Literature Review:
Business/Faith-Based and Community Organization (FBCO) Partnerships

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Prepared by:
Sengsouvanh (Sukey) Soukamneuth
Sandra Harvey

With contributions from:
Ron D’Amico
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EXECUTIVE SUMMARY

In recent years, there has been growing recognition of the vital role that faith-based and community organizations (FBCOs) can play in providing employment and training services to job seekers while helping businesses meet their objectives. Yet there has been little documentation of the wide range of business partnerships with FBCOs that exist at the community level. DOL’s Center for Faith-Based and Community Initiatives (CFBCI) has asked Social Policy Research Associates (SPR) to conduct a literature review to help provide this documentation. This literature review will help inform the efforts of DOL’s CFBCI in supporting businesses that seek to partner with FBCOs in recruiting, training, and retaining employees.

In this report, we summarize the key issues and trends associated with employer/FBCO partnerships and provide concrete examples that illustrate the diverse range of partnerships that are taking place at the ground level. We reviewed hundreds of articles and reports for this report and interviewed six respondents to get their input on the issues most relevant to employer/FBCO partners. These respondents included businesses and FBCO staff that were promoting innovative partnerships as evidenced from the literature review or that were nominated by DOL’s Center for Faith-Based and Community Initiatives.

The Value of FBCO and Business Partnerships

FBCOs bring a sense of community to people. People trust them. They may not always feel that same sense of community, acceptance or automatic trust through other social service organizations. Colleen Doyle, Workforce Organization for Regional Collaboration.

FBCOs are vital community institutions that play a strong role in supporting people in need. Most importantly in the context of this paper, research shows that FBCOs can and do provide important services to job seekers, including employment and training services and supportive and humanitarian services that are a core part of their agenda. Part of the reason for their effectiveness stems from their holistic, personalized, and compassionate approach to services that other types of agencies may lack, and the unique role they play in their communities, due to
their commitment and stature. FBCOs also possess an abundance of resources, such as a trusting relationship with the community, access to volunteers that are generous with their time and are committed to helping people in need, and an extensive community outreach and sizable membership that can be reached and mobilized quickly.

Recognizing these attributes, businesses trust FBCOs for their ability to reach job seekers that are eager and willing to work. From the business perspective, they value the fact that FBCOs recommend carefully screened job applicants, offer training in soft or hard work skills that can be customized to meet the businesses’ needs, and provide follow-up and supportive services to new hires to troubleshoot problems that might arise. Further, they appreciate FBCOs’ “indigenous” knowledge about the needs of workers and the social problems impacting communities. For these reasons, businesses recognize FBCOs as strong partners in helping them meet their workforce needs.

**Benefits to Businesses**

There is more legitimacy in working with FBCOs that have a proven track record to help people get jobs. FBCOs also help the people that the workforce system can’t help or haven’t been able to help for whatever reason. Kurt Madden from One-by-One Leadership

Businesses gain a number of benefits through their FBCO partnerships. The most powerful motivator and benefit driving businesses to partner with FBCOs is to get help with their hiring needs. FBCOs have a vast network of members and community connections from which they can identify and pre-screen job seekers who are eager to work. Thus, partnering with FBCOs permits businesses access to specific groups of candidates who will more likely have the attributes they seek than random members of the job-seeking public.

Further, businesses can benefit because FBCOs are skilled at providing a variety of training services. Because they understand the particular needs of at-risk populations and other types of job seekers and are “mission-driven, committed, and passionate,” they can be very effective at providing the customized training that businesses most need. This kind of personalized service provision is possible because FBCOs are small, grassroots organizations that can be flexible with how they deliver training. Moreover, their holistic approach to services, involving substantial personal interaction and support, enables them to be effective with a wide spectrum of job seekers that are committed to their services.

Businesses can realize substantial savings in relying on FBCOs in these ways. In fact, a number of businesses have reported saving thousands of dollars on recruitment and training costs because FBCOs are recruiting, screening and training job applicants for them. Businesses also
benefit because employees hired through FBCOs are reported to be more loyal and work harder than those hired through traditional methods, because the workers appreciate the opportunity they have been afforded.

Lastly, employer/FBCO partnerships can result in enhanced public relations for the employer. Businesses whose mission is grounded in community improvement believe that hiring from within the community is an important goal in its own right, and they have discovered that doing so can also help improve their bottom line, by enhancing their reputation among consumers.

**Models of Business Partnerships**

There are multiple ways for businesses to partner with FBCOs to meet the businesses’ corporate goals of increased overall productivity, cost-competitiveness, and bottom-line sales and profitability. We classify these partnerships in the following categories:

- **Recruitment.** Businesses rely on FBCOs and workforce development agencies to help recruit job candidates. In this model, FBCOs convene large job fairs or otherwise post job listings, and conduct an initial screening of job candidates to refer to businesses.

- **Training.** The training partnerships that we uncovered include several layers of training, e.g., training in pre-employment/soft skills or technical skills, and training for career ladders or advancement opportunities. FBCOs facilitate the delivery of the training, while the businesses provide input on the content of the training to ensure a strong fit with labor market needs.

- **Work-based learning.** This type of partnership may include on-the-job training, internships, apprenticeships, and other types of “trials of employment” that enable participants to apply their skills in a real-life context and allow businesses to “test” employees before hiring them.

- **Post-placement support/retention.** FBCOs offer supports to enhance employee retention. These supports may include ongoing case management, supportive services, and access to other work supports, such as help with accessing the earned income tax credit, childcare subsidies, Food Stamps, public health insurance programs, unemployment insurance, transportation assistance, housing assistance, TANF cash assistance, and child support.

- **Corporate philanthropy.** In this partnership model, businesses serve as funders to enhance the capacity of FBCOs through strategic grantmaking. For example, businesses offer grants to FBCOs to develop training programs that can enhance the quality of the labor pool.
Challenges to Businesses

Like many other public-private collaboratives, employer/FBCO partnerships are not without obstacles. Some challenges facing businesses include overcoming negative stereotypes of FBCOs and their constituents, securing buy-in from corporate stakeholders, and understanding the culture of FBCOs, including their reporting requirements. Businesses also have difficulty initiating and developing external partnerships because of the time and resources that are required to effectively manage and sustain them. Further, a number of external factors can affect the sustainability of the partnerships, including shifts in funding and shifts in the local and national economy, which affect the local labor market.

Our review of the literature revealed that FBCOs are providing tremendous value to businesses, including FBCOs’ in-depth knowledge of the local community and the issues facing job seekers and working families, their access to motivated job seekers who could be a source for hiring, and their ability to provide employment and training services in a flexible and personal manner that is responsive to businesses and job seekers. Further, job seekers are drawn to FBCOs’ personal and holistic services to help them feel supported and nurtured in their search for a successful career.

Businesses that have partnered with FBCOs have gained numerous benefits, including cost savings on recruitment and hiring, increased employee retention, and enhanced community relations. With respect to the last of these, businesses that partner with FBCOs boast of their strong public image, because they are making a deliberate decision to improve the quality of life for people most in need and the communities in which they operate. These examples suggest that there is growing momentum to continue the strong collaborations that are already taking place between businesses and FBCOs.
I. INTRODUCTION

The U.S. Department of Labor’s Center for Faith-Based and Community Initiatives (CFCBI) has made a strong commitment to connect for-profit businesses to faith-based and community organizations (FBCOs). Consistent with this effort, DOL has asked Social Policy Research Associates (SPR) to conduct a literature review of partnerships between businesses and FBCOs. This literature review will help inform the efforts of DOL’s CFCBI in supporting businesses that seek to partner with FBCOs in recruiting, training, and retaining employees.

Our primary objective for the literature review is to provide an overview of the partnerships that FBCOs have formed with businesses, how those partnerships are evolving, and how they are benefiting businesses and FBCOs. While the focus of this review is on employer/FBCO partnerships, we cast a wide net to include some partnerships involving One-Stop Career Centers as well.

In detailing our findings, we describe current issues, trends, challenges, and benefits involved in FBCO-employer partnerships, focusing specifically on the unique role that FBCOs play, particularly in the area of helping businesses to recruit, retain, and train workers. We present myriad models and strategies of business partnerships that can enhance job seekers’ opportunities and businesses’ bottom line. We also suggest key areas for future research to guide DOL’s CFBCI as it supports the workforce needs of businesses.

**Faith-based and community organizations (FBCOs)** include non-profit groups that (1) provide social services, (2) vary greatly in size and resources, and/or (3) identify themselves with various community initiatives and/or religious traditions or philosophies.
Overview of the Value of FBCO-Business Partnerships

In recent years, there has been an increasing recognition of the vital role that FBCOs can play in fostering strong connections between communities, the workforce investment system, and businesses. To begin with, FBCOs bring substantial financial and non-financial resources. According to Vidal (2001), FBCOs represent the third largest non-profit sector in the U.S. (after healthcare and education) and can leverage enormous community resources that can support job seekers and businesses. Congregations alone number about 350,000 and the estimated yearly expenditures of all FBCOs exceed $47 billion. Moreover, one study recently revealed that more than 50 percent of all congregations provide human services, although only a small number receive any public funding (Montiel, 2003). In addition to these monetary resources, FBCOs have access to other assets such as volunteers that are generous with their time and are committed to helping people in need.

Furthermore, FBCOs can boast of extensive community connections and a sizable membership that can be reached and mobilized quickly, putting them in a very favorable position to reach a vast labor pool. As trusted community institutions and service providers, they garner the respect of both job seekers and businesses. They have the reputation for going to extraordinary lengths to meet community members’ needs, and adopt a holistic approach to service delivery that focuses on building trust, promoting personal healing, and achieving personal transformation. Further, FBCOs’ grassroots service delivery systems make them less bureaucratic than governmental institutions, ensuring that they can be flexible and responsive in addressing customers’ needs.

In light of these attributes, businesses appreciate that FBCOs can reach qualified job seekers that may not be easily accessible otherwise, and they trust that FBCOs will use their in-depth knowledge both of the job seeker and the community culture to support job seekers as they transition to their new jobs. As a consequence, as McConnell, et al. (2005) point out, businesses will readily hire job seekers referred to them by FBCOs whom they may have been reluctant to hire otherwise. Furthermore, FBCOs’ strong knowledge of local communities and reputation for unstintingly promoting the communities’ needs make them particularly valuable as community brokers, and strong partners in the workforce investment system. Kurt Madden, of One-by-One Leadership, sums up these advantages by noting that businesses and community agencies like to work with FBCOs because of their community focus.

*We are a trusted broker. We are out for the community and not out for ourselves. We bring values and morals to the partnership. Employers know that our agenda is not about us. Our agenda is about the community. I am on the Fresno Business Council, which is made up of the*
top 125 businesses in Fresno. I try to keep a low profile and constantly partner with people. We don’t like to take credit for our work. In fact, we’re always trying to give away credit. That is part of the faith-based thing.

No doubt in recognition of these assets, federal agencies have seen increasing their funding to FBCOs, with the biggest increase in funding from the Department of Labor (+29 percent), enabling FBCOs to increase their capacity still further.1

In addition to serving the needs of businesses, though, FBCOs offer a unique blend of services that is appealing to job seekers. Participants receiving services from faith-based organizations may have an affinity to religious offerings that helps them stay focused and committed to those services. Furthermore, FBCOs’ distinctly holistic approach to services emphasizes a personalized environment showing empathy and support that may make them better suited than governmental agencies to aid hard-to-serve clients. As Colleen Doyle from Workforce Organizational for Regional Collaboration2 noted, many job seekers trust FBCOs more than other social service organizations.

Some people respond very well in a faith-based environment. They feel more comfortable and can overcome their barriers better because they feel they are part of a community. A homeless person without family and support can identify with faith-based and community organizations because he or she feels welcomed and accepted. This allows people to recognize their true potential, and helps them believe that they can actually have a job. FBCOs bring a sense of community to people. People trust them. They may not always feel that same sense of community, acceptance or automatic trust through other social service organizations.

For example, in New York City’s Charitable Choice demonstration program, FBCOs’ personalized and compassionate services were successful in getting interested clients back on track. FBCO staff report that they were able to quickly establish trust with clients, citing the hope and respect that staff members conveyed as reasons that clients responded (Rock, 2002).

1 See “Getting a Piece of the Pie: Federal Grants to Faith-Based Social Service Organizations.” This study of more than 28,000 social service grants made by nine federal agencies between 2002 and 2004 shows faith-based organizations (FBOs) received more than 17 percent of the funding, and saw their share of grants rise from 11.6 to 12.8 percent. In all, 3,526 grant awards were made during the period to 1,146 faith-based groups (Roundtable on Religion and Social Welfare Policy).

2 Colleen Doyle is working with 14 small FBCOs in Northern Virginia to help them partner with businesses. Her organization, Workforce Organization for Regional Collaboration (WORC) is an intermediary organization that connects commerce and community. WORC has over 100 non-profit members in the D.C. area and works with a host of businesses that seek to partner with non-profits.
Further, many FBCOs have well developed networks in their communities, which enable them to quickly broker services that may be available elsewhere. Thus, FBCOs can negotiate access to supportive services such as childcare, transportation, and mentoring that can help new employees stay focused in their jobs.

Despite these strong attributes, FBCOs face some challenges that may affect their ability to partner with businesses. For instance, businesses may not know about the unique value that FBCOs bring to the partnership, and, at the same time, FBCOs may not be aware of the needs of businesses. Additionally, FBCO staff may not have the technical expertise or time to devote to forming partnerships—which FBCOs typically use volunteers more so than other types of non-profits, only a small percentage of volunteers devote the bulk of their time to the delivery of social services and partnership formation. A national survey of congregations reports that only 6 percent of congregations have a staff person devoting at least 25 percent of their time to social service projects (Chaves and Tsitsos, 2001). These limitations and challenges suggest that some FBCOs require access to funding and technical assistance to build their organizational capacity so that they can use their advantages to work effectively with businesses and other community partners more fully.

**Roadmap for the Report**

In the remainder of this report we begin to lay a foundation for this effort by drawing attention to successful employer/FBCO partnerships. In Chapter II we describe the benefits to businesses from partnering with FBCOs. Chapter III presents models of business partnerships, including specific case studies. Chapter IV describes the challenges facing businesses in building and sustaining FBCO partnerships. Chapter V concludes the report with reflections from our findings. Appendix A describes our methodology/approach and limitations to this literature review, and Appendix B lists resources and articles we used. Appendix C provides detailed case studies of the partnerships that are referenced throughout the report, while Appendix D includes additional examples of employer/FBCO partnerships that were not specifically included. Finally, Appendix E includes a summary matrix of the various partnership models that we reference.
II. BENEFITS TO FBCO PARTNERSHIPS

Summary Highlights

This chapter describes the benefits of FBCO partnerships, focusing specifically on benefits to businesses. Below are highlights:

- Partnerships with FBCOs help businesses identify a pool of high quality job applicants who are eager and motivated to work.
- Businesses can realize substantial cost savings in recruitment and hiring because FBCOs can pre-screen job applicants and provide relevant training in “soft” and “hard” skills.
- Partnering with FBCOs can contribute to increased employee retention because FBCOs provide a wide range of supportive services such as counseling, childcare assistance, mentoring, emergency shelter, food assistance, and the like.
- Partnering with FBCOs can also enhance businesses’ public image, which businesses may find valuable in its own right as well as ultimately contributing to their bottom line.

For the remainder of this chapter, we elaborate on the key benefits that businesses gain from partnering with FBCOs. Our review of the literature reveals four main ways in which partnering with FBCOs can benefit businesses. It can help them to: (1) meet hiring needs, (2) save on hiring and training costs, (3) increase employee retention, and (4) enhance public relations/reputation in the community.

Meet Hiring Needs

_FBCOs are an easy way for employers to get access to a recruiting pool. It saves them time and energy because FBCOs pre-screen candidates. What employers get is not just resumes from Monster.com. They are getting qualified, pre-screened candidates that are ready to work._

Colleen Doyle, Workforce Organization for Regional Collaboration (WORC)
The most powerful motivator and benefit driving businesses to partner with FBCOs is to get help with their hiring needs, especially in a tight labor market. As mentioned in the previous chapter, FBCOs can leverage an array of community resources to reach an untapped labor pool, including hard-to-serve individuals that are eager to work. Moreover, before referring them to businesses, FBCOs screen job candidates on a variety of skills and characteristics, including basic skills proficiency and workplace literacy, and, if needed, can conduct a background check. This service gives businesses some assurance that the candidates who are referred have the necessary basic cognitive skills and will be dependable and hard working. Furthermore, as we will describe more fully in the next chapter, FBCOs can also train workers in employability and job skills specific to businesses’ needs, promoting optimal employer-employee matches. Thus, partnering with FBCOs permits businesses to reap the benefits of a focused approach to hiring that yields access to specific groups of candidates who will be more likely to have the attributes they seek than will random members of the general job-seeking public.

