The Welfare to Work
P A R T N E R S H I P

7/21

Hi Margy + Andrea:

Here's our latest version, tho it does not yet reflect alot of the points we discussed on Wednesday nor additional revisions from our Board of Directors.

Biggest changes: We've dropped "Unfinished Agenda" section but incorporated its main points into Executive Summary + elsewhere; Executive Summary is also new since version you guys reviewed.

a not for profit corporation

I've tried to highlight major changes but there are smaller ones throughout and more still to come!

Thanks—

Dorian

955·3005 x 312

A Report to President Clinton on Welfare to Work

From American Business Leaders

AHL Services, Inc. Allied Van Lines Bank of America Burger King Corporation
C&S Paving Cessna Aircraft Company Chase Manhattan Bank Citigroup
CVS Corporation Fannie Mae Foundation General Converters & Assemblers, Inc.
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Summer 2000

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The Bottom Line for Better Lives

The Welfare to Work
PARTNERSHIP

"This is not the end of welfare reform, this is the beginning...The Congress deserves our thanks for creating a new reality, but we have to fill in the blanks. The Governors asked for this responsibility; now they got to live up to it. There are mayors that have responsibilities, county officials that have responsibilities. Every employer in this country that ever made a disparaging remark about the welfare system needs to think about whether he or she should now hire somebody from welfare and go to work."

– President William Jefferson Clinton, August 22, 1996

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LETTER TO THE PRESIDENT

August, 2000

Dear Mr. President:

The report before you contains one main conclusion: We have made significant progress toward ending "welfare as we know it," but more work needs to be done.

Four years ago, you signed into law a measure that was built on a simple but profound premise: That every American able to work and support a family must do so, and that welfare would hereafter serve as *a second chance, not a way of life.* Under the Personal Responsibility and Work Opportunity Reconciliation Act, economic support from the government would no longer be a matter of entitlement, which meant that individuals who formerly relied on it to make ends meet would need jobs instead.

To deliver on that part of the bargain, you appealed to leading American businesses for help. In response, five companies – United Airlines, Burger King, Monsanto, Sprint and United Parcel Service – took the lead and created The Welfare to Work Partnership.

Our mission was simple: To motivate employers to hire welfare recipients and to give them the tools they needed to succeed. We approached the task methodically, first breaking down long-held myths about those on public assistance, recruiting businesses through various outreach efforts, and helping them understand how their bottom-line imperatives could be served by turning to this new pool of workers. We then connected them with community partners who would find, train, and send them the best job applicants, and promoted strategies that could help companies keep their new workers on the job over time and, ideally, advance them up the career ladder.

We are pleased to tell you that we've made great progress in the three years since we started The Partnership. Nearly 20,000 American employers, hailing from all industries and from Main Street to Wall Street, have joined our effort, pledging to hire at least one person from the welfare rolls. Together, they've opened doors of opportunity to more than 857,000 former recipients, offering good jobs with health insurance and other benefits detailed later in this report.

We are proud to have helped many Americans realize the promise embodied in the very title of the 1996 law – to take personal responsibility for themselves and their families, and to seize work opportunity and the dignity that comes from earning a paycheck. But like you, we are well aware of a promise that has yet to be realized for too many of our fellow citizens. It is this one: That people who work hard and play by the rules should not live in poverty.

As employers, we alone can not end poverty in America. But the important lessons We have learned about how to move people from the welfare rolls to our payrolls can guide our way as we move forward. These lessons can be applied to help millions of citizens in addition to those who are leaving the welfare rolls – citizens who still live on the margins of American life. They can also inform renewed efforts to help former welfare recipients, too many of whom continue to struggle: The estimated 40 percent who don't land steady jobs upon leaving the rolls, the 30 percent who are likely to return to public assistance before long, and especially those who are working but not making ends meet. If we are truly going to move people not just off of welfare but out of poverty, we must all do our part while we have unprecedented budgetary resources and broad public will behind us.

Mr. President, The Partnership stands ready to help you, your Cabinet, your successor, and the Congress build on the remarkable progress We have made to date.

Sincerely,

Eli Segal
President and CEO
The Welfare to Work Partnership

Gerald Greenwald
Chairman Emeritus, United Airlines
Chairman, The Welfare to Work Partnership

EXECUTIVE SUMMARY

New since last version

"We can not be the kind of country we want to be if we're content to leave people behind... We have the knowledge. We have the resources. We have the strong economy that gives us time to focus. What we need now is commitment. We're asking every company across the country to join our Partnership." - Gerald Greenwald, Chairman Emeritus, United Airlines Chairman, The Welfare to Work Partnership

"Welfare to work is the perfect example of how two supposedly diametrically opposed goals of business -- making money and being socially responsible -- can intersect in a meaningful way." - Jonathan Tisch, President and CEO, Loews HotelsVice Chairman, The Welfare to Work Partnership

It is a rare moment when individuals have the opportunity to change America. It is more rare ~~still~~ when they can do so and serve their bottom-line interests at the same time. Such an opportunity presented itself in 1996, when Congress passed and President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), reversing six decades of welfare policy. The new law created an historic challenge for the business community to hire those who would now be leaving the welfare rolls in large numbers. And, fortuitously, it created an unprecedented chance for employers to fill their payrolls with new workers, just as the booming economy was making that job more difficult than ever.

In the four years since, the country has witnessed dramatic changes in welfare as we knew it. Welfare caseloads have plummeted from more than 12 million in 1996 to 6.6 million today, and the majority of adults who once relied on public assistance have gone to work. In May, 1997, The Welfare to Work Partnership was created. In three years, we have persuaded 20,000 companies to commit to hire and retain former welfare recipients. During that period, 857,000 of those formerly on the rolls went to work at one of our companies. We are pleased to be at the forefront of this quiet social revolution. The significant role our companies – and many other American businesses – are playing in hiring, retaining and promoting these new workers inspires this report.

In the pages that follow, we outline some of the most important lessons drawn from our experiences to date. We explain why The Partnership's companies believe:

- Welfare to Work Is A Smart Solution for Business
- What Employers Value In Job Applicants May Surprise You
- Public-Private Partnerships Are Critical To Success
- Retention and Promotion Strategies Pave the Way to Well-Being
- Small Businesses Can Benefit from Welfare to Work with Special Help

But we are also quick to acknowledge that the job of ending a failed welfare system is far from completed. Important challenges lie ahead. More than 2.4 million families remain dependent on the federal Temporary Assistance for Needy Families (TANF) program and, as employers, we are well aware that many of them will face difficult barriers on their road to work. We also know that too many individuals who have left the rolls eventually return. Perhaps the most critical challenge, however, is in supporting large numbers of our fellow Americans who have "done right" by their families and worked hard to leave welfare, only to find themselves struggling to make ends meet. As a nation, we owe these individuals more; as employers, we can do more to help them achieve lasting independence.

To move the agenda forward in pursuit of that goal, we also offer a series of recommendations to Congress, federal officials, state and local lawmakers, the service provider community, and employers themselves. The Partnership and its companies believe that only by working together – with neither partisan nor ideological differences – can we complete the ambitious agenda of welfare reform. Our recommendations include the following:

◆ **Reauthorize the 1996 welfare law and hold the line on funding to assist those still in need.** When Congress revisits the 1996 law in the next two years, it should not reduce TANF block grant funding despite large declines in welfare cases. The nation's investment should be sustained to help states tackle more difficult barriers faced by the "hardest to serve" recipients remaining on the rolls and those who have already left. States, for their part, should move expeditiously to spend their TANF allocations on services most vital to welfare recipients and low-wage workers. Any effort by states to use TANF money for other purposes should be strongly condemned.

◆ **Do more to prepare welfare recipients for long-term success before their first day of work.** Lawmakers should also find a better balance between the strict "work first" philosophy at the core of the 1996 law and more intensive efforts to prepare welfare recipients for reliable and better-paying jobs. While The Partnership's companies believe most recipients should be required to work and are eager to employ these new workers, many have come to see the practical limitations of a program that, in some cases, pushes recipients into jobs before they are prepared to succeed in them.

◆ **Help us address the biggest obstacles to work: Child care and transportation.** Lawmakers should sustain or, ideally, increase resources for a range of programs that help former welfare recipients stay on the job. Partnership companies call for increased emphasis on child care and transportation aid, as they are consistently two of the biggest challenges facing new workers.

EXECUTIVE SUMMARY

- **Suspend strict time limits on welfare for people working at least part time.** Congress should amend the 1996 law and "stop the clock" on welfare benefits for individuals who are working but earning so little money that they remain eligible for a partial welfare check. In a recent survey, Partnership employers supported such a proposal by a margin of nearly two to one.
- **Ensure that we "make work pay" for employees leaving the welfare rolls.** Congress, state and local lawmakers, and service providers must maximize a range of supports that help former recipients keep their jobs and leave welfare behind for good. Partnership companies call on Congress to increase the Earned Income Tax Credit for ~~low~~-wage workers, and on states to liberalize such credits of their own. They also urge stakeholders to aggressively promote valuable work supports like Medicaid, the Children's Health Insurance Program, and food stamps for all families who need that temporary support on the road to permanent self-sufficiency.

Finally, we know that the lasting success of welfare reform can be measured most dramatically by the individual lives it changes for the better. In the latter section of this report, we highlight the stories of some people who are on their way to claiming the American Dream for themselves and their families, and the testimonials of companies that have proudly given them that chance.

LESSON 1:

Welfare to Work Is A Smart Solution for Business

"Quote to come"

Before the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed into law, all that most Americans knew about the welfare system was that it didn't work. It was far too costly, and, in the end, it trapped millions of Americans in a vicious cycle of poverty and dependence. What started with good government intentions had turned into a system in which parents lost hope in the present and children lost a chance at a future.

But while business leaders sympathized with the plight of families mired in poverty, the impetus to begin hiring welfare recipients would have to be based on something more than compassion or charity: It had to make good *economic* sense. Thanks to a booming economy and a record low unemployment rate, American businesses desperately needed more workers to sustain and expand their workforce. If this nontraditional source of labor could help the bottom line, employers would do their part.

