

WDB AUGUST 12, 2015 OVERCOMING BARRIERS TO EMPLOYMENT DISCUSSION

Guests:

- **Fred Keller**, Cascade Engineering
- **Pete Gazlay**, Total Facility Care
- **Todd Wakefield**, Goodwill Industries
- **Cheryl Pansire**, Forney Industries

Fred Keller

Overview of Cascade Engineering

- Cascade Engineering is a triple bottom line business. We want to be able to do well financially and have a social impact.
- We developed our Welfare to Career program through trial and error hiring people on welfare. We learned that we need to support folks, it's not just about a getting a job. We find that people on welfare have barriers that they need help to overcome. What has worked for us is to have a very supportive structure in the organization.
- Through our relationship with the Department of Human Services we eventually were successful in having a social worker at our plant. She could handle the kinds of problems we couldn't. Under our old system an employee would go to their supervisor with home or transportation issues and the supervisor would say that's not my job. Now they might say I understand you have a problem and would love to get you in touch with our social worker. This has resulted in much higher retention rates and a very positive experience for us all the way around.
- An essential element for our organization is supporting our employees, not judging them. We don't tolerate racism, or any form of discrimination. Our overall objective is that people trust each other, which results in benefits within the organization.
- It wasn't always smooth sailing. Developing/maintaining a positive culture is very important to us. We did notice that if we had too many new folks, around 50%, on a shift it did change the dynamic a bit. We did have some pushback from staff initially but that changed with time as they saw the energy and determination of the folks. Culture is something we always work at.
- We hope to offer people not just a job but a career. People can enter as a Level A Operator for \$10 – \$12 per hour and move to a Level D Operator for \$16-18 per hour.

Q We know you are successful today, what early strategies didn't work? How did you use those challenges to find what did work?

A. I started this program to make a social impact. Through discussions with a former social worker we hired folks off the street. We eventually came to the realization that they weren't prepared to work and we weren't prepared to retain them. A couple of years later we tried to transition employees in from a fast food organization. Our HR folks were challenged dealing with their individual barriers. One outcome was we decided to train staff on the Ruby Payne framework for

understanding poverty. Eventually we became part of The Source Model.

Q Any data on retention and turnover rates?

A. The key for us is turnover, placement is not a result it's a starting point. We started out with a turnover rate of around 60% per month, which is not good. We now regularly have less than a 3% turnover rate. Another key metric is we regularly do an attitude survey of employees.

Q. What was the timeframe for the cultural shift and what's been challenging about implementing and maintaining the shift?

A. We had indicators right away; you find a little less conflict and some people smiling more. If you think in terms of 80/20 probably 80% happened in over 3 years. This is very important to us and has given us the courage to take on other programs such as returning citizens and anti-racism.

Q. Were there any legal issues?

A. No particular legal problems. We initially had some privacy issues regarding the social worker using our network. It is to our advantage to have a separation. There are things we don't need or want to know about our employees from a legal side. Interestingly, our social worker became very good at predicting who would be successful and who wasn't yet ready for employment.

Q. What was the biggest impact on your business implementing the Welfare to Work model aside from the positive press?

A. The biggest impact is in the way in which our culture has responded and the addition of our other social impact programs such as our anti-racism and returning citizen programs

Q. Tell us about your other social programs.

A. For our Returning Citizen Program, we have removed the question from the application regarding criminal history. We don't ask about felony convictions until we decide we want to hire someone. One of our executive VPs makes the hiring decision. I think we have around 50 folks in the program. It has been very successful. The other program is our anti-racism work. We're proud of what we've done. It's more than anti-racism; it is active diversity and inclusion.

Panelists

Describe the workforce challenge faced by your business and how you are working to overcome them.

- Goodwill is definitely not your typical business. We hire a lot of people with disabilities both mental and physical. We hire employees with other barriers including: language, criminal backgrounds, and many poverty issues. We consider turnover a good thing if people are moving on to bigger and better things. We're a job for most people. We want them to get a career, we encourage and applaud that. Considering the barriers employees have we don't expect them to have the job as the number one focus. We understand this and it has made a difference in how we've hired. We try to ask: When can you work? and What can you do? We try not to ask: What can't you do? We have career connection centers that our employees (and the public) can access for free. We offer classes on resume writing, soft skills, financials, and others.

