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More companies are hiring individuals with disabilities

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As low unemployment rates persist across the country, employers are turning to previously overlooked populations to fill gaps in the workforce, including disabled individuals. Nationally, the unemployment rate for individuals with disabilities dropped to 8% at the end of 2018, compared to 13.2% in 2013, according to the U.S. Bureau of Labor Statistics.

In Sacramento County, the number of unemployed individuals with disabilities shrank from about 10,071 in 2013 to 7,243 in 2017, according to the U.S. Census Bureau.

As this trend continues, more companies throughout the region may recruit the area's disabled residents, helping bring a lesser-served population into the workforce.

The term "disability" refers to a spectrum of conditions, including disabled veterans and individuals with developmental disabilities or autism, according to the Sacramento Employment and Training Agency. There's



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As unemployment rates stay low, one segment of the population is entering the workforce in increasing numbers: individuals with disabilities.

an estimated 167,683 disabled individuals who live in Sacramento. SETA is one of the local agencies that helps individuals with disabilities and other underserved populations find a foothold in the workforce. SETA, which is a joint agency between the city of Sacramento and Sacramento County, distributes state and federal dollars to boost local employment. The agency has distributed about \$1.5 million in grants over the past four years to help disabled individuals find work.

"With the lower unemployment rate, there's a lot more openness to different populations to fulfill your job openings," said Terri Carpenter, a workforce development manager with SETA.

Major expansion in sight

Roseville-based Pride Industries Inc. has long focused on working with individuals with disabilities. The nonprofit runs one of Northern California's largest in-house manufacturing, packaging and assembly operations that hires adults with disabilities. The organization is authorized to pay sub-minimum wages to about 906 employees, according to the U.S. Department of Labor.

The bulk of Pride's operations for its 3,300 employees is contracting out teams of workers to assist with services like custodial work or product distribution at third-party companies. Amid the latest unemployment rate trends, Pride is poised to pursue a large-scale expansion of this arm of its workforce.

"When unemployment rates are low, organizations struggle to find quality resources and that's the same for us ... the environment right now is really rich for job creation," said Steve Twitchell, senior vice president of business development with Pride.

Pride has its eyes on a national expansion that could see its workforce grow to 10,000 individuals, or about triple its current number, Twitchell said.

Pride is currently in "beta testing" for a model that would spur that expansion, working locally with a "large-scale fulfillment company" that has warehouse operations in the Sacramento region and nationally, Twitchell

said. He declined to disclose the name of the company.

Tripling its workforce is likely to come from two different strategies. One would see Pride continue its model of contracting with organizations in a “shopping cart” model, allowing employers to whom the nonprofit provides contract labor to pick and choose what services they need.

Another model would see Pride act as a staffing agency, where it would tap into its network of community organizations that work with and recruit disabled individuals for businesses. As the businesses take on former Pride employees as their own full-time employees, Pride would receive a placement fee from the company.

“That’s where we have the largest growth potential,” Twitchell told the Business Journal, adding that the tight job market and increasing sense of social responsibility among corporations will help support this initiative.

Big players take interest

Corporate giants such as Amazon.com Inc. (Nasdaq: AMZN) and Apple Inc. (Nasdaq: AAPL) are also employing disabled people at their local distribution centers and warehouses.

Agencies that recruit contract labor for Apple, such as Volt Workforce Solutions, have been recruiting more individuals with disabilities, according to Michelle O’Camb, a workforce development manager at SETA who works with the disabled population.

Apple employs more than 5,000 people in Elk Grove, where its operations include warehousing, distribution and customer support. Representatives of the Cupertino-based company did not respond to requests for comment.

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senior vice president of business development with Pride

"Pride has a contract with Volt, who places individuals at Apple," O'Camb said. "The beauty of that model is that Pride actually has a coach on-site to be able to guide and answer questions."

As part of the model, employees with disabilities work through Pride for three months, at which point they transition over to employment through Volt for nine months, according to O'Camb. After that period, employees have to take a few months off due to legal restrictions around contractors before they can apply to be a Volt employee again, she said. Jobs that these individuals fill include industrial, administrative and supervisor positions.

