordinate among businesses.** Use the partnership to bring together employers and other organizations that are near each other to develop transportation alternatives. For example, neighboring employers may find it worthwhile to set up a shuttle service serving all their businesses. In Schenectady, New York, UPS and Catholic Charities share a bus. Catholic Charities uses it during the day to deliver Meals on Wheels, and UPS uses it at night as a shuttle for workers.

 - ✓ **Bring businesses and government together to develop solutions.** Business leadership can help persuade government agencies to test new transportation initiatives. For example, when UPS partnered with the Camden, New Jersey, welfare agency and the state employment services to find employees for a new air hub in Philadelphia, they approached the state transportation agency to solve the new workers' transportation problems. With UPS guaranteeing a certain number of seats, the transit agency established a regular bus line.

 - ✓ **Look for opportunities to expand existing service.** In areas where many welfare recipients live or where many employers are located, it may be cost-effective to develop new transportation routes. For example, JOBLINKS, a collaborative effort in Louisville, Kentucky, resulted in the development of a new bus route between the city and a suburban industrial park. Ridership has supported ten round trips each day.

Transportation solutions need to be tailored to individual needs and the locations of workers and jobs.

workers' transportation problems. With UPS guaranteeing a certain number of seats, the transit agency established a regular bus line.

-
- ✓ **Be creative.** Look at the inventory of transportation services you have made (using the guidelines presented above) and think creatively about how to use those options to meet new needs. In Chicago, the Job Oasis Worker Mobility Project uses old school buses to offer reverse commute service to office parks and factories in the suburbs. Welfare recipients ride free while training or looking for work and pay the regular \$1.85 fare when they find work.

 - ✓ **Build in alternative arrangements.** As much as possible, make sure that workers have backup transportation available if their primary means fall through. Also, remember that workers may need transportation not only to get to work, but also to get to child care providers. One element of Bridges to Work, a demonstration project in five cities — Baltimore, Chicago (described above), Denver, Milwaukee, and St. Louis — is support services to deal with issues created by or exacerbated by a daily commute to distant jobs. These include extended child care arrangements, a guaranteed ride home in an emergency, and orientation to suburban communities.

18. Increasing Job Retention

As welfare-to-work programs have become more successful at moving welfare recipients into employment, they have learned that getting a job is only part of the challenge. As section 5 described, many recipients leave welfare for work, only to lose their job and return to assistance. This section provides information that can help business partnerships form realistic expectations for job retention, describes a variety of retention services, and suggests how to best make use of them.

Business partnerships offer an opportunity to address retention problems where they are most evident – on the job.

Unfortunately, history provides little guidance in this area. In the past, employment programs for both welfare recipients and other individuals focused largely on the front end of job preparation and job search. Services and relationships generally ended when the individual became employed.⁵⁸

Business partnerships offer an opportunity to coordinate services available from public and community agencies with those provided by employers themselves. In fact, business partnerships may be in a better position than welfare agencies to provide post-placement supports for two reasons. First, employer involvement means that potential problems can be more easily identified as they arise on the job. Second, many welfare recipients who find work are eager

58. One recent project that attempts to inform this area is the Postemployment Services Demonstration. See Haimson and Hershey, 1997; and Herr, Halpern, and Wagner, 1995.

to sever their ties with the welfare system and would more readily accept assistance from another source.

All partners can benefit from successful post-placement services. For public agencies, improving job retention means that welfare recipients who find jobs will not return as quickly to the welfare rolls. For employers, it means lower turnover costs, a greater return on the investment in hiring and training a new employee, and a more productive workforce. For community organizations and labor market intermediaries, retention is likely to be a factor in performance-based contracts.

Causes of Job Loss

The factors that lead to job loss are related to both workers and to the jobs that they get. They include:⁵⁹

- ▶ **Difficulty making ends meet.** The jobs that welfare recipients get generally pay low wages and rarely offer medical coverage or other fringe benefits. At the same time, new workers face reductions in welfare, food stamps, and other benefits, as well as new work-related costs, such as child care and work clothes.
- ▶ **Layoffs and temporary work.** Many of the jobs that welfare recipients can get are temporary, seasonal, or in areas where layoffs are common. In addition, welfare recipients often find that because they lack seniority in jobs, they are the first let go when layoffs occur.
- ▶ **Workplace problems.** Many welfare recipients have difficulty adjusting to the world of work. Problems such as absenteeism or conflicts with supervisors may lead to firing or resignation. Differences between workers and supervisors, coworkers, or customers may lead to mistrust and miscommunication.
- ▶ **Personal and family problems.** Breakdowns in child care or transportation arrangements or family emergencies such as illness or domestic violence can lead to missed work and job loss.
- ▶ **Lack of social support.** Family and friends often have little work experience or other resources to share. Some may actively discourage individuals from working.
- ▶ **Lack of clear goals.** Without clear employment goals, workers may simply walk off the job when conflicts arise, rather than dealing constructively with the problem.

59. For more information, see Hershey and Pavetti, 1997.

Types of Retention Services

A variety of services are available that can help increase job retention, and a variety of potential service providers, including public programs, community organizations, and employers themselves. Business partnerships should identify all available services and look for ways to strengthen and coordinate those services.

- ▶ **Child care assistance.** Welfare recipients who go to work are generally eligible for transitional child care assistance, and other subsidies may be available after it runs out. Business partnerships can facilitate child care assistance by publicizing available benefits and streamlining application and payment processes. Employers can provide child care on site, partner with nearby businesses, or help new workers identify child care located near the worksite. Colorado's Bright Beginnings program provides employers with information on resources that can help parents balance work and family responsibilities. In Atlanta, the Marriott, Hilton, Hyatt, and Omni hotels joined with community foundations and the Georgia Childcare Council to found Atlanta's Inn for Children, a 24-hour child care center for employees of the hospitality industry.
- ▶ **Medical coverage.** Transitional Medicaid benefits are also available to parents who leave welfare for work. Unfortunately, many of those who are eligible for these benefits do not make use of them. Provide information to participants about these services both when they enter the initiative and before they begin a job. As with child care assistance, publicizing the availability of medical coverage and facilitating access to those benefits encourages — and allows — recipients to accept positions that do not provide health insurance. In addition, some states, including Minnesota and Wisconsin, have expanded health care programs for low-income populations to address the lack of medical benefits in most entry-level positions.
- ▶ **Financial assistance.** When people first start working, they often face new expenses for items such as work clothes, transportation costs, or fees for driver's licenses. These added costs make the transition to employment difficult and can jeopardize job retention. To help with this transition, many public agencies offer one-time financial assistance to cover work-related costs. Chase's Job Start Program provides funds to community-based organizations to provide no-interest loans and grants to individuals to help meet the transitional expenses of getting and staying employed.
- ▶ **Earned Income Credit.** The federal Earned Income Credit (EIC) can increase the financial stability of low-wage workers. Those who qualify for the EIC and file a federal tax return can get back some or all of the federal income tax that was taken out of their pay during the year. They may even

get additional cash back if the credit exceeds their tax liability. Workers raising children can get part of their EIC in their paychecks throughout the year; this is called the advance payment option. In addition, many states offer their own EICs. Employers can help facilitate receipt of these tax benefits by publicizing their availability and making any payroll changes needed to process the advance payment option. Employment programs can help by making employers aware of the EIC and offering to assist workers and employers in completing the appropriate forms.⁶⁰

