PUTTING THE PIECES TOGETHER

CONNECTING INDUSTRIES, WORKERS, AND COMMUNITIES TO STRENGTHEN TRADITIONALLY LOW-WAGE SECTORS

A Report on the National Network of Sector Partners' 2001 Low-Wage Sector Learning Forum

Prepared By:
Amy Wallace
Kimberly Tarr
Cindy Marano

NNSP IS A PROJECT OF
THE NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER
BACKGROUND

NATIONAL NETWORK OF SECTOR PARTNERS

The National Network of Sector Partners (NNSP) was founded in 1999 as a project of the National Economic Development and Law Center, with funding from the Ford, Charles Stewart Mott, Annie E. Casey, and the William and Flora Hewlett Foundations.

Our mission is to encourage the use and effectiveness of sector initiatives as valuable tools for enhancing employment and economic development opportunities for low-income individuals, families, and communities.

Our goals are to:

- Expand the commitment of public and private resources to industry-specific workforce development
- Inform and raise awareness about the benefits of sector initiatives
- Increase the quality, capacity, and numbers of partners in the field
- Achieve the enactment of supportive public policy
- Provide information and resources to those working in the field

The NNSP is a project of the National Economic Development and Law Center in Oakland, California. A national advisory committee of workforce development partners, national organizations, business and labor leaders, and funders guides NNSP activities.

THE NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER

The National Economic Development and Law Center (NEDLC), established in 1969, is a non-profit public interest law and planning organization that specializes in community economic development. NEDLC works in collaboration with community organizations, private foundations, corporations, and government agencies to build the human, social, and economic capacities of low-income communities and their residents. NEDLC helps to create both strong, sustainable community intuitions that can acts as “change agents,” and an effective local infrastructure for their support.

ACKNOWLEDGEMENTS

This publication, Strategies for Systems Change, would not have been possible without the valuable input of the following individuals:

- Cindy Coker, Founder, Childspace Cooperative Development
- Kalyn Culier Cohen, Non-Profit and Worker-Owned Business Consultant
- Stephanie Kellner, Researcher/Program Developer, Office of Port JOBS
- Peggy Powell, Director of Workforce Strategies, Paraprofessional Healthcare Institute
- Jennifer Woodard, Human Resources and Organizational Development Consultant
PUTTING THE PIECES TOGETHER

CONNECTING INDUSTRIES, WORKERS, AND COMMUNITIES TO STRENGTHEN TRADITIONALLY LOW-WAGE SECTORS


Prepared By:
Amy Wallace
Kimberly Tarr
Cindy Marano

All rights reserved. Copy © 2002 National Economic Development and Law Center
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I  Introduction</td>
<td>1</td>
</tr>
<tr>
<td>II Conference Agenda</td>
<td>2</td>
</tr>
<tr>
<td>III Convening Report</td>
<td>4</td>
</tr>
<tr>
<td>IV Making Systems Change: The Heart of the Matter</td>
<td>8</td>
</tr>
<tr>
<td>V  Strategies Discussion Groups</td>
<td>9</td>
</tr>
<tr>
<td>VI Sector-Specific Sessions</td>
<td>13</td>
</tr>
<tr>
<td>VII Recommendations</td>
<td>15</td>
</tr>
<tr>
<td>VII Conclusion</td>
<td>17</td>
</tr>
<tr>
<td>Appendix A, Participant List</td>
<td>19</td>
</tr>
<tr>
<td>Appendix B, Participant Strategy Summaries</td>
<td>24</td>
</tr>
<tr>
<td>Child Care</td>
<td>25</td>
</tr>
<tr>
<td>Cleaning</td>
<td>43</td>
</tr>
<tr>
<td>Health Care</td>
<td>47</td>
</tr>
<tr>
<td>Needle Trades</td>
<td>83</td>
</tr>
<tr>
<td>Temporary Staffing</td>
<td>93</td>
</tr>
</tbody>
</table>
INTRODUCTION

Sector initiatives are making change in many industries. In some industries — often characterized as low-wage industries — the majority of workers traditionally receive very low wages, few or no benefits, and face hardship working conditions. In some low-wage industries, there are dramatic wage differentials — high wages for a few jobs, very low wages for the majority, and very limited career ladders leading from the jobs at the bottom of the ladder to those with better wages, benefits, and working conditions. Low-wage industries frequently face high turnover and difficulty in recruiting workers. For these reasons, quality of services suffer, industries lose business opportunities, and productivity is reduced. Sector initiatives working in these fields have created innovative ways to address these industry challenges, while putting the improvement of conditions of workers at the center of their initiatives.

With globalization of the economy and the transfer of many jobs overseas, there has been significant growth in low-wage service jobs in the United States. Sector initiatives have been developed in many of these low-wage industries. While the strategies employed by these projects differ by industry, a number of strategies are being used across the specific sectors. Sector projects in these industries face particular barriers, have led in the development of highly innovative solutions, and are making change in many communities.

With funding from the Annie E. Casey Foundation, the National Network of Sector Partners (NNSP) convened a meeting of sector organizations working in five of the low-wage industries on June 22-23, 2001 in Chicago, Illinois. Attending were groups working in the needle trades, health care, temporary services, child care, and cleaning/janitorial work. Forty-eight attendees representing these industries, NNSP leadership and staff participated. The meeting was designed to provide leaders working in these sectors with the opportunity to discuss their work, share strategies, and advise NNSP on how to be most helpful in supporting them. A planning committee of the NNSP Organizing Committee was formed to design, shape, and organize the event. Event Co-Chairs were Cindy Coker, Founder of Childspace Cooperative Development, and Peggy Powell, Director of Workforce Strategies at Paraprofessional Healthcare Institute. These two leaders engaged Kalyn Culler Cohen and Jennifer Woodard, consultants with substantial expertise in low-wage sector efforts, to help design and manage the conference. NNSP thanks this extraordinary team for their significant contributions and leadership.

This report documents some of the lessons and suggestions of the event — one of the most exciting and thought provoking of NNSP's history. It is designed to report the discussion of key sections of the agenda, the suggestions made to NNSP to support low-wage sector initiatives, and to share the writings and reflections of groups working in these sectors.
CONFERENCE AGENDA

Prior to the Low-Wage Learning Forum, practitioners working in child care, cleaning, healthcare, needle trades, and temporary staffing were interviewed. Appended to this publication is the result of this effort, a document of the work of those committed to reshaping low-wage work. Based on what was learned in this process, the agenda was designed to stimulate mutual learning. Sessions began on the afternoon of Friday, June 22 and concluded Saturday evening. The agenda was as follows:

Friday, June 22, 2001

1:00    Welcome

1:30    Strategies & Stories: A View from the Trenches
Moderator:   Kalyn Culler-Cohen, NNSP Consultant

A Strategy: Diverse Approaches to Organizing Workers
Presenters:  Denise Dowell, United Child Care Union
            Saru Jayaraman, The Workplace Project
            Lorenzo McDonald, Service Employees International Union

A Perspective: The Employer’s Perspective on Sector Change
Presenters:  Paul Gill, Made by the Bay
            Michael Elias, Cooperative Home Care Associates
            Bill Schwartz, Suburban Job Link
            Carla Dickstein, Coastal Enterprises

Getting Started
Presenters:  Carol Goertz, Women's Association. For Women’s Alternatives
            Brenda Palms-Barber, North Lawndale Employment Network
            Clay Howell, Project QUEST
            Lorraine Schmalenberger, San Diego Health Care Collaborative

A Sector: Temporary Staffing
Presenters:  Tim Costello, Campaign for Contingent Work
            Phaedra Ellis-Lamkins, Working Partnerships USA

4:30    Break

5:00    Government Funding Presentation and Discussion
Moderator:   Cindy Marano, Interim NNSP Director
Presenters:  Felipe Floresca, NNSP Policy Consultant
            Kathy Patrick, NNSP Field Consultant
Saturday, June 23, 2001

9:00 How Multiple Strategies Interact to Affect Change in Low-Wage Sectors
Moderator: Jack Litzenberg, The Charles Stewart Mott Foundation

Panelist Desired Change
Steve Dawson, Paraprofessional Healthcare Institute Better Wages and Benefits
Linda Dworak, Garment Industry Development Corporation Better Working Conditions
Anita Bender, Childspace Cooperative Development Inc. Restructuring Jobs
Rebecca Bauern, Women’s Action to Gain Economic Security Linking Workers to Jobs
Karin Uhlich, Primavera Services Changing Work Culture

10:30 Break

10:45 Strategy Discussion Groups
Unionization
Steven Herzenberg, Keystone Research
Kenneth Cliff, Justice for Janitors
Policy Interventions
Penny Penrose, Good Faith Fund
Joe Wilson, Coleman Advocates

12:00 Lunch Break/Networking

1:00 Strategy Discussion Groups
Technology Innovations & Enterprise Development
Jim Megson, IGA Group
Susan Mattucci, Southwest Creations Collaborative

Strategic Partnerships
Trinee Moore, VNA Training Institute
Eric Parker, Wisconsin Regional Training Partnership

Grassroots Organizing
Judy Victor, Day Care Justice Co-op

2:15 Break

2:30 Introductions to Sector Breakout Sessions
Cindy Marano, NNSP Interim Director

3:00 Sector Breakout Sessions
Child Care
Rosemary Vardell, National Center for the Child Care Workforce
Cleaning
Linda Kite, Strategic Action for a Just Economy
Health Care
Walter Phinney, Quality Care Partners
Needle Trades
Karen Jacobsen, Appalachian by Design
Temporary Staffing
Ed Hennessy, Chrysoils

4:30 Report Back from Sector Breakouts
Cindy Marano, NNSP Interim Director

4:50 Closing Remarks
Tse Ming Tam, National Economic Development and Law Center

NNSP IS A PROJECT OF THE NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER
CONVENING REPORT

The Learning Forum opened with “Strategies and Stories: A View from the Trenches.” This session featured a diverse panel of practitioners discussing their experiences in low-wage industries. Unionization and worker organization were discussed as strategies to combat poor-quality working conditions and low pay in the child care and cleaning sectors. Panelists also talked about employer reactions to sector initiatives and their potential impact on business practices and the needs of industry. Practitioners discussed one of the fastest-growing low-wage industries—temporary staffing—and how sector initiatives were attempting to benefit these workers and meet the needs of employers simultaneously.

POLICIES AND FUNDING STRUCTURES

An afternoon session on government funding of sector initiatives provided a forum for NNSP policy consultants Felipe Floresca and Kathy Patrick to engage attendees in a discussion of federal and state policies and funding sources affecting their work. NNSP research had shown that comparatively less funding for low-wage sector projects comes from public sources, than is the case with their higher wage counterparts. Participants had the opportunity to share their experiences with a variety of funding streams and structures, including the particular challenges that they had experienced.

Approximately two-thirds of participants at the Convening indicated that they had received some funding to support their sector programs, while about half received funding from their respective states. However, the challenges faced by programs seeking government funding are in some ways compounded for sector initiatives focused on low-wage industries, especially since the advent of welfare reform, time limits on training, and government emphasis on self-sufficiency. In some cases, low-wage practitioners found themselves out of the funding picture for training funds, yet large numbers of welfare recipients were being moved without training into the least well-paid jobs in their sectors with little hope for advancement. Convening participants identified some of the major challenges to low-wage sector programs using public funding. Table 1 illustrates participant responses.

In addition to funding challenges, low-wage sector practitioners also identified some regulatory challenges to developing strategies for systems change in their industries. These included:

- The lack of enforcement of labor laws is of particular concern to practitioners in the temporary services sector. Currently, there is little protection for part-time and/or contingent workers and a lack of enforcement of existing wage and hour laws.
- Immigration and undocumented worker issues and policies often serve to create and maintain a pool of undocumented and exploitable workers.
- Policy “disconnects”: For example, requirements to work vs. restrictions to child care access, inconsistent requirements between Welfare-to-Work and under-employed, cross-system incompatibility (child custody, child care, food stamps, etc.) remain a challenge.
Low-wage programs find *discrimination* prevalent for the target populations that many low-wage programs serve (immigrants, ex-offenders, disabled persons, and single mothers, for example).

**TABLE 1: GOVERNMENT FUNDING**

<table>
<thead>
<tr>
<th>FEDERAL</th>
<th>STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIB structures are perceived as ineffective, with unrealistic partnership requirements and short time frames for implementation</td>
<td>Allocation of funds is often politically motivated</td>
</tr>
<tr>
<td>Micromanagement is common -- replacing effective strategies and models with WIB-imposed versions</td>
<td>Failure of state authorities to coordinate with county regulations makes implementation difficult</td>
</tr>
<tr>
<td>WIA wage and “work first” requirements often don’t mesh with better jobs in low-wage sectors</td>
<td>Inconsistency of policies between programs and funding sources</td>
</tr>
<tr>
<td>Paperwork and reporting requirements that accompany federal funding are often onerous</td>
<td>State budget deficits negatively impact state support of such programs and services</td>
</tr>
<tr>
<td>Language supporting sector programming is not present as a stimulus</td>
<td>Some states refuse to access federal funds</td>
</tr>
<tr>
<td>Competition with local government and businesses for federal funding can be a problem</td>
<td></td>
</tr>
<tr>
<td>Some practitioners have elected not to play, rather than deal with what they see as a dysfunctional system</td>
<td></td>
</tr>
</tbody>
</table>

Participants briefly noted some of the public policy advocacy strategies they have used successfully, including regulatory reform, legislation to allow sales tax increase for a human development fund, partnering with employers and unions to address skills deficits while circumventing the work-first framework, and the development of spokespersons and self-advocates. Participants wished to continue this discussion with NNSP and together to identify effective policy interventions for the future.

**POLICY CHANGE**
The policy discussion continued in a session on interventions and the types of policy low-wage programs are addressing. Joe Wilson, of Coleman Advocates, discussed ballot measures in California, which had effectively guaranteed funding for community-based organizations serving children and youth.
In both San Francisco and Oakland, grassroots mobilization of service providers, as well as clients and their parents, drove the agenda and resulted in the commitment of city funds to local organizations. Penny Penrose, of the Good Faith Fund, began working on welfare policy in 1996, helping to get supportive services, extended child care allowances, and training and education supports written into welfare law in her rural Arkansas community. Like Wilson, Penrose also made a foray into the budget process, advocating for a 3% tax on beer purchases resulting in a $10 million dollar per year commitment on the part of the state to child care services for low-income families.

Participants in the session had used a variety of strategies to intervene in and affect the policy process, including grassroots organizing in their local communities, using research to inform policymakers, building coalitions with other groups, and creating public visibility for their causes. Of central importance to any successful campaign, however, was both choosing an appropriate issue or cause and building credibility with both individuals and agencies at the local, state, and federal levels. Determining potential joint goals or interests between low-wage sector practitioners and policymakers can be as important as determining leverage points. Similarly, building relationships and credibility by helping policymakers understand the case for the cause (giving briefings, providing research, and doing good analytical work), can begin the process of opening doors and opportunities. With these two elements in place, practitioners have been able to make significant strides in the policy field, and have leveraged their power.

The central theme of much of the policy work that had been done and that low-wage practitioners were interested in addressed root causes of poverty. While practitioners were advocating for a variety of policies to help low-income individuals and families, they articulated some values to help them remain focused on social change. Questions that practitioners felt were important to ask themselves and each other as they went about working on policy advocacy included:

- How do we build power for low-income leaders to regain ownership of communities?
- How can we make our efforts part of a broader social change movement?
- How do we articulate a meaningful, relevant message for an equitable society?
- How do we balance incremental change with the need for fundamental restructuring?
- How can we remain true to our core values and principles?

Participants used this session as an opportunity to develop a series of questions to ask in preparation for policy advocacy for their programs and communities. By considering these elements, policy intervention can be more efficient and effective and low-wage sector practitioners can do even more to empower their communities.

Questions to answer:

- Who is affected?
- Who cares about it?
- Can the business community be enlisted?
- What are effective messages and who are effective messengers?
- What are we trying to fix?
- Will local/state action address the issue?
- Does it support our mission or constituency?
- Can a broad constituency be mobilized to fight for this cause?
- Who will help us?
- Who will oppose us?
- How can we influence the decision makers?
- Do we have the credibility/power to convene the stakeholders?
- What are potential positive outcomes?
- What are the negative outcomes?
- Have we built the needed expertise in this area? Who else has the expertise that might help us?
MAKING SYSTEMS CHANGE: THE HEART OF THE MATTER

Jack Litzenberg of the Charles Stewart Mott Foundation then moderated an inspiring session – “How Multiple Strategies Interact to Affect Change in Low-Wage Sectors.” This session featured the variety of ways in which low-wage practitioners are affecting change in their industries. The panel included Steve Dawson of Paraprofessional Healthcare Institute, Linda Dworak from the Garment Industry Development Corporation (GIDC), Anita Bender of Childspace Cooperative Development, Inc (CCDI), Rebecca Bauern of Women’s Action to Gain Economic Security (WAGES), and Karin Uhlich of Primavera Services. This group described a diverse set of strategies employed to affect change in their industries – and the changes that have occurred. Among the strategies used were:

- **legislative advocacy** used by PHI (to improve wages and advancement training in the homecare industry in Massachusetts) and Primavera Services (to reduce the exploitation of day laborers by ensuring that their paychecks were not brought below minimum wage by temporary staffing agencies’ fees for transportation, equipment rental, and check-cashing);
- **union organizing** and new union strategies used by CCDI and GIDC to help create more power in the workplace for child care workers and garment workers;
- **cooperative/alternative business development**, used by PHI, CCDI, WAGES, and Primavera to challenge industry practices, set new standards, and model improved working conditions in low-wage sectors; and
- **the development of new markets**, used by GIDC and WAGES to model new ways of growing an industry and adding new value.

These strategies and others, developed over time to meet new challenges discovered, have addressed changes in work environment, work culture, wages, benefits, and work safety issues. Mature organizations understand that to make a credible intervention in industries, one must develop multiple strategies. Strategies must directly affect the lives of workers in these industries while simultaneously building the structures that will pressure the industry to change – by joining together in policy initiatives, by organizing unions, or developing new markets. As practitioners increase their knowledge in the industry, they continue to learn how to challenge or reshape regulations, organize their workers, use the media, and build stronger alliances with those who can help them.
STRATEGIES DISCUSSION GROUPS

As the theme of the Learning Forum was “Strategies for Systems Change,” the workshops consisted of five separate discussion groups on strategies which practitioners had employed in their respective industries to benefit workers, employers, and communities. Each of these discussion sessions were led by an experienced practitioner who had achieved success with the strategy in question, and offered participants the opportunity to discuss in detail not only the general steps involved in making systems change, but also to talk about particular roadblocks they may have encountered. By sharing with each other, attendees were able to access “cross-industry” experiences with sector strategies.

GRASSROOTS ORGANIZING

As the child care industry continues to grow, innovative sector initiatives have emerged in response to the concern for workers in this low-wage sector. Two of the most cutting-edge programs are Acre Family Day Care, in Lowell, Massachusetts and the Day Care Justice Co-op, based in Providence, Rhode Island. These two sector initiatives share a common strategy for making change in the family home provider child care industry, a sector traditionally characterized by low-skilled, low-wage employment. By organizing at the grassroots level and redesigning the business model in the industry, these programs were able to help women (who make up the majority of child care providers) to empower themselves to change the way that they and the industry operate.

By employing principles of grassroots organizing, Acre Family Day Care and the Day Care Justice Co-op were able to affect significant changes, including developing training and support mechanisms for child care providers, increasing state reimbursement rates for care, and initiating cooperative purchasing programs to lower the cost of supplies for providers. An issue that both groups continue to work on is state-sponsored health insurance for child care providers. Both organizations continue to educate policy makers and administrators about the true nature and cost of quality child care, but they do so with different approaches. Day Care Justice stresses advocacy and is working to participate in a sustained dialogue, whereas Acre Family Day Care has taken an institution-building approach. Grassroots organizing has been key to the success of both of these sector programs, and their accomplishments prove that this strategy can positively effect change in low-wage sectors.

Effective practice in grassroots organizing discussed in the session:

- Define the ultimate goal
- Develop leadership for your campaign, with those directly affected assuming leadership in defining issues, strategies, and ownership of results/outcomes.
- Develop the resources you will need to be successful, both human and funding
- Respect the strength of cultures and backgrounds and their respective contributions to the work
- Consider the implications of race, gender, and class in your campaign
STRATEGIC PARTNERSHIPS

Building strategic partnerships with employers, local government, and other community-based organizations is critical to the success of any sector initiative. The convening provided an opportunity for practitioners to discuss how they had worked to build these relationships and the effect that they had on their programs. In 1998, the Paraprofessional Healthcare Institute and VNA Training Institute began working together to build a partnership to train and employ home health care workers. Trinée Moore, Director of VNA, described the challenge of bringing together an established organization used to a structured medical model for training new and experienced aides with an organizational model for training a largely inexperienced workforce with multiple barriers to employment. Both partners brought strengths to the project: PHI was able to provide the “big picture” analysis, particularly with regard to curriculum development and design of a more balanced worker-centered approach to training and supporting entry-level staff, while, with over 100 years in the health care business from which to draw, VNA brings to the table its intimate acquaintance with the local market. The result of this partnership has been the training and employment of low-income women in the Detroit area (75 annually), who not only earn higher than average salaries for their work, but also receive fringe benefits and on-going training and services.

Eric Parker of the Wisconsin Regional Training Partnership also discussed his organization’s partnerships with both unions and employers in the manufacturing industry. The success of these partnerships in local workforce development—improving hiring and retention strategies for employers, facilitating training at community colleges, developing the ability of community organizations to recruit students and workers—has given them the ability to impact policy as well. For example, they have been able to make a case to allocate TANF dollars to incorporate employment-linked training as part of work first, and students are now able to get income maintenance while in training programs.

While the benefits of forming successful strategic partnerships are apparent and powerful, especially for low-wage sector programs, there are some barriers which were raised. Moore and Parker led participants in a discussion of the challenges to forming and using strategic partnerships:

- Rarely are partnerships equal relationships—often one partner has more power, resources, etc.
- Partners must be willing to share wealth
- Partners do not always follow-through
- Partners often have competing priorities
- Mandated partnerships sometime force out potential allies
- The funding and staff resources needed to develop partnerships and resources are often not available

However, partners that low-wage sector practitioners have used to help build their programs are diverse, and bring a mix of visions, capabilities, and skills to enhance sector initiatives. Potential
partners include training providers, unions, employers, research institutions, one-stops and Workforce Investment Boards, transportation providers, community-based organizations, public agencies, educational institutions, and advocacy groups. While partnering is often challenging, the advantages that strategic partnerships bring to low-wage sector programs can be significant.

ENTERPRISE DEVELOPMENT AND TECHNOLOGICAL INNOVATION

Enterprise development has been a successful strategy for systems change for many low-wage sector initiatives. Cooperatives in health care and cleaning, as well as businesses in the temporary staffing and child care industries have increased the quantity and quality of jobs in low-wage sectors, as well as enabled practitioners to affect these industries from within. The use of technology goes hand-in-hand with enterprise development, as these sector programs are competing with for-profit businesses to attract both workers and consumers. However, the rapidity with which technology has grown often outpaces the resources of low-wage sector practitioners, while conversely, the innovations used by for-profit business often do not meet all the needs of programs.

Jim Megson of ICA Group and Susan Mattucci of Southwest Creations Collaborative led a discussion of the benefits and challenges of running a business in the context of a sector initiative. While a business has the potential to be a tremendous resource, both in terms of generating funds, employing clients, and building credibility within an industry, as well as the ability to affect systems change, the latter is more difficult to perceive and measure. Megson pointed out that enterprise development is a highly replicable strategy and linking together such enterprises can work to change an industry for the better. Practitioners discussed how systems change in the context of enterprise development could be measured—does training and employing a better worker and creating a better work environment translate into a better product for the final consumer? Or is there a tension for low-wage practitioners trying to serve both? Is the self-sufficiency of the business as important a measure of success as the self-sufficiency of individual workers, or is the long-term subsidization of such enterprises needed and inevitable? Will there be different answers to these questions depending on the industry? Although there were no definitive answers to these questions of how low-wage sector initiatives should measure the effectiveness of their enterprises, the fundamental concept that enterprise can be a strategic presence in a market, and has the opportunity to leverage its power to change an industry beyond its own boundaries is at the heart of this sector strategy.

The question of measurement brought up the inevitable question of technology. Many of the practitioners in the session were searching for ways to integrate computer software into their programs. This was seen as essential for tracking not only the business aspects of their programs (and keeping them competitive in the marketplace), but also to track and evaluate the employment and training aspects. The complex needs of sector enterprises have not been met by traditional products, and practitioners shared their strategies to try to accommodate the demands of the funders, public agencies, the marketplace, and most of all themselves. The result of this was the general consensus that sector programs needed software and technology that could be used by all, which would not only aid in tracking, but could also facilitate the larger discussion of systems change.
Those practitioners involved in enterprise development felt that the uniqueness and complexity of this particular strategy merited more in-depth discussion, and suggested that NNSP look for opportunities to convene this group again. In addition, many felt that highlighting this work in the broader sector discussion would help others to understand business development as a strategy for systems change.

UNIONS
Unionization of workers has long been a strategy for empowering communities and creating industry change, and unions can be natural leaders and partners for low-wage sector initiatives. However, there are some potential tensions between unions and sector initiatives that were explored in this session, led by Steve Herzenberg of Keystone Research and Kenneth Cliff of Justice for Janitors. Unionization as a strategy for systems change in low-wage industries is being explored by many practitioners across the country. Although historically unions have been strong in high-wage industries, workers in low-wage industries often do not have the opportunity to join with others in an organized fashion. Many sector programs are seeking to integrate the goals of their programs and the particular need for their clients- often groups who have not traditionally been represented in unions- with organized labor, and are using their combined power and resources to benefit their communities.

Practitioners in this session were interested in exploring new ways of organizing to try to meet the many goals of their initiatives. Democratization of the organizing process as well as exploring more flexible structures and building leadership among workers in low-wage industries where unions don't currently exist were discussed. In addition, practitioners saw the potential for systems change through organized advocacy for issues affecting their clients outside of the workplace as well as within it. Because these are new strategies, models for this work need to be identified that practitioners can use to help structure their own programs and activities- perhaps drawing on community organizing or political advocacy strategies.
SECTOR-SPECIFIC SESSIONS

In addition to the strategy sessions, attendees next participated in sector-specific breakout sessions. The general theme of these sessions was "linkage" — how can practitioners connect with one another to learn about best practices and new developments in their industry; how can each program link to NNSP in order to transfer information back and forth; and how can practitioners as industry-specific groups work together with NNSP.

TEMPORARY STAFFING INDUSTRY

In a perfect world, sector initiatives in the temporary staffing industry would have the technology and software to share information among their programs, however practitioners felt that there were some ways that they could connect in the meantime: connecting through email, conference calls on specific issues or topics, and an on-line bulletin board. Temporary industry practitioners were interested in cooperative data collection on their programs and the industry that could support public policy advocacy for their work. These practitioners have an additional opportunity to connect via NAFFE (National Alliance for Fair Employment), and were exploring how best to use this resource to convene and share information.

NEEDLE TRADES

Practitioners in the needle trades industry not only emerged with a new way of describing themselves (agreed that garment industry did not include some of their programs), but with a variety of issues on which to connect. Practitioners were interested in working together to share expertise on organizational development and reaching new markets, including banding together to access global markets. The development of group branding, manufacturing networks to reach small contractors, and technical assistance specific to the production process were seen as vehicles for working together.

HEALTH CARE

Health care sector practitioners were interested in using their connections with one another and NNSP to pursue alternative funding sources (like H1B), working at a federal level to standardize skills and competencies for health occupations, and documenting trends in redesigning health care careers. Cooperating on policy issues was another connection that practitioners felt was important. Living-wage campaigns and advocating for a decrease in mandated staff to patient ratios were two examples of how policy could benefit workers and communities.

CLEANING

For practitioners representing cleaning sector programs, this event offered an opportunity to discuss the complexities of working in this low-wage industry. Sharing strategies to create cleaning cooperatives, dealing with transportation and language barriers for workers, and breaking into new market niches in both industrial and residential cleaning were as seen as powerful potential strategies for our future.
CHILD CARE

Practitioners from the child care sector came away with an ambitious reason to connect: the creation of a national agenda that articulates a commitment to children and those who care for them. By bringing together stakeholders in the child care industry, practitioners felt that a host of issues in this low-wage industry could be addressed in a powerful advocacy campaign, including wage supplements for child care workers, reimbursement rates and living wage policies, and standards for quality of care and quality of jobs.
RECOMMENDATIONS

Out of the Learning Forum came a series of recommendations to the NNSP on how the Network can support low-wage programs. While sector initiatives share many common elements, this convening was an opportunity for practitioners to articulate issues particular to both their day-to-day work with workers and employers and their long-range goals for systems change.

