

THE ROLE OF PRIVATE EMPLOYERS IN WELFARE REFORM: SAN FRANCISCO'S JOB NETWORK AND SF WORKS

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SAN FRANCISCO'S BUSINESS-LINKED WELFARE TO WORK PROGRAMS

Upon the passage of Welfare Reform in 1996, President Clinton pledged "an end to welfare as we know it." With time-limited assistance replacing ongoing entitlements, welfare reform has shifted the focus of social services agencies from simply establishing eligibility, to preparing able-bodied TANF participants for entry into employment. The 18-24 month limit on assistance is like a clock whose ticking is a familiar sound to CalWORKs participants, eligibility workers, training specialists, and training and education providers, reminding all that links to the labor market must be established in short order. Clearly, private employers are the primary source of sustainable employment for CalWORKs participants, but devising a program which builds the bridge from welfare assistance to private employers is easier said than done.

In the old world order, stereotypes and generalities about welfare recipients using and promoting the welfare state were abundant. The private sector claimed welfare was the cause of high taxes and the nation's deficit, and that welfare was bankrupting the moral fiber of the country. Recipients were criticized as able-bodied men unwilling to work, coddled by monthly assistance payments. The social services community viewed the private sector as a main contributor to poverty, especially during recessionary periods, yet oblivious to the social services needs of families attempting to escape poverty. Welfare reform and a healthy economy have created an environment in which it is beneficial to all that private employers and social services work together to promote workforce development among CalWORKs participants. The success of such a collaborative effort would necessarily involve a shift in the way these two sectors view public assistance. To examine this issue, I had the unique opportunity to visit the San Francisco City and County Department of Human Services (DHS) and to explore its efforts to work jointly with the business community in its welfare to work efforts. My host, Amanda Feinstein, was quite helpful in introducing me to the key players in its business linked job training program. Unlike smaller communities like Santa Cruz County, San Francisco is fortunate to have a proactive business community which demanded a role in finding jobs for welfare recipients when San Francisco first began its welfare reform planning process three years ago. Two initiatives which emerged from this process, and which I studied were San Francisco Works (SF Works) and the Job Network. These two projects, represent somewhat different approaches to linking employers to job training and placement services benefiting CalWORKs recipients, approaches which in many ways are reflective of the business sectors they represent. SF Works is the program developed by larger industries in the area, and financially supported by businesses, foundations, and the United Way. Its well-endowed, polished can-do approach is reflected not only in its handsome, glossy brochures, but also in the array of privately paid services it can provide participants. A local newspaper article commented on how a tour bus was hired to take training candidates to visit an employment site, and how positive it was for the participants.

The Job Network, on the other hand, is the outgrowth of the Small Business Network, a statewide association with 1800 members in San Francisco. Supported by state, federal and

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foundation funds, the Job Network operates as a collaboration among two existing job training non-profit organizations, and the Small Business Network. One of the non-profits, Juma Ventures, operates as the lead managing agency for the program.

The services provided by the two programs differ in that they are tailored to prepare participants for the economic sectors sponsoring the programs, i.e., large industry and small business. SF Works forms links with the corporate community and solicits input on how to best train and prepare trainees for entry level positions. SF Works prides itself that it uses an employer-designed curriculum. Each training session focuses on one job skill necessary for existing entry level jobs, such as automotive repair, banking, custodial work. The first month is spent developing hard and soft employment skills, and during the following four months the trainee participates in a half-time work experience, paid through SF Works. Supportive services such as child care, transportation assistance and mentoring at the job site are available to the participant. At the end of the four month training program, the participant is matched with an employer, and a job counselor is assigned to track the progress in the placement and to provide retention services. The Job Network recruits participants for a four month training program which includes five weeks of soft skills training, followed by a three month placement with a participating Small Business Network employer. For the first three months of the placement, the nonprofit agency pays the trainee's salary and payroll costs. This program coordinates with DHS to provide trainees with supportive services, including counseling, child care, and transportation. Once a participant is placed, there is a retention counselor who assists not only the trainee, but also the employer assuring that the placement is successful.

A common concern expressed by both these programs is the lack of referrals. SF Works had set a target goal of placing 2000 welfare recipients by the year 2000. It will not come close. The Job Network set a goal of 200 placements in its first year of operation; it may reach 100. Somewhere here there is a cruel irony for the representatives of real world supply and demand economics. Both these attractive, well-funded programs were designed in the early stages of welfare reform. when there were 10,000 families on aid in San Francisco, but have come in to being after a 30% drop in the caseload. While there is much speculation as to what caused this dramatic reduction, (heated-up economy's demand for labor, "announcement" factor of limits on assistance, those with skill moved quickly to jobs), there is no doubt that the reduced caseloads have resulted in less demand for the employment training programs offered by at least 20 San Francisco providers. I had an opportunity to discuss this development with Jim Whelley, an Employment Specialist Supervisor with the Department of Human Services. He reminded me that with welfare reform, we are all operating in the midst of a huge social experiment, and that program development and outcomes tend to be unpredictable and fluid. In Whelley's view, the 3000 persons who left assistance probably were those who were the most job-ready. This has resulted in a de facto "creaming" of the assistance population, and the remaining caseload is composed of either those who experience multiple barriers to employment, or those who are working part-time earning subsistence wages. It has been a difficult adjustment for some training providers to tailor their programs for the "hard to serve", and partially employed assistance population. DHS has fielded complaints from vendors that the agency is not properly screening the referrals, that participants are not properly prepared for the training, or not motivated, and that sanctions are not being appropriately administered. One would imagine that these comments are received by DHS staff with a polite nod and a slightly noticeable raised eyebrow. For the Employment

