

# Entry-Level Employers in Colorado: Results from a Survey of 25 Employers

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August 9, 2007

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## EXECUTIVE SUMMARY

The purpose of this study is to examine Colorado employers' experiences with welfare recipients they have hired for low-skill, entry-level jobs. The research gathers information on the characteristics of employers and the low-skill workforce, employer hiring practices, staffing needs, overall employer satisfaction, and employer feedback on county Colorado Works offices and workforce centers operated under local Workforce Investment Boards. We used a purposive convenience sample of counties and interviewed 25 employers from nine counties. The nine counties covered by the survey (Appendix A) and the number of employers in each are: Adams (1), Arapahoe (3), Denver (7), El Paso (2), Larimer (2), Rio Grande (4), Mesa (1), Saguache (2), and Weld (3). County Colorado Works agencies and local workforce centers were asked to identify employers that had hired Colorado Works participants for unsubsidized jobs and/or for unpaid internship or work experience positions. Most employers that were contacted agreed to participate in the survey. Interviews generally lasted 15 to 30 minutes, and they were conducted between January and March 2007.

**Employer Characteristics.** A majority of the employers are nonprofit firms (14), but the sample also included six local government agencies, three for-profit firms, and two quasi-governmental organizations. The employers are in a wide number of industries and business areas, but the most common are health (8), social services (4), and thrift and retail stores (4). Over one-half of the sample firms (14) have fewer than 30 employees, but two firms have 501 to 1,000 employees, and two other firms have over 1,000 employees.

**Low-Skill Employees at the Firms.** A majority of the employers in the sample employed fewer than 10 low-skill employees at the time of the survey, but two of the firms employ over 100 low-skill workers.

The employers in the sample generally reported hiring few Colorado works participants in a given year – nine of the employers hired no Colorado Works participants in the 12-month period prior to the interview, and eight hired one. (It is possible that employers hire some Colorado Works participants without knowing so.) Two employers hired 11 to 30 workers, and one hired over 30 in that period. In terms of job retention, the employers' experience with Colorado Works participants was similar to their experience with other low-skill workers, with roughly equal numbers finding Colorado Works participants better, equal to, and worse than other low-skill workers. The low-skill workers have a variety of job titles, and the most common are retail tagger and cashier, clerk, and receptionist.

**Sources of New Employees.** The employers were asked to identify their most common sources of new low-skill workers, and they provided a range of responses. The most common sources of new low-skill employees were newspaper ads (7) and referrals from current employees (6). Other responses included the Internet (4), walk-ins (3), referrals from Colorado Works offices and workforce centers (2 each), and other (1).

**Experiences with Community Work Experience Program (CWEP) Interns.** Most of the employers had employed one to three interns (16) in the 12 months prior to the survey, three of the employers had hired no interns in the prior 12 months, and six employers hired more than

three interns. The vast majority of the employers were satisfied with the interns, and only three reported that they were not very satisfied (2) or not satisfied (1).

**Agreements with Colorado Works Agencies and Workforce Centers.** Most of the employers have an agreement with either the county Colorado Works agency or the workforce center(s) in the area. Nine employers have an agreement with the Colorado Works agency, and 11 employers have agreements with the workforce center. Some employers indicated that the agreement was oral or informal, and a few employers were not sure if they had an agreement.

**Use of Tests and Tax Incentives for Hiring Low-Skill Workers.** A minority of the employers, eight out of 25, make use of formal tests in their hiring decisions. For-profit employers can generally receive the Work Opportunity Tax Credit or the Welfare to Work Tax Credit for hiring welfare recipients. All three for-profit firms make use of financial incentives for hiring, but one of the three makes hiring decisions without regard to the tax credits but claims the credit when the worker qualifies. The remaining firms are nonprofit, government agencies, or quasi-governmental organizations and are not eligible for the credits.

**Employer Perceptions of Colorado Works Participants' Quality.** About one-half of the employers (11) consider Colorado Works participants to be of about the same quality as other low-skill workers. Among the remaining 14 employers, six said the results were mixed, with some better and some worse; four indicated that the Colorado Works employees had some problems; and three indicated that the Colorado Works participants were not as good as other low-skill workers. The remaining employer only hires CWEP interns.

