IMPACT SOURCING IN ACTION

Reducing Poverty Through Employment Toolkit
About This Toolkit

The Global Impact Sourcing Coalition (GISC), a network of global organizations collaborating to support more inclusive supply chains, envisions a world in which all people have opportunities to obtain productive employment and decent work. GISC members are committed to increasing awareness and uptake of Impact Sourcing, a procurement practice wherein companies prioritize suppliers that intentionally hire people from disadvantaged and vulnerable communities and provide them with access to foundational job opportunities and career development. Impact Sourcing ultimately contributes to improved social and economic well-being for families and communities.

Finding and maintaining employment in a competitive job market challenges anyone, but it is especially complex for those whose poverty makes it even harder to secure and maintain full-time employment.

To help business better understand and address the problem in their workforces and communities in which they operate, GISC has partnered with its members, BSR, and other experts to publish a series of reports on including diverse individuals in the workplace. This report focuses on workplace inclusion for people from impoverished communities in order to raise awareness of actions companies can take to help alleviate some of the stresses and disproportionate challenges such employees face. The Toolkit includes context and guidance on good practices, case examples, and resources to accommodate low-income job seekers through the employment lifecycle, from recruitment to training and career development. It also offers guidance on setting the tone for inclusion in the workplace, as well as shaping supplemental employee offerings to help low-income job seekers secure work and succeed at it to build a pathway out of poverty for themselves and their families.

While “inclusive employment” refers broadly to including diverse, historically disadvantaged populations (e.g., those with disabilities, the formerly incarcerated, and ethnic minorities), references to inclusive employment, employers, and practices in this report focus only on including people living in poverty.

Poverty can be defined in a number of ways. Absolute or extreme poverty is a global measure applicable to anyone living on less than US$1.90 a day anywhere, as defined by the World Bank, while relative poverty statistics reflect local disparities and differ among and within countries. The multidimensional poverty index complements these measures by capturing deprivations individuals face across 10 indicators of health, education, and living standards. For the purposes of this Toolkit, those living in poverty may qualify under any of these terms; individuals experience the challenges differently, based on unique circumstances.

This report was written by Jessica Custer and Sara Enright, with assistance from Cecilie Jørgensen. Any errors that remain are those of the authors. This report was developed through an extensive literature review, a review of GISC member reporting, interviews with the executives of seven companies, and interviews with seven impact workers across five countries. In addition to considering the good practices highlighted in this Toolkit, readers are encouraged to consult with local expert organizations, advisors, and services when developing an inclusive employment strategy to achieve the best results for their specific geographical, cultural, and corporate contexts.

Please direct comments or questions to the Global Impact Sourcing Coalition at gisc@bsr.org.

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Introduction

Photo Credit: Digital Divide Data, Laos
Introduction

Globally, hundreds of millions living in poverty are excluded from productive employment opportunities that could give them the power to change their lives. Many have the aptitude and motivation to succeed but struggle to gain access to good jobs due to systemic barriers related to their economic or social backgrounds.

This issue presents an enormous opportunity for companies to deliver significant social impacts through existing operations. By developing thoughtful inclusive employment strategies to reach, integrate, and support the advancement of individuals living in poverty, companies can make an important contribution to socioeconomic development in their communities, as well as to global Sustainable Development goals, as a part of core business operations.

Social enterprises such as Samasource, Greyston Bakery, and Messy Bessy, operating with the specific purpose of creating quality employment opportunities to reduce poverty, have demonstrated that this strategy can work for both employees and businesses. Some traditional companies are already following in their footsteps, recognizing that inclusive employment lets them generate social impact while fulfilling, and even strengthening, their ability to access, develop, and retain talent. There is building evidence that inclusive employment strategies enhance the quality of working life for all employees, making investments in inclusion a win-win strategy.

That said, companies must aim specifically at developing employment opportunities that can create pathways out of poverty. Solutions implemented must correspond to the needs of different communities around the world and include all those living in poverty, regardless of race, gender, and other factors. Companies must develop well-informed strategies to improve accessibility to quality jobs for those living in poverty and to accommodate their unique needs.

Every company can and should strive to contribute to greater social and economic equality in the communities they operate in and source from. This Toolkit is designed for use by employers at all stages of this journey. These good practices, examples, and resources can guide companies on how to get started or how to enhance existing efforts to employ, empower, and improve the advancement prospects of their direct and indirect workforces.

“TALENT IS EQUALLY DISTRIBUTED, BUT OPPORTUNITY IS NOT.”
—Leila Janah, Founder and CEO of Samasource
Employment is one of the most effective, lasting ways to reduce poverty.

Business is a critical actor in the global effort to end poverty. Companies can implement intentional, inclusive employment strategies that enable those living in poverty to overcome barriers to employment. They can do this by:

1. Setting the tone for inclusive employment within their organizations to create more job and advancement opportunities for those living in poverty.

2. Making adaptations across the employee life cycle to better identify, integrate, and empower those living in poverty.

3. Offering quality terms of employment that support employees to build sustainable livelihoods over the long-term.

4. Developing supplemental employee offerings that better enable employment and help build resilience to move beyond poverty.

**735M**

People in the world are still living in extreme poverty.

**Globally**

Non-agricultural employment is one of two key factors, along with primary education, that distinguishes the moderate from the extreme poor across 89 developing countries.³

**China**

- Employment increased by 29%.
- Poverty decreased by 94%.

**Philippines**

- 30.7% of the non-working population live in poverty.
- While only 2.2% of the full-time working population do.²

**Formal employment contributes 2/3 of poverty reduction.**

Increases in wage income and non-farm jobs resulted in a 5.2 percent decrease in extreme poverty (2006-2015).²

**While only 2.2% of the full-time working population do.²**

Poverty continues to pose a global challenge:

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia</td>
<td>12.9M</td>
</tr>
<tr>
<td>Philippines</td>
<td>22M</td>
</tr>
<tr>
<td>South Africa</td>
<td>30.3M</td>
</tr>
<tr>
<td>United States</td>
<td>39.7M</td>
</tr>
<tr>
<td>India</td>
<td>273.1M</td>
</tr>
</tbody>
</table>

People living below their national poverty lines²


The Case for Employing Those Living in Poverty
The Case for Intentionally Employing Those Living in Poverty

Globally, millions of individuals and families subsist below the international line of extreme poverty, and hundreds of millions live below national poverty lines. Employing and training them for quality work opportunities with potential for career advancement is one of the most effective ways to reduce poverty. For companies, it is also an investment that can add business value and competitive advantage amid evolving labor markets and rising calls for the private sector to contribute to sustainable development.

The Impact Case: one of the most effective ways to reduce poverty

Poverty eradication continues to pose a global challenge

Extreme poverty affects about one in 10 people. Roughly 735 million live on less than US$1.90 per day, the World Bank’s threshold for extreme poverty. A much greater number of individuals and families subsist below national poverty levels. Ending poverty in all forms everywhere is the first goal of the United Nations’ 2030 Sustainable Development agenda, which provides a shared blueprint for peace and prosperity. Businesses have a critical part to play in fostering greater economic mobility and opportunity.
The global poor face systemic barriers to good job opportunities

Growing up or living in conditions of poverty presents a disproportionate and compounding series of barriers to obtaining quality work, many of which are outside of an individual's control. While details are complex and vary greatly across the world, there are common circumstantial factors:

**DEGREE INFLATION, AND CREDENTIALISM**

Low-income individuals are often automatically screened out of job opportunities because they lack academic qualifications and credentials, even when they may have high potential to fulfill required tasks. In the report “Dismissed by Degrees,” researchers found that 67 percent of production supervisor job postings in 2015 requested a college degree, while only 16 percent of current supervisors held one. Academic credentials have become a proxy for employers to identify skilled employees, but they screen out individuals who lack access to higher education who may otherwise have the aptitude and potential to perform well.

