

HUD EMPLOYMENT LECTURE SERIES

Lecture #6

HOMELESSNESS AND HIRING: EMPLOYER PERSPECTIVES

Section 1 Introduction to HUD's Employment Lecture Series, Lecture #6 "Homeless and Hiring: Employer Perspectives"

Colleagues:

This lecture is the sixth in a series of nine lectures on employment-related topics. These lectures are a resource for people working in homeless assistance and community rehabilitation programs as well as in employment agencies and programs working with homeless jobseekers. To download lectures from this series, please go to www.hudhre.info.

In this lecture, we explore the perspective of employers regarding hiring and retaining employees who are homeless. In particular, we discuss employers' views on what they look for in employees and the kinds of supports that encourage both hiring and retaining homeless workers. This information can help shape your strategies to engage employers, prepare homeless jobseekers, and increase employer satisfaction and employers' willingness to hire and promote workers who are or have been homeless.

The overall goal of this lecture is to help program and employment staff better understand and respond to employers' needs and concerns regarding hiring people who are homeless. This includes those who may also have other employment barriers, such as disabilities or have been in jail or prison.

We start by looking at what influences an employer's willingness to hire people who are homeless. We then discuss how employment and workforce development agencies can best approach employers. This includes the services and resources they can offer to increase the chances that the homeless workers that are hired will succeed. The lecture describes characteristics and skills that employers look for and provides examples of businesses that have had positive experiences with homeless employees. We provide information from interviews with employers and groups representing business, as well as from the experience of employment agencies and workforce development programs that successfully work with employers who hire homeless people.

This lecture and the pamphlet available on the same topic are written for staff working with homeless and formerly homeless adult jobseekers. However, many of the strategies and examples provided are also applicable to older adolescents.

There are seven lecture sections. In addition to this introductory section, they include the following:

- Section 2. Employer Attitudes;
- Section 3. The Roles of Employment and Workforce Development Agencies;
- Section 4. What Employers Look for in Jobseekers and Employees;
- Section 5. A Case Study in Meeting Employer Needs in the Hospitality Industry;

- Section 6. Profiles of Employers Who are Hiring and Retaining Homeless Jobseekers; and
- Section 7. Conclusion.

A pamphlet is available that offers a more detailed discussion of the issues addressed in the lecture. The pamphlet also provides a list of resources and references to turn to for more information. It is our hope that the lecture will provide listeners a valuable overview of key issues related to employer perspectives on hiring homeless people; we urge you to learn more by turning to the pamphlet and its references and resources list.

Section 2	Employer Attitudes
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There is a good deal of misunderstanding and misinformation about homelessness. Many employers believe that homeless people are likely to be untrustworthy. Others expect that most people who are homeless have such serious mental illness or addictions that they can't work. Another common belief is that homeless people just don't want to work. Finally, many people assume that without a stable home, it's unlikely that someone can be a reliable, dependable worker, showing up on time, in clean clothes, and able to put in a full day's work.

Employers are often surprised when they learn how many people who are homeless are working. In many cases, low-wage jobs do not pay enough to enable people without other resources to afford rental housing. Thus, in every community, there is a group of workers, mostly part-time, but some with full-time jobs, who can't secure housing. Recent reports from Raleigh, NC and Washington, DC state that approximately one-third of people who are homeless are employed at least part-time. Other communities report similar rates of employment, though reliable statistics are hard to come by.

Even when you share these facts with them, many employers won't even consider hiring homeless jobseekers without a good deal of convincing that many people who are homeless very much want to work, and that you have well-screened candidates ready and able to handle the jobs employers want to fill. While it can be an uphill battle to counter the negative images, it can be done. Once you have some success stories, those employers can be your advocate to change other employers' negative attitudes about hiring homeless workers. This is a strategy being used in Raleigh, N.C., where the Chamber of Commerce has signed on to a plan to recruit 20 businesses to hire people who are homeless. Their hope is that the first handful of employers will then convince their business colleagues to also hire homeless jobseekers.

