Workforce Innovation: Talent Attraction, Retention & Development through ERNs

Michigan Works Annual Conference
Mount Pleasant, Michigan
September 11th 2017
New social contract

“We cannot guarantee you any lifetime employment. But we can guarantee you that government and companies will focus on giving you tools to make you more lifetime employable.”

THOMAS FRIEDMAN, THE WORLD IS FLAT
Workforce Innovation Fund (WIF)

WIF

- Awarded by the U.S. Department of Labor in 2014, to the W.E. Upjohn Institute to expand the Southwest Michigan ERN to all four counties in the Michigan Works! Southwest Area.
- End of grant September 30, 2018 (with one year follow up/evaluation).

New Employers

- New employers joining the SWM ERN during WIF will be able to take advantage of a 50% reduction in share cost for the first year.
Workforce Innovation Fund (WIF)

- **Current SWM ERN Employers and Success Coaches**
  - Grew from 10 to 24 Employers, goal of 35
  - Manufacturing, Health Care, Hospitality, Education, Childcare
  - 4 Success Coaches and a Resource Navigator

- **Counties**
  - Kalamazoo
  - St. Joseph
  - Calhoun
  - Branch (coming Fall 2017)
Michigan ERN

What we are:
- 12 ERNs across the state of Michigan
- 90+ Employers from Manufacturing, Healthcare, Hospitality
- Over 35,000 employees have access to a success coach onsite

Who we are:
- Kelli Adams, Lead Success Coach, SWM ERN
- James Vander Hulst, CEO, Michigan ERN
Employer Resource Network Model

What it is:

- A Demand-driven Private / Public partnership
- 5 to 10 Employers (Manufacturing, Health, Hospitality)
- Identify common needs = Retention, Training, Advancement
- Uses a “neutral” administrator
- Imbed a Success Coach onsite in the HR processes
- Available to all employees along the wage continuum
- Does not duplicate, but leverages nonprofit & public resources
- Businesses invest in “Shares” upfront, sustained based on ROI
- 2016 Michigan ERNs average a 98% Retention & 350% ROI
An ERN focuses on solutions

<table>
<thead>
<tr>
<th>Employee</th>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Stress</td>
<td>• Increased productivity</td>
</tr>
<tr>
<td>• Childcare</td>
<td>• Reduced absenteeism</td>
</tr>
<tr>
<td>• Financial Pressures</td>
<td>• HR productivity increase</td>
</tr>
<tr>
<td>• Public benefits</td>
<td>• Outsourced social work</td>
</tr>
<tr>
<td>• Relationship conflicts</td>
<td>• Increased EAP usage</td>
</tr>
<tr>
<td>• Aging parents</td>
<td>• Employer of Choice</td>
</tr>
<tr>
<td>• Substance abuse</td>
<td>• Increased retention</td>
</tr>
<tr>
<td>• Transportation</td>
<td>• Reduced training cost</td>
</tr>
<tr>
<td>• Housing / Foreclosure</td>
<td>• Reduced recruiting costs</td>
</tr>
</tbody>
</table>
In the past week, month, 6 months, have you had an employee?

- Late for or absent from work due to issues not related to work?
- Requesting a loan from 401K or you as an Employer?
- Come to you with a problem not related to work?
- Having disciplinary issues even when their work has been generally good?
- Had an employee quit due to a wage or hours increase and loss of public benefits?
- Leave for another job due to workplace culture?
Recovery not reaching the poor...

Michigan Poverty & Unemployment Rates

- US Poverty
- US Unemployment
- Linear (Michigan Unemployment)

<table>
<thead>
<tr>
<th>Year</th>
<th>Michigan Poverty</th>
<th>Michigan Unemployment</th>
<th>US Poverty</th>
<th>US Unemployment</th>
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<tr>
<td>2008</td>
<td>13.2</td>
<td>10.6</td>
<td>14.4</td>
<td>9.9</td>
</tr>
<tr>
<td>2009</td>
<td>14.3</td>
<td>9.9</td>
<td>14.3</td>
<td>10.6</td>
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<tr>
<td>2010</td>
<td>15.1</td>
<td>11.3</td>
<td>16.8</td>
<td>11.3</td>
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<tr>
<td>2011</td>
<td>15</td>
<td>11.3</td>
<td>17.5</td>
<td>11.3</td>
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<td>2012</td>
<td>15</td>
<td>11.3</td>
<td>17.4</td>
<td>11.3</td>
</tr>
<tr>
<td>2013</td>
<td>14.5</td>
<td>11.3</td>
<td>16.8</td>
<td>11.3</td>
</tr>
<tr>
<td>2014</td>
<td>15.4</td>
<td>11.3</td>
<td>16.8</td>
<td>11.3</td>
</tr>
</tbody>
</table>