**LOCATION AND MOBILITY**

Transportation disproportionately challenges low-income workers, many of whom live in communities distant from business districts. In a study on poverty in 89 developing countries in 2017, the World Bank found that 85 percent of the extreme poor and 75 percent of the moderate poor live in rural areas with limited access to formal and non-agricultural employment with opportunities for earnings stability and growth. Even candidates that live in, or have moved to, urban centers are likely to find affordable housing only in distant locations requiring significant daily commutes on public transportation networks, eating up income and free time. A 2017 study in Dallas, Texas found that the working poor spent 33 percent more time than the non-poor on public transport to get to work; an average of 19 percent of their income was taken by transportation, far higher than the travel burden faced by middle-class workers.

**SOCIAL NETWORKS AND PROFESSIONAL FAMILIARITY**

In a world where up to 85 percent of job seekers find work via networking and referrals, isolation from professional networks can devastate even high-potential individuals' ability to find good work.

For a variety of reasons linked to access to affordable housing and higher education, the poor often lack the professional networks needed to secure referrals that can get them in the door. Furthermore, candidates with few professional peers and mentors are likely to be unfamiliar with job search strategies and corporate norms such as dress code, communications etiquette, and punctuality, which are not indicators of talent or capacity to perform but often factor into applicant and employee success.

**INFORMAL EMPLOYMENT AND UNDEREMPLOYMENT**

When formal employment is not accessible, people seek out informal income streams to survive, such as street vending or home-based work. In 2015, International Labour Organization (ILO) constituents agreed that “most people enter the informal economy not by choice, but as a consequence of a lack of opportunities in the formal economy and in the absence of other means of livelihood.” The ILO recognizes informal labor as part of a vicious cycle: The poor face higher rates of informal employment, and the informally-employed experience higher rates of poverty. In 2018, an estimated 2 billion workers were earning livelihoods via the informal economy, a tremendous amount of underutilized talent. Many more people are caught in various forms of underemployment, taking up a series of part-time roles that do not offer employee benefits or fully utilize their talents and make it difficult to build a resume to secure a full-time job.
Lack of affordable childcare and dependent care is another factor that disproportionately impacts the working-age poor, keeping many low-income parents at home during child-rearing years or affecting job retention. In the U.S., 15 percent to 40 percent of former welfare recipients reported that they had to leave a job or stop working entirely due to childcare challenges. This issue disproportionately affects women, who do three times more unpaid work in the household than men do globally.

Globally, low-income households spend significant portions of their income on basics like food and housing; the poorest households go into debt to fund these basic needs. Financial products tend to be inaccessible or predatory: The 1.7 billion adults who are unbanked globally tend to be concentrated among poor households. Where government assistance is available, candidates often must navigate a complex system of government programs with ever-changing requirements that demand time and even financial outlays to secure payment.

Financial insecurity, characterized by a lack of basic necessities and access to a safety net, causes cognitive distress, which measurably affects employee productivity, accident rates, performance, and physical and mental health. One study estimated that an average of three weeks per year in productivity is lost to employee preoccupation with personal finances. Knowing that a single incident or unexpected expense—a health issue, a car repair—could unravel one’s life is a lot to manage.

Poverty is complex and multidimensional. Those who live in poverty face few good choices and are more likely to be exposed to such compounding factors as substance abuse, criminal histories, domestic violence, and mental illness and cognitive distress, posing further barriers to job searches. Candidates are likely to be “housing insecure,” a condition characterized by frequent relocations, living in overcrowded conditions, and facing threats of eviction or foreclosure. Candidates and their households may be “food insecure,” with low access to affordable, nutritional food. Struggling to eat and maintain safe and secure housing poses stresses that deplete an individual’s ability to find a job and then concentrate on work.

I was concerned that, based on where I lived, I wouldn’t have the opportunity to enroll in employment after finishing high school. A community leader came to me and said there is a company that wants to get into contact with youth like myself, who are considered to be from volatile communities. I’m very thankful for the opportunity that’s been given to me.

— Kemar, Employee-engagement team member, Sutherland (Jamaica)
Employment is one of the most effective, lasting ways to reduce poverty

The world has made significant progress out of extreme poverty, having effectively halved the number of individuals living below the international poverty line from 1999 to 2013. Much of that gain has been made possible by the proliferation of productive work opportunities; global declines of extreme poverty correlate with increased employment rates. A host of studies have linked increased access to formal employment directly to poverty reduction, with many citing it as a top factor in reducing poverty rates. Further research indicates that quality employment—especially jobs that train employees on in-demand skills with growth opportunities—can best lift people out of poverty.

Quality employment alleviates many of the underlying challenges of poverty

The most immediate benefit of a good job is obvious: Stable and living-wage income critically contributes to poverty alleviation. By definition, those living in poverty lack the minimum level of income to consistently secure such basic necessities as food and housing. Full-time employment in a decent workplace with a living wage provides candidates with immediate income for basic needs. Formal employment can also enable employees to engage with formal banking services for the first time, giving them to access savings accounts, insurance, and other financial products that help them better manage finances. Over time, secure earnings can lead to longer-term financial stability, enabling workers to obtain improved housing, health care, nutrition, and higher education. Training in relevant, in-demand job skills and receiving career-development support transforms a job into a path toward ever-increasing earnings growth and advancement.

Business is a critical actor in the global effort to end poverty in all forms everywhere

As the provider of nine in 10 jobs worldwide, the private sector has a big opportunity to fight poverty and exclusion by supporting inclusive economic prosperity across their direct operations and their supply chains. In addition to contributing to SDG Goal 8—decent work and economic growth—a company that takes additional steps to actively recruit and employ those in poverty ties its core business to some of the most critical development goals: Goal 1 (no poverty) and Goal 10 (reduced inequality). Business has much to gain from this. By investing in inclusive hiring practices that promote equal opportunity, diversity, fair treatment in the workplace, human capital, and skill development, companies can help ensure their own continued success and see to it that the economic benefits accrue to the communities in which they conduct business.
The Business Case: Building value through inclusion

A variety of studies and corporate records highlight that companies tapping a broader talent pool can reap short- and long-term operational advantages via inclusive employment strategies.

Achieving business outcomes

While any inclusive employment strategy demands an investment, hiring and developing candidates from diverse and disadvantaged backgrounds can prompt operational benefits and competitive advantages.

COMPANIES CAN ACCESS A LARGELY UNTAPPED TALENT POOL

As labor markets tighten and change over time, companies must find and retain talent. Recent research projects that three global industries—financial and business services; technology, media, and telecommunications; and manufacturing—will face a collective global deficit of nearly 23 million workers by 2030 and US$2.35 trillion in lost or unrealized revenue. Any company struggling to access workers in any locale should consider overlooked talent pools—such as persons living in poverty.

Example in Action: Amid a tightening labor market, the Baltimore, Maryland construction industry has been turning to Project Jump Start to find quality employees. An 87-hour paid pre-apprenticeship program that trains low-income city residents for long-term construction careers that advance beyond entry-level, Jump Start trains approximately 125 individuals per year and works with 150 companies to achieve an 80 percent placement rate. Companies working with Jump Start have reported reduced costs for recruiting and turnover.

COMPANIES CAN ACHIEVE BETTER OPERATIONAL OUTCOMES

Diverse and inclusive organizations often report greater financial performance. In advancing inclusive employment in supply chains, member companies of the GISC have submitted case studies detailing a wide range of operational benefits, including workforce stability, performance, and employee engagement.

COMPANIES CAN ENHANCE THEIR BRAND REPUTATION

Consumers and corporate buyers prioritize products and services from businesses that help them pursue their values. Companies can leverage inclusive employment programs to win clients and consumers. A good reputation helps attract top talent: More than 30 percent of millennial and Generation X workers view a commitment to diversity and inclusion as a key aspect of desirable corporate culture.

COMPANIES CAN DEMONSTRATE VALUE TO INVESTORS

As more investors pay greater attention to how companies use capital to advance economic inclusion, diversity, and the SDGs, businesses that invest in people and communities are likelier to build long-term value.
Connecting to the bigger picture and preparing for the future

Companies can leverage inclusive employment strategies to build operational resilience in the face of macro trends reshaping the nature of work and society.