That business imperative – combined with the passage of the new law and a series of impassioned public challenges from President Clinton – persuaded more and more employers to take up the welfare to work mantle.

Three years of evidence is promising. In an effort to track the success these employers enjoyed and the challenges they faced, The Partnership hired Wirthlin Worldwide, an international polling firm, to monitor their progress. Ongoing telephone surveys of Partnership business executives by Wirthlin have documented several lessons about why welfare hiring makes sense, including:

- **Former welfare recipients make good, productive workers.** Fully 80 percent of Partnership business leaders call their new welfare hires "good, productive employees."
- **Their job retention rivals – and often exceeds – that for other entry-level workers.** Typically, between 60 and 65 percent of Partnership employers say their welfare to work hires stay on the job as long as – or longer than – their non-welfare peers. That translates into a more stable workforce and a stronger bottom line, especially in the retail and hospitality industries which typically struggle with high employee turnover.
- **Welfare recipients fill an urgent labor need at a time of historically low unemployment.** The Partnership's Business Partners have hired more than 857,000 indi-

viduals from the welfare rolls. While this new pool of workers has helped address their immediate labor needs, more than three of every four Partnership businesses tell us their company or industry continues to face a labor shortage. It is no surprise, then, that 70 percent intend to hire additional welfare recipients in the year 2000. In fact, despite the steep decline in numbers of adults left in the public assistance system, two-thirds of our businesses believe they will "continue to find and hire good employees off welfare now and into the future."

Employers see the value of investing in their new workers. The fact that many employers invest substantial resources in their welfare to work hires suggests that they see these ~~new~~ employees as valuable assets – ones in whom it makes sense to invest financially. Business Partners have learned that providing competitive benefits for all their workers will greatly improve overall morale and loyalty to the company. Among Partnership companies:

- More than 74 percent offer **medical benefits** to their welfare to work employees, and 88 percent of Partnership businesses cover the employees' dependents;
- More than 52 percent offer formal or informal **mentoring**;
- More than 44 percent offer a **401-k match**;
- At least 22 percent offer other financial supports, which can include **loans or lines of credit** to buy a home, a car, or other necessities, and 13 percent offer company **stock options**;
- and nearly all – 91 percent – provide **training** and other supports that can lead to job promotion.

Companies are documenting the bottom-line benefits of hiring welfare recipients. The large majority (81 percent) of Partnership companies report that their welfare to work programs have been fiscally "cost neutral" or have even saved them money – even after the expenditure of company resources to provide additional training, mentoring, and general support to ensure that former welfare recipients stay on the job. Companies report strong retention among welfare hires translates into direct and substantial monetary benefits. These include lower staff turnover, less money spent recruiting and replacing employees, and less money wasted on training workers who leave before companies reap a return on their investment.

Government hiring incentives can pay off, too. Thousands of companies are also earning valuable tax refunds – up to $8,500 per employee – through various financial incentives, most notably the federal Work Opportunity and Welfare to Work Tax Credit programs. Many businesses are putting these hiring bonuses to good use by "recycling" the money back into their welfare hiring initiatives – using it to defray the cost of job training, for example, or to offer new employees vital retention supports like transportation or child care assistance. Many more *could* be receiving these helpful hiring subsidies but are not now taking advantage of them for reasons detailed later in this report.

Other Partnership businesses have learned that government wage subsidies – or work supplementation programs – can favorably impact their bottom line, too. By reimbursing an employer the total value of the welfare and food stamp benefits that would have gone to a newly hired welfare recipient, these programs help underwrite the salary of the new worker – ~~in effect,~~ providing additional resources during the first few months on the job.

LESSON 2:

What Employers Value In Job Applicants May Surprise You

"Quote to come"

will drop or revise

Success of the nation's boldest attempt to change its welfare system depends on the willingness of employers to give recipients a chance to prove they can become valuable employees. If that was so in previous attempts to overhaul welfare, it wasn't always reflected in the way recipients were prepared for the workplace. Indeed, the weakest link in earlier reform efforts may have been the system's failure to take the needs of employers into account.

The Partnership believes that the experiences of our Business Partners should play a role as the nation's welfare program continues to evolve. For example, in the last few years, employers have reported important – and, in some cases, surprising – lessons about what they are looking for in prospective workers. Several of The Partnership's surveys have yielded encouraging findings about employer attitudes – findings that are amplified by studies from the Washington, D.C.-based Urban Institute, the Economic and Social Research Institute, and other experts in the welfare arena. We have learned, for example, that:

Positive personal traits matter most. The characteristics employers typically value most highly in entry-level workers are dependability, a positive attitude, a strong work ethic, punctuality and the willingness to learn on the job. Employers also report that new workers must exhibit strong customer-service and team-building skills, including friendliness, communication, and unselfishness.

Formal education and work experience are less important. The lack of a formal education or solid work experience – two areas where many of today's welfare recipients come up short – are not usually an impediment to hiring, according to employers. Only 20 percent of Partnership businesses report that the absence of any work history would prevent them from hiring a job applicant, while additional research illustrates that only 1 in 8 employers list 'prior work experience' among the top qualities sought in a new worker.

Lack of "soft skills" presents a problem. Taken together, these findings have taught us that employers can overlook certain deficits common among those struggling to leave the welfare rolls, but other barriers are harder to ignore. Although Partnership companies often do see a lack of education, job skills, or work history among new applicants, they are confident they can train an employee to perform the job. However, 40 percent of Partnership employers say they frequently see "poor interpersonal skills" among their welfare to work applicants, and more than half (53 percent) say they are reluctant to hire such a candidate because they do not believe they can address these issues on their own. Employers emphasize the importance of community partnerships to solve these challenges, with important implications for how states and cities can make their welfare to work programs more responsive to employers' expectations and needs. These are explored in more detail later in this report.

Other barriers that might have seemed insurmountable aren't. Polling of Partnership businesses has also revealed another encouraging finding related to employer expectations. In this hot economy, many companies are surprisingly receptive to hiring non-traditional job candidates – including, in some cases, individuals with a criminal background. Two in three Partnership companies would consider hiring an ex-offender who has stayed out of trouble for at least five years. More than half (53%) of our companies report they would be more likely to hire an ex-offender if the government would insure them against financial loss or legal liability should something "go wrong." Similarly, employers are more open to this group of workers if a local intermediary or service provider commits to mentor the new employee and works to avert any problems.

Increasingly, Partnership companies understand that welfare reform can not realize its full promise unless parents who have made serious mistakes – especially the *fathers* of children on welfare – are given a chance to support their families. Indeed, many Partnership companies are eager to expand the progress they have made with their new female employees by tapping the large pool of underemployed men who are more loosely associated with the welfare system. Under the 1996 law, many of these men were to be held more accountable than ever to support the children they have fathered. At the same time, many of them are not ready to enter the workforce without more assistance. Local initiatives that focus on the needs of these fathers will find many employers receptive to giving them new opportunities to support themselves and their families.

LESSON 3:

Public-Private Partnerships Are Critical To Success

"Quote to come"

Perhaps the most important lesson The Partnership and its Business Partners have learned in the last few years is that businesses alone cannot make real the promise of welfare reform. Their job is to make a profit, not serve as social workers for each new employee. They cannot successfully hire, retain and advance welfare recipients unless they are supported by the numerous entities within their community; entities ranging from government to nonprofit, for-profit, community colleges and faith-based organizations. These public-private partnerships can take many different forms and be customized to specific employers' needs, but the most effective ones are characterized by close relationships between companies in need of workers and the service providers seeking to move welfare recipients into good jobs.

Forging partnerships is the best way to find new workers. According to The Partnership's member surveys, the most successful welfare to work programs begin with a strong community partnership. Companies that have successfully hired and have saved money through their welfare to work efforts are more likely to have forged partnerships with community-based agencies. These businesses turn to providers to manage key services that are beyond the employers' area of expertise or are difficult for a business – particularly a smaller one – to offer on its own. By communicating their precise hiring needs and expectations to a provider, a business can expect job applicants with the specific skills to meet their needs. The provider, in turn, can recruit, screen, and train candidates with the appropriate skills to contribute to a business from the beginning. According to employers, the best partnerships are forged over time and build on each positive experience. In the end, there is a relationship where the provider knows what a business is expecting and the business knows it will receive capable, well-trained candidates from the provider. If the company has a good experience, it is more likely to go back to that provider for continued recruiting.

Maintaining partnerships is the best way to keep new workers on the job. Although many companies utilize service providers to help them hire welfare recipients, few adequately utilize these community partners to address the needs of new workers after they are on the job. Many businesses are unaware that service providers can help with the toughest challenges recipients may face, including finding steady child care and transportation or honing interpersonal skills so they can succeed and advance in the workplace. Partnership surveys demonstrate that employers who do continue to collaborate with service providers after an employee is hired enjoy a better track record retaining and promoting their welfare to work employees.

Viewing business as a customer is the best public/private strategy. When it comes to the success of welfare to work, service providers must view the *employer* and welfare recipient as customers of equal importance. Providers must understand the customer-service "ethic" and tailor their training, placement and post-employment programs to the needs of the business customer. Businesses work best with organizations that are able to deliver qualified job candidates according to their standards, pace of business and nature of their hiring needs. In some cases, businesses educate job developers about their culture, practices and routine by inviting them into their workplace to learn first-hand. In other cases, businesses and service providers work together to create a customized training curriculum so graduates of the training program acquire job-specific skills. As Partnership companies have learned, these types of collaborations can ensure that the employer's expectations are met *and* that the job-seeker is getting the best preparation possible.

LESSON 4:

Retention and Promotion Strategies Pave the Way to Well-Being

"Quote to come"

As we have already suggested, ending welfare as we know it will require more than just moving people off of the welfare rolls, but eventually out of poverty. Businesses must not only find ways to hire workers off welfare, but to retain and promote them as well. A key to success, according to many of The Partnership's Business Partners, is thinking strategically about the challenges that confront many new workers seeking to leave public assistance and responding with direct solutions. When this is done effectively, employers report cost savings in the form of lower turnover and retraining expenses, higher productivity, and increased employee loyalty.

A few simple supports can help boost retention. High retention rates do not happen accidentally. As employers have learned what keeps new workers on the job, they have adapted workplace practices to ensure greater success.

