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## Engaging Employers as Partners in Subsidized Employment Programs

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# Engaging Employers as Partners in Subsidized Employment Programs

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*The majority of studies of subsidized employment programs for public assistance recipients and low-income, unemployed individuals have focused on employment and earnings outcomes for participants. As employers are key stakeholders in a subsidized employment program, engaging them effectively is essential. This paper reports on interviews with 81 employers in four Northern California counties regarding their experiences in working with employees in a subsidized employment program. The findings focus on marketing, program structure, and suggestions for program improvement.*

*Key words: subsidized employment, public assistance, welfare-to-work, qualitative research*

In the midst of the last recession, the American Reinvestment and Recovery Act (ARRA) of 2009, also known as the federal stimulus bill, funded the Temporary Assistance to Needy Families Emergency Fund (TANF-EF), that created subsidized employment opportunities for low-income, unemployed parents and TANF recipients (Pavetti, Schott, & Lower-Basch, 2011). The subsidized employment program supported low-income individuals and employers by generating job

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opportunities and assisting employers in filling positions during the recession. Nationally, over 28,000 people were employed through this subsidized employment program (Farrell, Elkin, Broadus, & Bloom, 2011). Though the funding available through ARRA ended in 2010, similar subsidized employment programs continue to be offered in many states.

Subsidized employment (SE) programs are situated within a historically problematic political and economic context. The eligibility, payment structure, and types of work available through a subsidized employment program determine where on the continuum from workfare to fair work a program exists (Rose, 2001). Workfare programs are typically stigmatizing, and assume that the participants are "lazy" and "undeserving." Characteristics of workfare include mandatory participation, below-market wages, and employment in less desirable settings. In contrast, fair work programs are voluntary, offer market-rate pay to employees, and place employees in more desirable settings (Rose, 2001).

The subsidized employment programs that formed the basis of our study were closer to the fair work end of the continuum. Participation in these programs was voluntary, although the programs were situated within the broader context of work requirements for TANF recipients. Efforts were made to match participants and employers with mutual interests, but participant choices were sometimes limited by the availability of employment settings (Carnochan, Taylor, Pascual, & Austin, 2014). Participants were paid the minimum wage or better, in jobs similar to those who might be employed competitively.

The majority of studies of subsidized employment programs for public assistance recipients and low-income, unemployed individuals have focused on employment and earnings outcomes for participants. Few studies have examined employer experiences and perceptions. As employers are key stakeholders in a subsidized employment program, it is important to understand how to engage them effectively. The purpose of this exploratory study of 81 employers in four Northern California counties was to describe employer experiences in working with employees placed through the subsidized employment program, as well as with the county staff supporting the placement process.

## Literature Review

In most governmental work programs, employment opportunities are constrained by regulations intended to prevent interference with the free market (Rose, 2001). Given this concern, supporting participants in transitioning to competitive employment is a goal of most subsidized employment programs. However, research suggests that subsidized employment programs may not necessarily increase the likelihood of transition to competitive employment, particularly for individuals from "hard-to-employ" populations (e.g., former offenders, those with very limited skills, and youth) (Bloom, 2010). Subsidized employment programs do have positive indirect outcomes, including reduced recidivism, ability to pay child support, and increased access to the Earned Income Tax Credit (Bloom, 2010).

A key challenge in creating subsidized employment positions is that the work should be in a real world setting, where productivity is expected, while offering support to individuals with limited experience. Employers may not have the time or skills to serve as mentors or job coaches (Bloom, 2010). Effectively engaging and supporting employers is essential to developing successful subsidized employment programs.

Relatively few studies have focused on employer experiences in working with employees placed through subsidized employment programs, and most of these studies were published over a decade ago, with two notable exceptions (Farrell et al., 2011; Roder & Elliott, 2013). Many studies were completed in the late 1990s–early 2000s, as researchers were evaluating the impact of the 1996 Personal Responsibility and Work Opportunity Act (PRWORA). PRWORA replaced the Aid to Families with Dependent Children (AFDC) program with Temporary Assistance to Needy Families (TANF), which instituted rigorous work requirements and time limits on receiving assistance. Three of the older studies are discussed here, followed by a review of the more recent research.