**Compensation and Benefits of Low-Skill Workers.** Because Colorado Works participants can not always continue to receive Medicaid after leaving the program, health insurance is a particularly important fringe benefit. Of the 23 employers who responded to this question, 21 offer health insurance to their low-skill workers and two do not. Many of the employers have waiting periods, with some as long as six months before the workers can participate in the health insurance program. Most of the employers indicated that although the employer covers most or all of the premium for the worker, insurance for dependents must generally be paid by the worker, and few workers purchase health insurance for their dependents. Wages for low-skill workers range from the minimum wage to as high as \$14.50 per hour. The mean wage is \$8.92 per hour, and the median hourly wage is \$8.63.

**Employer Recommendations on Employability.** Employers suggested several program improvements that might make them more likely to hire welfare recipients. The most prevalent suggestion was to increase pre-employment preparation and add more supportive services for Colorado Works participants. Nine employers stated that Colorado Works programs should do more to develop the skills and work ethic of program participants before referring them to businesses and/or provide more supportive services after employment. Child care, transportation, and work attitudes are three specific areas employers felt could be improved. Of these nine employers, three stated that child care is an obstacle for welfare recipients and interferes with their job performance. Two employers said that their employees were often tardy or would miss work because they relied on poor transportation systems. One employer specifically stated that the program should train people to follow a regular routine and develop strong work ethics. Three employers expressed a need for more state funding to businesses that

support welfare clients. They would like to hire more welfare recipients but cannot afford to do so unless the state subsidizes more of the costs. One employer asked for more information on tax credits-- an option many of the eligible employers in this study had little information on. Other suggestions by employers included improving communication with employers and instituting a better screening process before Colorado Works clients are referred to employers.

**Additional Comments on the Colorado Works Program.** Nearly half the employers had no additional comments on the program. Eight expressed their satisfaction with the program. However, not all of the comments were positive. One employer stated that he does not get enough referrals, and he has needed additional employees for over a year. One employer said she wished that the state provided child care and other services for her employees.

**Conclusions.** This survey offers a look at Colorado employers' experiences with Colorado Works clients and other low-skill workers. The survey provides valuable information about the extent to which the Colorado Works program and the clients are able to meet employer needs. Because the sample was relatively small and not randomly selected, it would be unwise to generalize the findings to the entire program. However, employers' likes and dislikes about the program and the clients should be of interest to all Colorado counties. We encourage counties to explore the issues raised here with employers in their county for ideas on how to improve their programs.

## I. Introduction

The Colorado Works Program was created in 1997 as Colorado’s state Temporary Assistance for Needy Families (TANF) program, following enactment of the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996. PRWORA repealed the Aid to Families with Dependent Children (AFDC) program, a federal entitlement that provided matching funds to states, and replaced it with the TANF program. Through PRWORA, Congress authorized capped block grant funding to states for TANF. The law also imposed five-year time limits on lifetime cash assistance provided with federal TANF funds and stricter work participation requirements than had existed under AFDC. The Colorado Department of Human Services (CDHS) contracted with The Lewin Group and its partners, the University of Colorado's Health Sciences Center, the Johns Hopkins University's Institute for Policy Studies, and Capital Research Corporation, to perform an in-depth study of the Colorado Works program. The study’s design was developed by the Lewin team in consultation with CDHS officials and an Advisory Committee consisting of representatives of the counties and Colorado’s advocacy community.

Each year, the evaluation team and the project advisory committee agree upon a series of activities under the contract. For the second year of the contract, one of the activities agreed upon was a survey of employers who hire Colorado Works participants, either as regular employees or as unpaid interns. The survey was designed to enable the state and counties to see how well Colorado Works is preparing participants for unsubsidized jobs, how well the counties’ programs are identifying and meeting the needs of employers, and what aspects of the programs might be changed to improve services to employers. We used a purposive convenience sample of counties and interviewed 25 employers from nine counties. Employers who hired Colorado Works participants and/or other low-skill workers were recommended by county Colorado Works offices and workforce centers. Table 1 lists the number of employers interviewed by county.

