



Supporting Retention and Advancement in the Labor Market

By Nanette Relave

Since the passage of welfare reform, state and local agencies have helped many welfare recipients move into employment. But welfare recipients often obtain jobs that are low-paying and job loss is common. The transition from welfare to steady employment is difficult for many of these individuals. Personal and family issues, limited skills and work experience, low pay and nonstandard hours, and difficulties with work-related needs such as child care and transportation can all interfere with maintaining employment. Welfare recipients and leavers also face serious barriers to career mobility including low educational levels, limited skills, and characteristics of the low-wage labor market: intermittent work, stagnant wages, few fringe benefits, and limited opportunities for advancement.

Job instability and ongoing poverty can lead to welfare recidivism. Temporary Assistance for Needy Families (TANF) agencies along with workforce development agencies, education and training providers, social service agencies, and employers are challenged to help families permanently move off public assistance and escape poverty through job retention and career advancement strategies.

Efforts to support job retention and career advancement illustrate a range of strategies, including:

- **Offering emergency assistance.** For low-income working families, events such as a child's illness, a car breakdown, or eviction can lead to job loss. Agencies and employers can offer emergency assistance such as cash payments, small loans, and vouchers to help working families weather these types of events without losing employment or returning to welfare.

- **Connecting families to work support programs.** Work supports such as the Earned Income Tax Credit, child care assistance, and food stamps promote employment and job retention by helping to make work pay and helping families meet work-related and basic expenses. But TANF leavers and other low-income working families may not know they are eligible for certain programs or may face barriers to accessing programs. Agencies can take a number of steps to help families access work supports such as improving outreach, simplifying application procedures, partnering with community organizations and employers, and undertaking organizational changes like placing staff at the worksite. Employers can also help workers access supports by, for example, providing outreach materials at the worksite, offering application assistance at the human resources department, and inviting agency representatives onsite to provide information and take applications.
- **Providing post-employment services.** The transition to steady employment can be a long process for TANF recipients and leavers. Agencies and employers can provide post-employment services such as case management, mentoring, and career counseling to help individuals stabilize in the workforce. Post-employment services tend to range from three months to two years. Strategies such as building continuity between pre- and post-employment services, providing incentives for participation, and serving individuals at the worksite can improve participation among clients.
- **Providing opportunities for skills training.** Whether alone or in combination with work, skills training can help individuals with low work-related skills to qualify for certain entry-level jobs or advance in the labor market. TANF agencies have some

flexibility to allow welfare recipients to participate in education and training and TANF funds can support skills upgrading for low-income workers. Workforce and economic development agencies can help create opportunities for incumbent worker training for low-wage workers by partnering with employers and education and training providers, and by using public funds to promote training for less-skilled workers. States and localities can help steer the education and training system toward programming – such as flexible scheduling and modular curricula – that accommodates working adults and can review how state and local policies affect access to education and training in the welfare, workforce development, and higher education systems.

- **Supporting career development.** Along with skills acquisition and work experience, career planning and development are critical elements in job advancement. Agencies can support career development for lower-wage and lower-skilled workers through activities such as occupational assessment, career planning and goal-setting, career counseling, and job placement assistance. Agencies can work with employers to establish job ladders in particular firms or occupations and can work with training providers to create opportunities for basic and advanced skills training.

This *Resources for Welfare Decisions* provides resources for further information on job retention and advancement strategies. For additional information, see The Finance Project's web pages on *Job Retention and Career Advancement* at <http://www.financeprojectinfo.org/win/retention.asp> and on *Workforce Development* at <http://www.financeprojectinfo.org/workforce/default.asp>.