Holzer (1998) focuses primarily on labor market demand for individuals receiving public assistance in brief phone interviews with 900 employers in Michigan. He asked employers whether they would hire an individual receiving public assistance who had neither a high school diploma nor recent work

experience. Employers indicated that they would be willing to fill 9% of their open positions in the next year with applicants similar to those presented in this hypothetical situation. Using this data, Holzer (1998) analyzed potential job availability by geographic location, proximity to public transportation, and type of business (e.g., retail, service, manufacturing, etc.). He concluded that many of the potentially available jobs were likely to be inaccessible to some recipients of public assistance, due to historical likelihood of discrimination in some suburban areas and to lack of proximity to public transportation. Holzer and Stoll (2001) expanded on Holzer's (1998) study to include 750 employers in Chicago, Los Angeles, Cleveland, and Milwaukee and found many of the same trends.

Lane and Stevens (2001) presented a longitudinal analysis of administrative data from the State of Maryland. The authors used state databases of workers and employers to identify companies that hired recipients of public assistance, and also to explore characteristics of the recipients who were hired. The authors found that certain employer characteristics were associated with the likelihood of an employee making a successful transition to work. The type of employer influenced the success of the match, with health, public administration, and social services having a higher match success rate than other types of employers. Another employer characteristic associated with successful matches was previous experience in hiring recipients of public assistance. Though this cannot be assessed directly with the administrative data, the authors hypothesized that with experience, employers are better able to support employees with limited work histories and job skills.

All three of the studies above (Holzer, 1998; Holzer & Stoll, 2001; Lane & Stevens, 2001) note that employers appeared to be relatively accepting of recipients of public assistance, and suggest that this openness might be attributable to the tight labor market in the late 1990s. These studies indicate that in a recessionary environment, employers may need more extensive outreach and/or incentives to consider hiring individuals with limited education and experience.

Our research builds on two recent studies (Farrell et al., 2011; Roder & Elliott, 2013) regarding employer experiences of subsidized employment. Farrell et al. (2011) completed

a national study of subsidized employment, including outcomes for participants as well as perspectives of employers and program administrators. They interviewed 21 employers recommended by state program administrators for participation in the study. Roder and Elliott (2013) focused on employers, program participants, and program administrators in four states: California, Florida, Mississippi, and Wisconsin. Within California, where counties have a leadership role in developing and implementing services, Los Angeles and San Francisco counties were selected as study sites. Across the four states, brief telephone surveys with 633 employers were completed.

In both of these studies, employers reported overall high levels of satisfaction with the subsidized employment program and/or with the work of program participants. The two main reasons for employer participation in the program were a sense of altruism that compelled them to support individuals seeking employment, and the subsidy itself, which served as an attractive financial incentive. Though some of the findings presented in this paper confirm recent research, the present study uses a larger, randomly selected sample than in Farrell et al.'s (2011), and more in-depth, open-ended interviews than in Roder and Elliott (2013).

## Methods

This qualitative, exploratory study, involving phone interviews with 81 employers that participated in four county-subsidized employment programs in the San Francisco Bay Area, consisted of in-depth, open-ended interviews and thus builds on the existing literature. The study was conducted in partnership with an eleven-member consortium of county welfare-to-work directors who sought rich and regionally relevant information that could inform subsidized employment program design and strategies in the future.

The subsidized employment programs included in the present study were operated for approximately one year, from late 2009 through September 30, 2010 (while program initiation dates varied, all programs concluded at the same time). Two of the counties were large, primarily urban counties, and two were small, suburban/rural counties. All of the counties provided up to 100% wage subsidies for employers

participating in the program. Employers were expected to contribute in-kind services, such as job training, to participants, as well as payroll taxes. Eligible employee participants were county residents, with dependent children under 18 years old and incomes below 200% of the federal poverty level. The smallest county placed approximately 150 employee participants and the largest county placed 3,600.

Program participants performed a wide range of jobs, including construction, janitorial work, food preparation, customer service, clerical support, special event planning, and childcare. The county programs varied in the amount of support offered to program participants. Some made the match and then provided an opportunity for the employer and employee to work together with little intervention; other programs provided more direct support to employees, including case management and problem-solving.