**Table 1**  
**Location of Participating Employers**

<b>County</b>	<b>Interviews</b>
Adams	1
Arapahoe	3
Denver	7
El Paso	2
Larimer	2
Rio Grande	4
Mesa	1
Saguache	2
Weld	3
<b>TOTAL</b>	<b>25</b>

## II. Characteristics of Employers in the Sample

The employers we interviewed for this study represented a range of sectors and varied greatly in size. As shown in Table 2, over one-half of the employers surveyed were nonprofit organizations (14 of the 25). Six of the employers were government agencies, three were for-profit firms, and two were quasi-governmental organizations.<sup>1</sup>

**Table 2**  
**Distribution of Employers by Sector**

Area	Employers
Nonprofit	14
Government	6
For-profit	3
Quasi-governmental	2

Table 3 shows the industries and business areas of the employers interviewed. The largest share of employers (8) were in the health care industry. The next most common areas were social services and thrift stores/retail; we interviewed four employers in each of these areas. The six government employers were in the following activities: housing/rental, thrift store/retail, social services, tourism, and law enforcement. The three for-profit employers were in staffing/recruitment, health care, and childcare. The two quasi-governmental employers were in the health care and housing areas. The remaining employers were nonprofit employers in a variety of industries.

**Table 3**  
**Employers by Industry and Business Area**

Industry/Business Area	Employers
Health care	8
Social services	4
Thrift store/retail	4
Child care	2
Housing/rental	2
Museum, tourism	2
Food distribution	1
Law enforcement	1
Staffing/recruitment	1

Table 4 provides the sizes of the employers in this study as indicated by the number of employees. Most of the employers—20 of the 25—had fewer than 100 employees, and more than one-half of the employers had fewer than 30 employees—14 of the 25. However, there

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<sup>1</sup> Quasi-governmental organizations are special purpose organizations established by a unit of government to carry out specific functions. Employees of such organizations are generally not government employees, but the organizations carry out activities that are often performed by government agencies.

were also four larger employers in our sample, including two employers with between 501 and 1,000 employees, and two with between 1,000 and 3,000 workers.

**Table 4**  
**Size of Employers**

<b>Number of employees</b>	<b>Employers</b>
<10	5
10 to 30	9
31 to 100	6
101 to 500	1
501 to 1000	2
1001 to 3000	2

Three of the four largest employers were nonprofit hospitals. While they have many employees, hospital representatives told us that their employees work within smaller departments that are largely self-contained. Therefore, these employers overwhelmingly employed workers in a setting with fewer than 100 co-workers. The smallest employers included a museum operator, one in thrift store/retail, one in housing/rental, and one in childcare. However, the size of the employer varied within each industry.

#### **A. Low-Skill Workers Employed by Employers in the Sample**

The number of low-skill workers employed by the firms we interviewed varied widely and typically depended on the size of the organization. We defined low-skill employees as workers who possess no more than a high school education and no job-specific skills that require more than a few weeks to learn. Smaller organizations obviously had a limited number of employees overall, and therefore often employed a smaller number of low-skill workers than larger organizations. Most of the larger employers we interviewed employed a large number of low-skill employees. At the time of interview, two employers told us they had no low-skill workers. Both were small employers, one in staffing/recruiting and the other a museum. The three employers with the most low-skill workers were all large nonprofit employers, two in the health care sector and one in thrift/retail. Table 5 shows the number of low-skill employees working at each employer at the time of interview.

**Table 5**

<b>Number</b>	<b>Employers</b>
None	2
<10	13
10 to 30	5
31 to 100	2
101 to 500	3



## B. Number of Low-skill Employees

The number of low-skill employees hired by each employer within the past year ranged from 1 to 450, with a mean of 38. Three employers told us they had not hired any low-skill employees within the past year. These included one medium-size employer in law enforcement and two smaller employers in social services and staffing/recruiting. Table 6 shows the number of low-skill employees hired by employers in the past year. The numbers are largely consistent with those in Table 5. Most of the employers that had low-skill workers at the time of interview had also hired low-skill workers in the past year and vice versa.

**Table 6**  
**Low-skill Employees Hired Within the Past Year**

<b>Number</b>	<b>Employers</b>
None	3
<10	14
10 to 30	4
31 to 100	2
101 to 500	2

In general, employers hired a small number of Colorado Works participants within the past year, when compared to the overall number of low-skill workers they hired. Nine employers told us they hired no Colorado Works participants in the past year, six more than had hired no low-skill workers.<sup>2</sup> Another eight hired only one Colorado Works participant each, as shown in Table 7. However, two employers hired a much larger number of Colorado Works participants than the others in the past year: one hired 22 and another hired 50. Both were larger employers that also employed a high number of low-skill workers. Both employers were nonprofits, one in the health care sector and one in the retail/thrift sector. However, the two largest employers we interviewed hired a combined total of only four Colorado Works participants in the past year.