So what motivates employers to hire people who are homeless?

- **One, some employers think that it makes good economic sense.** As the baby boomer generation ages and retires, there are fewer workers in the labor market. This includes, of course, unskilled workers willing to take on low-paying, entry-level jobs. Demand for workers is increasing in many of these areas. Employers realize they need to look beyond their traditional sources—that they need to consider hiring people who are homeless, and/or have disabilities, criminal records, or other barriers to employment. In some cases, employers needing skilled workers such as plumbers and carpenters are learning that some people who are homeless have these skills, but just had a run of bad luck. They can be good and dependable workers if given the chance. Some employers are also motivated by financial benefits, such as tax credits and other incentives.
- **Two, there is a growing understanding that hiring homeless people improves the quality of communities.** Business and community leaders are realizing that it makes good sense to end homelessness through helping people who are homeless become

contributing members of the community. Some employers who hire homeless jobseekers see this as their contribution to improving their cities; it gives opportunities to people who may otherwise be a drain on community resources and who are an unwelcome presence in downtowns, parks, and other public places. Industry leaders, Chambers of Commerce, and trade associations are joining in their communities' workforce development efforts aimed at people who are homeless. They are well-represented on 10-Year Plans to End Homelessness boards and other collaborative efforts aimed at reducing and preventing homelessness.

- **Finally, some employers regard it as “the right thing to do.”** They are motivated by their personal values. They believe that they should help those less fortunate than themselves. A number of socially conscious businesses have made it part of their corporate culture to hire people who have disadvantages such as homelessness or mental illnesses, or who are recovering from substance abuse. While they are still the exception rather than the rule, such businesses range from small “mom and pop” coffee shops to large businesses with hundreds of employees. These businesses sometimes partner with a homeless or employment program, which refers homeless jobseekers who are screened and trained by the program.

Section 3 The Roles of Employment and Workforce Development Agencies

Programs working with people with employment barriers have come up with a number of approaches to increase their clients' appeal to employers.

One approach is to make the most of One-Stop Career Centers.

One-Stops, as they are commonly called, are funded by the Department of Labor. This funding is administered by local Workforce Investment Boards, also referred to as WIBs, and provides comprehensive employment services to jobseekers. Staff at One-Stops work with employers to match jobs with workers. Many One-Stops have clients who are homeless and have other employment barriers, like histories of mental illness, substance abuse, or prison records. Some One-Stops seek out these hard-to-place clients.

Ten One-Stops were surveyed about the types of services they offered. This survey was conducted by the DOL-funded Chronic Homelessness Employment Technical Assistance Center, known as CHETA. The survey responses, along with findings from other One-Stops, point to a number of services that these providers have found make a real difference in increasing employers' willingness to hire homeless jobseekers.

First among these services are vocational assessments.

It makes sense to offer two levels of assessments. One assessment is more focused on the jobseeker. It assesses skills, capabilities, experience, and interests and identifies areas to focus on in training and skill-building. For example, one program conducts a five-part assessment that covers the following:

- One, vocational aptitudes, interests, and work values;
- Two, computer knowledge and clerical skills;
- Three, academic abilities;
- Four, manual skills and physical capacity; and
- Five, motivation and work behavior.

The other assessment is for employers. It gives them information on individual characteristics, skills, and job-readiness, to help make the best match between employers and employees.

Another important service is job training.

The most effective employment agencies offer two kinds of training.

First, clients can receive training for entry-level occupations that are in high demand, such as office worker, home health aid, and retail clerk. In this situation, it's a good idea to research job market information and check in with local employers. This will help you ensure that you are investing your training resources in jobs for which there is a high demand.

In addition, One-Stops encourage homeless jobseekers to take training in the "soft" skills. Soft skills increase a jobseeker's ability to both get hired and keep a job. These can be especially helpful for individuals without much work experience or who are also facing other issues like mental illness or substance abuse. These competencies, which include motivation, teamwork, and judgment, are often packaged as "job readiness" training.