#### *Study Sites and Sample*

The four county social service agencies provided lists of all employers who participated in their program, to ensure that employers with positive and negative experiences would be included in the sample. The research team informed employers that the researchers were not employed by the county, but rather by a university, and that employers would not be notified as to which employers participated in the study, nor what any individual employer shared.

Random sampling with replacement was used to draw samples, with a total sample size of 81, including 26 and 25 employers in each of the two large counties and 15 employers in each of the two smaller counties. Employers were contacted by phone and/or e-mail to invite them to participate in the study. There was a high rate of sample replacement. Reasons for replacement sampling included change in employers, such that the employer who supervised the SE employee was no longer working with the company, invalid contact information, employer non-response to repeated messages inviting them to participate in the study, and employers' declining to participate due to limited time. Despite this high rate of sample replacement, the final sample included good representation from various types and sizes of employers, including

for profit (n = 32), government (n = 9), and nonprofit (n= 40) companies.

Table 1. Selected Interview Questions

Question	Probes
Please tell me about your company's involvement in the SE program.	How did you hear about it?
	For how long did your company participate?
	What kind of positions did you fill?
	How did you personally become involved?
What aspects of the program made it a positive experience?	Have you participated in other SE programs in the past? If so, please describe them and your experience with them.
	Did you gain any new insights about your company as a result of participating in the program?
	What has been the biggest reward?
	Did the program save you time and/or money by helping with your employee recruitment efforts?
Did you have any negative experiences? If so, please describe them.	Program rules?
	Paperwork?
	Receiving timely payments?
	Communication with the county?
Please describe one or two successful employees that you have had through this program.	Difficulties with employees?
	What were the employee characteristics that made them successful?
	What were some of the supportive services that helped these employees be successful?
	What were some employee incentives that helped?
	Did you hire this person after the subsidized employment period ended?

### Data Collection

The telephone interviews were conducted by three social work graduate student research assistants, using a semi-structured instrument. The research assistants were provided with training, including readings related to qualitative interviewing (Rubin & Rubin, 2005) and classroom-based discussion of interviewing and note-taking techniques. The interview guide topics included: (1) description of the employer;



(2) employer involvement in the SE program; (3) positive experiences; (4) negative experiences; (5) incentives to participate in SE program; (6) experiences with employees; (7) interactions with the county agency; and (8) recommendations for improving the SE program. The interview guide used broadly worded, primarily open-ended questions in order to allow the participating employers the widest latitude to introduce issues and concerns. Interviewers were instructed to use the suggested probes only if participants did not spontaneously provide the information when responding to the overarching questions. Interviewers were encouraged to ask additional follow-up questions within the purpose and scope of the study, to elicit rich and detailed information from each participant. Figure 1 includes selected interview questions and probes.

Interviews lasted between 30 and 60 minutes. The interviewers took extensive notes during the interviews, supplemented immediately following the interview with additional notes to provide a comprehensive record of the interview. In addition, the interviews were recorded (but not transcribed), in order to provide a verbatim record in the event that the notes were unclear or incomplete, and to provide accurate text for quotes used to support the analysis.

### *Data Analysis*

The data were analyzed using Dedoose ([www.dedoose.com](http://www.dedoose.com)), a web-based, qualitative analysis software platform. Throughout the data collection period, the project staff and leaders met weekly or bi-weekly to discuss themes as they emerged in the interviews. To inform these meetings, the research assistants drafted analytic memos outlining suggested themes and offering supporting data. Following the completion of data collection, the research assistants and project leaders (first and second authors) worked collaboratively to develop the coding manual based upon the interview topics, analytic memos, and team discussions. The codes developed focused primarily on overall positive and negative experiences, hiring process, reasons for participation, employee and employer characteristics, program features, and suggestions for improvement. Using the code-by-code table in Dedoose, we were able to "cross-tab" the codes as needed, allowing us,

for example, to examine data excerpts coded as both "positive experiences" and "hiring process."

Inter-coder reliability was established through multiple rounds of test coding, until a kappa score of .70 was achieved, indicating 70% agreement between members of the coding team, even when correcting for chance agreement. The research assistants were the primary coders, with additional coding and review conducted by the project leaders.