**Table 7**  
**Colorado Works Participants Hired in Past Year<sup>3</sup>**

<b>Number</b>	<b>Employers</b>
None	9
1	8
2 to 10	5
10 to 30	2
>30	1

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<sup>2</sup> It is possible that some employers did not know the welfare status of their hires, so the number of Colorado Works hires reported may be an undercount.

<sup>3</sup> In the earlier stages of our research, some employers used CWEP interns as a proxy for welfare recipients hired. When this became obvious, the surveys were revised to find out hiring details for both CWEP interns and the other welfare recipients.

Most employers – about two-thirds – told us that employee retention was the same or better for Colorado Works participants as for all their low-skill workers 6 to 12 months after they were hired. Table 8 shows whether employee retention was better, worse, or the same for Colorado Works participants as compared to all low-skill workers. Seven employers – one-half of those to whom this question applied – told us that their retention rate for Colorado Works participants after 6 months was 100 percent. The average retention rate for Colorado Works participants after 6 months among the remaining seven employers was 42 percent.

**Table 8  
Employee Retention**

<b>Colorado Works Participants vs. All Low-skill Employees</b>	<b>Employers</b>
Better	4
Same	5
Worse	5
Not applicable*	11

*\*Hired no Colorado Works employees in the past year, or offers employment to Colorado Works participants for a limited number of months.*

Table 9 shows the most common jobs held by the entry-level workers at the firms in our sample. The most common job titles for the workers were retail taggers or cashiers, clerks, and receptionists. The job titles were fairly diverse, and most of the jobs appeared to require minimal training or specific skills. Other occupations for entry-level workers that employers mentioned as less common include: sales associate, custodian, dietary assistant, and case service aide.

**Table 9  
Most Common Jobs of Low-skill Employees**

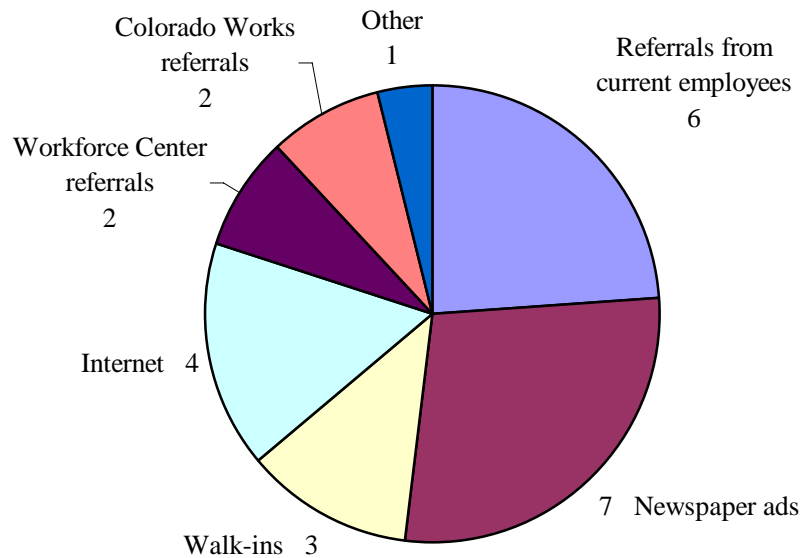
<b>Job Title</b>	<b>Employers</b>
Retail tagger or cashier	4
Clerk	4
Receptionist	4
Customer service	2
Housekeeper	2
Childcare aide	2
Medical assistant or technician	2
Groundskeeper	1
Driver	1
Museum assistant	1
Advocate	1
Not applicable*	1

*\*Has not employed low-skill workers recently.*

### III. Sources of New Employees

We asked the employers to identify their main sources of new low-skill employees. Chart 1 shows the distribution of sources for the 25 employers. The most common sources are typical among employers. Seven employers said newspaper ads were their leading source, and another six employers said referrals from current employees were the most important source. The Internet was the most common source for four employers. Two employers each mentioned workforce centers and Colorado Works offices as the most common source. Finally, three employers cited walk-ins as the most common source for new employees, while one employer said partnerships with schools and temporary agencies was its greatest sources of new employees.

**Chart 1**  
**Sources of New Employees**



#### A. Community Work Experience Program (CWEP) Interns

Altogether, employers hired approximately 80 CWEP interns in the past year. Twenty-three employers participated in CWEP with an average of three interns per employer. The median and most common number of interns is two.