INDUSTRY-SPECIFIC RECOMMENDATIONS:

- **Child care** industry practitioners were also interested in highlighting the child care unionization effort at NNSP national conferences, by developing sessions or workshops, and articulating an agenda and action plan for this organizing work.
- Participants representing the child care industry suggested that NNSP convene a "Leadership Congress"—those who had been particularly successful in developing organizational models—who could share their strategies for advocacy to others in the sector field and begin to influence decision makers.
- Convening participants representing the child care industry would like NNSP to finance and organize an event specific to that industry, so that practitioners would have an opportunity to do detailed work on some of their common issues together. Also suggested was a convening of both child care and health care sector practitioners and employees, as there is potential for a strategic alliance among those involved in “dependent care.”
- **Health care** practitioners felt that future convenings and conferences would benefit from employer representation and hearing their perspective on workforce issues in that industry. Representatives from national health care organizations and trade associations were mentioned as possible participants who could benefit from such an event.
- For participants in the cleaning industry, an NNSP focus on the development of cooperatives and facilitating sharing between these enterprises in a workshop that included workers was cited as an important potential contribution to their work.
- For the temporary staffing industry, facilitating the definition of sector program success and finding common benchmarks was a suggestion for future NNSP work. Practitioners were interested in looking at policy, wages and benefits, organizing workers, and mutual aid as possible factors which could be measured.
- **Temporary staffing** industry practitioners were interested in NNSP convening a workshop to help them address their hardware and software needs—“Technology for Connection”—as well as providing assistance with issues related to health care for contingent workers, support services and case management, and leveraging their presence in the market.
GENERAL RECOMMENDATIONS:

- Creating opportunities for practitioners to connect on common strategies, industry-specific issues, and public policy is key. Conferences and convenings, forums on the web, email, and conference calls were all suggested.
- Practitioners in some industries suggested that NNSP could aid in comprehensive thinking about systems change and how sector initiatives linked together could become more powerful in that change.
- NNSP can act as a broker between organizations doing similar work, bringing practitioners together for peer learning and strategizing.
- Acting as a liaison to the business community and promoting sector initiatives to that audience was seen by many low-wage practitioners as an important element of future NNSP work.
- To build partnerships that root organizations with real knowledge of the sector concept and the industries in which they work, and to build the capacity of both unions and community-based organizations to work together to understand and help each other.
- Low-wage practitioners were interested “learning and doing” policy advocacy through NNSP. This included not only getting updates on important policy developments, but also in bringing the expertise and experiences of sector practitioners to the attention of decision makers.
- Practitioners were interested in workshops or seminars on creating “cultures of retention” within various industries and occupations.
- Low-wage practitioners had specific policy issues which were brought to the attention of NNSP. The cleaning industry was interested in working with NNSP on immigration policy issues as well as OSHA regulations to better protect workers. Trade legislation was an important policy issue for the needle trades group, while third party or joint employer issues and enforcement of current labor laws were issues brought up by the temporary industry programs. In addition to addressing staff to patient ratios and living wage campaigns, health care industry practitioners suggested that advocating for state Earned Income Tax Credits was a policy issue of interest. Learning Forum participants suggested that NNSP look for ways to incorporate these interests into policy work of the organization.
CONCLUSION

NNSP acknowledges the exciting work and generous contributions of the low-wage sector initiative leaders who participated in the June 2001 Learning Forum. Their ideas and suggestions are being integrated into the planning of future NNSP meetings, convenings, and the overall workplan. Their discussions and reflections are being shared with the larger universe of NNSP affiliates, supporters, funders and policymakers to help shape how the sector field and the larger society deal with the industries in which they work, value their contributions, and provide support for their vital efforts. It is also being shared to stimulate the work of those beginning efforts like these across the United States.
APPENDIX A: PARTICIPANT LIST

Rebecca Bauern
Agency Director
Women’s Action to Gain Economic Security (WAGES)
1214 Webster St, Suite B
Oakland, CA 94612
510-272-0564
wages@lmi.net

Anita Bender
Executive Director
Childspace Cooperative Development, Inc.
5517 Greene Street
Philadelphia, PA 19144
215-842-3050
anitabender@compuserve.com

Kenneth Cliff
Service Employees International Union, Local 1
Justice for Janitors
111 W. Jackson, Ste 2100
Chicago, IL 60604
312-922-1600
cliffk@seiul.org

Cindy Coker
Director of Economic Development
Child Space Cooperative Development, Inc
180 Westgate
Winnipeg Manitoba
Canada R2C3E1
204-779-0198
ccoker17@home.com

Tim Costello
Executive Director
Campaign on Contingent Work / The Workers Center
33 Harrison Avenue 4th Floor
Boston, MA 02111
617-338-9966
tcostello@igc.org

Kalyn Culler Cohen
Consultant
4247 S.E. Pine St.
Portland, OR 97215
503-231-9270
Kalyn@alum.mit.edu

Steve Dawson
President
Paraprofessional Healthcare Institute
349 East 149th Street, Suite 401
Bronx, NY 10451
718-402-7766
sld@nh.ultranet.com

Doug Davison
Vice Chair
Community Ownership Solutions
303-275 Broadway
Winnipeg MB Canada
R3C 4M6
800-361-7777
ddavison@crocusfund.com

Carla Dickstein
Senior Program Officer of Research and Policy Development
Coastal Enterprises, Inc.
36 Water Street
Wiscasset, ME 04578
207-882-7552
cbd@ceimaine.org

Denise Dowell
Director of Organizing
United Child Care Union
1319 Locust Street
Philadelphia, PA 19107
215-735-6350
treehse@earthlink.net

NNSP IS A PROJECT OF THE NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER
Christin M. Driscoll  
Policy Director  
The Workforce Alliance  
1000 Wisconsin Avenue, NW  
Washington, DC 20007  
(202) 338-0737 x103  
christind@workforcealliance.org

Paul Gill  
Executive Director  
Made by the Bay  
1000 Brannan Street, Suite 206  
San Francisco, CA 94103  
415-565-7215  
mbtb@dnai.com

Linda Dworak  
Executive Director  
Garment Industry Development Corp.  
275 7th Ave, 9th Floor  
New York, NY 10001  
212-366-6160  
ldworak@gidc.org

Bob Giloth  
Senior Associate  
Annie E. Casey Foundation  
The Annie E. Casey Foundation  
701 St. Paul St  
Baltimore, MD 21202  
410-547-6600

Phaedra Ellis-Lamkins  
Director of Workforce Development  
Working Partnerships USA  
2102 Almaden Rd., Suite 107  
San Jose, CA 95125  
408-269-7872  
phaedra@atwork.org

Carol Goertz  
Executive Director  
Women’s Association for Women’s  
Alternatives  
225 S. Chester Road  
Swarthmore, PA 19081  
610-543-5022  
goertz@womensassoc.org

Michael Elsas  
President  
Cooperative Home Care Associates  
349 E 149th Street, 5th Floor  
Bronx, NY 10451  
718-993-7104  
melsas@aol.com

Edmund Hennessy  
Director of Operations  
Chrysalis  
516 South Main Street  
Los Angeles, CA 90013  
213-895-7777  
Hennessy@changelives.org

Felipe Floresca  
NNSP Policy Consultant  
4724 Merivale Rd  
Chevy Chase, MD 20815  
301-907-9741  
fmfloresca@earthlink.net

Cecilia Hernandez  
Deputy Director and Chief Financial Officer  
Acre Family Daycare  
14 Kirk Street  
Lowell, MA 01852  
978-937-5899

Susan Gewirtz  
Program Associate  
The Annie E. Casey Foundation  
701 St. Paul St  
Baltimore, MD 21202  
410-547-6600

Steve Herzenberg  
Executive Director  
Keystone Research  
400 N. 3rd St.  
Harrisburg, PA 17101  
717-255-7193  
scherzenber@aol.com
Clay Howell  
Director of Occupational Development  
Project QUEST  
301 South Frio, Suite 400  
San Antonio, TX 78207  
clay@questsa.com

Karen Jacobsen  
Vice President, Finance and Development  
Appalachian by Design  
208 S. Court Street  
Lewisburg, WV 24901  
304-647-3455  
kjacobson@abdinc.org

Saru Jayaraman  
Attorney Organizer  
Workplace Project  
91 North Franklin Street, Suite 207  
Hempstead, NY 11550  
516-565-5377  
workplace@igc.org

Stephanie Kellner  
Researcher/Program Developer  
Office of Port JOBS  
Pier 69, PO Box 98111  
Seattle, WA  
206-728-3883  
kellners@portseattle.org

Linda Kite  
Coordinator of Models of Economic Democracy  
Strategic Action for a Just Economy  
2636 Kenwood Ave.  
Los Angeles, CA 90007  
323-732-9961  
lkite@saje.net

Jack Litzenberg,  
Senior Program Officer  
Charles Stewart Mott Foundation  
1200 Mott Foundation Building  
Flint, MI 48502-1851  
810-238-5651

Cindy Marano  
NNSP Interim Director  
Marano & Associates  
2201 Broadway, Suite 815  
Oakland, CA 94612  
510-251-2600  
cinmarano@aol.com

Susan Matteucci  
Executive Director  
Southwest Creations Collaborative  
335 Woodward SE  
Albuquerque, NM 87102  
505-247-8559  
scc@swcp.com

Lorenzo McDonald  
Organizing Director  
Service Employees International Union  
1165 N. Clark Street, Suite 500  
Chicago, IL 60610  
312-787-5868 ext. 139

James Megson  
President  
ICA Group  
20 Park Plaza, Suite 1127  
Boston, MA 02116  
617-338-0010  
icaica@aol.com

Trinee Moore  
Director, VNA Training Institute  
Visiting Nurse Association Training Institute  
25900 Greenfield Road, Suite 600  
Oak Park, MI 48237  
248-967-1440  
tmoore@vna.org

Layne Mosler  
Women's Action to Gain Economic Security (WAGES)  
Business Manager  
1214 Webster St, Suite B  
Oakland, CA 94612  
510-272-0564  
wages@lmi.net

NNSP is a Project of the National Economic Development and Law Center
Brenda Palms-Barber  
Executive Director  
North Lawndale Employment Network  
2653 W. Ogden Ave.  
Chicago, IL 60680  
773-257-5041  
palb@sinai.org

Peggy Powell  
Executive Administrator  
Paraprofessional Healthcare Institute  
349 East 149th Street, Suite 401  
Bronx, NY 10451  
718-402-7766  
peggy@paraprofessional.org

Kathy Patrick  
NNSP Field Consultant  
124 E. Raymond Ave  
Alexandria, VA 22301  
703-548-8983  
Smartmoves@aol.com

Ida Rademacher  
Senior Research Associate  
The Aspen Institute  
One Dupont Circle, NW, Suite 700  
Washington, DC 20036  
202-736-2525  
idar@aspeninstitute.org

Eric Parker  
Executive Director  
Wisconsin Regional Training Partnership  
208 East Vienna Avenue  
Milwaukee, WI 53212  
414-906-9625  
parkereg@milwaukee.tec.wi.us

Lorraine Schmalenberger  
Economic Development Manager  
Golden Hill CDC  
2469 Broadway  
San Diego, CA 92102  
619-696-9992  
lsghcdc@mill.net

Penny Penrose  
Executive Director  
Good Faith Fund  
2304 West 29th Street  
Pine Buff, AR 71603  
870-535-6233  
ppenrose@ehbt.com

Bill Schwartz  
Vice-President  
Suburban Job-Link Corp.  
2343 South Kedzie Ave  
Chicago, IL 60623  
312-612-7600  
sjvicepres@ameritech.net

Walter Phinney  
President  
Quality Care Partners  
PO Box 1733  
Manchester, NH 03105  
603-627-2100  
walter@qcp-qcp.com

Betty Speed  
M.O.R.E Director  
Martin Luther King Economic Dev. Corp.  
2745 N. Dr Martin Luther King Jr. Dr.  
Milwaukee, WI 53212  
414-264-5000  
bettys@milkedc.com

John Plunkett  
President & CEO  
Suburban Job-Link Corp.  
2343 South Kedzie Ave  
Chicago, IL 60623  
312-612-7600  
SJLPRES@aol.com

Tse Ming Tam  
Division Director  
The National Economic Development & Law Center  
2201 Broadway, Suite 815  
Oakland, CA 94612  
510-251-2600 ext. 110  
tseming@nedlc.org
APPENDIX B: PARTICIPANT STRATEGY SUMMARIES

Prior to the Learning Forum in Chicago, participants had an opportunity to begin the process of learning from one another through the Participant Strategy Summaries. Each organization attending the Low-Wage Learning Forum was asked to submit written responses to a series of questions developed by NNSP. These questionnaires were then incorporated into a single document, arranged by industry, which identified the variety of strategies used to promote sector change. The response to this resource has been overwhelmingly positive, both from the participants in the Low-Wage Learning Forum, as well as from other sector supporters who have had the opportunity to learn from them. NNSP is pleased to share these stories and strategies.

CHILD CARE
Acre Family Day Care........................................................................................................... 25
Coastal Enterprises .............................................................................................................. 28
Coleman Advocates ............................................................................................................ 31
Day Care Justice Co-op, Inc. ............................................................................................... 34
Delaware Valley ................................................................................................................... 37

CLEANING
Women’s Action to Gain Economic Security ..................................................................... 43
The Workplace Project ......................................................................................................... 45

HEALTH CARE
Cooperative Home Care Associates .................................................................................... 47
Good Faith Fund .................................................................................................................. 50
Greater Golden Hill Community Development Corporation ............................................. 55
Martin Luther King Economic Development Corporation ............................................... 58
North Lawndale Employment Network ............................................................................... 60
Paraprofessional Healthcare Institute ................................................................................ 64
Project QUEST .................................................................................................................. 67
Quality Care Partners, Inc. ................................................................................................. 70
Visiting Nurse Association Training Institute ..................................................................... 72
Women’s Association for Women’s Alternatives ................................................................ 75
Pennsylvania Elder Care Industry Sectoral Strategy .......................................................... 78

NEEDLE TRADES
Appalachian by Design, Inc. ............................................................................................... 83
Garment Industry Development Corporation ..................................................................... 85
Made by the Bay .................................................................................................................. 88
Southwest Creations Collaborative ................................................................................... 91

TEMPORARY STAFFING
Campaign on Contingent Work/The Workers Center ......................................................... 93
Chrysalis .............................................................................................................................. 96
ICA Group/ICA Staffing Services Initiative ........................................................................ 98
Primavera Services, Inc. ...................................................................................................... 101
Suburban Job-Link Corporation ........................................................................................ 105
Wisconsin Regional Training Partnership .......................................................................... 108
Working Partnerships USA ............................................................................................... 111
Acre Family Daycare
Cecilio Hernandez, Deputy Director and Chief Financial Officer
14 Kirk Street, Lowell, MA 01852
978-937-5899
sguerrero@acrefamily.org

Founded in 1988, Acre Family Day Care is a non-profit agency designed to help women build sustainable family child care businesses through which they can earn a living wage, while at the same time providing consistent, culturally-sensitive care to the children of our community.

Acre is a family child care system—different from family child care associations and networks. A family child care system is based on formal contractual relationships between a sponsoring agency (Acre) and licensed family child care providers. Children, families and family child care providers are the primary consumer of the system. Acre is distinctive because we approach family child care as not just child care, but as a holistic and culturally-appropriate vehicle for economic development in low-income communities.

Our family child care system supplies marketing, referrals, and access to state contracts for subsidized child care; a close-knit peer support network and back-up system; social work support; and continuing professional education. Furthermore, we monitor the quality of care provided to the children and offer additional small business support as required.

Some Acre results: 57% of our child care providers have been with us for 3 or more years—30% for five years or more, and, in the year 2000, Acre providers earned an average of over $35,000 in annual pre-tax business revenues.

ABOUT THE SECTOR
Our program can be viewed as part of a sector within a sector. Within the world of child care there are generally two types of care: home- and center-based programs. Acre focuses on the home-based approach to child care. Even more specifically, we focus on the system model of home-based care (defined above).

Historically, women have always opened their homes to care for the children of neighbors, friends, and relatives. Just in the past few decades have these caregivers been “broadening the older view of their work as ‘babysitting’ to create a new self-definition as early childhood educators and small business operators.”

Today, home-based child care accounts for 45.7% of total enrollment for children under age five nationwide according to the Children’s Defense Fund. In Massachusetts, 45% of requests for child care are for family child care.2

Despite demand for family child care and the critical importance of promoting high-quality child care, investment in and regulation of this sector have been minimal. Forty states require no training for family child care providers before they offer child care in their homes. While Massachusetts requires that family child care providers be licensed, training requirements (15 hours over 3 years) and state monitoring of providers’ care are limited. Other organizations like resource-and-referral agencies, industry associations, and various departments within the state government do not provide the

---

2 Massachusetts Child Care Resource & Referral Network Child Care Data Report, Fiscal Year 1999.
necessary training, ongoing support, or grassroots advocacy to sustain family child care. None of these approach family child care in the broader context of community and economic development.

Family child care systems like ACRE are needed to support providers as professional businesswomen and educators and to help them overcome the many systemic barriers still affecting the family child care industry such as:

- **Lack of investment in consistent, intense training and support** needed by many formerly low-income providers to enable them to provide high quality child care. ³
- **Low expectations and lack of accountable systems in the current family child care sector.** ⁴ As a result, family child care is seldom structured as organized systems or networks, and is usually ad hoc self-employment where providers are given little training and have no ongoing support network or professional development opportunities. Licensed providers are often monitored by state licensors who have caseloads in the hundreds.
- **Lack of recognition that family child care providers are a valued child care option for parents,** leading policymakers and others to ignore the intense demands of providers' work and provide grossly inadequate rates and support systems. Research also indicates that many low-income families have more limited choices because of cost constraints, the unstable and unpredictable nature of their employment, and the child care options available in their communities.⁵ This is compounded by the fact that advocates, funders, and policymakers are often focused on child care centers when discussing child care policy thereby diminishing even further the importance of family child care providers.
- **An increase in the amount of welfare-related child care funding that is being earmarked for “informal child care”—unregulated care by relatives, neighbors, and friends.** Such care has presented a number of dilemmas: Should public subsidies be extended to care that is exempt from regulatory standards? What is the impact on the rest of the child care workforce? And, are parents making a well-informed choice when choosing unregulated care, or is this a choice of necessity forced upon parents who have few or no other alternatives and a limited ability to pay?⁶

**Strategies Employed:**
- Enterprise development
- Policy Interventions
- Strategic Partnerships (partners include: child care advocates, state funding sources, universities, fellow child care systems in the state, food programs, CDCs)
- Workforce Development/Career Pathing
- Research and Development of standards for the sector

One strategy currently under way is the attempt to develop standards for our sector. Currently no standards exist that define or regulate family child care systems. Across our state, the systems have much in common but also vary in many ways. Standardization could allow greater respect for the field, understanding of the benefits of this model of child care and improvement in the quality of some programs. Standardization has been difficult to achieve, however.

**CURRENT BARRIERS**

---

⁴ Sources: ACRE experience and evaluation; the National Center for Children in Poverty (1994); the Erikson Institute (1996); and the National Center for the Early Childhood Workforce, among others.


There are two major barriers we are encountering in the pursuit of this strategy:

1. The lack of a knowledge base. There is no empirical data about the value/costs of the family child care system model. There are few other states that employ the system approach. The lack of data causes problems in both justification of the approach as well as in the development of standards for the sector. To study system impact on both the quality of jobs for child care providers as well as the quality of care for children in Massachusetts alone, estimates are that $500,000 would be needed.

2. Lack of funding for the system approach to child care outside of a handful of states. In Massachusetts, the state pays administrative fees for the systems overhead costs as well as to help cover the systems costs for provision of transportation of children to and from care. Without this funding stream, our model is difficult to share in other regions of the country. One possible strategy for dealing with this is the inclusion of language supporting the family child care system model in welfare reform re-authorization.
Coastal Enterprises, Inc. (CEI) is a private, non-profit community development corporation and community development financial institution whose mission is to help people and communities, especially those with low incomes, reach an adequate and equitable standard of living, working, and learning in harmony with our natural environment. We support small businesses, affordable housing, social services and community facilities through debt and equity financing, technical assistance, workforce development for low-income individuals, and policy development. Since its founding in 1977, CEI has invested/leveraged over $300 million in 1,100 Maine small business ventures, community facilities, and affordable housing projects including 124 child care projects supporting over 2,800 children.

CEI operates statewide with eight branch offices and over 80 employees. Our funding comes from federal and state government, private foundations and intermediaries, religious institutions, banks, and private businesses, as well as earnings from our assets. Currently we have an asset base of over $40 million and net assets of $20.5 million.

ABOUT THE SECTOR

Characteristics
Child care employment in Maine in 1998 was estimated at 5456 workers. Of these about 62% or 3378 are estimated to be self-employed. By 2008 the demand for child care workers is expected to increase by almost 20%. The mean hourly wage for a child care worker is estimated at $7.22 per hour; in the 25th percentile the mean is $6.10 per hour and $8.58 per hour in the 75th percentile.

Central Actors/Institutions
The key actors are the child care and Head Start providers—both for-profit and non-profit, center-based and home-based; the 11 Resource Development Centers funded by the Maine Department of Human Services that provide resources and referrals for child care and administer the child care voucher program; non-profits and intermediaries supporting quality care for children; CEI (supporting child care businesses); the University of Southern Maine's Muskie School's Institute for Child and Family Policy; and legislators who have taken the lead in child care policy in Maine.

Opportunities and Limitations
The main opportunity is to put child care on the policy and business agenda in Maine as an important component of the state’s economic development strategy that helps businesses attract and retain workers. Several coalitions/collaborations exist in Maine and regionally for that purpose.

The biggest limitation for the child care sector is that the societal benefits of quality child care on child development and the economy are undervalued in public policy and in the labor market. It is difficult to get sustained commitment for child care from policy makers. This year's Governor's budget has sliced funding for child care programs that had been hard won in the 1999 legislative session. Child care workers are very low paid. Jobs lack a career ladder and sufficient access to training and educational opportunities and are perceived as dead end. On the business side, child care providers have lacked the business skills and confidence to position themselves as legitimate businesses with the banking sector.
CEI Strategy

CEI developed its initial child care strategy in 1988: it sought to strengthen the position of child care providers as businesses through business technical assistance and financing. The lenders at CEI worked with local banks to educate their lenders on the financial and social benefits of financing child care providers. CEI loan officers partnered with individual lenders on specific deals and provided training and technical assistance on child care financing to groups of lenders. As a result of these efforts, every dollar CEI has lent in a child care deal was leveraged with $1.34 of private funds.

We continue to assist child care providers in this way but have more recently broadened our efforts. We are assisting businesses outside the sector seeking to provide child care directly to their workers, through multi-employer supported child care (MESCC) or offering child care stipends as part of an employee benefits package. We are also working with a coalition to assist the child care industry in developing career ladders and training opportunities for child care workers as an attraction and retention strategy. Finally, we are part of state and national coalitions advocating to expand the scope of child care services and the amount of subsidies available.

Strategies Employed:

- Enterprise Development
- Policy interventions
- Investment
- Strategic partnerships – Partners include: child care providers, RCDs, other non-profits, United Way, businesses in midcoast Maine
- Workforce Development/Career ladders

Portfolio employers have asked CEI to provide child care options that they can support in their communities. Last summer, CEI partnered with the United Way of Mid Coast Maine and other non-profits to conduct a feasibility study of private sector supported child care options in the midcoast region and the level of interest in pursuing public-private partnerships to improve the availability, affordability, and quality of child care. Ten employers responded to the survey. The main findings were: 1) there is a lack of evening and weekend care as well as emergency and back-up care; 2) community resources are not currently meeting the child care needs of employees at these businesses; 3) child care is a major expense for most of the respondents; and 4) the lack of reliable, affordable child care has a negative impact on employee’s work. Six out of 10 companies were interested in talking about a joint effort.

An on-site child care facility is an easy answer, but not a viable solution in a state like Maine, where most of the employers are small and medium-sized enterprises. CEI has chosen to develop a multi-employer supported child care (MESCC) model to offer companies. With this model, a group of small employers share the costs and benefits of establishing and operating a child care center. The employers can either contract with an existing provider or develop their own program and hire staff to run it. We anticipate that an MESCC will serve the children of employees at participating firms (some of whom may be low-income despite full-time employment) as well as children in the community. An MESCC program financed by CEI will have to meet the same low-income impact criteria as all other CEI portfolio child care programs. We are developing a financing tool specifically designed to meet the needs of several employers partnering to create one child care entity.

This initiative also includes an educational campaign outlining various options and related costs of private sector supported child care. This will be carried out, in part, by holding forums of local business representatives to demonstrate the benefits of private sector supported child care and discuss the options to do so. Moreover, CEI is working on expanding its current coalition to include a broad network of child care providers, advocates, business representatives, Department of Human Services
and other government agencies and officials, educational institutions, and parents who have a desire to build partnerships to address any identified child care needs.

**CURRENT BARRIERS**
The biggest barrier is staff capacity to develop the project. We do not currently have a dedicated staff person to the child care sector. The work is spread among existing staff but lacks an entrepreneur to make the project a priority.

Another potential barrier is that the largest company interested in participating in a consortium in the mid-coast just recently closed its facility. It is not clear yet whether the project is viable without them.
Coleman Advocates for Children and Youth
Joe Wilson, Associate Director
2601 Mission Street #400, San Francisco, CA 94110
415-239-0161
jwilson@colemansadvocates.org

One of the country’s oldest child advocacy groups, Coleman Advocates for Children and Youth was founded in 1975 to improve services for San Francisco’s abused, neglected and dependent children. Coleman has gained national recognition for its innovative budget, policy, and organizing work in the areas of child welfare, juvenile justice, welfare policy, school reform, youth development, and child care. In 1991, Coleman sponsored a local ballot initiative that made San Francisco the first city in the country to guarantee annual funds for children and youth services as part of its City budget. The Children’s Fund has been replicated in other cities. Coleman Advocates mission is to:

- voice the concerns of children, youth, and their families;
- enable youth and parents to become effective leaders in their own communities;
- increase the participation of children, youth, and families in the political process; and
- mobilize a strong constituency to speak out about the needs of children, youth, and families.

Coleman Advocates has a full-time staff of eight and an annual budget of approximately $725K. Coleman receives no public funding for its operations and remains the City’s most recognized independent voice for children and youth. Coleman has two leadership training groups, one for youth called Youth Making A Change (Y-MAC) and one for parents called Parent Advocates for Youth (PAY). Coleman Advocates uses the tools of budget and media advocacy, applied policy, grassroots organizing, leadership development, and coalition building.

ABOUT THE SECTOR
America’s child care “system” is characterized by a fragmented, decentralized, and convoluted funding structure, a confusing—and often conflicting—array of federal, state, and local regulatory guidelines, and a glaring absence of any overarching philosophy or vision. The absence of a guiding vision and the convoluted funding mechanisms result in, among other things, the overall failure of the child care system to serve parents needs, meet the developmental needs of children, a largely politically-ineffective workforce, and the continued stratification of the child care field.

The key actors and institutions in child care include America’s 3 million-plus teachers, assistants, and family child care providers, the Health & Human Services’ Administration of Children and Families which oversees the federal Head Start program, the various state Departments of Education and Social Services respectively which distribute the bulk of the federal and state child care funds to thousands of local school districts, county welfare departments, and child care centers, networks, and family child care homes. Advocacy and policy groups working on child care issues nationally include the Children’s Defense Fund, the Center for the Child Care Workforce, the National Association for the Education of Young Children, the Child Care Law Center, and the National Association of Resource and Referral Agencies.

Fundamental to any successful organizing strategy is the building of community, the strengthening of relationships. Because of the decentralized nature of child care, building community is problematic, particularly in a workforce which rarely sees peers outside their child care center or home. Much of the successful organizing work in child care has been largely local, although some promising regional and
statewide strategies have occurred in recent years in Rhode Island, Pennsylvania, New York, Illinois, Washington, and Massachusetts. In all but one of these examples, labor unions have played a key role in the organizing work. For there to be any hope of a successful national movement to organize millions of child care workers, labor unions and labor organizations must play a key role.

Nearly six years ago, Coleman Advocates was asked by a local foundation to replicate its successful media work in addressing youth stereotypes (Youth Time Campaign) and build an active, citywide constituency to advocate on behalf of families with young children. The timing was such that our efforts quickly focused on building the city’s child care infrastructure to meet the needs incurred by federal welfare repeal policies, and we set about to use our signature applied policy and grassroots organizing work to engage more teachers, parents, and providers in policy discussions and budget work over a sustained period of six-eight months.