A preliminary set of findings were shared with our agency partners (e.g., welfare-to-work division directors, research and evaluation staff, and agency directors) who participated in the interpretation of the findings and identification of practice implications. This discussion was a form of peer debriefing, which supports the validity of the findings (Miles & Huberman, 1994).

## Findings

The findings are organized into four themes related to employer engagement, as noted in Table 2: (1) marketing the program; (2) program structure; (3) economic climate; and (4) suggestions for program improvement. In reporting findings, "few" refers to less than 10% of the sample, "some" refers to 11-20% of the sample, "many" refers to 21-50% of the sample, and "most" refers to more than half of the sample.

### *Marketing the Program*

*Decisions to participate.* There was considerable variability in employer responses regarding how they came to participate in the program. Some were actively recruited by county staff members who marketed the program and invited participation. Other employers learned of the program through colleagues or at conferences, and initiated contact with the county.

A substantial number of employers described being approached in person by someone involved with the program and being invited to participate. For example, one employer noted that someone from the subsidized employment program came into her office and described the program. The employer was appreciative because she had a special event coming up and needed assistance. Some employers described learning about the program through a network or association in which

they participated (e.g., Chamber of Commerce or a social service/government network). A few employers described a chance experience in which an employee, colleague, or client informed them about the program. One employer learned about the subsidized employment program while attending a conference and called the county offices to find out how to participate.

Table 2. Overview of Themes

Primary Themes	
Marketing the program	Decisions to participate
	Altruistic and financial motivations
	Benefits of participation
	Overall satisfaction
	Preferred subsidy duration
	Preferred subsidy amount
Program structure	County interactions
	Hiring process
	Program features
Economic climate	Impact of the recession on hiring practices
	Social service agency budget cuts
Suggestions for program improvement	Employer services and supports
	Recommended program features

*Altruistic and financial motivations.* Employers identified both altruistic and financially-oriented reasons for participating in SE programs. The altruistic motives included helping individual employees and benefitting the community (e.g., "Being able to participate in a program that is one that we believe really does make a difference in the community and it makes a difference in the lives of the people that are participating with it.") Some employers expressing altruistic motives, particularly those working in non-profit social service agencies, saw the connection between their organizational mission and the mission of the SE program. As one employer stated:

The mission of [our agency] is to help families get back on track and this really fits our mission ... We have kids who come from families who can't get a leg up, so we

really see participation in this program as contributing and helping out those same families and kids that we come in contact with.

With regard to financial motivations for participating in the SE program, employers identified the following considerations: (1) replacing employees on medical or maternity leave; (2) staffing time-limited projects (e.g., scanning documents or organizing one-time events); and (3) expanding capacity with minimal financial risks in the midst of the recession.

*Benefits of participation.* Some of the benefits from participating in the SE program included the opportunity to see employees develop skills and confidence on the job, presence of additional administrative support, the capacity to extend hours of operations, improvement in the quality and quantity of services, and reduced stress related to financial instability. One employer noted that "The SE program allowed us to fuel and run programs to serve many more kids, support families and provide parent trainings and advocacy." Many employers commented on the benefit of being able to test out an employee without the up-front hiring commitment, as well as acquiring a valuable employee. Several employers commented on the new energy, enthusiasm and constructive feedback displayed by young new employees.

*Overall satisfaction.* Using a scale of 1-5, (with 5 being the most positive and 1 being the least positive score), employers rated the program very positively (mean score of 4.19 and median score of 4.5). There was some variation in rating by employer type, with government employers giving a mean rating of 4.8, and non-profits and for-profits giving a lower rating of 4.1. Nearly half of the sample gave the program the highest rating of 5, and one noted that, "Mine was definitely a five. I hope the program gets up and going again, I really do. I think it's valuable." In contrast, an employer who rated the program a "2" felt his expectations were not met:

The structure was there, [but the] candidate pool and the support were lacking ... [in] private sector employment you get paid for delivering value to the company. You may be getting paid hourly, but if that

is not helping increase revenues, decrease costs, or increase cash flow, there is no point in having it.