- ▶ **Post-placement follow-up.** Follow-up can identify issues before they result in job loss. Program staff can contact both the employer and the employee by telephone or by visiting the worksite. Staff should also be accessible so that either party can contact them when issues arise. This type of follow-up is very labor-intensive and requires developing a close relationship with employers. It is easier in situations in which program staff have already formed working relationships with supervisors through job development or other activities — and more difficult when placements have occurred through more formal hiring structures or larger job-listing networks.

To identify potential problems, ask questions about both work and other issues that may affect the placement, such as:

- ▶ ability to perform work;
 - ▶ satisfaction with type of work;
 - ▶ problems with work hours;
 - ▶ family or personal problems;
 - ▶ financial issues;
 - ▶ child care arrangements;
 - ▶ conflict with boss or coworkers;
 - ▶ attendance and punctuality;
 - ▶ access to transportation;
 - ▶ health and disability issues.
- ▶ **Mentoring.** Mentoring can provide personal support to new employees at low cost and little staff time. The mentors can come from a variety of sources. Washington Works pairs participants with successful program graduates. In Milwaukee, Ameritech, in partnership with the Milwaukee Area Technical College, pairs employees and retirees with welfare recipi-

60. For more information on the Earned Income Credit and suggestions for facilitating receipt of the credit by low-income workers, contact the Center on Budget and Policy Priorities for a free EIC kit. See the appendix for contact information.

ents entering the workforce. Some companies use a buddy system to pair new workers with current ones who provide advice and support and help acquaint the new workers with office protocol. Providing training and referral information to mentors can increase their usefulness.

- ▶ **Employee Assistance Programs (EAPs).** EAPs assist employees with a variety of problems, such as child care, financial planning, and other issues not directly related to their jobs but that may threaten their productivity and continued employment. For example, the Marriott Corporation's Associate Resource Line is available to the company's 180,000 hourly employees. Marriott established the resource line after learning that managers spent between 15 and 50 percent of their time on "social work" activities and assisting their staff with personal problems. The 24-hour hotline is staffed by social workers who provide assistance on anything impacting employees' work. The hotline is easily accessible through an 800 number and is free and confidential. In 1996, 9 percent of the Marriott staff used the line. The majority of calls are income-related: 40 percent concern child care or parenting, and another 20 percent are about legal or financial issues such as landlord disputes.

EAPs are primarily used by large companies, such as Marriott, that have the capacity to purchase their own hotlines. Smaller companies can provide similar services by joining with others or contracting with a local community agency. The Denver Workforce Initiative is creating its own EAP as part of its package of services. Businesses who hire workers through the initiative (and who do not have an existing EAP) would be able to offer access to the hotline to their employees.

- ▶ **Supervisory training.** One of the most important elements in determining employment success and satisfaction is the relationship between a worker and her immediate supervisor. Unfortunately, supervisors of entry-level workers often have little training in supervisory skills. Kansas City's Local Investment Commission developed a training seminar available to employers who hire through their program. The training includes strategies for managing a diverse workforce, understanding the perspective of former welfare recipients, and establishing support systems. Employers also receive a resource list to help them address issues that may arise.

19. Promoting Job Advancement

Lifetime time limits on welfare make it important for programs to think beyond job retention to career advancement. The extent to which welfare recipients are able to remain self-sufficient over the long term will depend largely on whether the jobs they hold pay a wage that supports their families and provide health insurance and other work-related benefits. Without these, employment and fam-

ily stability will be constantly threatened by medical, child care, transportation, and housing crises. Because the jobs that many welfare recipients first get will not meet these criteria, programs need to help former recipients take the next step. This section provides advice on how business partnerships can help welfare recipients who get entry-level jobs move up the ladder.

Reasons for Focusing on Career Advancement

Welfare-to-work programs have traditionally followed one of two main approaches: a human capital development approach, which emphasizes investment in education and training before participants enter the labor market; or a work first approach, which emphasizes quick job entry with activities such as job search, short-term education and training, and work experience. The latter approach is far more common in current programs and is based on an assumption that any job is a good job and that once in the labor market individuals will be able to gain skills and experience and move up the ladder into better jobs.

Job advancement assistance is needed to help former welfare recipients move up the ladder and out of poverty.

It is not clear, however, how or to what extent career advancement actually happens for workers who begin in low-skilled, entry-level jobs in today's labor market. (See section 6 on the labor market context.) Chicago's STRIVE program, a nonprofit job placement organization that also provides retention and reemployment assistance found that while the average length of job retention and the number of hours worked increased as individuals moved from their first to third jobs, there was very little wage progression.

Incorporating career advancement strategies into welfare-to-work programs can make good on the promise to welfare recipients that even low-wage work can lead to better jobs. In addition, welfare reform efforts may have multiple goals: reducing welfare rolls, increasing employment, and reducing poverty. Building career ladders can help programs meet their antipoverty goals.

Strategies for Promoting Job Advancement

Most welfare-to-work programs end when a recipient gets a job or after a period of job retention. Promoting job advancement requires maintaining a relationship with former recipients and helping them use their work experience to move ahead in the labor market. In general, there are two ways to think about career advancement:

- ▶ promotional opportunities within individual companies;
- ▶ job mobility as a means of career advancement.

Each of these routes has implications for the businesses you work with and the strategies you use. For example, large companies or those with diverse functions are more likely to have opportunities for career advancement within the firm. Job mobility may be a more realistic route for many employees, but it requires finding some businesses willing to accept turnover and others with next-step job opportunities.

The following are some suggestions for promoting job advancement among former welfare recipients. Be aware, however, that they are largely untested, as few initiatives have reached the point where they focus on this issue.