Will move up

- *Mentoring.* Mentoring provides personal attention during the first critical months on the job and helps entry-level workers work through obstacles before they become a problem for the employer. More than 52 percent of Partnership businesses offer some form of mentoring for their welfare to work hires, either in-house through workplace volunteers, or by partnering with churches or community-based, civic and social organizations. Those with mentoring programs see positive results, with 75 percent reporting improved work performance, 67 percent reporting higher job retention, 63 percent seeing reduced absenteeism, and more than half reporting a cost savings.
- ***Education and training.*** As detailed earlier, employers do not generally expect their entry-level job applicants to arrive for their first day of work with a full set of "hard" skills. But employers *do* see the value of investing in post-employment education and training to develop new workers and give them the tools needed to succeed on the job. More than three of every four Partnership companies offer ongoing education and training to their welfare to work hires, and the payoff is striking: 80 percent see improved work performance, 68 percent experience improved morale, and 60 percent see higher retention.
- ***Child care, transportation and life skills.*** Partnership employers consistently report that investments in child care, transportation and life skills do the most to promote

retention of their welfare to work hires. Unfortunately, employers generally aren't able to address these challenges on their own. Just 22 percent of The Partnership's businesses offer any transportation assistance to their new workers, for example, and even fewer are able to pay for child care or specific soft-skills training. Employers call on wider community efforts to deal with these issues; their recommendations are explored in greater depth later in this report.

Government-sponsored work supports improve retention, too. Many new employees remain eligible for a variety of government-sponsored work supports, even after they have left the welfare rolls for payrolls. This package of programs helps smooth the transition new workers often face, and can help low-wage families maintain viable living standards until they advance and earn higher wages. These work supplements assist employers as well, without adding new costs. Research supports what common sense suggests: Workers who do not worry about providing for their families, acquiring health benefits, or accessing affordable child care are more likely to be good, reliable employees.

Many of The Partnership's Business Partners companies have learned that their low-wage workers are likely to be eligible for:

- **the Earned Income Tax Credit (EITC)**, a valuable tax refund offered by federal and some state governments, which can return as much as $3,800 a year to working families;
- a partial "wage supplement" in the form of **earned income disregards**, through which new workers may increase their income by retaining part of their welfare check even after they have gotten jobs;
- Comprehensive health insurance in the form of **Medicaid** or the newer **Children's Health Insurance Program (CHIP);**
- **Child care subsidies** funded in part by TANF dollars, although some states are delivering this important benefit more effectively than others;
- **Food stamps** or other nutrition programs;
- **Housing** assistance;
- And **transportation** assistance.

While employers are not social workers, they understand the value of these programs for many of their low-wage workers, and are usually willing to become advocates for these initiatives. In fact, nearly eight in 10 Partnership companies say they would be willing to help a new employee access information on these programs if they knew that worker were eligible. In return, employers receive another tool to help retain and advance low-wage workers.

Businesses want to promote their new workers and are learning how best to achieve that goal. For the most part, former welfare recipients have not landed dead-end jobs like many welfare to work detractors predicted three years ago. Seventy-nine percent of The Partnership's companies hire welfare recipients for promotion track positions and 91 percent offer training that could lead to a promotion. Almost all -- 94 percent -- of former welfare recipients hired by Partnership businesses receive their first pay increase within one year on the job. Their pay raises are on par with their non-welfare, entry-level colleagues. In another encouraging sign, 37 percent of Partnership companies have seen some of their welfare to work hires move on to a better job with another company.

Not surprisingly, many of the strategies employers are using to shore up retention for their new workers are frequently the same factors that drive job promotion. For example, Partnership surveys find that mentoring is the single-most effective strategy for ensuring promotion, while other research shows that education and training can do the most to help promote a new hire. The most successful mentoring initiatives involve partnerships with outside agencies and are formally recognized by the company. Companies see mentoring as an important way to address many challenges, including work-readiness, employer-employee relationships, child care, transportation and other personal issues.

LESSON 5:

Small Businesses Can Benefit from Welfare to Work with Special Help

"Quote to come"

Small businesses are the backbone of our economy. Between 1990 and 1995, companies with fewer than 500 employees created 76 percent of the nation's new jobs. And today, they employ 53 percent of the private workforce, contribute 47 percent of all sales in the nation, and are responsible for over half of the private gross domestic product. The Partnership's membership base reflects the important role small businesses play: Nearly eight in 10 of Partnership companies have fewer than 250 employees, and almost half have 50 or fewer employees.

Welfare to work can work for small businesses, too. Of the Partnership's smallest Business Partners, more than 80 percent report that those they have recruited from the welfare rolls are "good, productive workers," and this percentage has consistently increased over time. Sixty-seven percent of small companies find retention rates among their welfare hires are equal to or better than those for traditional hires, helping them reduce potential turnover costs. In fact, small companies appear to enjoy even better retention among their welfare to work hires than do their large colleagues.

Those who are hiring are doing it right. It is commonly assumed that small businesses can not offer the same benefits as large companies. While that is true in some respects, many times The Partnership's small businesses offer competitive benefits. Three-quarters of them (74 percent) offer new hires employer-sponsored health coverage. And small employers are almost as likely as larger ones to offer new workers a 401(k) matching plan – 49 percent do so – while many are also able to provide mentoring for their new employees.

Small businesses have a built-in welfare to work advantage over their larger counterparts. Small businesses that report high welfare to work retention rates uniformly attribute their success to the degree of personal attention they can pay to their new employees and the intimacy of their workplace. Managers in small businesses are much more likely to develop the personal relationships with new staff that can ease the transition from welfare to well-being. In fact, some large companies have gone to great effort and expense to create mentoring programs that foster the type of one-on-one relationships that come naturally to small companies.

LESSONS LEARNED

Small businesses need extra help. In spite of these encouraging findings, it must be noted that small businesses have generally missed out on the potential benefits of welfare to work. We know from our Wirthlin polling, for example, that half of our own small-business partners have failed to hire a single welfare recipient. That may be because they often do not have time to navigate bureaucratic barriers and they do not know where to go for help. Without the benefit of human resource departments devoted to hiring issues as many large companies have, small firms are left to their own devices to tackle employee needs. The fact is small business owners need specific, targeted help to connect them with local agencies that are designed to act as their own personal human resource managers. Later in this report, we explore other special challenges facing small employers with regard to welfare to work, and propose a number of solutions to their needs.

Will address concerns
we discussed by phone

When The Partnership began, we knew we could be most effective if we left the policy battles to the experts. After three years of "working in the trenches," however, we have acquired knowledge that we believe will be valuable in debates surrounding reauthorization of welfare reform, how to assist and promote low-wage workers in our economy, and how to move additional people who are not now working into the nation's labor force. We are aware that a system which rewards work will have elements beyond those contained in our recommendations. We have chosen, however, to limit our suggestions to subjects which are direct byproducts of our experience. We urge you, Congress, federal agencies, and state and local officials to carefully consider the recommendations. We hope you will call on us or our colleagues in the business community for active input as the debate moves forward. By working together, we will all maximize our mutual investments in this effort and continue to improve lives in the process.

REAUTHORIZE TANF BLOCK GRANTS AND SPEND THE MONEY RESPONSIBLY

As the number of families on welfare has fallen steeply, so too has the amount of money being spent on cash assistance to support them. While many fewer people remain on the rolls, those who do typically face the most serious barriers to employment. Preparing them to find and keep decent jobs will be far more challenging than it was to prepare their predecessors to start working. In addition, millions of individuals who have left welfare need continuing supports—such as assistance with child care and transportation, as well as more training in "soft" skills—as they transition into permanent economic independence.

Many states have been spending their TANF funds responsibly – for example, by ensuring child care for all new workers or investing in valuable skills training for new workers – but others have been less innovative in their spending priorities. In some cases, states have failed to spend millions of excess dollars that could help welfare recipients or fragile new workers. By not using the funds on critical training and retention services, states are sending the wrong signal to Congress, which may, in turn, be tempted to rescind the unspent money.

Strategic Imperatives

- When the 1996 welfare reform law comes up for reauthorization, Congress should not reduce TANF funding despite the drop in welfare caseloads. The investment should be sustained to help states tackle more difficult and expensive barriers faced by remaining recipients. We also encourage Congress to adjust future TANF funding for inflation so states will be best equipped to tackle the remaining and costliest challenges.

- **Congress** must strongly encourage states to promote the job retention and career advancement programs that have proven to be so critical for employers. For example, **Congress** could direct states to explain more clearly how they will use their federal dollars to promote better job retention or reduce family poverty among those leaving welfare. **Congress** could also offer bonus grants as an incentive for states to take such steps on their own.

- **Congress** ~~s~~hould not rescind the TANF money from states that it already approved. **Congress** should also honor the bargain it made with 17 of the nation's poorest states and let them keep supplemental TANF funding that was awarded to them in 1996 – money that was intended to close the large gap between benefit levels paid by these states and their wealthy neighbors. These states, in turn, should more aggressively invest this money in programs to help their neediest residents.

- **State and local officials** should responsibly spend the money they have already received. The Partnership's companies strongly disapprove of TANF money being used to supplant other state costs unrelated to the program, as has happened in some states. Any extra TANF dollars should be used *exclusively* for services and programs that support welfare recipients, additional people who are not working, and existing low-wage workers.

- **State and local officials** should spend their TANF funds to help us finish the job by subsidizing innovative strategies on higher quality child care, transportation, training, and other retention and career advancement approaches. States should also use TANF dollars that are not needed for welfare recipients to assist all of their low-wage workers who strive to join the ranks of the middle class.

FIND A BETTER BALANCE BETWEEN "WORK FIRST" AND BEING READY FOR WORK

Will change title/name per your suggestion

The business community applauds the strong emphasis Congress and the Clinton Administration placed on *work* in the 1996 welfare reform law. And, indeed, employers have been the direct beneficiaries of the statute's "work first" mandate, as millions of able-bodied welfare recipients joined or rejoined the labor force in the last four years. Like so many other working Americans, Partnership employers generally believe that *any job is a good job* to the extent that it provides good work habits, marketable skills, valuable work experience and, perhaps most important, self-confidence.