### *Program Structure*

*Preferred subsidy duration.* Employers were asked to state the subsidy duration that would be most helpful for them. The most frequently selected subsidy duration was 12 months or greater, with 24% of respondents choosing that option. However, 18% of respondents suggested a duration of four to six months, and 12% selected one to three months. Overall, 30% of respondents stated that they would participate in SE programs that lasted for six months or less. Non-profit employers wanted a longer subsidy duration than government or for-profit employers, with more responses in the 7-11 month range than in the 4-6 month range. A number of employers noted that the need for a longer subsidy was related to the investment they had to make in training the employee. The issue of subsidy duration is related to the needs of the employees for extensive soft skills training in areas such as attendance, punctuality, dress, and communication (Carnochan et al., 2014).

*Preferred subsidy amount.* Employers were asked to specify the percent subsidy of the employee's salary that would be most helpful to them. The most commonly stated preference was for a 50 percent subsidy (45%), followed by a 100 percent subsidy (12%) and an 80% subsidy (11%). The mean desired subsidy amount varied by employer type, with government employers wanting a higher subsidy amount, followed by nonprofit employers, and then for-profit employers. Many employers stated that the preferred subsidy amount would depend upon financial condition of the organization at the time of the program. A few employers said they would be willing to participate even without a wage subsidy (e.g., "If the subsidy isn't there, even the pre-screening of staff would help us a lot.") For organizations with high employee turnover, the county's assistance with candidate recruitment and matching was very much appreciated.

*County interactions.* Employers varied widely in their experiences in working with their respective counties, from very positive interactions to continuing challenges.

*Positive interactions.* With regard to positive experiences,

employers frequently noted consistent and regular communication with the county or placement agency, particularly regarding the initial paperwork for hiring an employee. The amount and type of communications varied (e.g., frequent to occasional phone, e-mail, or in-person contact) and the most positive interactions emerged from the support of county staff in the hiring process (e.g., check-in after placement, reduced paperwork, and an accessible county contact). Employers also appreciated the role of the county staff in addressing employer needs. Many employers felt supported by the county liaisons, and some felt they did not need to reach out to the county because the program functioned so effectively. Many employers who had positive experiences described their ongoing, mutually beneficial relationship with county staff.

*Negative interactions.* Negative county interactions related primarily to difficulties in the recruitment process and with bureaucratic paperwork requirements. Some employers felt the county staff were unclear about payments, employee eligibility, timesheets, and employer requirements (including responsibility for background checks). Employers felt frustrated by the delayed start and abrupt ending of the program, which created unanticipated issues for employers and employees. Some employers described poor communication with the county, including identifying employer responsibilities, coordinating employee services, and not being notified of a change in their county contact person. A few employers felt that the county did not properly handle their concerns related to the challenges they were experiencing with employees placed through the subsidized employment program. Some employers stated that they were unsure about who in the county was responsible for certain aspects of the program. A few employers noted that follow-up contact after the initial placement could have occurred sooner: "It seemed like a long time into the placement before the first formal check-in, so a check-in a little sooner into the placement would have been nice. This could even just be a phone call."

*Hiring process.* Two main issues emerged related to the hiring process: (1) the roles played by the county and the employer in the hiring process; and (2) candidate preparation and screening.

*County and employer roles in the hiring process.* The majority of employers described a joint process in which the county conducted the initial recruitment and screening and then referred a pool of candidates to the employer for interviewing. In a few cases, the employer recruited and screened a candidate independently and then approached the county agency for approval. Several employers reported that they were referred only one candidate and were not offered a choice. Being offered a choice was seen as a positive feature of the program, and a lack of choice generated negative perceptions of the program. A number of employers reported that they did not remember the details of the hiring process.

*Candidate preparation and screening.* Some employers reported that the county offered inadequate training and job preparation, particularly in relation to soft skills. Some employers felt the job developers had misrepresented employees by inflating the resumes of prospective employees; this often left employers unprepared for potential problems. Some employers reported that they would have preferred a pool of more qualified candidates, as well as to hire and screen their own applicants. Some did not understand or agree with the eligibility requirements.

### *Program Features*

*Positive features.* While not surprising, employers reported greatly benefiting from the financial subsidy. Many employers identified county support and employee training as valuable features. Employers perceived training, case management, employee resources (e.g., childcare, transportation vouchers,) and employee screening as valuable features of the program. Most employers noted that the county was very accessible when it came to technical and clerical support (e.g., employee payment procedures) and were comfortable utilizing these services as needed. Employers greatly valued the financial flexibility provided by subsidized employment, as it enabled them to expand or recover from the recession. In some cases, employers reported receiving tax credits for hiring employees.