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- ✓ **Target jobs, sectors, and employers with opportunities for advancement.** When conducting labor market analyses or targeting employers for job development, look for not just job openings but also advancement opportunities. For example, Florida's Performance-Based Incentive Funding Program originally targeted only those jobs which paid above a certain wage. However, they later expanded to include positions that start at a lower wage but offer opportunities for advancement.

 - ✓ **Ask about opportunities for advancement when developing jobs.** When gathering information from employers about available jobs, ask also about opportunities for advancement and find out what additional education or skills a worker might need to advance. Use the information to match recipients with jobs, design job-advancement activities, and help recipients plan their career paths.

 - ✓ **Continue to work with former recipients to promote job advancement.** Facilitate career advancement by providing former participants with job search assistance geared specifically to next-step jobs. For example, job developers can recruit employers who are interested in hiring individuals who have proven themselves in their first job. Job fairs can provide opportunities for former recipients to network with business representatives and learn about advancement opportunities. Make sure these activities are held at times that are convenient for working individuals.

 - ✓ **Offer education and training for career advancement.** Think about education and training not only as a pre-employment activity, but also a career advancement strategy. Consider giving priority for participation in these activities to former welfare recipients who have been employed for six months or a year. This is one way to incorporate education and training into a work first approach. (See section 15 for suggestions on involving business partners in education and training activities.)

 - ✓ **Partner with employers to provide training geared to job advancement.** Where possible, partner with employers to expand training they already provide or add training in skills needed for job advancement. The Washington State Incumbent Worker Training Demonstration plans to use existing

customized training resources to assist firms that hire welfare recipients (and other low-wage workers) in upgrading employee skills. The training will be provided through the local community and technical college system, and costs will be shared with employers.

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- ✓ **Make it easy for working parents to participate in education and training.** Recognize how difficult it is for single parents to combine work and school. Providing financial support for tuition and other costs and expanding access to support services — including child care assistance — to former welfare recipients can make it possible for them to continue their education and training. In addition, make sure that programs are accessible by working individuals, with evening and/or weekend hours and convenient locations.

 - ✓ **Market career-ladder opportunities as a benefit to both employers and job seekers.** The prospect of job-advancement services can encourage welfare recipients to participate in your program and to take entry-level positions. The same services will also help businesses by providing a better trained, more productive, and more loyal workforce. Market them as a benefit of joining the business partnership.

Appendix

Programs, Organizations, and Contact Information

This appendix describes in greater detail some of the programs mentioned in the text. It provides contact information for those programs and other agencies and organizations from which you can learn more about business partnerships and welfare reform. The information is grouped into three sections:

- ▶ programs;
- ▶ state and local government agencies;
- ▶ organizations, businesses, and federal agencies.

All information has been gathered from the programs themselves. The appendix is not intended to be comprehensive; it includes primarily those sources that contributed to or are mentioned in the text.

Programs

A Better Chance (Section 11).¹

Founded: 1995 Target population: Welfare recipients

A Better Chance is Delaware's statewide welfare reform effort. It includes an Employer Committee that provides advice on how the public and private sectors can work together to help welfare recipients. In addition to members from private-sector businesses, the Employer Committee includes staff from the Delaware Economic Development Office with ex-officio members from the Department of Social Services and representatives from the Delaware Department of Labor.

Contact: Helen Groft, Delaware Economic Development Office, 99 Kings Highway, Dover, DE 19901; (302) 739-4271, x138; fax (302) 739-5749.

America Works (Sections 3 and 14).

Founded: 1984 Target population: Welfare recipients

America Works is a for-profit company that contracts with private employers and the government to place welfare recipients in private-sector jobs. The program model consists of a week-long pre-employment class followed by up to five weeks in a business lab. Participants are then placed in four-month trial jobs during which time

1. The numbers in parentheses indicate the sections of this guide in which the programs are referenced.

America Works is the employer of record and provides intensive support services to employers and participants. After a participant completes three additional months of employment on the company's payroll, America Works receives payment from welfare agencies. America Works has sites in Albany, Baltimore, Indianapolis, New York City, Miami, and Philadelphia. Over the past 14 years, it has placed 12,000 welfare recipients in jobs.

Contact: Richard Greenwald, America Works, 575 8th Avenue, 14th Floor, New York, NY 10018; (212) 244-5627; fax (212) 244-5628.

Atlanta's Inn for Children (Section 18).

Founded: 1997 Target population: Hospitality industry workers

Five Atlanta area hotels formed Central Hospitality Childcare Inc., a nonprofit organization that contracted with a child care corporation to manage a child care center called Atlanta's Inn for Children. The center can accommodate up to 250 children around-the-clock and also serves as a family resource center. Half of the center's enrollment receive scholarships.

Contact: Nancy A. Boxill, Director, Atlanta's Inn for Children, 120 Renaissance Parkway, Atlanta, GA 30308; (404) 874-9535; fax (404) 874-9536.

Bristol Place Corporation (Section 15).

Founded: 1996 Target population: Welfare recipients

This corporate partnership with local nonprofit organizations prepares welfare recipients for jobs in the mental health field through an 11-week paid internship that includes classroom education and on-site training. The program is staffed jointly by Bristol Place Corporation, a local neighborhood association, and a community college. Two additional corporate partners hire those who complete the program. A new partnership with the University of Minnesota provides selected graduates with access to a free two-year associate's degree program. Thirty-six individuals have completed the program and obtained jobs.

Contact: Sheldon Schneider, Executive Director, Bristol Place Corporation, 412 Ridgewood Avenue, Minneapolis, MN 55403; (612) 871-0805; fax (612) 871-0455.

Business Link (Sections 4, 8, 12, and 16).

Founded: 1997 Target population: Welfare recipients

New Jersey's Business Link is an education, marketing, and outreach effort to the business community as part of the state's welfare initiative. Its purpose is to create partnerships with business to move welfare recipients into jobs. Business Link has three major initiatives: (1) to link job opportunities for welfare recipients with New Jersey's Department of Labor job referral system, which serves a wider population; (2) to match job seekers to jobs through Department of Human Services and Department of Labor business service representatives working in the field; and (3) to promote business commitment to fostering employment prospects and worker employability of welfare recipients through recognition as New Jersey Business Link corporate partners. So far, 512 businesses have been recognized as corporate partners.

Contact: Gloria Hancock, Director, Private Sector Initiatives, New Jersey Department of Human Services, 222 South Warren Street, Trenton, NJ 08625; (609) 292-0009; fax (609) 984-7380.