As I’ll explain in greater detail below, our efforts to secure more local investment in child care over the past five years has resulted in an impressive $20 million additional dollars for local subsidies, facility improvements, educational incentives, health benefits, and wages increases for child care teachers.

**Strategies Employed:**

- Grassroots Organizing
- Policy Interventions
- Strategic Partnerships

Coleman Advocates is a hybrid organization utilizing grassroots organizing, leadership development, community and coalition-building, media, budget and legislative advocacy and applied policy work. We have strategic partnerships that include key stakeholders in various issue areas, e.g., child care teachers and administrators, family child care providers, parent groups, labor unions, policy-making bodies, child care resource and referral agencies, and civic leaders including local elected officials and key department staff.

From our perspective, the key challenges to effective organizing in child care are community, capacity, and resources. Child care workers and providers work in isolation from one another, have limited opportunities to promote community-building or participate in collective action, and are resource-starved. Over its 25-year history, Coleman has developed expertise in a hybrid model of organizing, advocacy, coalition-building, and policy work. We therefore chose to use the tools of grassroots organizing and leadership development to strengthen relationships, promote a sense of community among child care workers, and build sustainable institutional and individual leadership.

Coleman Advocates has also focused on strengthening the capacity of the local child care field to identify its own priorities and conduct issue and budget campaigns, including use of media to influence local policy. As part of our efforts to solidify our strategic partnerships, Coleman Advocates provides technical assistance to local and regional child care constituent groups and for the past two years, we have convened the Child Care Organizing Roundtable, a regular strategy and discussion forum of labor unions, child care teachers, providers, administrators, and advocacy groups.

Our local policy work has helped ensure that our local welfare plan opted for the maximum exemptions for families with young children and supported pursuit of higher education as a valid work activity; getting more money in the local budget to support working families not receiving TANF; supported family child care providers and center-based providers with local subsidies, grants and loans; raised wages of child care teachers; supported much-needed infant-toddler programs. Indeed, San Francisco’s multi-layered child care agenda is largely considered to be a national model, with some $12 million
additional local dollars annually committed to supporting child care subsidies, wages, health benefits, and incentives, facilities and quality improvements.

The Organizing Roundtable is designed to stimulate dialogue among and between labor unions, teachers, providers, community groups, and other groups. We have succeeded in building relationships between labor and child care, and have broadened and deepened the level of involvement of child care workers in organizing and building power. The local teachers' union has agreed to devote resources to engaging more child care teachers in building a stronger voice to affect change. Taken together, these multiple approaches have succeeded in securing resources, affecting local child care policy, and mobilizing a potentially potent political force: child care workers.

CURRENT BARRIERS
Organizing child care workers is incredibly resource intensive, teachers and providers are mostly isolated from each other, and child care, more so than almost any other service sectors, is almost entirely relationship-driven (i.e. caregiver and child, caregiver and parent, caregiver and director/employer). As others have stated, notably Denise Dowell of the United Child Care Union, without sufficient organizing density within a sector or across sectors, wages continue to be influenced by market, rather than sectoral forces. Unfortunately, not only will the traditional adversarial unionizing model not work, but the traditional organizing model of one organizer for every 500-800 workers will probably not work either. This quandary necessitates identifying sufficient resources to conduct and sustain a long-range organizing effort, where the potential "pay-off" is considerable but the short-term gain may be minimal. It requires long range thinking, clustering of successful organizing models within smaller geographic regions connected and supported via a network of regional intermediaries and funding institutions, and a real commitment to nurturing new leadership from within the child care field.

Coleman Advocates is primarily a local group—therefore our successes, while significant, have affected only the local child care funding mechanism. We have had little or no influence on systemic state or federal funding inequities. Coleman Advocates, as a non-government funded local group, does not have the resources to provide the necessary ongoing institutional support—training, technical and administrative support, mentoring and leadership development, media and budget work—for San Francisco's 3,500 or so child care workers.

We believe we are on the right track, and we continue to provide support for various constituent-led networks (leadership clusters rather than exclusively individuals) in the child care field—provider networks and membership associations, teacher groups, employer associations. We also continue to assist in securing resources for the field to build its capacity for ongoing budget and policy interventions.
Day Care Justice Co-op, Inc.
Judy Victor, Executive Director
280 Broadway, Room 203, Providence, RI 02903
401-454-0575
judy@daycarejustice.org

The Day Care Justice Co-op is a network of 205 family child care providers in the metropolitan Providence, Rhode Island area who serve low-income children. The Co-op serves as an incubator for leadership development among its members (97% Latina and Black, 70% first generation immigrants), and challenges racism and exploitation of low-income women of color within the child care system.

The Co-op, formerly known as The Home Daycare Justice Committee, a subcommittee of Direct Action for Rights and Equality (DARE), best known for having secured state-supported health insurance for family child care providers serving low-income children. The Co-op continues the advocacy work begun by DARE on behalf of family child care providers. In addition, the Co-op is fostering the professional development of its members so that providers can become knowledgeable in the developmental needs of their charges and enhance the skills necessary to remain competitive. The Co-op does this by drawing on the expertise that some providers within the community have developed through experience and formal training, and combining this with helping members to access high quality, outside resources. In this way, the Co-op generates excitement and ownership of professional development.

ABOUT THE SECTOR
Institutionalized racism, sexism, and economic oppression combine to exploit family child care providers. Child care is viewed as women's work, and as such, has a very low value in the labor market. Within the industry, there is a very strict racial hierarchy, with women of color at the bottom. And as efforts increase to "professionalize" the work force and link pay increases to degrees and formal education, the gap of disparity widens.

The State has further compounded these issues by creating a monopoly in affordable training, by funding one organization that is dedicated to child care provider training. Run by middle- and upper-income, degreed, white women, CHILDSPAN has been repeatedly, and fully funded by the Departments of Human Services, Children Youth and Families, Health and Education.

Though CHILDSPAN offers many opportunities to providers to increase their knowledge base, because of its inaccessibility (transportation, “welcomeness”, language, cultural sensitivity, etc.), providers who truly need to take advantage of those opportunities cannot and sometimes will not.

These factors have made us re-think the strategy we had adopted after the Co-op became independent of its parent organization. We had changed gears, in that we determined to shy away from the “in your face” kind of organizing DARE was known for and engaged in much subdued dialogue in the hopes that if “they” (those that were at the top of the hierarchy) would recognize that we were interested in playing their game, and they would respect us and let us in. Though there were some gains made (agreement with the State for the sole source contract, a seat on the Permanent Legislative Commission on Child Care, participation on the Children’s Cabinet to lay the foundation for the development of the Comprehensive Child Care Services Network, etc.). There were issues such as Electronic Funds Transfer (EFT). This system would have required that parents use an electronic swipe card each time a child was dropped off or picked up. Instead of creating a more user friendly system and eliminating or decreasing the eligibility and authorization period, it would have created numerous other problems for parents and providers including:
- Confusion when children are dropped off or picked up by the provider or other family members;
- Elimination of full-time care for many children, which would have further robbed low income children of equal access to quality early care and education, and contradicted the Department’s ongoing claims that it supports “every child entering school ready to learn”;
- Easy manipulation in payment rates by the state;
- Further dehumanization of poor people by treating them differently than those who are able to pay out of pocket; and
- The time required for swiping would have cheated parents out of transition time with their children and important communication time with their providers.

Stopping the implementation of the EFT system required nothing less than DARE-style, in your face activism. So we learned to tailor our strategies to fit the issues.

**Strategies Employed:**
The Co-op focuses on using Grassroots Organizing, Political Education for intervention, Workforce Development/Career Pathing. Within the last year we have included the employment of Strategic Partnerships to build on our other strategies. Some of those partners are: DARE Direct Action for Rights and Equality, Public Policy Coalition on Child Care, CHILDSPAN (they were forced), Rhode Island Parent Information Network (RIPIN), BayNet—Comprehensive Child Care Services Network, Foster Grandparents Program, RI READS/Providence Public Library.

**Workforce Development/Career Pathing**
In Rhode Island, training and professional development resources are generally available through one state funded entity. They are largely designed with daycare centers in mind, and even those offerings that are supposedly for family child care providers are tainted with such race and class biases that the knowledge and experience low-income providers do bring to the table is often disregarded, instead of being seen as a starting point for new adventures in learning.

Although one of our main focal points remains that workers must be adequately compensated, period, the Co-op is working to increase the access of family child care providers to affordable professional development, because there has been much talk in legislative circles that increased compensation will be tied to professional development. Day Care Justice Co-op offers classes to equip providers with an associates degree in child development (CDA), accreditation, English as a second language (ESL), general equivalency diploma (GED), entrepreneurship workshops, literacy integration, child development workshops focusing on program environment and child behavior, and standardized trainings for licensing, such as CPR, First Aid, Health and Nutrition, Fire Safety, etc. The purpose for pursuing this strategy is our commitment to the children and families we serve. By developing and increasing the knowledge base of each provider, we can begin to connect home, school, child care and the community to address the needs of the whole child and increase the learning readiness of the children in our care.

While undertaking this work, we are still mindful that attaching compensation to professional development as a means to increase rates of reimbursements will only further polarize a system of racial/economic injustice. For those who have been continually alienated from mainstream training resources due to poverty, lack of accessibility, and language, the immediate response is that this is yet another form of exclusion.

The exploitation in the child care system is not just about keeping the child care workers down; it is also about keeping parents down along with the next generation. By pushing caregivers to the breaking point and forcing them to cut corners on program costs, the system succeeds in limiting poor children’s access to good quality education, and inequity that will continue to play out through the school years.
and guarantees that there will always be a class of people ready to take the most disrespected, difficult jobs.

**CURRENT BARRIERS**

Because the Co-op has not been very interested in building a parallel system (cost being a factor), the alternative was partnering with others to leverage training dollars and encourage inclusion. Though the number one barrier in most cases has been language/culture, ignorance has been a hard second. Fostering a system that encouraged diversity, by allowing providers the opportunity to create/develop resources specific to their needs and that is culturally sensitive, will afford them ownership, and encourage self-empowerment so they can begin to reach out to those around them to accept, as well as offer resources they possess because the feel a part of, not apart from, the professionalism child care community.

There is a prevalent misconception that because these providers had previously been denied access, for the various reasons, that they have nothing to offer. What was ironic was that that prevailing misconception had not only been external but internal. So re-education had to begin within and radiate out.
The Delaware Valley Child Care Industry Project
211 North 13th Street, 7th Floor, Philadelphia, PA 19107

Anita Bender, Executive Director, Childspace Cooperative Development
5517 Greene St., Philadelphia, PA 19144
215-842-3050, anitabender@compuserve.com

Denise Dowell, Director of Organizing, United Child Care Union
1319 Locust Street, Philadelphia, PA 19107
215-735-6350

Steve Herzenberg, Executive Director, Keystone Research
400 N. 3rd St., Harrisburg, PA 17101
717-255-7193, sherzenber@aol.com

The Delaware Valley Child Care Industry Project originated with a partnership between Childspace Cooperative Development, Inc (CCDI) and the National Union of Hospital and Health Care Employees (NUHHCE) in 1997—crafted with technical assistance from Keystone Research Center (KRC). This partnership gave birth to the independently chartered United Child Care Union.

CCDI is a non-profit replication and technical assistance organization that spun off three model “Childspace worker-cooperative” child care centers in Philadelphia. Childspace centers operate on a quality job, quality care model. Childspace centers achieve the best job quality possible under current resources, with worker input built into the worker cooperative a critical factor in allocating resources. CCDI brings the same “quality job-quality care” philosophy to all its efforts including its national replication program and an expanding set of activities linked with the regional sectoral strategy.

UCCU is a “new” or “next generation” union of child care workers that now represents 500 workers at two Philadelphia-area employers. The union is an affiliate of NUHHCE which in turn is affiliated with AFSCME. UCCU is led by a former teacher with 20 years experience at the unionized Temple University child care center and by a former Childspace administrator/CCDI staff member. Autonomy within NUHHCE has enabled UCCU strategies to be crafted based on the intimate knowledge its leaders possess of the child care industry and its workers.

KRC is a non-partisan Pennsylvania-based research and policy organization. One of Keystone’s areas of research specialty is “new unionism”—the study of the adaptation of unionism to a service-dominated, postindustrial economy.

ABOUT THE SECTOR
The following are the key characteristics of the child care industry:

1. Low-wage workforce ($7-$8 per hour median wage): inadequate skills, high turnover (30-50 percent or higher), unorganized
2. Fragmented, isolated, financially strapped employers/providers
3. Poor quality service delivery which is directly correlated with poor quality jobs
4. Lack of organizational / institutional structures to meet the workforce and business development needs of employers and workers in the industry
5. Inadequate public investment in early care and education/family supports
6. Lack of coordinated public policy campaign to secure adequate funding, efficient administration, training and regulations
Strategies Employed:

- Enterprise / Cooperative Development: CCDI
- Grassroots Organizing: CCDI/UCCU
- Policy Interventions: State initiatives to increase reimbursement rates, provide more affordable health care, and increase state subsidies for providers with more qualified workers. CCDI/KRC/UCCU
- Technology Innovation/Investment: Individual Development Accounts (CCDI provides technical assistance and a 3:1 foundation match to help child care workers accrue savings.) Also CCDI provides TA to child care directors and family providers (over 200) to help them draw down additional subsidy dollars for the care of eligible low-income children.
- Strategic Partnerships: One between UCCU-CCDI-KRC and the emerging partnership between UCCU and its largest employer (the Allegheny Child Care Academy)
- Unionization: UCCU
- Workforce Development/Career Pathing: CCDI is establishing itself as a labor market intermediary to meet the training, advancement, and job placement needs of workers and employers.

Organizing
The Childspace model of cooperative development was effective in raising the quality of jobs for workers at the center, but had limited impact on the regional industry. Childspace faced the same barrier other providers in the industry face—lack of adequate funding (specifically low reimbursement rates) which limited its ability to improve wages and benefits—even for those workers in a cooperative workplace structure. When the opportunity arose to partner with the National Union of Hospital and Health Care Employees to create a new child care union, CCDI saw an opportunity to take wages out of competition in the regional labor market and to develop a more powerful base of worker and employer support for public policy and resource initiatives.

Early on, Keystone Research Center supported CCDI staff to explore models of high road organizing and successful labor market intermediaries involving unions. CCDI staff thought that what worked in other industries might, with some adaptation, work in child care.

CCDI and Keystone played a critical role in establishing UCCU's mission and course of development. UCCU's high road organizing model, articulated in the union's resolutions, provided a map for building a union from scratch—one element of a strategic plan to re-shape the regional industry. UCCU's high road organizing model includes:

- a deep and comprehensive knowledge of the industry and regional context;
- an organizing strategy that includes building membership, political and community alliances, and a public policy campaign;
- consideration of the roles race, gender, and class play in framing the problem and developing a strategy;
strategic partnerships – employers, political allies, parents, community members;

- inclusion; and a mission that contributes to the over-all good of community and society.

Unionization is a necessary but not sufficient condition for industry transformation. Employers and providers also need a structure through which to collectively identify and develop a strategy to get what they need to improve both the quality of jobs and the quality of care. Additionally, organizing parents and community members is key to winning the public resources the industry needs to recruit, train, and retain qualified staff.

**CURRENT BARRIERS**

The child care industry is unorganized, so in every way, we are starting from scratch and building to create conditions for success as we strive to achieve project outcomes. The three key components of this strategy are interdependent—organizing workers, organizing employers/providers, and public policy. They must be implemented concurrently. It has been a challenge to coordinate the pieces and players and to develop organizational capacity—the financial resources and expertise to carry out the work.

We have encountered anti-union bias in the child care advocacy community and hostile anti-union campaigns waged by employers. Lack of knowledge about unions—for example, the assumption that unions fit only blue-collar industrial occupations when, in fact, unions take on many forms, roles, and identities, and ignorance of the role unions play in politics and social policy—is an obstacle, as are the weak labor laws in the US that do little to protect workers right to organize. If we can reach a tipping point at which a critical mass of regional employers and advocates see the sector strategy as an opportunity—to solve the resource problems of the industry—not a threat, we believe the strategy can make substantial, rapid progress. The result can be better jobs and better care across the board.
The Center for the Child Care Workforce (CCW) was founded in 1978 as the Child Care Employee Project. CCW is a non-profit research, education and advocacy group committed to improving child care jobs—upgrading the compensation, working conditions, and training of teachers and providers—and thereby enhancing the quality of child care services.

ABOUT THE SECTOR
It has been estimated that there are approximately one million people in the child care workforce. This number includes teachers who work in child care centers (non-profit and for profit) and Head Start programs as well as family child care providers who care for children in their homes. The wages for these workers are abysmally low, fueling average turnover rates of 30-40% in child care centers. Center based staff earn an average of $7.42 per hour and family child care providers earn $4.82 per hour. A recent longitudinal study of high quality centers from 1994–2000, confirms concerns about the instability of the child care workforce and its impact on the quality of center-based child care available to young children. Child care centers, and the child care industry as a whole, lost well-educated teaching staff at the alarming rate of 75% between 1996 and 2000. The replacement teachers are significantly less well-educated (and live in poorer households) than those who left. Despite recognition that higher wages contribute to greater staff stability, the compensation for the majority of teaching staff positions has not kept pace with the cost of living during the four years of this study. When adjusted for inflation, wages for teachers have decreased 6% and wages for assistants decreased 2%.

There are many reasons that low wages and high turnover persist in the child care industry. Among the key reasons are: current child care funding mechanisms are based on the belief that paying for early care and education is primarily the responsibility of the parents; lack of public belief in the importance of a child’s early years; the lack of public understanding that teachers and providers need to have specialized education and training; and the workforce is largely unorganized. It can be said that child care is both too expensive and too cheap. It is too expensive because most parents cannot afford to pay the current rates that are charged. A parent earning the median income of $40,000 pays approximately 11% of her or his income for child care. Parents earning less obviously pay a greater percentage, with some paying as high as 25%. But the rates are also too ‘cheap’ because they are not high enough to pay workers an equitable wage, often not even a living wage. Even if a family is receiving government subsidy for child care, the subsidy rate is tied to the market rate. And the market rate is not based on the cost of good quality child care, which includes decent wages for teachers and providers.

Recent research on brain development has documented the crucial development that happens from birth to five on which subsequent development builds. Whether child care arrangements support this development depends on the quality of the program. Furthermore, the quality is linked to the wages and education of the teacher or provider. In spite of this information, child care is still commonly viewed as work any woman can do and that real education of children begins in the elementary grades.

10 Zero to three.org/NAS-report.
This misconception underlies the lack of respect for people who do the work and the resistance to viewing child care and early education as a public good for which our government should take responsibility.

Another key reason for low wages is the lack of an organized workforce. Approximately 5% of child care workers are union members and there is no organization or association that represents the interests of child care teachers and family child care providers. There are some family child care provider associations that advocate for the interests of providers, but because they are largely self-employed they are not able to join a union. Where child care teachers are members of unions, their wages are 5-10% higher than the average in their communities and the union is often involved in advocating for more public funds for child care. Due to the small workplaces and lack of resources in the child care system, most unions have been reluctant to attempt to organize child care workers.

In spite of the many barriers to improving wages, several initiatives have been created to respond to the child care staffing crisis. A strategy that is being used in California, North Carolina, New York and Illinois is a salary supplement program. Wage supplements are awarded once or twice a year and the amounts are related to the amount of education that the teacher or provider has attained. Washington state has developed a career ladder initiative that supplements workers' salaries by providing money to the child care centers, which is distributed based on education, experience and job responsibilities. San Francisco has taken a living wage approach and is providing funding to raise the base wages of child care workers to $9.00 per hour.

Fifteen states have adopted the TEACH® Early Childhood model which provides funding for teachers and providers to obtain higher education. They are rewarded with a raise or bonus as they achieve increments of education toward an Early Childhood Degree.

A group of family child care providers in Rhode Island won a campaign for health insurance coverage. They now have a health insurance plan that is provided by the state. Recently, it has become available to child care centers as well. Eligibility is tied to the number of children cared for who receive a state subsidy to cover the cost of their child care.

At the federal level, a bill was introduced in May 2001 that will provide federal funds to improve the compensation of child care workers. It is proposed that funds can be used to provide salary supplements tied to educational level. Funds would also be available for scholarships for workers to achieve higher education levels.

The current solutions are helpful in providing modest improvements to some child care workers' wages, while excluding others. They are all add-on solutions to a fundamentally flawed system that does not acknowledge services for young children as a public good in the way that education for elementary, secondary, and college students is acknowledged. Until child care is recognized as a public good is financed in a new way, child care workers will be forced to continue to fight for gains community by community, working against the existing barriers of isolation and limited access to the decision making process. In the meantime, teaching staff will continue to be forced to leave jobs they love and all young children will not receive early care and education services that support their growth and development.
Women's Action to Gain Economic Security (WAGES)
Rebecca Bauen, Agency Director
1214 Webster St., Suite B, Oakland, CA 94612
510-272-0564
wages@lmi.net

WAGES assists low-income women establish cooperatively-owned businesses. Since 1997, we have focused on forming and replicating environmentally sound housecleaning cooperatives owned and operated by Latina women in the greater San Francisco Bay Area.

ABOUT THE SECTOR
Cleaning services will be among the 20 top growth sectors of California's economy, with an increase of 32,500 new jobs projected by 2008. For many women—immigrants in particular—cleaning houses may be their first and sometimes only job in the U.S. However, both the wages and working conditions in residential cleaning are typically very poor. The sector is dominated by large, national cleaning companies which operate similarly to temporary employment agencies, drawing from a roster of cleaners. Once hired, cleaners are contacted by phone, assigned to clients, and sent their paychecks by mail; they generally have little or no personal contact with the overseeing organization. Some companies require that the cleaner pay a fee in anticipation of future work, with no guarantee of job security.

Since the average cleaning job takes less than four hours, cleaning tends to be a part-time job. Only by traveling from client to client—at the cleaner's expense—can the typical residential cleaner create anything close to a full-time job. Even then, the average starting wage for housecleaning in the Silicon Valley is $7 per hour, with no guarantee of earning raises. Benefits are nearly non-existent: few companies have paid sick days, vacation or personal days; health insurance is virtually unknown in the industry and many do not provide an allowance for uniforms.

The alternative for most women is to clean houses on their own, as independent contractors, with the potential for earning slightly more per hour due to direct payment. However, each cleaner must pay for her own transportation, supplies and marketing expenses, which greatly reduces her net hourly earnings. She must be able to communicate with customers, which poses a challenge to those with limited English language ability. Moreover, the cleaner must manage her own finances and taxes, frequently with little understanding of business management and legal and tax requirements. Finally, if she doesn't work, she doesn't earn. As a result, she often works 'under the table,' thereby increasing personal and financial risk for herself and for her clients.

Despite these conditions, a residential housecleaner may find her work rewarding. Particularly so within cleaning cooperatives which are structured to provide decent pay and benefits, control over decisions which affect her, opportunities to gain business skills, and education about cleaning products and practices that protect her health and well-being.

Strategies Employed:
  • Enterprise/Cooperative Development
  • Technology Innovation/Investment
  • Strategic Partnerships:
    • Gina Ryerson (professional industry trainer)
    • Lenders for Community Development (business start-up loans)
    • Wilson Sonsini Goodrich and Rosati (pro-bono assistance in legal formation)
    • Learning and Loving Education Center (participant recruitment and support)
Santa Clara Center for Occupational Safety and Health (leadership development, safety training for low-income workers in the Silicon Valley)

WAGES was founded on the belief that democratically owned and operated business cooperatives offer unique opportunities for workers, particularly those with limited skills and experience. The legal structure of the cooperatives that WAGES helps establish is the limited liability company (LLC). The LLC structure is preferable to the marketing cooperative comprised of independent contractors for several reasons:

1. Customers have no doubt that women are business owners, and therefore the customer does not have to pay social security tax.
2. In an LLC, all income generated goes into the business. This gives the member-owners an appreciation of financial interconnectedness and where the individual fits into the whole.
3. The LLC structure allows immigrant women to work legitimately as business owners.
4. The LLC offers liability protection.

According to members of Emma's Eco-clean, cooperative membership offers them, "a legitimate way to be owners of their own business, the support of working with others; access to benefits they would be unable to otherwise realize, and the opportunity to learn new skills."

CURRENT BARRIERS
In order to succeed, cooperatives need to address the external challenge of profitability. The type of business cooperatives undertake needs to be selected carefully, taking into account wage-level goals and industry profitability.

Cooperatives also have to address internal challenges of education, management and commitment to values. Cooperative development needs to emphasize education. WAGES business and cooperative pre-start up training is over 250 hours and is organized into five-hour sessions held weekly over a one-year period. We have organized the training into stages, with evaluation and celebration at the conclusion of each. Our curriculum combines business skills-building with decision-making practice, and group-building activities. Moreover, worker education must continue once the business opens, as the cooperative will need to expand to meet the demands of a growing business. A professional manager is also critical for business success. Finally, maintaining the vision of cooperativism within an isolated cooperative is challenging. WAGES is now building an association of interdependent cooperatives to support the businesses as well as maintain the cooperative vision and values.
ABOUT THE SECTOR
Long Island, New York is home to a large—and overwhelmingly poor—Latino community of more than 200,000. Although these refugees and immigrants were attracted to Long Island’s safety and jobs, many have quickly become the victims of exploitative employers. They are beaten, burned and sexually assaulted in restaurants by their employers, who threaten to have the workers deported if they complain. They suffer incapacitating nausea, blinding headaches, and full-body rashes from working unprotected with toxic chemicals in factories that shut down overnight to avoid inspection. They work hauling trash, mowing lawns of factories, and cleaning immense office buildings and homes, only to end the season without being paid for weeks and even months of work. These abuses are not isolated incidents. They are part of the system of exploitation that characterizes the underground economy. As a result, hunger and poverty are part of daily life for too many immigrant workers.

The marginalization of low- and no-wage immigrant workers comes as a result of shifts in the global economy and the effect of these shifts on the local economy on Long Island in particular. Economic ‘reforms’ in countries of the southern hemisphere, influenced largely by multinational corporations and international finance institutions based in the United States, have forced the large-scale immigration of workers to the United States in search of better paying jobs and sustenance for their families. Immigrant workers have taken jobs in the expanding service sector industries, with below-poverty wages and poor working conditions. Organizing against and developing alternatives to the abusive underground economy are thus an imperative.

The Workplace Project, which was founded in 1992, is the only non-profit organization on Long Island, and one of only a few in the country, that organizes Latina/o immigrant workers to fight for better working and living conditions and to build worker-owned cooperatives. The Workplace Project was founded on the belief that while simply providing services might alleviate some of the pain of exploitation, it would do nothing to fix the fundamental problem. Instead, we have chosen to build a community center of and for immigrant workers, which works through a cycle of outreach, leadership development, membership building, and organizing for change in the labor context.

Strategies Employed:
Among the strategies employed by the Workplace Project, grassroots organizing is by far the most important and most utilized. The fundamental philosophy of the organization is that workers must be organized to be leaders of their own movement, using consciousness-raising and leadership development. To this end, the Day Laborer Organizing Project has focused on organizing day laborers, or workers who stand on the street corner waiting for construction and landscaping work; these workers have formed ‘The United Day Laborers of Long Island’ which focuses on greater involvement of day laborers in local decision-making processes that affect them.

While the organization does include a cooperatives development program which has thus far created two successful cooperatives— one of landscapers and gardeners, and a second of domestic workers—the focus of these cooperatives is the organizing and leadership development of their members, to ultimately fight for better working conditions in these industries.

Similarly, while our Alliance for Justice employs a combination of legal and organizing strategies, the focus of the project is on organizing. While workers may join the project initially with the hopes of
gaining legal assistance around a particular case, the process they are invited to join involves a constant emphasis on the importance of organizing above all other strategies. When workers walk in the door with a particular problem, they are invited to attend a Friday night workshop, where they share their specific case in a group setting, and thereby understand that the problem is systemic and not individual. From this initial orientation they are invited to join one of the industry teams – VER (the restaurant workers’ committee), MILI (the factory workers’ committee) or LOVELI (the custodial and maintenance workers’ committee). These committees are led by workers themselves and include workers in the particular industry, law students, volunteers, and one attorney, who work together to resolve individual member cases using both legal and organizing strategies, and launch campaigns to improve general conditions in the industry.