[Graph showing Michigan Poverty & Unemployment Rates from 2008 to 2014]
A.L.I.C.E. in Michigan

## Household Survival Budget, Kalamazoo County

<table>
<thead>
<tr>
<th></th>
<th>SINGLE ADULT</th>
<th>2 ADULTS, 1 INFANT, 1 PRESCHOOLER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td>$472</td>
<td>$728</td>
</tr>
<tr>
<td>Child Care</td>
<td>$–</td>
<td>$1,255</td>
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<tr>
<td>Food</td>
<td>$184</td>
<td>$609</td>
</tr>
<tr>
<td>Transportation</td>
<td>$349</td>
<td>$697</td>
</tr>
<tr>
<td>Health Care</td>
<td>$184</td>
<td>$707</td>
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<tr>
<td>Miscellaneous</td>
<td>$136</td>
<td>$436</td>
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<tr>
<td>Taxes</td>
<td>$170</td>
<td>$361</td>
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<tr>
<td><strong>Monthly Total</strong></td>
<td>$1,495</td>
<td>$4,793</td>
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<tr>
<td><strong>ANNUAL TOTAL</strong></td>
<td>$17,940</td>
<td>$57,516</td>
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<tr>
<td><strong>Hourly Wage</strong></td>
<td>$8.97</td>
<td>$28.76</td>
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</tbody>
</table>

Sources: 2015 Point-in-Time Data: American Community Survey. ALICE Demographics: American Community Survey; the ALICE Threshold. Budget: U.S. Department of Housing and Urban Development (HUD); U.S. Department of Agriculture (USDA); Bureau of Labor Statistics (BLS); Internal Revenue Service (IRS); Michigan Department of Treasury; Early Childhood Investment Corporation.
Employer Resource Network model – cont.

Success Coach Role:

- Has dedicated hours onsite at each employer member
- Is available the remainder of the week via email, text, call
- Help employees address issues causing ‘Workplace Instability’
- Manages the process from start to resolution
- Connect employees to company, public and nonprofit resources
- Provides/connects to financial literacy and other essential training
- Resource to HR to assist with attendance or performance issues
- Maintains employee confidentiality, reporting only in aggregate
Employee Segment Action Matrix –

- Value creators
- Core contributors
- Aligned skeptics
- Disengaged
- Lost believers

Line of Sight
Commitment
Employer Resource Network model – cont.

**Monthly Board Meetings:**

- Employer members chair and set the agenda
- Success Coach provides a monthly performance dashboard
- Members discuss trending issues and potential gaps
- Connecting with Community
- If a gap, identify potential partners and develop resource,
  Examples: Daycare, Transportation, Loan & Savings Program
- Benchmark other best practices around benefits, culture, etc.
### SWM Employer Resource Network

#### SWMERN - Kalamazoo | Monthly Dashboard | FY Oct 2016 - Sep 2017

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Delivered</th>
<th>Pending</th>
<th>Total</th>
<th>Unique Enrollments</th>
<th>YTD</th>
<th>YTD by Source</th>
<th>YTD by Multiple YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bell's Brewery</td>
<td>110</td>
<td>10</td>
<td>120</td>
<td>6</td>
<td>7.8</td>
<td>5</td>
<td>1</td>
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<tr>
<td>CLS</td>
<td>22</td>
<td>2</td>
<td>24</td>
<td>6</td>
<td>0.1</td>
<td>3</td>
<td>1</td>
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<tr>
<td>Consumers Credit Union</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td>9</td>
<td>1.1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Employment Group</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>5</td>
<td>0.6</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Fabri Kai</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>0.6</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Greenleaf Hospitality</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>0.6</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Mano-Hummel</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>8</td>
<td>1.6</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Orchard Kalamazoo</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>0.4</td>
<td>1</td>
<td>1</td>
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<td>Pre Services</td>
<td>7</td>
<td>7</td>
<td>14</td>
<td>14</td>
<td>2.1</td>
<td>4</td>
<td>4</td>
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<tr>
<td>Specialized Staffing</td>
<td>8</td>
<td>8</td>
<td>16</td>
<td>16</td>
<td>3.7</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Summit Polymers</td>
<td>24</td>
<td>24</td>
<td>48</td>
<td>48</td>
<td>10.0</td>
<td>9</td>
<td>9</td>
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<tr>
<td><strong>Totals/Averages</strong></td>
<td><strong>88</strong></td>
<td><strong>88</strong></td>
<td><strong>176</strong></td>
<td><strong>176</strong></td>
<td><strong>5.2</strong></td>
<td><strong>17.2</strong></td>
<td><strong>17.2</strong></td>
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#### Delivered Services Per Month | Multi-Year Comparison