Next, One-Stops and other providers have identified the need for employer outreach and relationship-building.

Employment agency staff need to go "on the road" to reach out to would-be employers. Some agencies have a specific "job developer" role. Job developers identify potential employers and approach them for one-on-one recruitment meetings. They also make the case for hiring homeless workers and/or those with other challenges at meetings of Chambers of Commerce, Rotary Clubs, and industry groups like homebuilders and hotel owners.

Even if you aren't able to hire a full-time job developer, employer outreach needs to be part of your toolkit. It makes a real difference for employers to have someone ask about their particular needs, and respond to their worries about hiring people who they expect may well be problem employees. In Raleigh, NC, a local shelter decided to find temporary job placements for 12 men who had been chronically homeless. Through personal contact, 12-week placements were found for all the men, including a super-market, a landscape company, and a janitorial contractor, among others. Following the 12-week period, five of the men were hired for permanent jobs.

Job retention assistance and follow-up are also important services.

Employers who hire workers who are homeless often identify follow-up as a key factor in their willingness to continue hiring homeless jobseekers. It makes a real difference for them to know that they are being backed up by someone they can talk to if they have concerns about an employee and who will respond if problems arise. Employees also appreciate having a case worker or other employment program staffer they can go to if they are having difficulty on the job. According to one workforce placement counselor, "Case management is *vital* for retention. You need to have someone who will follow up for a year, and contact the employee every 30 to 90 days." She added that employers need to know you are there, and they should feel free to call you.

Adjunct services are another critical element to client success in finding and keeping a job.

Many jobs require that employees buy their own uniforms, safety equipment, or tools for the job. If your program can fund these purchases, along with providing help with transportation and job-related training, you are providing a major benefit that both employers and employees will appreciate. Another important adjunct resource is assistive technology and other work aids that employees with disabilities need; many One-Stops pay for these work aids. Recognizing that purchasing work clothes is a problem for homeless people, the Arkansas Workforce Center at

Mountain Home, a One-Stop Career Center, provides interview clothes and gives new hires five work outfits.

Finally, One-Stops and other providers identified services that incorporate the idea of “job customizing” as a way to better meet both employer and client needs.

For people who have been homeless and have not worked for awhile, as well as for those with disabilities like mental illness, job customizing can make a real difference in employers' willingness to hire them. You should be prepared to help jobseekers negotiate with employers upfront to design jobs that both meet employer needs and respond to the special situations of workers. For example, it may be that one of your clients can work, but is uncomfortable being with groups of people for any length of time. Thus, you could help a company arrange for this employee to have her own office, doing tasks like compiling customer information and data entry that don't require much interaction with others. Another common accommodation is in working hours; you can help employers design a position that fills a need while allowing a worker to gradually ease into full-time employment, or not have to start early in the morning, for example.

While every employer and employee will not need all of these services, it's important that they have access to them. If you work for a homeless agency that is not able to provide all of these services, it makes good sense to seek out a One-Stop Career Center or other employment program and develop a cross-referral system so that clients and employers can benefit from these key services.

As you consider the roles of employment and workforce development agencies, a second approach to helping homeless jobseekers involves keeping up with employment trends.

It's especially useful to know which sectors are growing in your area and are likely to have worker shortages. Employers in these industries will likely be most open to taking on new workers who are homeless, despite their own biases and concerns.

The Bureau of Labor Statistics in the Department of Labor provides a wealth of data that is regularly updated. You can find key employment measures online such as rates of job openings, labor turnover, and unemployment, both nationally and broken down by industry and region. For example, a recent monthly report listed five industries as having consistently high rates of hires and separations:

- Construction;
- Retail trade;
- Professional and business services;
- Arts, entertainment, and recreation; and
- Accommodations and food services.