For example, Work Ministry, an online resource for job seekers and businesses, is working with businesses to connect job seekers from church-based social networks. These social networks and their associated informal job support groups provide job seekers the tools they need to find work in a familiar and comfortable church setting. According to Bill Broderick of Work Ministry, 

*Employers already understand that social networks exist. What they don’t understand is that FBCOs are running these social networks and that FBCOs are bringing together qualified job seekers that employers can recruit from.*

As Colleen Doyle from Workforce Organization for Regional Collaboration (WORC) noted, “Why go to Monster.com when there are hundreds of FBCOs that have qualified candidates looking for jobs and who are getting supportive services to help them stay on the job?” In her work with FBCOs and businesses, Ms. Doyle has found that the more businesses understand the role that FBCOs play in the recruitment process, the more likely they will continue to partner with FBCOs for future hires.

For example,

- **CVS Pharmacy** has partnered with a number of churches to recruit employees through church-based job fairs. With the support of a local “champion,” Pastor Lionel Edmonds, CVS has convened church-based job fairs in more than ten cities since 2003. These job fairs started at Pastor Edmond’s church in Washington, D.C. and drew mostly church congregants who were looking for

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1 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 (Brown et al., 1998).
career advancement opportunities. CVS’ emphasis on career paths was appealing to those who were concerned that these jobs were going to be “dead-end” jobs that they had seen many times before. This job fair was a tremendous success—40 of the 90 people interviewed were hired on the spot. The success of this job fair led to other church-based job fairs in the D.C. area. To ensure adequate support for CVS, store managers were linked up with local pastors and other faith leaders to establish a support system for those hired. This model was replicated in 20-25 cities nationwide where CVS faced critical staffing needs. (Post and Wubbenhorst, 2006)

- **Gateway Corporation**, manufacturer of personal computers, has teamed up with a number of non-profits to fill its labor needs for its new plant in Virginia. Because Gateway needed to hire more than 500 employees, the company collaborated with FBCOs that could help train and refer skilled job applicants.

- **Cessna Aircraft Co**, a 9,400-person firm in Wichita, started an internal program called 21st Street Project, a comprehensive job training program that targets welfare recipients and other community residents in need of work. Because the company is in constant need of trained, semi-skilled workers to fill entry-level positions in clerical, administrative and sheet metal positions, it partners with FBCOs and the Department of Human and Social Service for referrals to its training program.

As these examples demonstrate, partnerships with FBCOs allow firms to identify smaller numbers of typically better qualified candidates without the expense of mass recruitment and subsequent screening efforts.

Furthermore, FBCOs can help businesses identify not only candidates for entry-level positions but those for semi-skilled to highly skilled positions as well. Businesses that are seeking skilled workers typically play a strong role in their FBCO partnerships, by providing input on training curricula, participating in sectoral initiatives as part of regional economic development efforts, and collaborating with other businesses in the same industry. The partnership between Advanced Micro Devices (AMD) and the Capital Area Training Foundation is a good example of this model.
Save Money on Hiring and Training Costs

We have found that the partnerships allow us to save some money on cost-per-hire. Our partners are actually pre-screening candidates for us and pre-training them.

Karen Shawcross, Bank of America (Marquardt and Feeley, 2002).

As the quote above indicates, businesses like Bank of America can save money when they partner with FBCOs to recruit, screen, and train employees. Because recruiting and hiring employees often requires expenditures for advertising, screening, and a percent or fixed payment to staffing agencies, businesses are turning to FBCOs and the workforce investment system to realize substantial savings on the costs associated with hiring employees. These savings stem from the assessment, prescreening, and training services provided by FBCOs. Furthermore, individuals hired through FBCOs may cause the business to be eligible for a substantial tax credit, including the Welfare-to-Work and Work Opportunity Tax Credits (WOTC).²

For example,

- **The University of California San Francisco (UCSF) Health Sciences** partnered with San Francisco Works—a non-profit intermediary organization—to leverage public and philanthropic training dollars to gain a new source for qualified job applicants. This partnership has saved UCSF an estimated $122,000 in recruitment costs.

- **Heller Ehrman (Legal Services)** partnered with the Legal Employment Action Program (LEAP), a non-profit organization preparing former welfare participants for jobs in law firms. LEAP is coordinated by the Jewish Vocational Services

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² The Welfare-to-Work (WTW) Tax Credit is a Federal income tax credit for businesses that hire long-term welfare recipients. The Work Opportunity Tax Credit (WOTC) is a Federal income tax credit for businesses that hire employees from other targeted groups.
(JVS) and receives public and philanthropic support. Graduates of the program intern at the law firm and are hired upon training completion. Through this partnership, the company has saved approximately $3,000 to $5,000 per hire that would otherwise go to a staffing agency. The company’s other means of recruiting employees includes employee referrals and ads posted on the Internet. The firm posts jobs internally and pays the referring employee up to $2,000 for new hires that remain on the job for at least 90 days. The company also posts ads on websites such as Monster.com and HotJobs, costing about $200 per posting. Thus, partnering with a FBCO (Jewish Vocational Services) has resulted in tremendous cost savings in recruitment and hiring for the company.

- **Brightpoint (Telecommunications)** partnered with SF Works and a local community-based training program, Regional Technical Training Center (RTTC), to develop a pre-employment training program to prepare welfare recipients for entry-level jobs. Trainees were virtually guaranteed placement upon program completion. This partnership yielded an estimated savings of $1,450 per program hire, and the company is eligible for up to $750,000 in tax credits. This savings stems from decreased costs to post job openings on employment related websites ($100 per week per opening) and decreased staff time to screen and review resumes. In fact, staff estimate that, because the screening process is so intense (three rounds of screening, 100 hours of staff time interviewing), the cost of hiring 15 individuals through traditional methods equals about 5 percent of the full-time annual salary for a single staff person.

- **Pennzoil 10 Minute Oil Changer’s** partnership with San Francisco Works has also yielded cost savings. The company typically spends $250 to $500 per hire recruited from newspaper ads (this includes the cost to post the ad and staff time to screen resumes and interview candidates.) For new hires that were hired through employee referrals, the referring employee receives a bonus of $100 after the hire has been at the company for at least one year. The store manager reports that, on average, the cost of a traditional hire is about $250 compared to $150 for a hire through a program or FBCO businesses referral.

In addition to the sizable economic benefits for the businesses through reduced recruitment, training, and hiring costs, businesses can also benefit from increased productivity of their workers and diversity in their workforce. For example, some have reported that program participants hired through FBCOs feel good about the business that gave them a chance and tend to work harder as a consequence (Litchfield, et al, 2004). These benefits are clear incentives for businesses to connect with FBCOs. As one business representative noted,

> *I’ve received excellent employees. One is a manager of a store and another is second in charge at another store. These people earned their responsibility and respect.*  
> Bill Nelson, General Partner, Pennzoil 10 Minute Oil Change (Marquardt and Feeley, 2002).

Many businesses may not be aware of the actual cost savings and benefits of these kinds of partnerships, because they are difficult to track. Nonetheless, the benefits can be substantial, as
the above examples suggest. According to Marquardt and Feeley (2002), several factors affect the amount of economic benefits realized by businesses, including the number of program graduates the business hires and the intensity and extent of the business involvement. For example, when businesses extend the partnership to include customized training rather than merely the recruitment and screening of new hires, businesses will need to invest more in working with the FBCO to develop a training curriculum, but their benefits can be expected to be commensurately greater as well.

**Increased Employee Retention**

_We see an incredible amount of loyalty to the organization that invested so much in recruiting [new workers], helping to get them trained and giving them a chance. We’re seeing higher retention rates among people who come to us through these kinds of partnerships._

Karen Shawcross, Bank of America (Marquardt and Feeley, 2002)

After employees are hired, FBCOs can provide post-placement follow-up services through ongoing case management and supportive services, thereby not only saving businesses on hiring and training costs, but through increased employee retention. For instance, FBCOs can leverage a variety of supportive services, such as emergency assistance to families (e.g., cash, temporary shelter, food), clothes, childcare, transportation assistance, substance abuse treatment, and the like. These added supportive services can make a tremendous difference in helping new workers successfully transition to the world of work. For example, **Pennzoil 10 Minute Oil Change** partnered with San Francisco Works to train workers in its automotive training program. Because of increased supports from SF Works and its network of FBCOs, graduates showed better retention and loyalty than those hired through traditional methods. SF Works has learned that two and three years after graduation not only do program graduates remain at Pennzoil but some are now making approximately $40,000 per year, and those in management positions make even more.

**CVS** also boasts of positive retention outcomes through its FBCO partnerships. Since 1996, CVS has hired more than 30,000 people formerly on public assistance, with more than 18,000 still employed in career-tracked positions. This has resulted in a retention rate of 60 percent, which is especially impressive when compared to other entry-level positions in the retail sector, where job turnover can exceed 200 percent per year. Further, more than half of former welfare recipients hired by CVS have been promoted at least twice (Post and Wubbenhorst, 2006).

As a result of increased post-placement supports, other companies are also reporting strong retention among clients referred from FBCOs. For example, a former CEO of **United Airlines** made a commitment to former President Clinton that United would set a good example of
creating replicable strategies for corporate participation in Welfare-to-Work. Following up on this promise, United has partnered with FBCOs with a long history in communities to fill entry-level reservations positions. These FBCOs train job seekers in soft skills, while United provides training in the hard technical skills. The company reports a high staff turnover rate overall—over 35 percent of its new hires leave within a year—but they find that referrals from FBCOs stay longer. A representative from United feels that hiring welfare recipients from FBCOs helps with retention because welfare clients may feel a sense of loyalty that the company has given them a chance. Thus, in United’s experience, partnering with FBCOs has represented a good human resource investment, because it is both economically sound and has yielded high-quality, committed employees.

Businesses like these have learned to capitalize on the assets of FBCOs, including its unique blend of services to businesses and job seekers, and its ability to support job seekers to help them stay on the job.

Enhance Public Relations

Another important benefit to partnering with FBCOs is that it can enhance a company’s public image, which in turn, can improve its reputation among consumers. Companies that act in a socially-responsible way and are responsive to the concerns of their multiple stakeholders can gain a strategic business advantage, because the company’s brand image can be enhanced when it is identified with issues that strongly appeal to its customers and employees (Ford Foundation, 2001). These issues may include improving the social welfare of a community by hiring hard-to-serve populations, promoting fair labor practices, and supporting community economic development.

For instance, companies like Chevron Corporation in San Francisco have found that being socially minded can have distinct benefits to its bottom line. Chevron formed a strategic partnership with an Oakland-based FBCO to recruit and train employees for its convenience stores. Chevron believed that partnering with a local FBCO that was knowledgeable of the local community could help recruit staff who understand the needs of its customers and interact with them in a meaningful way. As described below, this kind of partnership has positively affected its sales.
As these examples demonstrate, FBCO partnerships can result in positive community relations that have a very direct effect on the businesses’ bottom line.

**Conclusion**

The findings above reveal that employer/FBCO partnerships are an efficient way to hire employees because FBCOs screen, refer, and, in some cases, train, job applicants to appropriate positions. Because hiring staff is costly, partnering with FBCOs can streamline the recruitment process and save businesses money on recruitment and hiring expenses. Moreover, businesses
are drawn to FBCOs because they refer workers that are well trained and reliable, thereby increasing the probability of a good fit. Businesses also realize that staff turnover is extremely costly and disruptive and find it helpful that agencies such as FBCOs are available to help resolve problems that may interfere with an employee’s ability to remain on the job. Lastly, partnering with FBCOs can enhance the businesses’ reputations in the community, which can result in a strong strategic business advantage.

These benefits suggest that FBCOs can be of substantial value in helping businesses meet their workforce needs while improving their bottom line. The next chapter describes different ways in which FBCOs can provide this value.
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III. PARTNERSHIP MODELS

Summary Highlights

There are multiple ways for businesses to partner with FBCOs to meet their corporate goals of increased overall productivity, cost-competitiveness, and bottom-line sales and profitability.

- **Recruitment.** The most common way is to work with FBCOs to recruit qualified workers by getting support with screening job applicants, convening large job fairs, posting job listings, and meeting one-on-one with FBCO staff to sustain a positive relationship. FBCOs can serve as valuable partners to recruit employees because of their extensive networks and access to special populations.

- **Training.** FBCOs offer a variety of training services, including employability skills training (soft skills), technical skills training, basic skills training, and incumbent worker training for career ladders. Because FBCOs are less bureaucratic than other public institutions, they can offer training services in a flexible and personalized format, e.g. offering classes in the early morning or evening. Further, their holistic approach to providing services can promote high success rates among participants.

- **Work-Based Learning.** Businesses also partner with FBCOs to provide work-based learning opportunities to “try out” potential employees and/or train them in a real work context.

- **Post-Placement Support.** FBCOs are particularly valuable in their ability to provide additional supportive services to help new workers stay on the job. These added services may include donated goods and services as well as mentoring and counseling services.

- **Corporate Philanthropy.** Businesses have worked with FBCOs and other public institutions to enhance their capacity through strategic grant making.

Our goal for this chapter is to describe and characterize these models of partnership.

**Recruitment**

The most common way in which businesses partner with FBCOs is to recruit qualified workers, including those who could be an untapped source for hiring, such as disadvantaged youth, low-
income individuals, dislocated workers, veterans, and people with disabilities. FBCOs work closely with businesses to understand their specific hiring needs and organizational culture, including an analysis of the job to be performed and the skills needed to perform it. Once this process has been established and hiring needs made clear, FBCOs recruit workers by convening church-based job fairs and posting job announcements. As part of the recruitment process, FBCOs subsequently screen job applicants for specific attributes that are important to businesses, through paper and pencil tests, resume scans, interviews, and assessments of skills, knowledge and abilities. These strategies enable FBCOs to identify applicants that have the characteristics that are most important to businesses to ensure the probability of a good fit. By targeting candidates with particular skill sets and characteristics, businesses can thus concentrate their recruitment efforts where they are likely to find employees that have the skills and attributes that they seek, while diversifying their workforce. As Roberts (2002) explains:

*FBCOs make outreach personal and purposeful [because] they use existing neighborhood outreach and communication mechanisms, and they rely on their networks of churches, community centers and educational institutions to reach local residents.*

Furthermore, once businesses have established a relationship with FBCOs, they can depend on them for future hires. For example, TJX Companies, a large retail company, is working with a number of FBCOs to target special populations (e.g., older workers, youth, limited English speakers) to work in entry-level retail positions. Recently, the company implemented an initiative called “Meet and Greet” with a number of FBCOs and government agencies to recruit new workers. FBCO staff are invited to TJX stores to talk to store managers about career tracked positions, the company culture, and the attributes that the managers seek in new employees. According to Patrick Flavin, the manager of government programs, these sessions “have broken down a lot of barriers because FBCO staff thought that they were referring people for cashier jobs. They didn’t realize that there is a career path in our stores.” Through partnerships with FBCOs and other public agencies, TJX hires well over 10,000 employees per year.

Other examples of how FBCOs help businesses meet their workforce needs are described below, including ones in which FBCOs partnered with single businesses to meet specific hiring needs as well as examples of FBCOs’ engaging in wider scale recruitment efforts.
Faith-Based Recruitment and Screening

**Anderson Interfaith Ministries (AIM)-local nursing home.** AIM is a faith-based organization composed of local churches and synagogues that serves as a clearinghouse of services available to local Anderson, SC, residents in need. AIM offers assistance through programs such as “Women and Children Succeeding,” through which women receiving government assistance and involved in job training can access free childcare. AIM has also partnered with a local nursing home to provide workforce development assistance. The partnership model is based on recruitment and referral services. AIM identifies individuals that are interested in becoming certified CNAs, and screens them based on the businesses’ requirements. This includes a review of the job seeker’s work history to pinpoint transferable skills, as well as a criminal background check. Potential employees also undergo AIM’s in-house soft skills training and have access to job coaches and mentors. They are then referred to the nursing home and potentially hired. (Partnership in Action)

**Mount Lebanon Baptist Church (Washington D.C.)-CVS.** CVS partnered with Mount Lebanon Baptist Church to recruit employees. The church convened job fairs that attracted hundreds of church members, many of whom were looking for career-tracked jobs. Mount Lebanon promoted the job fair for several weeks with its congregation members and asked them to inform their family and friends. The church also made CVS’s employment requirements clear by emphasizing the need for punctuality, appropriate attire, and work philosophy. 120 individuals attended the event, and CVS subsequently hired 40 percent of the applicants. (Post and Wubbenhorst, 2006)

**Sacramento Valley Organizing Community (SVOC).** This group of over 40 religious congregations in Northern California is the largest faith-based community organization in the area. It links job seekers to high growth industry jobs in the region by partnering with city and county governments, redevelopment agencies, the Sacramento Employment and Training Agency, and the Department of Human Assistance to create local One-Stop centers in high need neighborhoods. SVOC partners have strong relationships with local businesses to refer local residents to jobs at Sutter Hospital, Mercy Hospital, UC Davis Medical Center, and Kaiser Permanente. Job seekers are screened at the local One-Stop center and referred to about 300 jobs with these businesses (PolicyLink, 2000).