Center for Employment Training (Sections 1, 3, 7, and 15).

Founded: 1967 Target population: Low-income populations, including welfare recipients

The Center for Employment Training (CET) is a short-term occupational training program with basic skills integrated into hands-on job skills training. Counseling, job placement, and other support services are also integrated into classroom instruction. CET's model includes intense employer involvement using an Industrial Advisory Board, a Technical Advisory Committee, and instructors with connections to industry. CET is based in San Jose, California, with branches and affiliates throughout the Southwest. The San Jose program is being replicated in several locations across the country. Nationwide, CET trained 6,041 students in 1995, placing 89 percent in training-related jobs.

Contact: Center for Employment Training, 701 Vine Street, San Jose, CA 95110; (408) 287-7924; fax (408) 294-7849.

Chrysalis Labor Connection (Sections 12 and 16).

Founded: 1991 Target population: Unemployed individuals

Chrysalis is a nonprofit employment assistance agency that helps unemployed individuals find and keep jobs. Services are designed to meet varying needs of clients and include job search training, one-on-one career guidance, access to temporary placements, and on-the-job training. The Labor Connection division contracts with local businesses to fill temporary and temporary-to-permanent job positions. A StreetWorks division contracts with local business districts to provide on-the-job training in street maintenance positions. In 1997, Labor Connection billed 155,000 hours for \$860,000 in wages and employed 500 individuals.

Contact: Jackie Murray Patton, General Manager, Chrysalis Labor Connection, 516 South Main Street, Los Angeles, CA 90013-1422; (213) 895-7525; fax (213) 895-7272.

Denver Workforce Initiative (Sections 3 and 18).

Founded: 1996 Target population: Low-income residents aged 18-35

The Denver Workforce Initiative is a partnership between foundations and the Denver community, which was formed to improve work opportunities for residents of the city's low-income neighborhoods, meet employer needs, and support economic growth. Two of its primary goals are to improve employee recruitment to create a supply of workers who meet employer needs and to modify the practices of businesses to help entry-level workers succeed in the labor force. The initiative is directed by a steering committee that includes business leaders, neighborhood residents, local government officials, educators, and community-based organizations. As of February 1998, the Denver Workforce Initiative had recruited 543 program participants and had placed 164 enrollees at targeted companies.

Contact: Director of Community Connections, Denver Workforce Initiative, 370 17th Street, Suite 5300, Denver, CO 80202; (303) 825-6246; fax (303) 628-3839.

Florida Performance-Based Incentive Funding Program (Section 19).

Founded: 1994 Target population: Students who receive public assistance, are

disabled, are economically disadvantaged, have limited English proficiency, or have been displaced from their jobs

This statewide program provides financial incentives for school districts and community colleges to redirect resources to vocational programs for high-skill or high-demand growth occupations. The targeted occupations are identified by an Occupational Forecasting Conference: they must pay an average of \$9.00 an hour and have at least 50 annual openings statewide. Additional incentives can be earned for enrollment, graduation, and job placement of disadvantaged students. The program is administered by the Jobs and Education Partnership, an affiliate of Enterprise Florida. Compared with the 1992-93 base year, enrollments of targeted students in targeted training programs increased by 17 percent in 1994-95 and by 28 percent in 1995-96. Job placement of targeted students increased by 48 percent in 1994-95 and 40 percent in 1995-96.

Contact: Larry T. Champion, Vice President for Administration, Jobs and Education Partnership, 325 Knox Road Building 200, Tallahassee, FL 32303; (850) 921-1119; fax (850) 921-1101.

Greater Richmond Employment Assistance Team (GREAT) (Sections 3, 11, and 16).

Founded: 1997 Target population: Welfare recipients

GREAT is a public-private partnership that matches welfare recipients with local job opportunities. The counties of Chesterfield/Colonial Heights, Hanover, Henrico, and the City of Richmond contracted with the Greater Richmond Chamber of Commerce to implement the area's welfare-to-work program. In turn, the Chamber contracted with Interim Personnel, a private temporary employment agency, to match participants with employers and Mirror Enterprises to provide job-readiness training. In addition, transportation is available to job interviews and employment. Over 700 individuals have been enrolled, with 73 percent of those available for immediate placement matched to an employment opportunity. Employers have listed over 450 jobs with hourly wages ranging from \$5.15 to \$9.50 per hour.

Contact: Nikki P. Nicholau, Director, GREAT Program, 4501 Williamsburg Road, Richmond, VA 23231; (804) 222-0400; fax (804) 222-7676; greatprogram@erols.com.

Greater West Town Community Development Project (Section 8).

Founded: 1988 Target population: Economically disadvantaged residents, dislocated workers, and at-risk youth; approximately 35 percent of participants are welfare recipients

Greater West Town Community Development Project is a community-based nonprofit program on Chicago's Northwest Side. The project offers an array of services including vocational counseling, on-the-job training, job placement, education, and support services. It also offers specific training programs in the fields of woodworking and shipping-receiving. The program is funded in part by the Mayor's Office of Employment and Training and collaborates with businesses and educational and community organizations. Since 1988, the project has established on-the-job training programs for neighborhood workers at 200 local companies; 2,500 individuals have been trained, given support services, and placed in jobs. For the woodworking and shipping-receiving classes, approximately 85 percent of enrollees complete the class and 90 percent of those are placed in jobs.

Contact: William Leavy, Greater West Town Community Development Project, 790 North Milwaukee, Chicago, IL 60622; (312) 432-1300; fax (312) 432-1051.

IndEx (Sections 3 and 8).

Founded: 1992 Target population: Welfare recipients

The Metropolitan Tulsa Chamber of Commerce created a nonprofit organization to run IndEx in partnership with the Department of Human Services (DHS). IndEx combines basic education with training and substantive work experience by contracting with local companies to perform light manufacturing and packaging work at a central site. Additional customized training is available in electronics and telecommunications. Of the 286 participants enrolled in 1996, 110 found employment and 76 remained enrolled in the program at the beginning of 1997.

Contact: Wayne Rowley, President of IndEx, Metropolitan Tulsa Chamber of Commerce, 616 South Boston, Suite 100, Tulsa, OK 74119-1298; (918) 585-1201; fax (918) 585-8386.

Job Oasis Worker Mobility Project (Section 17).