The Bureau of Labor Statistics also provides long-term employment projections, which can help inform those planning how best to design employer outreach and job training programs for homeless people. Long-term job growth is expected in the service sector, with more than three quarters of U.S. jobs anticipated to be in this sector by 2016. According to the Bureau of Labor Statistics, nearly 6 million of the 7.5 million new jobs expected in high growth occupations are for jobs with few education and training requirements. These mostly entry-level jobs include retail salespersons, food preparation workers, office clerks, home care and nursing aides and attendants, and waiters and waitresses.

Statistics also highlight the shrinking labor force. This trend will continue as the baby boom generation retires, with a lower percentage of younger people of working age in the overall population. This opens up opportunities for groups that employers generally do not seek out, including homeless individuals who want to work.

The Bureau of Labor Statistics websites that have labor market information are listed in the companion pamphlet.

Section 4	What Employers Look for in Jobseekers and Employees
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Because most homeless jobseekers will enter or re-enter the workforce at entry-level, low-skill positions, we will focus on the characteristics and skills that employers typically look for when hiring for these kinds of jobs.

Across all job sectors, experts have found that employers consistently focus more on personal characteristics and basic skills than on employment history and education or training. This is the case even for many high-level positions, but is especially true for entry-level jobs. These “soft” or “foundational” skills were defined and categorized in a major effort by the Department of Labor that looked into what it takes to succeed as a worker in the U.S. The final report of the Secretary’s Commission on Achieving Necessary Skills, called SCANS, was completed in the early 1990s, but it is still the basis for current understanding of skills and competencies that employers value.

Various employment and workforce development agencies offer their own versions of the qualities and skills that employers most highly value; most are quite similar to the SCANS qualities and competencies. Among these agencies is the Massachusetts One-Stop Career Center. It is part of the One-Stop Career Center system of more than 3,500 DOL-funded employment agencies that are administered by local Workforce Investment Boards, known as WIBs. The Massachusetts One-Stop offers the following life skills and qualities:

- Willingness to learn;
- Commitment;
- Dependability/reliability;
- Self-motivation;
- Teamwork;
- Oral and written communication skills;
- Cooperation;
- Drive/energy;
- Self-management;
- Desire to achieve/motivation; and
- Problem-solving ability.

SCANS has also served as the basis for a Federally-supported initiative to identify job qualifications. The resulting Competency Models approach identifies three categories of “Foundational Competencies” that are needed for almost every job in the competitive market. These competencies are divided into three categories:

- One, Personal Effectiveness, such as integrity and willingness to learn;

- Two, Academic Competencies, such as math, reading, and basic computing; and
- Three, Workplace Competencies, including qualities like adaptability/flexibility, teamwork, and problem-solving.

Many employment training programs use competency models to create programs to prepare jobseekers. Employers use them as guidance for recruiting, hiring, and performance reviews. You might want to explore this promising resource to help guide your work with homeless people wanting to improve their employability. More information on Competency Models can be found in the pamphlet that is provided with this lecture.

The National Work Readiness Credential is another practical approach that helps employers assess entry-level workers and assists jobseekers to develop work-related competencies. Developed in 2007 by a selected group of businesses, unions, Chambers of Commerce, WIBs, and training and employment professionals, the program has already opened 66 assessment sites in 18 States.

The Credential's certification of work-readiness is based on a four-part assessment. The skills measured are considered necessary for entry-level job performance, both for unskilled positions and for skilled work where the needed skills can be learned on the job. The Credential provides employers with a business-endorsed standard of critical skills for workers, helping them easily screen and recruit qualified employees.

The Work Readiness Credential guidebook can be a valuable tool to you in your pre-employment activities with your clients. The guide offers a step-by-step process to help entry-level jobseekers qualify for the Credential, and includes links to curriculum and teaching resources. This and other resources are provided in the companion pamphlet.