COMPANIES CAN MANAGE OPERATIONAL RISK
The World Economic Forum’s Global Risks Report 2017 named rising income and wealth disparity as the top trend, above even climate change, that will shape the world over the next 10 years\(^\text{24}\). The effects of inequality are already being felt by business—71 percent of recently surveyed Harvard Business School alumni felt that “their business was harmed by rising inequality, middle-class stagnation, growing poverty, or limited economic mobility,” and 66 percent agreed that addressing these issues was more important than economic growth\(^\text{25}\). Companies can begin to confront this problem by seeking to understand and then address inequality in communities in which they operate. A good place to start is to include vulnerable populations, especially those living in poverty, in workforce strategies and forecasts.

COMPANIES CAN PREPARE FOR THE FUTURE OF WORK AMID THE RISE OF AUTOMATION AND ARTIFICIAL INTELLIGENCE
Amid a current and growing digital talent gap, some companies are including more low-income job seekers in their digital transformation\(^\text{26}\). Enabling more people to benefit from technological change is in business’s best interest\(^\text{27}\). For example, new technologies are facilitating the breaking down of projects into tasks and even fractions of tasks that can be completed by different groups of employees with varied types and levels of skills. Companies that employ and develop low-income job seekers build more innovative, resilient workplace cultures.

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**THE PROJECT UPGRADED MY RESEARCH SKILLS, AND I LEARNED ABOUT THE NEW AND EXISTING TECHNOLOGY THAT START-UPS AND COMPANIES ARE WORKING ON. I FOUND I AM COMFORTABLE LEARNING NEW SOFTWARE AND RELATED WEB APPLICATIONS.**

— Joseph, Agent, Samasource (Kenya)
The Toolkit: Good Practices, Examples, and Resources for Getting Started

Photo Credit: Emerge BPO, Guyana
## Getting Started: Good Practices Checklist

1. **Setting the tone for inclusive employment through commitments, communication, and culture**

   - Appoint a leader from top management to champion efforts
   - Define and embed inclusive employment goals and targets within operational plans
   - Communicate in a way that respects and empowers low-income job seekers
   - Train managers to lead diverse teams inclusively
   - Choose inclusive team-building opportunities over segregated training

2. **Making adaptations across the employee life cycle to better identify, integrate, and empower low-income job seekers**

   - **HIRING AND RECRUITMENT**
     - Define the target talent pool and identify channels to reach it
     - Identify roles that require in-demand skills that can be learned on the job
     - Create a simple job application form
     - Employ for skills and potential above qualifications and experience
     - Eliminate all hiring costs for candidates
     - Align human resource goals, incentives, and evaluation
   - **ONBOARDING**
     - Curate a preboarding experience
     - Front-load training on corporate norms and expectations
     - Incorporate time and activities that can help new staff develop confidence
     - Introduce peer mentorship
   - **TRAINING AND DEVELOPMENT**
     - Provide role clarity
     - Create a plan for both personal and technical skills development
     - Offer paid, on-the-job training
     - Help employees develop portable skills
     - Establish a formal career advancement and mentorship program

3. **Offering quality terms of employment that support sustainable livelihoods**

   - **TERMS OF EMPLOYMENT**
     - Offer full-time, formal employment
     - Enable predictable scheduling, with flexibility
     - Offer stable, frequent pay periods
     - Pay a living wage
     - Provide or enable, benefits that support short- and long-term resilience
     - Make work meaningful

4. **Developing supplemental employee offerings that enable employment and build resilience**

   - **EMPLOYEE OFFERINGS**
     - Offer life skills training
     - Help employees manage transportation
     - Help employees with resource navigation
     - Find a partner to offer relevant wraparound support services
     - Help employees access financial safety nets
     - Help employees build personal assets for the future
Good Practice Recommendations, Examples, and Resources for Getting Started

This section of the Toolkit recommends steps companies can take to get started employing, empowering, and improving the advancement prospects of people who have been living in poverty. Practices include both operational adaptations, which are changes companies can make to existing policies, processes, and practices to best facilitate integration and advancement of low-income job seekers, and employee offerings, which are specific types of supplemental assistance that companies can provide to best enable low-income job seekers to build resilience and move out of poverty. These are organized across the following sections:

1. Setting the tone for inclusive employment through commitments, communication, and culture
2. Making adaptations across the employee life cycle to better identify, integrate, and empower low-income job seekers
3. Offering quality terms of employment that support sustainable livelihoods
4. Developing supplemental employee offerings that enable employment and build resilience
The following advice applies to all good practice recommendations:

**COMPANIES SHOULD PARTNER WITH EXPERTS IN THE COMMUNITIES WHERE THEY OPERATE**
Companies are encouraged to engage with community-based organizations, such as local governments, academic institutions, and nonprofit and civil society organizations, to see what partnerships might best support their strategies to employ people living in poverty. Partnering can support accelerated implementation by creating employee pipelines, providing or supplementing key employee training, or offering additional employee support. Partnerships are particularly important in offering employees support around such social services as mental health services, housing assistance, and childcare assistance.

**COMPANIES SHOULD NEVER SINGLE OUT LOW-INCOME EMPLOYEES**
Organizational innovations and employee offerings should be made broadly available so as not to single out specific employees or groups. Any sense of separation, rather than integration, can hamper uptake of helpful supplemental offerings, due to perceived stigma.

**EMPLOYEE INPUT SHOULD BE SOUGHT BEFORE, DURING, AND AFTER IMPLEMENTATION**
Companies should consult workers as they consider operational adaptations, especially employee offerings. Gathering input can help companies ensure that their efforts do the most good, just as collecting subsequent feedback will help companies continuously update and improve employee offerings.

**RESULTS SHOULD BE MEASURED**
Companies that deploy inclusive employment initiatives should set targets and track outcomes to evaluate and improve the experience and any supplemental offerings. For example, companies that adapt their recruitment procedures in the hope of getting more low-income job candidates to advance could measure the change in conversion rates—from application to interview to job offer—for that population.
Setting the Tone for Inclusion Through Commitments, Communication, and Culture

Companies can leverage leadership and communications to build the foundation for an inclusive culture and an enabling work environment for low-income job seekers.

A MEMBER OF TOP MANAGEMENT SHOULD CHAMPION COMPANY EFFORTS

A well-established technique for ensuring that a strategy will be prioritized is to get a leader to spearhead or champion it. To identify leaders likely to be most effective, review the good practices recommended in Section 2 (below) and select human resources and operations leaders who can connect and drive key recruitment and operational adaptations.

DEFINING AND EMBEDDING INCLUSIVE EMPLOYMENT GOALS AND TARGETS IN THE OPERATIONAL PLAN

Avoid developing inclusive employment strategies separately from regular operations. Include them in the core business. Clearly articulate goals and targets within the operational plan, and ensure that managers and leadership are aware of them and accountable.

Example in Action: When Starbucks Corp. announced plans in 2015 to create jobs and provide training for “opportunity youth”—defined as 16- to 24-year-olds not working or going to school—the company also set a target of 10,000 new hires by 2018. Starbucks reached its target early and now aims to hire 100,000 opportunity youth by 2020.

COMMUNICATING IN A WAY THAT RESPECTS AND EMPOWERS LOW-INCOME JOB SEEKERS

When communicating a company’s people strategy—whether internally or externally—focus on empowering and elevating employees as a key asset. When featuring employees’ own stories, focus on their potential and their contribution to the company, highlighting what they offer over challenges they may have faced in the past. Consistent, authentic communication and expectations being set by leadership will help foster mutual respect and appreciation.

TRAINING MANAGERS TO LEAD DIVERSE TEAMS INCLUSIVELY

Strong team leaders with an inclusive mind-set are critical to successfully integrating diverse employees. Many companies complement inclusive employment programs with training that teaches team leaders to beware unconscious bias, fosters an inclusive culture, and empowers diverse employees to feel comfortable contributing to a team. Companies choosing to partner with local organizations to develop an inclusive employee pipeline might solicit training for managers from those experts.

CHOOSE INCLUSIVE TEAM-BUILDING OPPORTUNITIES OVER SEGREGATED TRAINING

Ensure that all employees have access to the same training and workplace expectations, creating opportunities for staff from different backgrounds to connect and learn from each other in settings that focus on building teams.