But as the rolls decline, many employers have come to recognize the practical limitations of a program that, in some cases, pushes recipients into jobs *before* they are prepared to succeed in them. According to employers, a combination of factors – little or no work history, poor education, and especially a wide array of personal problems and "soft skill" deficits – leaves many welfare recipients ill-equipped to enter the workplace without serious preparation *before* they arrive for the first day of work.

Strategic Imperatives

- ◆ **States** should take full advantage of the flexibility they have under current law to allow for more and longer remedial, *pre-employment* help for recipients with the biggest obstacles to work – which, in our experience, is an increasing proportion.
- ◆ **Congress** should give states more latitude to define "work activities" under the law- - allowing qualifying recipients to receive intensive but temporary "life skills" training before going to work. Similarly, **Congress** should broaden the definition of work activities to take into account the special needs of recipients who require mental health, substance abuse or domestic violence counseling, for example.
- ◆ To provide a strong incentive for welfare recipients to take jobs, The Partnership believes that the five-year time limit on welfare should be suspended for individuals who are working a substantial number of hours but still earn a low-enough initial wage that they remain eligible for welfare. In a recent survey, 59 percent of Partnership employers said **Congress** should amend the 1996 law and waive the time limit if a recipient is working at least part-time, thereby "stopping the clock" for these low-wage earners.

Can rephrase; but
Under discussion, Eli + Board inclined to retain this

SUPPORT NEW WORKERS IN THEIR TRANSITION TO SELF-SUFFICIENCY

In an effort to encourage welfare recipients to transition off the rolls and into jobs, lawmakers have enacted and expanded a range of temporary work supports that help ease the journey from welfare to work. Too often, however, these programs – like health insurance, child care, food stamps, and transportation and housing subsidies – do not get into the hands of those they are intended to help. Some former welfare recipients want a clean break from a system that they find demoralizing and do not pursue continued support. But, too often, recipients lack knowledge about the possibility of these supports, and local public assistance offices fail to adequately educate eligible families about the benefits to which they are entitled. Burdensome application requirements can further discourage recipients from applying.

There are also financial wage supplements that can greatly enhance a new worker's income and help stabilize their families during the sometimes difficult transition from welfare to work. For example, Partnership companies recognize the great value of the existing Earned Income Tax Credit (EITC) to lift low-wage workers out of poverty. Similarly, The Partnership supports policies that disregard a part of a family's earnings when determining whether they're eligible for continued welfare benefits. The effect: People who are making low wages may continue collecting part of their welfare check until their wages alone are sufficient to lift them out of poverty.

While these supports are pivotal to new workers, they also benefit employers by providing one more resource that can be used to retain and advance new workers. Small companies and those who only offer part-time work will especially benefit, as they tend to be the least likely to offer employer-sponsored supports.

Strategic Imperatives

Meeting child care needs

- States should use their existing TANF block grant money to pay for more child care slots for low-income, working parents, and to eliminate waiting lists that are now common for families eligible for child care.
- Congress should expand the existing Child Care and Development Block Grant and Child and Dependent Care tax credits to cover more working parents, and make the tax credit refundable so that the lowest-wage workers would benefit.
- Congress, states, local governments and service providers should work together to expand options for workers needing quality after-hours, after-school, and emergency care, particularly for families recently off the welfare rolls who are more likely to work nontraditional hours. Child care should also be available for welfare recipients who are participating in education or job training, substance abuse treatment, or counseling.
- Service providers and others who work with recipients should help address child care and transportation needs, two of the biggest barriers to work.

Getting workers to the job

- States with substantial TANF reserves should invest them in transportation solutions for low-income workers, and all states should make this challenge a high priority.
- Municipal and county officials should work across jurisdictional lines to find and support regional transit routes.

RECOMMENDATIONS

- **Congress** should expand funding for the *Access to Jobs* program to promote innovative community transportation solutions for low-income workers.
- **Congress** and the states should support additional subsidies and tax credits to provide low-wage workers with transportation vouchers.
- **Congress**, as well as **state** and **local governments**, should expand on existing creative initiatives to "bring work to the workers" – through existing Enterprise Zones, proposed "Renewal Communities," or other initiatives to promote inner-city economic development. To complement this effort, **Congress** and **state lawmakers** should also help "bring the workers to work" by supporting housing vouchers or other subsidies that enable welfare recipients and low-wager workers to move closer to areas of greatest job growth.
- **Congress** should support changes in federal law to make it easier for low-income workers to own their own car without losing eligibility for food stamps or other income support programs.
- **Local service providers** should promote car pools or van service to take workers from their central-city neighborhoods to jobs in the suburbs, as well as innovative car purchasing programs for recipients and low-wage workers.

Expanding the Earned Income Tax Credit (EITC)

- **Congress** should increase the value of the credit for families with three or more children, and drop the so-called "marriage penalty," which results in a lower tax credit for lower-income married couples.

Will add reference to revised phase-down rate

- **States** without their own earned income credits should enact them, as a dozen states have already done.
- **Service providers, state and local officials, and employers themselves** should actively promote this valuable wage supplement for lower-paid workers, and the **IRS** should publicize it as widely as possible.
- **The IRS, service providers and state and local officials** should also more actively promote the EITC "advance payment" option, through which lower-wage workers can earn an incremental credit with each paycheck rather than in a year-end, lump sum.
- **Employers** should also help their eligible workers access these credits, while those who find the required paperwork too difficult should work with local providers to find easier solutions.

Providing more generous earned income disregards

- **All states** should allow qualifying welfare recipients to keep some portion of their welfare benefits even as they begin to earn a paycheck. Where possible, those states that already have earnings disregard policies should make them more generous – allowing recipients to keep more, and for a longer period of time, so that they are able to escape poverty before their welfare grant is phased out.

Under discussion

- The 10 states that do not now have earned income disregards should enact them to help their recipients get off – and stay off – of welfare.

Promoting mentoring for new employees

- **State and local officials** should find innovative ways to support mentoring programs for those leaving the welfare rolls.
- **Service providers, civic and faith-based groups, and professional organizations** should reach out to individuals leaving welfare and other new workers who are most likely to benefit from the support a mentor can provide.
- Employers should facilitate mentoring programs in the workplace, encouraging and, ideally, rewarding staffers who agree to become mentors to their new colleagues.

Taking other steps to smooth the transition

- The Partnership believes it is unacceptable that millions of families who are eligible for transitional support programs like food stamps, Medicaid, and the Children's Health Insurance Program (CHIP) are not receiving support from them. **State and local governments, service providers and case workers** should do a better job informing people leaving welfare that they are still entitled to these and other support programs, including child care, transportation subsidies and housing. This could be done in an "exit interview" as recipients leave the system, or through a mailing generated automatically as people leave the rolls.
- To facilitate this process, these parties should develop straightforward guidance – perhaps in the form of a brochure or on the Web – that would enable employers and their workers to conveniently understand what transitional supports they can receive.
- **Employers** should play a key role in this process by informing their new and lower-wage workers of government programs for which they may qualify. They could do so by making information or applications available in the lunch room at work, for

example. Employers can contact their local workforce development offices and ask about any resources that may be available to help their them promote worker retention and advancement strategies.

- Equally important in promoting job stability are employer-sponsored benefits like health insurance and retirement savings accounts. Partnership surveys teach us that even though most of our companies offer these programs, many of their welfare to work hires do not take advantage of them. We strongly encourage our **Business Partners** and other **employers** to promote these valuable benefits for their employees.

MAKE THE SYSTEM WORK BETTER FOR EMPLOYER AND EMPLOYEE ALIKE

In too many communities today, the systems that are responsible for counseling, training, placing and providing ongoing support for recipients and other low-skilled job seekers simply *do not work* for the average employer. Sometimes the problem is a lack of coordination among diverse and competing program bureaucracies; other times, it is a duplication of effort and failure to involve employers in the process. Either way, the end result is that employers are frustrated by an unfamiliar and cumbersome system, and low-income workers cannot access the valuable supportive services they need to succeed on the job.

Fortunately, the newly implemented Workforce Investment Act (WIA) aims to address these challenges by streamlining the methods by which employers find new workers. If the law is to be truly effective – based on the goal of allowing employers and employees easier access to a variety of resources and worker supports – communities must truly change the way they do business. If the new systems are to meet employers' expectations, their very culture must change. They can no longer be simply "check-cutting" centers; they must become comprehensive job and support centers that place the needs of businesses and new workers first.

Strategic Imperatives

- **Local welfare** and **workforce departments** should work together to make the hiring, retention and advancement process simple and seamless for employers. Employers should simply have one phone number to call and one customer service representative to meet their business needs.

- As Private Industry Councils (PICs) transition into Workforce Investment Boards (WIBs), we urge **local welfare and workforce systems** nationwide to become true partners with the businesses in their community. That means inviting employers into the planning process from its earliest stages and seeking input from employers each step of the way. It will also require them to act more like corporate boards with efficient, business-friendly meetings. They should also form marketing collaboratives to educate employers about available services, create materials that speak the business language and customize materials to businesses of different sizes and industries.

- **Federal agencies, welfare and local workforce development departments and service providers** should regularly communicate with each other to ensure that employer outreach and social service provision can cross agency and regional lines. For example, a cross-section of welfare to work agencies may coordinate to meet the needs of employers in the suburbs whose employee base is in the cities. Or, they may complement each other's services by targeting their efforts on the services they know best.

- To ensure that eligible former welfare recipients and other low-wage workers receive food stamps, child care, Medicaid, and other important transitional benefits, **federal, state, county and local one-stop officials** should simplify their application processes. These agencies must recognize that many former welfare recipients are now full-time workers who cannot leave work in the middle of the day to apply for benefits without disrupting employers' schedules. To accommodate new workers, local welfare offices should stay open later in the evening or on weekends, for example, or consider setting up satellite application centers or creating on-the-job enrollment. Some Partnership businesses have even arranged for local welfare officials to visit their workplace and enroll eligible employees on site.