Programs helping homeless jobseekers need also to focus on helping employees keep jobs and to move up to better paying and more secure jobs. DOL developed a series of steps to help homeless jobseekers achieve these goals. You might want to consider these steps as the basis for job retention training. In doing so, you would advise your client as follows:

- One, know and meet your employers' expectations. Fulfill requirements regarding work quality and amount, as well as such matters as appropriate dress, timeliness, overall attitude, and make an effort to understand and fit with the workplace culture.
- Two, be a good communicator. Discuss problems and concerns with your supervisor, but choose the time wisely.
- Three, take advantage of performance reviews. Use the performance review as a learning opportunity, stay calm and non-defensive, and ask your supervisor how you can do better.
- Four, continue to learn. Seek out and take advantage of on-the-job training opportunities, both in-house and outside job-related courses or workshops that may be paid for by employers.
- Finally, aim to meet your employers' needs. Show that you are interested in using your skills and experience to advance the interests of your employer, and actively look for ways that you can improve and innovate on the job.

Section 5	A Case Study in Meeting Employer Needs in the Hospitality Industry
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In Boston, two organizations have capitalized on the needs of the hotel industry, which is experiencing a worker shortage, and the desire of homeless people to find steady work with

opportunities to advance. In 2005 the Massachusetts Lodging Association Education Foundation (MLAEF) and Community Work Services joined together to start At Your Service. At Your Service is a job training program that also offers placement and retention services for people who are homeless, along with support for the hotels that hire the new workers.

The employment training curriculum used by At Your Service is called Skills Tasks and Results Training, called START. It was developed by the American Hotel & Lodging Association. This training curriculum is a real plus because hotels hiring training graduates know that their new employees were trained according to industry standards. START training covers 18 different hotel jobs, including front desk, bellhop, and housekeeping. Some of the jobs have starting wages as high as \$13 to \$17 per hour; many of them provide opportunities for ongoing training and advancement.

The 10-week, 25-hour per week START training includes case management, job readiness and life skills development, job placement, and follow-up support, all of which are provided by At Your Service. The training program had a high drop-out rate at first. Problems included program participants needing time to attend to personal issues, lack of transportation, and/or funds to purchase meals. At Your Service learned from this experience; the program built in a half day a week with no classes held, and provided bus tokens and meal vouchers based on individual need. Program staff also realized that there were some minimal requirements, below which it was unlikely that trainees would succeed. At Your Service candidates are now tested for at least a 6th to 8th-grade reading level, they must be able to work hotel hours, and they are screened for any major obstacles to working in a hotel service position.

At Your Service counted on having to do aggressive outreach to overcome hotels' resistance to hiring homeless people. A decision was made to have an MLAEF staffer devote 16 hours a week to this outreach, focusing primarily on two tasks. One consisted of working together with the Community Work Services Placement Specialist to present At Your Service at hospitality industry meetings. The other involved approaching individual hotels and meeting with their human resource directors. At Your Service also provided a contact person to whom hotels could bring concerns or problem situations, which the hotels greatly appreciated.

Hotels that signed up first did so due to a dire situation of a lack of workers. They are now strong supporters of At Your Service and have helped recruit more hotels. At Your Service has expanded to more than 25 hotels, which include elegant properties like the Charles Hotel and the Fairmont Copley-Boston, as well as major hotel chains for business travelers. Many of the original hires have been promoted; a few are earning as much as \$40,000 a year. The director of guest services at the Ritz-Carlton sums up the success of the program, stating that the graduates of At Your Service are "true service professionals" who "have met and exceeded all our expectations."

Section 6	Profiles of Employers Who Are Hiring and Retaining Homeless Jobseekers
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In this section, we provide several examples of employers who have made a real effort to hire people who are homeless. These arrangements have paid off both for the employees and for the businesses.

Ben & Jerry's is a large corporation with a stated commitment to socially responsible business practices that improve communities. One outstanding example is Ben & Jerry's PartnerShop program, which enables nonprofit organizations to own and operate scoop shops without paying the usual franchise and royalty fees. The nonprofit scoop shop owners, which are held to the

same performance standards as other Ben & Jerry's scoop shops, receive training and ongoing visits from Ben & Jerry's field support staff.