- **Delivered Services**
  - Previous FY
  - FY14/16
  - FY15/17

#### Requests Per Month (Multi-Year Comparison)

- **Requests Per Month**
  - Previous FY
  - FY14/16
  - FY15/17

#### Loans $ Delivered Per Month | Multi-Year Comparison

- **Loans Delivered**
  - Previous FY
  - FY14/16

#### A Place to Call Home - An Ee met with the SC feeling fear and anxiety about being homeless. The Ee was trying to regain custody of their child, who was living with the Ee's parents due to a situation that could put the child in harm's way. Obtaining housing was of utmost importance to regain custody and improve their environment. Because of their credit history, finding housing had been nearly impossible. The SC stepped into action! Within days, the Ee signed a lease on a house located by the SC, with a flexible landlord. The road to safety and comfort for the Ee and child was clear. The Ee was in tears with joy.

#### An Attorney that Speaks Our Language - An employee contacted the Success Coach because she needed help finding legal assistance for her son. She was very distressed because she did not know what to do. She tried to get assistance on her own but ran into roadblocks because of the language barrier. The coach was able to provide the employee with a list of attorneys in the area that speak Spanish. The employee called the Success Coach again the following day to thank him for the information and was very grateful that the company she works with provides a Success Coach.
### SWMERN - Kalamazoo | Year to Date | FY Oct 2016 - Sep 2017 | May 2017

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<tbody>
<tr>
<td></td>
<td>418</td>
<td>62</td>
<td>79</td>
<td>3</td>
<td>5</td>
<td>45</td>
<td>56</td>
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</tbody>
</table>

- **Auto Repair**: 17
- **Career Counseling**: 5
- **Child Care**: 7
- **Child Support**: 1
- **Clothing**: 1
- **Coaching**: 89
- **Food - Community**: 18
- **Counseling Referral**: 2
- **Domestic Violence**: 1
- **Education**: 4
- **Elder Care**: 1
- **Emergency**: 2
- **Employment - Retention**: 3
- **Financial**: 42
- **Financial Literacy**: 9
- **Food - FAP/SNAP**: 2
- **Foreclosure/Evst Prev**: 1
- **Furniture**: 1
- **Govt. Agency Navigation**: 24
- **Hard Training**: 1
- **Health/Insurance**: 19
- **Home Repair**: 2
- **Homeless Shelter**: 1
- **Housing**: 47
- **Immigration**: 1
- **Legal Assistance**: 21
- **Literacy**: 3
- **Other**: 25
- **Soft Training**: 2
- **Sub. Abuse/Addictions**: 2
- **Transportation**: 20
- **Utilities**: 6

Note: The table provides a detailed breakdown of services by category type, including totals and specific categories for each service area.
Continued Program Innovations:

1. ERN Hardship Loan & Savings Program – All ERNs

2. Transportation:
   - Driven 2 Succeed mobile rideshare app–SW Michigan ERN
   - Drive for Success Van program – Schenectady Area ERN
   - Be Driven – Great Lakes Bay ERN

3. Childcare partnerships: GLB ERN and LERN Mason County

4. Healthcare / Wellness: Lakeshore ERN & Tri-County ERN

5. Budgeting / Financial Literacy – All ERNs

6. Career Laddering – SWM ERN

7. Recruiting, essential skills and shared seat training – All ERNs
Key Aspects of the ERN Expansion

- Geographic expansion
- Recruitment of eligible jobseekers
- Training of screened jobseekers
- Articulated career ladders
- Incorporation of the public workforce system
Workforce Innovation Fund (WIF)

Essential Skill Training

- Essential Skills (soft skills) have been identified as one of the number one needs of employers. ERN employers will be able to tap into available soft skill training, at no cost.

Vocational/Technical Skill Training

- Training is designed specifically for the needs of the ERN employers, at no cost to the employer.
- Trainings such as: Production Technician, CNC, CNA, culinary, hospitality, etc.

OJTs

- 50% wage re-imbursement for each individual who completes the training
- Typically 40 hours a week for 6-8 weeks
- For existing employees or with intent to hire
Workforce Innovation Fund (WIF)

Career Laddering
- Through the ERN, employers will be able to receive assistance in designing specific career pathways for their organization, if this has not currently been designed.
- Employees for each employer will also receive one on one assistance from the Success Coaches to learn how to develop their own career plan with their organization.
- Training will also be available for ERN employers to assist in moving an entry level staff into a higher position in their career pathway (ex: Food Service worker interested in becoming a CNA)
BSP Referrals to ERN

How to refer an employer to an ERN?