**The Alliance for Justice: An Innovative Strategy**

Although the intent of the organization was always to recruit workers into the organizing effort, at its inception, the Workplace Project was founded with a traditional legal services clinic in place, with an attorney who took cases in a traditional legal services fashion. The organization’s founders thought that, by providing immigrant workers with traditional legal services, they could attract them into the organizing effort; specifically, workers who received services were asked to sign a contract complying them to take an 8-week workers’ rights course and then join one of the organization’s organizing committees. Unfortunately, this model faced many of the same problems that any and all traditional legal services clinics face. First, workers became very dependent on the attorney, never learning how to advocate around their labor problems by themselves. Second, workers were very isolated in their legal cases; for example, one worker might come in one year to file a lawsuit against a particular restaurant, and another worker from the same restaurant would come in the next year. Thus, by taking individual cases we were failing to organize the workplace. Third, and most importantly, the model simply was not recruiting and maintaining workers into the organizing effort; the vast majority of workers would receive their legal services, perhaps take the 8-week workers’ rights course, and disappear.

Thus, we needed a new model at the Workplace Project that would not only better recruit and train workers to join the organizing effort, but also change the way we do lawyering fundamentally. Thus, the Alliance for Justice was born, in which workers never see a lawyer individually, and through their work with their particular industrial team (see above) are trained to advocate for themselves and other workers, and begin to understand that legal strategies are rarely the best, fastest, or most effective way to solve a problem, in the short- or long-run. The Alliance uses primarily organizing strategies to solve problems by workers themselves that the attorney in the older legal services clinic would have handled through an administrative claim or lawsuit. The most gratifying success, and there have been many, of the new model has been that workers who originally came in seeking attorneys are now leading their own teams of workers in their industry and advocating for them – visiting employers with them to confront them on particular cases, or writing letters on their behalf, or, most importantly, visiting their worksites to organize in the workplace. Since its inception, close to 50 workers have been trained to organize around legal problems and in the industry in general.
Cooperative Home Care Associates
Michael Eisas, President
349 E. 149th Street, 5th Floor, Bronx, NY 10451
718-993-7104
melsas@aol.com

Headquartered in the heart of the South Bronx, Cooperative Home Care Associates (CHCA) is a worker-owned health care agency that currently employs more than 650 African American and Latina women—up to 75% of whom had previously been dependent on public assistance.

CHCA was founded in 1985 when federal Medicare policy was forcing thousands of patients out of their hospital beds and back into their homes. New York's home care system was poorly prepared for this sudden increase in patients, many with illnesses far more serious than those previously managed at home. At the same time, the home health aides expected to care for these clients were being offered extremely poor jobs, with little training, low wages, and no benefits. In response, CHCA was conceived on the premise that home health care clients would receive a higher quality of care only if home health care workers were offered a higher quality job, including both adequate training/support for their positions and adequate reimbursement for their work.

Today, CHCA:

- Offer trainees 4-5 weeks (full-time) of initial instruction (in English and Spanish) that is learner-centered. This initial training is combined with intensive supportive services during and beyond training and continuous skills development/reinforcement—especially during the critical six-month new employee transition period. Market-tailored in its design, this training emphasizes critical thinking, problem solving and cooperative team building. This up-front investment of training and support significantly contrasts in an industry that typically offers its trainees the minimal training required by Medicare regulations (75 hours) for certification.
- Pays workers an average of $8 per hour—among the industry's highest wages in NYC—and provides individual health insurance, paid vacation and sick leave time.
- Offers employees who have been with the company for 3 years (or 5460 hours) access to its guaranteed hours program (30 per week).
- Offers ownership shares that have been purchased by over 70% of eligible employees on a one-share/one-worker basis, that allow them to elect a majority of workers to the board, make critical company decisions, and receive dividends when the company is profitable.
- Provides opportunity for career pathing and upgrading (over 25 of the company's operations staff are upgraded home health aides—one an RN)

ABOUT THE SECTOR
The paraprofessional segment of the home health care industry typically has been configured as temporary, part-time work. Throughout the 1980s and early 1990s when the industry was undergoing exponential growth, it also had access to a large pool of unemployed and underemployed workers—typically women who would cycle on and off public assistance. CHCA saw the potential to convert these positions to something that looks like and acts like a full-time position by attending to the geographic locations of cases and each worker's case assignment. (This was particularly true in the NYC area where a significant percentage of cases were 4 hours, as contrasted with the more typical 2-3 hour cases nationally). This approach positioned CHCA well for the aftermath of welfare reform. Today, labor shortages in NYC have resulted in companies regularly paying 20-25% of their staff overtime. Whereas, in any given week, 96% of CHCA workers average 37 hours of employment.
While CHCA provides better jobs than the industry average, overall it is still not able to provide workers with a truly “livable wage.” Throughout its history, CHCA has put significant effort toward wage progression and career pathing for paraprofessional health care workers (see 4 below). While these efforts have enabled some individuals to move into better-paid employment, they have had little effect on the field.

We are now on the cusp of a major potential change in how Medicare and Medicaid will reimburse home health care. Historically, home health care has been reimbursed on an hourly basis. But the Federal Government has moved to paying a lump sum per patient under as part of the move toward managed care. These payments cover skilled nursing care, physical therapy and paraprofessional care. Under managed care, the contracting agency retains any unspent fees. The paraprofessional subcontractor could be in a “risk-sharing” arrangement with the contracting agency.

Potentially, contracting agencies can increase their revenues, which may open the opportunity to renegotiate paraprofessional rates. However, to really take advantage of this window of opportunity, the paraprofessional workforce would need to work in unison, which cannot be accomplished, I believe, without bringing union representation to a much larger proportion of the workforce.

**Strategies Employed:**

- Enterprise/Cooperative Development
- Policy Interventions
- Strategic Partnerships – Partner: Paraprofessional Healthcare Institute
- Unionization
- Workforce Development/Career Pathing

**Unionization**

Over the years, CHCA has made various attempts to create career paths for workers to enable them to receive a “living wage” and had limited individual but not broad-based success. These attempts have included the development of internal career paths by upgrading home health aides to administrative and teaching positions, and overall educational upgrading through the creation of an accredited Home Care Worker Certificate Program (in conjunction with a local four-year city university), an on-site Adult Basic Education/GED College Bridge Program, and a Home Health Aide to Nurse (LPN and RN) Upgrading Program.

In 1989, CHCA piloted the nurse upgrading program for fifty home health aides—29 CHCA workers, who were mostly company owners, and 21 members of 1199 National Health and Human Services Union. This was essentially an open admissions program, which was a partnership between CHCA, a local city college, whose Center for Worker Education had a track record of preparing workers for academic upgrading programs, the Union, and a local school of nursing. In addition to an array of special academic supports (including both group and individual tutoring) and counseling support, CHCA participants were given a part-time work schedule with paid release time to enable them to attend classes during the day without loss of income. The program design assumed that there was a gap between the academic demands of a Licensed Practical Nursing (LPN) program and the academic preparation of our home health aides. We expected the clinical experience these workers had gathered on the job together with two-years of preparatory work in a supportive academic environment would be sufficient to bridge this gap. This, unfortunately, was not the case. Of the twenty-nine CHCA workers, only four completed their practical nursing training (2 of whom went on to become RNs). Most of our home health aides struggled in (and many did not pass) the science courses such as anatomy and physiology while at the same time finding these the most interesting and relevant to their work. Their clinical experience and analytic strengths went untapped in these and their other classes.
In 1996, being clear that LPN programs would not provide a career ladder for the bulk of CHCA’s workers and in response to the impending consolidation of the health care sector, CHCA launched into planning its own managed care organization for adults living with physical and cognitive disabilities, Independence Care System, Inc. (ICS) which began serving clients in April 2000. The plan was that ICS would subcontract to CHCA for paraprofessional services. In addition to standard post-hospitalization support, ICS would need aides with special training in recognizing disease processes and interacting as an integral member of a long-term care team. Thus ICS could provide a second tier of a career ladder, the Independent Living Aide, who would receive a pay differential for work on ICS cases. Upon having further actual experience with providing care to this population, however, we realized that a “specialized aide” was not required in most instances. With a proper perspective and further tailored training, a home health aide could function in this role and perform their duties and responsibilities well, thus eliminating the need for a “special” designation.

These experiences have raised questions as to whether a strategy aimed at building internal career ladders (in the short-term) may be misguided. The bulk of the work of caring for elderly and other homebound patients is basic work that is already well done with well-trained paraprofessionals. The amount of this work is going to increase substantially as our population ages and more individuals with chronic disabilities and illnesses remain community-based. Perhaps we need to organize—as a paraprofessional workforce—for both clout and to build the political will to properly reimburse this necessary and undervalued work, rather than justifying incremental wage improvements by creating unnecessary work specialization.

As a long-term managed chronic care demonstration program, ICS is a good bulkhead in this direction. Right now we are being reimbursed on an hourly basis, but I can see that we could enter into a different arrangements with them in how the direct care worker will provide services and be assured of adequate training and support to provide high-quality care.

**CURRENT BARRIERS**
The intriguing part for CHCA today is how we can enter into collective bargaining contracts and still preserve the cooperative nature of our company.
Good Faith Fund is a program of Arkansas Enterprise Group, a non-profit affiliate of Southern Development Bancorporation, a certified community development financial institution (CDFI). Good Faith Fund (GFF) has a historical commitment to serve individuals residing in the Arkansas Delta region where there is a legacy of systemic racial oppression, discriminatory practices, and poverty.

GFF opened in 1988 as one of the country's first micro-enterprise development programs. In 1996, GFF led a statewide coalition-building process and a public policy development process designed to "humanize" the welfare reform process in Arkansas, educate state government regarding the need to supplant a punitive, "work first" approach to welfare reform with an emphasis on education, training, and living wages to achieve full employment.

GFF also expanded its program offerings to include sectoral work force development and public policy development, to more fully serve its low-income constituency in the chronically poor Arkansas Delta (eastern Arkansas). For the past four years, GFF has experienced a period of dynamic growth. All of GFF's programs are laced together with an organization-wide commitment to deliver high-quality, life-changing direct services and to achieve decisive, progressive systemic change on a continual basis.

Our sectoral employment initiative is Industry Partners, ETC (employment training centers), or IPE.

ABOUT THE SECTOR
Market data and area employers confirm the high need for paraprofessional health care workers and production and assembly workers (manufacturing) throughout IPE's target area. GFF chose these sectors because they are the ONLY viable sectors in our rural target area offering both abundant employment and career path development opportunities. Players are hospitals, clinics, nursing homes, home health agencies, and local manufacturing industries, most of which are agri-related. Until IPE was launched, no training or educational providers worked strategically to involve and match the needs of the most viable, highest quality employers/industries in the area. African American residents of the Delta were/are decisively underserved by community colleges and vocational/technical programs. Traditional job training programs are scarce and seldom meet the minimal requirements of employers. IPE strives to match and exceed the requirements of the higher quality employers.

Limitations include the area's history of racial division and discriminatory employment practices, the quality of many jobs, the lack of infrastructure and supportive services, and the barriers that local industries face in terms of their long-term economic survival and slim profit margins in the rural Delta's poor economy, and the state's lack of investment in the development of a qualified work force. There are 4 job seekers for each job opening in Arkansas. The job gap increases dramatically for jobs that pay a self-sufficiency wage. For each job opening that pays a self-sufficiency wage for a 1 adult and 1 child family ($8.90 per hour), there are 7 job seekers. There are 9 job seekers for each opening that meets the FIS for a 2 adult, 1 child family ($10.59 per hour). There are 11 job seekers for each job opening that meets the FIS for a 1 adult, 2-child family ($11.76 per hour).

For each opening that pays a self-sufficiency wage for a 2 adult family with 2 children ($13.51 per hour), there are 14 job seekers—a gap that is 3 ½ times greater than the job gap for all job openings. While Arkansas' economy may be generating significant numbers of jobs, a majority of these jobs are at the
lower end of the pay scale and do not pay a wage which will bring Arkansas’ job seekers and their families into self-sufficiency.

Job seekers are significantly more likely to be African American (37% of job seekers vs. 15% of the employed) and younger than employed Arkansans (40% of job seekers are 18-25 years old compared to 18% of the employed). The most striking results are those on educational attainment. Over 21% of all job seekers and 25% of unemployed Arkansans have not finished high school compared to only 11% of the employed. This indicates that there is a large group of job seekers in Arkansas who lack even the most basic qualification for a job—a high school diploma—and that may be the biggest barrier to employment that this group faces. This group of job seekers must have access to programs that will allow them to obtain a GED to give them each a fighting chance in the labor market and put them on the road to self-sufficiency.

Although job seekers are less educated than the employed, a significant percentage of job seekers, almost one out of every four, have obtained some post-secondary education or training. This implies that many job seekers face barriers to employment not related to their lack of skills. Clearly, part of the problem is a high-growth economy that is creating an excess of low-skill, low-pay job opportunities and not enough jobs for those with post-secondary education and skills. But these job seekers also face other barriers, such as the lack of access to transportation and affordable, quality child care, which prevent them from using their skills in the labor market.

It is difficult for a lower-skilled, less educated job seeker in Arkansas to find a job that provides enough income to be self-sufficient. For example, there are 8 lower-skilled job seekers for each lower skilled job that pays a self-sufficiency wage for a 1 adult, 1 child family. But there are 29 of these job seekers for each lower skilled job that pays a self-sufficiency wage for a 2 adult family with 2 children. This severe shortage of self-sufficiency wage jobs for lower skilled, less educated workers promises to get worse as Arkansas’ economy generates fewer good-paying job opportunities for these workers. The shift towards low skill, low wage jobs and high skill, high wage jobs will leave most of these workers behind.

More important to job seekers in IPE’s poor, rural target area than state-level labor market conditions are the opportunities available to them in the communities in which they live. There are major regional differences in job gaps. The overall job gap ranges from a low of 2 job seekers per job opening in the Northwest SDA to a high of 10 job seekers per job opening in the Southeast SDA, IPE’s target area.

**Strategies Employed:**
The IPE program offers educational and occupation assessment services, barrier identification and mitigation, adult education remediation, GED preparation, employability, character and life skills training, and training for two high demand skill areas, as determined by certification requirements and by the program’s employer partners in the targeted sectors—health care and manufacturing.

---

- Enterprise/Cooperative Development — (completing a feasibility study for a health care enterprise)
- Policy Interventions
- Strategic Partnerships
- Work Force Development/Career Pathing

**IPE’s Five-part Retention Strategy**

1. **Accessibility:** IPE operates in three “economic centers,” strung across the entire (east-west) width of the predominantly rural Delta. The program is offered at no cost to all participants. The program targets a population with limited formal education or training, grave economic
constraints, and limited employment experience. The target population is also generally unable
to qualify for enrollment at area community colleges or technical training programs due to
remediation needs, lack of confidence, fear, lack of transportation and child care, historical
patterns of discrimination, or selective enrollment practices. Participants are assisted by IPE staff
in acquiring transportation, child care, emergency financial assistance and other supports needed
to ensure successful completion of training, job placement and job retention. Marketing
strategies include print, radio, television, and multiple referral sites throughout each community.
Reading levels and language in marketing materials and ads are matched to the appropriate
audience, and marketing addresses the self-interest of prospective trainees clearly. The program
is designed to counter the developmental deficiencies, fear, and low self-esteem of its trainees.
Graduates of the program are rapidly becoming the most effective source of new referrals—a
testament to their comfort level and satisfaction with the program.

2. The Training Context: IPE Training sites are attractive, pleasantly appointed and well equipped.
The staff and trainees are trained and committed in writing to partner fully—all day, every day—
in maintaining a safe, supportive, upbeat, and fun learning environment. Trainees are given the
information they need to succeed in multiple formats; program policies are published in full,
throughfully introduced and provided to trainees when they enroll in the program, and
consistently maintained throughout every phase of the program. There is a decisive emphasis on
personal responsibility, a firm belief in the potential for success of every trainee, and a well-
developed understanding of trainees as individuals who bring particular assets, individual needs,
somewhat different learning styles, and a unique set of issues and concerns to the training
process.

Trainees and visitors to the IPE sites routinely comment on the "electric" enthusiasm, as well as
the warm, family-like atmosphere at the training sites. Each day begins with a boisterous pep
rally involving the entire staff and all trainees. The spirit continues throughout the day, and
clearly builds the confidence, self-esteem, and emotional investment of trainees. As IPE's largest
employer partner and U.S. Senator Blanche Lambert Lincoln both said during their recent visit;
"It is clear that this place changes lives!" Graduates affirm this fact with deep emotion at each
graduation.

3. Core Themes and Training Content: The importance of and training content to ensure job
retention and career path development are stressed from pre-enrollment activities with
prospective trainees, through every phase of training and post-employment support. The
message and related skills are presented in (1) the classroom, (2) simulated workplaces, (3) real
world work experience included in the training process and (4) in individual and group
counseling sessions conducted throughout and beyond the training process. Employability skills,
problem-solving, job retention skills, and career path development skills are conveyed using a
variety of proven methods matching the learning styles and needs of adult learners.

Trainees are coached regarding the importance of setting and regularly re-evaluating realistic
personal and professional development goals, allowing those goals to drive their behavioral
choices, and learning to operate in their own best self interest. This theme is important in a
region characterized by racist oppression, internalized racism, low expectations, despair, and the
short-sighted punitive approach of the AFDC/TANF welfare system and "work first" programs.

4. Three Tiers of Case Management and Supportive Services:
   a. Program Coordinators: This employee meets prospective trainees during the
      recruitment process, and manages the assessment and enrollment processes. She then
      works with the trainees—from enrollment through graduation—on barrier-reduction
activities, to reduce or eliminate potential barriers to the completion of training, and the achievement of full employment.

b. Career Consultants: For the first 90 days following job placement, the new employee is followed by a Career Consultant who has marketed the graduate to the employer. The Career Consultant offers support, encouragement, and intervention, as necessary, and encourages the graduate to become active in the IPE alumni group.

c. Family Resource Retention Specialists: After the first 90 days, a Family Resource/Retention Specialist takes over and assists the newly employed and their families through the identification of emergent needs, identification of strengths and solution-based strategies, individualized support and/or interventions to access necessary services for continuing employment, provision of skill-building, career/life planning, support and informational workshops for graduates, job shadowing, mentoring, supportive counseling, referral and advocacy.

5. Role of Employer Partners: Since its inception, IPE has looked to its Employer Partners, for guidance concerning program and curriculum design and development in order to ensure a program "tailor made" to match their needs. Employer Partners agree to provide quality jobs paying more than minimum wage with benefits, decent working conditions, advanced training and career path opportunities to IPE trainees.

In addition, Employer Partners provide IPE participants with invaluable "real-world" training experiences by supplying sub-contract work for on-site training and off-site enclave work and by furnishing equipment for use by individuals during the training process. All Employer Partners are members of a local IPE advisory board that meets in each of the project sites. Employers play a significant role in the upgrading of the training curriculum and the development of innovative ideas, especially those concerning job retention and career advancement. While most of IPE's Employer Partners have small to medium businesses, there are a few, such as Riceland Foods and Lennox Industries, that are larger corporations (1000+ employees). Due to the rural nature of the areas served, all resources must be utilized in order to obtain suitable employment opportunities for program graduates.

Collaboration with Employer Partners (preferred employers) and their commitment of jobs and resources to IPE is extremely beneficial to IPE and its trainees. Employers, in turn, benefit from the availability of a qualified, reliable, well-supported workforce. Through the use of highly visible Career Consultants and Family Resource Retention Specialists, job-placed graduates are followed and supported to job retention, thus decreasing costly turnovers. Additionally, IPE shares information with employers regarding policies and resources that may not be within their normal "range of vision", such as the federal bonding program, tax credits, employment subsidies, and briefings on new legislation—like the Work Force Investment Act—affecting both the work force and the employers.

CURRENT BARRIERS
Political backlash from the traditional publicly-funded training and "work first" programs, like JTPA (now WIBs) and DHS.

IPE creates an unwelcome source of performance standards (innovative strategies, by routinely reaching performance benchmarks, serving marginalized population, and consistently improving outcomes and impact—and we publish program performance information. Most state-funded programs are still paid
per capita, by enrollment numbers—not completion or "results,"—and they do not report on and are not yet held accountable for results. Some have thinly-veiled exclusionary enrollment criteria.

Need for basic adult education/remediation is extremely high; many trainees enter the IPE program with K-3 functional levels, making it a long way to real career path development.

Other barriers include: The lack of rural transportation systems, racism, and limited political will to serve or provide resources to assist the African American community in maximizing their economic potential, no services to properly identify and/or accommodate learning disabilities, lack of safe, adequate, affordable child care in many rural communities, very limited philanthropic activity (foundation presence) in the mid-South region.
The Greater Golden Hill Community Development Corporation (GGHCDC) is a small non-profit, community-based organization formed in 1991 in the urban neighborhood of Golden Hill, a small, diverse neighborhood near downtown San Diego. The GGHCDC works to unify and empower the neighborhood’s diverse residents in efforts to preserve the unique and historic character of our community while bringing about physical improvement, cultural, educational, and economic opportunities that improve the quality of life in Greater Golden Hill. The organization, whose annual budget is $750,000, developed and manages an affordable housing complex, operates youth programs in the neighborhood, works on capital improvement and community revitalization projects, and operates job training and enterprise development programs which are highlighted in the following summary as low-wage sector intervention projects.

ABOUT THE SECTOR
The GGHCDC started the Golden Hill Health Careers Academy in 1996 in an effort to match unemployed low-income residents with high demand health career occupation which promise livable wages—dual certified nurse assistant/home health aide training. The Academy, whose alumni number over 350, continues both with private sector funding and government Department of Labor funding for Welfare-to-Work and a special WIA funded Caregiver Training Initiative. In 1999, the GGHCDC launched to Golden Care Cooperative, a private home care agency, whose mission is to improve the quality of home care services to the frail, elderly, and disabled persons living in central San Diego by employing and empowering the graduates of our Academy. The enterprise is struggling to gain market share in a competitive home care environment while carrying out its mission to employ caregivers from the Academy. This brief will focus on the more mature Golden Hill Health Careers Academy program.

The Academy offers fully accredited and licensed certified nurse assistant/home health aide (CNA/CHHA) training, continuing education units, outreach, case management, job development, and job retention services. Recently, the Academy has added two courses to provide career ladder opportunities for upward movement as well as for applicants who don’t meet entrance requirements (5th grade math, reading, English) for the core CNA/CHHA course. The Acute Care CNA training course offers step-up training—120 hours—for CNAs who want to work in acute care settings. The GGHCDC has recently signed a three-year agreement with Scripps Health Chula Vista Hospital, one of the largest area health care employers to provide clinical training in their facility for the course. The GGHCDC also offers non-certified Home Care Aide training, a 96-hour program designed to get limited-English and entry-level applicants safely working as caregivers. This program is limited to Welfare-to-Work applicants.

The key players in the sector project have changed as funding sources have changed. This has been both an opportunity and a challenge. The Welfare-to-Work funding, while challenging to administer, initiated new challenges in working with the “hardest to serve” welfare applicants, many of whom had not been through our doors previously. In response to this population, we initiated the non-certified Home Care Aide training to try and get applicants working immediately in the industry in response to the work-first requirement. In response to heavy demand for all entry-level workers, we are seeing increasing wage movement upward to $7-$8 per hour for non-certified workers. We will continue to offer this training on a limited basis, to capture WtW applicants who aren’t ready for CNA/CHHA.
Last year, we initiated a partnership with the San Diego Community College District Regional Occupation Program (ROP) which funds a portion of our fall and spring semester CAN/CHHA classes. While difficult to marry the cultures of Department of Education funding (based on average daily attendance, unionized instructors, etc.) with Department of Labor funding (outcomes based on employment & retention), the partnership has been worthwhile. We are mapping out an agreement for the coming year and have worked creatively to blend funding, co-enrolling applicants in multiple programs to continue to offer a full array of wrap-around services which ROP does not fund—case management, outreach, job development, and job retention. The partnership with the ROP brings us into a multi-tiered system of continuing education partners for ABE, VESL, ESL—all necessary components of an educational system working with applicants with severe educational, cultural, and language barriers to advancement toward self-sufficiency.

Finally, the GGHCDC has worked collaboratively with many local partners through combined efforts of all the health care sector stakeholders (employers, educational institutions, CBOs, labor unions, labor force) to address the burgeoning shortage of health care workers. Through these collaboratives, many of them formed to study and articulate solutions to the workforce crisis, the GGHCDC has benefited from increased exposure to public sector initiatives that have brought increased funding opportunities and allowed us to lend a voice/solution to the problems.

**Strategies Employed:**

• Enterprise/Cooperative Development: Golden Care Cooperative

• Strategic Partnerships (Partners include: San Diego Community College District ROP, San Diego Workforce Partnership, Inc., San Diego/Imperial Counties Labor Council, The California Wellness Foundation, NEDLC)

• Unionization: United Domestic Workers Union (UDWA), partners in WtW collaborative training agreement (1998/99) and Golden Care Cooperative as Professional Advisory Board members

• Workforce Development/Career Pathing: Home Care Aide → CNA/CHHA → Acute Care CNA Training

**Strategic Partnerships**

While choosing the strategy was initially selfish (i.e. survival), the Strategic Partnerships have allowed us to expand our program offerings, both in response to new exposure to target populations (welfare recipients) and in response to the local economic conditions (good economy making it difficult to recruit low-wage sector employees).

**CURRENT BARRIERS**

Biggest difficulties have been maintaining integrity of the program despite changing funding requirements (continuity of staff/burnout, enrollment procedures, tracking/evaluating outcomes, scheduling, etc.) The GGHCDC has been able to change quickly in response to changing conditions because of the existence of a dedicated Executive Director who maintained staffing/commitment to employees needs even when funding wasn’t always available. Despite changes in the instructional and Director position of the Academy, other key positions including grant writer/program development and day to day operational staff (Academy Services Coordinator) positions have been maintained allowing some continuity of programming.

Second biggest difficulty has been working in transition from JTPA funded to Workforce Investment Act (WIA) funded Department of Labor programs. The GGHCDC may not have applied for Welfare-to-Work funding, understanding difficulty of both recruitment and administration of such funding, but decided to do it anyway, to fund the program during transition to paid “voucher” or Individual Training...
Account (ITA) clients. Again, it has paid off maintaining key staff positions with knowledge of and experience in managing such complex program funding requirements.
The Martin Luther King Economic Development Corp (MLKEDC) is located in the north-eastern neighborhoods of urban Milwaukee and aims to improve the job prospects of low-income, minority residents from Harambee and other surrounding areas. Since 1996, MLKEDC has managed the MORE Project (Maximizing Opportunity in a Restructuring Economy), an intermediary between regional health care providers and MLKEDC clients.

**ABOUT THE SECTOR**

The health care sector was chosen because there was a clear, unmet need for workers, the sector was expanding, and many jobs in the industry provided family-sustaining wages, benefits, and career potential. Yet it was recognized that employment opportunities in this and other similar fields were increasingly out of reach of low-income individuals, especially those moving off welfare, because of changes in the world of business. The health care industry, in particular, had taken the form of large “lean and mean” networks, which connected multiple firms by contract and affiliation. These networks had a large corporation at their center with centralized sites for laundry, laboratory, and human resource services. Thus, the “gate keepers” for a multitude of jobs, across a range of positions, had narrowed to a small number of individuals. The negative side of this was obvious: the job seeker had few opportunities to improve on her initial presentation—either on applications or in interviews. It did, however, present an opportunity for the intermediary that could enter into training and placement contracts with such a mega-employer.

By 1999, the MORE Project had secured contracts with Aurora Health Care and the Covenant Health Care System, Wisconsin's largest and second largest healthcare employers, to train and hire MORE participants. But actual job placement lagged well behind what was expected. Some of the responsibility for the low job placement rate rested with MLKEDC, which did not initially have the capability of making criminal background checks and therefore referred some clients who did not fit the employer's criteria. But in many cases, MORE applicants were turned down for far less substantial reasons—from a desire for a more stable work history to “they didn’t smile enough.” After much frustration, MORE changed strategy and focused instead on smaller employers.

MORE is the only community-based organization that is a member of the Wisconsin Workforce Coalition, which is part of the Wisconsin Hospital Association. It is entering its fourth year of city block grant funding, which it has won based on its success in placing residents. And MORE has also built a strong relationship with the Wisconsin Association of Homes and Services for the Aging, Inc., which is the umbrella agency for all of the nursing homes in the state. The executive committee of Services of the Aging has interceded on behalf of MORE applicants who were initially rejected but had met the nursing home’s advertised criteria.

Recently, MORE has reopened talks with the Covenant Health Care System. A number of manufacturing companies in the area have downsized, which has led to an influx of MORE applicants with a strong work history and skills that make them eligible for mid-level positions. In addition, Covenant has begun to diversify its management team and there is now a minority vice-president who has some experience working with community-based organizations.
Program Design
The MORE Project's approach to training is comprehensive. Entry into the program begins with an in-depth screening interview where questions are asked about employment history, family make-up, education, health, alcohol and drug abuses/issues, housing, and criminal background. These interviews conclude with appropriate referrals or an invitation to attend the MORE orientation, which includes a group exercise that allows trainers to assess attendee's willingness and ability to participate and interact with others.