In New York City, the Common Ground Community started with one Ben & Jerry's scoop shop more than a decade ago, and it now operates three franchises. Common Ground, which provides housing, training, and employment for people who are homeless, recruits staff from its clients as well as several other homeless programs. Trainees start with a 20-hour per week work and training schedule that pays \$7.00 per hour. The goal is for scoop shop workers to move on to other, higher-paying jobs in the service industry. This approach has worked, with many former workers now employed at hotels, restaurants, and retail businesses. The scoop shops are all highly profitable and provide funds that Common Ground and its partners use for housing and other support programs.

For many people who are homeless, it makes good sense to start out with part-time work at a job that is not very demanding. Once they have adjusted to the requirements and role, workers can often move up to a full-time job with more responsibility. This is the kind of job customization that you may want to discuss with potential employers to come up with a win-win solution for both employers and workers.

Another successful partnership has resulted in a successful upscale catering business in Washington, D.C. Fresh Start caters 400 events every year, from small parties to major receptions with hundreds of guests. Its employees are formerly homeless; many additionally have histories of substance abuse and involvement in the criminal justice system. They are prepared for work in the food industry by DC Central Kitchen, which offers a 12-week culinary arts training program for entry-level professional kitchen work. DC Central Kitchen uses the ServSafe food handlers' curriculum, a nationally-respected training and certification program developed by the Educational Foundation of the National Restaurant Association.

In addition to training in food preparation and handling, DC Central Kitchen focuses on the "soft skills" that are so important to employers. Job readiness classes cover issues like following directions, having a positive attitude, punctuality, and teamwork.

In Denver, the Oxford Hotel employs young homeless people referred from Urban Peak, which is a youth employment training and social services program. The Oxford Hotel is an elegant small hotel located in a trendy part of Denver. Its owner and its general manager are both committed to the idea that businesses have a responsibility to improve their communities, and that they should give opportunities to young people who are homeless. The Oxford Hotel has developed an internship program, with more than a dozen interns participating thus far. Interns rotate through multiple hotel jobs, starting with "behind-the-scenes" jobs like housekeeping. They then move into customer service roles as they become ready to do so. Five of the interns graduated to full-time hotel employment; several others are doing well, either going to college or working for other hotels or restaurants in town.

The hotel manager stresses the importance of having the support of the referring program, which provides job readiness training and ongoing case management. This highlights the benefit of offering both preparation and follow-up services to businesses that you hope will employ your clients.

While each of these successful ventures differs in its structure and functions, they share some common features that can help you design your strategies with jobseekers and would-be employers alike:

- One, they hold their homeless workers to a high performance standard, and they expect them to act professionally and fully meet job expectations.

- Two, they provide and recognize the value of training in the foundational “soft” skills, recognizing that these qualities are key to customer service and job success.
- Three, they offer part-time and flexible schedules to meet workers’ needs, especially during the first months on the job as employees are getting accustomed to working.
- Four, they provide ongoing follow-up and case management to both employees and employers, to avoid small issues developing into major problems.
- Finally, they are all partnerships between a business and a workforce training program for people who are homeless.

Section 7	Conclusion
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As you help homeless jobseekers find stable, decent-paying jobs that can move them out of homelessness, you will need to respond to the issues we have presented that stand in the way of employers hiring workers who are homeless. Fortunately, attitudes are changing; many business leaders and groups that once actively opposed helping the homeless population in their communities are now advocates who understand the need to increase job opportunities. You can count on them to join forces with you and set examples by hiring homeless jobseekers themselves. However, you and your program must be well prepared to address the common concerns about hiring people who are homeless.

You can take advantage of the worker shortages that exist in many communities by keeping up with workforce trends and collaborating with local WIBs in their workforce development efforts. With adequate training and support, the clients who you help find entry-level jobs can advance to better jobs that enable them to find stable housing and leave homelessness behind. With your help, these workers can help meet employers’ continuing search for well-prepared, willing, and hard-working employees.