Founded: 1991 Target population: Unemployed residents of Chicago's West Side

This Chicago program, run by the Suburban Job-Link Corporation, offers reverse daily express bus service to office parks and factories in the suburbs and an information network about job openings in the suburbs. Welfare recipients ride free while training and then pay the regular \$1.85 fare when they find work. Suburban Job-Link Corporation estimates that the program has resulted in hundreds of placements and the institutionalization of reverse commutes by the local public transit authority. The program is part of Bridges to Work, a research demonstration project in five sites funded by the U.S. Department of Housing and Urban Development and the U.S. Department of Transportation and administered by Public/Private Ventures in Philadelphia. The demonstration is intended to link poor, but job-ready, inner-city residents with suburban jobs. The demonstration includes the following five sites: Baltimore, Chicago, Denver, Milwaukee, and St. Louis.

Contact: John Plunkett, Suburban Job-Link Corporation, 2343 South Kedzie Avenue, Chicago, IL 60623; (630) 595-0010; fax (630) 595-0081. *Bridges to Work contact:* Mark Hughes, Vice President, Public/Private Ventures, One Commerce Square, 2005 Market Street, Suite 900, Philadelphia, PA 19103; (215) 557-4400; fax (215) 557-4469; www.epn.org/ppv.

JOBLINKS (Section 17).

Founded: 1995 Target population: Transit-dependent workers from the inner city

JOBLINKS offers a reverse commute bus route between inner-city Louisville and the Bluegrass Industrial Park (for a peak fare of \$1.00), as well as free shuttle service within the park. The City of Louisville and the Park worked with the Kentuckiana Regional Planning and Development Agency and the Transit Authority of River City to plan the program and incorporate it into the overall transportation system. Ridership has supported 10 round trips each day. The service changed a two-hour, three-transfer trip into a 45-minute direct route. The program is one site in a Federal Transit Administration demonstration project that is being operated by the Community Transportation Association of America. Other sites are in Arkansas, California, Kansas, Kentucky, Maryland, Michigan, Mississippi, New Mexico, New York, North Carolina, Oregon, and West Virginia.

Contact: Kelly Tyra, Kentuckiana Regional Planning and Development Agency, 11520 Commonwealth Drive, Louisville, KY 40299; (502) 266-6084; fax (502) 266-5047.

National contact: Charlie Dickson, Associate Director, Community Transportation Association of America, 1341 G Street, NW, Suite 600, Washington, DC 20005; (202) 628-1480; fax (202) 737-9197; www.ctaa.org/welfare.

Local Investment Commission (LINC) (Sections 3, 11, 17, and 18).

Founded: 1992 Target population: Welfare recipients and other community residents

LINC is a community collaborative originally created to restructure human services in Jackson County, Missouri, which includes Kansas City. LINC is managed by a 36-member citizen-board with more than half of its members from the business community. The board is advised by a professional cabinet consisting of state and local agency representatives. LINC's initiatives seek to provide employment to welfare recipients, create new businesses in the central city, improve delivery of human services, and improve the lives of families and children. LINC's 21st Century Wage Supplement offers subsidies to employers of welfare recipients. LINC is also involved in employment systems reform, for which it partners with various organizations that provide job training, placement, and case management to welfare recipients. Since 1995, 2,400 welfare recipients have been placed in jobs through LINC-supervised activities.

Contact: LINC, 3100 Broadway, Suite 226, Kansas City, MO 64111; (816) 889-5050; fax (816) 889-5051; www.kclinc.org.

Marriott International Pathways to Independence (Section 3).

Founded: 1991 Target population: Primarily welfare recipients

Marriott International offers a six-week training course in sites across the country. State and local agencies screen and refer potential participants to Marriott and supply support services such as case management and child care. The program's objective is to place graduates of the program in full-time jobs with benefits at Marriott hotels. Ninety to 95 percent of the participants graduate from the program. Since its inception, approximately 850 participants have graduated. Almost 95 percent of graduates are placed in jobs and their retention rate is 65–70 percent after one year. The program is expanding and expects over 300 graduates in 1998.

Contact: Fred Kramer, Project Director for Community Employment and Training Programs, Marriott International, Marriott Drive, Department 935.47, Washington, DC 20058; (301) 380-8583; fax (301) 380-4710; fred.kramer@marriott.com.

Santa Barbara Business Advisory Team (Section 11).

Founded: 1991 Target population: Welfare recipients

The Business Advisory Team (BAT) is an advisory group to the Santa Barbara County Department of Social Services on social services, funding, and delivery systems. Business leaders provide mentoring on specific issues and support in the community. The BAT has also formed a nonprofit organization called Community Action Serving Tomorrow that solicits funds for programs such as a one-stop career center for welfare recipients.

Contact: Charlene Chase, Director, Department of Social Services, 234 Camino del Remedio, Santa Barbara, CA 93110; (805) 681-4450; fax (805) 681-4403.

Seattle Jobs Initiative (Sections 4 and 8).

Founded: 1997 Target population: Low-income residents, with an increasing focus on welfare recipients

The Seattle Jobs Initiative is a partnership of various agencies that seeks to reorganize and improve employment and training services to better link job seekers to employers. The initiative is managed by the City of Seattle Office of Economic Development. Job brokers with ties to major local industries develop jobs while local community-based organizations conduct employee intake, assessment, and case management. A Workforce Brokerage System associated with the Seattle Chamber of Commerce helps facilitate the process by which brokers and community-based organizations match participants with jobs.

Contact: Seattle Office of Economic Development, 600 Fourth Avenue, Room 205, Seattle, WA 98104; (206) 684-5231; fax (206) 684-0379.

Steps to Success (Section 15).

Founded: 1988 Target population: Welfare recipients

Steps to Success offers two industry-specific short-term training programs that are each six weeks in duration. Steptronics trains participants in the micro-electronic semiconductor industry. Office Trek trains for entry-level office work. The training is part of the Portland area welfare-to-work program and is run by Mount Hood Community College in partnership with the local Adult and Family Services office, Portland Community College, the Oregon Employment Department, and several community-based organizations. Local employers helped to design the curriculum, serve as instructors, and hire graduates of the program. Each class consists of 12-16 participants. The placement rate is over 85 percent.

Contact: Kim Freeman or Pamela Murray, Co-Directors, Steps to Success, 14030 Northeast Sacramento Street, Portland, OR 97230; (503) 256-0432; fax (503) 256-5503.

STRIVE (Section 19).

Founded: 1990 Target population: Unemployed and low-income adults

The Chicago program is one of several STRIVE sites nationwide. STRIVE is a nonprofit job placement program that partners with community-based organizations to provide classroom instruction, workplace skills training, job placement services, and two years of post-placement support to low-income adults. The Chicago program serves 550 new clients every year; 75 percent of participants are welfare recipients. Seventy percent of those placed remain in the workforce (not necessarily on a single job) for at least two years.