Upon successfully completing the orientation, participants are either referred to appropriate jobs or enrolled in one (or both) of MORE's training programs. MORE offers a two-week pre-employment training, which includes work on job readiness, resume completion, filling out employment applications and interview technique training. It also offers a two-week Medical Terminology course, which is taught by a nurse mid-wife, who was once a CNA herself.

Once basic skills have been acquired, participants are referred to MORE Project partners. These include employer-based entry-level training programs such as those provided by Mount Carmel nursing assistant training (subsidized) and Covenant's nursing assistant training (unsubsidized). MORE staff assist graduates with job placement, and, once placed, work closely with employers to assure retention.

Strategies Employed:

- Grassroots Organizing
- Policy Interventions
- Strategic Partnerships
- Workforce Development/Career Pathing

The MORE Project is developing a new component of its retention/career development services. It is helping workers who have been employed for six months hook into local IDA programs, so that they can begin to save for owning their own homes. The MORE project will add financial counseling and training in budgeting. This new IDA component will be discussed, even highlighted, in the MORE training classes because it helps to remind participants of their goals and dreams, which can be particularly important when much is being asked of you in terms of personal change. Moreover, taking our characteristic, comprehensive approach to training, we will be teaching MORE participant's children "The Investment Game" and helping the staff of MLKEDC and its affiliated family resource center start an investment club. In this way, staff will gain the experience to help participants learn about investing and true wealth creation.
North Lawndale Employment Network
Brenda Palms-Barber, Executive Director & Lea Weems, Program & Policy Associate
2653 W. Ogden Ave., Chicago, IL 60680
773-257-5041
palb@sina.org; weel@sina.org

The North Lawndale Employment Network (NLEN) is a partnership of community-based organizations, economic development agencies and businesses working together to meet the workforce development needs of North Lawndale residents and employers through a collaborative approach. North Lawndale is a predominantly African-American community on the West Side of Chicago that has suffered persistent poverty for the past 40 years. In the emerging group of intermediary organizations, NLEN is unique in its efforts to act as a workforce development intermediary on behalf of one economically depressed community. NLEN seeks to:

- Enable North Lawndale residents to secure jobs that pay family-supporting wages and offer opportunities for advancement;
- Help employers within and outside of North Lawndale to recruit and retain qualified employees from among North Lawndale residents;
- Build the capacity of and cooperation among organizations that provide employment and training services to North Lawndale residents and employers; and
- Advocate for public policies and employer practices that expand employment opportunities for North Lawndale residents and foster economic development of the community.

Much of NLEN's health care sector intervention work has been accomplished in partnership with the Chicago Jobs Council (CJC). CJC is a membership organization that works to increase job opportunities for all city residents, with an emphasis on those in poverty, racial minorities, the long-term unemployed, women and others who experience systemic exclusion from employment and career mobility. CJC pursues its mission through advocacy, applied research, public education, and capacity-building initiatives focused on influencing the development or reform of public policies and programs.

ABOUT THE SECTOR
By 2006, Chicago's health care industry will account for more total jobs than any other local growth industry, and many of these new jobs will be entry-level positions. Entry-level health care workers, especially those in occupations requiring less than an Associate's degree, have historically been perceived as overworked and underpaid. However, labor shortages over the past several years have exerted an upward pressure on wages that has catapulted some occupations into self-sufficiency wage levels, and other formerly low-wage occupations are now reporting starting wages of $9.00 per hour. Employers, though, are still struggling to recruit and retain qualified, skilled entry-level health care workers.

In June 2000, the Chicago Jobs Council, in partnership with the North Lawndale Employment Network (NLEN), conducted a series of focus groups with Chicago-based health care employers, health care training program directors, and job seekers who had an interest in health care careers. The principal purpose of the focus groups was to identify the workforce needs, challenges, and opportunities of these groups, and to further engage them in establishing relationships with one another.

Employers in our focus groups stated, in no uncertain terms, their need for skilled entry-level workers. Employers agreed that, after basic skill requirements, the most important skills they seek in job applicants are customer service skills, and employers are increasingly using special screening tools to assess customer service skills and basic competencies as part of the hiring process. Employers also
revealed that they are having great difficulty retaining their entry-level workers. Most employers have
began to recognize the important role of non-pay-based incentives, but admit that clearly articulated
career ladders and training opportunities are still not made widely available to entry-level workers.

The training programs in our focus groups varied widely in terms of their student population,
educational setting, and course offerings. Their answers to focus group questions also varied widely.
While most training providers agreed that they were flexible in adjusting their curricula to meet
employers’ needs, few formal relationships were reported between training providers and employers.
With the exception of community-based organizations, training programs in our focus groups offered
little to no post-placement follow-up or support to graduates and rarely mentioned customer service
skills training or multi-skilling as part of their programs.

Job seekers in our focus groups defined a good job in terms of the work environment. They said they
value flexibility in scheduling and want to feel that their work is appreciated (and their learning
encouraged and supported) by co-workers and supervisors. Job seekers were not very aware of various
career opportunities available in the health care industry, and, for the most part, were not able to
describe the job requirements, wages, and responsibilities associated with the occupations they listed.

Because many employers have different policies and systems in place related to the recommendations
made in our report, Understanding Entry-Level Health Care Employment in Chicago, we have decided to
meet one-on-one with several Chicago health care employers to explore opportunities for pilot
programs aimed at enhancing recruitment and retention outcomes. NLEN will conduct these meetings
in partnership with the Chicago Jobs Council, the Welfare-to-Work Partnership’s Bizlink Program, and
the City Colleges of Chicago.

**Strategies Employed:**

- **Policy Interventions**
- **Strategic Partnerships** (Partners include: Chicago Jobs Council, City Colleges of Chicago,
  Chicago Chapter of National Black Nurses Association, National Council of Negro Women,
  African American AIDS Network, Health Care Consortium of Illinois, Quality Care
  Management, Advocate Health Care/Bethany Hospital, Mt. Sinai Hospital, Sinai Community
  Institute, Chicago Public Schools, Welfare-to-Work Partnership/Chicago Bizlink
- **Workforce Development/Career Pathing**
- **Others:** grassroots health care career awareness campaign, publication of the CJC report
  Understanding Entry-Level Health Care Employment in Chicago

**Health Care Career Awareness Campaign**

One significant finding of the health care sector intervention project was that North Lawndale job
seekers are only aware of a few occupations in health care (mostly doctor, nurse, and Certified Nurse
Assistant) and know even less about the skill requirements, wages, and responsibilities in those known
occupations. This finding was a bit surprising considering that these job seekers in our focus groups had
self-identified interests in health care jobs. They were welfare-to-work participants training for Certified
Nurse Assistant positions and high school students who had participated in a health career club. In
response to this finding, NLEN’s Health Care Committee will launch a health care career awareness
campaign in North Lawndale in collaboration with the Chicago Chapter of the National Black Nurses
Association, the National Council for Negro Women, and the African American AIDS Network, this
summer and fall. This collaboration was spearheaded by Margaret Davis, an NLEN board member and
North Lawndale resident and activist. Margaret is a Registered Nurse and former welfare recipient who
has long believed in the potential of the health care industry to help move area residents into self-
sufficient career path jobs.
In December 2000, this collaboration received a small grant from the North Lawndale Small Grants Initiative to launch this work. The committee is currently working on designing the materials to promote 11 different "entry-level" health careers: Certified Nursing Assistant (CNA), Dental Hygienist, Home Health Aide, Licensed Practical Nurse (LPN), Medical Records/Health Information Management Technician, Occupational Therapy Aide, Occupational Therapy Assistant, Surgical Technologist, Radiology Technologist (Radiographer), Physical Therapy Aide, Registered Nurse (RN). NLEN has hired Valerie Denney Communications to manage the design and printing of the materials.

The goals of the campaign are to:

- Inform North Lawndale residents about the variety of interesting and well-paying careers in health care;
- Create interest among residents in pursuing a new career in health care (either a first-time employment opportunity at an entry-level position or a higher-level position within a current field); and
- Generate a feeling of excitement and possibility among residents by communication that assistance for attaining goals is available and avenues for success are within reach.

The materials will contain the following information on each health care career:

- Education and training required to enter the occupation
- Certification required for the occupation
- Career path options
- Job settings
- Desired characteristics of someone in the occupation
- Demand for the occupation (all are high demand)
- Salary range
- Local training program information

Five thousand copies will be printed. Once the promotional materials are ready, NLEN will facilitate a volunteer training on the careers to be promoted, the career ladder opportunities in health care, and the resources available in the community for accessing these employment and training opportunities. Following this training, these volunteers from NLEN’s collaborating organizations, including North Lawndale residents, will canvass the neighborhood and make community presentations at churches, schools, block clubs, and other organizations and community meetings. Volunteers will also be trained in how to document their work as they talk with residents and pass out materials.

At least twelve community presentations will be conducted on the health care careers. Through these meetings and through the canvassing efforts, the collaboration aims to link 50 residents with health care jobs and/or training. Target populations for this effort include entry-level health care workers interested in advancing, individuals moving from welfare to work, unemployed residents, and high school students.

ABOUT THE SECTOR
Within the strategy described above, we are lucky to have encountered few barriers so far. Over a period of time, we have cultivated strong, committed partners from a wide array of stakeholders, including the Chicago Workforce Board. One weakness in our current strategy may be our need to establish more strong employer relationships (we have several, but would like to establish more and deepen the ones we have). However, we are positioned well to draw more employers in to the project (not just this strategy) because of our strong collaboration with CJC, the City Colleges, and others.
One of the biggest barriers encountered within the sector is the difficulty low-income and entry-level workers have accessing training and education in order to advance. This barrier is three-fold:

- Scheduling flexibility within the industry presents retention and advancement issues. It is also a source of disconnect between employers and job seekers. In our research, shift scheduling flexibility emerged as a theme closely related to employee retention. Employers said they wanted to know that a job applicant had a flexible schedule, while job seekers said their idea of a “good” job was one that is flexible enough to accommodate their own schedule.
- Tuition reimbursement programs usually offered by large health care employers are not typically accessed and are, at times, inaccessible to low-income workers. Employers admitted that these programs are not well-marketed to entry-level staff. In addition, most entry-level workers need financial assistance to make up-front tuition payments – they cannot wait for the reimbursement.
- Lack of awareness about career ladders and other opportunities for advancement within health care abounds among low-income and entry-level workers, as well as low-income residents interested in entering the health care industry. This lack of knowledge combined with the two other barriers mentioned above severely limits their career advancement opportunities.

Through our health care career awareness campaign, we anticipate that similar barriers (financial and logistical) will hold true for unemployed residents with whom we come in contact who learn about and hope to enter the health care industry, especially since many of them will be women with children.
The Paraprofessional Healthcare Institute (PHI) is a national non-profit health care employment and advocacy organization based in the South Bronx, New York. PHI's dual mission is to create decent jobs for low-income individuals, with an emphasis on women who are unemployed or transitioning from welfare-to-work and to provide high-quality health care to clients who are elderly, chronically ill, or living with disabilities. PHI links this mission through a "Quality Jobs/Quality Care" school of thought: Creating quality jobs is necessary to the provision of high-quality, cost-effective care. PHI is closely affiliated with Cooperative Home Care Associates, a worker-owned home care provider in the South Bronx that currently employs more than 600 home health aides.

To expand the CHCA enterprise model and further shape effective practice within the long-term care sector, PHI organized and supports the Cooperative Healthcare Network, a federation of worker-owned, paraprofessional healthcare providers and training program in the states of New York, Pennsylvania, New Hampshire, Michigan, and Arkansas. PHI is also the prime sponsor of Independence Care System (ICS), a non-profit managed long-term care program for people living in their homes with physical disabilities.

At a policy level, PHI staffs the Direct Care Alliance, an advocacy voice representing consumers, workers and concerned providers to create both quality jobs and quality care within the long-term care sector. In addition, PHI has recently launched the National Clearinghouse on the Direct Care Workforce to act as a national information center on the staffing crises in long-term-care.

ABOUT THE SECTOR
Today's U.S. long-term care population currently numbers about 12 million. The need for direct care services is expected to grow dramatically over the next 30 years in several ways: 1) the population of those requiring care is increasing; 2) the acuity of illness and disability is increasing; and 3) individual preference to remain at home and in community-based settings (where more assistance is required than in institutional-based care) is increasing. Eight out of every ten hours of paid care received by the long-term care client is provided by a "direct-care" paraprofessional—a home health aide, personal care attendant, or certified nursing assistant/aide. These direct care staff are the primary delivery system for long-term care.

Recent data shows vacancies and turnover are high for several reasons: poor quality jobs and work conditions (low wages and often, part-time work, few or no health benefits, little training, high staffing ratios and insufficient/inadequate workplace support), and a full-employment economy that offers better job alternatives. In addition, a significant "structural" characteristic impacting worker shortages is attributable to post-Baby Boom demographics in the U.S.—in which the supply of those of caregiving age is expected to remain relatively flat—resulting in a "care gap" that will worsen in the next 30 years.

Simply stated, the long-term care sector has long structured itself on the presumption of a seemingly endless supply of low-income workers. Now that this presumption is no longer valid, unprecedented pressure is being placed not only on the "formal" paid health care delivery system but also on family caregivers.

This emerging "care gap" impacts all three "key stakeholders" within long-term care: consumers (and their families) in causing inadequate, unsafe, and in some instances denial of care; providers through high
recruitment and training costs, temporary replacement costs, and decreasing sales revenues; and workers as reflected in higher injury rates, increased levels of stress and frustration and less supervisory and training support. These conditions are resulting in a growing exodus of direct-care staff and a workplace even less attractive to potential new staff. More than 40 states are reporting critical shortages of paraprofessionals. Turnover rates of staff within long-term care agencies range between 40 and 100 percent annually.

These current labor shortages provide a crucial lever for PHI to "intervene" and help shape both public policy (health, labor, and welfare) and industry practice. PHI’s core argument is: in order to re-build and maintain a stable long-term care system within a highly competitive labor market, the industry has no choice but to create higher-quality jobs. Therefore, by appealing to health care consumer concerns for access to quality care, we are helping to re-structure entry-level health care jobs as a better quality employment “gateway” for many more low-income individuals.

**Strategies Employed:**

- Enterprise/Cooperative Development (Cooperative Home Care Associates, Quality Care Partners, and Home Care Associates of Philadelphia)
- Strategic Partnerships (VNA Training Institute, Catholic Health Association)
- Policy Interventions (e.g. the Direct Care Alliance, State Home Care Associations, national and state policy staff)
- Workforce Development/Career Pathing (Good Faith Fund Careers in Health Care, State of Massachusetts Extended Care Career Ladders Initiative)

Nine years ago, PHI initiated a strategy to replicate cooperatively owned home health agencies nationally. We selected this strategy to diffuse more broadly our effective practices in recruiting, training and retaining direct-care workers in the long-term care sector. Additionally, this strategy would broaden our ability to lead as “model employers” to influence key actors within the long-term care industry and public policy arena to improve the quality of entry-level, direct-caregivers’ jobs.

When first embarking on this strategy, we looked for markets that could sustain the development of a medium-sized agency (75-100 employees), and contractors who demonstrated their shared commitment to our “quality jobs/quality care” premise by: 1) paying a reimbursement rate that would enable the enterprises to provide a higher quality job (i.e. higher starting wage, health care, and other benefits) and 2) indicating a willingness help create full-time positions and upgrading opportunities. In addition, we gave priority to market opportunities that were within a reasonable commute of NYC to allow for a more intensive development approach to replicating a worker-centered corporate culture and training program.

We created two new enterprises (Philadelphia and Boston) within an 18-month period and decided to focus exclusively on strengthening these enterprises (for market and capacity reasons). Market responses to cutbacks in Medicare financing of home health care in 1998/99 led to the closing of the Boston cooperative after a period of initial success. Facing similar challenges, Home Care Associates (Philadelphia) has since recovered and is once again growing (doubling in size in the past year). While not a direct replication initiative, PHI works closely with the new Quality Care Partners (southern New Hampshire) to support further dissemination of the CHCA model. All together these replication enterprises represent over 800 high-quality, direct-caregiver jobs (home health aides and certified nursing assistants).

Finally, within the past two years, the Catholic Campaign for Human Development has worked in partnership with PHI to identify opportunities to start new worker-owned health care cooperatives.
Despite strong interest on the part of several Catholic health care systems, and local Catholic Charities, promising market opportunities have yet to be identified.

**CURRENT BARRIERS**

- Changes in external market environment (impacting on business feasibility and availability of potential workers).
- Resource drain on (parent) "model" enterprise, i.e. maintaining/strengthening lead enterprise while providing necessary skills/expertise to new start-up sites by using most experienced managers/staff.
- Simultaneously "leading as a model" while being open/flexible/responsive to uniqueness of each new enterprise market realities.
- Providing consistent and timely manager and key staff support when time/distance are significant obstacles.
- Reducing "founder" expectations!
Incorporated in 1992, Project QUEST is a nationally recognized, employer-driven, community supported workforce development initiative. Project QUEST was conceived and developed by two Industrial Areas Foundation (IAF) organizations in San Antonio – Communities Organized for Public Service (COPS) and Metro Alliance to train San Antonio’s unskilled, unemployed or underemployed poor residents for high-skill jobs in growing industries. Its mission is to demonstrate both substantial economic and social benefits achieved through investments in long-term training. Creating access for San Antonio’s poor to one-year Certificates and two-year Associate Degrees in employer-identified demand occupations leads to better jobs for people by forging linkages among families, employers, and educators. Ultimately, it enhances the economy and strengthens the local workforce.

Through a training continuum, QUEST utilizes a holistic approach to moving participants to better jobs and family self-sufficiency. This program design addresses the multiple needs of the poor by bringing together a comprehensive case management support services delivery system promoting skills development for targeted industries, culminating in job placement and retention services. By providing comprehensive case management and support services, QUEST addresses those barriers often preventing the poor from moving to economic self-sufficiency. It provides access to basic skills training, occupational, life skills and work ethic training followed by employment and transitional services.

Project QUEST advocates training in over thirty career tracks, spanning four sectors/industries, including healthcare; information technology; maintenance, repair and overhaul; and service technology.

ABOUT THE SECTOR
Health care plays an important role in the economic development of our city and region and is currently unable to meet its workforce demands locally. Throughout the 1990s, the local health care industry had the fastest employment growth of any other industry, growing 47.3%. Today, this sector employs almost 15% of all workers in San Antonio, pays above average wages, and had an overall economic impact of nearly $7.5 billion for the year 1999, the largest of any single industry.

Despite the impressive statistics, local employers struggle to locate and hire qualified, highly skilled employees. The situation is reaching crisis level as the need for health services increases due to an growing and aging population in South Texas. Acute care is booming in San Antonio, yet the health services sector is suffering a tremendous shortage of skilled direct patient care staff, namely nurses. QUEST is addressing the workforce shortages by working with local health service providers to create formal career mobility programs that allow low-skilled workers access to career advancement through technical skills training resulting in higher skilled employment. Each stakeholder has a tremendous need for high skilled nursing staff and assorted high-skilled technical support.

QUEST has partnered with the Baptist Health System (BHS) to train and develop their existing low skilled workforce. We are currently discussing the development of a competency based mobility program for hospital workers where the training institution and employer agree to the competencies. These competencies are then incorporated into the training curriculum and ultimately influence the company’s hiring patterns, by allowing the recent training graduate access to positions traditionally reserved for those professionals with experience.
This program shall take participants through a continuum of training and employment services. In the first year of the initiative, a participant shall see opportunities to pursue basic skills training/remediation and/or train for entry-level employment as a Certified Nurse Aide, Unit Clerk, or Monitor Tech. If already employed with BHS in one of these capacities, the participant shall pursue basic skills training, if needed, or proceed directly to occupational skills training in one of the targeted career paths. Throughout the continuum of training, BHS shall encourage further progression to occupational skills training by offering scheduling consideration and internships to the career mobility participants.

The second year shall see those participants who completed basic skills training receive occupational skills training in medical information technology, surgical technology, medical imaging, or nursing. The end result shall be employment in a high tech, high skilled job with further opportunities for advancement.

Our other mobility initiative involves working with area nursing homes and home health agencies to create a pilot program that allows employed CNAs and Home Health Aides/Personal Care Givers to obtain, in the first year, basic skills training/remediation, and in the second year, occupational skills training as a licensed vocational nurse (LVN). The initiative shall result in higher professional employment opportunities with their current employers. We are currently exploring with St. Philip’s College the possibility of having classroom training offered at the employer’s facility.

The benefit of a formalized career mobility program to workers and employers can be seen in the changing attitudes of the employers and increased opportunities for employees. The employers realize the importance of creating a pipeline that shall meet their high skilled workforce needs by empowering lower skilled staff to make the change. Some employers also realize the importance of changing internal systems. Productivity is the bottom line, but by investing in existing staff and allowing special consideration to those candidates striving for more skills development, employers can improve their system’s productivity.

Internal change is but only a part of the larger picture. As we continue to research the workforce shortages, it is clear that the low number of nurse trainees currently allowed must be addressed and changed. There is current state legislation pending. Senate Bill 572 Nursing Shortage Reduction Act of 2001 and House Bill 1361 propose increase funding for health training programs, the addition of qualified faculty, and an increase in the number of allowable nurse trainees. If these bills pass, Texas could see the number of nursing graduates double to 10,000 by 2007. Despite these efforts, the changes shall fall short of correcting the shortage. For our part, QUEST shall conduct more research on the shortage with the intent to build on the existing legislation. Our strategy involves engaging COPS and Metro Alliance to work toward influencing the drafting of legislation to be presented in 2003 at our State’s next legislative session.

**Strategies Employed:**
- Grassroots Organizing
- Policy Interventions
- Strategic Partnerships
- Workforce Development/Career Pathing

Workforce development is part of Project QUEST’s mission and why COPS and Metro Alliance created us. San Antonio has a population of around 1.5 million with a per capita personal income (PCPI) of $24,716. San Antonio’s PCPI is 87 percent that of the national average. San Antonio’s PCPI has increased around 3.5 percent in the last year, compared the national PCPI increase of 4.5 percent. Twenty-two percent of San Antonio residents live in poverty, with more than half considered the
working poor. Until recently local economic development efforts often highlighted the fact that San Antonio was known as a “low-wage” town. Industry was often encouraged to locate here and save on overhead due to the low wages it could pay its employees.

The industry mix has changed in San Antonio and there now exists an increased requirement for an educated, skilled workforce for growing technologies. Economic development starts with having a skilled workforce. COPS, Metro Alliance and Project QUEST firmly believe in breaking down the barriers that prevent the cities’ poor from career advancement. By creating access to previously unavailable demand occupation skills training, we are meeting the needs of both citizen and business and positively influencing the economic development of our city.

As previously mentioned the health care industry has been growing at a fantastic rate and unable to locally meet its skilled workforce needs. Our career mobility initiative shall allow those participants currently working in low-skilled health service jobs and earning low wages to access the training that shall offer them the opportunity to earn a living wage and advance professionally. This also meets the workforce needs of our employer partners. The graduated process of training allows the participant to increase their skills and productivity while remaining employed and earning an ever-increasing wage.

CURRENT BARRIERS
This initiative has been very time consuming, and changes are slow to take effect. Our primary business partner has experienced recent hardship accompanied by organizational realignment due to legislative events at the federal level. The passage of the Balanced Budget Act of 1997 has had ripple effects throughout the health care industry in South Texas. Resulting budgetary constraints have contributed to the challenge and encouraged QUEST to remain sensitive and flexible to this economic and labor market volatility. Perseverance and being part rubberband has paid off with the development and implementation of a pilot program that upon success, we plan to replicate with other health service providers.
Quality Care Partners, Inc. (QCP) is a 2 year-old paraprofessional health care company, located in a small city/rural environment. QCP is part of a health care sectoral initiative designed to improve the paraprofessional health care occupation by influencing public policy and industry practices in this female-dominated sector in the small, rural state of New Hampshire.

Founded by the New Hampshire Community Loan Fund, QCP is part of a two-fold sectoral approach. In addition to founding an enterprise, The Loan Fund created the Paraprofessional Healthcare Initiative (Healthcare Initiative), which aims to bring about systemic change. Using the experience of QCP, the Healthcare Initiative works to identify barriers to access, shortcomings in training, support, wages, and benefits for health care workers and then address these state-wide.

QCP was founded on one basic belief: high-quality paraprofessional care is achieved through creating high-quality paraprofessional jobs. At QCP, this high-investment strategy includes the following components for its Certified Nursing Assistant staff:

- individual health benefits beginning at six months of employment;
- paid sick time and vacations;
- opportunities for advancement;
- on-going counseling support;
- and opportunity for worker-ownership; and
- a socially responsible and humane work environment.

QCP's on-site entry level certified nursing assistant (CNA) program provides six weeks of training, far beyond the 100 hours required by the State of New Hampshire, integrating communication, problem-solving, and conflict resolution training.

ABOUT THE SECTOR
In 1999, the New Hampshire Community Loan Fund was selected to participate in a National Sectoral Employment Project funded by the Charles Stewart Mott Foundation. The goal of the sector initiative is two-fold:

1. increase access to paraprofessional healthcare jobs for low-wage, primarily female workers; and
2. to improve the quality of the healthcare jobs in order to enhance recruitment and retention of direct care workers.

It is the goal of the initiative to leverage our knowledge as an employer committed to quality health care jobs to impact industry practice and public policy regarding the quality of paraprofessional healthcare jobs. While QCP, the enterprise was in its start-up phase the Healthcare Initiative began to build a coalition within the healthcare industry.

Strategies Employed:
- Enterprise Development
- Policy Interventions
Strategic Partnerships

Policy Interventions
In 2000, the Healthcare Initiative and New Hampshire’s Department of Health and Human Services led focus groups with former and current CNAs to uncover the problems that CNAs face in their work, particularly those which cause them to leave the profession and “burn-out.” With this background, the Department, with the technical assistance of the Healthcare Initiative, convened a Direct Care Taskforce to address the issue of health and human service workforce shortage.

Since the beginning, the Healthcare Initiative has been committed to “employer linkage”—involving the private sector in efforts to address workforce shortage. In 2000, the Initiative interviewed industry leaders including business representatives of nursing homes, assisted living facilities, and home care agencies, family caregivers, industry association leaders, union representatives, and the New Hampshire Board of Nursing. The Initiative, drawing on these interviews, then produced a comprehensive review of the healthcare workforce shortage entitled “New Hampshire’s Care Gap.” The Healthcare Workforce Shortage. A legislative briefing driven by the Initiative was attended by 100 legislators and industry leaders. For the first time these industry leaders endorsed an agreed path to the solution of the shortage which includes these five elements:

1. Competitive Wages;
2. Health Insurance and Other Competitive Benefits;
3. Opportunity for Professional Advancement;
4. Public Recognition and Support; and
5. Supportive Work Environment.

The Initiative includes members of the target population (entry-level healthcare workers, primarily women) at every opportunity. Due to the efforts of both QCP and the Healthcare Initiative, certified nursing assistants from both QCP and other agencies/providers are members of The Direct-Care Workforce Taskforce convened by the Commissioner of Health and Human Services. QCP nursing assistants have spoken at legislative hearings, appeared on local television/cable programs, and have been featured speakers at the meetings of the State Committee on Aging.

CURRENT BARRIERS
The shortage of workers has created such interest in our sectoral project that we have become victims of our own success. QCP and the New Hampshire Community Loan Fund have in a short time become known as the lead organizations in the movement to increase the quality of jobs for direct care healthcare workers. QCP and the Loan Fund are seen as a necessary player at the table(s) where providers from all areas of the state are problem solving, and the tables are many.

In addition, there exists a great deal of energy, a great deal of problem identification, and little commitment to next actions. To date, there also exists significant duplication of efforts from all the critical actors (the trade associations, the state departments of health and human services, the regional providers, and consumer groups). Clearly there exists the challenge of harnessing all this energy, looking more systemically at the sector and its improvement opportunities, and the most broad-based solutions.
Visiting Nurse Association, Inc. (VNA) is the largest independent non-profit home health care agency in Michigan. Its history over the past 103 years chronicles the development of significant region-wide public health initiatives. VNA has been a leader in formulating contemporary responses to health care challenges.

VNA offers the full continuum of home health care services through its Medicare-certified subsidiary, Visiting Nurse Association of Southeast Michigan (VNASM). The VNASM offers specialty programs including rehabilitation, pediatrics, mental health, communicable disease care and prevention, cardiopulmonary and wound/ostomy care, physical and occupational therapies, speech-language pathology, medical social work. VNA Hospice provides palliative care and has taken a leadership role in region-wide training initiatives related to multi-cultural aspects of end-of-life care. VNA Home Support Services (VNAHSS) oversees the delivery of a full range of private care to a client’s home (or assisted-living facility), from nursing and therapy services to personal care and homemaker services.