SECTION 1 RESOURCES: SETTING THE TONE

- BCtA Impact Lab: A tool to help companies measure and manage the impact of their inclusive business investments.
- Cost of Turnover Tool: Calculate the cost of turnover to make the case for investing in inclusive, quality jobs that increase retention.
- Impact Sourcing Social Impact Framework White Paper: GISC is developing a list of core indicators that companies may find useful to track as they invest in inclusive employment strategies focused on low-income populations.
Sutherland, a global process transformation company, employs more than 40,000 people and provides business-process outsourcing services to clients in 19 countries around the world. Jamaica, one of the company’s key operating locales, faces significant challenges regarding youth unemployment that typically ranges from 18 percent to 22 percent, particularly for those in poverty.

Sutherland collaborated with Microsoft Corp. in 2015 to establish and support a network of Digital Empowerment Centers (DEC) offering free Microsoft Digital Literacy Certification to young adults in at-risk communities. Sutherland provided soft skills and workforce-preparation training to ensure that they could find work in a modern workplace and committed to hire at least 10 percent of DEC graduates.
DEFINING AND EMBEDDING INCLUSIVE EMPLOYMENT GOALS AND TARGETS WITHIN OPERATIONAL PLANS

Setting a clear and tangible target was critical because it required an action plan and established accountability for the DEC program’s success, not just in supporting training for disadvantaged youth but by ensuring it could lead to productive employment.

COMMUNICATING IN A WAY THAT RESPECTS AND EMPOWERS LOW-INCOME JOB SEEKERS

Sutherland found leadership communication and employee buy-in essential to program success. In Jamaica, there is a preconception that individuals from poverty-stricken areas are more prone to violence. To ensure that the candidates from the DEC program would not be stigmatized, the leadership was engaged in the discussion about how the program would benefit and empower these individuals, focusing on the overall goal of the program and the anticipated positive effects this inclusivity would have on the wider community. Once leadership was on board, the message was cascaded to the employees in the functions areas where the candidates would be placed. These employees were then engaged as partners to assist as mentors for the DEC graduates. In being transparent with the mission at all levels in the company, the DEC graduates did not face bias, and were instead supported and empowered to be effective in their duties.

Working to meet its stated target helped Sutherland identify ways to improve the program, ensuring that the DEC model offered a viable pathway to employment. Tips for success include:

TIPS FOR SUCCESS

MEET JOB APPLICANTS WHERE THEY ARE, AND INVEST IN THEIR GROWTH

When Sutherland selected its first recruits, many lacked key soft skills, especially familiarity with corporate norms. Sutherland partnered with Jamaica’s Human Employment and Resource Training (HEART) Trust / National Training Agency to implement a yearlong sponsored-apprenticeship program that immersed candidates in the corporate environment. Apprenticeship positions in administration, human resources, and facilities and security helped recruits learn corporate norms and develop key soft skills. Within weeks of immersion, the cohort of apprentices was fully integrated among existing staff; many went on to take long-term, permanent roles in Sutherland’s core business.

LEVERAGE PARTNERSHIPS TO GET STARTED AND TO EXPAND

Because HEART was embedded in target communities, partnering with the organization enabled Sutherland to identify high-potential candidates. When the company opted to expand the initiative to other locales, it leveraged similar partnerships. In Colombia, the company has teamed with National Training Service (SENA) to train and hire young adults from remote, vulnerable agricultural communities. Building on its experiences in Jamaica and Colombia, Sutherland plans to continue expanding its inclusive employment initiatives across its global operations.
Making Adaptations Across the Employee Life Cycle to Better Identify, Integrate, and Empower Low-Income Job Seekers

The employee life cycle consists of various stages, from when an employee applies to join a company to the time he or she leaves. The following recommendations focus on the stages of hiring and recruitment, onboarding, and training and development. Companies can implement these good practices to help management include low-income job seekers and secure, maintain, and advance their employment.

**Recruiting**

Companies can learn to identify and contact promising candidates, as well as limit or eliminate barriers that might deter them from applying for, accepting, and maintaining a job.

**Defining a Target Talent Pool and Identifying Channels to Reach Them**

Companies should clearly identify their target population to determine how to best reach them. An easy way to get started is to team with local organizations experienced in working with poor and vulnerable populations, such as youth employment programs. These partners are often better placed to help identify candidates; in many cases, they may provide such auxiliary support services as life skills training, housing assistance, or counseling, which may be vital to long-term employment success. Some companies may work directly with their target communities.

**Example in Action: B2R Technologies**

A for-profit social enterprise operating business process outsourcing centers in Uttarakhand, India works with communities to increase applications from rural young women. An intentional hiring process engineered for improved gender equity has enabled B2R to consistently keep staff composition at least 50 percent women over the past 10 years. B2R employment enables these women to become valuable economic contributors, delaying their marriage age from 16-18 to mid-20s and helping them move beyond traditional stereotypes in their homes and community. Focusing on this target talent pool has also helped B2R earn a ‘safe workplace’ reputation.

**Identifying Roles That Require In-Demand Skills That Can Be Learned on the Job**

Studies of job training programs have shown that building skills in high demand best leads to employee earnings growth and career advancement. Companies should assess current and future workforce needs to identify roles requiring specific skills. Businesses equipped to offer on-the-job training may opt to recruit directly.

**Example in Action: Harambee**

Is a youth employment accelerator that offers free work-training opportunities for disadvantaged and unemployed youth in South Africa. Harambee works directly with employers to diagnose talent needs, match candidates, and then to prepare and support those candidates in employment. Partnering with Harambee lets companies quickly become inclusive employers of youth from poor households who have proven they can perform well when given the opportunity.
CREATING A SIMPLE JOB APPLICATION FORM

Candidates may lack resumes or access to a computer to draft cover letters. An application form—both in physical form and available online—allows candidates to apply easily while letting companies collect the information most relevant to a given position, which saves the businesses time.

EMPLOYING FOR SKILLS AND POTENTIAL OVER QUALIFICATIONS AND EXPERIENCE

Many low-income job seekers lack traditional educational credentials and formal job histories. Companies that use skills-based hiring report a 25 percent to 75 percent reduction in turnover, a 50 percent to 70 percent reduction in time to hire, and a 70 percent reduction in cost-to-hire. Moreover, many employers report that employees who did not graduate from university perform nearly—or equally—as well as their credentialed peers on such critical job dimensions as time to reach full productivity, level of productivity, amount of oversight required, and time till promotion. The following tactics are useful:

Transforming job descriptions into lists of core, trainable skills.

Companies should use the screening and interview process to identify candidates with core skills; trainable skills can be developed on the job. Focus on core skills such as “willingness to learn,” which indicates long-term potential.

Example in Action: Harambee developed a ‘learning potential assessment’ to measure a person’s ability to capture new information quickly. The nonprofit’s 2019 analysis found that the typical method to assess numeracy would exclude nearly 90 percent of those with potential.

Removing unnecessary demands likely to dissuade low-income job seekers from job descriptions and applicant-tracking systems.

These include educational degrees, certifications, a minimum level of experience, current experience, and criminal record checks. Once a company has determined the core skills and traits needed for a role, it should remove unnecessary requirements and skills that can be inculcated on the job. Candidates who do not meet precise job requirements should nonetheless be encouraged to apply.

Example in Action: Greystone Bakery, a Yonkers, New York-based bakery, pioneered the concept of Open Hiring, which it defines as “hiring anyone willing to work—no questions asked.” So far, the company has successfully employed 176 people through open hiring and estimates a savings of US$4,000 per person in recruiting costs, while restraining turnover to 12 percent—compared with 30 percent to 70 percent in the industry.

Using skills-based and behavioral interviewing to identify candidate potential.

Rather than focus on recent or directly related job experience, companies should evaluate core skills and behavior relevant to the role and training for it. Candidates might be asked to respond to interview questions via the STAR (situation, task, action, result) format, using specific situations they can readily describe.

Example in Action: B2R Technologies uses a personality assessment questionnaire and emphasizes interview questions that help a candidate demonstrate desire to advance and individual capacity to push themselves beyond their comfort zone. They ask candidates to describe life situations and how they chose to respond to them along with rationale for doing so. Interviewers also give practical exercises using an object (e.g. a coin) to test observation skills. This approach avoids specific experience requirements in favor of allowing candidates to illustrate their willingness and ability to learn.

