
Employer Resource Networks: Uniting Businesses and Public Partners to Improve Job Retention and Advancement for Low-Wage Workers

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Policy Context

- **Disadvantaged populations often have difficulty getting and keeping jobs**
 - Limited education and little or no work history
 - Lack of basic work habits and job skills
 - Personal and family challenges that interfere with work
- **Agencies serving disadvantaged populations often have difficulty engaging employers**

Background

- **Origins of Employer Resource Networks (ERNs)**
 - Cascade Engineering
 - The SOURCE/West Michigan TEAM
 - Expanded through DOL Workforce Innovation in Regional Economic Development (WIRED) grant
- **Model fits well with several ACF and DOL initiatives**
 - Health Profession Opportunity Resource Grants
 - Transitional Jobs and Subsidized Employment
 - Career Pathways

What are ERNs?

- **Small and mid-sized businesses pool resources to accomplish together what they cannot accomplish individually**
- **Services are targeted to entry-level workers but open to all employees**
- **Primary focus is job retention, with a strong secondary focus on skill building**
- **Capacity is expanded through public and private partnerships**

What Services Do ERNs Provide?

- **Short-term, “high touch” case management**
- **Job and life skills training**
- **Specialized resources and supports**

How are ERNs Structured?

- **Employer “buy-in” to the network**
- **Contracts with local agencies to provide direct services**
- **Publicly and privately funded job retention specialists**
- **Use of training providers and nonprofit agencies to leverage needed resources**
- **Geographically centralized and sector-based approach**

Who Benefits from ERNs?

- **ERNs can provide bottom-line benefits to employers**
 - **Between 85 and 90 percent job retention rate**
 - **Average return on investment between 150 and 200 percent**
- **ERNs can help workers get access to supports to stay employed and build job skills**
- **Community colleges can expand their enrollment and grant opportunities**
- **Public and nonprofit agencies can engage with the business community**

Businesses Best Suited for ERNs

- **Range of wage scales and skill levels**
- **Similar training and worker service needs**
- **Need of each other to create economies of scale**
- **Willing to fund shared staff or resources to increase efficiency**
- **Willing to establish public/private partnerships**
- **Willing to collaborate with other businesses**

Steps for Creating an ERN

- **Identify and recruit stakeholders**
- **Educate stakeholders to obtain buy in**
- **Identify funding to cover startup and ongoing expenses**
- **Create an administrative infrastructure**
- **Customize the service model to the needs of workers and the resources available within businesses and local communities**

For More Information

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