**Sprint.** In 1997, Sprint made plans to open a new call center in the 18th and Vine area in the heart of the African American community of Kansas City. The call center would employ customer service agents that provide technical support for the company’s long-distance service. Sprint needed to recruit 69 employees so it turned to the Urban League for assistance. The Urban League, in collaboration with the Full Employment Council, screened job candidates and referred them to appropriate positions. Sprint also partnered with local community colleges to train its new hires. Currently, the center employs between 50-60 workers. The company has received the prestigious J.D. Power and Associates award for customer service on an annual basis, and since this call center opened, it has had the lowest turnover and attrition rates of all the call centers at Sprint (Beatty, James. NCS International “Urban/Inner-City Strategy for Call Center Locations” May 2002. www.tmcnet.com).
Training Partnerships

Another common way in which businesses collaborate with FBCOs is through the provision of training services, including training to potential new employees or incumbent workers. They may work closely with FBCOs to design training programs that are tailored to their work requirements, or FBCOs might design the training themselves but solicit a company’s input to ensure a strong fit with the labor market.

Several distinct types of training partnerships have emerged from the literature:

- Soft-skills training and basic education
- Technical skills training for specific vocations
- Incumbent worker training that has a specific focus on career ladders for entry-level employees.

We found a wide variety of partnerships within each of these sub-categories. For instance, FBCOs work with businesses to provide a variety of employability training, such as soft skills, life skills, or job readiness training; standardized technical training for entry-level positions; customized training for company-specific positions; licensing or certification courses; skill upgrading for incumbent workers; and training for career ladders. Within each type, the level of business involvement, or connectedness with its FBCO partners and the training institutions, can vary significantly. Thus, while some companies have a very loose partnership with FBCOs, others commit a significant amount of staff time, funding, and input on curriculum design, planning, and implementation.

Soft Skills Training and Adult Basic Education

Many businesses acknowledge that entry-level employees often lack a variety of “soft” skills in communication, time management, punctuality, conflict resolution, ethics, and professional attitudes. But it is precisely the soft skills training that businesses believe FBCOs can provide very effectively. For example, one company that has partnered with the FBCO, Family-to-Family, believes that FBCOs are well positioned to provide soft skills training, which she describes as an “introduction or coaching on entering the workplace” for job seekers with little experience facing common workplace challenges. She finds these soft skills so important that she would be willing to hire an applicant with a strong work ethic, even if that person does not have the right mix of technical skills. She explains,

I’d rather spend the time training somebody that is willing to work and move up than... on somebody who has all the experience but is not willing to cooperate or come to work.
Because businesses find soft skills training to be critical in preparing new workers for work, some FBCOs have focused explicitly on this type of training. Jobs for Life, for example, has honed in on this particular niche of business needs, offering strictly soft skills training to its clients. These partnerships have paid off for some businesses, which reported that partnering with FBCOs for the provision of soft skills training has improved worker retention and enhanced morale.

**FBCO Providing Soft Skills Training**

**One-by-One Leadership**, an FBCO located in Fresno, CA, has strong ties to the local workforce investment board and the One-Stop system. Its mission is to engage people in urban leadership for economic, educational, and spiritual transformation. Its director serves on the local WIB to support its economic development objectives. One-by-One also supports job seekers through its Neighborhood Employment Resource Center (NERC), a satellite “mini” One-Stop Center that is designed to resemble a home-like environment. NERC staff help job seekers get acclimated to a One-Stop Center environment by doing the initial intake and introducing them to the computer before they are referred to the One-Stop Center. This process is important, according to its director, because many of his clients do not speak English or are unfamiliar with a “work” setting and are intimidated by the One-Stop Center.

Businesses have also partnered with FBCOs to provide **basic skills training** for entry-level workers. FBCOs are skilled at providing basic skills training because they understand the particular needs of their clients and can train them in a sensitive and flexible manner. Adult basic education courses are typically comprised of basic reading and math skills and English as a Second Language. This training, when provided in a supportive environment, is especially valuable to entry-level workers who would otherwise lack the basic communication skills to function effectively in a work setting.

**FBCO Providing Basic Skills Training**

**TJX Company**, a large retailer with over 2,400 stores internationally (2,000 of which are in the U.S.), partnered with Goodwill Industries to provide English for Employment classes. An business representative met with Goodwill staff to design the class to its specifications, starting with elementary English and progressing to more complex work English for use in a work environment. The curriculum focused specifically on basic work communication skills, such as how to talk to your supervisor, how to ask for directions, how to use the phone, how to use public transportation, etc. These classes were held at the company’s distribution center.
Technical Skills Training

Technical skills training is another way in which FBCOs provide value to workforce partnerships. However, the size and scope of the training varies from partnership to partnership depending on industry demands and business needs. Training programs can be short-term (two weeks to three months) or longer term (lasting up to a year). In addition, technical training programs can be geared towards preparing pools of potential job candidates and new hires for employment or towards upgrading the skills of a company’s incumbent workers. Finally, technical skills training programs can vary by the level of business involvement in the design and implementation of the courses.

Observers have noted that FBCOs are effective training providers and are committed to their clients. In McConnell’s words, the staff are “mission-driven, committed and passionate” and are likely to “go the extra mile” for clients (McConnell, 2006). This kind of personalized service provision is also possible because FBCOs are small, grassroots organizations that are not bureaucratic, enabling staff to be flexible about the kinds of training services that are needed to meet business needs. For instance, FBCOs may provide training during evening and weekend hours in an ongoing effort to be customer-driven. Further, FBCOs provide culturally appropriate services because they have in-depth knowledge of their community. For example, a Hmong community center provides translation services and information on Hmong culture to the local One-Stop Center in Colorado. This service is especially valuable to the Hmong clients who are unaccustomed to the One-Stop Center environment but who can benefit from the Center’s training and other services (McConnell, 2006).

The following provides an example.

Technical Training Provided by FBCOs

**Visteon Corporation** is a full-service supplier that delivers consumer-driven technology solutions to automotive manufacturers worldwide and through multiple channels within the global automotive market. The company employs nearly 79,000 employees in over 25 countries. Visteon uses unique partners such as Resource Consulting Group, a subsidiary of Manpower, Inc., and Detroit-based nonprofit, Focus Hope, to recruit and train machinists and even engineers. Focus Hope provides technical training for former welfare recipients and other low-income individuals, including classroom instruction and on-the-job training. In addition, the nonprofit pays for the training and provides students with a stipend. After training, Resource Consulting screens and recruits qualified graduates of the Focus Hope program and refers candidates to Visteon, who makes the final hiring decisions (www.winwinpartner.com)
Many employer/FBCO partnerships also leverage the resources of local One-Stop Centers to provide technical training to job seekers. These partnerships access government Workforce Investment Act (WIA) funding to support their participants during training and after placement. Examples of this include the Customer Service Institute of Connecticut, established by a local community college and local FBCOs with support of local businesses and the One-Stop system, and the Good Samaritan-WIA partnership in Michigan.

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<th>FBCO and One-Stop Partnership for Training</th>
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<td><strong>Customer Service Institute of Connecticut</strong> was established by the Capital Community College in partnership with various private businesses and FBCOs to offer short-term technical skills training, supportive services, and placement for low-income job seekers and welfare recipients in the financial services, telecommunications, and health care industries. The Institute partnered with the Community Renewal Team (CRT), an FBCO that helps to recruit students and offers them supportive services during training and after placement. Recently, the partnership has strengthened as CRT became the local One-Stop operator. It was able to enroll participants in the One-Stop system and support them with WIA core and intensive services. In addition, CRT has co-located its One-Stop business services unit within the Institute to better coordinate outreach to local businesses (Roberts, 2002).</td>
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<td><strong>Good Samaritan-Local Workforce Investment Board (WIB).</strong> The local workforce investment board (WIB) in Ottawa County, MI, has facilitated a strong partnership between an FBCO (Good Samaritan) and a number of businesses to solicit input on its training program. To raise companies’ awareness of the work of the WIB and the Good Samaritan, the WIB developed brochures about its grant and convened a breakfast for local business leaders. Several interested businesses signed a memorandum of understanding (MOU) that outlines the responsibilities of the One-Stop Centers, Samaritan Ministries, and businesses. The businesses were required to identify a contact person, participate in quarterly meetings with FBCOs and other partners, and interview FBCO clients. Businesses were also trained on how social class dynamics can affect communication and work stability (McConnell, 2005).</td>
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Many partnership models involve significant employer/FBCO coordination in planning, curriculum design, and implementation of the training program. In these “higher intensity” partnerships, businesses designate partnership liaisons, may have members on the nonprofit’s board of directors, contribute direction and materials for training, and may be heavily involved in securing funding for sustainability. Further, staff from FBCOs typically meet with business representatives to pinpoint skill sets that they look for during the hiring process. For their part, FBCOs feel that business participation in the development of training curriculum is a significant factor in their ability to offer a demand-side approach to workforce development.
As businesses become highly involved in the management and direction of the partnership, they tend to incur higher costs in staff time and funding. Nonetheless, researchers have noted that highly connected partnerships offer great potential for cost-saving benefits (Marquardt and Feeley, 2002). For example, some of the cost of high-level participation in FBCO partnerships can be offset by including multiple businesses in a workforce development collaborative. Additionally, businesses that contribute to the program design often will have first pick of training graduates and the advantage of accessing a pool of candidates that are better prepared for employment.

### Business Contributions to Training Design

In 2003, the U.S. Business Reporter predicted that employment in the banking industry would increase 10 percent by 2005. **Goodwill/Easter Seals Minnesota (St. Paul)** and **Twin Cities area banks**, such as TCF, offer a four-week training program that prepares individuals, especially single mothers leaving welfare, for entry-level banking jobs. The curriculum includes technical financial skills training and soft skills training. TCF collaborated to help design the curriculum, and a business advisory council was formed with other industry partners to provide ongoing input to adjust and improve the program. As a result, the bank won the 2003 Families Count Family Strengthening Award sponsored by Goodwill Industries International and the Annie E. Casey Foundation (www.goodwill.org).

**Philadelphia AME** church partnered with local businesses to address the shortage of precision-skilled manufacturing workers in the Greater Philadelphia region. In collaboration with local businesses, the church developed a technical skills training program in machining for low-income and minority residents. The program model offers four phases of training over the course of 61 weeks, and job seekers are subsequently referred to a number of business partners upon training completion (Elliot et al., 2001).

**Partnership in Automotive Career Education** (PACE) is an example of high-level business participation in training development. The collaborative includes Boston-area community-based organizations, such as the Asian American Civic Association, La Alianza Hispana, and the Urban League of Eastern Massachusetts; local area businesses, such as Sullivan Tire, Village Automotive Group and Bridgestone Firestone; the Massachusetts Automobile Dealers Association; and Benjamin Franklin Institute of Technology. The partnership seeks to prepare disadvantaged people of color for automotive careers in an industry that is experiencing a shortage of skilled workers. Community-based organizations screen and recruit potential candidates and enroll them in pre-employment and occupational skills training. Trainees undergo 287 hours of technical training as well as soft skills training including teamwork and customer service. Company human resource representatives, the PACE training director, and the president of the community college are members of the partnership’s operational advisory board, which meets regularly to oversee training curriculum as well as advise on broader issues of long-term vision and funding strategies. Company participation on the operational advisory board ensures that training builds on skill sets that are relevant to the labor market (www.skill-works.org/granteeimprgrants.htm, http://aaca-boston.org/education).
Another variation on the training component of employer/FBCO partnership models focuses on *customized training* for a single business. These models are often based on what Marquardt and Feely refer to as “cohort partnerships,” or ventures between one FBCO and one business. Together, partners may develop training that prepares job seekers or incumbent workers for specific openings that a business is seeking to fill. In customized training, a company may commit to funding part of the training, or interviewing or hiring a set number or percentage of training graduates. An example of an employer/FBCO partnership for customized training is the Project Quest/Standard Aero San Antonio partnership. Project Quest, a self-described “nonprofit employment broker,” is an FBCO dedicated to training and placing job seekers. The Milwaukee Jobs Initiative provides another rich example.

### Customized Training

**Standard Aero San Antonio, Inc.**, an aerospace jet engine repair and overhaul facility that provides services to Lockheed Martin and the U.S. Air Force, was faced with a familiar challenge for many companies – an aging, retiring workforce with few qualified workers in the pipeline to replace them. Standard Aero needed a pool of candidates for Tech 1 positions to dismantle, repair, and assemble jet engine components. To meet that challenge, the company appealed to Project Quest, a San Antonio nonprofit employment broker. After researching the specific needs with Standard Aero executives, Project Quest and the local community college, St. Philips College, helped develop a five-month training class. At the close of the training, Standard Aero hired 100 percent of the graduates for Tech 1 positions. By engaging in the customized training partnership instead of proceeding with more traditional company-sponsored training and recruitment strategies, Standard Aero estimates a savings of $140,000 on the first class of workers. Quest paid the trainees for the first two months and provided everything from childcare to transportation, as an incentive for them to finish the program. For the last three months, Standard Aero paid $7 per hour to each trainee. Based on the cost-effectiveness of the program and the quality of the workers, Standard Aero commissioned a second training in 2002, resulting once again in the hiring of all of the training graduates ([www.winwinpartner.com](http://www.winwinpartner.com)).

**The Milwaukee Jobs Initiative (MJI)**, one of the Annie E. Casey Foundation’s “Job Initiative” sites, originates from the Campaign for a Sustainable Milwaukee, a grassroots coalition of religious, labor, and community leaders in collaboration with government workforce agencies. MJI utilizes a sectoral, demand-side job training approach to implement a customized training program for several strategic industries. In its focus on the local manufacturing sector, MJI has partnered with a regional coalition of businesses and labor unions to create the customized training program. Businesses that are willing to guarantee jobs to graduates of the program provide input to Milwaukee Technical College on the development of the customized training. MJI, in turn, screens job applicants, administers the training program, and provides soft-skills training and mentorship ([PolicyLink, 2000](http://www.policylink.org)).
Incumbent Worker Training

Customized training can also be designed for incumbent workers, and here too FBCOs can provide substantial value. This type of training comprises a long-term approach to workforce development that opens occupational pathways for workers leading to positions requiring more complex skill sets and offering higher pay. These career ladder training programs typically have a sectoral focus, targeting high growth industries, such as the health sector, hospitality sector, financial services, and telecommunications. The framework is based on life-long learning, beginning with basic skills education and advancing to complex technical skills learning. Because career ladders are intended to directly support the labor needs of businesses, companies clearly outline career tracks for participants to follow. For example, career ladder programs provide opportunities for hospital janitors to become certified nurses assistants (CNAs), medical administrative assistants can train to become unit coordinators, and entry-level workers in the financial sector might train to be loan officers.

Because of their focus on entry-level, low-income workers, career ladder programs generally offer a variety of comprehensive services including supportive services, case management, and coaching to complement the soft skills and technical skills training. Supportive services, such as transportation assistance and childcare, facilitate the participation of incumbent workers who otherwise would not be able to afford to partake in the extra training offered as part of a career ladder model. Thus, businesses can greatly benefit from the assets that FBCOs offer, including the added supportive services for new workers to enhance their retention. Meanwhile, businesses generally contribute significant resources as well, such as staff time or funding, and provide input on the training design, implementation, and monitoring. However, to offset the cost, customized training can be open to employees of other paying companies.

One documented case is that of Kirby Co., a large vacuum cleaner company that aimed to promote some of its entry-level workers to first-line supervisors. The company partnered with WIRE-Net, a Cleveland-based manufacturing consortium that comprises manufacturing companies, schools, and community development corporations (CDCs), and specializes in customized or business-based training. The specialized program took place on Kirby Co.’s grounds and participants used the facility’s equipment. The partners opted to lower the costs of the training session by including participants from several other companies that were willing to pay. For their part, the non-profit CDCs bring their own unique focus to strengthen neighborhoods, develop and maintain housing, and provide residential and other services. Over twenty Kirby employees completed the program, and the company’s managers noticed an increase in the morale of those who participated.
In another example of leveraging resources, SkillWorks, a consortium of private foundations, the city of Boston, and the Commonwealth of Massachusetts, funded a three-year grant to a number of FBCOs partnering with local businesses to implement career ladder training. The initiative aims to “provide accessible pathways to advancement for low-income job seekers and low-wage workers” and “meet the human resources needs of businesses, so that they can be more productive and more competitive” (Herber and Siegel, 2005, pp. 8).

