



Alternative staffing connects people with jobs

BY DUANE M. ELLING

Alternative staffing jobs are first steps on career ladders.

Los Angeles’ “Toy Town” neighborhood — host to hundreds of toy wholesalers and import-export businesses — is just a short drive from the gleaming towers of the city’s business and financial district. Numerous sidewalk displays tempt bargain shoppers with herds of colorful stuffed animals and legions of plastic action figures.

Yet for the more than 20,000 homeless women, men and children living in nearby Skid Row, the daily struggle to survive streets filled with squalor and danger leaves very little time for play.

Helping these families secure living-wage employment and leave poverty behind is a key focus of Chrysalis, a nonprofit workforce development program with sites in the heart of Skid Row, as well as in Pacoima and Santa Monica. The organization’s Labor Connection initiative is one of three alternative staffing programs selected by the Mott Foundation to participate in a one-year demonstration of the strategy. (See sidebar, page 25.)

Alternative staffing programs, which are frequently operated by community-based organizations, integrate the business goal of commercial staffing agencies — meeting the staffing needs of employers — with the social mission of helping marginalized members of society gain a foothold in the labor market.

They accomplish this by connecting low-income and hard-to-employ individuals with short-term — or temporary — and “temp-to-hire” job opportunities. (The latter allows workers and employers to “try each other out” before committing to regular employment.)

In addition, the customary fees collected from the businesses where workers are placed are used by alternative staffing programs to provide services that help workers address issues affecting their ability to remain employed, such as housing, child care and transportation. They also support workers’ efforts to build the employment skills and marketable work experience that can lead to future opportunities.

Alternative staffing programs currently represent less than 1 percent of the nation’s substantial staffing industry. The Mott demonstration will examine how strengthening sales and marketing capacity impacts their ability to attract new business customers, build financial sustainability and place workers in the labor market.

Françoise Carré, research director of the Center for Social Policy at the University of Massachusetts-Boston’s McCormack Graduate School of Policy Studies, will co-lead the demonstration’s formal evaluation with Dorie Seavey, a visiting research fellow at the center.

Carré says many low-income individuals — particularly those with barriers to employment — often have difficulty finding living-wage work

through traditional job search activities, such as responding to “help wanted” advertisements or conventional temporary employment agencies.

Studies show that alternative staffing programs can address these issues by capitalizing on the potential of temporary and short-term employment to create access to good paying jobs, including those offering a critical first step up on long-term career ladders. They also can introduce many first-time workers to the labor force, prepare them for their new jobs and provide the resources that will help them stay employed.

Kim Minter knows well the role that alternative staffing programs can play in opening doors of opportunity.

Minter left a long-time management position at a business services store in 2001 after experiencing a debilitating physical condition. While exploring her future job options, she learned in 2003 about Goodwill Temporary Services (GTS), an Austin, Texas-based alternative staffing program. GTS is an initiative of Goodwill Industries of Central Texas and another participant in the Mott demonstration.

Since then, Minter — with the help of GTS — has worked on projects for the Texas Attorney General’s Office, the Texas Rehabilitation Commission and the Texas Commission on Environmental Quality, where she is employed full-time as a shift supervisor. She says these temporary placements have confirmed that disabilities need not be barriers to rewarding employment, and she is presently considering permanent career opportunities.

“I owe a lot of where I’m at today to GTS. When I was dealing with my medical issues and the tough job market, they came through for me and helped me stay working. Anytime I’ve needed them, they’ve been there.”

Carré says experiences like Minter’s illustrate how alternative staffing programs help individuals from all sectors of the community obtain jobs while providing employers an additional tool for finding qualified workers.

“[These programs] improve upon the conventional staffing and day labor experience by combining a strong social mission for helping families with a dedication to providing quality workers to the labor market. That type of combined service is very attractive to many potential customers.”



■ *Kim Minter*

Adlai Wertman, executive director at Chrysalis, agrees with Carré, noting that Labor Connection’s focus on both commerce and the community has played a critical role in drawing new business to the program.

“We help employers see that this isn’t just a vendor-client relationship, but a partnership to open a door out of homelessness. When they learn about what we’re doing, they understand that there is a very good reason — beyond the competitive service and price we offer — for them to be involved.”

This broad appeal is what convinced Michael Brown to hire a new employee from CoreTemp, an alternative staffing program — and the third demonstration participant — of Chicago-based Suburban Job-Link Corporation. The program connects low-income workers with businesses that range in size from a few to several hundred employees.

Brown operates Environmentalist Maintenance Company, a commercial carpet and floor cleaning service in Addison, Illinois.

Brown learned about CoreTemp a year ago while seeking a cleaning technician. After speaking with program representatives, he interviewed and eventually hired a CoreTemp participant, who since has become one of Brown’s most valued employees.

The experience has convinced him to seek out the company for his future workforce needs.

“[CoreTemp] matched me up with the type of employee I was looking for and they’ve checked back several times in the last year to make sure that things are still going OK. With that type of customer service, I’ll definitely give them a call when I need to hire more people.”

Encouraging employers like Brown to give alternative staffing a try is a key objective of each of the three programs participating in the demonstration.

Seavey says that because the programs rely heavily on customer fees to fund their services, marketing and sales capacity are critical to leveraging growth and stability.

“This demonstration will allow us to see what happens to the programs when that capacity expands, both in terms of the new customers who come in, the number of workers who are successfully placed and the impact of both on the need for supportive services. Each offers a potentially critical lesson for the field as it moves forward.”

Expanding and strengthening partnerships is also an emerging focus for the demonstration’s participants.

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Evaluation will study programs' results

The recently launched demonstration on alternative staffing programs illustrates the Mott Foundation's long-standing belief that access to living-wage employment is a key to helping low-income families work toward lives free from poverty.