Example in Action: Digital Divide Data (DDD) provides digital content, data, and research services to clients worldwide from operational centers based in underserved communities in Cambodia, Laos, and Kenya. Rather than focus on experience or specific qualifications, DDD leverages aptitude testing and motivational interviews to find youth with skills and attributes for success.
Implementing a structured hiring process to avoid bias against low-income candidates.

Three key components could include: 1) training HR staff to recognize and avoid unconscious bias as much as possible; 2) setting up hiring committees of two to four people with diverse backgrounds to achieve a more objective, balanced review of a candidate; and 3) facilitating a structured interview and evaluation with standardized questions and criteria to ensure equal processing for all candidates.

Eliminating all hiring costs for candidates

Applying for a job can be expensive. Transportation expenses to interviews and fees for background checks may dissuade low-income candidates from applying or cause them to drop out amid the process. In extreme circumstances, companies offering jobs in exchange for recruitment fees can exploit vulnerable workers, putting them in debt bondage until they pay. Companies should ask existing staff members what unexpected expenses they faced during the hiring process and then consider how to minimize or do away with costly procedures.

Example in Action: Harambee in South Africa found that cell phone data usage costs could impede job seekers. Harambee developed a mobile site on which young job seekers can explore opportunities in a way that pushes costs to the nonprofit’s call centers.

Aligning human resources goals, incentives, and evaluation

Companies should ensure that HR staff is aware of their strategies and incentivized to support them. Developing and communicating clear metrics against which HR staff can be measured should ensure clarity and help pinpoint problems in the recruitment process.

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Onboarding

Companies can leverage the following to acclimate incoming employees: Curate a pre-boarding experience: A short tour of the office or worksite prior to the first day of work, including introductions to the manager and colleagues, can help employees build timely connections and feel comfortable.

Example in Action: Avasant Foundation, a Los Angeles, California-based organization that trains disadvantaged youth in digital skills, takes each cohort of students on a site visit to a local partner company shortly before they graduate in order to familiarize them with a corporate setting before placing them in jobs.

Train early on corporate norms and expectations

Many individuals will not have previous formal work experience and will be unfamiliar with corporate norms and expectations regarding dress codes, punctuality, and communications etiquette. Good practice is for companies to offer this training before, or early on, the first day of employment, ensuring that hires learn soft skills to integrate successfully. This guidance can be shared with employees in writing, along with a letter or employment contract.

Build in time and activities to help new staff develop confidence

Employees may be unsure at the start, especially in a new work environment. Companies might begin with training sessions to help hires learn their roles, building confidence with small tasks that ramp up over time.

Example in Action: The Empowerment Plan is a Detroit, Michigan nonprofit that offers employment to homeless single parents. In the first three months on the job, employees learn to manufacture a coat designed to meet the needs of those in the homeless community; it can transform into a water-resistant sleeping bag. Confidence building is integrated into each step of training and celebrated with key milestones. At three months, hires can make the product from start to finish, and at six months, they become eligible for a $1,500 microloan. Since 2012, the organization has employed 50 homeless individuals who then secured permanent housing for themselves and their families.
INTRODUCE PEER MENTORSHIP
Peer mentors from similar backgrounds, who have served in their role for six months to a year, can share experiences and offer advice to help new employees adjust faster. The opportunity to become a peer mentor can bolster an existing employee’s confidence, reinforcing that such experience is valued by the company and helpful to newer employees.

Training and Development

Evidence suggests that employees who receive workplace education and training earn significantly more than those who do not—an additional 8 percent in wages per 40 hours of training, one study calculated. The following adaptations can help companies position workers for continued earnings growth and career advancement.

PROVIDING ROLE CLARITY
Ensure that new employees understand key aspects and company expectations regarding their jobs, as well as broader organizational standards and policies. Research shows that this seemingly simple practice fosters a host of benefits, including higher performance, organizational commitment, and job satisfaction.

CREATING A PLAN FOR BOTH PERSONAL AND TECHNICAL SKILLS DEVELOPMENT
While the technical skills and training needed for a role are likely to be standardized, personal skills-development needs will vary among candidates. Companies should help new employees identify areas for improvement and embark on personal development plans that parallel the job training plans. Peer and career mentors can help.

OFFERING PAID, ON-THE-JOB TRAINING
Vulnerable populations, especially those living in poverty, are unlikely to be able to participate in unpaid training. Paid apprenticeships and on-the-job training enable low-income job seekers to support themselves and their families. Employers can tailor paid training programs to provide skills that are scarce in the labor market.

Example in Action: B2R Technologies ensures that all employees spend 16 percent of the work week (one day in every six) on training and development. By the time an employee has worked a full year, they have undergone over 400 hours of paid, on-the-job training.

HELPING EMPLOYEES DEVELOP IN-DEMAND, TRANSFERABLE SKILLS
Companies should focus on training for areas in which they see growth opportunity and, where possible, offer employees transferable evidence of training and skills development. This might include industry-wide accepted certifications, college credits, and certifications of training completion that describe the skills a worker has developed.

Example in Action: YearUp is a Boston, Massachusetts-headquartered training program that works to help underserved urban youth in many parts of the U.S. move from minimum wage jobs to meaningful careers. The yearlong program trains participants in skills identified as “in-demand” by partner companies at which participants later intern. Participants can earn college credits for courses they complete. These credits, coupled with internships, help participants demonstrate skills and potential as they seek full-time employment. More than 205 companies source talent from YearUp, and 90 percent of the program’s graduates are employed or enrolled in post-secondary education within four months of program completion. In 2018, a randomized, controlled trial showed a 53 percent wage gain for YearUp graduates, compared with peers.
ESTABLISHING A FORMAL CAREER ADVANCEMENT AND MENTORSHIP PROGRAM

Companies should help employees envision a personal growth path, move to achieve it, and get further assistance when needed.

Choose and assign mentors who are well-placed to offer new employees advice and advocate for their growth.

Seek mentors with a passion for supporting employee career advancement and time to do so. Promising mentors include an employee’s direct manager, a human resources staffer, a leader in the organization, or a combination thereof.

Identify pathways to development from entry level on, including creative training and development solutions that may not be traditional in the company or industry.

Example in Action: Dresma, a Gurgaon, India-based image-processing services provider, offers entry-level employment to rural youth. While peer organizations typically require external training and hire only candidates with specific qualifications for more technical roles, Dresma offers entry-level team members internal training to develop skills and move into more advanced roles. Providing employees a path to growth that does not exist in competing companies has resulted in 3 percent staff turnover, letting Dresma build a team of loyal, enterprising workers.

Set and communicate tangible steps to advancement.
Help employees understand the steps needed to pursue the various career pathways available.

Provide regular check-ins.
Ensure that employees receive regular contact to assess their progress and get questions answered.

Give frequent feedback.
Offer personal recognition when employees make achievements and hit milestones. Also provide timely, constructive feedback so employees can learn about and tackle areas for improvement.

SECTION 2 RESOURCES: MAKING ADAPTATIONS ACROSS THE EMPLOYMENT LIFE CYCLE

- **Catalyst**: Mentorship program guide.
- **Center for Open Hiring**: Tools to implement the practice of open hiring.
- **CheckR**: Tools to reduce bias in background checks
- **Library of Skill-Based Interview Questions**: These questions can help companies conduct skills-based interviews.
- **OECD Skills for Jobs Database**: See and compare in-demand skills by country.
- **Opportunity Navigator**: Identify and learn about proven practices in opportunity employment that can lead to positive outcomes for employees and for businesses.
- **Opportunity@Work**: Advice to transform hiring practices to focus on skills
- **Skillist**: Turn job descriptions into lists of skills.
- **Solutions for Youth Employment (S4YE)**: A global partnership that aims to increase access to productive work for young people, supported by the World Bank. Companies may identify global youth employment programs to partner with through the S4YE network.
- **Textio**: Software that screens job postings for biased language (e.g., ensuring gender neutrality to attract more diverse candidates).
CASE STUDY

Televerde, based in Phoenix, Arizona, has been delivering high return-on-investment solutions and services to such top businesses as SAP SE, Adobe Inc.’s Marketo, and Pulse Secure LLC for more than 25 years. Its talent pool consists largely of women hired and trained within two U.S. correctional facilities.