Businesses can participate in career ladder partnerships in a variety of ways, by recruiting and hiring trained candidates, contributing to training designs, and providing training themselves. For example, the Hilton Hotel Corporation partnered with the International Institute of Boston (IIB), a nonprofit organization in the Boston area, to develop pathways to career opportunities in the hospitality industry. Through the partnership, Hilton Hotel offers input to training curriculum, and IIB offers training, case management, and supportive services. Workers that complete the program either go on to work with the Hilton Hotel Corporation or with other local businesses in the hospitality industry.

### Career Ladders in the Hospitality Industry

**The Hilton Hotel Corporation-IIB** partnership includes pre-employment and incumbent worker components. The pre-employment training program includes four weeks of classroom instruction and two weeks of hands-on training and job shadowing at Hilton hotels as well as other local hotels. During the first four weeks, participants attend vocational English as a second language courses and industry-specific training focusing on housekeeping and customer service. The incumbent worker component focuses on worker retention by addressing the logistics of time and transportation that are required to participate in the program. Hilton made a financial commitment specifically to the incumbent worker program component by offering participating workers 100 percent paid time off to attend onsite classes.

In the first year of implementation, 49 hired graduates from the pre-employment training, along with other Hilton incumbent workers, participated in the incumbent worker training program, which offers a 14-week Advanced English Course, a three-week class for Specialized Computer Training, and career coaches. Since the program has only been in effect for less than a year, it is difficult to obtain measurable outcomes. Nevertheless, 38 of the 49 participants completed the program and 14 received wage raises within the first six months after completion (Herbert and Siegel, 2005).

Similar ventures have been realized in other high-growth sectors. The health care industry has long been experiencing a shortage of skilled nurses and nursing assistants. However, financial circumstances made it difficult for businesses to hire licensed vocational nurses (LVN), preferring to pay lower wages to certified nursing assistants who answer directly to registered nurses. While most health care institutions were following this trend, nursing homes and
assisted-living facilities were still in need of LVNs. The following example illustrates how one company partnered with a local FBCO to address its specific labor needs.

### Career Ladders in the Health Sector

**Air Force Villages Assisted Living Facility**, whose managers were interested in promoting workers from within the facility, partnered with Project Quality Employment Through Skills Training (Project Quest), an FBCO offering case management, assessment services, remedial and occupational skills training, soft skills training, supportive services, and job placement. One of the technical training programs that Project Quest offers is an incumbent worker “mobility” program for nursing assistants.

Quest worked with Air Force Villages and St. Philip’s College to develop a nursing assistant to LVN pilot training program. The three parties worked through the curriculum design and class scheduling, which was especially difficult as Project QUEST negotiated with the college to provide classes during the incumbent workers’ off time, which could be early mornings or late evening when most instructors are unavailable.

The program initiation was delayed as the partners worked through these scheduling details. Nonetheless, early comments suggest the program is providing a much-needed service. The company’s staff development manager explains, “Without the kind of assistance and guidance they [Project Quest] offer, I think many of my employees would have never had this opportunity to get nursing qualifications” (Rademacher et al., 2001).

Businesses that work with FBCOs understand that career tracks are important factors in hiring staff. CVS Pharmacy openly identifies career tracks for different entry-level positions and makes them clear to their incumbent workers. When recruiting in Washington D.C., CVS noted that the policy was a significant factor in gaining credibility with job seekers. Mount Lebanon’s pastor explained that job seekers were “concerned about going from one dead-end job to another. But when CVS showed them the growth opportunities and career tracks for different entry-level positions, [it] helped to create more trust and confidence in CVS’s intentions” (Post and Wubbenhorst, 2006, pp. 7). In another example, Brightpoint Subscriber Services, in partnership with SF Works and the Regional Technical Training Center (RTTC), identifies paths for career advancement and considers employees for promotions after three months of employment.

### Work-Based Learning and Work Experience

Another type of employer/FBCO workforce development partnership is through work-based learning (WBL), or “learning on the job.” WBL can occur in several ways, such as in combination with vocational skills classroom training to give workers hands-on experience. For example, participants in a certified-nurse assistant (CNA) training may be required to participate in a “lab” that takes place on the job so that they can practice their skills in a real-life context. WBL also can occur immediately following a classroom training component, such as through on-the-job (OJT).
training or internships, so that participants can continue their training. Or, companies may elect to train program participants entirely on the job.

In a WBL approach, costs can be defrayed because some portion of the trainee’s wages can be paid for from public sources (such as in WIA’s on-the-job training, which covers the “extraordinary” costs of training), or businesses may bear the full costs, as when they have decided to invest in “trying out” new employees without public support. This trial period can be a significant incentive for businesses who are hesitant about hiring participants because they are concerned about the risk and cost if the employee does not work out. For example, Salomon Smith Barney has partnered with a New York-based CBO, Wildcat Services Corporation, to find entry-level employees. Participants from Wildcat are placed in an internship after program completion, where they work closely with supervisors who monitor and train them on the job. Unlike other public-private partnerships that were reviewed, Salomon pays Wildcat for the use of its program participants, which it uses as “temporary staff.” This approach enables Salomon to determine whether the interns fit in with the company culture before committing to hiring them. The Human Resources Director at Salomon Smith Barney felt that the program was a huge success and had an excellent retention rate.

As she put it,

> Where else can you try out employees for four months before you hire them? The Wildcats are highly motivated and well trained, they really want to work, and they’ve exceeded expectations. This has become an inexpensive way to fill numerous job openings. I could not have planned this better. The retention rate among the Wildcats is about 94%” (Sutton, 2001, p. 26).

Other businesses like CVS have taken their partnership with FBCOs a step further by creating mock worksites/stations at the training centers. CVS has created Regional Learning Centers (RLCs) in One-Stop Centers to offer comprehensive training programs with simulated workplace experiences for each of the career tracks available. The goal of the RLCs is to recruit and train people on public assistance for jobs with career paths. The RLCs house mock CVS stores and pharmacies that thus provide training in a simulated work setting to participants, as each RLC contains photo labs, electronic registers, one-hour photo labs, pharmacy labs, etc. (Litchfield, et al, 2004). FBCOs play an important role in referring qualified job applicants to the local One-Stop Center to train in these mock RLCs.

Some of these examples, and additional ones, are described more fully below.
Work-Based Learning

**Salomon Smith Barney (financial services).** This firm partnered with Wildcat Service Corporation, a CBO that specializes in workforce development. Wildcat has developed a rigorous 16-week training program in software applications compatible with Salomon’s job requirements. Upon completion, pre-screened, highly motivated individuals begin work at Salomon Smith Barney as interns for 4 months. During their internship, job seekers remain Wildcat trainees while Salomon pays Wildcat for temporary help. Participants receive additional training and supervision in entry-level positions the company needs to fill, such as assistant research analyst, administrative assistants, positions in accounts payable and receivable and in customer service. During the internships, Wildcat provides case managers to work with the trainees and charges Salomon Smith Barney less than half the cost of regular temporary workers. Salomon uses the internship process as a strategy for “trying out” potential employees before making a commitment to hiring them as full time permanent employees (Sutton, 2001).

**Bank of America (BofA).** In a three-way partnership with Jewish Vocational Services and San Francisco Works, Bank of America collaborated on two training programs. One was an eight-week training program for proof operators (to encode items with dollar amounts and balance transactions). This training—all of which took place at Bank of America—included a four-week segment on life skills and basic computer skills, followed by four weeks of training in the Bank of America proof operations department. The first eight weeks were spent on office technology, computer literacy and applications, customer service skills, and job search skills. The second eight weeks were conducted at Bank of America’s teller school and included both classroom training and a paid internship at a bank branch. As part of the training, Bank of America assigned mentors to work one-on-one with the training participants. Bank of America found this aspect of the program to be crucial, as it provided valuable individual support that helped trainees acculturate to Bank of America’s corporate environment (Marquardt and Feeley, 2000).

**Marriott International Pathways to Independence.** 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. This program, operating in several cities (Los Angeles, New Orleans, Philadelphia), 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 provided by an FBCO and 120 hours of occupational training at a Marriott facility. Since its inception, approximately 850 people have graduated from Pathways (Brown et al., 1998).

**Index (Tulsa, Oklahoma).** 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. This program was designed to help welfare participants gain technical skills and work experience. In exchange for their welfare benefits, participants spend half of each day in an education program at a CBO 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 (Brown et al., 1998).
Post-Placement Support /Retention Efforts

Another type of business partnership involves the provision of post-placement support to enhance employee retention, such as through supportive services, case management (on-site and off-site), and a variety of work supports1 that can help new workers make a smooth transition to the workplace. This kind of support can be especially useful for former welfare recipients, many of whom have poor work histories and lack experience with handling job-related problems that may arise (Crandall, 2004). Recognizing the value of having their new employees have help of this sort, businesses help facilitate access to work support programs and are in some cases willing to invest in work supports programs on their own (Relave, 2005).

FBCOs are able to augment the traditional post-placement supports provided by other secular organizations because of their unique role in the community. For example, researchers found that many congregations offer short-term material assistance such as emergency food, clothing, and transportation assistance for job seekers and newly hired workers. Further, congregations host many childcare programs. One study found that almost one-sixth of childcare centers are located in religious facilities. While some centers are using or renting church space, a growing majority are operated by congregations themselves (Lindner, Mattis, Rogers, 1983, in Kramer, et al.). Furthermore, in a study of congregations in five cities, Kramer (2002) found that congregations often provide humanitarian help to their members that can potentially support their employment needs. These findings suggest that congregations that offer employment and training services may be able to leverage these additional resources to support job seekers.

Below are examples of FBCOs that are providing post-placement support to help new workers make a smooth transition into the work world.

- **Seedco**, a CBO in New York City, developed a business services outreach program as part of its EarnBenefits program for welfare clients. Seedco sends outreach workers to job sites to assist workers with benefits applications, marketing materials to businesses about the work supports available to low-income workers.

- **The United Way** of San Antonio coordinates business outreach through its Family Economic Progress program. Businesses are asked to host mobile clinics that focus on providing information on the earned income tax credit. United Way

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1 These work supports include help with the earned income tax credit, childcare subsidies, Food Stamps, public health insurance programs, unemployment insurance, transportation assistance, housing assistance, TANF cash assistance, and child support.
also provides financial education courses that help workers get information about other work supports.

- Detroit Chassis, in Detroit, contracted with the Children’s Aid Society of Southeastern Michigan to provide on-site employee assistance. The program has an on-site social worker at the firm who can address family needs such as accessing housing benefits, health, education, transportation, legal needs, etc. (Duke, Martinson and Strawn, 2006).

While FBCOs play a vital role in connecting workers to retention supports, businesses can also facilitate access to these services as a way to increase retention, by securing on-site case management support for its new workers to help them acclimate to the work culture. The examples below demonstrate this, and highlight the important role FBCOs can play.

**Cascade Engineering**, in Michigan, has developed a welfare-to-career program in an effort to move welfare recipients into self-sufficiency. Cascade has partnered with Michigan’s Family Independence Agency (FIA) and FBCOs to identify barriers that welfare recipients face and to connect them to community resources. The company learned that welfare clients lack reliable transportation and childcare and suffered from domestic and substance abuse. With the help from FIA, Cascade helped develop a coalition of agencies to address these barriers. Transportation needs were met by a local ministry called Angel Wings, and childcare was provided by the Kent Regional Community Coordinated Childcare. Once clients were hired by Cascade, the company realized that welfare clients needed more ongoing and intensive support and was able to secure onsite case managers to provide clients with one-on-one support. These case managers counsel workers before meetings with supervisors and provide emotional counseling to address issues at home. Furthermore, Goodwill Industries provided additional retention support through a retention specialist who visited the worksite during the night shift (www.goodwill.org).

**Towards Employment**, a CBO in Cleveland, has developed the *Achieve Program*, a retention program that focuses on providing supportive services. This program—operating in 11 sites nationally—operates from the worksite, with the specific goal of reducing staff turnover. The program has built in specific supports to enhance retention, such as worksite-based case management, lunchtime workshops on workplace skills and financial literacy, training for supervisors, and supportive services. Case managers work closely with workers to identify their barriers to employment and refer them for additional services or pay for the services through the program. An evaluation of the program suggests that participants in the Achieve Program were more likely to retain their jobs than those in control sites, and businesses report improvements in morale and productivity (Relave, 2005).
Corporate Philanthropy

Another way in which some businesses partner with FBCOs is through corporate philanthropy. In this approach, businesses serve as funders to enhance the capacity of FBCOs to provide employment and training services in the hopes to improve community outcomes and enhance the quality of the labor pool. Grants are made directly to FBCOs for capacity purposes or to specific programs geared towards summer internships, school-to-work programs, technical assistance, etc.

BizLink Network. The Welfare to Work Partnership launched this network in five cities—Chicago, Los Angeles, Miami, New Orleans, and New York—to help businesses meet their hiring needs through welfare-to-work initiatives and to better support new workers. The network is an innovative solution to help businesses and service provider organizations connect and work together to place and retain job-ready welfare-to-work participants. It helps increase job retention for new workers by identifying solutions for child care, transportation, and other issues; provides mentors for new workers; and establishes links among programs that provide critical supports. The Partnership works with Women in Community Service (WICS) and the National Center on Addiction and Substance Abuse at Columbia University (CASA). WICS provides mentoring specialists at each site, and CASA helps develop materials for businesses on job retention among people with substance abuse problems (Relave, 2001).

FBCOs and Corporate Philanthropy

Johnson and Johnson (J&J) developed a Bridge to Employment program to provide opportunities for youth to receive training and education to pursue careers in health-related fields. The program is designed to help high schools and community colleges develop curricula by implementing work-based learning through internships, field trips, mentoring, and job shadowing programs. J&J offered grants of up to $90K over three years to groups selected to participate in Bridge to Employment. J&J also sees this program as a corporate community relations strategy, which serves the dual purpose of facilitating collaborations with organizations in disadvantaged communities and improving the pool of labor. J&J assigns a host organization to serve as an intermediary between J&J and the community. Because this partnership model is philanthropic, J&J states that providing internal employment opportunities for youth interns is not the intention of the program. Rather, the program is designed to expose youth to health-related careers and support their career goals (Sutton, 2001).
IBM. Since the LA riots in 1968, IBM has partnered with CBOs by donating the equipment, supplies, technical services, and training. Since its initial partnership with Urban League, IBM has expanded to include 170 CBOs and invested over $26 million in technology and support. One of its philanthropic strategies is the IBM Workforce Development Technology Grant Programs, which included a three-year grants program that invested over $2 million in ten projects nationwide to build the technology infrastructure of CBOs and schools. The main goal of the program was to build the organizational capacity of employment and training providers by allowing them to use cutting-edge technology, e.g. distance learning, video conferencing, internet access, etc. Although job placement was not the end goal, the program has placed 1,300 people in jobs paying $6 to $13 per hour. Jobs included repair technicians, security guards, medical assistants, bookkeepers, customer service reps, and environmental technicians. IBM also made a grant to a WTW partnership in DC to help them upgrade their website, and redesign their database. This database was intended to link job and training opportunities across regions and states, so that people can access the database to locate job openings, skill requirements, and training providers. Like the Johnson and Johnson example, this model of partnership is not intended to directly affect individual level outcomes, rather it is aimed at enhancing the organizational/institutional capacity of workforce development agencies. (Sutton, 2001).
IV. CHALLENGES

As we have seen in Chapter II, there are a number of benefits to employer/FBCO partnerships. Nonetheless, like many other public-private collaboratives, employer/FBCO partnerships are not without challenges. In this chapter, we discuss the challenges that have emerged from these partnerships, focusing specifically on those faced by businesses. The challenges, discussed in detail below, include:

- Overcoming negative stereotypes of FBCOs and its constituents
- Committing resources to developing and managing external partnerships
- Securing staff buy-in
- Understanding the culture of FBCOs
- Achieving sustainability and acquiring funding
- Surviving shifts in economic climate or labor markets

**Overcoming negative stereotypes of FBCOs and its constituents.** One of the most common challenges facing businesses when partnering with FBCOs is to overcome the powerful negative stereotypes that they hold. Businesses often view low-income workers as inefficient, unproductive, disloyal, lacking in education and skills training, and not sharing the same work ethic as other labor pools. When businesses gain experience hiring job seekers from FBCOs, they soon learn that these job seekers can be productive and dedicated employees. In fact, Pennzoil’s General Partner, Bill Nelson, noted that, “Since many of the [program] grads have been given a second chance and appreciate it, they are more loyal because of the help they received.” The president of Continental Labor Resources (CLR) agrees. As she put it, the partners “have a huge success rate with those kids that get hired on full time and go on to full time jobs… some that have bought houses and cars.”

**Committing resources to developing and maintaining external partnerships.** Developing a working relationship with an FBCO partner and managing workforce partnerships is essential if businesses expect significant benefits from the relationship. This includes a process of establishing a common vision and a common language within the partnership, in addition to a
process for ongoing communication. Weiser asserts that maintaining a successful partnership requires a significant investment of effort, time, and energy (Weiser 2005).