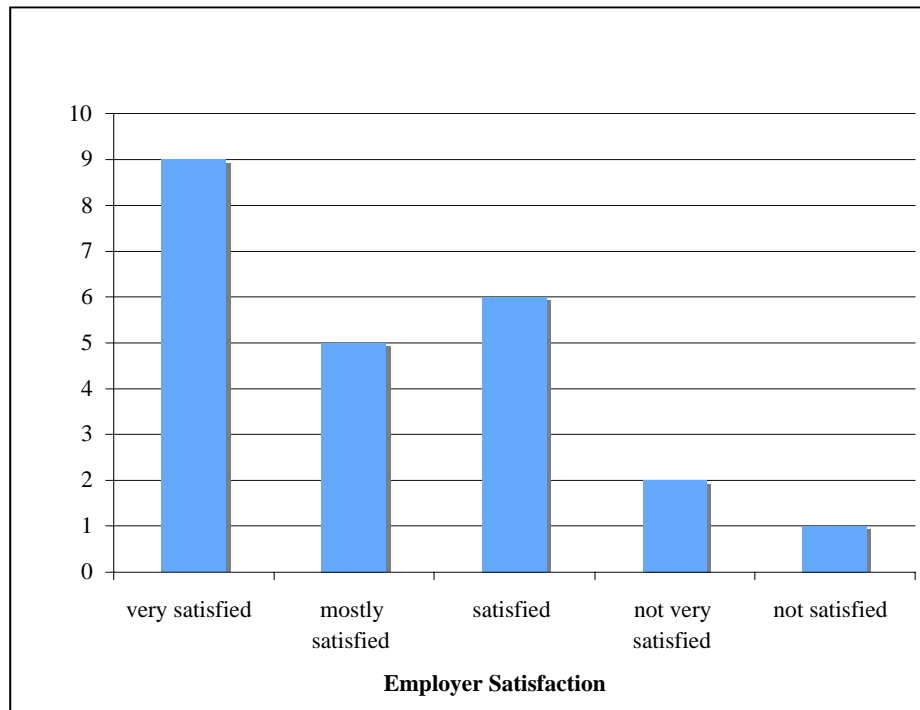
**Table 10**  
**CWEP Interns Employed**

Interns	Employers
None	2
1 to 3	17
> 3	6

As Chart 2 illustrates, nine employers were “very satisfied” with CWEP participants and only one was wholly unsatisfied. Twenty out of 23 were satisfied. There does not appear to be a positive correlation between the number of interns and satisfaction.

Fourteen of the 23 CWEP employers tried to convert some or all interns to full-time employees. Of those, only three employers were unsuccessful in converting former interns. In those cases, interns either accepted jobs elsewhere or were not interested or able to pursue employment with the employer. Employers who did not try to convert interns lacked the capacity, money, or interest to do so.

**Chart 2**  
**Satisfaction of CWEP Employers**

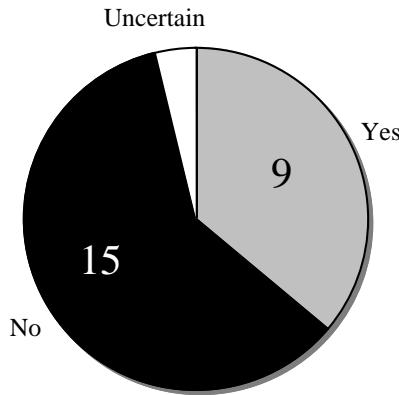


## **B. Agreements with Colorado Works Offices and Local Workforce Centers**

Less than half the employers indicated that they receive referrals from Colorado Works Offices and Workforce Centers. Nine out of the 25 employers have some type of agreement with the Colorado Works office. In three cases, employers perceive the agreement to be informal or verbal, meaning that the Colorado Works office or workforce center sends people in to be considered for positions without a written agreement. Other employers partner with the office because it puts potential employees through a rigorous screening process. Although we attempted to distinguish between county Colorado Works offices, workforce centers, and other Colorado Works employment contractors, it is not certain that the employers could always make the appropriate distinction. The 15 employers who answered negatively said they either partnered with the local Workforce Center or the Center for Work Education and Employment

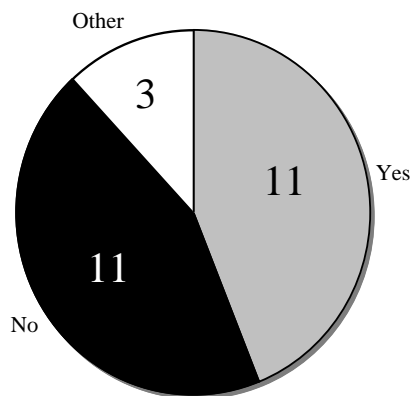
(a local nonprofit employment agency under contract to some Denver area TANF agencies). One employer did not know about the status of any agreements.