*Negative features.* Negative experiences emerged out of bureaucratic issues related to employee placement. Some employers described registering or learning about the program

as difficult and were troubled by long delays in hiring, placement, and payment processes. One employer stated that he could not have participated in this program during the worst of the financial crisis because of the amount of upfront cash needed and the long delays in reimbursement.

### *Economic Climate*

Many employers referred to the recession at some point during their interview. For example, one retail shop owner described "slow times" in which potential customers "had less disposable income." Several non-profit and government employers talked about budget cuts in their organizations, resulting in the reduction or elimination of programs and services. A few employers described the economic situation in the Bay Area as being particularly challenging because of the high cost of living for their employees as well as themselves.

In the context of the economic climate, many employers expressed their appreciation of the subsidized employment program. As one employer noted, "The subsidized employment program offered us a program where we would get reimbursed for the employee's wages. A couple of years ago at the height of the recession we were really struggling and were open to whatever would help us out." However, some employers showed concern about offering work to people with such limited job skills when people with advanced degrees were unemployed. One employer noted that he received over 600 responses to an opening for a receptionist position.

Finally, some employers wondered whether working with the county social service agency may have been complicated by the county government's experience with recession-based budget cuts. Employers felt that there were an insufficient number of county employees to process the paperwork and provide support. One employer stated, "It might have been hard to concentrate on subsidized employment participants when the employment caseworker's own job was in the balance."

### *Employer Recommendations for SE Program Improvement*

*Employer services and supports.* The most frequently requested service for employers was better applicant screening. For a



few employers, the ability of the applicants to pass a Livescan or other criminal background checks was critical to the success of the placement. Some specific suggestions include the increased use of aptitude tests to match employees with job opportunities. A few employers commented that they would appreciate more opportunities to network with similar businesses involved in the subsidized employment program, as well as receive more publicity for their business. Other suggestions included the need for more help with human resources issues, more support for rural employers, more employer training related to growing a business, more public recognition of the efforts of employers to support SE employees, and use of additional office space (e.g., for small and growing businesses).

*Recommendations related to program features.* The most frequently recommended program improvement was the need to develop a more streamlined, efficient process with less paperwork. As one employer noted:

God, less paperwork. Signing up for the program is a bear, tracking all of that stuff. You are dealing with 4 groups of people, not an exact number, but you have different agencies who don't talk to people. I remember calling a different person for payroll, oversight. It was just awful. I want a point person and I want them to take care of the rest of it.

The second most frequently cited recommendation was to expand, continue, and/or increase funding for the program. Many employers also wanted better communication about timelines for enrolling, hiring, processing payments, and program termination. One employer suggested that a web-based employer orientation would be helpful. Many employers wanted more support in dealing with challenging employees, and some requested that the program include a probationary period, in order to determine if the placement was appropriate for the employee. As one employer commented:

I think I would have more focus on a process for when a new hire is less experienced than we anticipated and an explicit process for managing that. I don't know

whether it would be more support for that person so that we keep them or a quicker response regarding 'this person is really not ready for this position.'

Several employers suggested that the county needed to do a better job of marketing the program as a way to engage more employers and thereby create more diverse job opportunities that might be a better match with employee interests. They suggested that the SE program document success stories and use these for marketing, as well as develop a better web presence to attract employers. A few employers wanted a continuing relationship with the county so that they could take advantage of future subsidized employment opportunities. Some employers recommended more flexible eligibility requirements to include any unemployed individual, and not just those receiving public assistance.

A few employers indicated that they wanted to be involved in program design and evaluation related to defining goals and criteria for success in partnership with the county. For example, a few employers speculated that the pressure to offer permanent positions to SE employees might have decreased the likelihood that employers would participate in the program. They suggested that temporary employment be viewed as a positive training experience.

### Summary and Discussion

This paper describes the experiences of 81 employers in the San Francisco Bay Area that participated in county-based subsidized employment programs. Employers commented on how they learned about the program, their interactions with the county-based employment specialists, and recommendations for program improvement. Similar to other recent studies (Farrell et al., 2011; Roder & Elliott, 2013), our research suggests that employers are motivated to participate by altruism as well as the financial incentive of a subsidy and have positive experiences while engaging with the programs.