However, many businesses are simply unaware of the real time and staff commitment that is necessary to maintain workforce partnerships, and have not planned for this unexpected challenge. Not investing the resources to developing and maintaining the partnership can result in a lack of understanding of job descriptions, a lack of coordination in the timing of trainee graduation and business hiring periods, and miscalculations of needed funding.

Some partnerships overcome the obstacle by designating corporate liaisons to interact with FBCOs to maintain and oversee the partnership. For example,

- The Hilton Hotel Corporation designated company representatives to participate in a Planning and Evaluation Committee along with staff from the International Institute of Boston, the partnering FBCO (interview with IIB project manager).
- In the Partnership for Automotive Career Education, business partners meet with participating FBCOs at regular advisory committee meetings to discuss operational decisions and design issues (interview with PACE project manager).
- The University of California, San Francisco designated staff members to take charge of developing and refining its program to create a recruitment and training program for potential new hires, which it developed with Jewish Vocational Services (JVS). Staff also participated in weekly meetings with the JVS liaison and monthly meetings with UCSF’s volunteer mentors (Marquardt and Feely, 2002).
- Bank of America employs one part-time national staff member responsible for support and coordination of its welfare-to-work initiatives (Marquardt and Feely, 2002).

As demonstrated in these examples, a large portion of program costs can be related to the development and maintenance of partnerships. However, much of the costs are offset by partnership benefits, as discussed in Chapter II.

Securing staff buy-in to partnership. Businesses also face the challenge of securing buy-in from key personnel who are involved in the partnership. These staff members, who often are involved as job mentors, supervisors, or program planners, are key players to the partnership. Indeed, Sutton asserts that the level of corporate buy-in, from company leaders to entry-level staff, is a significant factor in the success of a training and employment program (Sutton, 2001). For example, UCSF and JVS employed a job-shadowing component to their entry-level worker training program and an internship component to their incumbent worker training program. The job-shadowing component worked well and increased worker morale as staff members took pride in their new roles as mentors. However, in the incumbent worker training program, staff
mentors were discontented with their new role, which required them to take on extra duties without additional compensation. This example indicates the importance of selling the workforce program to participating staff members from the onset and getting feedback from all employees about the program.

**Understanding the culture of FBCOs.** From time to time, businesses enter partnerships with FBCOs without fully understanding the culture of the nonprofit sector, its service delivery models and its program requirements. For example, partnerships may be receiving public or private funding, which almost always requires collecting data to measure outcomes or impacts. Businesses may not feel comfortable or accustomed to collecting and reporting participant data, especially for long-term follow-up for up to one year after the initial intervention took place. This is especially true if the business was only very loosely involved in the program design and management, and the services offered were simply a one-time event. For example, SkillWorks, which is funding the Partnership for Automotive Education Career program, requires up to six months of follow-up services and data collection after training. This is true even if the worker only participated in a two-day incumbent worker certification seminar. Any partnership is difficult to maintain, especially one in which the partners have very different backgrounds and perspectives. Overall, our research found that once businesses gain experience working with FBCOs they quickly come to understand and appreciate the FBCO culture and program requirements.

**Achieving sustainability and acquiring funding.** Employer/FBCO partnerships often have public and private funding to implement their workforce programs. When funding ends, the FBCOs and businesses need to find ways to sustain the partnership. One example of a partnership that faced this specific challenge is that of UCSF-JVS.

- The University of California Medical Center, San Francisco (UCSF) partnered with Jewish Vocational Services (JVS) to create a recruitment and training program for potential new hires. With the initial funding of workforce intermediary SFWorks, the program was successful in hiring 12 individuals to fill clinic assistant positions for the university hospital. As a result of the success the partners had with the recruitment and training components, JVS and UCSF initiated an incumbent worker career ladder component, which also experienced preliminary success. Unfortunately, SFWorks reported that cuts in public funding, in addition to other factors, limited the partnership’s ability to offer services. While the parties intend to continue the relationship in the future, the JVS-UCSF partnership is currently inactive. (Marquardt and Feeley, 2002)

Depending on the level of commitment and the size of goals, many partnership models can have significant funding needs. Therefore, it is crucial for businesses and FBCOs to determine partnership goals and develop a plan for sustainability that corresponds to their needs. This
includes developing a short and long-term funding strategy, which considers seeking public funding or private grants, business contributions or investments into the partnership, and/or the inclusion of other businesses into the partnership.

The International Institute of Boston (IIB)-Hilton Hotel Corporation partnership is currently exploring a number of these strategies to ensure sustainability, by seeking private sector sources, public funds, and business contributions. In addition, WIRE-Net, described in Chapter III, is achieving sustainability through private foundation funding to collaborate with a local community college to provide training (Roberts 2002).

Finally, businesses and FBCOs can access One-Stop resources to further sustain their partnerships. This strategy was successful for the Customer Service Institute of Connecticut, described in Chapter III. The partners collaborated with the Community Renewal Team, which was also the local One-Stop operator, to further support job seekers and strengthen their coordination with other local businesses.

**Surviving shifts in the economic climate or labor market.** Shifts in the national, regional, and local economic climate and labor market can have a tremendous effect on employer/FBCO partnerships. Industries that have predicted growth and hiring needs in the beginning stages of a partnership may encounter changing markets that may force them to consolidate departments, freeze hiring, or shift hiring strategies. In the Ford Foundation Corporate Involvement Initiative, “a number of partnerships were abruptly terminated or experienced problems when the economy slowed down, companies merged, the stock market declined and/or business strategy changed” (Weiser 2005, pp. 45). Further, the UCSF-JVS partnership shifted drastically as the university’s financial outlook changed as the local economy declined. As a result, UCSF decided not to hire more clinical assistants and began consolidating departments. This particular employer/FBCO partnership is currently inactive due to these shifts in the economy and funding cuts.
V. CONCLUSION

FBCOs are vital community institutions that play a strong role in supporting people in need. The findings from this report suggest that FBCOs can and do provide important services to the business community and to job seekers, including employment and training services and supportive and humanitarian services that are a core part of their agenda. This report provided a glimpse at the issues that emerged in employer/FBCO partnerships, some of which included partnerships between FBCOs and the workforce development system.

Findings from this report reveal that FBCOs provide tremendous value to businesses, including their in-depth knowledge of the local community and the issues facing job seekers and working families, their access to motivated job seekers who could be a source for hiring, and their ability to provide employment and training services in a flexible and personal manner that is responsive to businesses and job seekers. Further, job seekers are drawn to FBCOs’ personal and holistic services to help them feel supported and nurtured in their search for a successful career.

Businesses that have partnered with FBCOs have gained numerous benefits, including cost savings on recruitment and hiring, increased employee retention, and enhanced community relations. With respect to the last of these, businesses that partner with FBCOs boast of their strong public image, because they are making a deliberate decision to improve the quality of life for people most in need and the communities in which they operate.

However, findings from this review show that, while the desire to affect social change is a strong motivator for businesses to partner with FBCOs, most businesses felt that the primary reason they partner with FBCOs is to enhance their bottom line. Thus, employer/FBCO partnerships have blossomed because businesses report saving thousands of dollars in advertising and screening job applicants when they partner with FBCOs, who can effectively recruit, screen, and train job applicants for specific job openings. Further, businesses noted that the applicants referred by FBCOs are more loyal than those recruited through traditional methods, thereby enhancing their retention rates. One business in particular reported that retention among FBCO referees was 20 percent to 30 percent higher than other types of employees. Although businesses recognize that partnering with FBCOs requires some investment in staff time and resources to
jumpstart and sustain the partnership, they discover that these costs can be easily offset by the substantial benefits just described.

There are multiple ways in which businesses can partner with FBCOs. Businesses can collaborate with FBCOs to convene large job fairs, post job listings within their vast network, and train job seekers on relevant skills and competencies. Through FBCO partnerships, businesses can channel their recruitment efforts towards targeted populations—such as disadvantaged youth, low-income individuals, dislocated workers, veterans, and people with disabilities—who could fill appropriate career tracks. Businesses can also leverage the passionate and committed staff within FBCOs to provide responsive training in soft and hard skills. To further enhance retention, FBCO staff can work closely with new workers to ensure that they transition smoothly into the workplace. These services that FBCOs provide can be of tremendous value to businesses that seek to find qualified workers that are motivated to transform their lives.

While much remains to be known about the nature of FBCO and business partnerships, the examples highlighted in this report reveal that FBCOs are well positioned to enhance their work with businesses to help them meet their objectives and to help job seekers meet their career goals. To capitalize on the strengths of FBCOs, more information is needed to understand their unique strengths and weaknesses in working with businesses so that practitioners and policymakers can make informed decisions about how to best support effective employer/FBCO partnerships.
Bibliography


Department of Labor. Partnership in Action: Examples of Employer/Faith-Based and Community Organization Partnerships.


APPENDIX A:

Methodology and Limitations
Methodology for Literature Review

Our data collection methodology included a literature search, coupled with selected telephone interviews with FBCO representatives to gain additional details and insights about their employer partnerships. These strategies are discussed below, along with their limitations.

Search Strategy

This paper draws heavily from published literature about employer partnership with FBCOs, which may or may not involve One-Stop systems. Our strategy is to identify national partnerships between FBCOs, One-Stop systems, and national employers, focusing specifically on partnerships with large employers in high-growth sectors.¹ There are several layers to our approach. First, we developed a list of national faith and secular organizations that focus on economic and community development and conducted a thorough search of their websites for publications and case studies. Next, we identified intermediary organizations that administer and provide technical assistance to faith-based and community programs, including Jobs for Life/Jobs Partnership of Florida and Faith and Service Technical Education Network (FASTEN). These organizations provided links to other resources that were useful to our search.

In addition, we identified a number of national organizations that document partnerships between community-based organizations and employers. For example, we reviewed publications from national workforce development organizations such as Workforce USA, private research firms, and university-based research institutes, as well as publications from funders that have a special interest in FBCOs.

This process produced numerous references, comprised of business and academic journals, book reviews/tables of contents, unpublished reports and abstracts, website addresses to various additional references, and reports from community-based organizations, publishing clearinghouses, technical assistance providers, and government and state organizations. Using these sources as the foundation for our search, we then conducted extensive online web-searches

¹ These high-growth sectors include the following: (1) advanced manufacturing, (2) automotive services, (3) biotechnology, (4) construction, (5) energy, (6) financial services, (7) geospatial technology, (8) health services, (9) hospitality, (10) information technology, (11) retail trade, and (12) transportation. These twelve industries are consistent with the President’s High-Growth Job Training Initiative, a strategic effort to prepare workers for new job opportunities.
using numerous internet search engines such as yahoo.com and google.com.\textsuperscript{2} The online search engines were especially useful for finding unpublished and non-academic articles and reports. Appendix B contains a list of organizations and their websites that we searched, as well as individuals that we contacted to get information about partnerships.

The literature search was an iterative process whereby certain keywords led us to references that gave us new keywords. For citations that we found useful, we reviewed their bibliographies for additional references. We also searched online search engines using specific authors’ names, including those referenced by other authors in our initial searches. After examining a range of citations, we ultimately included numerous articles, chapters, books, and reports in our review.

**Telephone Interviews**

To supplement the literature review, we conducted one-hour telephone discussions with key respondents with selected FBCO staff and employers to gather more information about the partnerships. The interviews provided valuable information about the partnerships that were not readily available through the literature review alone. We probed about the partnership objectives, the partnership building process, and the benefits to the partnerships. We interviewed a total of six respondents. Interview respondents were selected through nominations by DOL’s Center for Faith-Based and Community Initiatives and represented unique and innovative models of employer partnerships. See Appendix B, section II for interview respondents.

**Limitations to Literature Review**

This literature for this review has a number of limitations that naturally limit the scope of this report. These limitations are organized along several themes: (1) little research has focused specifically on FBO/employer partnerships (though there is more on CBO/employer partnerships); (2) existing research on FBCOs is focused almost exclusively on their role in providing social services and the implementation of “Charitable Choice” at the state and local levels; and (3) studies on the effectiveness of partnerships between employers and FBCOs and One-Stop systems are limited.

**Little research on employer/FBOs partnerships.** In general, there is little documentation of partnerships between employers and FBOs, though there is more on those between CBOs and

\textsuperscript{2} Keywords that were used in conducting the searches included, but were not limited to, the following terms: workforce development and faith; faith-based jobs, faith-based partnerships, faith-based social venture, community development and faith, staffing firms and faith, employers and welfare reform, business social responsibility, worker retention, workforce partnerships, faith and jobs/work, and charitable choice.
employers. Most of the literature about employer partnerships is between local and national community-based organizations and One-Stop systems, and less frequently on FBOs’ employer partnerships. Much of the existing literature on employer partnerships includes information on employers’ experiences in and attitudes about hiring welfare recipients, and the attributes that employers look for in hiring entry-level workers.

There are several studies that have examined the role of FBCOs in providing employment and training services. For example, in 2002, the Urban Institute conducted a preliminary exploration of faith-based organizations in five cities that are providing employment and training services. This study found that only a few large congregations provide comprehensive employment and training services in combination with other social services (Kramer, et al. 2002). Funding for FBCOs to provide employment and training services was also limited—WIA funding represented only a small portion of the local workforce investment area’s total contracting (less than 10 percent). Another study, conducted by the Rockefeller Institute on Government, looked at New York City’s implementation of the Charitable Choice demonstration program (Rock, 2002). This study examined how welfare recipients received services by FBOs; the study does not include much information on the role of employers in the demonstration.

To address some of the gaps in the literature, DOL’s CFBCI has prepared some resource materials specifically on employer and FBCOs partnerships. These documents provide useful information on strategies that FBCOs use to connect to employers, including how those partnerships were formed and the roles of the FBCOs in those partnerships.

Research is focused on FBCOs providing social services. In the wake of welfare reform, there is an abundance of literature about the feasibility and implementation of FBCOs as service providers to the needy. This literature is in direct response to the “Charitable Choice” provision of the welfare reform law, which requires states and local areas to allow FBCOs to compete for public grants like other non-governmental service providers. At the same time, many studies have examined the types of aid that FBCOs provide to their communities and the unique means by which this aid is provided. In general, this literature suggests that FBCOs can, and often do, provide clients they are serving with vital services that can alleviate the effects of poverty. For example, the U.S. Department of Housing and Urban Development’s (HUD) CFCBI has compiled a comprehensive volume documenting the issues in building the organizational capacity of FBCOs and community development organizations. This document and others describe the role of FBCOs in serving their communities and the partnerships they form with other community agencies, such as homeless organizations, child protective services, refugee resettlement, substance abuse agencies, the department of justice, Community Action Agencies, community development agencies, etc. (Vidal 2001, Bartkwoski and Regis 1999)
Leaders from the philanthropic sector have also shown interest in supporting FBCOs to enhance their capacity to deliver social services. The Anne E. Casey Foundation, for example, has funded FBCOs to address systemic problems addressing poverty, and the Pew Charitable Trust has funded the Faith and Service Technical Education Network (FASTEN) to support intermediary organizations that provide technical assistance to grassroots FBCO service providers. Pew is also commissioning some research studies through the Rockefeller Institute on Government to understand the effectiveness of FBCOs in delivering social services. These efforts have further expanded our knowledge on the role of FBCOs in the social services sector, but do not directly address partnerships with employers.

**Limited studies on the effectiveness of employer partnerships with FBCOs.** The literature we found about employer partnerships with FBCOs tends to be descriptive in nature, containing simple case studies about the nature of the partnership, the roles of employers and FBCOs, and strategies FBCOs used to work with employers. The literature also contains some stories about individual-level transformation due to job training services received from a FBCO. However, we only found very few reports or case studies describing the outcomes of employer partnerships, including outcomes for employees, such as job retention and advancement and outcomes for employers.

To address this gap in knowledge, DOL’s CFBCI has made an effort to capture the partnerships that FBCOs are leveraging through its document *Partnership in Action: Examples of Employer/Faith-Based and Community Organization Partnerships*. This document includes case studies of FBCOs that are partnering with employers in their community. While we include the case examples in this report, we recognize that there are more partnerships at the ground level than what is documented in this paper, perhaps because most local level efforts are not well documented. We include these additional leads for case studies in Appendix D. Thus, the findings from this review provide a useful starting point and offer clues on the kinds of partnerships that FBCOs are brokering with employers.
APPENDIX B:

Resources for Literature Review
## Resources for Literature Review

### I. Online Resources

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**II. Interview Respondents**

Bill Broderick  
President  
Work Ministry.com

Colleen Doyle  
Community Collaboration Coordinator  
WORC

Patrick Flavin  
Manger of Government Programs  
TJX Companies

Karen Goh  
Family-to-Family

Sandy Goodman  
PACE Program Director  
Partners in Automotive Career Education (PACE)

Kurt Madden  
Director  
One-by-One Leadership

Aviva Rothman-Shore
SkillWorks Project Manager
International Institute of Boston

Shannon Smith
President
Continental Labor Resources
APPENDIX C:

Case Studies
Case Studies

The following case studies are examples of employer/FBCO partnerships highlighted in the literature review. Each case offers a detailed description of why employers partnered with FBCOs, the specific partnership model, challenges, and employer and participant benefits.

