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**STUDY SUGGESTS ALTERNATIVE STAFFING MODEL SUPPORTS SUCCESS FOR BROOKLYN WORKERS, EMPLOYERS**

BROOKLYN, New York – Two new reports from a study of alternative staffing organizations (ASOs) in Brooklyn and three other U.S. regions suggest that these unique temporary staffing programs can help low-income workers succeed in the labor market while meeting the needs of local employers.

“A Foot in the Door: Using Alternative Staffing Organizations to Open Up Opportunities for Disadvantaged Workers” was released today by Public/Private Ventures (P/PV), a national nonprofit organization focused on research and program development. The Center for Social Policy (CSP) at the University of Massachusetts Boston’s McCormack Graduate School of Policy Studies simultaneously released the report “Brokering Up: The Role of Temporary Staffing in Overcoming Labor Market Barriers.”

Both reflect findings from the second phase of the national Alternative Staffing Demonstration (ASD), which was launched by the Flint, Michigan-based Charles Stewart Mott Foundation in 2003. Mott support for that most recent phase, which ran from 2005 to 2008, totaled nearly \$2.5 million.

ASOs, which are frequently operated by community-based agencies, integrate the business goal of mainstream temporary staffing programs -- connecting workers and employers - - with the social mission of helping marginalized members of society find and maintain jobs.

They also offer low-income workers a range of supportive services -- such as access to reliable transportation and child care -- to address barriers to employment.

The ASD has explored how ASOs can most effectively implement the above strategies; grow the available job opportunities for clients; improve wages and employment retention rates for placed workers; and sustain relationships with employer customers, thereby strengthening the financial performance of the programs.

The ASOs highlighted in the new reports are EMERGE Staffing, located in Minneapolis, Minnesota; FirstSource Staffing in Brooklyn; Goodwill Staffing Services of Austin, Texas; and Goodwill Staffing Services of Boise and Nampa, Idaho.

Among the findings:

- Low-income workers frequently face a range of barriers -- and oftentimes, multiple barriers -- to employment. ASOs, by linking employment and supportive services, may help offset the negative effects of barriers on job placement, retention and wages.
- ASOs are uniquely positioned to help their target populations obtain an immediate source of earnings; gain entry into certain companies or occupations; create an

employment track record; and build positive relationships with employers while fulfilling their need for a reliable workforce.

- Employers served by the participating ASOs reported that the programs offer a solid understanding of local business needs and priorities, and provide them with workers who are better supported and prepared to perform reliably.

“As businesses increasingly use staffing firms to hire entry-level employees, opportunities for disadvantaged job seekers to find work on their own are more limited,” said Sheila Maguire, vice-president for labor market initiatives at P/PV. “ASOs can provide important access to jobs, as well as some of the supports that these job seekers often need. When such services help someone stay on the job longer or work more efficiently, they are also a benefit to businesses, which depend on reliable employees to remain competitive.”

The reports also revealed outcomes unique to the Brooklyn community. For example, FirstSource Staffing, in part through its participation in the ASD, has sought to strengthen its supportive services component. The study suggests that workers using those services were more likely to obtain employment and, for those with multiple barriers, earned nearly \$1.00 an hour more than workers with similar barriers who did not receive services.

FirstSource placed 332 workers between 2006 and 2007. The organization makes a majority of its assignments in clerical sectors, including office and administrative support.

Aaron Shiffman is executive director at Brooklyn Workforce Innovations (BWI), which oversees FirstSource. He notes that the opportunity to grow and expand services to local workers and employers has been an important benefit of the organization’s participation in the ASD.

FirstSource placed 332 workers between 2006 and 2007. The organization, which has successfully covered its operating costs with earned revenue since 2001, makes a majority of its assignments in clerical sectors, including office and administrative support.

“In the current economy, with charitable donations declining and the need for employment assistance rising, self-supporting alternative staffing companies can play a unique role,” says Aaron Shiffman, executive director of Brooklyn Workforce Innovations, which oversees FirstSource. He notes that the chance to grow and expand services for workers with significant barriers to employment has been an important benefit of the organization’s participation in the ASD.

“The demonstration has helped us ensure that the jobseekers who need our help the most can successfully take advantage of the opportunities offered by our employer-customers.”

While the alternative staffing model is demonstrating its value in connecting hard-to-place workers with the nation’s labor market, Françoise Carré, research director at CSP, notes that the strategy is most effective when it is part of a comprehensive, high-quality community workforce development system, including skill training.

“ASOs, thanks to their knowledge of employers’ business needs and their ability to connect workers with high quality supportive services, provide an important employment opportunity for many low-income, low-skilled workers,” she said. “But the alternative staffing model is only one path for those individuals and their families in the journey out of poverty.”

The ASD’s next phase, currently underway and expected to be completed in 2011, will further study the work and earnings outcomes for ASO clients, and compare those results with the performance of low-income workers served by conventional staffing firms.

“A Foot in the Door” is available online at [www.ppv.org](http://www.ppv.org), while “Brokering Up” can be downloaded at [www.mccormack.umb.edu/centers/csp/](http://www.mccormack.umb.edu/centers/csp/). Additional information about the alternative staffing sector is available from the Alternative Staffing Alliance (ASA) at [www.altstaffing.org](http://www.altstaffing.org). ASA is a national, member-based nonprofit organization dedicated to supporting ASO practitioners and promoting alternative staffing as a sustainable workforce development strategy.

BWI is a community-based network of social enterprises and job-training programs serving unemployed and working poor New Yorkers. In addition to FirstSource, BWI offers skills training programs that connect low-income participants with living-wage employment and long-term careers in four sectors: commercial driving, telecommunications data installation, skilled woodworking and TV and film production. More information is available at [www.bwiny.org](http://www.bwiny.org).

Mott, established in 1926 by an automotive pioneer, is a private philanthropy committed to supporting projects that promote a just, equitable and sustainable society. It supports nonprofit programs throughout the U.S. and, on a limited geographic basis, internationally. Besides Flint, offices are located in metropolitan Detroit, Johannesburg (South Africa) and London. More information is available at [www.mott.org](http://www.mott.org).

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