The current demonstration — supported by four grants totaling \$677,750 — will study the impact of increased sales and marketing capacity on the ability of alternative staffing programs to expand their customer base, build financial sustainability and increase the number of workers served.

The McCormack Institute of Public Affairs at the University of Massachusetts at Boston was selected to design and conduct an evaluation of the demonstration with the support of an 18-month, \$69,750 grant.

“There is a growing body of evidence that alternative staffing programs are an effective strategy for helping people with multiple barriers find and maintain employment,” said Dorie Seavey, co-principle investigator in the evaluation.

“And because the programs are designed to generate a portion of their own operating support, they help stretch the available resources for the nation's workforce development system. This demonstration will look at ways of boosting the impact on both fronts.”

The three participating programs are:

■ **Chrysalis**, Los Angeles. Grant: \$208,000, 15 months. Helping homeless and economically disadvantaged individuals access jobs, overcome barriers to employment and progress toward self-sufficiency is the focus of Chrysalis, a multitrack workforce development program in Los Angeles, Pacoima and Santa Monica. The organization's Labor Connection initiative helps participants access temporary and “temp-to-permanent” jobs and provides them with a broad range of supportive services designed to help them stay employed.

Chrysalis was founded in 1984 and began offering alternative staffing services in 1991. The Labor Connection program billed more than 257,000 worker hours in 2001 for the 280 people receiving job placement services.

Adlai Wertman, executive director of Chrysalis, notes that his sales staff routinely makes “cold calls” to businesses and other potential customers, marketing the program and bringing back new job openings. He says the demonstration will help the agency pursue this strategy more aggressively among three target audiences: nonprofit, light industrial warehouses and Los Angeles' west side.

■ **Goodwill Temporary Services**, Austin, Texas. Grant: \$200,000, 15 months.

Goodwill Temporary Services (GTS), established in 1995 by Goodwill Industries of Central Texas, helps people with disabilities and other barriers to employment gain entry to living-wage jobs. It is one of two alternative staffing companies that supply skilled temporaries to state government offices in the Austin area.

The program has developed a broad range of services to help clients address barriers to their employment, and provides them with numerous employment-related benefits, such as paid holidays and vacations.

The agency placed 476 people into temporary positions in 2003, with 8 percent eventually offered permanent employment.

Cheri Dorn, president of GTS, views participation in the demonstration as a key opportunity to educate a significant number of potential customers about the value of the agency's service and the quality of its workers.

“We encourage them to consider the service as a ‘try before you buy’ strategy.”

■ **Suburban Job-Link Corporation**, Chicago. Grant: \$200,000, 12 months.

When Suburban Job-Link opened its doors in 1970, it became the first nonprofit, community-based organization to launch a market-based alternative staffing program. That program — now called CoreTemp — seeks to improve employment opportunities for low-income residents in Chicago's inner city, with a particular emphasis on minority workers. The agency's services include helping workers access transportation to permanent jobs located in the suburbs.

CoreTemp served 2,250 workers in 2001, with 420,000 billable work hours. Building on this history will be the primary goal for CoreTemp during the demonstration.

John Plunkett, president of Suburban Job-Link, says the program will seek input from local businesses as to what they look for in a temporary staffing service, as well as its workers. In turn, sales and marketing staff will market the program's capacity to customize services, provide on-site supervision and manage safety issues.

“Some of our customers have added hundreds of our temp workers to their payrolls,” he said.

— Elling



mott.org/mosaicv3n2/links

- Chrysalis
- Goodwill Temporary Services
- McCormack Institute of Public Affairs, University of Massachusetts-Boston
- Suburban Job-Link Corporation

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Cheri Dorn, president of GTS, says her program has successfully placed more than 3,500 individuals in temporary employment since its launch in 1995. While many have found work in state government offices, program staff view the demonstration as an important opportunity to educate the local business community — as well as potential city and federal government customers — about the value that GTS participants bring to the workplace.

Dorn, who worked in the conventional staffing industry for several years prior to coming to GTS, says the demonstration also may help build relationships among alternative staffing programs, and connections to their for-profit counterparts. She says that, despite similarities — like providing “foot in the door” opportunities for workers and satisfaction guarantees for customers — many alternative staffing programs remain outside the mainstream network.

“We have so much to learn from each other in terms of how to best help workers prepare for successful temporary placements, as well as how to meet the needs of our business customers. Demonstration projects like this bring visibility to the alternative staffing field and may help us open up that dialogue.”

While research indicates that many alternative staffing programs succeed in connecting hard-to-place workers with the nation’s labor market, advocates note that the strategy is most effective when it is part of a comprehensive, high-quality community workforce development system, including skill training.

“We know that alternative

staffing programs succeed in providing transitional employment for those people leaving welfare or homelessness, and they enable workers to move from casual employment into long-term positions,” Carré said. “But they are only one path for those individuals and their families in the journey out of poverty.”

For John Plunkett, president of Suburban Job-Link, making certain that those paths are readily accessible to low-income families will remain critical throughout the demonstration and beyond. He says alternative staffing programs — with their emphasis on living-wage work and supports to help people stay on the job — could help shape the nation’s future workforce.

“When it comes to low-income families, finding good, stable employment is one of the most important things in the world. Helping them do just that is our job and we have to do it well.”

Wertman agrees. He and his staff have seen the depths to which people can sink when they are unable to find and maintain living-wage employment and build decent lives.

“There are a lot of folks who are homeless, who have been incarcerated, or who just don’t have the education or work experience that allows them to find a good job. Those who are lucky enough to find work often face any number of obstacles to keeping it. Then they risk ending up back on the street and, while the streets might be fine for selling toys, they’re no place for a family to live.” ■



■ Employees gain experience and job skills through alternative staffing positions.