- **Local governments** must build more accountability into the workforce development system by encouraging performance-based employment and training programs and rewarding those that focus most directly on what employers need. Funding should be easily accessible for customized job-training programs, as long as employers are involved in the development and commit to hiring individuals who complete the programs. In the end, such demand-driven programs will benefit businesses in need of workers and workers in need of good jobs.

- **Employers can help, too.** Provide feedback to every community-based agency or public agency. Explore ways to formally participate in welfare to work or workforce development policy in every community. Learn and ask about joining the local Workforce Investment Board, or a local task-force related to job training, or retention.

PROVIDE EXTRA HELP FOR SMALL BUSINESSES

Under discussion, but reworded already per Eli's request

We are not happy to report that while 10 percent of the large companies who have joined The Partnership have not hired welfare recipients, fully half of our small Business Partners haven't done so. Small businesses have not hired as frequently as large companies because they face unique challenges. Many simply do not have the time to access information about where to find qualified candidates. They do not have human resource departments dedicated to recruiting, retention and promotion initiatives. Despite these realities, small businesses often reap the highest rewards of hiring welfare recipients, as a handful of successful welfare to work hires may constitute a significant percentage of their labor-force. The key to getting small businesses to hire is to make the hiring process simple, cost-effective and best suited to the specific needs of each small business.

Strategic Imperatives

- Local governments, one-stops, service providers and Small Business Development Centers should be prepared to allocate and fund staff to serve as "ombudsmen." These staff would provide customized guidance to help small business owners access tax incentives, as well as hire, retain, and advance new workers. They would also broker social and support services for small business employees. Special marketing campaigns and materials need to be developed to get and keep them involved.

- **Governors** and local **officials** should recruit small business leaders and small business associations for active and substantial participation on state and local WIBs.

- **U. S. Departments of Labor, IRS, Health and Human Services and the Small Business Administration** should allocate resources to aggressively market the Work Opportunity and Welfare to Work Tax Credits for small businesses.

- **Federal, state and local small business-related agencies, small business associations, and appropriate trade associations** can be very effective advocates for their constituency and should more actively involve their members in welfare to work.

- **Larger businesses** should work with their vendors and suppliers—many who are small businesses—to educate them about welfare to work.

STRENGTHEN INCENTIVES FOR EMPLOYERS TO KEEP HIRING

The Work Opportunity and Welfare to Work Tax Credits are incentives for businesses to hire and retain individuals moving from welfare to work. Many of the businesses that have accessed these tax credits have used the savings to offset the costs of hiring, retaining and providing career advancement opportunities for their new hires. Other businesses, especially small ones, have not taken advantage of the credits for a number of reasons: they do not know they exist, they believe the paperwork involved is too burdensome, they have been confused by periodic lapses in the program, and they are often frustrated by a backlog in the certification process by the state employment security agencies.

Strategic Imperatives

- Congress should extend the Work Opportunity and Welfare to Work Tax Credits for longer periods of time, thereby limiting confusion in the business community and increasing the stability of the state agencies that process them.
- **State employment security agencies** should process these tax credits more quickly for businesses and eliminate any backlogs.
- Congress should allocate funding to the state agencies to establish "help desks" for small businesses to walk them through the certification process.
- **Federal, state and local governments** should educate **service providers** on the value of these tax credits so they can better market them to business.

HELP BREAK THE CYCLE OF POVERTY

One of the major goals of welfare reform was to break the dependency on welfare that many generations experienced. Too often, children grew up in families that depended on "welfare checks," instead of "pay checks." While employers' immediate interest is in hiring adults who are ready to work, many Partnership businesses support efforts to intervene earlier in the lives of disadvantaged youth.

Strategic Imperatives

- **Schools, communities and mentors** should intervene at younger ages to address "soft skills" problems many employers are now encountering among job applicants.
- **States and local governments** should effectively develop high standards for schools so children have the academic skills to excel later in life.
- **Congress, State and local governments** should expand school-to-career programs in local high schools.
- Any individual can mentor a child.

Under discussion but Gerry Greenwald (Chairman of our board) vetoed the mentoring tax credit idea as "wreaking of corporate welfare"! Will explore other possibilities + employer-sponsored incentives to mentor –

TARGET SPECIAL HELP TO THE FATHERS OF CHILDREN ON WELFARE

For welfare reform to fully succeed, the fathers of children on the rolls must live up to their responsibilities and contribute to their family's economic well-being. Too often, however, these men face the same obstacles to work as the mothers of their children. Traditionally, welfare to work programs have focused their efforts on women, leaving fathers few options for training and support that could help move their family off of welfare and out of poverty.

Strategic Imperatives

- The Partnership's Business Partners call on **Congress, state and local governments,** as well as **service providers** to better integrate fathers into existing welfare to work initiatives. **States** should also take full advantage of existing funds from the U.S. Department of Labor that are intended to help fathers access employment-related training.
- **Congress** should favorably consider proposed bipartisan legislation that earmarks new grants and services to low-income fathers, with the important goals of helping them gain employment, pay child support, and reconnect with their children.
- **Employers** should apply the lessons learned from hiring former welfare recipients to all employees, including the fathers of children on welfare or otherwise struggling to get by.

CONCLUSION

Rewritten by Sri (see changes from last version you reviewed).

A few years ago, welfare to work was little more than a slogan. Today it is a reality. Companies have proven that welfare to work is as good for their business as it is for the community. And, welfare recipients have proven that when employers give them a chance and they have the right employment-related supports, they can make the successful transition from welfare to work. **Together, they have proven that welfare to work is** *the bottom line for better lives.*

And we are happy to report that businesses will remain engaged in the welfare to work effort. In fact, nearly three quarters of Business Partner companies intend to hire welfare recipients in the coming year. Having experienced success first-hand, these businesses ~~will~~ be working harder than ever to build on the progress to-date. In the process of building their business with dedicated and reliable workers, businesses will help hundreds of thousands of Americans begin the transition from dependence to independence. These new workers, in turn, will gain valuable skills and experience that they never had before. Welfare to work has helped and will continue to help countless Americans be productive citizens again, provide for their families again and be role models for their children again.

There are two unanticipated benefits of the welfare to work initiative. First, it has generated deep support in the American business community. Second, it has increased the likelihood that the lessons we have learned in moving welfare recipients towards productive lives can be applied to many other citizens who have lived too long in the shadows of the American dream. With the help of wise policy makers and committed service providers, we can open the doors of opportunity to millions more of our fellow citizens.

UNITED AIRLINES

United Airlines
Gerald Greenwald

As chair of The Partnership, I have taken great pride in fulfilling my mission to publicize innovative welfare to work efforts across the country and actively encourage other corporations to target welfare recipients as potential new employees. Every company that has come on board has realized one fact: welfare to work programs are good for business.

At United, we remain committed to welfare to work and will reach our goal early by hiring 2,000 former welfare recipients before the end of the year. But beyond the numbers, we have learned that welfare to work benefits all our employees. When our program began, we solicited volunteers to serve as company mentors to each of our new welfare to work employees. Our mentors were there to be a friend: to help the new hire get over any bumps in the road at a new job; to give practical workplace advice; or just be a sounding board or a cheerleader.

We knew that our mentoring program would lead to higher retention rates, and it did – almost twice as high. But the interesting part of the program is that working with former welfare recipients, and hearing how much it meant to have a job and be independent again, offered a unique perspective for our existing employees. We have found that morale is up at United. Our people pull together and work as a team. There is a refreshing new spirit among our employees and it is due in part to this welfare to work experience. Based on our success, I can look any shareholder or customer in the eye and say that welfare to work means a stronger workforce and better service for our customers. I am convinced that by working together to recruit, train and employ former welfare recipients, we can build stronger workforces, companies and families.

United Airlines is one of the five founding companies of The Welfare to Work Partnership. Gerald Greenwald is the former chairman and chief executive officer of United Airlines and the current chairman of the board for The Welfare to Work Partnership. United Airlines is the largest majority employee-owned company in the world, as well as the largest air carrier. United offers more than 2,330 flights to 139 destinations in 26 countries and two U.S. territories.

Burger King Corporation
Dennis Malamatinas

At Burger King Corporation, we believe that all people, regardless of economic status, race, creed or color, have an important role to play in our long-term viability as a business and our community at large. We have learned that each person has a unique talent and gift and if you give them a chance and the tools to succeed, they will make a valuable employee. This commitment to diversity and opportunity is one of the main reasons Burger King accepted the challenge in 1997 to join the welfare to work initiative. Our 475 U.S. corporate-owned restaurants alone have hired 17,000 employees off welfare in the last two years. Our welfare to work program is so valuable because we have a terrific, bottom-line story to tell.

At Burger King, we have found that the workers who are hired off welfare have a 45 percent higher retention rate than the turnover rate for all other employees in the industry. In an industry like ours, where dependable workers are in such high demand, this is no small accomplishment. Our successful welfare to work strategies are forever integrated in our hiring, training and recruiting systems. It has reduced turnover cost for all employees and made our restaurant teams feel good about themselves and their restaurant. And that feeling transfers to our customers.

Burger King is one of the five founding companies of The Welfare to Work Partnership. Dennis Malamatinas is the chief executive officer of the Burger King Corporation. Burger King has more than 10,950 restaurants in 58 countries and international territories worldwide and employs more than 300,000 systemwide.

MONSANTO
Food · Health · Hope™

Monsanto Company
Robert B. Shapiro

When President Clinton called for businesses to help end "welfare as we know it," I knew Monsanto could help. As a company we had outsourced most of our entry-level employment opportunities, however, I still felt we could play a role by educating our vendors about welfare to work and advocating change in our local communities.

From the beginning, we have been at the table in our local communities working with government, nonprofits and the private sector to shape a program that works for businesses and prospective employees. Our involvement in welfare to work has helped us develop new relationships in the community and helped our vendors in this tight labor market. We will continue to work in our local communities to improve the program and educate new vendors about the benefits and advantages of hiring former welfare recipients.

Monsanto is one of the five founding companies of The Welfare to Work Partnership. Robert B. Shapiro is the former chief executive officer of Monsanto Company, which recently merged with Pharmacia Upjohn to create the new Pharmacia Corporation. Monsanto Company, a wholly-owned subsidiary of Pharmacia, is a leading provider of agricultural solutions to growers worldwide. Monsanto's employees provide top-quality, cost-effective and integrated approaches to help farmers improve their productivity and produce better quality foods.

