



Project seeks to help 'temps' achieve long-term job stability

BY DUANE M. ELLING

Since its introduction in the U.S. during the 1940s, the temporary staffing industry has become a major force in the country's labor market. Ninety percent of domestic companies today rely on these agencies for interim skilled workers, and many recruit permanent employees from these temporary ranks.

Workers, in turn, can find temporary jobs an attractive option because they may provide flexible scheduling and the opportunity to sample various careers without long-term obligation.

Building on the demand for temporary staffing to help low-income workers find and maintain employment is a focus of the Mott Foundation's alternative staffing demonstration. The national, multiphase

demonstration — launched in 2003 — seeks to gain insight and understanding into how programmatic and operational strategies can strengthen the outcomes for alternative staffing agencies and the individuals they place.

These agencies, like their traditional staffing counterparts, help connect workers with temporary and temporary-to-permanent job opportunities. Alternative staffing builds on those services by helping low-income workers gain the skills — job specific, as well as interpersonal — needed to make them valuable to employers. They also help workers address potential barriers to employment, such as access to reliable transportation and child care.

And while alternative staffing agencies comprise less than 1 percent of the nation’s temporary staffing industry, they are helping many low-income workers access living-wage careers.

“These programs provide businesses with great employees and consistent customer service, and offer workers the training, support and opportunities that help lift their families out of poverty,” Benjamin Thomases said. “That sets alternative staffing apart from the rest of the industry.”

Thomases is president of Brooklyn-based FirstSource Staffing, one of four alternative staffing agencies chosen to participate in the demonstration. (See sidebar, page 20.)

The first phase, launched in 2003 and completed in 2005, tested how increased sales and marketing capacities affected the agencies’ ability to attract new businesses and place additional workers.

The current phase, launched in 2005 and expected to last three years, will examine the strategies used by agencies to grow their job placements. It also will explore another of the demonstration’s primary goals: improving wages and employment retention rates among low-income workers.

The demonstration reflects Mott’s belief that living-wage employment is a pathway out

of poverty for many low-income families. Mott has made more than \$100 million in workforce development-related grants since 1981, including support for efforts to reduce barriers to employment. Grantmaking related to the alternative staffing demonstration has totaled \$1.7 million since 2003.

While the demonstration’s results are being collected and studied over the coming months, the participating agencies already are gaining important insights into the future of alternative staffing.

Thomases says the decision at FirstSource to join the demonstration was based in part on the opportunity to help more low-income families achieve and sustain living-wage employment. New sales staff, made possible through the demonstration, is expected to increase the number of permanent job placements by up to 25 percent.

Thomases says the demonstration can educate the workforce development field, as well as the nation’s policymakers, about the evolving role — and growing success — of alternative staffing strategies.

He says low-income workers historically have been linked to the labor market via entry-level jobs. But as employers increasingly turn to the mainstream staffing industry to fill such positions, those connections can disappear.

“Many traditional staffing agencies aren’t prepared to connect underserved workers with their customers,” Thomases said. “The alternative staffing industry is making those connections every day, and we’re seeing great outcomes, for both workers and employers.”

The experience of Fabienne Gachette is an illustration. The 26-year-old arrived at FirstSource in early 2004 after trying unsuccessfully for several months to find employment. After completing three temporary job assignments from FirstSource, Gachette started an accounting position with a Brooklyn-area printing company. Within four months her employer offered her a permanent job; she was promoted to a managerial position 10 months later.

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Demonstration, evaluation will study impact

Four community-based organizations with alternative staffing components were selected to participate in the second phase of the Mott Foundation-funded demonstration. Selection criteria included their experience in the field, demonstrated capacity for placing workers into jobs, and diversity in geographic location and clientele. These organizations each received a one-year, \$125,000 grant in 2005:

Easter Seals-Goodwill Northern Rocky Mountain Inc., Boise, Idaho.

Easter Seals-Goodwill Northern Rocky Mountain Inc. launched Goodwill Staffing Services in 1996.

The program was the result of a partnership between Goodwill Industries International and The Personnel Department, a for-profit staffing agency with offices in Oregon and British Columbia.

In 2005, Goodwill Staffing Services helped 677 individuals — 82 percent of whom had a disability or were otherwise disadvantaged — find work via temporary job opportunities.

Fifth Avenue Committee, Brooklyn, New York.

