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Omaha jobs program attracting the national limelight

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Steven Becerra, a customer service rep trainee with Blue Cross Blue Shield of Nebraska, in a training room at the company's service center near 120th and Blondo Streets.

An Omaha effort to break people out of poverty is attracting national attention because the city's business community is leading the charge.

Nonprofit or government agencies typically run such jobs programs, which might get only grudging support from private industry because of the costs and uncertainties involved. Sometimes clients complete training only to discover jobs are lacking.

Not so in Omaha, where the Greater Omaha Chamber of Commerce is leading the effort to introduce chronically unemployed or under-employed people into careers that can support families.

"This was very exciting to us, to see that the business community is interested in tackling the issues as a sort of economic competitiveness problem," said Geri Scott, program director for the Boston-based nonprofit Jobs for the Future.

"The (Omaha) business community believed its competitiveness as a region was being affected by the low income and chronic unemployment of a particular neighborhood, and that it was an untapped labor force that they wanted to invest in."

Jobs for the Future manages a national \$50 million campaign to find and spread the best methods for bringing low-skilled people into the work force, and Omaha's plan shows promise, Scott said.

One of the beneficiaries is Steve Becerra.

"I was broke and kind of down and out," Becerra said.

His north Omaha residence and low income qualified him for the program, even though he is white and the program's impetus included 2007 World-Herald stories about high rates of poverty among black Omahans.

Becerra said it was clear from the start that the two companies backing the initial training, Blue Cross Blue Shield of Nebraska and Mutual of Omaha, were committed to hiring people who were qualified, even though they didn't guarantee jobs.

Becerra had to make an investment of his own: five months of full-time study without pay to prepare for customer service work. He said the involvement of businesses encouraged him.

"This was my chance to shine," and to start his work record anew, he said. "It laid the groundwork for me to get back to a routine. It gave me a shot."

Program graduates as a group are doing as well as other customer service hires, which indicates the preparation efforts are working, said Michelle Greene, their manager.

So far the economic impact is small.

After completing training earlier this year, 24 workers were hired by Mutual and Blue Cross and 19 of them still have those jobs. Another seven are training as assistants at ophthalmology clinics, and 12 will start learning welding skills starting in September.

But the Omaha chamber wants to start at least four more jobs classes in the coming year and add more each year, said Wendy Boyer, a chamber vice president.

A health-care company is interested, as are a tool-and-die company, a Blair manufacturer and CDC Enterprises Inc., a plastic pipe manufacturer that recently announced plans for a north Omaha plant.

The goal is to create a lasting set of career conduits to help people overcome barriers that mire them in low-paying jobs or leave them jobless and dependent on public assistance or charities.

“We think it's important to create holistic programs that help individuals address all the barriers in their lives so they can successfully transition into self-sustaining careers and eventually out of poverty,” Boyer said.

That's why the program qualified for a \$450,000, three-year grant from the National Fund for Workforce Solutions, one of 21 programs receiving grants.

Scott, the fund's project director, said Omaha's business focus might be a key element that could be replicated nationally.

The Omaha chamber already had mobilized public and private resources and developed a strategy to deal with problems such as illiteracy and family troubles that are long-term barriers to careers for many in north Omaha, Scott said.

“They came up with a very cogent and coherent plan for addressing some of these long-term problems in the low-income areas of Omaha,” she said. “We were very interested.”

The program is the Omaha Workforce Funding Collaborative, a part of the Omaha chamber's North Omaha Development Project. Mutual and Blue Cross were involved early in the program.

Brandi Hanson, a customer service supervisor at Mutual, said some participants are doing well and some struggle. The jobs are demanding, requiring them to resolve problems and make decisions accurately for health care providers and Medicare supplement policyholders who call.

“Seeing people succeed and grow as working professionals is just a huge reward,” Hanson said. “They're engaged and they're loyal employees and they're working hard. They've come so far and done so much. It just shows that we're a company that cares about people.”

Blue Cross human resources manager Angela D. Carter said her company wanted to help improve employment in north Omaha but didn't have a system for recruiting and preparing people for jobs.

“There were people that needed work,” Carter said. “Growing up in north Omaha, I knew what some of these people were dealing with. They didn't have some of the opportunities that I did.”

Blue Cross used a training grant from the Nebraska Department of Economic Development to pay for classes at Metropolitan Community College. The company also paid \$60,000 for a year's worth of job coaching by Goodwill Industries.

Once the classes started, managers from the two employers visited the class regularly, answering questions and telling the students what was ahead for them if they were hired.

Carl A. Fosco, human resources director for Blue Cross' marketing and operations division, said Blue Cross couldn't be certain that the people who completed the program would work out as employees.

“At the time it was kind of an iffy thing,” he said.

As students completed the course, the two companies held interviews. Mutual hired nine and eight remain with the company. Blue Cross hired 15 and 11 remain. Carter said that's a typical retention rate for the customer service jobs, given the intense training required.

It was gut-wrenching when people from the program left the company, she said, because she had developed personal connections with them.

Although businesses are paying part of the cost and taking the lead in the program, there's still plenty of public money involved, including funds from the federal Workforce Development Act, the State Department of Economic Development and the Omaha chamber's economic

development fund, which includes city taxes.

Local foundations and United Way of the Midlands are providing money, too, because of the job program's goal of combating poverty.

The national workforce grant requires the local community to raise at least \$600,000 in funding each year for three years.

“We're not going to have any problem meeting that,” the chamber's Boyer said.

The business emphasis could make Omaha a model that other cities could follow, said Bonnie Beresford, a vice president with Capital Analytics Inc. of Durham, N.C. The program hired her company and Bellevue University's Human Capital Laboratory to evaluate its performance.

“Omaha's approaching this as needing to be a win-win for both,” Beresford said, “benefiting businesses and the new employees. That's the beauty of the Omaha partnership. The training is designed for the job.”

Jennifer Moss, assistant director of the Human Capital Lab, said the evaluation should show whether businesses would make money using the Omaha model.

“That's where the real power comes from,” Moss said. “Trained people make their companies more valuable.”

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