Sprint
William T. Esrey

Through its participation in welfare to work, Sprint has enjoyed the satisfaction of helping provide jobs for those in need and the benefit of creating an alternative recruiting source in a tightening labor market. I am honored to serve as one of the original five U.S. CEOs charged with facilitating public/private sector partnerships in support of this initiative.

Over the past three years, our most notable welfare to work accomplishments include the "JazzRoc" call center in Kansas City's historic 18th & Vine jazz district. "JazzRoc" allowed us to hire individuals from the urban core and provided other businesses with a model for revitalizing an economically-depressed area that was once the heart of Kansas City. Sprint has also partnered with other Kansas City-based organizations in developing skills-based training to support the staffing needs in our call center operations. The six-week training program has a graduation and placement rate of over 80 percent. It not only provides candidates to Sprint's multiple call centers, but also to over 20 other call center employers that have found it difficult to attract and retain skilled workers.

We will continue to support the effort of moving individuals from welfare dependency to self-sufficiency, because the benefits are far-reaching – for individuals seeking to achieve the American dream, for a continuing robust U.S. economy and for businesses searching for a new stream of able, willing and dedicated employees.

Sprint is one of the five founding companies of The Welfare to Work Partnership. William Esrey is chairman and chief executive officer of Sprint, a global communications company at the forefront of integrating long-distance, local and wireless communications services, and a large carrier of Internet traffic.

United Parcel Service
James P. Kelly

More than 25 years ago, UPS discovered that former welfare recipients make dedicated and loyal workers because they truly value their jobs. Since 1997, UPS has hired almost 35,000 people from welfare and operates welfare to work programs in 40 locations across the country all the while providing excellent pay, health insurance, 401(k) plans and paid vacations and holidays. In addition, many employees have access to tuition assistance through UPS's Earn and Learn Program.

UPS's success in welfare to work is due to the unique partnerships it has formed with government and nonprofit agencies across the country. UPS managers visit these agencies, establish hiring goals and objectives, and conduct mock interviews and job readiness workshops. As one of the five founding companies in The Welfare to Work Partnership, UPS has become even more active in hiring welfare recipients and in encouraging other businesses to get involved in the initiative. UPS is continuing to expand its welfare to work program so more people can make the transition from generations of welfare to financial independence.

UPS is one of the five founding companies of The Welfare to Work Partnership. James P. Kelly is the chairman and chief executive officer of United Parcel Service of America. UPS is the world's largest express carrier, the world's largest package delivery company and a leading global provider of specialized transportation and logistics services delivering over 12 million packages each business day.

AHL Services, Inc.
Frank A. Argenbright, Jr.

AHL Services joined the welfare to work initiative because we learned that we can staff our businesses and service our customers while giving welfare recipients in our community an opportunity to improve the quality of their lives. Through aggressive local and regional recruiting efforts, AHL has hired 398 welfare to work participants during the first quarter 2000, and we are well on our way to reaching the overall three-year goal of 3,750 welfare to work hires by year-end 2000. Our welfare to work program has allowed us to create a training program that provides support and advancement opportunities necessary to ensure the development and work skills of all our workers. With today's competitive labor market and low unemployment rate, all employers must expand their recruiting efforts and get creative in their methods to attract and retain employees. For AHL, welfare to work participants are the employees that allow us to fully staff our business and move ahead of the competition.

Frank A. Argenbright, Jr. is the chairman and co-chief executive officer of AHL Services, Inc., a leading multi-national provider of outsourced business services. AHL provides management, processes, technology and labor for operational, marketing and customer service functions to clients located throughout the United States and Europe.

Allied Van Lines
Mike Fergus

Allied Van Lines became involved in welfare to work because it brings viable solutions to our business objectives and employs a strategy that significantly strengthens communities, families and the future of our nation. We joined with Alliance Relocation Services, L.L.C., our local partner in this effort, in the goal of training and placing 500 former welfare recipients in the year 2000. We also created synergies with selected organizations that strengthen our foundation for success: A local university is preparing a training curriculum for recruits; we are seeking to strategically outsource the retention effort to the BizLink Network Program in Chicago; and Reebie Moving & Storage, a local agent, has provided a full-time trainer to mentor potential participants in the program. We have also educated many of our clients about the benefits of hiring this new source of employees. Welfare to work brings viable solutions to our business objectives and employs a strategy that significantly strengthens communities, families and the future of our nation. We are excited by the prospects and possibilities of such a far-reaching effort.

Mike Fergus is the president of Allied Van Lines, Inc., the leading provider for domestic and international relocation services, special products transportation and related insurance service markets.

Bank of America

Bank of America
Cathy Bessant

We at Bank of America have long recognized that the success to community development and expanding economic opportunities to all Americans can best be achieved through partnership and collaboration. We believe that promoting self-sufficiency is about more than just creating jobs. Our Welfare-to-Self-Sufficiency Initiative focuses on recruitment, retention, career advancement, housing, health care, child care, transportation, building strong communities and moving people into the financial mainstream. It requires a broader look at the challenges facing those employees transitioning from welfare and the communities where they live. We currently have training programs in 12 locations, with plans for ten more in 2000. Through these efforts, we have hired more than 1,500 former welfare recipients into career-path positions and average 100 new hires per month. The result has been an impressive vehicle for the recruitment and retention of a diverse and talented workforce.

Cathy Bessant is the president of Consumer Real Estate and Community Development Banking for Bank of America. Bank of America, with $656 billion in assets, is the holding company for the largest bank in the U.S. It has full-service operations in 21 states and the District of Columbia and provides financial products and services to 30 million households and two million businesses.

C & S Paving, Inc.

C&S Paving
Carolyn Stradley

Since we are a small company that employs around 40 people, being understaffed can make or break a project deadline. To combat the tight labor market, C&S Paving turned to hiring women and men off the welfare roles to fill laborer and equipment operator positions. We worked with the Georgia Women's Business Initiative, which brought together several companies that donated resources and space for training. In addition to finding valuable employees, welfare to work has helped us learn about the people who are facing the reality of being in the welfare system. These people have the same problems that we employers face in trying to retain our employees – transportation, child care and health care costs. Their problems are our problems. Let us work together to help each other.

Carolyn Stradley is the president of C&S Paving, an asphalt paving and grading company serving the Southeastern United States.

Cessna Aircraft Company
Russ Meyer

When we started our welfare to work program in 1990, it was never intended to be a staffing solution. But today, as we continue to grow and with unemployment at a record low, our 21st Street facility is an important solution to a difficult staffing question. We found that there are an awful lot of people who are willing to make a change in their lives. So instead of giving up on an untapped source of employees, we invested in them. Our training center provides pay and benefits during vocational training and guarantees graduates employment in our company. The Learning Center, opened in 1997, expands the training center to include a subassembly plant and houses all of the training programs as well as a new daycare center. All of our trainees are assisted by counselors to help them deal with problems that can arise when transitioning into a new work environment. Since the 21st Street Program opened, we have had over 300 employees, who but for this program, would have never worked for us. They are talented. They are loyal. They hold Cessna in a status beyond which most employees hold their companies. The quality of our graduates is reason enough for any company to take a look at doing something of this nature.

Russ Meyer is the chairman of Cessna Aircraft Company, the world's leading manufacturer of general aviation aircraft. In addition to its 21st Street Learning Campus, Cessna employs 12,000 people in Wichita, Kansas.

CHASE

Chase Manhattan Bank
Mark Wills

From the onset of welfare reform, we at Chase realized that welfare to work could have a significant effect on the communities we serve. Building on our experience in helping to revitalize communities across the country, and with full support from our chairman, we recognized that locally-based strategies were critical in translating welfare to work into real jobs and economic empowerment. We saw a number of ways for Chase to play an important leadership role, including funding programs and alliances that support welfare to work efforts and sponsoring forums to engage other businesses in welfare to work employment activities. Additionally, we facilitate partnerships between businesses and nonprofit training organizations and develop our own partnerships so Chase can hire more people who want to leave public assistance. We are proud of the results from all three initiatives and look forward to helping our community while gaining valuable employees.

Mark Willis is an executive vice president for Chase Manhattan Bank and director of the Chase Community Development Group. The Chase Manhattan Corporation is one of the world's top-performing financial services firms and the third largest bank-holding company in the United States.

Citigroup
Marjorie Magner

At Citigroup, there is terrific gratification that comes from our involvement in welfare to work, because we know we are giving people an opportunity. But from a corporate perspective, this is smart business – we get great employees. Citigroup's welfare to work model is unique in that we have developed a wonderful partnership between Salomon Smith Barney and Wildcat, a New York City-based service provider. After the training at Wildcat, former welfare recipients come to Salomon Smith Barney ready to contribute. We get qualified employees who are specifically trained on our computer systems. Our new employees are enthusiastic, excited and incredibly loyal. In fact, we have had a 90 percent retention rate. It has become an inspirational program on so many levels and based on the results at Salomon Smith Barney, we are replicating the program at other Citigroup subsidiaries around the country and in England.

Marjorie Magner is head of Citibank, N.A. and Primerica for Citigroup. Citigroup is the most global financial services company providing some 100 million consumers, corporations, governments and institutions in 100 countries with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, insurance, securities brokerage and asset management.

CVS Corporation
Tom Ryan

Our involvement with welfare to work started for strictly business purposes – we needed to hire the best people to handle the critical task of serving our customers. Today, CVS employs 4,000 former welfare recipients among its active workforce, and our welfare to work program has embodied the President's call for "enlightened self-interest." Our success has resulted, in part, from targeted training and support programs in rural and urban areas. CVS works with local service providers to assist former welfare recipients in advancing on the job and accessing valuable government benefits, such as the Earned Income Tax Credit, WIC and food stamps, so that individuals can truly transition from welfare to self-sufficiency. Our welfare to work program has not only been good for our business as a retailer and a health care provider, but it has helped individuals realize that hard work and a commitment to success can lead to a meaningful career.

Tom Ryan is chairman, chief executive officer and president of CVS Corporation, which is the largest drugstore chain in the United States.