During his career with Episcopal Prison Ministries, Televerde’s founder saw an opportunity to help women serving sentences build sought-after skills that could lead to productive career opportunities after their release. In collaboration with the Arizona State Prison at Perryville and the Indiana Correctional Facility at Rockville, Televerde developed an empowering employment model by which incarcerated women earn a fair-market hourly wage, including regular pay increases and overtime, while developing marketing and technology skills.
The following good practices have been key to enabling the success of Televerde’s employees, during and beyond employment with the company:

HELPING EMPLOYEES DEVELOP IN-DEMAND, TRANSFERABLE SKILLS
Televerde employees spend about 20 percent of their workday on in-class, online, and group-based training. Employees can take college courses and become certified as inside sales representatives, or become proficient on a variety of in-demand technical platforms. This can lead to long-term employment within Televerde, including executive-level positions; 25 percent of incarcerated employees continue with the company after release, including more than 100 who have taken roles at corporate headquarters. Their skills—backed by on-the-job credits, certifications, and recognition—are transferable.

TRANSITION PROGRAM
Televerde partners with the Arouet Foundation to deliver a three-year transition program with wraparound social support and services, designed to help employees overcome the conditions that led them to prison and develop a foundation to success through career advancement, avoiding poverty and recidivism upon their release.

Offering life skills training. Topics include budget management, savings and credit repair, parenting and family reintegration, conflict resolution, mental health and drug use counseling, access to higher education, job readiness, and placement. Such guidance comes with employment and equips workers with practical skills to confidently manage their transition.

UNEMPLOYMENT AMONG FORMERLY INCARCERATED IS 5X HIGHER THAN THE GENERAL U.S. POPULATION

Televerde’s “drive revenue, change lives” business model has generated more than $8 billion in revenue for clients. Since 1994, more than 3,000 women have been through the program, whose less than 10 percent recidivism rate compares to a national three-year recidivism rate of 68 percent, a powerful testament to a reform model built on empathy, training, career opportunity, and robust reentry programs.

Learn more about Televerde’s employment model here as Televerde employee Valerie Ochoa explains what access to training and quality employment has meant to her.

CASE STUDY: TELEVERDE

* https://www.brookings.edu/blog/up-front/2018/03/14/5-facts-about-prisoners-and-work-before-and-after-incarceration/

SINCE MY TRANSITION IN 2012, I’VE BEEN FOCUSED ON GIVING BACK AND CONTINUING MY OWN SUCCESS. I AM NOW A MENTOR AND PART OF THE GRADUATION BOARD. I BELIEVE IN GIVING BACK AND HELPING OTHERS BRING BACK THE CONFIDENCE THAT SOMETIMES IS LOST.

— Alma Huizar, a Televerde-Perryville graduate (U.S.)

Introducing peer mentorship. Each participant is paired with a peer mentor who has reintegrated while participating in Arouet’s services. Meetings at least once a week provide critical emotional and practical support and facilitate workshops to ease transition.
Offering Quality Terms of Employment that Support Sustainable Livelihoods

Beyond creating access to employment, the most important thing any company can do to help employees build healthy, sustainable lives and households is to offer quality terms of employment.

**Offer Full-Time, Formal Employment**

Unless preferred by the employee, companies should avoid part-time or contracted employment status that restricts access to benefits and often requires low-income job seekers to find and manage multiple jobs to stay afloat. Full-time, formal employment offers employees stability and legal and social protections regulated by national or regional legislation, as well as access to benefits.

In the U.S. in 2016, 12.2 percent of part-time workers were living in poverty, compared with 3.1 percent of full-time workers\(^44\). In 2017, 33 percent of part-time workers identified as involuntary; they wished to work more but could not access full-time employment\(^45\). Important reputational benefits let employees with formal work experience move more easily into other formal jobs.

**Enable Predictable Scheduling, With Flexibility**

Entry-level positions tend to offer the least predictable, least flexible roles. Due to lack of resources and safety nets, newly hired employees living in poverty tend to need both scheduling predictability and flexibility\(^46\). When schedules cannot be standardized, a good practice is to ensure they are made available to employees at least two weeks in advance. Enabling remote or flexible working hours can help employees manage obligations such as getting children to school or helping with farming activities, as well as avoiding the need for rush hour transportation and loss of personal time traveling to work.

**Example in Action:** In 2015, Gap Inc. experimentally implemented two-week advance notice of schedules while eliminating the use of tentative shifts that could be cancelled hours before they commenced. The company also tested practices such as tech-enabled shift swapping, a stable shift structure, and improved consistency of weekly schedules. During this trial, Gap’s sales at stores with stable schedules increased 7 percent—an additional $2.9 million over 35 weeks. Reported worker sleep quality gained from 6 percent to 8 percent, as did employees’ quality of life. Stable scheduling can benefit both workers and business\(^50\).

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12.2% of part-time workers were living in poverty compared with 3.1% of full-time workers in the U.S. in 2016.

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"My team leader and I have put a plan in place so that I can grow within the business. Ultimately, I would want to become an operations manager, and with support, I know I can reach my goal. This job has made me a better individual with more confidence and the skills to interact with new people."

— Morgan, Contact center advisor, Webhelp (South Africa)
OFFER STABLE AND FREQUENT PAY PERIODS
Companies should pay employees on regular published schedules. Companies should also consider paying new employees more frequently—every day or once a week—to help them manage expenses while they are in the process of improving their personal financial management. Many first-time employees may not have access to credit and lack savings to cover their cost of living, as well as such additional work-related expenses as fees for public transportation, childcare fees, and expenses for appropriate clothing. They may otherwise need to seek payday loans or other financial assistance.

PAY EQUITABLE, LIVING WAGES
The Global Living Wage Coalition defines living wage as “remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family”\(^5\). Legal minimum wages are commonly found to be lower than local calculated living wages. Companies should, at a minimum, be aware of living wages in their communities of operation and devise a plan to move toward them. Companies that do not pay living wages cannot expect employees to move out of poverty.

Example in Action: Samasource seeks to move people out of poverty via training and access to digital work. A commitment to living wage is a key part of its employment model. As founder and CEO Leila Janah notes: “Handouts are not going to end global poverty. But work—dignified, living wage work—just might.” In 2014, the company conducted an exercise across its work sites in Kenya, India, and Uganda to benchmark its average salaries to existing wage methodologies and standards and identify relevant wage floors. To ensure continued living wages, Samasource committed to set base wages pegged to its average salaries and conducted pay audits internally and among its delivery center partners\(^5\).

PROVIDE OR ENABLE BENEFITS THAT SUPPORT SHORT- AND LONG-TERM RESILIENCE
The following employment-related benefits significantly affect wealth and poverty globally. Companies should consider how to best address them in their specific operational locales.

Health care
Employees without health insurance or health-care support are less likely to access preventative services and likelier to show higher absenteeism. Research shows that in many countries, health shocks account for significantly more than half the occasions when non-poor households fall into chronic poverty\(^5\). In 2019, the World Health Organization reported that half the global population still lacks access to full coverage of essential health services, and more than 100 million are pushed into extreme poverty to pay for health care\(^6\). One option is for companies to work with primary care centers to bring health services to the workplace. WHO said its research demonstrates that “workplace health initiatives can help reduce sick leave absenteeism by 27% and health-care costs for companies by 26%”\(^7\). Offering paid sick leave is also a good practice that helps employees manage health needs.

50% OF THE GLOBAL POPULATION LACKS ACCESS TO FULL HEALTH CARE COVERAGE

$+100 MILLION ARE PUSHED INTO EXTREME POVERTY TO PAY FOR HEALTH CARE
Dependent care and parental leave
Companies can offer on-site childcare, day-care stipends, or support to navigate and identify affordable child-care. Paid parental leave helps new parents maintain and return to their jobs.