The current study not only adds to the literature regarding employer engagement, but also explores these issues during a very different economic climate than many of the previous

studies on employer experiences (Holzer, 1998; Holzer & Stoll 2001; Lane & Stevens, 2001). In the late 1990s, the economy was experiencing its longest expansion in U.S. history (Hatch & Clinton, 2000). In contrast, the subsidized employment period for this study was from late 2009 through the end of 2010, thus corresponding with the recession of 2007-2009, during which 63,000 businesses closed and the unemployment rate reached 10% (Bureau of Labor Statistics, 2012). It is notable that although our interview protocol did not include direct questions about employer experiences as related to the economic climate, several employers spontaneously commented on how this context influenced their experience with the subsidized employment program. A few employers noted that the availability of many unemployed, highly-skilled individuals made it difficult to justify employing someone with limited work experience (e.g., the employer who commented that he received over 600 applications for a receptionist position paying \$10 per hour.) Many employers suggested that the financial challenges of the recession made them more open to working with employees receiving a wage subsidy (e.g., "With budget cuts and lack of resources, the program gave us the support we needed ... It was an opportunity to experiment with a different kind of employee without paying for the extra payroll.")

These employers' comments reflect the workfare-fair work continuum and the tension inherent in the government's interest in promoting work while supporting a free market. During the recession, the high unemployment rates among highly qualified as well as low-wage workers created social pressure for the government to assume a more interventionist role in promoting employment, perhaps in part to prevent social and political instability (Piven & Cloward, 1971). Equity-based concerns about providing employment supports to the "undeserving poor" may have been further allayed by the eligibility requirements, allowing participation by adults heading families up to 200 percent of the poverty line.

The strengths of this study include its substantial sample size, inclusion of four counties in a major metropolitan region, random selection of employers, and diversity of employers, representing the non-profit, government, and for-profit

sectors. The limitations include the retrospective design that required employers to recall their interactions with employees and social service agencies over a year after the program ended. This contributed to the high rate of sample replacement, since some employers reported that the employee with the most knowledge of the subsidized employment program no longer worked with the organization, and declined to participate in the study.

#### *Implications for Practice*

The numerous ways that employers learned about the program has important implications for expanding subsidized employment programs in the future. The fact that some employers learned about the program in a random manner or by actively seeking out information on their own initiative suggests that social service agencies need to do more outreach to engage with employers. Outreach could include presentations to Chambers of Commerce and professional associations, collaboration with temporary placement agencies that have connections to multiple employers, and social media campaigns.

Some employers who had a positive experience with the county social service agency noted that they continue to enjoy a mutually beneficial relationship with the agency. This finding underscores the importance of maintaining clear communication and minimizing bureaucratic hurdles so that employers will want to develop and maintain their engagement with the social service agency. A few employers expressed interest in being involved in setting goals and evaluating the subsidized employment programs, a process that could be supported by creating employer advisory boards to provide timely program feedback on an ongoing basis.

#### *Implications for Research*

Promising directions for future research relate to the effects of economic growth and recession on employer hiring decisions, and the influence of economic climate on the role of altruism versus financial incentives. Research is also needed to identify effective strategies for informing employers about opportunities to participate in subsidized employment

programs. Questions to explore in this area include the type of information that should be provided in recruitment materials, how information should be delivered, and marketing strategies for specific employer groups (e.g., non-profit and for-profit, small and large businesses).

The elements of effective, long-term, cross-sector relationships between for-profit employers and public sector employment specialists also merit further investigation. Small, in-depth qualitative studies of successful long-term collaborations between employers and social service agencies would help to identify the factors that contribute to a mutually satisfactory working relationship that meets employer needs and subsidized employment program goals. Similarly, retrospective case studies of several successful employer advisory boards would be useful for understanding how to establish, maintain, and expand a more formalized relationship with a select group of employers.

Finally, given the variation in responses related to the desired length, duration, and amount of subsidy, a quasi-experimental study design that offers several different subsidy levels could be useful in identifying a program structure that maximizes employer engagement while providing support to the greatest number of individuals receiving public assistance.

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