Fannie Mae Foundation
Stacey H. Davis

I joined the welfare to work initiative because I believe the business community can help identify job opportunities for people coming off welfare and help those individuals remain on the job. I am impressed with the business community's accomplishments so far. Thousands of welfare recipients are now supporting their families by earning a paycheck. This is more than statistics – this is an impact. As president and CEO of the Fannie Mae Foundation, I share welfare to work's emphasis on measurable results and sustainability. As we move forward, financial literacy and affordable housing opportunities are essential components. The Retention and Career Advancement 2000 program presents a natural opportunity for the Fannie Mae Foundation and The Welfare to Work Partnership to partner in providing former welfare recipients with financial literacy and homeowner education resources in order to help get them on the path to self-sufficiency.

Stacey H. Davis is president and chief executive officer of the Fannie Mae Foundation, the largest foundation in the country devoted to affordable housing issues.

General Converters and Assemblers, Inc.
George R. Stinson

More than 30 years ago, I learned that welfare recipients were an excellent source of employees for my small business. Today more than half of my workforce has come from the welfare roles, and the results have inspired me to educate other businesses – large and small – about the benefits of welfare to work. By partnering with local organizations, including Workforce Investment Boards and the One Stop Job Center, we provide recipients with job-specific training to ensure that they succeed on the job. Through personal mentors inside the company, our welfare to work hires come to work with the appropriate attitude for a successful career and an independent life. Welfare to work has been crucial to GCA's expansion over the past 30 years. We are living proof that that you can help your community and improve your bottom line at the same time.

George R. Stinson is the chairman of the board of General Converters and Assemblers, Inc. (GCA). GCA is a contract packaging and manufacturing company located in Racine, Wisconsin.

IBM
Stanley S. Litow

IBM's commitment to make sure that individuals have the skills and experiences they need for a productive and successful life is part of the culture of this company. When I joined The Welfare to Work Partnership, we saw a new opportunity where IBM's technology and people can make a significant difference. The Partnership's web site, The Solutions Network, is a perfect example of how we can and must go beyond mere access to technology. We can truly bridge the Digital Divide when we use our technical know-how to work better and smarter on behalf of others. IBM will continue to work with The Partnership to make sure that businesses, community resources, and individuals can find the online resources they need to hire more former welfare recipients and better integrate them into the workforce.

Stanley S. Litow is vice president of Corporate Community Relations for the IBM Corporation. IBM is the world's largest information technology provider (hardware, software and services) and the sixth-largest company in the Fortune 500, ranked by revenue. The company employs more than 290,000 people worldwide and does business in more than 160 countries.

LOEWS HOTELS

Loews Hotels
Jonathan M. Tisch

As the worker-shortage crisis continues to be a challenge for the growing travel and tourism industry, welfare to work is the perfect example of how two supposedly diametrically opposed goals of business – making money and being socially responsible – can intersect in a meaningful way. As part of Loews Hotels' efforts to transition former welfare recipients into the lodging industry, we have hired over 125 former recipients with a higher retention rate than our overall turnover rate. Our commitment to the initiative even transcends competition with other hotels. In an unprecedented step for the tightly competitive hotel industry, Loews brought together 44 area hotels from the Greater Miami & The Beaches Hotel Association, along with the mayors from Miami/Dade County and Miami Beach, to create a program that is now helping to transition 300 former welfare recipients into the lodging industry. Collectively, corporate America needs to understand that we cannot look to government to solve all of our problems. The public sector can set the tone and take the initiative, but the private sector must also take responsibility.

Jonathan M. Tisch is the president and chief executive officer of Loews Hotels and the vice chairman of the board for The Welfare to Work Partnership. Loews Hotels currently owns and/or operates 14 hotels and resorts in the U.S. and Canada.

Marriott International
J.W. Marriott, Jr.

In my mind, Pathways to Independence is the best thing we do at Marriott. Marriott is a company that cares about its employees, and Pathways to Independence has trained and placed a new source of dedicated, productive employees in the company's operations. In addition to providing career opportunities for thousands of welfare recipients and disadvantaged individuals, Marriott's Pathways program is also helping the communities in which it operates. It is a great privilege for Marriott International to participate in an initiative such as welfare to work, where we can help individuals gain self-respect and become productive members of society. We offer former welfare recipients jobs and career opportunities in a truly supportive, trusting environment, and in return, Marriott receives dedicated and loyal employees.

J.W. Marriott, Jr. is the chairman of the board and chief executive officer of Marriott International, Inc. Marriott is a leading worldwide hospitality company with over 2,000 operating units in the United States and 57 other countries and territories.

The Mills Corporation
Laurence C. Siegel

At Mills, we have found that there is an untapped resource of loyal and dedicated workers just waiting for a chance to prove themselves. We have significant employment demands – more than 3,000 new positions for every mall we open – and we have learned that welfare to work can help us build the workforce we need at each location. From the very beginning, the key to the Mills MATCH program was transforming development directors, once driven by deadlines and dollars, into community activists. With the transformation complete, MATCH addresses the toughest welfare to work challenges, including transportation and child care. Mills' investment in the community benefits not only our retail/entertainment venues, but other local businesses as well. We will continue to hire former welfare recipients because it is a sound business practice, and we are proud that the education, training and certification provided to Mills' employees will stay with them for life – wherever they live and wherever they work.

Laurence C. Siegel is the chairman and chief executive officer of The Mills Corporation.. Across the United States, ten Mills super-malls employ almost 4,000 people each and are one of the top two tourist attractions for their respective states.

production products

Production Products
Barry N. Corona

I joined The Welfare to Work Partnership because it makes good business sense. I started my business in the inner-city 24 years ago, and from the beginning, I relied on a workforce predominately made up of individuals coming from welfare. I have found that given the right training and support, this sector of the population is a valuable source of good, productive employees.

Barry N. Corona is the president and chief executive officer of Production Products. Based in St. Louis, Missouri, Production Products is a small minority manufacturing business that primarily serves the Department of Defense.

Rachel's Bus Company
E. Rachel Hubka

Having once applied for welfare myself, I know that welfare recipients are smart, motivated people who only need a chance to prove that they make loyal and dedicated workers. My key to success is making basic decisions that most businesses, especially small ones, need to consider, such as making a personal commitment to helping employees stay on the job, offering incentives, and never lowering my standards. My welfare to work program has given me highly motivated employees. In return, I have been able to help my employees improve their self-esteem and gain hope for themselves and their children's futures. Because our future depends on continuing to hire from the welfare rolls, my commitment is to hire and train as many qualified individuals as are available.

E. Rachel Hubka is owner and chief executive officer of Rachel's Bus Company, Inc., a contract carrier for Chicago Public Schools, providing safe and timely transportation to Chicago's school children. Approximately 40 percent of Rachel's Bus Company's 150 employees have come from a welfare background.

SEARS Sears, Roebuck and Co.
John T. Sloan

As a part of the fabric of American life for more than 100 years, Sears was pleased to take a leadership role in welfare to work. Sears' Chairman and CEO, Arthur C. Martinez, personally directed efforts across the country to identify, hire and retain qualified applicants. Sears has also developed relationships and networks with other like-minded businesses and organizations, hired a vendor to screen all new hires, created awareness about wage subsidy programs and rolled out wage subsidies in a number of Sears stores. Sears has hired more than 32,000 former welfare recipients with a retention rate higher than the company average. Our welfare to work associates have proven to be an excellent source of dedicated, hard-working employees, many of whom have been promoted. In a time when the pool of qualified job seekers is at historic lows, we have found a great resource of willing, able and loyal employees who have turned into respected Sears associates.

John T. Sloan is the executive vice president of Human Resources of Sears, Roebuck and Co. Sears is a leading U.S. retailer of apparel, home and automotive products and services with annual revenues of nearly $40 billion.

TIME WARNER Time Warner Inc.
Gerald Levin

Time Warner has always put a high value on social commitment, respect for individuals, fostering diversity and supporting local communities. It is the vibrant, vital tradition of community responsibility that leads us to be involved in the welfare to work initiative. In addition to creating community partnerships and developing an internal hiring program within our New York operating units, Time Warner is leveraging its national networks and print media in a PSA campaign to break down negative stereotypes about welfare recipients. Early on, we recognized the importance of media in changing public perceptions about the welfare population. We are proud to play a role in helping individuals achieve lives of independence and self-respect within the private sector.

Gerald Levin is chairman and chief executive officer of Time Warner Inc., the world's leading media company. Its businesses include cable networks, publishing, music, filmed, cable and digital media. Time Warner's merger with AOL will create the world's first fully integrated Internet powered media and communications company.

TJX Companies
Ted English

Ben Cammarata, former CEO and now chairman of the TJX board of directors, committed TJX to The Welfare to Work Partnership because he believed that welfare to work would be good for TJX, good for business in general, and good for America. Our initial commitment was to hire 5,000 former welfare recipients by the year 2000. Our welfare to work program evolved faster than anyone could have imagined. As of April 2000, TJX has hired more than 14,500 associates from the welfare rolls. Former welfare recipients proved to be such good workers that many have been promoted and others have been hired to take their place. We saw early on that making the transition from welfare to work is not an easy one for many individuals. We addressed this issue by partnering with Morgan Memorial Goodwill Industries and creating the First Step Program, which provides classroom training, internships and job placement to former welfare recipients. This program continues to play an important part in our already successful welfare to work initiative. We believe that programs such as first step and partnerships with community-based organizations create win-win scenarios. An unexpected benefit has been the retention rate for former welfare recipients, which we have found to be higher than that of more traditional entry-level hires. With the labor market as tight as it is, it makes excellent business sense to utilize creative recruitment practices. TJX will continue to hire former welfare recipients and has made welfare to work an integral part of our company.

Ted English is the president and chief executive officer of The TJX Companies, Inc. Ben Cammarata is the chairman of the board and former chief executive officer of the TJX Companies, Inc. The TJX Companies, Inc. is the leading off-price retailer of apparel and home fashions in the U.S. and worldwide. In total, TJX operates more than 1,340 stores, including T.J. Maxx, Marshalls, Homegoods, and A.J. Wright in the U.S., as well as Winners Apparel Ltd. in Canada and T.K. Maxx in Europe. The company employs 67,000 associates worldwide.

