

Title of Event: "The Challenge of Welfare Reform: The Employer Perspective"

Date: June 23, 1998

Speakers: Alicia Fernandez-Mott, Technical Assistance Team Leader, Office of Welfare-to-Work, Department of Labor
Rodney Carroll, United Parcel Service (on loan to Welfare-to-Work)
Thomas Harnett, Director of Human Resources, BMC Enterprises, Baltimore, Maryland
James Schaffer, Program Director, Office of Family Support, West Virginia Department of Health and Human Services

Highlights:

Under Welfare-to-Work (WtW), employers have an opportunity to design programs that fit their own needs and the needs of the community. There are many incentives available to employers that hire welfare recipients, the major benefit being the WtW tax credit. The coordinator for this program is Carmine Ortiz, who can be reached at (202) 219-9092.

For employers who are concerned about the "risk" they may be taking when hiring welfare recipients, there is a National Bonding Program to assist these employers. The contact person is Joe Seiler, who can be reached at 1-888-BOND JOBS.

United Parcel Service (UPS), the 3rd largest employer in the U.S. has hired approximately 11,000 employees under the WtW program.

- The company has a mentoring program available for all new employees that shows them the opportunities available within the company.
- UPS has a 90% retention rate with WtW hires and a 60% retention rate with non-WtW hires.

According to UPS, in order for Job Developers to successfully employ welfare recipients, they must:

- Conduct research on the company to determine if there is a good match between the client and the company.
- Educate managers in the company about welfare recipients to explode the myths that recipients do not want to work and simply want a handout.
- Create client profiles with information on the level of education and skills they bring to the job.
- Be creative to find viable solutions.

BMC Enterprises, one of the largest African American food market chains in the country, has benefited from the tax credits, grant diversion, and transitional benefits available to welfare recipients.

- The company provides recipients with training that includes life skills, human relations, customer service, and job skills development.
- BMC has hired about 200 WtW employees and has a 70% retention rate.

To effectively place welfare recipients, the West Virginia Department of Health and Human Resources (DHR) positioned caseworkers as consultants who offer job screening, job assessment, job training, child care, and transitional assistance. Additionally, caseworkers engage in a number of activities including:

- "Softening up" the market by using the media to explode the myths about welfare recipients.
- Building personal relationships with employers.
- Teaching employers how to offer employees more money by filling out the W-5, which results in the tax credit being advanced to the paycheck.
- Holding job fairs and working with the Chambers of Commerce.
- Running job readiness classes to help teach clients about timeliness, company representation, and working with others.

Also, the DHR has taken advantage of statewide development programs to get funding for training grants.