Contact: Steven Redfield, Executive Director, STRIVE, 4910 South King Drive, Chicago, IL 60615; (773) 624-9700; fax (773) 624-9734. *National contact:* Lorenzo Harrison, STRIVE, 1820 Lexington Avenue, New York, NY 10029; (212) 360-1100.

United Parcel Service (Section 17).

Founded: UPS has participated in similar programs since the early 1970s
Target population: Individuals who are on welfare or at risk of needing welfare

United Parcel Service (UPS) has a wide variety of over 30 welfare-to-work initiatives throughout the country, including those in Schenectady, New York, and Camden, New Jersey, described in this guide. Partnering with local governments and organizations,

the programs identify candidates, and provide job-readiness training and on-the-job training. In 1997, UPS hired 8,268 welfare recipients nationwide. The programs also provide additional support services to aid in job retention.

Contact: Kerry Benedetto, Community Relations Manager, United Parcel Service, 55 Glenlake Parkway, NE, Atlanta, GA 30328; (404) 828-4851; fax (404) 828-6440; www.ups.com.

UT HEALTHWORKS (Section 15).

Founded: 1996 Target population: Welfare recipients with a high school diploma or GED

UT HEALTHWORKS is a nonprofit organization that offers job-readiness and job development services in collaboration with the Tennessee Technology Center, local community agencies, hospitals, and the Department of Human Services. The two-part program begins with training in basic skills and health occupations to prepare participants for more technical training and job placement through the Tennessee Technology Center. Approximately 300 people participate in the program each year. Ninety-five percent of those who complete both phases of training are placed in jobs in hospitals or home health care agencies.

Contact: Joy Hardy, UT HEALTHWORKS, 8 South Dunlap Street, Suite C328, Memphis, TN 38163; (901) 448-7187; fax (901) 448-2642; jhardy@utm.edu.

Washington Works (Sections 9, 14, and 18).

Founded: 1992 Target population: Low-income people (mostly welfare recipients) at least 22 years old

Washington Works is a nonprofit organization that offers job-readiness, placement, and post-placement assistance. The training program consists of a four-week Personal Effectiveness course addressing issues of work maturity, dependability, responsibility, and professional behavior followed by an eight-week course on customer service, computers, administrative skills, basic skills, résumé writing, and job search skills. A Graduate Services program matches mentors with participants and graduates and conducts follow-up visits with both graduates and employers. An Employer Advisory Council, consisting of 15 to 20 major local employers, advises the program on jobs skills training and public relations. From November 1992 through March 1997, the program had a 66 percent job placement rate, with 98 percent of placements with employers who offer medical benefits and an average starting wage of \$8.58 per hour.

Contact: Jessie Walker, Washington Works, Lowman and Hanford Building, 616 First Avenue, Suite 500, Seattle, WA 98104; (206) 343-9731; fax (206) 343-5865; jessiewalk@mindspring.com.

State and Local Government Agencies

California: CalWORKS, California Department of Social Services; 744 P Street, Sacramento CA, 95814; (916) 657-2598; fax (916) 654-6012; www.dss.cahwnet.gov. Los Angeles GAIN (Greater Avenues for Independence), 3629 Santa Anita Avenue, El Monte, CA 91731; (626) 350-4743; fax (626) 452-0627; www.co.la.ca.us/dpss/gain. Riverside County Department of Social Services, 4060 County Circle Drive, Riverside, CA 92503; (909) 358-3000; fax (909) 358-3036.

Connecticut: Connecticut Department of Social Services, 25 Sigourney Street, Hartford, CT 06106; (860) 424-5008; fax (860) 424-5129; www.dss.state.ct.us.

Florida: WAGES, 102 West Whiting Street, Suite 502, Tampa, FL 33602; (813) 272-3802; fax (813) 272-2854.

Georgia: Georgia Department of Human Resources, Division of Family and Children Services, 2 Peachtree Street, NW, Atlanta, GA 30303; (404) 657-5180; fax (404) 657-5105; www.state.ga.us/Departments/DHR.

Hawaii: Benefit Employment Support Services, 1001 Bishop Street, Pacific Tower, Suite 900, Honolulu, HI 96813; (808) 586-7050; fax (808) 586-5180; www.hawaii.gov/icsd/dhs.

Illinois: Department of Human Services, Division of Transitional Services, Jesse B. Harris Building, 100 South Grand Avenue, East Springfield, IL 62762; (217) 782-1210; fax (217) 782-8496; www.state.il.us/agency/dhs.

Maryland: Maryland Department of Human Resources, Family Investment Administration, Saratoga State Center, 311 West Saratoga Street, Baltimore, MD 21201; (410) 767-7338; fax (410) 333-6699; www.dhr.state.md.us/dhr.

Massachusetts: Department of Transitional Assistance, 600 Washington Street, Boston, MA 02111; (617) 348-8500; fax (617) 348-8575; www.magnet.state.ma.us/eohhs.

Michigan: Kent County Family Independence Agency, 425 Franklin, SE, Grand Rapids, MI 49507; (616) 247-6000; fax (617) 247-6059.

Minnesota: Department of Human Resources, Economic and Community Support Strategies, 444 Lafayette Road, St. Paul, MN 55155; (612) 296-6955; fax (612) 296-6244; www.dhs.stat.mn.us.

Montana: Family Friendly Business Loans, Montana Department of Health and Human Services, PO Box 8005, Helena, MT 59604-8005; (406) 444-4099; fax (406) 444-2547.

New York: Empire State Development Office, 633 Third Avenue, New York, NY 10017; (212) 803-3100; fax (212) 803-3235; www.empire.state.ny.us.

Oregon: JOBS Plus, Department of Human Resources, Adult and Family Service Division, 500 Summer Street, NE, Salem, OR 97310; (503) 945-6128; fax (503) 373-7032; www.afs.hr.state.or.us/jobsplus. Portland first source hiring: Workforce Development Board, 720 Southwest Washington Street, Suite 250, Portland, OR 97205; (503) 241-4610; fax: (503) 241-4622.

Pennsylvania: Pennsylvania Department of Public Welfare, Office of Income Maintenance, P.O. Box 2675, Harrisburg, PA 17105-2675; (717) 783-3063; fax (717) 787-6765; www.state.pa.us/PA_Exec/Public_Welfare.

Tennessee: Department of Human Services, Citizens Plaza, 400 Deaderick Street, Nashville, TN 37248-0001; (615) 313-4700; fax (615) 741-4165; www.stat.tn.us/humanserv.