Retirement benefits
A 2015 OECD report cites 12.5 percent of elderly (65 years+) are living in poverty. The global poor tend to experience high levels of informal employment with little access to employer sponsored retirement benefits, so helping employees start planning is a prime benefit.

MAKE WORK MEANINGFUL
The Good Jobs Institute cites “meaningfulness” as a key component of its Good Jobs Scorecard. Companies can consult it to identify whether all of their employees can find meaning in their work.

SECTION 3 RESOURCES: OFFERING QUALITY TERMS OF EMPLOYMENT

- **BSR Living Wage Program**: Full service program that takes a company from the identification of countries and subnational locations where to apply the living wage, design of internal management framework and processes for implementing the program, calculation of living wages for over 100 countries, and in-depth engagement with country-level operations and local stakeholders to assist in verification and confirmation of living wage rates. Contact BSR for more information.

- **Global Living Wage Coalition**: Multi-stakeholder partnership that defines, calculates, and publishes living wage benchmarks for countries around the world. Benchmarks for 25 countries have been completed, and six are in progress.

- **MIT Living Wage Calculator**: This tool is used to determine local wage rates that allow residents to meet minimum standards of living across the U.S.

- **The Good Jobs Institute**: Established to help companies thrive, the institute offers a host of resources on its site to define, implement, and measure good jobs that improve the lives of employees in ways that also upgrade employers’ performance and competitiveness.

- **Working Metrics**: This data analytics platform helps companies improve business decisions and results through deep insights into job quality and diversity.
CASE STUDY

B2R Technologies

B2R (Business-To-Rural) Technologies is a for-profit social enterprise operating in the hill state of Uttarakhand, India where 11 percent of the population lives below the poverty line due to seasonal low yield agriculture and lack of non-farm livelihood. Lack of opportunity leads many to migrate to cities seeking jobs and has significant consequences especially for rural women who, living with the additional handicap of traditional stereotypes, are often pushed into early marriages for example. Since 2009, B2R has sought to address these challenges by bringing professional, knowledge-based work within walking distance of 350 previously un/under-employed youth in the region.

Working at B2R means staff do not have to make a tradeoff between staying in their home communities and pursuing career advancement opportunities. Within its six centers across the region, B2R places an emphasis on quality employment, adapted to the unique circumstances of the local community.
OFFER FORMAL FULL-TIME EMPLOYMENT
All B2R team members are formally employed full-time, guaranteeing them at least government mandated minimum wages and benefits. This is a substantial security in a country where an estimated 88 percent of the working population earns their livelihoods through the formal economy characterized by instability, low and volatile earnings, and limited upward mobility.

ENABLE PREDICTABLE SCHEDULING WITH FLEXIBILITY
B2R focuses on signing up long-term annuity repeatable work from customers to support predictability of work schedules and ensure long-term employment of staff. Considering the local context, B2R offers employee leave to manage family obligations like weddings and seasonal farming. The organization also encourages employees to pursue further studies and plans staffing to support this, including allowing leave for exams, without impacting client schedules. Over 25 percent of B2R’s staff have earned their degrees while working for the company.

PAY EQUITABLE WAGES
In line with national and international conventions, B2R provides equal opportunity and pay for women and works directly with community based organizations to increase applications of rural young women to their centers.

PROVIDE OR ENABLE BENEFITS THAT SUPPORT SHORT- AND LONG-TERM RESILIENCE

Critical statutory benefits
B2R provides monthly retirement benefits resulting in a lifelong pension after 10 years of contribution; health insurance gives access to medical facilities, treatment for self and dependent family members, maternity care, and compensation in the case of death or disablement; paid leave including annual, sick, casual, maternity and paternity leave; and an Indian specific benefit called ‘gratuity is paid upon resignation after a minimum five years of service, or death of employee.

Health & Wellness
The company goes a step further to support day-to-day health and wellness of employees including start-of-day assembly which includes physical training, yoga, team activities, meditation, prayer, and ending with singing the national anthem. This enables an energizing start to the work day, greater employee engagement, ability to cope with stress, and better focus at work. Staff are encouraged to participate in unique “conflict-positive” workshops to help deal with potential personal and societal conflicts emerging due to change in economic status.

As a for-profit social enterprise, B2R has chosen the path of business with social responsibility to build livelihoods. It represents a “conscience capitalism” model in which social objectives coexist with commercial viability. Over ten years, B2R has trained and employed over 700 rural youth (and around 50 percent women) in Uttarakhand, India, generating around 620,000 person-days of direct employment, distributing direct wages of around US$1.8 million to low income rural youth. Its presence in the region has supported entrepreneurs and indirect services to the tune of around US$650,000 procured from local vendors. The positive impact of the B2R model is not limited to the local economy. It is visible in skills development and economic self-sufficiency of rural youth, a shift in women’s marriage ages and smaller family size.

To learn more about B2R Technologies, see this partnership case study with its client RR Donnelley and this onsite video of the B2R team.
Developing Employee Offerings that Enable Employment and Builds Resilience

Companies can surpass typical employment benefits to eliminate barriers for low-income candidates to pursue jobs, accept offers, and stay at work, as well as help employees build resilience and gather assets to move out of poverty.

ELIMINATE BARRIERS FOR CANDIDATES TO PURSUE JOBS, ACCEPT OFFERS, AND STAY AT WORK

Such seemingly simple issues as transportation to work can block low-income job seekers. The following practices can help employees better navigate them:

OFFER LIFE SKILLS TRAINING AND SUPPORT

Companies can identify key life skills and offer training before or during employment. Supplemental training and education on such topics as personal finance, communication, and conflict resolution support employability.

Example in Action: Messy Bessy, a natural products manufacturer based in the Philippines, was established to provide employment to impoverished youth. The company developed an integrated support program called Helping Ourselves that provides “counseling, life-skills, financial literacy and computer training, help with time management, customer service and effective communication, high school exam and college enrollment preparation, tuition subsidies and student loans, tutoring and more.”

HELP EMPLOYEES MANAGE TRANSPORTATION

Good jobs are often located far from where the poor dwell, so helping employees manage transport can boost productivity and lower turnover. Companies should consult workers about their needs and review operational capabilities to determine what strategies might work best. Options include:

- Building offices directly in, or closer to, poor regions and neighborhoods.

Example in Action: In a rapidly urbanizing India, RRD, a global integrated communications provider headquartered in Chicago as RR Donnelley & Sons Co., chose to partner with impact sourcing provider B2R to bring job growth to the rural population. With a lack of opportunity spurring migration to urban centers, RRD and B2R partnered to establish a productive team of 106 employees from 52 villages in two rural districts in Uttarakhand.

- Providing transportation service (e.g., a van or bus that operates set routes between community and workplace).

- Giving employees resources to carpool.

- Offering transportation stipends to help pay for transport employees need.

- Providing annual loans for transportation passes, or purchasing annual passes and letting employees pay for them over the year.

BEING ABLE TO WORK SHIFTS THAT ALLOW ME TO CARE FOR MY SON AND HELP MY MOTHER IS SUCH A BLESSING. THIS IS JUST THE BEGINNING FOR ME.

— Celine, Customer service advisor, WebHelp (South Africa)
Companies can bring in external expertise to help employees access benefits and solve issues. Individuals often need support navigating the complex system of government benefits and services they may be eligible for, as well as other resources that can help them manage personal finances and access affordable childcare. One study found that on-site resource navigators can have an ROI of as much as 200 percent and will best aid employers when they regularly serve sites with more than 100 employees. Best practice is to allow workers 15- to 30-minute time slots at regular intervals to consult with resource navigators.

Help employees build resilience and assets. Poverty is complex and pervasive. Companies should consider the following to help new employees protect their households against potential shocks.

HELP EMPLOYEES ACCESS FINANCIAL SAFETY NETS
The following examples can help employees manage day-to-day challenges without resorting to predatory lenders.

Partnering with a local bank
By partnering with a local bank, companies can help employees access financial services, including emergency loans. Workers can avoid exorbitant interest rates and start building positive, formal financial and credit profiles.

Employee contributions
Companies can help workers access hardship funds through encouragement and by matching employee contributions. This community-driven approach entails employees pooling money to create a safety net that can be accessed by employees in need.