State and Local Initiatives

Bergen County, NJ: Emergency Assistance. The Post-WFNJ Wrap-Around Fund administered by the Bergen County Board of Social Services in New Jersey provides assistance to families that are no longer receiving Work First New Jersey (WFNJ or the state's TANF program) because of employment. Recognizing that many former recipients are employed in low-paying positions, the County of Bergen and the Bergen County Board of Social Services began the Post-WFNJ Wrap-Around Fund in 1999 to provide assistance in emergency situations to help former Work First recipients retain their employment and avoid returning to welfare. TANF funds support this initiative. The Post-WFNJ Wrap-Around Fund provides cash payments to cover child care for sick children, car repair and insurance, transportation to employment, motel placement because of a natural disaster, security deposit and moving expenses, rent, and retroactive utility expenses. The Post-WFNJ Wrap-Around Fund has been meeting its goal of having a 10 percent or less rate of return to TANF among clients served. For more information, visit <http://www.bcbss.com/wraparound.htm>.

Cleveland, OH: Worksite-Based Services and Work Supports. The Achieve Program is an employer-based retention program that includes supportive services as a key program component. It is operated by Towards Employment, a nonprofit organization based in Cleveland, Ohio. Towards Employment developed the concept for an employer-based program – one that is operated at the worksite – in 2000, piloted the program in 2001, and was invited in 2002 to include the Achieve Program in the Employment Retention and Advancement (ERA) Project, a demonstration and evaluation project supported by the U.S. Department of Health and Human Services (DHHS) and the U.S. Department of Labor. The program is supported by a combination of funds including

county funds, local private foundation funds, and fee-for-service dollars. In 2003, the program received federal funds through DHHS in relation to ERA. The Achieve Program is currently operating in 11 worksites, primarily long-term healthcare providers. The program is designed to significantly reduce turnover among front-line workers, a critical issue in the long-term care industry, and its associated costs. Among the front-line workers that the program serves, around 35-40 percent are current or former TANF recipients. Program components include worksite-based case management, weekly group sessions for workers on topics such as workplace skills and financial literacy, training for front-line supervisors, and supportive services such as childcare and transportation to address barriers to employment. Case managers – who bring a deep knowledge of community resources to the job – assess workers' support service needs and determine how to meet those needs, which may be through referral or directly paying for services. Early findings from the ERA evaluation suggest that entry-level workers in the Achieve Program were more likely to retain their jobs than workers in the control sites, and short-term retention gains tended to be greatest among recently-hired employees. Employers also report improvements in morale and productivity. Five employers that have received Achieve services have elected to continue the program on a fee-for-service basis. For more information, contact Jill Rizika, Associate Director, Towards Employment, 216.696.5750.

New York, NY: Post-Employment Services. The Vocational Foundation, Inc. (VFI) in New York City provides job training, placement, and retention assistance to at-risk young adults. All of VFI's clients are low-income, and about one-third receive some form of public assistance. VFI's Moving Up program provides two years of post-placement job retention and career development services, including case management, employer mediation, counseling, and job upgrade assistance. This program is

funded with grants from private foundations. The program has a two-year job retention rate of about 63 percent. VFI credits performance-based management; a culture of employment in the program; relationship-building between staff and clients, and with employers; continuity between pre- and post-employment activities; and a network of services to address a range of needs with promoting positive job retention outcomes. Incentives such as a small paycheck for program participation and business lunches for working clients help keep clients engaged in the program. An alumni program was created to encourage clients to regularly return to VFI. The alumni program hosts workshops, provides career guidance, and offers opportunities for working clients to come together. For an in-depth look at the VFI approach, see *Getting In, Staying On, Moving Up: A Practitioner's Approach to Employment Retention* (Proscio and Elliott, 1999). For more information, contact Petra Harris Maxwell, Executive Director, Vocational Foundation, Inc., at 718.230.3100.

Seattle-King County, WA: Career Development and Skills Training. The Workforce Development Council of Seattle-King County joined with the Washington State Hospital Association, administrators from two- and four-year colleges, labor leaders, and representatives from the K-12 school system to address critical shortages in health care staffing. This collaboration launched the Career Pathways initiative in 2003 to offer career services to hospital employees, including lower-skilled employees, to help these workers begin moving up the career ladder. As workers move up, WorkSource (the local one-stop system) staff help backfill vacancies with new job candidates. Career Pathways places WorkSource career specialists into partner health care organizations one day each week to provide career counseling services such as assessment and individualized career planning to employees and to link employees to the broader employment and training system. In addition, the career specialists broker training

opportunities. For example, the career specialists created workplace literacy classes for employees who need help with English literacy in order to enter health care training programs such as certified nurse assistant. Since its inception at the beginning of 2003, Career Pathways has enrolled over 165 employees in subsidized health care training, provided career counseling to 560 employees, and created over 132 openings in nursing and health care training programs with new funding. For more information, visit the Workforce Development Council at http://www.seakingwdc.org/Templates/ipp_pathways.html