ABOUT THE SECTOR
In 1998, VNAHSS was turning down almost 40% of its potential cases because it did not have enough paraprofessionals on staff. The market for its home health services was expanding with a rapidly aging population, and since 80% of the long-term care provided to homebound patients is provided by paraprofessionals, the expansion was mostly in the area where VNAHSS had stagnated.

VNAHSS was committed to providing high-quality, patient-centered care and had built a solid reputation for doing so. This was accomplished primarily by hiring an experienced paraprofessional workforce: to be eligible for employment with VNAHSS, paraprofessionals needed to have worked in the field for at least two years and be owners of their own cars. By 1998, for a variety of reasons, the pool of such applicants had dwindled.

Seeking innovative solutions to these intertwined issues—the need to expand its pool of potential workers without injuring its ability to provide high quality care—VNA entered into partnership with the Paraprofessional Healthcare Institute (PHI), a non-profit organization located in the South Bronx, New York (see PHI brief in this appendix). In other urban areas, PHI had achieved good results in recruiting, training and retaining unemployed and underemployed women (including women dependent on public assistance) as high-quality home health aides. VNA officially launched the VNA Training Institute in 1999.

Key elements of the VNA version of PHI’s model are: community-based multi-cultural recruitment—in collaboration with organizations directly serving unemployed women (including women dependent on public assistance); a four-week entry level classroom training program designed for non-traditional learners; a four-month on-the-job continuous training period; counseling and peer mentor support during training and for the first full year of employment; commitment to developing dependable transportation solutions; a 32-hour week guaranteed employment upon graduation; a starting salary of $7.60 per hour; and a benefit package including health care insurance, life insurance, vacation and sick pay, and option for participation in the VNA pension plan.
As home health aides develop their skills and deepen their experience, they can increase their hourly rate through transfer and promotion to other subsidiaries of VNA. The pay range within these other operating units is $8.05 to $9.75 per hour.

**Strategies Employed:**

- **Strategic Partnerships** – Partners: Paraprofessional Healthcare Institute (PHI) to create, develop and support the Training Institute
- **Workforce Development/Career Pathing:** creation of an internal career path options (peer mentors and certified nursing assistants)
- **Transportation Solutions:** (Initially provided point-to-point transportation. Currently creating a car purchase program).

**Addressing Transportation Challenges/Developing Personal Mobility**

Since 1999, 135 new home health aides have graduated from the VNA Training Institute. Of these, 107 were employed by VNAHHS and guaranteed 32 hours per week after probation (4 months). In the first year (1999-2000) of Training Institute operation, VNAHSS recorded a 40% increase in gross revenue. But, quite different from New York City where the PHI model was developed, Southeastern Michigan has little in the way of a public transportation system. Since few of the new paraprofessional workers had cars (or driver’s licenses), the increased revenue was compromised by the cost of transporting aides from site to site. (Most of the VNA’s private pay market is in suburban communities.)

The Training Institute has taken several steps to develop and implement strategies and plans that will lead to car ownership. At the time of acceptance into the Training Institute, the Counselor works with each individual to develop and implement a personal transportation plan. Provisions of the plan include guidance in resolving unpaid tickets, the resolution of driver’s license matters, and securing transit-related stipends from social services. A “Car Purchase” revolving loan fund has recently been established with funds from the Charles Stewart Mott Foundation. In addition, VNA is developing a matching fund program—Individual Transportation Account (modeled after IDAs.) The combination of these resources will greatly facilitate the movement of trainees into car ownership within one year of employment.

**Creating Career Pathways**

VNA plans to implement several career ladder pathways. The GED completion option is offered to those trainees who reach the Training Institute without a high school diploma. VNA has just completed its action plan for implementing a Certified Nurse Assistant training component to the Training Institute, in further support of providing transfer and promotion opportunities. Discussions are also underway with a local Community Colleges regarding a partnership, which would result in a credit program enrollment option in the Training Institute. In addition, in partnership with Wayne State University, AIDS Research and Education Program, the VNA Training Institute offers a Level III HIV/AIDS training. This partnership results in Training Institute trainees receiving specialized training in the care of AIDS patients.

**CURRENT BARRIERS**

Six-month retention of new trainees, based on 1999-2000 data, is about 55% (as is typical with new start-ups but below what is needed to meet market demand). Transportation issues are the most frequent reason people give for leaving. Attrition in this start-up period is partly attributable also to an “evolving” training curriculum that requires “customization” for the VNA market-needs, and development of a tailored and integrated problem-solving component. However, in some cases (particularly among the early classes), the supervisory relationship has also been a problem. Supervising nurses that were essentially unprepared to effectively manage the dual responsibility of managing a new kind of worker (i.e. one who was inexperienced in the field, lacked sufficient work-readiness, and her
own transportation) who needed to be held to a high quality care standard and receive problem solving support/coaching to enable them to be successful in the long-term.

In this often fast-paced work environment, many supervisors of entry-level paraprofessional health care workers have very little time to spend with each worker and little or no training as a supervisor. In other agencies, corrective action plans often result in termination. While Training Institute staff are working with managers of the various VNA service delivery departments to avoid such situations, the influx of inexperienced aides in rapid succession is requiring further special consideration of these issues without compromising quality care standards.

To proactively address this need, and to also strengthen the trainee's pathway from training to long-term employment, VNA is working with PHI to develop and implement a coaching model to support and prepare the front-line supervisors of the newly hired aides. The coaching model to be implemented is first and foremost a tool for developing the paraprofessional worker's independent problem-solving and critical-thinking skills. However, as an organizational practice, it can have significant impact on retaining and advancing the workforce. This model was first launched at Home Care Associates of Philadelphia, a member of Cooperative Healthcare Network.

Other issues include:

- Under-enrollments as the VNA Training Institute staff develop effective referral partnerships
- The organizational “culture clash” that has emerged as Training Institute graduates have begun to be fully integrated into VNAHSS. As the VNA Training Institute attempts to replicate core elements of the PHI worker-owned enterprise cultures and training model, it is challenged in doing so by circumstances unique to this initiative, namely PHI's network of independent, paraprofessional companies subcontract their services to local VNAs but are not part of these VNAs. As such, these start-up enterprises have greater capacity to create “worker-centered” work places. As a catalyst for change, the VNA Training Institute is in the difficult position of needing to blend with the existing VNA culture and, at the same time, implement effective retention practices related to organizational attitudes and behaviors with this new population of workers to help the VNA ultimately achieve its business goals.
Women's Association for Women's Alternatives (W.A.W.A.) began in 1978 as one of Pennsylvania's first residential programs to keep low-income families together. W.A.W.A. is a private non-profit organization whose mission is to ensure that low-income women and their children, with family histories of abuse and neglect, move on to stable, independent, and self-sufficient lives. The agency has grown to become one of the region's primary providers of residential and community-based services for women and their children. Each year with an annual operating budget of over $4 million and 80 staff members, W.A.W.A. serves more than 2,100 women—including families residing in Philadelphia, Delaware, and Chester counties—through a comprehensive range of social services, job training and employment assistance, and outreach and residential programs.

In January 1999 W.A.W.A., in collaboration with the Delaware County Office of Employment and Training, the Delaware County Commerce Center, the National Economic Development and Law Center, the Delaware County Legal Assistance Association, and Wider Opportunities for Women, took the first steps in creating a county-based workforce development system that would address the needs of low-income residents as well as employers in Delaware County. The W.A.W.A. / U.S. Department of Labor-funded Delaware County Sector Employment Intervention Project will assist Healthcare agencies to recruit, hire, train, retain, and provide upward mobility to low-income residents in Delaware County. The Sector Project is a project of W.A.W.A.'s Pennsylvania Family Economic Self-Sufficiency Project which helps low-income families build paths out of poverty by providing vital resources, training and advocacy that offer realistic ways in which self-sufficiency can be achieved.

The initial stage of the Sector Project was an in-depth analysis of the county industry and labor markets. W.A.W.A. presented its research findings to the Delaware County Workforce Investment Board (WIB). The WIB plans to use the industry research and findings for targeting industry sectors and training/education programs. The Healthcare Sector Initiative is the first of two Employment Intervention Projects. W.A.W.A. is also planning a sector initiative with information technology companies.

ABOUT THE SECTOR
Delaware County is strategically located in the southeastern corner of Pennsylvania. It borders two metropolitan areas, Philadelphia and the City of Wilmington. It is a suburban-urban community with a diverse economic profile—from the City of Chester, which is one of the poorest cities in the nation, to several more affluent communities.

In recent years, Delaware County is increasingly home to many low- and moderate-income households, creating additional pockets of poverty that has resulted in the second-highest poverty rates for the region and the second-lowest literacy rates. Delaware County has a 3.9% unemployment rate, which is lower than Pennsylvania's overall rate of 4.5%. Such a diverse environment offers both opportunities and challenges.

The health care sector is the largest in the county, with approximately 33,000 employees. There are some 180 establishments in the county that provide on-going direct health care services to clients. These include hospitals, nursing and residential care facilities, and home health care service providers that employ 22,000 workers. These are the facilities that have been targeted by the Sector Project since they employ the majority of the entry-level employees.
One of the major challenges facing the project is how industry and education can make the systemic changes needed to address the workforce needs in the health care community, while at the same time providing access to the unemployed, underemployed, or low skilled workers in the community. This has not only called for an in-depth analysis of the skills and competencies of the health care positions, but also for the creation of a career ladder that can be accessed by those with little or no skills who are entering the field, as well as those in the field wanting to advance.

There are numerous key players in this scenario. Foremost are the employers themselves. This is an employer- and industry-driven project. Their cooperation and active participation is critical to the success of the project. W.A.W.A. has spent a great deal of time and resources developing relationships with the employers. This investment has proved to be successful in that there is a core of healthcare employers, including some of the major hospitals in the county, that are actively participating in the project.

**Strategies Employed:**

- **Strategic Partnerships** – Partners: The Delaware County Office of Employment and Training, the Delaware County Commerce Center, the Delaware County Community College, and the Delaware County Workforce Investment Board. In addition, the National Economic Development and Law Center (California) and Wider Opportunities for Women (Washington, D.C.) continue to offer technical support and guidance for the Project.

- **Workforce Development/Career Pathing**

**Career Pathing**

W.A.W.A.'s initial sector research illustrated some of the basic problems facing the industry. There are no discernable career paths for health care workers in entry-level jobs to move up the career ladder, yet there is a significant shortage of nurses and other allied health care professionals in Delaware County and the region. The health care industry is a complex maze of occupations and credential requirements, yet little has been done to create a "master health care occupational plan" that closely examines skill requirements and core competencies associated with each occupation at each level. Without that information it is extremely difficult to develop a rational approach for moving entry level workers—who are traditionally not yet earning a self-sustaining wage—into higher wage positions in the health care industry.

There are a plethora of Certified Nursing Assistant (CNA) training programs that are short term with the goal of simply graduating and placing individuals in CNA jobs. This "training mill" is fueled by high turnover rates in the industry and limited ability of a successful CNA to advance their career through this occupation. Frequently, the training curriculum is limited to the minimum skills and does not provide the foundational skills necessary for students to be successful in higher-level health care training programs. Furthermore, little is being done to provide career planning for CNA trainees/workers so that they understand future options. As a result there is a significant shortage of RNs with no foreseeable plan or pathway to fill those positions in the near future except for the pool of schools that graduate RNs.

**CURRENT BARRIERS**

As it often happens in sector projects, W.A.W.A. started the sector project without sector training or realistic expectations of the complexity of the task before us. It became clear that we were initially understaffed as the project demands evolved quickly. Because the Sector Project is dependent upon
building long-term and stable relationships with a diverse group of players, staff turnover presented a challenge.

Lastly, everything took longer than we expected. There are always competing demands and interests as the project develops.
Pennsylvania Elder Care Industry Sectoral Strategy
Keystone Research
Steve Herzenberg, Executive Director
400 N. 3rd St., Harrisburg, PA 17101
717-255-7193
sherzenber@aol.com

Keystone Research Center is a non-partisan Pennsylvania-based think and do tank. KRC conducts research and partnering, leadership development, and communications activities with the goal of promoting more broadly shared prosperity. KRC’s general perspective is that public policy and labor-market institutions are some 60 years out of date. To fix this problem, we need a “New Deal for a New Economy” that includes (but is not limited to) policies to raise wages of low-wage service workers (higher minimum wage, living or quality wage for direct caregivers), strengthening of intermediaries that increase low- and middle-income workers access to career advancement and security across organizations, and a reinvention of unions to “fit” service industries and occupations (i.e., more occupation- and industry-wide unionism, and more collaborative relationships with employers that honor and nurture worker commitments to their craft and/or their clients). KRC’s most extensive partnering and implementation efforts have taken place in elder care (see below) and child care (see the description of the Delaware Valley Child Care Industry Project).

ABOUT THE SECTOR

• Low-wage workforce ($9 per hour median wage in nursing and personal care facilities, lower in home care), inadequate skills, high turnover (100% for aides), 10% organized

• A mix of profit and non-profit chain providers, some independents

• For-profit chains in financial difficulty in recent years

• Poor quality which is directly correlated with poor quality jobs

• Conception of work as “unskilled, menial labor” not skilled and caring. View of recipients of care as objects (needing cleaning, feeding, dressing, etc.) rather than individuals

• A decade-old reform event from within the industry: frustrated at the failure of 1980s regulatory reforms to transform the industry, a small group of “Pioneer” administrators have been seeking to reframe nursing home care by promoting “Culture Change.” In elder care, Culture Change refers to “best practices” that reorient providers to meeting the individualized social and emotional needs of seniors, rather than just their physical and medical needs. Culture Change in nursing homes is associated with efforts to create “places to live” rather than “places to die.” This can mean measures as simple but profound as allowing residents to eat when they choose, introducing pets so that residents can give as well as receive care, co-locating child care to promote intergenerational contact, and restructuring facilities into residential neighborhoods with their own common areas and kitchen. A central dimension of Culture Change is recognizing front-line workers as skilled caregivers rather than unskilled menial laborers. While the Culture Change movement began in nursing homes, it increasingly overlaps the movement to promote care delivery in less institutionalized settings.
Strategic Stakeholder Partnerships

KRC help catalyze the PA Culture Change Coalition, formed in January 2000. Since then the PCCC has grown to include approximately 80 members, with about 30–35 attending regular bi-monthly meetings and active in committee work. Participants include representatives from all state nursing home provider trade associations (although only the for-profit association has put its name on the Coalition letterhead), the Hospital and Health System Association of Pennsylvania, two major Pennsylvania unions who represent elder care workers, CARIE (Pennsylvania’s leading elder care advocacy organization), associations of Directors of Nursing Administration and Medical Directors, the American Association of Retired Persons (AARP), individual nursing home administrators, researchers, advocates, educators, and interested citizens.

Policy Interventions

The Pennsylvania Culture Change Coalition is seeking to capitalize on two new state reports that powerfully document the workforce recruitment and retention crisis and point to the potential of Culture Change. After repeated requests, the Coalition has an upcoming meeting with the Secretaries of state departments with authority over aging issues. Coalition also has a policy committee, which has discussed initiatives in areas such as training and career ladders; raising wages (e.g., through wage pass-through laws); and promoting Culture Change and best practice, including through a pilot program and/or regional stakeholder coalitions.

Grassroots Organizing

The provider associations and unions within the Culture Change Coalition have a substantial grassroots base, as does a Southwest Pennsylvania regional stakeholder coalition. Through these associations and unions, the Coalition has sought to spread Culture Change. SEIU has been looking for an opportunity to pursue Culture Change with a cooperative employer. KRC, SEIU, and four Western PA nursing home providers are seeking DOL support to form an Elder Care Training Partnership that would conduct “training linked with work reorganization and Culture Change.”

Unionization

SEIU 1199P in PA is organizing nursing homes, although it has recently focused more on hospitals. KRC has sought to encourage SEIU 1199P to organize less “against the boss” and more based on the union’s potential to promote elevate workers’ status and compensation, as well as honor workers’ commitment to clients, through Culture Change. A paraprofessional elder care union that includes all front-line workers across all elder care settings could be a powerful vehicle for ruling out low-wage, high-turnover models and transforming the industry.

Workforce Development/Career Pathing

The KRC DOL proposal to form a SW PA Elder Care Training Partnership would create a labor market intermediary to meet the training, advancement, and job placement needs of workers and employers. Using workforce dollars to promote regional career ladders is also on the legislative agenda of the Culture Change Coalition.

The Keystone Research Center’s advocacy of a stakeholder partnership emerged out of a 1997 report by Susan Eaton called Pennsylvania’s Nursing Homes: Promoting Quality Care and Quality Jobs. In Susan’s research, she learned about the success of the Campaign for Quality Care, organized by the National Citizens’ Coalition for Nursing Home Reform in Washington D.C. Since the mid-1980s, CQC has
served as a stakeholder forum for vetting, and in some cases developing consensus on, nursing home policy issues. The CQC experience indicated that a coalition of elder care stakeholders might be heavily influenced by the industry’s “better nature” and hence a vehicle for moving from bad jobs and unloving care to better jobs and better care. The potential of a stakeholder coalition seemed especially great in PA., because non-profits are two thirds of the industry, not one third as nationally. (In practice, the non-profit association has not been a leader in the Culture Change Coalition while the for-profit association has not. A number of best practice non-profit providers have been key PA CCC leaders and a SW PA regional coalition that is dominated by non-profit providers has also been a critical Coalition member.)

While KRC advocated the development of a more assertive and independent “PA Quality Care Council” in 1997, the PCCC formed only in January 2000. In the intervening 30 months, the state’s Auditor General elevated the profile of elder are issues. After the AG released Residents in Jeopardy in March 1998, KRC and other industry stakeholders organized a forum to discuss how to go beyond complaints about nursing homes to tackling root causes. At this forum, the AG announced the formation of an internal Task Force on elder care policy. In December 1999, a year after the Task Force report, and with input from KRC and other industry stakeholders, the AG organized a best practice forum on Culture Change. This forum included testimony from three PA providers on the potential of Culture Change and a keynote address from Katherine Unsino, a nursing home “pioneer.” The Culture Change Coalition began meeting the next month, with the for-profit association playing a critical role after concluding that “what we’re doing now is not working.”

Since January 1999, the PA CCC has developed a mission statement and goals, formed an Advisory (i.e. Executive) Committee, and established a committee structure (policy, operations and education, marketing). In March 2001, the Coalition organized a rally to publicize the workforce recruitment and retention crisis in the industry.

To quote the rally press release, “Longtime adversaries from management and labor making an historic joint appearance at today’s ‘Commitment to Caring’ rally highlighted the broad consensus that exists on the need for the public sector to join private stakeholders in an effort to reinvent elder care in Pennsylvania.” And later: “Coalition member Professor Susan Eaton said that the Culture Change Coalition is unique among similar state-level groups in identifying the staffing crisis as a symptom of a fundamentally flawed care delivery model. ‘While the last wave of reform in elder care was based on a regulatory approach, the coming wave must be based on a genuine ‘culture change,’ in which the need for new directions is internalized by managers. But even such internal change can only happen with supportive public policies.’ ”

CURRENT BARRIERS
One weakness has been a lack of staff. The coalition has subsisted without any external foundation support, on sweat equity. While that has not hindered progress much to date, it could hold the Coalition back from seizing the opportunity that now exists. Getting deep engagement of the most powerful industry players in the Pennsylvania Culture Change Coalition remains a challenge. There is a large, strong, and organizationally diverse group of idealists who hold the Coalition together. But the most critical individuals in key organizations have tended to be stand-offish (in the case of the non-profit association) or supportive but with their attention somewhere else (in the case of SEIU and the for-profit association). There is no demonstrated willingness to reach a common policy agenda or to subordinate the policy priorities of individual organizations.

One explanation for the limited engagement of key players is that the current Administration has not been inclined to move in the direction advocated by the Coalition—why should the most critical people spend time when the Coalition can’t move state policy? With a gubernatorial election in 2002 and with the AG a leading gubernatorial candidate, more interest in the Coalition as a vehicle for moving state
policy is emerging. The current administration's willingness now to meet the Coalition is an indication that it does not want the AG to "own" the elder care issue in 2002.

Another weakness is the lack of time and resources to develop labor's capacity to help lead the Coalition. One or two key union leaders in the state who come out of the nursing home industry and deeply appreciate both the limits of traditional approaches ("we organize a home, raise wages a bit, they cut staff further, have we made much difference in the lives of our members?") and the potential of Culture Change. But the development of leadership and membership capacity to a critical mass of proactive reformers — willing to fight for their positive vision as the United Child Care Union is fighting for its positive vision — requires additional investment. Because the number of unionists who "get it" instantly — have a gut appreciation for a high road sectoral transformation strategy — is small, the absence of a self-conscious effort to nurture a critical mass can mean that labor as a whole remains captive of more traditional strategies.

Another weakness has been the lack of participation by the advocate community. While advocates lead the Campaign for Quality Care in Washington, D.C., the most important advocate organizations in PA are in Philadelphia not Harrisburg, the state capitol. The attention of CARIE, the most prominent advocate organization, does not appear to be focused on policy but rather on service delivery. The lack of a forceful advocate voice increases the potential that Coalition policy agendas will not include sufficient "accountability" to consumers, and, for that reason, be harder to sell to the public.
Appalachian By Design (ABD) is an entrepreneurial non-profit that has developed a new handloom industry for mid-Appalachia. ABD is based in West Virginia and works with handloom knitters in three states. The organization was incorporated in 1994, after operating as a program for two years.

ABD’s primary goal is to expand economic opportunities for rural residents. We use a sectoral strategy to link local artisans to major urban markets. We implement this strategy through a technical training program, niche marketing, product design, a distribution center, and a production network of home-based businesses.

ABOUT THE SECTOR
ABD has become an active player in the handloom-knitting sector for the purpose of helping low-income rural women to make money. ABD operates in the handloom sector because it:

- Exhibits solid demand for domestic producers;
- Offers work that builds on the existing skills of many rural women;
- Allows network members to earn better than the minimum wage and provides opportunities for increased earnings; and
- Involves work that can be done at homes in relatively remote locations.

The handloom industry is fragmented, with many small companies concentrated mostly in New York City and in California. Some operate as factories; others work with independent contractors who work from home (like ABD). There are also offshore handloom resources in China and Peru. The industry has low barriers to entry—machines cost less than $3,000. Knitters earn a “piece rate,” which varies from region to region. The handloom industry serves primarily the highly fragmented and competitive apparel industry—there are no “central actors or institutions.” The Department of Labor has from time to time played a role in regulating the relationship between contractors (knitters) and their customers.

The opportunities in the industry arise from its characteristics: low barriers to entry make it a feasible strategy for low-income rural women, fragmented markets mean that excellent design and sufficient investment in marketing can lead to success, the “handloom” look, coupled with the right design, can garner a retail price that can ensure a living wage for the knitter.

ABD uses its training program to move knitters along a learning curve to skill levels where they can be most profitable as businesses. Our niche marketing program seeks to develop high-end “giftable” products for baby and the home, and luxury knitwear for women. We use international market shows in New York, sales representatives in New England and the South, and a retail outlet at the Greenbrier Resort as distribution channels. In addition, we operate a state-of-the-art finishing and distribution center that focuses on continual improvements in quality and efficiency.

Strategies Employed:
- Enterprise/Cooperative Development
- Technology Innovation/Investment
- Strategic Partnerships
Workforce Development/Career Pathing

ABD has always maintained a strong focus on working with knitters to develop skills help them to move along the career path—toward master knitter, knitwear designer and/or knitter trainer. This work has been supported by private foundations, ARC and the West Virginia Development Office. We are now looking for opportunities to partner with more traditional workforce development and training entities, such as Workforce Investment Boards and community colleges. We’d be interested in learning about experiences that others have had in this area.

Current Barriers
Intervening in the knitwear/apparel/gifts market has taken a tremendous investment of time and money. Initially, ABD operated in the contract segment (filling orders for other companies), but this was highly seasonal and price competitive, made ABD dependent on the market savvy of others, and was sometimes a challenge to fit the demands of the market to the skills of the knitters. Now, ABD drives its own opportunities with its wholesale business, but has to finance inventory and take on the market risk.

It is a challenge to operate training and support activities along with very market-driven activities in the same organization, even though the programs are inextricably linked. We are thinking about spinning off the market program into a for-profit subsidiary in order to simplify management roles and to attract new financial partners.
The Garment Industry Development Corporation (GIDC) was established in 1984 by the City of New York, the International Ladies' Garment Workers' Union (now known as UNITE), the New York Skirt and Sportswear Association and the Greater Blouse, Skirt and Undergarment Association to strengthen New York City's apparel industry and "keep jobs in fashion." Centered in labor-management cooperation, GIDC's strategy is designed to contribute programs and services that maximize the competitiveness of New York City apparel manufacturers and simultaneously retain, grow, and improve jobs.

GIDC's strategy is centered on providing industrial extension services through an industry-specific, sectoral development approach. The approach is multi-tiered, combining workforce development efforts for immigrant workers with business assistance programs that diffuse new technology and develop markets. By providing comprehensive support to NYC's fashion industry and its employees, GIDC strives to create structural change within the industry itself, thereby enhancing competitiveness and improving the labor market.

ABOUT THE SECTOR

New York has been and remains a world center for women's fashion design, production and distribution. Employed in the sector are over 80,000 apparel and textile production and merchandising workers and more than 60,000 workers in garment distribution, with additional employment in trucking, sales, and design. The region actually increased its share of domestic women's outerwear production (SIC 233 - a category that includes dresses, suits and blazers, career wear, skirts and blouses) over the last decade.

In recent decades, unfortunately, New York's tenacious hold on this part of the industry has too often been realized through a low-wage, piece-work strategy, meeting orders through long hours at low pay. Over the same period, investment in training and technology has been far less than in more rural areas of the country.

The driving force for improved performance in the industry (or for sweatshops, in the absence of law enforcement) comes from the huge retail customers who today are the dominant players in the industry. They are at the top of the supply chain which also includes manufacturers who design and finance production and contractors who cut and sew the apparel. UNITE (Union of Needletrades, Industrial and Textile Employees) is another critical actor in the industry, and plays an important role in pushing the industry to modernize as well as fighting for better working conditions and benefits.

GIDC's effectiveness is increased through its association with labor, private industry, and government. It provides a mechanism for these stakeholders to collaborate along common needs and goals. Additionally, GIDC partners with a wide range of industry players, community-based organizations, and educational institutions. For example, GIDC maintains critical relationships with the Fashion Center Business Improvement District, the New York Industrial Retention Network, the Brooklyn Chamber of Commerce, the Fashion Institute of Technology, and the Textile and Clothing Technology Center [TC]2.

Strategies Employed:
- Enterprise (Business) Development
Policy Interventions
Technology Innovation/Investment
Strategic Partnerships
Workforce Development
Marketing

In the high performance workplace, managers and supervisors must possess the creativity and knowledge to provide effective leadership for employee involvement and quality production. GIDC assists New York apparel manufacturers to strengthen their managerial and supervisory capacity through a program of seminars and mini-courses. This involves two mutually reinforcing programs: the Management Development Seminars and the Supervisory Skills Training Program. In addition, GIDC aids in the shift to High Performance Work Organization through Apparel Skills Upgrading courses for garment workers.

The Management Development Seminars provide owners and managers the opportunity to improve their managerial skills. Seminars are taught by industrial management specialists and vocational trainers. In addition to the training they provide, these seminars create the opportunity for business networking and learning through shared experiences. Topics include:

- Profit Maximization and Cost Control
- State and Federal Labor Law
- Management Information Systems
- Machine Maintenance and Repair
- Market Trends and Competitiveness

The Supervisory Skills Training Program is designed to meet the critical need for training of personnel in the sewing departments of New York garment manufacturers and contractors. In most cases, supervisory personnel have been promoted to their position from production jobs and have little or no formal training for the wide range of responsibilities that they perform. Now, as competitive forces prompt further changes in the organization of work, supervisors are often challenged to take on new roles. In order for positive change to take place in the garment shop, it is critical that supervisory staff be equipped with the skills to support efficient and high quality production processes and operate as an effective link between management and production workers.