- Did the employer mention any of the issues listed on slide 4?
- Has the employer specifically mentioned retention concerns?
- Is the employer looking for ways to create a better culture and offer more services to employees?
- If yes, they may be a good referral to the ERN

Next Steps:

- Send a referral to James Vander Hulst, SWMERN Administrator, and Kelli Adams, Lead Success Coach
  - Email James (jvanderhulst@westmichiganteam.org) and Kelli (Kelli@ERNsuccesscoach.com)
  - Provide James and Kelli with the employers name, the individual at the employer that you met with, their contact information, and any additional information you learned from your meeting that will be beneficial.

- Log the referral into Salesforce
BSP Referrals to ERN

What Happens next?

- James and Kelli will meet with the Employer to give them an overview of the ERN.
- If the employer is interested they are invited to attend the upcoming ERN meeting with other employers.
- The employer may also be connected to another ERN employer in the same/similar industry, that may be able to answer their questions from an employer perspective.

Officially joining the ERN

- If an employer wants to officially join the ERN, they sign an MOU with SWMERN, pay the share fee, and start meeting with the Success Coach to get them integrated into their site.
Expected Benefits of Joining the ERN

- Decreasing employee absenteeism: 100%
- Increasing job retention: 100%
- Increasing employee job satisfaction: 100%
- Saving time in managing employees' non-work related questions: 100%
- Increasing worker productivity: 100%
- Accessing employee training: 83%
- Helping employees advance in their career: 83%
- Networking with other employers: 83%
- Increasing profit: 67%
- Filling open positions: 50%
Challenges Associated with Entry-level Positions

- Absenteeism: 83% (No, it was not a challenge), 17% (Yes, it was a minor challenge)
- Turnover: 83% (No, it was not a challenge), 17% (Yes, it was a minor challenge)
- Filling Vacant Positions: 67% (No, it was not a challenge), 17% (Yes, it was a minor challenge), 17% (Yes, it was a significant challenge)
Helpfulness of Services Received

- Of the 76%, 60% found it helped a lot
  - 76% received a referral to community resources

- Of the 72%, 79% found it helped a lot
  - 72% received counseling or advice from the success coach

- Of the 49%, 79% found it helped a lot
  - 49% received other services

- Of the 43%, 56% found it helped a lot
  - 43% received referrals to training programs

- Of the 23%, 83% found it helped a lot
  - 23% received Bridge Loan funding
95 PERCENT OF MY ASSETS DRIVE OUT THE GATE EVERY EVENING.

It’s my job to maintain a work environment that keeps those people coming back every morning.

Jim Goodnight
CEO, SAS
Employer Resource Networks (ERN) and Workforce Innovation Fund (WIF)

What are ERNs?
Employer Resource Networks are private-public consortia whose purpose is improved workforce retention through employee support and training. Benefits include:

- Success Coach on site at the employer to confidentially assist employees improve employment skills, overcome personal barriers and prepare for advancement opportunities.
- Partnering with local government, non-profits and private employers to offer the best resources available.

Counties Included:
- Kalamazoo
- St. Joseph
- Calhoun
- Branch (coming soon)

Expanding Southwest Michigan ERN through WIF

Workforce Innovation Fund (WIF)
The WIF grant was awarded by the U.S. Department of Labor, to the W.E. Upjohn Institute to expand the Southwest Michigan ERN to all four counties in the Michigan Works! Southwest Area.

New Employers
New employers joining the ERN during WIF will be able to take advantage of a 50% reduction in fees for their first year.

Vocational Training
Training is being designed specifically for the needs of the ERN employers, at no cost to the employer.

Soft Skills Training
Soft skills have been identified as one of the number one needs of employers. ERN employers will be able to tap into available soft skills training for all new hires, at no cost.

Career Laddering
Through the ERN, Employers will be able to receive assistance in designing specific career ladders for their organization, if this has not currently been designed. Employees for each employer will also receive one-on-one assistance from the Success Coaches to learn how to develop their own career plan within their organization.

To further discuss how ERNs can assist your organization, please contact

James Vander Hulst or Kelli Adams
President Lead Success Coach
West Michigan TEAM Workforce Innovation Fund
SWMERN Administrator Michigan Works! Southwest
(616) 454-8738(269) 338-1974
jvanderhulst@westmichiganteam.org kelli@ERNSuccessCoach.com

Michigan Works! is an equal opportunity employer / program supported by the State of Michigan. 1-800-285-WORK (9675). Auxiliary aids and services are available upon request. Dial 711 for Relay Center and TTY.