Advanced Micro Devices

Why Employers Partner: Due to an aggressive economic development campaign initiated by the Greater Austin Chamber of Commerce in the 1980s, many Silicon Valley companies, including Advanced Micro Devices (AMD), began expanding their manufacturing to Austin, Texas. However, businesses were facing a shortage of local skilled employees, particularly at the technician level. This situation led to a fiercely competitive labor market, which AMD managed by recruiting 70 percent of its technicians from out of the area. The strategy was less than ideal as the employer incurred recruitment and relocation costs of $5,000 per employee, or 10 times the cost of hiring local candidates. To develop a solution to this particular recruitment challenge, the AMD vice president partnered with SEMATECH, a nonprofit technology development consortium of semiconductor manufacturers, and Capital Area Training Foundation (CATF), a local nonprofit working to develop employer-focused workforce development.

Model: What was first a partnership to develop a curriculum for a new semiconductor manufacturing training degree program transformed into a long-term collaboration with local school districts. Together, the partners developed the Accelerated Careers in Electronics program (ACE), a school-to-work program that introduces high school students to careers in the semiconductor manufacturing industry. The group’s efforts resulted in a pipeline, leading students to the semiconductor manufacturing program at Austin Community College.

CATF, in its intermediary role, was instrumental in extending the program from an AMD focused operation to a regional effort. Specifically, CATF spearheaded the creation of the Semiconductor Executive Council, comprised of high-level executives from semiconductor companies, representatives from industry associations, and representatives from local schools (K-12, post-secondary, and universities). The Council addresses issues of workforce development in the industry, facilitating the exchange of information between companies, identifying employer needs, and developing solutions. CATF provides organizational support for the council and serves as its fiscal agent. Employers serve on the council and, depending on
the number of employees at each company, contribute funds and staffing to support programs. Finally, local school districts contribute in-kind resources and access to trainees.

**Challenge:** In 2001, the semiconductor industry workforce was greatly affected by a changing economic climate. Employers not only discontinued their recruitment activities, but also began laying off approximately 10,000 semiconductor workers. To adapt to these economic shifts, employers decided to focus their efforts on enhancing technicians’ skill sets and reinforcing the career track pipeline instead of increasing the actual number of technicians.

**Benefits and Outcomes:** In addition to overcoming the short-term recruitment obstacles, AMD’s long-term partnership with SEMATECH, CATF, and the Semiconductor Executive Council systematically improved the conditions of the manufacturing labor market at a regional level, and ultimately, enhanced the local industry’s ability to compete globally. CATF has applied this partnership model to other industries including construction, automotive, computer manufacturing, and financial services. Similarly, in the Dallas-Ft. Worth area, semiconductor manufacturing employers have developed an Executive Council based on Austin’s model.

Source: The Center for Corporate Citizenship at Boston College, 2004
Brightpoint Subscriber Services

**Background:** Brightpoint Subscriber Services, a service provider to the communications industry, partnered with SFWorks and community-based Regional Technical Training Center (RTTC) to recruit, train, and place welfare recipients for growing, well paying entry-level positions as telephone sales representatives at its East Bay call center. Brightpoint’s human resources specialist expressed the company’s interest in having a positive effect on disadvantaged adults in the local community.

**Model:** Brightpoint, together with SFWorks and RTTC, developed a program in which SFWorks and RTTC recruited and screened potential employees, engaged them in a two-week soft skills training, and referred graduates to Brightpoint. The employer coordinated hiring efforts to coincide with the completion of soft skills training.

Once hired, program participants along with traditional hires participated in a three-week on-the-job training. During this period, Brightpoint introduced the new workers to the company’s phone system, customer service, and company policies and expectations.

Brightpoint’s pre-existing policy on new hires required them to work on a provisionary basis for three months before becoming permanent employees. Additionally, employees are eligible for benefits, such as health care, 30 days after becoming a permanent worker. Because benefits such as health care serve a critical need of most welfare recipients, SFWorks negotiated with Brightpoint to hire participants as permanent workers rendering them eligible for benefits after 30 days.

In addition, SFWorks worked with the employer to identify paths for career advancement and create descriptions of positions that would be available for program participants. Moreover, in an effort to provide access to career ladders, Brightpoint agreed that workers could be eligible for advancement three months after employment. To support this initiative SFWorks and RTTC linked pre-employment training curriculum to second and third tier job descriptions and duties so that if workers needed to be proficient, for example, in Microsoft Excel, instructors would teach this in training.

**Challenges:** While both the employer and participants benefited from this partnership, they also faced several challenges. For example, Brightpoint Subscriber Services initially partnered with SFWorks and RTTC because business was growing. The company was opening a new call center and planning on hiring a large number of telephone sales representatives (TSR). However, as time went on, the market changed, and growth was stunted. Brightpoint decided
not to hire more TSRs and thus, the partnership is on hold. Both the employer and SFWorks are committed to resuming the program when possible.

**Benefits:** Brightpoint’s coordination of hiring plans and its financial and creative commitment to program development resulted in almost 100 percent of trainees becoming employed by the company. In addition, because the company was located in a State Enterprise Zone and hired former welfare recipients, it was eligible for a tax credit. SFWorks, as an intermediary, contracted with TMC Development Corporation, a local organization that assisted Brightpoint in completing the paperwork for the credits. Because Brightpoint hired 20 program participants that previously received welfare, the firm was eligible for about $600,000 in state income tax credits over five years and $157,800 in federal income tax credits over two years, if employees remain employed for the full two years. Both the employer and the workers were eligible for various tax credit programs including the federal Work Opportunity Tax Credit, State Enterprise Zone Tax Credits, and Welfare-to-Work Tax Credit.

Source: Marquardt and Feeley, 2002
Cessna Aircraft Company

Background: Cessna Aircraft Company of Wichita, Kansas employs 9,400 workers. Due to high employee turnover, the aircraft manufacturer is in constant need of skilled and semi-skilled entry-level workers to fill sheet metal, administrative, and clerical positions. To streamline recruitment efforts, Cessna developed the 21st Street Project, an in-house training program, which targets welfare recipients. Local community-based organizations and the Kansas Department of Social Services contribute by promoting the program among its constituents.

Model: In order to maintain its independence, Cessna steered away from intensive external partnerships with CBOs and government workforce agencies, opting for an in-house program and relying on local FBCOs and the Kansas Department of Social Services mainly for referrals. Cessna’s three-month-long training program, called the 21st Street Project, encompasses a basic skills and soft-skills training course during which the company assumes no formal commitment to the trainee, permitting trainees to continue receiving public assistance. Those who complete the first stage of training (including passing verbal and written exams and work-based evaluations) interview for sheet metal or clerical positions. Once hired, participants earn above-minimum wages, health benefits, and vacation time.

Challenges: 21st Street Project participants are mostly welfare recipients with multiple barriers to employment. Cessna found that trainees that dropped out of the program often did so due to extenuating circumstances such as a lack of accessible and affordable childcare, a lack of dependable transportation, or abusive home environments. To address this issue Cessna began providing free childcare services and housing for trainees and entry-level workers facing these obstacles.

In addition, while the in-house model allows Cessna full control over screening and training participants, it also limits the point of entry to the program thereby potentially minimizing job seeker’s access to the hiring process.

Benefits: About 70 percent of trainees graduate from the 21st Street Project.

Source: Sutton, 2001
Heller Ehrman, White & McAuliffe

Background: Heller Ehrman, White & McAuliffe LLP is one of about 40 employers that participate in the Legal Employment Action Program (LEAP). LEAP is a training program initiated in 1989 by the Volunteer Legal Services Program (VLSP) in response to Federal work-first policy implementations. The program’s main goal is to assist welfare recipients in securing gainful long-term employment in legal services rather than continue the cycle of low-wage, short-term work. Heller Ehrman indicated that it became involved because the program reflects the firm’s commitment to helping the community.

Model: The LEAP partners include SFWorks, a workforce intermediary that provided initial funding and organizational support, VLSP, an affiliate of the Bar Association of San Francisco, which has used its leverage to recruit employer partners, Jewish Vocational Services (JVS), which has taken over the coordination of LEAP and is active in employer recruitment, and law firms (employer partners), such as Heller Ehrman, that commit to interviewing training participants.

The program is comprised of three phases: training, work experience, and employment. Phase I includes a job readiness assessment and eight weeks of intensive soft and hard skills training. Phase II includes an internship at one of the partner companies. Trainees work three days a week at the employer’s office and attend classroom instruction for the other two days. During the internship, employers pay a training salary of $9/hr and conduct monthly employee evaluations. This phase of the program is also significant because managers are in contact with program staff and can indicate areas of needed improvement. Classroom instructors can then adjust training to address specific areas of need. Heller Ehrman representatives also note that this period in the program is also quite beneficial because workers can begin to be productive even during training. Human resource representatives mention saving money that they would ordinarily spend on workers from temp agencies. In the last phase of the LEAP program, employers decide whether or not they will hire the interns, and LEAP staff conduct follow-up sessions with employers to ensure that the placement is successful.

Benefits: Heller Ehrman has hired three employees from LEAP and each earns between $20,000 and $28,000 a year. The employer claims to have saved $3,000 to $5,000 per LEAP hire instead of using more traditional recruitment strategies.

Source: Marquardt and Feely, 2002
Hilton Hotel Corporation

**Background:** Hospitality has become such a high growth industry that, between 1997 and 2003, 5,193 hotel rooms were added in the Boston area alone. In order to stay competitive, Hilton Hotels needs to hire a number of new employees to serve the growing customer base while maintaining the hotel’s renowned customer service. In response, the Hilton Hotel Corporation partnered with the International Institute of Boston (IIB), a nonprofit institute offering a wide range of services to disadvantaged populations in the Boston area, to develop pathways to career opportunities in the hospitality industry.

**Model:** The Hilton Hotel Corporation-IIB partnership is based on a career ladder model that includes pre-employment and incumbent worker components. The pre-employment training program includes four weeks of classroom instruction and two weeks of hands-on training and job shadowing at Hilton hotels as well as other local hotels. During the first four weeks, participants attend Vocational English as a Second Language courses and industry-specific training focusing on housekeeping and customer service.

In the incumbent worker component of the partnership model, the hotel offers a 14-week Advanced English Course, a three-week class for Specialized Computer Training, and career coaches. The training aims to prepare employees for positions in which they would have more contact with hotel guests. In this career ladder approach, Hilton offers workers occupational skills training that opens pathways for higher earnings and increased productivity.

This particular model, including both pre-employment and incumbent worker components, has required a high level of employer participation in terms of planning and implementation. Hilton staff participated in the partnership’s Planning and Evaluation Committee and invited IIB representatives to regularly attend Hilton Human Resources cluster meetings where they could increase their knowledge of Hilton’s hiring needs and practices.

**Challenges:** One common challenge to incumbent worker programs is the logistics of time and transportation. If employees must take time off work and travel long distances for training, they will find it more difficult to participate in the program. Therefore, Hilton offers participating workers 100 percent paid time off to attend onsite classes.

**Benefits:** In the first year of implementation, 49 hired graduates from the pre-employment training and other Hilton incumbent workers participated in the incumbent worker training
program. Since the program has only been in effect for less than a year, it is difficult to obtain measurable outcomes. Nevertheless, 38 of the 49 participants completed the program and 14 received wage raises within the first 6 months after completion.

Source: Herbert and Siegel, 2005
Marriott International Hotel

Background: As the hospitality industry experiences high growth internationally, its need for skilled employees increases. In 1991, Marriott Hotels developed Pathways to Independence, a job-training program to streamline job seekers into the industry, creating a larger pool of qualified candidates. Because the program targets welfare recipients with various barriers to employment, the hotel partners with local FBCOs to provide participants with much needed wrap-around services.

Model: The hotel’s Community Employment and Training Programs Department provides the specific occupational skills training to prepare candidates for work in the hospitality industry. The six-week pre-employment program includes 60 hours of in-class training and 120 hours of work-based, occupational skills training. Currently, Marriott has programs in 40 cities where it assigns trainees to the front desk, switchboards, restaurants, and laundries. Trainees also provide security, drive customers to and from airports, and handle luggage for the Marriott, Courtyard by Marriott, Renaissance Inn, and Fairfield Inn hotel chains.

Nevertheless, securing stable employment for disadvantaged individuals can be an uphill battle that not only requires attention to employment skills, but also a more “holistic” approach addressing a wider variety of obstacles including lack of childcare and transportation among others. To address these issues, Marriot has built business relationships with nonprofit organizations around the country, including Common Ground Community Times Square Jobs, in New York; Noah in Silver Springs, Maryland; and Alamo Workforce Development in San Antonio. They provide necessary support for the welfare trainees, including counseling, tutoring on personal finances, courses on time management, and substance abuse prevention programs.

Benefits: As of December 2000, over 2,700 individuals have completed the training courses. Pathways to Independence participants graduate at a rate of more than 80 percent. Once individuals graduate, Marriott indicates that they are offered full-time employment with benefits. Marriott noted that as a result of the program, employee turnover has declined. Between 55 percent and 70 percent of the graduates remain in the job after one year, compared with 50 percent of conventional hires. The continuity of these employees contributes to the hotel’s quality of service, which gives Marriott a competitive edge in the hospitality industry.

Source: Brown, A. et al., 1998
Partnership in Automotive Career Education

Background: The Partnership in Automotive Career Education (PACE) seeks to prepare disadvantaged people of color for skilled automotive careers in an industry that is experiencing a shortage of skilled workers.

Model: PACE is an example of high-level employer participation in technical skills training development for job seekers and incumbent workers. The collaborative includes Boston area community-based organizations such as the Asian American Civic Association, La Alianza Hispana, and the Urban League of Eastern Massachusetts. Other partners are local area employers such as Sullivan Tire, Village Automotive Group and Bridgestone Firestone, and the Massachusetts Automobile Dealers Association. A final partner is the Benjamin Franklin Institute of Technology.

Employer human resource representatives, the PACE training director, and the president of the community college are members of the partnership’s operational advisory board, which oversees training curriculum as well as broader issues of long-term vision and funding strategies. Company participation on the operational advisory board ensures that training builds on skill sets identified by the demand-side of workforce development.

Training participants enter the program through two streams. The first is through community-based organizations, which screen and recruit job seekers and enroll them in occupational skills training. Pre-employed trainees undergo 287 hours of technical training including: safety, tire service, wheel balancing, maintenance service, electrical systems, brakes and suspensions. In addition, PACE provides career coaches, English, math, and computer courses customized to the automotive industry, and soft skills including workplace communication, résumé assistance, and interviewing skills.

The second referral stream is through employers that send employees for incumbent worker training provided by the community college. Participants include those who have graduated from the pre-employment and occupational skills training as well as other incumbent workers. In the incumbent worker program, employers must pay a fee for services, which include a day-long workshop to prepare workers for the AFC certification exam and follow-up services.

Benefits: Employers feel they have benefited from PACE through a combination of increased retention and productivity and an ability to better serve their clientele by hiring workers from the community in which their businesses are located.
Sources: SkillWorks Partners for a Productive Workforce website www.skillworks.org/granteesimpgrants.html, the Asian American Civic Association website http://aaca-boston.org/education, and Interview with Sandy Goodman, PACE Program Director.
Pennzoil

**Background:** Pennzoil, an automotive company specializing in services such as oil changes, transmission services, fluid check-ups, and coolant services, partnered with SFWorks, a workforce intermediary, the Northern California Service League (NCSL), a nonprofit agency serving inmates and ex-offenders, and the City College of San Francisco. Together the City College, NCSL, and SFWorks created the Automotive Training Program (ATP), which prepares individuals for work in the industry. Due to the tight job market in the late 1990s, Pennzoil was experiencing difficulty recruiting entry-level workers. Employing the welfare-to-work graduates of the ATP program especially appealed to Pennzoil because of the social justice aspect of hiring low-income individuals, ex-offenders, and people with developmental disabilities.

**Model:** The program offers 30 hours of classroom-based instruction. This entails one week of soft-skills training and six weeks of industry-specific training, including an introduction to the automobile and basic shop skills like testing batteries, changing tires, and repair ethics. The combination of courses aims to give trainees specific skill sets necessary for working in an automotive shop, as well as introduce them to the culture and responsibilities of the work world.

**Benefits:** Pennzoil found the ATP program to be a great way to find qualified workers with relatively strong “soft-skills” and high job retention rates. Over the course of two training sessions, Pennzoil hired six ATP participants. Having started at $8.00 an hour, two to three years later one former participant earns about $40,000 a year and one other has been promoted to a managerial position paying between $60,000 and $70,000 a year.