**Chart 3**  
**Agreements with Colorado Works Office**



Charts 3 and 4 show that more employers in our sample have agreements with local Workforce Centers than the Colorado Works office. This is not surprising because many Colorado Works offices have arrangements with the workforce centers to provide employment services to their Colorado Works participants. Employers are evenly split (eleven each) between those with agreements and those without. The remaining three included the employer who was uncertain about Colorado Works status, another who remembered an agreement in the past but did not know about one presently, and one situation that did not apply. The agreements with employers vary considerably; four recruit CWEP interns, one coordinates with an online job-posting site, two have verbal agreements, and another has a written agreement. Employers without agreements also differ; two stated that the workforce center is not efficient, two claimed they require better workers than the workforce center typically provides, and one felt that they cannot afford to hire any additional Colorado Works participants (low-skilled or other) unless they are subsidized through TANF.

**Chart 4**  
**Agreements with Workforce Centers**



### C. Employer Hiring Practices and Financial Incentives

Eight employers require job applicants to take a test for hiring consideration. Seventeen employers do not administer a test. Tests range from broad questionnaires on financial management to specific areas such as mapping tests for drivers.

**Table 11**  
**Test Requirements for Hiring Consideration**

<b>Test</b>	<b>Employers</b>
Yes	8
No	17

Table 12 describes the use of financial incentives to hire workers, such as the Work Opportunity Tax Credit or the Welfare to Work Tax Credit. All three for-profit firms make use of financial incentives for hiring, but one of the three makes hiring decisions without regard to the tax credits but claims the credit when the worker qualifies. The remaining firms are nonprofit, government agencies, or quasi-governmental organizations and are not eligible for the credits.

**Table 12**  
**Use of Tax Credit Financial Incentives**

<b>Usage</b>	<b>Employers</b>
Yes	3
Not eligible	22

### D. Employee Quality

We asked employers to compare welfare recipients to other entry-level workers in terms of productivity, attendance, attitude, and other factors. One employer hires only CWEP employees and could not answer the question. Eleven of 24 the employers felt that the workers were comparable. Six have had mixed experiences (some good and some bad employees). Four stated that their workers have some problems, and three felt that the welfare recipients were worse than regular employees. In one of these cases, an employer who hired both CWEP interns and welfare recipients was more satisfied with the latter, and another employer felt that employees with prior CWEP experience were more prepared for their positions.

Even those who felt that the workers were comparable mentioned that they sometimes needed extra soft skills training or time to adjust, but that once they received this help, they were just as good as the other workers. Conversely, those who felt the workers had some problems or were simply worse than other newly hired workers mentioned problems with worker attitudes such as the lack of a work ethic or chronic attendance problems due to family situations, lack of access to transportation, and illness. Mixed responses refer to situations in which an employer

had both positive and negative experiences with different welfare recipients. For example, one employee would be grateful for the opportunity to work and do his or her best, while the other simply wanted to do the bare minimum.

**Table 13**  
**Comparison of Colorado Works Recipients to Other Entry-Level Workers**

<b>Assessment</b>	<b>Employers</b>
Equal	11
Mixed (Some Good/Some Bad)	6
Some Problems	4
Negative	3

### **E. Compensation and Benefits**

Twenty-one employers offer healthcare coverage to their entry-level workers. Two employers do not, and the remaining two only hire CWEP interns. Three employers specified that they also provide full dental and vision plans to the employee. While we inquired about plans for single-parent/one-child households, employers were largely unable to provide more specific information. Finally, while take-up rates were high for employees covering themselves, most employers perceived plans to be too expensive for many employees to choose to cover dependents.

As depicted in Table 14, waiting periods to enroll in health insurance are common for entry-level employees. Twelve employers cited periods between 30 and 180 days. Employers mentioned that the most common period, three months/90 days, is often a probationary period for new employees.

**Table 14**  
**Health Insurance Waiting Periods**

<b>Waiting Period</b>	<b>Employers</b>
None	5
1 month/30 days	2
2 months/60 days	1
3 months/90 days	7
6 months/180 days	2
Unknown/not applicable	8

Table 15 describes the wage distribution for entry-level employees. Entry-level jobs in the sample all paid more than the federal minimum wage, and some of the employers paid

substantially more than the minimum wage. Our surveys took place around the time that the Colorado minimum wage was increased to from \$5.15 to \$6.85 per hour (January 1, 2007), and the wages reported generally reflect wages paid prior to the increase.