THE DOCUMENT COMPANY
XEROX

Xerox Business Services (XBS)
Joe Valenti

Over the past two years XBS has hired nearly 400 welfare recipients coast-to-coast, with a 65 percent retention rate. Establishing a strong working relationship with service providers and community-based organizations is a key element to this success. In developing a comprehensive mentoring program, XBS worked with Women in Community Services (WICS), a national organization providing mentoring expertise, to ensure that both mentors and new employees make the most of their relationship through a program called Friends at Work. XBS has also partnered with the Xerox Federal Credit Union to enable former welfare recipients to obtain Visa cards, lines of credit, and financial advice and training. Due to this support, our welfare to work hires are experiencing more success in their careers and delivering greater value to our customers.

Joe Valenti is senior vice president of XBS Operations. XBS is the fastest growing division of Xerox Corporation and the worldwide leader in document services outsourcing. It provides a comprehensive portfolio of services to some four million customers each day in more than 5,000 client companies worldwide.

Antoinette Patrick – CVS

Antoinette Patrick never dreamed of working at a pharmacy. Now, Antoinette can't imagine a career at any place other than CVS. After almost three years on welfare, Antoinette entered the CVS Apprenticeship program on her way to a full-time job as a pharmacy technician. She excelled on the job by treating her customers with patience and respect. "I try to put myself in their shoes to see how they would feel, and treat them accordingly," said Antoinette. In addition to full benefits, Antoinette is taking advantage of the CVS educational opportunities, working toward her certification as a lead pharmacy technician through an innovative online curriculum developed by CVS. "I never thought I could learn to do all this," said Antoinette. "I feel like I'm making a difference at CVS."


Antoinette Patrick (right)

Chris Wilcox – Cessna

For years Chris Wilcox and his wife had a drug addiction problem. His three children – Rikki, 14, Toni, 13, and Lance, 10 – were suffering from the instability of their parents and the limitations of welfare. Finally, Chris got "sick and tired of being sick and tired." One of the workers and the KanWorks program in Kansas introduced Chris to Cessna's 21st Street Facility, a program designed to train welfare recipients for jobs at Cessna. Today, Chris is the final assembly mechanic on the Citation 750 line at Cessna Aircraft in Wichita, Kansas. Chris started working first shift, but he later discovered that the best way to take care of his children and still do the job at Cessna was to be on third shift. Chris sees his children off to school in the morning, he is waiting when they come home from school in the afternoon, he spends quality time with them at night, and then goes to work. Chris has custody of his three children and he has already been promoted. Chris has goals for himself, including earning a Bachelor's Degree in business, but his true gratification comes from his children. "It's pretty neat to show them, 'Hey, there's one of the planes I've built,'" Chris said. "Now when somebody asks, 'Where's your dad work?' they've got an answer. It's out at Cessna."


Chris Wilcox

Consuelo McGlond – Loews Hotels

Thanks to Consuelo McGlond's job as a night telecommunications operator at Loews Hotel in Miami Beach, Florida, she and her three children – Kortney, Brandis and Kori – now have stability in their lives and Consuelo is focusing on a long career in the hospitality industry. Consuelo's future was not so clear three years ago when she was forced to go on public assistance. On welfare, Consuelo's monthly check was $335 a month and rent was $325 a month. She needed help from her mom and brother to pay the light and gas bills. Her cousin used to buy Pampers for her son. "I relied on other people for everything," Consuelo said. Finally, Consuelo was introduced to America Works, who recommended her for a job at Loews. Now Consuelo works the night shift – from 10:30 p.m. to 6:30 a.m – allowing her to take care of her children before and after school. After 18 months on the job, she now relies on herself. In fact, her friends and family come to her for money. "I tell them the same thing they used to tell me," Consuelo said. "Do I look like the Bank of Miami?"

Consuelo McGlond

Elaine Kinslow – E-Z Ride

Elaine Kinslow's future appeared secure when she graduated high school as the valedictorian of her class. But her college scholarship was revoked when her future school learned that Elaine was a single parent and Elaine was forced to go on welfare. For 13 years, Elaine was on and off welfare. She couldn't find a job that allowed her to work and afford day care for her children. Finally, Elaine was hired at Path Finder Transportation Service, where she found more than a job. "They believed in me," Elaine said. "They challenged me and things started getting better." When Path Finder lost its funding, Elaine continued to persevere and landed a job at E-Z Ride, a minority-owned company that helps transport people to and from work. Elaine is also taking classes in Public Safety at Ivy Tech College and plans to earn an EMS certificate. She is also learning to become part of a Hazardous Material Response Team. "My situation is not unique," said Elaine. "Everyday, I see former welfare recipients who are earning a paycheck to support themselves and their families."

Elaine Kinslow
(second from right)

LaTonya R. Stephens – Bank of America

LaTonya Stephens was determined to reach her dreams when she and her two daughters – Regina and Nakeisha – moved to Dallas three years ago. Looking for a fresh start after living on public assistance, LaTonya immediately received her GED and computer training through the Dallas Housing Authority and Good Will Industries training programs. After entering Bank of America's training program, LaTonya was hired as a telephone banking representative. LaTonya excelled at her position and was promoted to telephone personal banker with benefits, including a 401(k), life insurance, stock options and full medical for herself and her family. LaTonya has also earned company incentives every month that have allowed her to buy a car. LaTonya is now closing in on her biggest dream – a house with a backyard. After working with a Bank of America financial counselor, LaTonya was recently approved for a mortgage.


LaTonya Stephens (right)

Lou Ann Catano – Marriott International

Lou Ann Catano's motto could be, "I want more." That's what she said to herself when she hit rock bottom – stuck in an abusive relationship, grappling with a drug and alcohol program and separated from her daughter, Angeline. She went on welfare, waiting for a spot in a supportive housing unit so she could get help. She took advantage of education and skills training opportunities, all the while telling her caseworker that she wanted more. Lou Ann was referred to the Marriott Pathways program. She was hired by Marriott and worked her way up from hotel operator to concierge. Now, she has a job that she loves in the city that she loves and she is able to fulfill a passion for travel. Lou Ann just wrote Angeline a check for her college sorority dues. "Four years ago, she wouldn't have even bothered to ask," said Lou Ann proudly.


Lou Ann Catano

Maria Mercado – The TJX Companies, Inc.

Maria Mercado never graduated from high school, but now she can't stop thinking about college. After spending nine years on welfare before landing a job with Marshalls, Maria has started college funds for her two daughters Elixmarie, 11, and Maria Ellena, 7. "I want them to have the opportunity to follow their dreams," she said. For almost a decade, Maria dreamed of getting off welfare. In the fall of 1998, she entered The First Step Transition to Work Program, a collaborative program between The TJX Companies, Inc. and Morgan Memorial Goodwill Industries. This led to an internship at Marshalls, where she discovered her natural ability for retail. She was promoted from intern to full-time sales associate to a merchandising lead sales position. Each accomplishment gave her more and more confidence and what she could become. Maria is now training in TJX's Bridges to Management program and is on her way to becoming an assistant store manager. She is studying to earn her GED and hopes to pursue an accounting degree. "I learned that nothing is impossible," said Maria.

Maria Mercado (left)

Rena Burns – Automated Data Sciences/CADscan

As one of five children raised by a single mother on welfare, Rena Burns dreamed of being financially self-sufficient. Today, she has reached that dream for herself – she owns her own technology/software development business – and helps others accomplish that dream. Her company, Automated Data Sciences, employs 60 people, including four former welfare recipients. She did not intend to target welfare recipients but one former welfare recipient who worked for Rena as a secretary changed her mind. "She asked why we weren't going to bid on a particular project," she said. "I told her that we are a small company and don't have the resources to respond to every request for proposal." The former welfare recipient asked if she could try in her spare time. A month later, they got the account. In addition to running a business, mentoring employees and earning the Small Business Administration's Regional Welfare to Work Entrepreneur award, Rena is a speaker for a Los Angeles Juvenile Hall program. She assists at-risk youths in LA County, and plans to expand to the nine central valley counties. "I bring one important message," Rena said. "If I can do it, so can anyone."

Rena Burns

Rhonda Costa – Salomon Smith Barney

Rhonda Costa didn't dream much when she was on welfare. She spent her days trying to pay her bills with a $280 a month welfare check and her nights shielding her two daughters from stray gunfire in a one-bedroom apartment. Rhonda decided to change her life after her oldest daughter, Lakiyah, told Rhonda to get up and do something with her life. "It really hit home when your 11-year-old daughter recognizes that you are not doing anything productive with your life," said Rhonda. The next day, Rhonda enrolled with Wildcat Service Corporation, a New York service provider that trains welfare recipients for jobs. After a 16-week training course, Rhonda was hired by Salomon Smith Barney. Rhonda was recently promoted to office manager and now has an assistant of her own – a Wildcat graduate. Through Salomon Smith Barney's tuition reimbursement program, Rhonda is taking a class at Borough of Manhattan Community College for her business management degree. "It's great when you have a job where you're excited to get out of bed in the morning," she said.

Rhonda Costa

Tiffany Smith – UPS

Tiffany Smith was on welfare with her six-month-old son, Shawn, when his father stopped coming around. It was then that Tiffany realized that she was the only role model in Shawn's life, and she needed to get a job. "A working parent means a lot to a child," said Tiffany. "I became a mother and a father to him and he needs to know that what I'm doing, he should be doing too, once he grows up." Tiffany now works part-time at UPS, where her benefits include health and dental in addition to her paycheck. Beyond that, she supplements her income with Medicaid and food stamps. Tiffany takes pride in being a positive example for her two children – Shawn and Bre'anna. She is obtaining her GED and will apply for a supervisory position at UPS. With a GED, Tiffany will also become eligible for UPS's Earn and Learn program, which provides financial assistance for college. "The more you work, the more opportunities become available," said Tiffany. "I want my kids to learn that you never know what you can accomplish unless you try."

Tiffany Smith
(with microphone)

The Welfare to Work
PARTNERSHIP
A not-for-profit organization