Print and Electronic Resources

Ahlstrand, Amanda L., Laurie J. Bassi, and Daniel P. McMurrer. *Workplace Education for Low-Wage Workers*. Kalamazoo, Mich.: W.E. Upjohn Institute for Employment Research, 2003. To order and view the first chapter, visit <http://www.upjohninst.org/publications/titles/we.html>

Anderson, Jacquelyn and Karin Martinson. *Service Delivery and Institutional Linkages: Early Implementation Experiences of Employment Retention and Advancement Programs*. New York, N.Y.: MDRC, 2003. Available at <http://www.mdrc.org/publications/356/overview.html>

Anselmi, Robert and Debbie Greenberger. *Making Work Pay: How to Design and Implement Financial Work Supports to Improve Family and Child Well-Being and Reduce Poverty*. New York, N.Y.: MDRC, April 2003. Available at <http://www.mdrc.org/publications/342/overview.html>

Clymer, Carol, Brandon Roberts, and Julie Strawn. *States of Change: Policies and Programs to Promote Low-Wage Workers' Steady Employment and Advancement*. Philadelphia, Pa.: Public/Private Ventures, May

2001. Available at http://www.ppv.org/ppv/publications/assets/92_publication.pdf

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Freeman, Jennifer and Judith Combes Taylor. *Beyond Welfare-to-Work: Helping Low-Income Workers Maintain Their Jobs and Advance in the Workforce: Paper #1: Demand-Led Retention*. Boston, Mass.: Jobs for the Future, 2002. Available at <http://www.jff.org/jff/kc/library/0008>

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Heath, Prince. *Earning While Learning: Maintaining Income While Upgrading Skills*. Boston, Mass.: Jobs for the Future, January 2004. Available at <http://www.jff.org/jff/PDFDocuments/earninglearning.pdf>

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Patel, Nisha, Mark Greenberg, Steve Savner, and Vicki Turetsky. *Making Ends Meet: Six Programs That Help Working Families and Employers*. Washington, D.C.: Center for Law and Social Policy, June 2002. Available at <http://www.clasp.org/DMS/Documents/1023218370.89/Making20Ends%20Meet.pdf>

Poppe, Nan, Julie Strawn, and Karin Martinson. *Whose Job Is It? Creating Opportunities for Advancement*. Washington, DC: Center for Law and Social Policy, 2003. Available at http://www.clasp.org/DMS/Documents/1055861603.12/Adv_chapter.pdf

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Strawn, Julie and Karin Martinson. *Steady Work and Better Jobs: How to Help Low-Income Parents Sustain Employment and Advance in the Workforce*. New York, N.Y.: Manpower Demonstration Research Corporation, June 2000. Available at <http://www.mdrc.org/publications/17/full.pdf>

Resource Contacts

Brookings Institution, Welfare Reform and Beyond, http://www.brookings.edu/es/research/projects/wrb/wrb_hp.htm

Center for Law and Social Policy, <http://www.clasp.org>

Jobs for the Future, Building Economic Opportunity for Adults program area, http://www.jff.org/jff/approaches/ia_econopp.html

Mathematica Policy Research, Inc., Welfare Policy Research, <http://www.mathematica-mpr.com/welfare>

MDRC, <http://www.mdrc.org/>. For resources on job retention and advancement, visit http://www.mdrc.org/subarea_index_14.html

National Governors Association Center for Best Practices, Social, Economic and Workforce Programs Division, http://www.nga.org/center/divisions/1,1188,T_CEN_ESS,00.html

Public/Private Ventures, Working Ventures, http://www.ppv.org/ppv/working_ventures/working_ventures.asp

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