**Table 15**  
**Distribution of Wages for Entry-Level Employees**

Lowest	\$5.15
Highest	\$14.50
Average (mean)	\$8.92
Median	\$8.63
Mode	\$9.00

Employers sometimes have career paths in place for entry-level workers. Table 16 describes this distribution, 21 employers have career paths, while three do not, and one did not find this question to be applicable (because they hire CWEP interns on a short-term basis).

**Table 16**  
**Presence of Career Paths for Entry-Level Workers**

<b>Career Path</b>	<b>Employers</b>
Formal	14
Informal	7
None/Not Applicable	4

Of the 21 employers who claim to have a career path, seven employers describe this path as informal. Employees who work hard and learn through on-the-job training will have opportunities to apply for higher positions and move up. It appears that those who feel this is a set career path describe the transition from lower jobs to higher jobs as more accessible. For example, workers at a retail store start as production workers and then move into supervisory positions as managers. Telemarketing representatives may move up to customer service representative supervisors after job performance proves they can handle more responsibility.

The 14 employers who said they have formal career paths offered specific examples of advanced training and education options. In these cases, the employer subsidizes the cost of job training. In one instance, an employer in the health care industry has an arrangement with a local university and sends employees there for technician training. Employees move from roles as Technician I to Technician II and receive increased salaries and benefits accordingly. In another case, an employer pays for two types of nursing certifications, GED attainment, English classes, and retirement education. This employer uses grants and tuition and textbook reimbursement policies.



#### IV. Employer Recommendations for Improving Employability of Colorado Works Clients

Employers suggested several program improvements that might make them more likely to hire welfare recipients.

- The most prevalent suggestion is to increase pre-employment preparation and add more support. Nine employers stated that Colorado Works programs should do more to develop the skills and work ethic of program participants before referring them to businesses and/or provide more supportive services after employment.. Child care, transportation, and work attitudes are three specific areas employers felt could be improved. Of these nine employers, three stated that child care is an obstacle for welfare recipients and interferes with their job performance. Two employers said that their employees were often tardy or would miss work because they relied on poor transportation systems. One employer specifically stated that the program should train people to follow a regular routine and develop strong work ethics.
- Three employers expressed a desire for more state funding to businesses that support welfare recipients. They would like to hire more welfare recipients but cannot afford to do so unless the state subsidizes more of the costs. One employer asked for more information on tax credits..
- Two employers stated that the Colorado Works should be better organized to communicate more easily with employers. They both said that the relationship with the Colorado Works program office influenced their desire to hire recipients. One said his relationships with the office were good, but the other one said he had had difficulties communicating with Colorado Works staff and obtaining necessary information; the people responsible for distributing this information used outdated forms and had what he referred to as “roundabout procedures.”
- Two other employers would hire more welfare recipients if the Colorado Works office had a better screening process. These employers mentioned that drinking problems and family issues affected job performance and that they would prefer if government agencies could screen client referrals to avoid sending these workers to employers.
- Eight employers felt that TANF should do nothing different. Of these eight, three employers felt that the system works well in the status quo. However, the majority of the eight believed that the TANF office could not make changes that would affect their decisions to hire welfare recipients.

## V. Additional Comments on the Colorado Works Program

Nearly half the employers had no additional comments on the program. Eight expressed their satisfaction with it. They stated that the system works well for all parties involved. These employers valued the employees they received and said they contributed to the quality of the work environment at the firm. One specifically expressed the desire to hire more welfare recipients. Another mentioned that the experience is good for the welfare recipients, who have the opportunity to be trained.

However, not all the comments were positive. One employer stated that he does not get the referrals needed for openings and has needed additional employees for over a year. One employer said she wished that the state provided child care and other services for her employees. Another focused on the need for better screening processes. While a third employer had positive outcomes with the program, he felt that a key drawback is the time the entire process takes. In a separate case, an employer mentioned that funding constraints from the state make his office more likely to hire skilled workers and less likely to hire TANF recipients. Thus, while the comments are mixed overall, employers offered concrete benefits and problems with the program.