Volt has seen an increase in its number of applicants with disabilities over the past two years, said company vice president Joan Van Donge. She attributes part of that growth to applicants encouraging one another to apply via word of mouth, or from organizations like SETA.

"In partnership with our clients, we think this may be an area we can continue to recruit that may have been overlooked," Van Donge told the Business Journal. "Sure you can say it's the unemployment but you can also say it's all about inclusion and diversity that's the biggest part."

Meanwhile, Amazon employs about 35 individuals who have disabilities at local distribution centers, said spokeswoman Shevaun Brown. The employees were hired through an internal "alternative workforce" program that the company launched two years ago.

Amazon's fulfillment center at Metro Air Park employs more than 2,000 people.

Brown said that it wasn't workforce shortages that inspired Amazon to employ more individuals with disabilities, but that it was more a sense of social responsibility.

“They are capable of doing the same work as employees hired through traditional staffing initiatives,” Brown said in an email. “We are proud of our culture because it is one in which employees are valued for bringing their perspectives and whole selves to work and these employees hired through this program are doing just that.”

Thunder Valley Casino Resort, which completed a multimillion-dollar hotel expansion earlier this year, recently hired a team of about 30 Pride employees to run its laundry services.

“I know one of (Pride’s) goals is to have these individuals start to get exposed to an actual work schedule. This gives an opportunity to assimilate with other work groups at the casino,” said Joel Moore, vice president of hotel operations at Thunder Valley, which is near Lincoln.

But Moore also noted that it took the Pride workers about 90 days to achieve the productivity levels he wanted, which is longer than normal. At its current capacity, the laundry facility now cleans about 12,000 pounds of hotel linens per day.

Moore said that due to the success of the program, Thunder Valley is likely to hire more Pride employees for positions in its restaurants.

“A lot of people might not know about these individuals, and might not know that maybe they’re a good fit for their business too,” Moore said.

Easing in

Even with more companies hiring people with disabilities, barriers and stigmas still exist.

“Sometimes people don’t know much about this population; they’re afraid,” said Susie Davies, the executive director of Mother Lode Rehabilitation Enterprises Inc. in Placerville.

Davies has dedicated decades of her career trying to change those perceptions. Her organization provides services including work training, housing resources and a community center for adults with developmental disabilities that sees more than 200 adults per day.

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MICHELLE O'CAMB

a workforce development manager at SETA

Over the years, Davies has encouraged some of El Dorado County's largest employers to employ individuals with disabilities, including Red Hawk Casino and Marshall Medical Center. Both organizations currently employ about a dozen individuals with disabilities, according to Davies.

Part of establishing connections with local employers is about helping companies diversify their workforce and also bringing loyal employees onboard, Davies said. Working with folks with disabilities "just enriches you. It makes your life so much bigger," she said.

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SETA has found success lately in its programs that reimburse employers 50% to 75% of the salary paid to an employee in training, as it may take extra weeks to get an employee with disabilities up to speed. Other programs include providing a SETA job coach to help with on-site training.

Mikuni, a local chain of sushi restaurants, recently used a similar program through Pride to help bring a new employee on board. Like many restaurants, Mikuni has found it difficult to recruit for positions like dishwashers and table bussers in the current economy.

The company had been hosting quarterly job fairs and advertising to bring attention to vacant positions, but it still had longtime vacancies at a few of its restaurants, according to Jeanne Mabry, Mikuni's vice president of marketing.

About six months ago, Mikuni used one of the Pride programs to fill a vacant position. Mabry said the disabled employee worked side-by-side with a Pride job coach for a few months, a training period that Pride paid for. Once it appeared that the position was a good fit for the new employee, Mikuni hired them as a regular employee.

Mabry said based on this past success, Mikuni is looking to collaborate with Pride again to fill more positions.

"It's very advantageous because everyone is working together for the success of the employee," Mabry said. "You can't look at somebody from the outside and know what their characteristics are."

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