The Supervisory Skills Training Program brings supervisors together for fourteen training sessions instructed by GIDC’s two bilingual Vocational Training Field Agents and management/engineering consultants. Topics covered include:

- Scheduling/staffing techniques
- Communication, praise & criticism and conflict resolution
- Training/cross-training of production workers
- Ergonomics
- Work simplification
- Materials utilization and waste management
- Quality Control
- Teamwork

The Apparel Skills Upgrading courses enable production workers to advance their technical skills and bring new flexibility to the manufacturing process. The following courses are offered:
- Computerized Marking and Grading
- Manual Pattern Making
- Manual Marking
- Manual Grading
- Production Cutting
- Sample Cutting
- Pressing
- Pressing Machine Maintenance and Repair
Made By the Bay is a regional non-profit corporation formed to serve the needs of the San Francisco Bay Area apparel community. The stakeholders of Made By the Bay, all of whom are represented on our Board of Directors, include the key individuals and groups concerned with employment prospects, business stability, labor law compliance, and growth of the regional apparel economy. Organizations represented include San Francisco Fashion Industries (SFFI), Northern California Chinese Contractors Association (NCCGCA), UNITE (AFL/CIO), Manex (a NIST affiliate, U. S. Department of Commerce) and the U. S. Department of Labor (DOL). I had been the owner of an apparel manufacturing company in the Bay Area for many years and the four-time President of SFFI, representing area manufacturers. Our coalition was initially brought together by DOL as part of their efforts to combat sweatshop labor. After my business was sold our informal advisory group agreed to form a non-profit to further our collective goals and I agreed to serve as Executive Director. Bay Area apparel manufacturing sector is made up of large and small businesses that collectively employ about 20,000 workers. It is the largest remaining manufacturing industry in the cities of San Francisco and Oakland. The employment opportunities range from entry level manufacturing and distribution jobs to high level design, merchandising and sales positions. In the Bay Area, there is an emphasis on product development opportunities that require skilled workers for technical jobs. The entry-level opportunities in the industry have traditionally represented a pathway for recent immigrants to successfully enter the mainstream economy.

Made By the Bay has established an innovative multi-faceted approach to the problems encountered by the region’s apparel factories (contractors) in a post-NAFTA environment. These companies employ about half the workforce that performs virtually all the entry level manufacturing functions. The program has developed a comprehensive Factory Improvement Model that evaluates participating factories, maintains labor-law compliance within an independent monitoring system, stresses management training in quality control process, offers additional assistance with costing and other basic factory needs, and works with the factories to introduce and maintain new customer relationships.

ABOUT THE SECTOR
There are two problems that Made By the Bay seeks to address. The first is loss of manufacturing jobs in the Bay Area’s apparel economy. As in other apparel producing communities in the U.S., the Bay Area has seen a steady decline in the number of apparel manufacturing jobs over the past ten years. This job loss has certainly accelerated since the 1994 passage of NAFTA as many high volume local producers have shifted significant production to Mexico. At the same time, immigration from Asia has continued into the Bay Area with many new immigrants lacking language skills that are typically required for most other employment opportunities. While some of the new immigrants have found employment doing assembly work in the high-tech sector, the cooling off of that sector once again highlights the value of apparel jobs. This is especially relevant to Asian (largely Chinese) immigrant women, many of whom arrive in this country with applicable apparel making skills. As most of the factories in this region are owned and operated by Chinese-speaking individuals, lack of English language is not an impediment to employment.

The other problem that Made By the Bay seeks to address is the continued existence of sweatshops in American apparel factories. The most current Compliance Survey in Garment Manufacturing published by the U.S. Department of Labor (DOL) reveals the following overall compliance rate:
San Francisco Bay Area & 74% 
Los Angeles Area & 33% 
New York City Area & 35% 

These numbers indicate the percentage of firms, surveyed on a random basis, that are in compliance with Federal labor laws. In other words, two of three firms randomly surveyed in Los Angeles during this year were in violation of the 1938 Fair Labor Standards Act. Made By the Bay was in large part created to develop a proactive model program that could and would be used in all the garment regions of the United States to raise these compliance rates. The continued existence of the sweatshop economy in twenty-first century America degrades the public confidence in society and the law. Made By the Bay has embraced an agenda that directly addresses this issue in an innovative and effective manner.

The apparel industry is dominated by relatively few very large retail organizations that fiercely compete for the consumer dollar. The competition is fueled by the availability of low-wage labor around the world. Our challenge is to encourage strategies that keep apparel manufacturing healthy and legal in our domestic economy.

**Strategies Employed:**

- Enterprise/Cooperative Development
- Policy Interventions
- Strategic Partnerships – Partners include: Regional and national manufacturers

We have devoted a considerable amount of effort during our three plus years of existence to policy intervention. There are two principal areas of federal and state concern that we have sought to influence. Those are (1) more effective regulatory efforts, and (2) more effective laws.

The U.S. Department of Labor utilizes provisions of the Fair Labor Standards Act (FLSA) to improve enforcement of labor law in the garment industry. In particular, they have for the past decade, used provisions in that law, which prohibit items containing illegal (or tainted) labor from shipping across state lines. This has created a dynamic in which manufacturers and retailers that contract for work done in domestic factories pay back wage assessments made against their sub-contractors so as to keep shipments flowing. Over the past five years DOL has published names of companies that either sell or buy tainted goods regardless of circumstances thereby failing to distinguish between careful, responsible companies and careless, irresponsible ones. In addition, their enforcement remedy has been typically limited to collect estimated back wages—again failing to distinguish between good actors with a temporary problem and truly bad corporate citizens.

We are a program dedicated to promoting good business practices throughout the apparel supply-chain. The Department has recognized this repeatedly and encouraged our use as a model across the country. However their “one size fits all” strategy for publicizing problems and punishing them removes what should be the strongest inducement at our disposal: enough credibility so that participants in our program (or programs like ours) can gain a competitive advantage by good-faith participation. That would mean discretion for DOL at a regional level where officials participate with our Board (or the Board’s of parallel programs elsewhere). It would mean a strategy that more severely punished repeat offender but rewarded good business practices. To this end we have repeatedly called upon the Wage and Hour Administrator’s Office in Washington, visited with the Secretary, and met continuously with regional staff throughout the country. We have also met with congressional staff with input into the Department. Our efforts have been rewarded by the endorsement of this change in strategy by most staff; our mission in Washington continues.
In California, we have been intimately involved with legislative leaders and state regulators to design and implement enhanced legislation that further protects garment workers while seeking to keep business in California. A new law was passed and signed 16 months ago and implementation is under way. The law, known as AB633, amended the California Labor Code with regard to garment manufacturing. Its most significant provision is that a business that contracts out labor will be a guarantor to the State for any unpaid wages discovered at the contractor. Again, the value to our program is that enhanced enforcement that is clearly understood will raise the value of our effort, which seeks to promote a healthy manufacturing environment.

**CURRENT BARRIERS**

Bureaucracy in government is not a new story. In our case, the clash of those seeking innovation within the U. S. Department of Labor with those seeking to defend a political position has led to unforeseen consequences (at least by us). Political appointees in the last administration proved to be an obstacle to reform because they did not trust the professional staff. They seemed far more concerned with being attacked by advocacy groups for abandoning an agreed-upon but failed tactic than with being effective in defending workers’ rights. Specifically, the national office of DOL removed enforcement discretion from regional offices in 1995 as part of an effort to create uniform and less controversial standards. The lack of regional discretion has had the effect of smothering local initiatives such as ours because DOL field management cannot effectively support our efforts by rewarding or promoting desirable corporate behaviors. This has been odd, to say the least, and has created tensions within groups dedicated to promoting workers’ interests. The department’s compliance statistics remain unimproved since 1996 and have actually declined in the Los Angeles area.

In addition, our efforts to reform state regulatory authority have encountered significant opposition from certain corporate interests. These have been able to block regulations even when the legislature has passed and the Governor signed into law a bill mandating these changes. This barrier expresses itself as a naked exercise of power for which there seems to be no political constituency but for the promise of contributions. While this is certainly no news, it has frustrated reform efforts in California and discouraged continued reliance on the political process for all involved.
The mission of Southwest Creations Collaborative (SCC) is to provide low-income women in New Mexico with opportunities to increase the dignity in their lives. These opportunities include earning consistent income for themselves and their families; workplace flexibility to accommodate the realities of women's lives; onsite affordable daycare; and support for families in areas such as parenting, skills training, personal development, education, savings and health care.

SCC specializes in the production of soft goods, ranging from apparel and home accessories to novelty items such as pet and baby products. We manufacture on contract for companies nationwide as well as design a small home interiors line to highlight our manufacturing capabilities. We cater to businesses that are looking for small to medium-sized production runs with quick turnaround times and flexibility – demands that larger manufacturers generally cannot meet. SCC is also one of the country's few manufacturers to offer a multi-media approach to production. We not only cut and sew, but also hand-embellish products with fabric printing and embroidery at the same production site for a unique, textural result.

Since its conception, SCC has consistently employed between 21-25 low-income women, most recently offering everyone full-time employment at 35-40 hours per week at wages between $7.00 - 17.00 per hour. SCC has always offered affordable onsite child care to all its mothers at a cost of $0.25 per hour, and starting in 2000, we now offer the benefit of ten days paid leave for every employee to be used as needed.

ABOUT THE SECTOR
When we started in 1994, we anticipated working primarily for the MarketPlace Handwork of India catalog that features women' clothes made by cooperatives in India. We believed that access to markets for our products was our biggest barrier, and the catalog gave us an opportunity for consistent production. Although working with MarketPlace was an essential aspect of our learning curve, sales were never what we projected, primarily due to India's ability to create very intricate designs for a much cheaper price. As we have evolved, we have found that our manufacturing capacity is more marketable than our products. We have taken on national contracts that are attracted to our capacity to not only cut and sew, but also provide packaging and handwork. We are continually searching for new markets for our capacity. To borrow a term from Appalachian by Design, we maintain “strategic readiness” to take on new opportunities. I believe that SCC’s success is attributable to our strong focus on our mission. Our employees are strongly committed to the collaborative’s success and are therefore willing to do what ever it takes to get the work done. This commitment is visible to our customers in our customer service, on time delivery and high quality.

SCC provides a ladder of increased responsibilities and wages to its 25 employees within the organization. We are in the process of writing a strategic plan that will guide us in creating new opportunities at SCC for a greater number of women. Unfortunately, with the closure of Levi Strauss and several other large manufacturers, there is little cut and sew production going on in the region. Our proximity to Mexico also draws potential volume business away from the region.

Strategies Employed:

... Enterprise/Cooperative Development
Policy Interventions
Strategic Partnerships

SCC did not start out with the intention of sector intervention in the cut and sew industry. We began as an organizing project around creating employment opportunities for low-income women. Most of the women involved already had skills in sewing and handwork and we had access to a market for women's apparel through MarketPlace: Handwork of India. Since our goal was to provide a consistent income for these women, our major concern was finding a consistent market for products that would provide a constant workflow.

As we were organizing the group, several important issues arose that continue to impact our work today. For example, most of the women involved needed access to affordable daycare. We were working out of a church at the time so we were able to use space onsite to hire a babysitter. Having regular access to our children plays a central role in many development aspects of SCC: women have been encouraged to nurse their children, many for the first time; parenting skills and nutrition classes have been offered on an ongoing basis; and family support counselors have been brought in for group sessions. In addition, we have very little absenteeism. Another central organizing theme was that women need flexibility to both work and manage a family. We have always allowed women the flexibility to pick up children and attend appointments. We also anticipated that some women would want the option of working at home on our handwork. After several months, we observed that women preferred to come to the work site and have their children at the daycare, which broke the intense isolation many of them encountered, especially newer immigrants.

SCC has always considered daycare as a worker benefit. We are starting a health clinic this year, but have not been able to offer health insurance. The three daycare providers are regular employees of SCC and are paid $7.00 per hour plus an additional $0.25 per hour per child paid directly to them by the mothers, which is about $10.00. We must raise this money through grants as our business income cannot cover the costs. Since 1994, 40 children have been born to SCC mothers, and after a four-month leave, the vast majority of mothers return to work. We feel this is significant because recent statistics about job creation strategies such as welfare to work have shown that most people stay in jobs they get through programs less than one year.

SCC's daycare center serves as a vehicle to family support. We have linked with a preschool that serves the 3-5 year olds half days, and have developed an aftercare program for the older children. We have had difficulty finding Spanish materials for daycare provider training — maybe Acre Family Daycare has materials we can share?

CURRENT BARRIERS
Because we are not located in a region with much activity in our sector, we have had to pursue national contracts. Most businesses that use contractors such as SCC typically find them within a days-drive so shipping costs are reduced and quality can be regularly monitored. We are finding, however, that many companies are moving their production back onshore and Albuquerque is much closer than Thailand.

It has been very important for us to find our niche in the market, which has taken a long time. We have gone through various strategies that have been mildly successful, but not sufficient. We have now determined our niche, but it has really taken about 5 years — a time frame through which most businesses can not survive.
The Campaign on Contingent Work (CCW) is a diverse network of labor and community activists/organizations, which have come together to address the social consequences of explosive growth in contingent work and other forms of precarious employment and, as well, the devastating consequences of welfare reform in the U.S.

Launched in 1996 by a coalition of union, community, and legal service advocates, CCW’s goal is to link activists and organizations to take on an economic trend that no one organization or constituency can address alone. Seeking to develop effective models for contingent employment organizing, CCW uses a multifaceted strategy including action research, media advocacy, network and alliance building, public policy development, and direct action organizing. CCW also operates a Workers Center at 33 Harrison Avenue in downtown Boston, which serves as a resource and strategy center for workers and their organizations that are coping with contingent work problems.

ABOUT THE SECTOR
Contingent work—including part-time, temporary, on-call, day labor, and contract work—now accounts for 30% of the Massachusetts and national workforce. Once relegated to the margins of the economy, contingent jobs now span the range of occupations from the unskilled to the professional.

The growth of contingent work is the result of corporate staffing strategies that divide the workplace into a shrinking number of core workers while expanding groups of workers in contingent jobs—part-timers, temps, contract workers, day laborers, and the like. Workers in the core group usually have a basic benefits package, work under standard personnel practices, and may belong to a union. The workers in contingent jobs are generally paid less (70-80% of what permanent workers earn,) have few benefits (less than 15% receive health insurance), and enjoy little or no job security. While corporations have pioneered this process, "privatization" of government functions represents a parallel restructuring in the public sector. Contingent employment in the public sector has grown nearly as fast as contingent employment in the private sector.

Concomitantly, the temporary staffing industry which has grown with extraordinary speed in the last two decades, which creates the infrastructure that enables corporations to adopt these new staffing strategies. One in eight new jobs created since 1984 is a temp job. Here in Massachusetts the industry grew by well over 100% in the 1990s (and faster elsewhere.) In Massachusetts, about 71,000 temps are employed each day as temps, but with turnover in the industry at about 450% a year, the number of workers in temporary employment at some point during any year is much higher (300,000-350,000 workers).

With proper protections, many forms of temp/contingent work have a legitimate role to play in an economy. For some workers, these arrangements provide more control over their work schedule or more time with their families. But too often, the strategy of turning regular employment into contingent work has been used simply to cut labor costs by paying substandard wages and offering few benefits.

In addition, the shift from regular to temporary and other types of contingent jobs has effects that extend far beyond the temp/contingent workforce:
When employers adopt contingent work as a staffing strategy, regular employees have cause to worry that they will be replaced by cheaper contingent workers, and they hesitate before asking for raises or better working conditions.

Many firms are replacing existing permanent jobs with contingent jobs. In 1999, 30% of firms that downsized replaced some laid off workers with temps. One result is a downward spiral as different groups of workers, in effect, compete for ever-cheaper wages. This is why the fight for rights for contingent workers is a fight all workers must participate in.

**Strategies Employed:**

- Grassroots Organizing
- Policy Interventions
- Strategic Partnerships – Partners: The National Alliance for Fair Employment, Working Massachusetts, Jobs With Justice, Enlace, United for a Fair Economy
- Unionization

**Building Strategic Partnerships**

Local organizations like CCW can make an impact even in today’s global economy. CCW tries at all times to create partnerships and build bridges. By linking together activists and organizations from a broad spectrum of society, we can maintain the flexibility of grassroots groups and increase the scale and scope of our activities. Networking also allows us to help shape the debate within allied organizations such as unions, community groups, religious organizations, and legal and public policy institutions.

- CCW has helped organize—and serves as the interim headquarters for—the National Alliance for Fair Employment (NAFFE). NAFFE is a growing network of more than 54 organizations from around the US and Canada working on contingent work issues. These organizations range from the national AFL-CIO to local grassroots groups. One of the biggest obstacles to organizing in today’s economy is that the market forces and the corporations that shape the economy are national and global in scope, while organizing efforts are largely local. By building a national alliance we can in some small measure begin to match the scope of the market and corporate forces which are reshaping the world of work.

- CCW is a founding member and provides significant staff time to Working Massachusetts—a labor-community alliance—organized to fight against current welfare reform, for a decent social safety net, and for decent jobs for low-wage workers.

- CCW belongs to Enlace—a network of Mexican and American grassroots organizations working to organize low-wage workers. Enlace is unique in that it exists to share information and strategies relevant to low-wage grassroots organizations about the emerging global economy.

- CCW has developed a partnership with United for a Fair Economy and Massachusetts Jobs with Justice to work on global justice issues in the Northeast. The kick-off for the collaboration was a week of actions timed to coincide with negotiations for a new Free Trade Area of the Americas in April 2001. It was billed as Northeast Global Alternatives 2001 and brought together activists from the US and Canada to discuss local/regional strategies in the global economy. At demonstrations and community forums, CCW focused on the global development of temporary and contingent work and the need for global alliances to combat erosion of economic security.

**CURRENT BARRIERS**

1. Big problems and few resources.
2. The need to shed strategies that are no longer effective and replace them with strategies appropriate to current conditions.
Chrysalis, a non-profit 501C(3) agency, provides employment services to economically disadvantaged and homeless people in Los Angeles. Begun in 1984, Chrysalis has helped over 5,000 homeless people find employment. In 2000 alone, over 1,700 people found jobs through the Permanent Employment, Labor Connection and StreetWorks programs. Chrysalis’ role is to facilitate economically disadvantaged and/or homeless individuals’ transition from a lifestyle dependent on government assistance toward one of long-term self-sufficiency. While guiding each client through the job search, we emphasize a work ethic to prepare clients for the psychological readjustment to the work force. Our success is also due to “the intangibles”—personal attention, motivation, and encouragement, which equip our clients to look beyond the present and begin planning for the future.

Our Employment Center provides the resources necessary to finding a job—bus tokens to get to an interview, clothes, hygiene items, a mail and message center, haircuts, use of the phones, computers and other office equipment. The Center offers daily classes on how to fill out an application, how to interview, and help locating jobs. Each client of the program works together with a case manager in a custom-tailored job search.

For those clients looking for immediate, temporary work there is Labor Connection, an in-house “temp” agency that works with over 60 companies to provide temporary labor. Since its inception in 1991 Labor Connection has generated over $8 million in revenue and over $5.6 million in direct wages to the clients. In 1994, Chrysalis launched StreetWorks, a street maintenance business which contracts with business associations, city agencies and local companies to provide street cleaning services such as pressure washing, litter clean-up, recycling and graffiti removal. All employees are clients of the Chrysalis program and receive hands-on job training. The programs are designed to help those people who need a transitional work experience before competing for a private-sector job.

ABOUT THE SECTOR
We see our sector as competitive—a sector where the customer is king and the primary goal is to meet the customers’ needs. Our customers are constantly approached by vendors offering the same services. The successful pitch is not a connection to social services but rather a promise and track record of getting the job done. Our customers’ needs and demands can change on a moment’s notice. We must, at all times, be ready to respond in a quick and professional manner.

Our sector is defined by our product. Our product is not an object that is well manufactured and neatly packaged. It is an individual who usually shows up alone and becomes the sole representative of our operation.

Our sector is flexible. It offers a non-threatening environment for people who are reentering the workplace. Schedules can be made to accommodate an individual’s housing, sobriety, legal and familial commitments. It also offers an opportunity for people to start and stop work and take reentry one step or one challenge at a time.

Strategies Employed:

- Policy Interventions
- Strategic Partnerships
Workforce Development/Career Pathing

Workforce Development
Chrysalis started its temporary labor and street maintenance operations in response to its clients needs. Our goal was and continues to be to facilitate an individual’s transition to full-time, permanent and non-subsidized employment. We strive to help the individual access experience and skills that will assist them in the application process. We are not in the business of job or enterprise creation.

Temporary labor was chosen as a way to approach a large amount of potential clients and to offer opportunities in a variety of fields. Positions generated are offered to clients who lack recent work experience and seek immediate employment as an introduction to potential employers.

Street maintenance was chosen as a way to provide work experience in a highly structured and closely supervised environment. Participants not only receive valuable experience, but also receive coaching on the soft skills necessary to reenter the workforce.

CURRENT BARRIERS
Workforce development involves working with individuals who are hard to place. Participants are often the primary or sole representatives of your organization’s enterprise(s). It is crucial that a wide variety of employee assistance services be provided to participants to help mitigate personal, health, housing and legal situations that arise. Workforce development programs must be extremely flexible. It is not possible to design a process or timeframe that will adjust to everyone’s needs. Case plans must be designed and monitored on an individual basis. Participants often lose site of the reason for their participation in such programs and will settle into a comfortable routine of working in a supported workplace.
ICA Group / ICA Staffing Services Initiative
James Megson, President
20 Park Plaza, Suite 1127, Boston, MA 02116
617-338-0010
icaica@aol.com

ICA is a 501(c)(3) organization that works to create and save quality jobs through the development of worker owned companies and community income generating projects. We focus on creating jobs for entry-level workers—particularly women, immigrants, people of color and other disadvantaged populations—that pay a living wage and empower people by giving them some ownership in their place of work. Over its 20-year history, ICA has helped create or save over 7,000 jobs in more than 45 companies in a wide range of industries.

ABOUT THE SECTOR
The temporary service industry and the entire contingent sector of the workforce has been growing at an average rate of over 16% per annum for the last decade and will continue to be one of the fastest growing sectors of the economy over the next decade. This trend is partly a response to the growth of the service economy, but also reflects the relentless drive of companies to downsize in order to reduce labor costs. The present emphasis on moving people from welfare-to-work is also forcing many poorly prepared individuals transitioning from public assistance into the temporary service market.

The vast majority of contingent workers earn only 60-80% of the wage equivalent of full time employees, receive no health or pension benefits, have little voice in the character of their work assignments, frequently are scheduled for less than a full work week, can be terminated at will, get very little support from the temporary agency that is their nominal employer and have uncertain prospects for future work. This is the nature of this component of the labor force. The temporary sub-service sector exemplifies the worst of these conditions.

Objectives
ICA's Staffing Services Initiative has short, medium and long-term objectives to address these concerns.

The short-term objective is to create companies that assist people transition from welfare to work using a temporary-to-permanent employment strategy.

The medium term objective is to create model worker-owned companies that operate from a worker-centered focus, provide a strong supportive work environment, offer health and other benefits and seek to maximize income and improve economic security for their members.

The long-term objective is to establish protective rights for temporary service workers through legislative and administrative mandates. ICA will assist and collaborate with labor and community groups working to improve working conditions in this sector.

Creating Model Companies
Our immediate objective is to develop a network of model staffing service companies that:

1. Provide the target population, especially people transitioning from unemployment or welfare into the workplace access to good employment options; help them retain these positions through post placement support; and assist those who fail to transition to full time work develop their skills and enhance their income.
2. Demonstrate an industry approach that operates from a worker-centered focus, provides a strong supportive work environment and seeks to maximize income and improve economic security for the workforce.

**Progress to Date**
To date ICA has assisted in the creation of three for-profit, worker-focused staffing service agencies. The first of these, WorkSource Staffing Partnership (WSSP), began operations in 1995. Enterprising Staffing Services (ESS), in Washington, DC, opened its doors in August of 1998. FirstSource (FS) of New York opened for business in January 1999. We anticipate opening a fourth company in Newark, NJ in the fall of 2001, and are about to start work on the development of a fifth company.

The staffing services agencies that ICA has helped to create differ from mainstream temporary service agencies in a number of ways. ICA model staffing agencies:

- Serve a population of workers that other temp agencies are often reluctant to deal with (immigrants, former welfare recipients, low-income individuals).
- Provide intensive post-placement support for their workers. This involves everything from helping to arrange for domestic abuse counseling to assisting with visa requirements to ensuring that workers who are eligible have health insurance through Medicaid.
- Seek full-time hours for workers (32+ hours). Unlike some other agencies, these firms do not place workers in 20-hour per week jobs.
- Partner with community-based job training and social service organizations.
- Offer health insurance and an equity stake in the business to any workers who remain with the agency for more than a year.

**The Companies**

**WorkSource Staffing Partnerships (WSSP):** Boston-based WorkSource opened in November 1995 to transition people from welfare and unemployment into full-time jobs. The company initially used a temporary-to-permanent strategy and as of the end of 2000 had successfully transitioned 415 people into full-time permanent jobs. Over the last year the focus of the organization has changed. Responding to demand from the marketplace it is now focusing on two services—direct placement and career development. Under the direct placement model WSSP recruits, screen and places people directly onto a client's payroll, and then provides retention and career development services to them for a monthly fee over a period of one to two years. Under its career development program WSSP provides career development services to existing entry-level employees at client companies. These programs are intended not only to help people access and retain entry-level jobs but to enable them improve their skills and income and move beyond entry-level jobs.

WSSP broke even in 2000 and is currently supporting more than 400 people at 7 companies in the health care and retail industries. The company has maintained a growth rate of 40%-50% per annum and anticipates maintaining this momentum.

**Enterprising Staffing Services (ESS):** ESS was started in the summer of 1998 in the Shaw area of the District of Columbia. The company's mission is to transition people with limited education and skills into permanent employment using either direct placement or a temporary-to-hire approach. We are also helping people with no work history or experience build their resumes and self-confidence through a series of shorter-term assignments. The company is now profitable and growing rapidly. In 2000 the company placed 18 people into full-time permanent positions. In the first 5 months of 2001 15 people
transitioned into full-time permanent positions with full benefits and union membership. During April 2001 the company generated over 5,000 hours of work for just over 40 people at an average hourly wage of $9.75. Clients include banks, hospitals, construction companies, and the hospitality industry. The company has grown at more than 50% per annum and anticipates maintaining this growth rate over the next 2 years. In July 2001 the first group of long-term workers will become eligible for an ownership share in the company.

FirstSource: ICA partnered with the Fifth Avenue Committee, a community development corporation, and Good Shepherd Services, a social service agency, to create this company in Brooklyn, NY. FirstSource began operations in January of 1999. In 2000 the company placed 35 people into full time permanent positions at an average wage of $12.27/hour. The company doubled in size in 2000 but anticipates growing by only 30%-40% in 2001. During May 2001 the company will generate over 5,000 hours of work for about 40 people. The company is now operating at break-even. Most people are being placed into clerical positions.

**Barriers to the Creation of Community-based Staffing Service Companies**
Community groups wishing to create staffing service companies face no more barriers than they do in creating any community-based enterprise. The major hurdles to be overcome are:

- **Management:** Finding competent, socially-oriented managers who can sell the company's services is difficult. The best manager to start the company may not be the ideal person to grow it from $1 million to $2 million and beyond.

- **Equity Finance:** Capitalizing a new company requires a mixture of debt and equity finance. If the developer can find equity for a new company it is relatively easy to raise the debt portion of the startup capital.

- **Expansion Capital:** As the staffing company expands it will need to increase its working capital to fund the growing accounts receivable. New companies need to secure a line of credit as quickly as possible.

- **Building a Reference Base:** Getting the first few clients is difficult. Generally our companies have found an understanding client in our universe (CDCs, non-profits, or cooperatives) to give them this initial placement and reference.
Local activists formed Tucson’s Primavera Foundation in 1983 to address the systemic causes of homelessness and poverty. The mission of the organization is “to promote economic and social justice to build a future in which all people are assured basic human rights, a livable income and safe, affordable housing.”

In 1993 Primavera divided into three separate but integrally linked organizations. The Primavera Foundation pursues the advocacy and community education efforts. Primavera Builders is an innovative construction training and housing development corporation through which homeless adults and at-risk youth build affordable housing for income-qualified families. Primavera Services operates unique hospitality/emergency programs, transitional/supportive housing, and a range of employment services including Primavera Works, a non-profit alternative to existing day labor intermediaries. Although a relatively new program, Primavera Works has grown over the past three years to encompass roughly one third of Primavera Services’ $2.5 million, fifty-staff operation.

ABOUT THE SECTOR
The day labor sector in Tucson, Arizona is a growing and vibrant segment of the temporary staffing industry. Day labor companies serve as market intermediaries to fill the hugely fluctuating demand for unskilled laborers. Most are multi-state corporations serving regional markets. Business customers include construction, landscape, warehouse, hotel/restaurants and light manufacturing companies.