Loans
Allowing employees to take loans against future paychecks can help them manage day-to-day changes in their needs and better cover emergencies without having to resort to payday loans, which often carry exploitative interest rates.

Example in Action: Rhino Foods, a Burlington, Vermont-based frozen foods company, partners with a local credit union to offer employees same-day access to US$1,000 for emergency or unplanned needs, which is then repaid through weekly payroll deductions. The program has helped employees cut stress while improving their credit and increasing savings. Rhino has noted reduced absenteeism and higher morale.

Access to goods and services
Companies can facilitate employees’ access to critical goods and services by identifying specific things they struggle to obtain and by exploring opportunities to help.

Example in Action: When DBL Group, a garment manufacturer in Bangladesh, saw more than 7,000 of its employees in remote Kashmir, India, struggling to access basic, affordable supplies for their families following the 2008 financial crisis, the company established “Fair Price Shops.” The cashless shops offer zero-interest credit on almost 400 critical goods, including women’s hygiene products, at rates up to 70 percent lower than average market prices. Within months of opening the first shops, DBL Group enjoyed a one-third drop in absenteeism.

MOVING JOBS TO WHERE THE PEOPLE ARE CREATES A MORE SUSTAINABLE FUTURE. THINK ABOUT THE EXTRA INCOME FLOWING INTO A VILLAGE—IT INCREASES THE PURCHASING POWER, HEALTH CARE IMPROVES, AND IMPACT WORKERS BECOME AGENTS OF CHANGE IN THEIR COMMUNITY. THIS IS A POWERFUL CATALYST FOR KEEPING PEOPLE IN THE VILLAGE.
— Janine Nirmal, Director of Operations, RRD
HELP EMPLOYEES BUILD ASSETS
Assets such as savings and transferable skills can help employees weather emergencies and take advantage of subsequent employment opportunities.

Individual development accounts
Individual development accounts can boost asset accumulation for low-income families. Savings-matching schemes that enable employees to build resources and purchase such assets as vehicles and houses are like shorter-term retirement accounts.

Direct Deposit Offerings
Companies that offer direct deposit can foster savings by offering a split option that helps employees automatically drive payments into savings accounts. One study found that lower-wage U.S. employees with split direct deposit were significantly more likely than peers who made manual transfers to have at least US$400 in savings accounts, an amount associated with reports of reduced financial concerns and worry.

Offering access to training resources and equipment after hours.
Employees that wish to access optional training may lack computers or reliable internet access to take online courses at home. Being able to leverage company resources after work hours can foster initiative.

BEFORE I HAD THIS JOB, MY FAMILY WAS WORRIED THAT I WOULDN’T MAKE A LIVING GROWING VEGETABLES, BUT NOW THEY ARE PROUD THAT I AM ABLE TO STEP UP AND MAKE A LIVING FOR MYSELF. IT WAS LIKE I WAS STARTING FROM ZERO, BUT NOW IT’S LIKE I’M A NIE OR TEN.

— Khammai, Associate, Digital Divide Data (Laos)

SECTION 4 RESOURCES: DEVELOPING EMPLOYEE OFFERINGS

- **HERproject** Workplace-based interventions on health, financial inclusion, and gender equality to unlock the full potential of women working in global supply chains.

- **Income Advance Guide** This resource library offers tools, checklists, and video guidance to help companies offer stressed workers income advances while engaging them on financial wellness.

- **Questions for Employees** This guide helps companies prepare to talk with employees about financial wellness and offers useful questions to identify relevant benefits.
PeopleShores PBC

PeopleShores PBC is a San Jose, California-based for-profit Public Benefit Corporation with a charter to bring technology-driven jobs to economically challenged communities in the U.S. The company seeks to transform disconnected young adults—engaged in neither education nor employment, often impoverished, with a lack of support systems and inadequate social skills—into well-trained knowledge professionals with stable livelihoods and meaningful careers.

PeopleShores was established in 2017 by the leaders of RuralShores, a business process outsourcing company employing people in rural India, who tend to emerge quickly from the poverty that stems mainly from their geographic isolation and limited opportunities.
To employ American youth from backgrounds of homelessness, domestic violence, refugee status, neurodiversity, and physical disability, PeopleShores recognized it would need to offer far more personal support. The company partners with an array of social services agencies with proven expertise to identify potential employees and to provide wraparound services facilitating their employment.

Example: Originally from the Bay Area, PeopleShores team member John grew up in Montana and attended the University of Montana, graduating with a B.S in Mathematics in May 2017. During elementary school, he was diagnosed with autism, which later inspired his father to find out about and refer him to Expandability, a program run by Goodwill in Silicon Valley that helps youth with mental disabilities transition into the job market. PeopleShores partners with Expandability, who provides employment preparation, life management, and job placement support services, to identify promising candidates like John who need additional support to access and realize their potential through employment.

After graduation, John moved back to the Bay Area in June 2017 and enrolled in Expandability’s work training programs. As part of that, he was referred to and joined PeopleShores’ first cohort as a trainee a month later and became a full-time employee in October 2017. Prior to that, John had supported himself washing dishes in an assisted-living facility.

Since joining, John has mastered a number of tools including advanced programming in Microsoft Excel, Python, SQL, Adobe Premier Pro/Captivate, and much, much more. He is PeopleShores’ Metabot programming expert in the San Jose office and has led a few pilot programs for some of our clients.

When asked about his experience at PeopleShores, John said that his skillset has been nurtured and has grown considerably, exposing him to a number of powerful tools that he has used to gain a broader understanding of the tech sector. His goal is to work with a large, reputable technology company in the near future.

Partnering with local organizations enables PeopleShores to offer transformative employment opportunities to individuals that need extra support to get started and thrive. Learn more about PeopleShores PBC’s efforts to create access and opportunity here.
Business has the opportunity to lead the way on reducing poverty through intentional, inclusive employment strategies.

Learn from companies implementing good practices to create job and advancement opportunities that are fostering pathways out of poverty.

Sutherland, Jamaica

1. Setting the tone for inclusive employment through commitments, communication, and culture

Sutherland set a clear and tangible target to hire at least 10 percent of individuals completing the Digital Literacy Certification program that it sponsors in Jamaica. Critical, this commitment required the company to develop a hiring action plan and established accountability for the training program’s success, not just to support digital literacy for disadvantaged youth but to ensure it could lead to productive employment.

Televerde, U.S.

2. Making adaptations across the employee life cycle to better identify, integrate, and empower low-income job seekers

Televerde provides second chances that lead to pathways out of poverty and recidivism for incarcerated women. The company dedicates 20 percent of an employee’s workday to on-the-job training of in-demand, transferable marketing and technology skills and includes life skills training and peer mentorship as key components of their onboarding and training process.

B2R Technologies, India

3. Offering quality terms of employment that support sustainable livelihoods

B2R brings formal, full-time employment to rural communities in India where, on average, 88 percent of the working population earn their livelihood in the informal economy. In addition to guaranteeing their employees access to the many benefits of formal employment, they also offer flexible scheduling to help employees manage their family obligations and pursue higher education.

PeopleShores PBC, U.S.

4. Developing employee offerings that enable employment and builds resilience

PeopleShores PBC creates employment opportunities for youth from vulnerable backgrounds including homelessness, domestic violence, refugee status, neurodiversity, and physical disability. To identify and support these candidates, the company partners with an array of social services agencies with proven expertise that provide wraparound services such as housing, counseling, and life management support in parallel with their employment.
Chapter 2: The Case for Intentionally Employing Those Living in Poverty

References

Chapter 3: The Toolkit: Good Practices, Examples, and Resources for Getting Started
About the Global Impact Sourcing Coalition

GISC is a collaboration among leading companies to build more inclusive global supply chains. The GISC is a collaborative initiative between buyers and providers of business services, governed by a steering committee of elected participants from member companies. BSR provides executive leadership and secretariat support for GISC. Visit www.gisc.bsr.org for more information.

About BSR

BSR is a global nonprofit organization that works with its network of more than 250 member companies and other partners to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. Visit www.bsr.org for more information about BSR’s 25 years of leadership in sustainability.