Fifth Avenue Committee pursues social and economic justice for families in the South Brooklyn area. FirstSource Staffing was established in 1998 through a partnership with the ICA Group — a national nonprofit specializing in employee- and community-owned enterprises — and Good Shepherd Services, a local social service and youth development agency.

FirstSource connects about 215 individuals annually with temporary and permanent employment.



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

GTS staff helped 1,102 individuals secure temporary job opportunities in 2004.

Pillsbury United Communities, Minneapolis, Minnesota. Pillsbury United Communities launched Emerge Staffing in 1995. It makes special efforts to reach ex-offenders, new Americans and adults living in supportive housing.

Emerge helped nearly 4,000 individuals secure temporary employment between 1995 and 2004.

In addition, the University of Massachusetts at Boston has received four grants totaling \$561,368 since 2003 to enable the university's McCormack Institute of Public Affairs to evaluate the demonstration's two phases. Technical assistance to the participating agencies, as well as related research activities, is being provided by Public/Private Ventures in Philadelphia with the support of a one-year, \$300,000 grant.

Gachette says that, while she came to FirstSource with a strong desire to enter the labor market, it was the agency's services and support that helped make her goal a reality.

"As long as I was willing to put in the effort, the staff at FirstSource were ready to work with me. They placed me with companies who recognized my potential and were willing to give me a chance. And they helped me create a new future for myself."

Documenting such successes and strengthening the infrastructure of the alternative staffing sector were also important factors behind the decision by Emerge Staffing to participate in the demonstration.

The Minneapolis agency began as a small, community-based program in 1996 and, like many similar initiatives, has struggled to gain a foothold in the fiercely competitive for-profit staffing

industry. Emerge staff see the Mott demonstration as an opportunity to increase their number of contracts with employers and the number of low-income workers successfully placed.

Michael Wynne is vice president of community employment and economic development at Pillsbury United Communities, the parent organization of Emerge. He says alternative staffing agencies intently focus on all their clients.

"They understand and respect the business goals of employers, as well as the individual concerns of workers. And they provide both customers with a level of support not often seen in the industry."

Balancing the business operations of a traditional staffing agency with the human service aspects of a workforce development program can be challenging.

“We are already seeing that . . . the relationship between the agencies and employers can quickly grow. [This] will be key to the future development of the overall workforce development field.”

Françoise Carré, Center for Social Policy



The income generated by contracts allows alternative staffing agencies to absorb the administrative costs of helping people find jobs, as well as some expenses required to provide a broad range of supportive services to workers.

However, that income is contingent on maintaining and expanding those contracts.

Françoise Carré notes that alternative staffing agencies gain ground in their marketplace only by emphasizing what makes their services special.

Carré is research director of the Center for Social Policy at the University of Massachusetts at Boston’s McCormack Graduate School of Policy Studies. She, along with staff from the Philadelphia-based Public/Private Ventures, is co-leading the demonstration’s formal evaluation.

She says that participating agencies are developing new strategies to show that their workers are well-screened, well-prepared and well-supported. They also are exploring ways to integrate those facts more effectively with the agencies’ social mission. This will help employers recognize that, in addition to meeting their business needs, they are making a difference in their communities.



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“We are already seeing that, once such an understanding is in place, the relationship between the agencies and employers can quickly grow,” Carré said. “I believe the ability to nurture those types of relationships will be key to the future development of the overall workforce development field.”

The participating agencies also are helping workers stay employed and access career-track opportunities.

Carré says such interventions include developing appropriate supportive and follow-up services for workers, as well as ongoing dialogue with employers.

As such lessons emerge, Thomases and Wynne point to the benefits of participating in a national demonstration.

Both note that, with the help of Mott funding, their agencies are building marketing and operational capacities at a time when many workforce development programs are feeling an economic pinch. As a result, each is able to place additional workers and plan future strategies for strengthening and maintaining their services.

In addition, the opportunity to share stories of success and frustration with peer agencies is an exhilarating experience.

“It energizes us, helps us build confidence that we’re on the right track and that others are living the same struggle,” Wynne said. “It’s incredibly beneficial.”

The research-oriented focus of these demonstrations can spark unexpected challenges. Establishing new data collection systems, learning new computer software and integrating each into existing operations takes time, training and patience.

But, Wynne says, such steps are also helping the agencies better understand their unique roles in directing the future of alternative staffing.

“By measuring the successes and articulating the nuances of the alternative staffing model, we’re also raising its visibility among practitioners, advocates, policymakers and funders. That collective momentum will help grow the strategy over the years to come.” ■