Workers within the sector are predominantly homeless or extremely poor men, and disproportionately racial minorities. Thus, it offers an unparalleled opportunity to improve job prospects and conditions for homeless and deeply impoverished workers, many of whom have low levels of education and multiple barriers to employment (prison records, unresolved child support issues, precarious living conditions, physical and behavioral health problems, etc.). This deeply disadvantaged labor force has become an indispensable part of the Southwest economy. Because day labor intermediaries have served a vital function for local at-risk workers (access to jobs) and local industry (access to laborers), we believe that implementing lasting change can only occur by developing and mobilizing support from both of these critical constituencies.

Although day labor intermediaries serve a critical role, we have learned that they typically operate in a manner detrimental to both workers and employers. Workers in need of a mechanism to enter the labor market often end up trapped in the sporadic, dead-end dispatch cycle of day labor. Employers access a labor pool that is often mistreated and underpaid, hardly a formula for optimal performance. For workers, improving employment prospects can be achieved by both improving the conditions under which they perform day labor, and by ultimately helping them to escape the day labor industry. Employers benefit from the former strategy, and can find access to a broader range of ready workers upon recognizing that day laborers can be viable candidates for more stable, better-paying employment.

A key to the success of the day labor industry has been the ability to operate “in the shadows” of the mainstream economy. None openly disclose the wages paid, fees extracted (for transportation, gloves/tools, etc.) or prices charged. Few maintain formal contracts with their employer customers. Workers have been reluctant to disclose information about the wages/conditions associated with their employment for fear of reprisal and the loss of what they perceive to be their only viable avenue to accessing work. The industry is also fiercely competitive. Depending on the relative shortage or surplus of labor vs. demand, the wages paid and prices charged vary dramatically within relatively short time.
frames. A key challenge in Primavera's sectoral intervention has therefore been gaining in-depth knowledge of how the industry operates, and strategically gaining market presence that exerts upward pressure on wages and improves conditions in the industry without pricing out of the market at any given time. Our greatest strength has been our ability to attract workers, although we are cognizant of the fact that pending guest worker legislation and other factors could quickly and dramatically undercut our supply-side advantage.

**Strategies Employed:**
Primavera incorporates several strategies as part of its overall sectoral intervention in the day labor industry. Our enterprise, as described, gives us access to up-to-date information on practices in the industry, and exerts pressure within the market to improve wages and work conditions. Because of the market factors described above, we have implemented an associated policy intervention to protect workers particularly when market conditions leave them most vulnerable to exploitation (i.e., surplus of laborers). Because day labor operations have engaged in exploitation "in the shadows" with relative impunity, legislative and regulatory measures are critical to establishing a consistent and enforceable floor in industry practice (e.g., limitations on fees that can be deducted from workers' pay). A third and equally important strategy in our intervention has been widespread community exposure. By pulling the industry out of the shadows, many segments of the community have joined or supported Primavera's call for change in the industry (Mayor/City Council, business groups, anti-poverty/homeless advocates, the media, etc). This exerts pressure on day labor companies to stop exploitative practices, and causes business customers to factor corporate image into their cost/benefit analysis when using day labor companies. It also empowers workers who have been accustomed to silence and isolation as workers in the industry.

We implemented these three strategies in a strategic sequence. Primavera Works was established first to insure that workers had an alternative to insulate them from retaliation for their involvement in other key strategies or in the event that our intervention ultimately led to the closure of particularly egregious outfits. The enterprise has also provided an optimal mechanism for researching and monitoring industry practices and documenting exploitation (critical for effective policy advocacy, community education). And finally, the enterprise strategy was most likely to engage and demonstrably benefit businesses utilizing day labor intermediaries, whereas we believed other strategies might immediately mobilize their opposition—giving day labor companies much-needed and very powerful allies to resist change.

The enterprise strategy acknowledges that many low-wage workers and businesses have become virtually reliant on day labor intermediaries. In that sense change could be seen as extremely threatening to both groups without first providing such an alternative intermediary mechanism. Conversely, having developed that alternative has heightened Primavera's credibility with these key stakeholders, who have ultimately been key players in carrying out the other strategies required to assure lasting change. The direct involvement has given us deep knowledge about the workings of day labor companies and the particular pressures giving rise to certain practices (e.g., intermediaries' need for a steady supply of "casual" workers leads them to interfere with offers of permanent employment). Better understanding those practices has in turn enabled us to communicate more effectively with the true stakeholders in the industry (workers and business customers) to promote meaningful change. For example, many workers were unaware of overt practices to undermine permanent job offers, while employers were unaware that many day laborers would be capable of and prefer to engage in stable employment.

Better understanding the reasons workers and businesses have come to rely on day labor intermediaries can guide the development of better job placement and workforce development efforts in the future for homeless and low-wage workers. For example, intermediaries open avenues to employment (albeit
sporadic) for workers with prison records, unresolved alcoholism/addiction, and precarious living situations like homelessness (Primavera as the employer can enroll virtually all applicants and link them with work). Day labor can also provide part-time work for those facing minimum/maximum work thresholds (individuals on SSI or in welfare-to-work tracks). Businesses turn to day labor halls when they need a short-term supply of labor, and want to avoid the typical investments and liabilities required to recruit, hire, and terminate workers. Any strategy seeking to change the day labor industry, we believe, must meet workers and employers from those perspectives and offer alternative means of approaching those issues.

Unlike typical job development programs, Primavera Works allows workers to enroll directly off the streets, even if they have serious unresolved issues related to employment. We have found that by serving as an improved link to work, we also can more effectively engage workers in efforts to address other issues (alcoholism/addiction, unresolved child support, etc.). We "meet people where they're at" first, and then engage them in pursuing potentials for overcoming seemingly insurmountable barriers that have historically banned them from other programs. We can also offer flexible work schedules to abide by maximum allowable hours for individuals on SSI or minimum hours required for certain welfare-to-work participants.

In a similar manner, Primavera Works does not demand of employers a commitment to hire workers into full-time, permanent jobs. Rather, we send them workers clearly ready, fully-supported, and capable of such employment so that when such openings occur they receive first consideration. This encourages employers to focus on performance and attitude rather than typical issues such as a person's status as an ex-offender, etc. In addition we have begun to educate employers about the misguided impressions they may have related to using intermediaries (for example, using intermediaries does not shield third party employers from liability from unfair labor practices, workers compensation and unemployment claims, and so on). By helping businesses to better understand their position as third party employer we can dismantle unfounded trust they have placed in unscrupulous day labor intermediaries.

After becoming deeply immersed in the industry though our enterprise, Primavera was well positioned to pursue policy intervention and community education strategies. We had documentation of many practices routinely denied by day labor companies (e.g. copies of check stubs from worker documenting deductions from wages) and workers willing to speak out against the injustices. We also had business customers willing to attest to the improvement in performance they witnessed from our better paid and better supported workers (e.g. ours can get a full night's sleep rather than being required to report to the day labor hall at 4 or 5 a.m.). Many businesses were earnestly disturbed by the standard industry practices we uncovered, while others at least recognized how their own corporate images could be tarnished by association with day labor abuses. Those businesses were in turn members of powerful business associations, likely to mobilize in opposition to any legislative/regulatory intervention in the market place. We succeeded in garnering the attention of the Joint Legislative Committee on Homelessness, which wrote a comprehensive bill during the 2000 session. This bill essentially died in committee—a prohibition on check-cashing fees survived by being attached to another bill. In 2001, a more limited bill titled the Arizona Day Labor Practices Bill was passed. This bill bans any deductions that would bring workers' wages below the federal minimum wage (effectively capping allowable charges for transportation, etc.) and prohibits any restrictions (including fees) on employer offers or workers' acceptance of permanent employment.

**CURRENT BARRIERS**

Just as our sectoral intervention is strong because of its complexity as a multi-stakeholder, multi-strategy engagement, it has been difficult to implement. Enterprise approaches require infusing a traditionally non-profit, participant-oriented agency with counter-balancing priorities of customer

NNSP IS A PROJECT OF THE NATIONAL ECONOMIC DEVELOPMENT AND LAW CENTER
service and market-driven practices. A key to success for us has been insuring that those new perspectives relate very deliberately back to the mission of the organization (e.g., operating a sound staffing service will increase worker/business buy-in to the systemic change we seek in order to help low-wage workers). It is also important to define the limits of the infusion (e.g., businesses who mistreat workers will not be allowed to continue as customers of Primavera Works; prices charged will not be lower than market, which could exert downward pressure on wages in the industry even while expanding our market presence; etc.). Natural tensions and "operational crossroads" arise regularly, and must be promptly and clearly attended to in order to integrate and balance an enterprise approach.

Tensions also arise between the multiple strategies. Should we run an advertisement for the enterprise to generate business at the same time that we’re exposing competitors’ practices, or will that undermine our credibility as an advocacy voice? Does asking for copies of check stubs to document abuses heighten our appeal (as an ally) to workers or dig too deeply for their comfort? Ongoing communication and evaluation (involving enrolled workers and staff at all levels of the organization) helps to identify and successfully navigate these tensions. We have strategically restructured the workings of our enterprise and reconsidered the timing of certain elements of our intervention several times to resolve such tensions.

A final challenge has been, of course, resources. Primavera’s policy and community education strategies have been implemented without sufficient resources designated for those activities. This has spread the energy and attention of key people in many directions, all critical.
Suburban Job-Link Corporation
Bill Schwartz, Vice-President
2343 South Kedzie Ave., Chicago, IL 60623
312-612-7600
sjlvicepres@ameritech.net

Founded in 1970, Suburban Job-Link’s Mission is to provide opportunity for a better life through appropriate employment for those disenfranchised from the mainstream economy. The organization was the nation’s first non-profit to start and operate a market-based temporary help supply business as a means of upgrading employment opportunities for minority, inner-city residents. Of the $8 million in income budgeted for fiscal year beginning this July, 86% is earned income, with the remainder budgeted as grant support. Over its history, Suburban Job-Link has directly employed more than 30,000 individuals, and has been instrumental in helping more than 10,000 find direct-hire employment with other private sector employers. Suburban Job-Link is also a national leader in designing and testing the use of various commuter transportation services in the fight against urban poverty.

Today, Suburban Job-Link uses temporary help customer work sites as a base of operations for a comprehensive supported work service called CoreTemp Plus. This service offers unique opportunities and support for the long-term unemployed. It provides participants with strong client advocacy, work readiness training, stable work experience, on-the-job coaching, peer support, graduated job stress, job sharing opportunities, and finally, direct-hire placement and retention coaching.

ABOUT THE SECTOR
During the last two decades, the temporary help supply sector has been one of the fastest-growing employment sectors in the United States. Its abundance and variety of employment opportunities and the relative ease with which individuals gain access to jobs brokered by temporary service organizations are key characteristics. For many participants, the sector also provides a bridge to direct employment with customer firms based on mutual interest and need. Employment opportunities in many of the sector’s lower-skilled occupations is constrained by relatively low wages and job instability.

Driving forces behind the growth of the temporary help sector are complex. Undoubtedly, the wants and needs of business drive the temporary help industry. They include increasingly global business competition, just-in-time manufacturing and employment paradigms, supply chain management, and other factors at work to reduce costs and improve efficiencies in the production and delivery of goods and services. As a labor market intermediary, the temporary help sector responds to perceived business imperatives by helping define and re-define relationships between business customers and the workers they need, resulting in “flexible”, “non-conventional” or “contingent” arrangements that provide a differential advantage to the parties involved.

In the Chicago area, stark differentiation exists between the top and bottom of the temporary help spectrum. On one end, staffing firms with national reach and brand name recognition seek a long-term strategic advantage in the marketplace by becoming extensions of their customers’ business functions. They provide a palette of value-added services that include recruiting, screening, testing, training, on-site supervision, and information systems to integrate them. Employment opportunities with these temporary help firms are at relatively competitive wages, albeit without benefits. They are offered to the more qualified or better-prepared applicants found in the marketplace who can independently access customer worksites. In this regard, access to an automobile may be a prerequisite to employment. At the other end of the spectrum, local temporary help firms work to supply customer firms with a largely commodity labor service differentiated only by price, capacity, and delivery considerations. These firms opportunistically open and close locales close to their source of supply, usually in inner-city...
neighborhoods suffering high unemployment and/or containing a substantial non-English-speaking population. Temporary employment at this low end is usually at the minimum wage. The daily and even hourly transactional nature of this kind of temporary employment is inherently unstable and exploits lower-skilled and frequently undocumented individuals.

CoreTemp’s intervention in the temporary help sector benefits its clientele by aiming squarely at the middle and upper middle sections of the temporary help spectrum. It targets potential customer firms that treat their own employees with respect and where the work is appropriate to the skill and achievement levels of CoreTemp’s clientele. It builds long-term, economic and operationally valuable relationships with business customers by continuously improving its service-delivery processes. CoreTemp eliminates worksite accessibility issues (by either delivering transportation services itself, or by customizing solutions in partnership with local public transit agencies). CoreTemp staffs its customer work sites with “vendor-on-premise” coaching and supervisory personnel in order to tackle personal, behavioral, and performance issues before they become problems. CoreTemp marshals resources that address barriers to employment success before the employment experience starts and creates a relatively forgiving environment for clients to learn and practice appropriate work behavior. CoreTemp works because it is rooted in the realities of the marketplace and exchanges genuine value among its stakeholders.

**Strategies Employed:**

- Enterprise/Cooperative Development
- Strategic Partnerships (with other non-profits and with commercial temporary help services.)
- Workforce Development/Career Pathing
- Private Sector Based Supported Work

Workforce development for “hard to serve” client groups is at the heart of the CoreTemp Plus supported work model, which operates within CoreTemp’s broader temporary service operations. The CoreTemp Plus process involves referrals from strategic partners operating transitional living centers, substance abuse treatment programs, community-based organizations, the State of Illinois Department of Human Services, and the City of Chicago. It represents a holistic effort to reintegrate clients disenfranchised from the mainstream economy into the world of work.

CoreTemp has found a good fit between temporary help brokering activities and workforce development objectives especially in the “work first” environment where developmental objectives follow initial employment. CoreTemp employs its clients quickly and can release them from assignment activity for specific training and remedial work without jeopardizing their continued employment. Vendor-on-premise service arrangements make this activity possible as CoreTemp manages the day-to-day assignment and de-assignment of its personnel assigned to specific worksites.

Operating a workforce development program that integrates learning and earning within a customer service relationship challenges CoreTemp to maintain sufficient worker quality and productivity to ‘stay at the table’. On-site supervision acts as a buffer between clients newly-assigned to work sites and CoreTemp’s customer firms’ front line supervision. This buffering is key to stabilizing clients during their first few days of actual employment.
CURRENT BARRIERS
A particular challenge CoreTemp faces is creating enough employment stability in its contracting business whereby CoreTemp Plus clients are guaranteed the work experience and/or income required by their service plan. It’s a tough balancing act to accomplish and requires a high level of information system support and coordination among sales, recruiting, client advocacy, and order-filling functions.

Another challenge for CoreTemp is managing its bifurcated recruiting and placement of CoreTemp and CoreTemp Plus clients. CoreTemp recruits temporary personnel for highly fluctuating temporary assignments and to obtain the experience and/or skills a customer account requires. CoreTemp accomplishes this with a mix of classified advertising and inbound telemarketing support. A recruiting specialist develops CoreTemp Plus referrals through mutually supportive relationships with partnership organizations.

Temporary help industry consolidation, national account selling, and intense competition for VOP account opportunities are increasingly marketplace challenges. One response CoreTemp is currently exploring is whether to subcontract with other temporary firms awarded master VOP contracts with their customer firms.
The Wisconsin Regional Training Partnership is an association of employers and unions that is dedicated to family-supporting jobs in a highly competitive business environment. We sponsor a variety of programs that expand employment and advancement opportunities, upgrade the skills of the current workforce, and recruit and retain a qualified workforce. Our solutions to the economic and workforce development needs of our members improve the access of low-income, unemployed, immigrant, and young workers to better jobs. We are currently replicating our successful project in manufacturing in a wide range of other sectors that together account for roughly two-thirds of the workforce in the Milwaukee metro area.

ABOUT THE SECTOR
The WRTP targets sectors based on the commitment of business and labor leadership to work together on solutions to their common economic and workforce development problems. We form a steering committee of employers and unions to define the mission and guide the development of the partnership for each sector. The steering committees tend to identify a similar set of objectives that are related to workplace change, worker training, and future workforce issues. The WRTP adapts solutions to these common issues in one industry to the unique characteristics of the others. All our partnerships contribute to the development of a growing network of funding agencies, educational institutions, and community organizations.

The most important factor in the success of our expansion and replication plans is our close association with the labor movement. Almost every major affiliate of the state labor federation has requested assistance with the development of partnerships with their employers. These partnerships anchor their comprehensive strategies of bargaining, organizing, and public policy to improve the livelihoods of working families in their respective sectors. The advantages of working with unions in these sectors include the higher quality of work and employment, the set of established relations with multiple employers, the ability to secure the ownership and involvement of current employees, the capacity to represent community residents in their workplaces, and the advocacy of public policy support for working families.

Construction: A major construction boom in the Milwaukee area has created a shortage of skilled workers in the building trades. We are assisting the Milwaukee Building and Construction Trades Council with the development of an effective response to the skills shortage. The building trades operate training centers and hiring halls that supply qualified workers to 2,300 union contractors in the area. We have been asked to redevelop their non-profit partnership with contractors, Big Step, to qualify community residents for employment, advancement, and apprenticeship opportunities in construction and other industries.

Health Care: The emergence of new service delivery systems for an aging population has transformed a rapidly growing health care sector. Hospitals, clinics, nursing homes, and home care agencies in the Milwaukee area are experiencing one of the worst shortages of nurses and other health care professionals in history. We are working with a steering committee of employers and unions to establish workforce development programs for all segments of the health care sector. The creation of training programs and career ladders for entry-level workers to achieve upward mobility is a critical part of the solution to current staffing crisis.
**Hospitality:** A convention center, stadium, museum, and other new attractions have contributed significantly to job growth in the hospitality industry in the Milwaukee area. One of the attractive features of hospitality is the accessibility of entry-level employment in the industry. Workers who excel at customer service have numerous opportunities for advancement. We are working with a steering committee of employers and the union to improve their recruitment, retention, and advancement of employees. A key component of the strategy is to expand a career center for workers to access the resources and services they need to become successful.

**Manufacturing:** The Milwaukee area has one of the highest concentrations of manufacturing employment in the country. Although manufacturing has not grown as rapidly as other sectors, the retirement of an older workforce creates enormous employment opportunities. The sector has been contributing more than one out of every five job openings in our area during the 1990s. The leading barrier to the growth of union-represented manufacturing jobs in recent years has been the difficulty finding qualified employees. Our partnership in this sector now has 70 member companies and unions accounting for roughly 60,000 jobs in the region.

**Technology:** The roll out of broadband technologies and other communication solutions has generated enormous employment and advancement opportunities. The technology sector still accounts for a relatively small share of the workforce in the Milwaukee area, but the demand for skilled workers is growing at an extraordinary rate. The installation, maintenance, and repair of communication networks provide an accessible pathway into the new economy. We are working with a steering committee of employers and the union to prepare community residents for entry-level cabling jobs. Employers provide additional education and training to develop their employees for more advanced technical jobs in the industry.

**Transportation:** The rapid growth of e-commerce and just-in-time delivery between businesses has contributed to strong growth in the transportation sector. The sector offers a large number of entry-level jobs for part-timers to earn a decent wage and benefits while they attend courses to qualify for full-time jobs. There is also an increasingly severe shortage of skilled mechanics. We are working with a steering committee of employers and unions to develop a pre-employment training program that fills the pipeline with qualified candidates for a new apprenticeship program for mechanics.

**New Initiatives:** The WRTP is also working with employers and unions on a variety of new initiatives in other sectors. We are working with the major utility company in our area and its unions to develop their training and upgrading programs for the future. We are working with a major bilingual child care provider on their improvement of recruitment, retention and advancement of new employees. Finally, we are working with our members to convert their temp jobs back into permanent jobs, to improve the transition of temp workers to permanent jobs, and to utilize union agencies.

**Strategies Employed:**

- Enterprise / Cooperative Development
- Grassroots Organizing
- Policy Interventions
- Technology Innovation / Investment
- Strategic Partnerships
- Unionization
- Workforce Development / Career Pathing
- Leadership Development (Employers, unions, workforce development agencies, educational institutions, and community and faith-based organizations)
The WRTP originally focused on retention and development of the industrial union base in the wake of the 1980s. Many companies closed or downsized their plants, unions lost tens of thousands of members, and higher unemployment and poverty rates devastated the central city. Business and labor leaders formed the WRTP as an experiment in economic and workforce development in 1993. The revival of manufacturing and retirement of an aging workforce have elevated the importance of the future workforce over the years. Our credibility as an association of employers and unions has enabled us to develop an effective response to their staffing and training needs. We have an ability to place 500 central city residents into entry-level jobs paying over $10 per hour plus benefits, and to upgrade the skills of 1,000 entry-level workers to qualify for better jobs paying nearly $15 per hour.

The WRTP brings together all the necessary partners to build the new workforce development system for our area. We assist our member companies and unions with improvements in their recruitment, retention, and advancement strategies. Our strong commitment to the quality of employment attracts funding from a variety of workforce development agencies for training and related services. We then contract with our local technical colleges for the just-in-time delivery of basic and technical skills training. And our growing network of community partners identifies and supports candidates for employment and training programs as the job openings actually arise. All our members offer further education and training opportunities for workers to achieve greater upward mobility and economic security in the new economy.

The success of our labor market intermediary for manufacturing and a growing number of other sectors of the regional economy is a potential source of leverage. Staffing service agencies use such leverage to maximize their revenue. Their average billing rate for temp workers is 50% more than the wage rate and their average finder's fee is 20% of the annual income in the Milwaukee market. By contrast, our solutions reallocate revenue back to employers, unions, and community residents. We recover a portion of our costs through third party contracts with multiple funding agencies that administer WIA, TANF, welfare-to-work, and state training funds. We plan to create union agencies in the future to achieve full cost recovery for our industry and staffing services.

CURRENT BARRIERS
Our model is not replicable unless the labor movement is an equal partner. Other workforce development contractors could try to build a network of funding agencies, training providers, and community organizations for non-union employers. But we would always maintain an advantage due to our focus on the quality of work and employment in an increasingly performance-based policy environment. All the relevant funding streams in our area increasingly utilize performance-based benchmarks to allocate scarce resources for workforce development. Our performance has already made a considerable contribution to policy interventions establishing higher standards, softening work-first regulations, and integrating TANF and WIA. Our leadership in the business community and labor movement has credibility to advocate public policies that allocate funding to higher-wage, higher-skill jobs.
Working Partnerships USA (WPUSA) was formed in 1995 in response to a growing concern about the increasing disconnect between Silicon Valley's economy and the well being of large sectors of the workforce. Founded as a collaboration between community-based organizations, Working Partnerships develops policy and programmatic responses to the impacts of the New Economy. WPUSA is developing a set of institutional responses to the changing nature of the economy through a three-part strategy of initiating new economic research and policy, new partnerships across constituencies, and new models of workforce development. Informed by an innovative research agenda, WPUSA is creating a policy framework that will assist local organizations to address major issues, encouraging coalition building among groups with a limited history of collaboration, and developing the next generation of labor market intermediaries.

ABOUT THE SECTOR
In Silicon Valley, personnel supply services is one of the fastest growing industries, with a 280% increase in the number of temporary workers over the past 16 years. In 1997, over 15,000 temporary employees earned less than $10.00 per hour, with a median hourly salary of $7.19 (or $14,955 annually.) In addition, less than 20% of temporary workers received health insurance from their employers, compared with 50% of full-time employees. Overall, temporary employees were 2-3 times less likely to have any health insurance coverage whatsoever.

Throughout the 1990s, the region consistently had a higher proportion of temporary jobs than California as a whole, with more than 50,000 temporary workers in Santa Clara County out of a workforce of approximately 850,000. In 1998, the region had the second-highest percentage of temporary jobs in the state. If all forms of contingent employment are counted, 40% of the workforce are contingent employees. While clerical and administrative support jobs will continue to employ the greatest number of temps, it is projected that temp jobs in production, construction, and material handling will increase 83% through the year 2002. The Bureau of Labor Statistics (BLS) found that 67% of people identified as contingent workers would prefer to have permanent employment in a more traditional work setting.

In addition, the contingent workforce is disproportionately African-American and/or Hispanic (25% of contingent workers vs. 19% of non-contingent workers.) When compared with their representation in the permanent full-time workforce, the proportion of African-Americans and Hispanic workers is three times greater in the contingent workforce. The Economic Policy Institute has reported that African-American and Hispanic temporary workers earn 28% less than their white counterparts and would prefer standard employment by a significantly greater margin. Women also make up a larger segment of the contingent workforce (51% of contingent workers vs. 46% of non-contingent workers). They are twice as likely to have poverty level wages in their jobs and over half of women in contingent employment earn less than the poverty level.

Strategies Employed:
- Enterprise/Cooperative Development
- Grassroots Organizing
- Policy Interventions
- Strategic Partnerships
- Workforce Development/Career Pathing
Working Partnerships is actively engaged in a sectoral employment initiative as a labor market intermediary through the development of the Temporary Worker’s Employment Project. The Project is composed of Working Partnerships Membership Association (WPMA), a grassroots organization for contingent employees that provides portable benefits. WPMA is also conducting a training program in association with the Santa Clara County Black Chamber of Commerce, the Communications Workers of America (Local 9432) and the Silicon Valley Workforce Investment Board. Through the training program, a career path has been created for entry-level clerical workers to advance into higher levels of computer certification and network administration. Participants in the training program are then placed by Working Partnerships Staffing Services (WPSS), a staffing company that places clerical and information technology (IT) workers throughout Silicon Valley. The effort is supported by an advocacy campaign to expand the debate over the conditions of employment for contingent workers and develop widely accepted community standards for the temporary help industry. Through these efforts, Working Partnerships is building mechanisms to create stability for temporary workers, build career ladders across multiple work sites, and restructure the hiring practices of temporary agencies in the region.

Working Partnerships has developed a two-track training program that moves workers into entry level positions in the clerical/administrative field and then provides assistance to help people advance on a well-defined career track from clerical/administrative to information technology positions. Working together these two tracks provide training and/or placement through a three-part strategy that provides:

- Employability skills training such as office communication, math and writing for the workplace;
- Computer skills training including but not limited to basic skills training on programs such as Microsoft Office and for certification in A+, MCSC, and Cisco Network Associates;
- Job placement opportunities.

**Track One – Basic Computer Skills For Entry Level Workers**

Many individuals who are unemployed, underemployed, or transitioning from welfare-to-work do not have the computer skills necessary to enter the workforce effectively. Through our training programs, participants receive basic computer skills training from keyboarding to introduction to commonly used software packages. To assist the participants, we are working collaboratively with Mission Community College to provide “soft-skills” classes. We are partnering with other community-based organizations to provide child care and transportation for program participants. Once training is completed, WPUSA seeks employment for participants through Working Partnerships Staffing Service.

**Track Two – Advancing Clerical Workers Into Technical Positions**

In order to help participants who are currently working in clerical jobs advance in a career ladder, we are offering a two-part computer certification course. At our site in downtown San Jose, training courses in A+ certification and Cisco Networking certification are provided. These courses are open entry, which allows students to take classes on multiple nights and/or weekends.

Through our experience in providing training programs, we recognized that there was an incredible opportunity for clerical workers to advance into computer support services and network administrator occupations. Clerical workers are equipped with a variety of skills—including basic computer skills, customer service, and problem solving abilities—that are the foundation of a computer support position. The computer support occupations have increased the career advancement opportunities available to scores of clerical workers in our training program and staffing service.
CURRENT BARRIERS
Launching this multi-pronged initiative has challenged us to build creative mechanisms that truly support people transitioning from welfare-to-work as well as the working families in the Silicon Valley. Along with our successes—creating a portable and affordable health benefit, developing a temporary staffing firm that pays its workers no less than $10 per hour, putting forth a Code of Conduct that defines community standards toward temp workers—we have also experienced sharp growing pains, particularly in trying to bring our training program and placement of individuals to the scale necessary to affect sectoral change.

- Temporary workers have proven to be a difficult group to organize on a large scale due to the constant change in workplaces and the uncertainty of a regular work schedule. Many temps have reported to us that it was impossible to make any long-term commitments to being involved with WPMA since their temp experience and great employment instability had forced them to think only in the short term.
- Starting a training program with the most difficult to place workers has proven a significant challenge. Completion rates initially lagged and highlighted the difficulty in effectively training a group with little or no work experience.
- Launching a business within the non-profit has forced us to look at both our social mission and our business mission as equally important needs rather than as mutually exclusive goals.