Specialists (ES), it is no surprise that employment training vendors are now being referred participants with multiple barriers to employment. Whelley referred to studies that project that at least 40-50% of CalWORKs adults have learning disabilities. DHS was in the process of developing a diagnostic screen for such disabilities. He also wondered aloud about the number of CalWORKS clients with undisclosed issues impeding job training, such as those who do not reveal serious substance abuse problems, or clients who experience domestic abuse at home. Finally, many CalWORKs clients are nonEnglish speakers, who lack language and literacy skills necessary to enter the main stream job market. The employment training providers face the challenge of devising programs which effectively and rapidly address these barriers, or finding that they are no longer competitive in the employment training business. To be more competitive, employment training providers, including SF Works and the Job Network, are learning to evaluate their services from the perspective of the participants and the ES staff. Although each CalWORKs participant is free to choose the type of training services best for her employment plan, usually it is the ES worker who makes the first recommendation. Each ES develops a sense of what services will work for their clients by attending a "providers showcase" each month, where the vendors are allowed to display their programs, curricula, and promised outcomes.

The ES staff also develops a sense of the vendors' effectiveness by receiving feedback from clients who have already been referred to the various employment training services. Thus as gatekeepers to the vendor services, the ES workers have a great deal of discretion in directing the flow of referrals to those services which effectively deal with barriers to employment, and are producing positive outcomes for clients.

Both SF Works and the Job Network are developing new strategies to attract more referrals and to assure positive outcomes. SF Works is considering the expansion of the program to include General Assistance recipients, as well as referral of clients from the East Bay. The Job Network is also considering enrollment of General Assistance participants, as well as the "working poor". It is also focusing on services which promote job advancement. The Job Network representatives also attend the Employment Specialist unit meetings to promote its services.

Aside from adapting services to language, literacy and learning deficits, success driven programs such as SF Works and the Job Network may also consider tempering its expectations. As Jim Whelley reminded me, most people have made mistakes, and had setbacks. and failures on the road to finding and keeping steady employment. Perhaps the goal of employment training providers should not be to eliminate such failures, rather the goal should be to leave room for failure and allow a participant to build off that experience.

APPLICATION TO SANTA CRUZ COUNTY

In the Santa Cruz County economy, small and medium size business predominate, and there is not a large industry or corporate presence as there is in San Francisco. Accordingly the Job Networks experience in working with the Small Business Network to develop job training and placement programs is most applicable to this county.

Since Santa Cruz County's business community has not been proactive in creating its role in the welfare reform effort, it is essential that the Human Resources Agency network with the business community to encourage its involvement. The advice and counsel of local business leaders in designing a job readiness and placement program would be invaluable.

Through my internship in San Francisco, I was able to ask Scott Hauge, one of the founders of the Job Network, what concerns a small business owner would have before accepting a placement of a CalWORKB participant. His response was quite instructive. He began that the participant would have to have good "soft skills". such as showing up to work on time, light typing and phone skills. Next, the participant would have to understand that he or she was working, not involved in a social service or charity program. Additionally the business owner would want little or no governmental involvement, and would want no liability if the placement failed. On the other hand, the business would like the assistance of the county (or an employment service vendor) in providing human resources services, and in accessing federal tax credits (up to \$8.500). Santa Cruz County would do well to emulate the Job Network's approach to addressing these business concerns. The Job Network continues to focus on "soft skills" in its training programs, convinced that such skills are essential to a successful placement. The participant is employed by the Job Network during the first three months of the placement, after which the business becomes the employer. The retention counselors address the concerns of the employer as well as those of the CalWORKS participant, thus in some ways operating as an informal personnel presence. These are all services which Santa Cruz County could easily build into a business-linked job readiness program.

CONCLUSION

It is interesting to note that in building bridges to the business community, Santa Cruz County will simply be formalizing communication with a sector that is already a partner in welfare reform. Over the last two years, like San Francisco, Santa Cruz County has experienced a significant drop in the CalWORKs caseload. Undoubtedly, it was the small business community that provided the jobs for the departing recipients. Indeed, if Santa Cruz County is like the rest of the country, most new jobs in this booming economy have been generated by small businesses of 100 employees or less. For those remaining on assistance who might be the underemployed, or the hard to serve, it might be essential that we all shed our previous notions about welfare, and develop a common approach premised on workforce development in our communities.