Wisconsin: Wisconsin Works, Wisconsin Bureau of Welfare Initiatives, 1 West Wilson Street, P.O. Box 7935, Madison, WI 53707-7935; (608) 266-9700; fax (608) 261-6968; www.dwd.state.wi.us.

Organizations, Businesses, and Federal Agencies

American Public Welfare Association: 810 First Street, NE, Suite 500, Washington, DC 20002-4267; (202) 682-0100; fax (202) 289-6555; www.apwa.org.

Ameritech: 30 South Wacker Drive, Chicago, IL 60606; (312) 750-5000; fax (312) 207-0016; www.ameritech.com.

Brandon Roberts & Associates: 4818 Drummond Avenue, Chevy Chase, MD 20815; (301) 657-1380; fax (301) 657-1481; roberts3@erols.com.

Business for Social Responsibility: 609 Mission Street, 2nd Floor, San Francisco, CA 94105-3506; (415) 537-0888; fax (415) 537-0889; www.bgr.org.

Center for Community Change: 1000 Wisconsin Avenue, NW, Washington, DC 20007; (202) 342-0519; fax (202) 342-1132.

Center for Law and Social Policy: 1616 P Street, NW, Suite 150, Washington, DC 20036; (202) 328-5140; fax (202) 328-5195; www.clasp.org.

Center on Budget and Policy Priorities: 820 First Street, NE, Suite 510, Washington, DC 20002; (202) 408-1080; fax (202) 408-1056; www.cbpp.org.

Chase Manhattan Foundation: 600 Fifth Avenue, 3rd Floor, New York, NY 10020; (212) 332-4061; fax (212) 332-4612.

Colorado Bright Beginnings: 2505 18th Street, Suite 100, Denver, CO 80211-3907; (303) 433-6200; fax (303) 433-6400; cobrightb@aol.com.

Community Transportation Association of America: 1341 G Street, NW, Suite 600, Washington, DC 20005; (202) 628-1470; fax (202) 737-9197; www.ctaa.org.

Corporation for Supportive Housing: 342 Madison Avenue, Suite 505, New York, NY 10173; (212) 986-2966; fax (212) 986-6552.

Goodwill Industries International Office: 9200 Rockville Pike; Bethesda, MD 20814; (301) 530-6500; fax (301) 530-1516; www.goodwill.org.

Greg Newton Associates: One Hanson Street, Boston, MA 02118; (617) 426-5533; fax (617) 426-5588.

Institute for Women's Policy Research: 1400 20th Street, NW, Suite 104, Washington, DC 20036; (202) 785-5100; fax (202) 833-4362; www.iwpr.org.

Internal Revenue Service: www.irs.ustreas.gov.

JELD-WEN Inc., 3303 Lakeport Boulevard, Klamath Falls, OR 97601; (541) 882-3451; fax (541) 884-2231; www.jeld-wen.com.

Jobs for the Future: One Bowdoin Square, Boston, MA 02114; (617) 742-5995; fax (617) 742-5767; www.jff.org.

Kelly Temporary Services: Detroit Office, 100 Renaissance Center, Suite 2100, Detroit, MI 48243; (313) 259-1400; fax (313) 393-1070.

Las Vegas Chamber of Commerce: 3720 Howard Hughes Parkway, Las Vegas, NV 89109; (702) 735-1616; fax (702) 735-2011; www.lvchamber.com.

Marriott Associate Resource Line: Ceridian Performance Partners, 140 Union Meeting Road, Suite 102, Blue Bell, PA 19422; (215) 793-5734; fax (215) 643-9345.

National Alliance of Business: 1201 New York Avenue, NW, Suite 700, Washington, DC 20005; (800) 787-2848; fax (202) 289-1303; www.nab.com.

National Association of Manufacturers: 1331 Pennsylvania Avenue, NW, Washington, DC 20004-1790; (202) 637-3000; fax (202) 637-3182; www.nam.org.

National Association of Private Industry Councils: 1201 New York Avenue., NW, Suite 350, Washington, DC 20005; (202) 289-2950; fax (202) 289-2846; www.work-web.com/napic.

National Governors' Association: 444 North Capitol Street, Suite 267, Washington, DC 20001; (202) 624-5300; fax (202) 624-5313; www.nga.org.

Public/Private Ventures: One Commerce Square, 2005 Market Street, Suite 900, Philadelphia, PA 19103; (215) 557-4400; fax (215) 557-4469; www.epn.org/ppv.

Rachel's Bus Company: 5420 West Roosevelt Road, Number 109, Chicago, IL 60644; (773) 533-1008; fax (773) 921-4008.

Standard Furniture: PO Box 1089, Bay Minette, AL 36501; (334) 937-6741; fax (334) 937-1178.

U.S. Census Bureau: 4700 Silver Hill Road, Suitland, MD 20746; (301) 457-1722; www.census.gov.

U.S. Chamber of Commerce: 1615 H Street, NW, Washington, DC 20062; (202) 463-5525; fax (202) 463-5730; www.uschamber.org.

U.S. Department of Health and Human Services: Office of Family Assistance, Administration for Children and Families, 370 L'Enfant Promenade, SW, Washington, DC 20447; (202) 401-4849; fax (202) 20-5887; www.hhs.gov.

U.S. Department of Labor: Bureau of Labor Statistics, Division of Labor Force Statistics, Room 4675, 2 Massachusetts Avenue, NE, Washington, DC 20212; (202) 606-6378; fax (202) 606-6345; www.bls.gov. Employment and Training Administration, 200 Constitution Avenue, NW, Washington, DC 20210; (202) 219-6344; fax (202) 219-8732; www.doleta.gov.

U.S. Small Business Administration: 409 3rd Street, SW, Suite 7600, Washington, DC 20024; (202) 205-6744; fax (202) 205-6913; www.sba.gov.

United Way of America: 701 North Fairfax Street, Alexandria, VA 22314-2045; (703) 836-7100; fax (703) 683-7840; www.unitedway.org.

Washington Restaurant Association: 2405 Evergreen Park Drive, SW, Building A, Olympia, WA 98510; (360) 956-7279; fax (360) 357-9232; www.wrahome.com.

Washington State Incumbent Worker Training Demonstration: Shoreline Community College, 16101 Greenwood Avenue North, Seattle, WA 98133-5696; (206) 546-4101.

Welfare Information Network: 1341 G Street, NW, Suite 820, Washington, DC 20005; (202) 628-5790; fax (202) 628-4205; www.welfareinfo.org.