- When we started this company we wanted to do some things differently, including valuing the work that people do for us. Every job done well is worthy of honor. We share our profits with our team members from exempt to hourly. This encourages them to not just to punch the clock. Bonuses are based on feedback from our clients. Our goal is to pay 100% of bonuses to 100% of staff. If we don't reach this goal we provide feedback to staff on how to achieve the goal next month. However, we do have to be profitable, so you have to balance all of that.

Hiring is a challenge for us right now. We are struggling to hire employees; our starting wage is \$10 per hour. We're seeing a lot of competition for workers and are working on balancing the increase in pay with costs to our clients. If I advertised a position for \$8.25 per hour I would not receive a single application. Another big competitor for us is the government. I read recently that 47% of folks receive a check from the government, while this does include Social Security and a variety of payments, the government is still a competitor in the work place.

We do show new hires that there is a career path including the opportunity to become supervisors. I love promoting people internally and they are a great success story; success breeds more success. We are a member of the Worklife Partnership and it's nice to have a place to refer employees who are struggling.

- We have about six employees who are disabled in some way. We work with Deb Spotts at Center for Community Partnerships. The program has been very successful. All six folks work in receiving. Some have been here 7-10 years. I can't say enough about how hard working and reliable they are.

In the last two years we have had Marketplace Chaplains come in as a service to our employees. They help employees with a variety of issues. The service is confidential; they only come to me on rare occasions. We were one of the first companies to offer the service in the region.

We also promote from within, if possible. We are about to rollout a training program that may help employees progress in our organization. We've invested in a variety of trainings for staff, as needed. Employees appreciate it and feel valued by the company.

Affordable housing is driving the wage up. We can't start at minimum wage. In the warehouse we start at \$10 per hour and we are considering going to \$11 per hour, mostly due to housing and childcare costs.

Questions/Comments

Q. Approximately what is the cost of accommodations for disabled employees?

A. It varies greatly. A. They only accommodation needed was to purchase tall chairs for our stand-up workstation. The cost was reasonable. Deb's organization provides job coaching and other services.

Q. When someone on disability earns income it can impact their benefits. Do they have a choice regarding their pay?

A. Sometimes we have to be careful of what they earn. We don't want to hurt them by giving them more money because they will lose much more in benefits than they will gain.

A. I have relationships with most of their care providers. We work it out with the employee and care providers.

A. It's up to the individual employee. Our employee watches what he can earn. He would be earning more if he wasn't on disability. He's an awesome employee; we're glad to have him.

Q. Have you hired any employees hard of hearing or deaf? If so, how do you include them in social situations?

A. We have not hired them but feel like we could accommodate them.

A. We don't have any employees hard of hearing. Our disabled folks fit in well. Some staff have taken it upon themselves to mentor them.

A. Yes, we have an extensive network of support and can accommodate almost any disability.

Q. How do you address substance abuse issues? Do you hire people with past drug problems?

A. We are looking at changing some of our policies around medical marijuana but nothing has changed yet. We do have programs where people can seek help for addiction. We focus more on how we can help this person.

A. We do perform criminal background checks. There are good folks who have made mistakes in the past but we can't trust them in a building by themselves. The challenge with marijuana is it stays in your system so long it's a workplace safety issue. We talk a lot about our drug policies in the hiring and screening process.

A. As long as marijuana is illegal at the federal level It is against policy.

A. We do pre-employment screening and quarterly screenings. We offer employees who fail testing treatment. One employee successfully completed treatment and has since become a supervisor. We had another employee battling alcoholism; they went to treatment and were successful. The fact that we work with people is one of my favorite things about my company.

A. We are all living in fear of legalized marijuana.

Q. I'm aware that both Goodwill and Worklife Partnership offer employee small dollar loans, what's your experience with that?

A. It's a good resource to fall back on, we offer several different resources. We've had employees on the verge of losing their housing and to be able to help them find a solution is very powerful. Other employees see that we are invested in our people.