Source: Marquardt and Feeley, 2002
Sprint

**Background:** In 1997, Sprint began implementing plans to open a new call center in the 18th and Vine area in Kansas City, in the heart of the African American community. The Kansas City Area Development Council, which aims to promote economic development in economically depressed urban areas, encouraged the telecommunications company to open the call center there rather than in the city’s suburbs. The center would employ 60 customer service agents providing technical support for the company’s long distance service. Facing a labor shortage, the employer turned to the local Urban League and the Metropolitan Community College to successfully recruit employees.

**Model:** The partnership model consists of recruitment and training components. To address the low supply of labor in the area, Sprint partnered with a local community college to conduct a job fair that yielded over 700 interested applicants. Subsequently, the Urban League, in collaboration with the Full Employment Council, screened the job candidate applications based on telephone etiquette, diction, previous work experience, and drug testing. In addition, Sprint and the local Metropolitan Community College partnered to offer a six-week soft skills and technical training program for both its hires as well as individuals seeking employment in other local area call centers. Moreover, Sprint participated in the training curriculum design, contributed staff to train the community college trainers, and assisted Metropolitan Community College in purchasing the equipment and technology needed for the training.

**Benefits:** Sprint has benefited tremendously from the venture in both quantitative terms—lower costs associated with worker turnover—and qualitative terms—the company has become well known for its commitment to economic development. Specifically, the Kansas City center presently employs between 50 and 60 workers and boasts the lowest turnover and attrition rates of all the company’s call centers. It has also received the prestigious J.D. Power and Associates award for customer service annually, since it’s opening.

Background: In 1998, Goodwill Industries in Boston’s South End and TJX Corporation, a large clothing retailer, partnered to address two mutually beneficial goals: hire well-trained entry-level employees and support welfare reform. At the time, TJX made a public pledge to President Clinton to hire 5,000 welfare recipients to fill its entry-level workforce needs. In addition, Goodwill Industries was also looking to diversify its services to provide employment opportunities for the community as a whole.

Model: With support from Boston’s Private Industry Council (PIC), Goodwill and TJX developed a pilot program called The First Step, a customized training program tailored to the TJX work environment. Funded by Welfare-to-Work grants, The First Step provides three weeks of classroom training, a three-to five-week paid internship, and a full year of case management for participants as they transition back to work.

Several features of the partnership were instrumental to the program’s outcome. First, an advisory committee made up of staff from Goodwill and TJX was formed to advise and manage the implementation of the program. In addition, Goodwill made a concerted effort to inform TJX staff and managers about their expectations in the program. For example, Goodwill organized an orientation for TJX program managers who were going to employ program graduates. This orientation focused on sensitivity training, what to expect from program graduates, and stereotypes about welfare recipients.

Challenges: As part of the PIC requirements, program participants are required to be hired into full-time positions upon program completion. This requirement was a major consideration for TJX because it hires mostly part-time staff. However, because TJX was committed to participating in the pilot program, the company accommodated this requirement. As part of the agreement, Goodwill would also hire program graduates for its own retail stores.

However, when federal welfare-to-work grants were no longer available, the partners had to think deeply about sustaining the program. At the same time, the national economy shifted, making it difficult for TJX to hire full-time employees. Because the partners did not want to lose momentum, TJX provided funding for one additional year.

Benefits: The partnership benefited both the employer and Goodwill. The employer benefited by filling its staffing needs and managers felt that it was the socially responsible thing to do. “It was the right thing to do,” noted a manager. “These individuals still needed to work…and it was definitely a win-win situation. We got a group of people as associates, while doing service for
the city, the state, and the country.” Goodwill also benefited by helping welfare recipients towards self-sufficiency, and was excited that it has established a partnership with one of the largest retailers in the country, paving the way for future employer partnerships.

As a result of the commitment made by TJX and Goodwill, the pilot project received enormous public recognition. The program was nationally recognized by President Clinton and the national Welfare-to-Work Partnership and received significant attention and praise from local politicians. The program also achieved noteworthy outcomes-- in 1999, 100 percent of participants were placed in employment, and in 2000, 92 percent were placed in jobs. To date, the program achieved an entered-employment rate of 90 percent and a retention rate of 80 percent of those who worked three or more months. TJX also reported better retention rates among program participants, 20 to 30 percent more than traditional hires. Since the program started, it has been replicated in multiple cities, including Chicago, Philadelphia, Detroit, and Atlanta, as well as Puerto Rico.

Source: The Center for Corporate Citizenship at Boston College, March 2004, #4
United Airlines

Background: United, the largest employee-owned company in the nation, employs over 94,000 workers. In spite of the tremendous growth the company has experienced, United has struggled with worker retention. In 2002, the former western region employment manager noted that he needed to fill 7,000 vacancies annually. As a strategy for cost effective hiring and retention, the company turned to regional community-based organizations to identify and train a reliable labor pool. As corporate buy-in for such workforce partnerships is critical, company leaders made the goals clear. From the onset, former CEO, Gerald Greenwald, publicly committed United to setting a good example of creating replicable strategies for corporate participation in welfare-to-work programs.

Model: United, as a national employer, implements decentralized, regional-office based programs in which local offices partner with FBCOs to fill entry-level reservations positions. The local community-based organizations and public workforce organizations train job seekers in soft skills such as job performance standards, ethics, and communication. In addition, United has appointed staff in liaison positions to manage the program and the company’s relationships with CBOs. Once hired, United provides program employees with the hard technical skills training in a six- to seven-week in-house program.

Benefits: The former CEO appreciates forming relationships with CBOs, such as the Urban League, that have a long history and staying power in disadvantaged communities. One of United’s human resource representatives asserted that partnering with CBOs is a good investment because it is economically sound and efficient. She believes that CBO involvement ultimately reduces the high cost associated with turnover. Over 35 percent of traditional new hires leave within a year, but referrals from CBOs are more successful.

Source: Sutton, 2005; Marquardt and Feeley, 2002
University of California Medical Center, San Francisco

**Background:** UCSF, one of the most prestigious and groundbreaking medical facilities in the nation, was facing a competitive labor market in 1998 and decided to explore alternative recruitment strategies. The university partnered with Jewish Vocational Services (JVS) to fill a projected 30 to 40 entry-level administrative positions.

**Model:** The clinic assistant position for which UCSF needed to recruit employees is an administrative role in an ambulatory, outpatient environment. JVS received start-up funding from SFWorks to develop and implement a welfare-to-work program. It subsequently began to work with UCSF to recruit and design a pre-employment training program. Job seekers undergo a five to seven day aptitude and interest assessment process and are subsequently referred to one of JVS’ programs. The clinic assistant training program consists of six weeks of soft skills and basic skills training including computer competency and vocational English courses.

Upon completion of the first phase of the program, participants receive two months of customized training specific to the clinic assistant position, including medical terminology and policies specific to employment at UCSF (billing, insurance, etc.), at UCSF with JVS instructors. UCSF employees also occasionally participated in the training as guest speakers. Trainees attended the in-class training three days a week and worked as interns at UCSF twice a week. In addition, UCSF employees served as mentors for interns to shadow. Costs for UCSF, which included in depth participation in the development and implementation of the program, were offset by savings in worker salaries because JVS paid participants minimum wage during the training and internships.

The entire training program took three and a half months, after which participants entered the university-wide job pool and were either hired in the department where they trained or were referred to positions in other UCSF departments. In rare cases when graduates were not hired by UCSF, they received support from mentors who referred them to other hospitals in the area. JVS followed up with 9 months of retention services for both UCSF and the employees.

With the success of the pre-employment program, the JVS program coordinator met with the Director of Nursing Education to conduct an in-patient employment needs assessment. Together, they identified a need for skilled unit coordinators, responsible for directing and maintaining communication between healthcare workers and working closely with doctors and nurses. This position offers higher than entry-level wages and requires more complex professional skills. UCSF recognized this as a “win-win” opportunity. The employer could recruit and promote workers from within the university and provide incumbent workers with a higher earning potential and a greater sense of company loyalty.
C-18

The incumbent worker unit coordinator training program lasted a month longer than the pre-employment training course in order to expand both the classroom and hands-on training components. Participants eventually worked full time on the unit before finally graduating from the training.

**Challenges:** Unfortunately, SFWorks reported that cuts in public funding limited the partnership’s ability to offer services. In addition, due to changes in the economic climate, UCSF decided to consolidate departments and temporarily discontinue the hiring of clinic assistants and unit coordinators. While the parties intend to continue the venture in the future, the JVS-UCSF partnership is currently inactive.

**Benefits:** UCSF hired 90 percent of training graduates. As of 2002, UCSF has retained 12 clinic assistants for at least nine months. In addition, UCSF saved money they might have lost paying incumbent employees overtime while key positions went unfilled. They also benefited from a productive workforce paid for by JVS. When conducting traditional recruitment efforts, UCSF generally advertises in newspapers or on the internet and offers referral bonuses of $2,000 for “hard to fill” positions such as clinic assistants and unit supervisors. UCSF recruiters estimate that the university spends about 25 percent of a positions salary to fill an opening, and has therefore saved approximately $6,670 per clinic assistant hired. SFWorks estimates that UCSF saved at total of about $81,000 in hiring 12 clinic assistants through its partnership with JVS.

Source: Marquardt and Feeley, 2002
**Visteon Corporation**

**Background:** Visteon Corporation is a leading full-service supplier that delivers consumer-driven technology solutions to automotive manufacturers worldwide. The company employs nearly 79,000 employees in over 25 countries. Visteon Corporation partnered with Resource Consulting Group, a subsidiary of Manpower, Inc., and Detroit-based nonprofit Focus Hope to recruit and train machinists and engineers.

**Model:** Focus Hope provides technical training for former welfare recipients and other low-income individuals including classroom instruction and on-the-job-training. Graduates become certified machinists. In addition, for those who qualify, individuals can enter a four-year college engineering program. Through Focus Hope, students have the opportunity to participate in a degreed engineering program from one of three universities while they are in training. Focus Hope pays for the tuition and provides students with a stipend.

Through Resource Consulting Group, Visteon gains access to the students who graduate from the machinists training and the engineering degree program. Resource Consulting Group staff members are on-site at Visteon to recruit, screen, and hire, and Visteon management makes the final hiring decisions.

**Benefits:** Resource Consulting Group has hired approximately 2,000 professionals for Visteon in the last two years.

Source: www.winwinpartner.com
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APPENDIX D:

Additional Leads on Partnerships
Additional Leads on Partnerships

The following is a list of additional leads on promising employer/FBCO partnerships. Due to resource and time limitations, we were not able to gather detailed information on these partnership models, challenges, and benefits. Each lead contains a brief description of the collaborative effort, including key partners, and if available, information on whom to contact for further information.

The Building Services Career Path

According to SkillWorks, this is a collaborative, which includes several community-based organizations, Harvard, MIT, Voice and Future Fund (the nonprofit arm of Service Employees International Union), Massachusetts Worker Education Roundtable and the following six building management companies: Acme Building Services, American Cleaning Company, AMPM, Centennial One, One Source, and Unicco. The collaborative’s goal is to improve building janitors’ English-language skills and to provide them with training in facilities maintenance and skilled trades, leading to career pathways for full-time employment with benefits. In addition, the partnership engages employers in reshaping their promotional systems to help part-time, entry-level workers progress.

Source: Investing in Workforce Intermediaries, SkillWorks Newsletter May 2006

Cardinal Center

The Cardinal Center is an FBCO that partners with about 50 local employers, including CVS Pharmacy, Burger King, K-Mart, and Warsaw Parks and Recreation Department, to support the employment goals of individuals with disabilities. A trained Cardinal Center Employment specialist assists both employers and job seekers by facilitating initial training for new hires and helping the employer make reasonable accommodations necessary for the new hire to work. In 2004, the Cardinal Center Supported Employment Services served at least 90 individuals with disabilities and placed at least 30 participants.

Source: Surdick, Renee, Pierson, April, Menz, Fredrick, Hagen-Foley, Debra, L. New and Targeted Approaches of Community Rehabilitation Programs, 2004, University of Wisconsin-Stout, Menomonie, Wisconsin; www.cardinalcenter.org

Contact Info: development@cardinalcenter.org
Easter Seals-Central Texas

Easter Seals-Central Texas partners with local employers to provide a full-time job coach on site where it places four to six participants with disabilities. Employers benefit by collaborating with the job coach and strengthening worker retention. The job coach is flexible and works with participants directly when needed; otherwise, he or she observes participants’ work and receives employer feedback. Finally, job coaches meet with participants to address any issues that may arise.

Source: Surdick, Renee, Pierson, April, Menz, Fredrick, Hagen-Foley, Debra, L. New and Targeted Approaches of Community Rehabilitation Programs, 2004, University of Wisconsin-Stout, Menomonie, Wisconsin

Goodwill – Clarian Health Partners

LobLink is a collaborative between Goodwill Industries and Clarian Health Partners to promote new hire retention. The collaborative offers a six-week training and orientation program. New hires received instruction and one-on-one counseling. They have recently been approved for further funding from the Department of Family and Social Services.

The partners are creating a new program called Destination Clarian, combining Goodwill’s case management with Clarian’s training programs for limited English proficient individuals to join the “dietetics division.” Goodwill Industries of Indiana is also discussing the model with other local hospitals.

The partnership began with two programs that provided intensive training in job skills and interpersonal skills leading to entry-level employment with Clarian. These early programs evolved into a workplace-based, career-learning center called Career Connections that opened in 2005. It is for prospective and current employees.

Benefits are that both organizations refer clients to one another. Goodwill attributes the partnership’s strength to shared values. Both organizations are nonprofits.

This program began in 1998 and 13 percent of JobLink graduates stayed at Clarion for more than a year compared to 70 percent in 2002. Presently more than 20 percent of JobLink granduates have been promoted at least once. The average class size is 16, up from four in 1998.

Source: www.indianabusiness.com ; www.goodwill-indy.org

Contact Info: Goodwill Industries of Central Indiana, Inc., Carolyn McCutcheon, Director of Education and Youth Services, (317) 524-4263, cmcutcheon@goodwillindy.org
Goodwill/Easter Seals Minnesota – Target

The Goodwill/Easter Seals Minnesota in Saint Paul, Minnesota provides technical skills training programs that have received North Central Accreditation Standards for their curricula. The training programs are industry specific and provide participants with hands-on, reality-based experience. The industries targeted through the training include automotive repair, banking, construction, forklift operation, and retail service. Each training program provides instruction with industry partners. For example, Goodwill/Easter Seals Minnesota partners with Target stores for the retail service program. Each participant undergoes 180 hours of instruction. In the automotive repair program, participants earn training wages while completing 75 hours of instruction. This program includes a component specifically oriented towards supporting women in non-traditional career paths. Finally, the construction program combines curriculum-based instruction and work-based training at real construction sites in partnership with Habitat for Humanity and Urban Homeworks. Similar to the automotive repairs program, the construction training includes a Women’s Construction Skills Training component that provides additional support for women.

Source: Surdick, Renee, Pierson, April, Menz, Fredrick, Hagen-Foley, Debra, L. New and Targeted Approaches of Community Rehabilitation Programs, 2004, University of Wisconsin-Stout, Menomonie, Wisconsin

Home Depot – National Council of La Raza

Home Depot is the largest home improvement retailer in the world and the second largest retailer in the country. The company is currently experiencing a period of expansion operating in all 50 U.S. states, 10 Canadian provinces, Mexico, Puerto Rico, and China.

Home Depot views partnerships with FBCOs as a strategy to identify, hire, and retain much needed, qualified candidates. In February of 2005, Home Depot announced a decision to partner with the National Council of La Raza, the ASPIRA Association, Hispanic Association of Colleges and Universities, and SER – Jobs for Progress to form its National Hiring Partnership program, which serves as a pipeline of qualified job seekers to meeting both short and long-term hiring needs. Forty NCLR local affiliates in California, Arizona, and Illinois were invited to participate in the initial implementation phase of the partnership. NCLR seeks to address both employer and Latino family needs by offering basic skills (language) and technical skills training for job seekers and recruitment and retention services for businesses. According to Home Depot the partnership not only serves as a tool to address personnel needs but also is a step towards the organizations’ goal to bring positive change to communities across the U.S., from economic development, education and health, to specialized job training.
Jewish Vocational Services (JVS) – Walgreens Company

In 1997, JVS partnered with Walgreens store to provide technical skills training for entry-level job seekers through its two-and-a-half-week-long Retail Services Training Program. Walgreens donated equipment including cash registers, scanners, intercom phones, store items, shelves, and a computer system, and JVS created a mock Walgreens store for reality-based occupational skills training. Once participants complete training, they engage in a half-week internship at a local Walgreens store. From 1997 to 2003 almost 400 participants have gone through the training program. JVS placed 223 individuals in Walgreens stores and 19 in other retail stores.