Welfare to Work Partnership: 1250 Connecticut Avenue, NW, Suite 610, Washington, DC 20036; (202) 955-3005; fax (202) 637-9195; www.welfaretowork.org.

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An examination of the implementation of some of the first state-initiated time-limited welfare programs.

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The View from the Field: As Time Limits Approach, Welfare Recipients and Staff Talk About Their Attitudes and Expectations. 1997. Amy Brown, Dan Bloom, David Butler.

Financial Incentives

Minnesota Family Investment Program

An evaluation of Minnesota’s welfare reform initiative, which aims to encourage work, alleviate poverty, and reduce welfare dependence.

Note: For works not published by MDRC, the publisher’s name is shown in parentheses. A complete publications list is available from MDRC and on its Web site (www.mdrc.org).

MFIP: An Early Report on Minnesota's Approach to Welfare Reform. 1995. Virginia Knox, Amy Brown, Winston Lin.

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New Hope Project

A test of a community-based, work-focused antipoverty program and welfare alternative operating in Milwaukee.

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Creating New Hope: Implementation of a Program to Reduce Poverty and Reform Welfare. 1997. Thomas Brock, Fred Doolittle, Veronica Fellerath, Michael Wiseman.

Who Got New Hope? 1997. Michael Wiseman.

Canada's Self-Sufficiency Project

A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada. Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

Creating an Alternative to Welfare: First-Year Findings on the Implementation, Welfare Impacts, and Costs of the Self-Sufficiency Project (Social Research and Demonstration Corporation [SRDC]). 1995. Tod Mijanovich, David Long.

The Struggle for Self-Sufficiency: Participants in the Self-Sufficiency Project Talk About Work, Welfare, and Their Futures (SRDC). 1995. Wendy Bancroft, Sheila Currie Vernon.

Do Financial Incentives Encourage Welfare Recipients to Work? Initial 18-Month Findings from the Self-Sufficiency Project (SRDC). 1996. David Card, Philip K. Robins.

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A large-scale study (formerly known as the JOBS Evaluation) of different strategies for moving people from welfare to employment.

Adult Education for People on AFDC: A Synthesis of Research (U.S. Department of Education [ED]/U.S. Department of Health and Human Services [HHS]). 1995. Edward Pauly.

Early Findings on Program Impacts in Three Sites (HHS/ED). 1995. Stephen Freedman, Daniel Friedlander.

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Monthly Participation Rates in Three Sites and Factors Affecting Participation Levels in Welfare-to-Work Programs (HHS/ED). 1995. Gayle Hamilton.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

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Ohio's LEAP Program

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Three-Year Impacts of Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1996. David Long, Judith M. Gueron, Robert G. Wood, Rebecca Fisher, Veronica Fellerath.

LEAP: Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1997. Johannes Bos, Veronica Fellerath.

New Chance Demonstration

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children. 1997. Janet Quint, Johannes Bos, Denise Polit.

Parenting Behavior in a Sample of Young Mothers in Poverty: Results of the New Chance Observational Study. 1998. Martha Zaslow, Carolyn Eldred, editors.

Focusing on Fathers

Parents' Fair Share Demonstration

A demonstration for unemployed noncustodial parents (usually fathers) of children on welfare. PFS aims to improve the men's employment and earnings, reduce child poverty by increasing child support payments, and assist the fathers in playing a broader constructive role in their children's lives.

Low-Income Parents and the Parents' Fair Share Demonstration. 1996. Earl Johnson, Fred Doolittle.

Working with Low-Income Cases: Lessons for the Child Support Enforcement System from Parents' Fair Share. 1998. Fred Doolittle, Suzanne Lynn.

Other

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From Welfare to Work Among Lone Parents in Britain: Lessons for America. 1996. James A. Riccio.

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A multi-site effort to greatly increase employment among public housing residents.

A Research Framework for Evaluating Jobs-Plus, a Saturation and Place-Based Employment Initiative for Public Housing Residents. 1998. James A. Riccio.

Section 3 Public Housing Study

An examination of the effectiveness of Section 3 of the 1968 Housing and Urban Development Act in affording employment opportunities for public housing residents.

Lessons from the Field on the Implementation of Section 3 (U.S. Department of Housing and Urban Development). 1996. Maxine Bailey, Suzanne Lynn.

Connections to Work Project

A study of local efforts to increase competition in the choice of providers of employment services for welfare recipients and other low-income populations. The project also provides assistance to cutting-edge local initiatives aimed at helping such people access and secure jobs.

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Washington Works: Sustaining a Vision of Welfare Reform Based on Personal Change, Work Preparation, and Employer Involvement. 1998. Susan Gooden.

Canada's Earnings Supplement Project

A test of an innovative financial incentive intended to expedite the reemployment of displaced workers and encourage full-year work by seasonal or part-year workers, thereby also reducing receipt of Unemployment Insurance.

Implementing the Earnings Supplement Project: A Test of a Re-employment Incentive (Social Research and Demonstration Corporation). 1997. Howard Bloom, Barbara Fink, Susanna Lui-Gurr, Wendy Bancroft, Doug Tattrie.

Education Reform

School-to-Work Project

A study of innovative programs that help students make the transition from school to work or careers.

Home-Grown Lessons: Innovative Program Linking School and Work (Jossey-Bass Publishers). 1995. Edward Pauly, Hilary Kopp, Joshua Haimson.

Home-Grown Progress: The Evolution of Innovative School-to-Work Programs. 1997. Rachel A. Pedraza, Edward Pauly, Hilary Kopp.

Career Academies

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Career Academies: Communities of Support for Students and Teachers — Emerging Findings from a 10-Site Evaluation. 1997. James J. Kemple.

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The Manpower Demonstration Research Corporation (MDRC) is a nonprofit social policy research organization founded in 1974 and located in New York City and San Francisco. Its mission is to design and rigorously field-test promising education and employment-related programs aimed at improving the well-being of disadvantaged adults and youth, and to provide policymakers and practitioners with reliable evidence on the effectiveness of social programs. Through this work, and its technical assistance to program administrators, MDRC seeks to enhance the quality of public policies and programs. MDRC actively disseminates the results of its research through its publications and through interchanges with a broad audience of policymakers and practitioners; state, local, and federal officials; program planners and operators; the funding community; educators; scholars; community and national organizations; the media; and the general public.

Over the past two decades — working in partnership with more than forty states, the federal government, scores of communities, and numerous private philanthropies — MDRC has developed and studied more than three dozen promising social policy initiatives.