## VI. Conclusion

This survey offers a look at Colorado employers' experiences with Colorado Works clients and other low-skill workers. The survey provides valuable information about the extent to which the Colorado Works program and the clients are able to meet employer needs. Because the sample was relatively small and not randomly selected, it would be unwise to generalize the findings to the entire program. However, employers' likes and dislikes about the program and the clients should be of interest to all Colorado counties. We encourage counties to explore the issues raised here with employers in their county for ideas on how to improve their programs.

## Colorado Works Employer Survey

Hello. My name is \_\_\_\_\_. I work at Johns Hopkins University, and we are working under a contract with the Lewin Group for the State of Colorado to help them better understand Colorado Works, the state's welfare or TANF program assisting families with children. As part of our work, we are conducting telephone interviews with employers in Colorado to learn about their staffing needs and experiences with entry-level workers. We know that your time is valuable, and we will be brief—the interview will take no more than 15 minutes. Although I will be taking notes, we will not identify the source for any information used in the report on this study. Participation in the survey is voluntary, and if there are any questions you would prefer not to answer, just let me know.

First, let me verify that you are the right person for us to talk to. Are you involved in hiring or supervising entry-level workers at your firm? If not, could you please provide the name and telephone number of the appropriate contact? If you are the right person, is this a good time to talk? If not, can we schedule another time?

I have a few brief questions about the establishment where you work.

1. What is the name of the organization?
2. Where are you located in Colorado?
3. What would you say is the primary industry or business the organization is engaged in? Is your organization for-profit, nonprofit, or a government agency?
4. Approximately how many people work at this location of your organization?
5. Approximately how many of your workers would you classify as low-skill or entry level? By low-skill or entry-level, I mean workers who have no special skills beyond the skills that could be acquired in high school.
6. What are the main occupations or job titles of your low-skill work force?
7. About how many low-skill/entry-level workers did you hire at this location in the past 12 months? If you typically hire new employees as temporary workers first, please indicate how many temps you hired.

8. What proportion of your low-skill work force would you estimate remain with the firm for at least 6 months? For at least one year?
9. If you know the answer, approximately how many Colorado Works recipients did you hire in the past 12 months? What proportion of your employees who were receiving TANF or enrolled in Colorado Works would you estimate remain with your organization for at least 6 months? For at least one year?
10. If you did not hire any Colorado Works recipients in the past year, can you explain why not?

Next, I have a few questions about your hiring practices.

11. Please rank the following sources of new employees from most important (1) to least important (5).
  - a. Referrals from current employees
  - b. Newspaper ads
  - c. Walk-ins
  - d. Internet
  - e. Referrals from Colorado Workforce Centers (One-Stop Career Centers)
  - f. Referrals from the local Colorado Works office (the county social services TANF program).
  - g. Other; please specify\_\_\_\_\_
12. Have you obtained any Colorado Works participants for CWEP positions or internships in the past 12 months?
  - a. If yes, how many?
  - b. How satisfied were you with them?
  - c. How many did you try to convert into regular employees, how many did become regular employees?
13. Do you have an agreement with the local Colorado Works office to have them provide you with referrals?
  - a. If yes, please explain how it works. Do you have any special arrangements for on-the-job training (OJT), paid or unpaid work experience programs, or some other arrangement? Do these programs lead to permanent employment for the workers?
  - b. If not, what are the main reasons you do not work with them?
14. Do you have an agreement with the local Workforce Center to have them provide you with referrals?

15. Do you require that job applicants take a test for hiring consideration? What kind of test is administered?
  
16. Does your firm take advantage of financial incentives to hire workers such as the Work Opportunity Tax Credit or the Welfare to Work Tax Credit?
  - a. If yes, do the financial incentives increase the number of welfare recipients you hire?
  - b. If no, please explain why you do not use the tax credits.
  
17. How would you compare former welfare recipients you hire to other entry-level workers in terms of productivity, attendance, attitude, and other factors?
  
18. From the perspective of an employer, what, if anything, could the state or county do to encourage you to hire more welfare recipients?

I have a few final questions about your compensation and benefits.

19. What is the range of starting wages for entry-level positions?
  
20. Do you offer health insurance to entry-level workers? Is there a waiting period? What is the cost to workers to participate if they have one child and no other adult in the household? What proportion of your entry-level workers enroll?
  
21. Is there a career path for your entry-level workers that enables them to move to higher paying jobs? Please explain.
  
22. Do you have any other comments on the Colorado Works program or the entry-level workforce?

Thank you for your time. Please let me make sure I have the correct contact information for you:

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Firm \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email \_\_\_\_\_