Source: Surdick, Renee, Pierson, April, Menz, Fredrick, Hagen-Foley, Debra, L. New and Targeted Approaches of Community Rehabilitation Programs, 2004, University of Wisconsin-Stout, Menomonie, Wisconsin

Jobs for Life – Florida Hospital

One employer that has found success with an FBCO partnership is Orlando’s Florida Hospital. In the past five years, the hospital has hired 35 graduates of Jobs for Life employment training program. Judy Bond, the hospital’s human resources director, says three out of four of the hires from the program have gone on to get more training, becoming nurses or sonogram technicians, for example, and moving up from entry-level positions. Jobs for Life partners with several businesses including Bank of America and 911 Collision Centers.

Jobs for Life- Wesleyan First Church of Deliverance

Wesleyan First Church of Deliverance (WFCOD) held its first job fair on July 20, 2006 with over 30 individuals participating. The job fair was designed for the graduates of its recent Jobs for Life class as well as others in the community who were looking for meaningful employment opportunities.

The job fair began with a welcome from Pastor Charles Brown, Pastor of WFCOD, and Pastor Ronald Sharpe from Powerhouse Church of Jesus Christ, the two churches that together led the Jobs for Life class. In addition, David Spickard, President and CEO of Jobs for Life (JFL), along
with Staci Wallace, Mrs. North Carolina 2006, addressed the participants with a word of encouragement to kick off the job fair.

More often than not, JfL sites are unfamiliar with the benefits and services offered by local One-Stop Career Centers. Similarly, One-Stop Career Center staff are frequently unaware of the host of services offered by Jobs for Life sites. JfL toolkits help JFL site leaders understand the workforce development system encouraging them to identify and understand the services offered in their communities. In addition, JfL’s ongoing training and customer support continually informs its leaders of the opportunities available through the workforce system.

Source: NPR: A Jobs Program with a Spiritual Twist by Barbara Bradley Hagerty, April 3, 2006; Jobs for Life Website www.jobsforlife.com

Contact Info: Karen Shawcross BofA (503) 279-2876, Karen.b.shawcross@bankofamerican.com

The New Orleans Jobs Initiative

The New Orleans Job Initiative (NOJI) is a nonprofit organization that partners with local FBCOs, including grassroots, community-based organizations and churches, local community colleges, such as the Delgado Community College, and a team of industry-specific local employers in an effort to offer a 21-day soft-skills curriculum called “21st Century Success Principles”, which prepares low-income, people of color for work in high-growth industries such as manufacturing, construction, health care, and office systems. The feedback NOJI has received from local employer partners is that they have experienced difficulty recruiting entry-level workers with the skills to adjust to the culture and conditions of the workplace. Employers, therefore, struggle with an unmotivated workforce, excessive absenteeism, and high employee turnover.

NOJI employs a soft-skills curriculum tied to employer skills assessments, such as Work Keys, and a section on understanding the workplace environment and employer expectations. FBCOs are active in the recruitment and retention components of the program, and employers monitor all aspects of training.

According to an Annie E. Casey Foundation report on job initiatives, NOJI provides a high return on investment and promotes long-term self-sufficiency by preparing individuals for sustainable employment.

Source: Annie E. Casey Foundation 2001, Roberts 2002
Seattle Jobs Initiative (SJI) – Regence Blue Shield

Regence Blue Shield, a Seattle-based health insurance provider, has partnered with SJI to recruit entry-level employees for clerical positions. SJI works with Regence Blue Shield to identify skills they require of employees, such as processing soft claims and customer relations skills, and then, screens and trains job candidates. Moreover, SJI offers an internship program that allows Regence Blue Shield to try out potential employees on a temporary basis before hiring them full time. To date, this employer has hired 25 percent of the interns for full-time positions.

Source: www.winwinpartner.com

Contact: Telly Doak, Regence Blue Shield, (206) 626-6220

SER Jobs for Progress

In 2005, SER and Home Depot signed an MOU for a national partnership to increase the number of bilingual employees. In addition, Home Depot and SER are partnering to form an OJT funded by DOL.

SER and CVS have partnered to form an OJT program funded by DOL. SER and CVS are preparing older workers for jobs in CVS stores in Austin and Fort Worth, Texas, and Chicago and Miami.

Source: SER Jobs for Progress website

Urban League – Toyota Motor Sales, U.S.A., Inc. (TMS)

According to WinWinPartner, the automotive mechanics industry struggles with a labor shortage of 60,000 skilled technicians. To address this challenge, TMS partnered with the Los Angeles Urban League to establish the Los Angeles Urban League Automotive Training Center (ATC), a non-profit, industry-specific, vocational training institute. TMS has contributed over $7.4 million to the ATC, which recruits, trains, and places workers at over 60 Los Angeles County companies. More than 900 students have completed the program and 80 percent are placed with partner employers. Because of the success of the program, TMS is planning to support a second training facility on the East Coast.

Source: www.winwinpartner.com

Contact: Darryl Burrows, New Orleans Jobs Initiative, Metropolitan Area Committee, 1240 North Claiborne, New Orleans, LA 70116, (504) 529-2600, thenoji2000@aol.com
Work Opportunity in Rural Communities (WORC)

WORC of Monoa, Wisconsin collaborates with local employers to support individuals with disabilities in job search and retention issues. One such component of its employment services programs is the job coach support system for incumbent workers with disabilities. WORC works with employers to identify a co-worker that is already supportive of the individual participant and asks this co-worker to provide continued support, paid for by the CBO, when necessary. For example, an individual might provide his or her wheel-chair bound co-worker assistance in moving around the office and WORC would pay this individual up to an hour a day for this assistance.

Source: Surdick, Renee, Pierson, April, Menz, Fredrick, Hagen-Foley, Debra, L. New and Targeted Approaches of Community Rehabilitation Programs, 2004, University of Wisconsin-Stout, Menomonie, Wisconsin

YWCA / MCD, Inc. Internship Program

YWCA / MCD, Inc. Internship Program is a collaborative effort between the YWCA Madison and MCD, Inc., formally Madison Cutting Dye, a successful printing and finishing company, designed to provide classroom and paid on-the-job training to prepare women and minorities to work in the printing and manufacturing industry.

The program begins with a three-week classroom training at the YWCA Annex. Program staff conduct interviews at the end of the three weeks and those selected for the internship start immediately. Interns will spend three days a week in work-based training and the other two days working on their math and reading skills through tutoring, along with attending workshops to enhance their employability skills.

During this program individuals gain skills in creating resumes, filling out applications, and interviewing. In addition participants receive employment references, a portfolio to display examples of work completed, tools used in the process, knowledge of the printing industry, training with an ISO 9001: 2000 Certified Company, computer applications, proficiency in basic machine operations, knowledge of safety practices in the work place, and income from a paid on-the-job internship.

Source: YWCA Madison WI webpage
http://www.ywca.org/site/pp.asp?c=lkJZJdO4F&b=91759
Youth Policy Institute (YPI)-EDD

Similar to the health care industry nationally, the local Los Angeles medical industry is experiencing a shortage of assistants trained in medical office careers. According to the California Employment Development Department (EDD), the state Employment Services agency skilled candidates will have to fill a projected 2,680 medical assistant positions, between 2001 and 2008, in Los Angeles County alone.

In response to this need, the Youth Policy Institute secured funding from the EDD to create the Medical Office Careers program in 2002. The nonprofit, community-based organization partners with local hospitals and the Los Angeles Unified School District to provide low income job seekers with basic skills training in English and math. Upon completing the instruction, program participants engage in on-the-job training at participating hospitals and earn a stipend from the program.

According to the YPI webpage, 235 individuals have completed or are participating in the program. Additionally, the program places the majority of these clients in unsubsidized employment where they received hourly wages that typically exceed their previous earnings.

Source: www.ypiusa.org

Youth Policy Institute (YPI)

The Center for Faith-Based and Community Initiatives (FBCI) collaborated with seven grassroots organizations in southern California’s San Fernando Valley in 2003 to strengthen the local organizations’ facility to serve local job seekers. By creating links between the CBOs and local One Stop workforce development centers, the effort supported 700 low-income residents.

The YPI served as a workforce intermediary that sub-contracted with each community-based organization and provided equipment for computer labs and technical assistance in the form of capacity-building workshops.

Source: www.ypiusa.org
APPENDIX E:

Partnership Matrix
# Models of Employer Partnerships

<table>
<thead>
<tr>
<th>Description</th>
<th>Employer Role</th>
<th>FBCO/Workforce Development Role</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruitment</strong></td>
<td>• Employers rely on FBCOs and workforce development agencies to help exclusively with recruiting job candidates. In this model, FBCOs typically do not provide training.</td>
<td>• Consults with FBCO/workforce partners to identify goals for the recruitment effort and provide job descriptions.</td>
</tr>
<tr>
<td><strong>Training—Pre-Employment Skills</strong></td>
<td>• Provides feedback on core skills and competencies it seeks to gain from the training.</td>
<td>• Identifies suitable trainees.</td>
</tr>
<tr>
<td><strong>Training—Technical Skills</strong></td>
<td>• May collaborate with partner to tailor training curriculum to specific positions within the company.</td>
<td>• Identifies suitable trainees.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Designs the curriculum and gets employer input on its content.</td>
</tr>
</tbody>
</table>

- FBCO/Workforce Development
- Employer Role
- Recruitment
- Training—Pre-Employment Skills
- Training—Technical Skills
<table>
<thead>
<tr>
<th>Incumbent Worker Training</th>
<th>Description</th>
<th>Employer Role</th>
<th>FBCO/Workforce Development Role</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• FBCOs/workforce development agencies provide technical skills training that is intended to help entry-level workers advance their careers. A variety of advancement-related supports are usually a part of the training, such as skills certification, access to continuing education, supervision or mentoring.</td>
<td>• Develops “career maps” for entry-level positions and design job sequences so employees could improve the skills they need for the next job on the career ladder.</td>
<td>• Identifies suitable trainees.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Designs the curriculum and gets employer input on its content.</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Provides training in-house or connects participants to training providers.</td>
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<tr>
<td>Work-Based Learning</td>
<td>Description</td>
<td>Employer Role</td>
<td>FBCO/Workforce Development Role</td>
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<tr>
<td>• This type of partnership may include on-the-job training, internships, apprenticeships, and other types of “trials of employment” that enable employers to “test” employees and develop their work skills before hiring them.</td>
<td>• Provides the worksite for trainees to learn on the job. For partnerships that are not funded by public and/or private dollars, some employers pay some or all of the trainees’ wages while they are still in training at the worksite. • Provides training, supervision, and monitoring of participant progress.</td>
<td>• Identifies suitable trainees. • Communicates with employers about participants’ progress, supportive services. • For funded partnerships, FBCO provides subsidies to employer for training participants on the job.</td>
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<tr>
<th>Post-placement support</th>
<th>Description</th>
<th>Employer Role</th>
<th>FBCO/Workforce Development Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Supports for new workers to enhance retention. These supports may include ongoing case management, supportive services, and access to other work supports, e.g. earned income tax credit, childcare subsidies, Food Stamps, public health insurance programs, transportation assistance, housing assistance, TANF cash assistance, child support, etc.¹</td>
<td>• Raises awareness of available work supports through outreach. • Facilitates access to work supports through referrals, helping with applications, monitoring needs for recertification. • Invests in work supports through, e.g. through childcare subsidies.</td>
<td>• FBCOs provide and facilitate post-placement support to enhance retention, including supportive services, case management, and follow-up. • Disseminate information about available work supports. • Coordinate with employer to facilitate access of work supports.</td>
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<tr>
<th>Corporate Philanthropy</th>
<th>Description</th>
<th>Employer Role</th>
<th>FBCO/Workforce Development Role</th>
</tr>
</thead>
</table>
|                        | • Employers serve as funders to enhance the capacity of FBCO through strategic grantmaking.  
• Employers offer grants to FBCOs to develop training programs that can enhance the quality of the labor pool. | • Develops grantmaking strategy to align with corporate vision. | • FBCO/workforce development agency is the grant recipient of a particular funding objective. |
APPENDIX F:

Implications Memo
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As discussed, we are including some implications for DOL’s CFBCI based on the findings from the literature review of employer/FBCO partnerships.

The findings from this literature review confirm that employer/FBCOs partnerships are constantly evolving. FBCOs and businesses are relying on a number of approaches to identify talented workers that can be readily trained and hired. The examples highlighted in this report suggest that there is growing momentum to continue the strong collaborations that are already taking place at the local level. Throughout this report, we highlighted the clear benefits that businesses have gained, as well as the challenges they face in partnering with the public sector. For many businesses, the decision to partner with FBCOs hinges on a number of factors that are imbedded in the corporate culture, such as the company’s flexibility to establishing community partnerships, the “fit” of company culture with that of FBCOs, and the perceptions of the labor pool that FBCOs can provide. These findings have significant implications for DOL’s CFBCI as it moves forward to further engage businesses.

- **Continue to increase businesses’ awareness of the benefits of FBCO partnerships**, including the strengths that FBCOs bring to the partnerships. Businesses have much to learn about the services available through FBCOs and can benefit from more concrete information about the benefits in terms of costs savings and financial gains through the partnerships. There have been very few efforts to decipher the quantitative benefits of business partnerships. In fact, very few businesses that partner with FBCOs actually engage in a process of measuring partnership costs and benefits. One promising effort to address this gap is through the Workforce Innovations Network. Jobs for the Future, the U.S. Chamber of Commerce and the National Association of Manufactures have begun an innovative endeavor to develop a toolkit to measure real time calculations of businesses’ return on investment (ROI) through partnerships (Marquardt and Feeley 2002).

- **Disseminate information about employer/FBCO partnerships to businesses**. As DOL gains more information about the range of partnership models and stories that surface from them, developing marketing materials for businesses could better inform businesses on the outcomes of the partnerships. As part of this information sharing process, DOL can also raise businesses’ awareness about the diversity of FBCOs in terms of religion and race/culture. Our review of the literature found that much of the research on FBCO has been focused on large national organizations such as the Catholic Charities, Lutheran Social Services and large African-American or White church-based initiatives. This suggests that
several communities with links to Latino churches, mosques, and Asian churches and temples may be missing (Vidal 2001).

- **Improve the services offered to businesses.** FBCOs can further enhance business services by developing a customer-oriented approach to business services, giving careful attention to the continuity of services as well as the professionalization of those services. DOL is already mindful of this implication, as reflected in the tools that is has developed for FBCOs to work with businesses. FBCOs can also show businesses the availability of a wide range of service options/menus that give businesses a number of different choices about how to work with them. These service options may include information about the role of businesses in the partnership and expected levels of involvement and resource investment to ensure a successful partnership.

- **Provide technical assistance to businesses that seek to partner with FBCOs.** While DOL’s CFBCI is already embarking on this effort, findings from our literature review confirm that businesses could benefit from access to information about current trends in employer/FBCO partnerships and training and technical assistance from DOL on how to effectively partner with FBCOs. Among some of the topics that could be covered include sustaining FBCO partnerships and the types of partnerships and businesses’ role in them. This training/technical assistance could also include examples from the field that are widely representative of the types of partnerships, including those by industry, size of businesses, size of and type of FBCO, i.e. large congregations, small houses of worship, local and national CBOs, etc.

Lastly, our report reveals that there is tremendous value that FBCOs bring to business partnerships. However, more research is needed to uncover the wide universe of employer/FBCO activities. Some specific questions remain, including:

- What support do FBCOs need to form effective employer partnerships?
- What is the capacity of FBCOs to collaborate with employers and to provide employment and training services in general?
- What are the quantifiable costs and benefits of FBCO/employer partnerships?

These questions could be answered through a comprehensive research of employer/FBCO partnerships among DOL’s FBCO grantees. This research would map the full range of partnerships that FBCOs are undertaking to build knowledge about the characteristics of these partnerships, how they were formed, and the benefits and outcomes of those partnerships. A major gap in the research is the absence of rich, ethnographic descriptions of the types of FBCOs that are providing employment and training service. This research could fill the gap by providing case study portraits of FBCOs that address issues of organizational capacity such as staffing and funding that affect their ability to partner with employers.

Given that little is known about FBCOs’ role in providing employment and training services nationally, and employer partnerships that result from those services, a carefully designed study with a representative sample of FBCOs would be extremely informative. Results from this study could include a best-practices guide on developing FBCO/employer partnerships that highlight...
case studies/stories based on the research mentioned above. This guide would build on DOL’s current efforts to document effective partnerships.

Further, the question about the costs and benefits of employer partnerships could be answered through a comparative analysis of labor market outcomes of FBCOs and secular organizations. One study that compared labor market outcomes for Indiana’s job training programs between FBOs and secular programs found no difference in labor market outcomes (Deb and Jones, 2003). Expanding this type of study with a larger sample of organizations in multiple states could provide a broad picture of the differences in services and program outcomes.