



Case Study/Key Project Outcomes

Successfully Implementing The Hershey Company Employment Model

October 5, 2013

Submitted to the Commonwealth of Pennsylvania, Department of Public Welfare

Introduction

The contract supporting this project was developed to fulfill several objectives—one was to support/collaborate with The Hershey Company on its Manufacturing Apprenticeship Program’s start-up and implementation. The intent was to potentially contribute to the outreach initiative’s success and to learn from it in documented ways that could foster replication. A related objective was to develop a How-to Guide based on Hershey’s ongoing experience hiring people with disabilities (PwD) and drawing from successful best practices of other employers such as Lowe’s and Walgreens.

In short, the overall methodology for this multifaceted project was a case study approach. Drawing on the experience of The Hershey Company and others, the How-to Guide would reflect practical application rather than abstract ideas or recommendations. Moreover, involving key agencies in the process, including the PA Office of Vocational Rehabilitation (OVR), made this methodology partner-based as well. Significant applied learning occurred in both directions—public and private.

This case study approach focused on eight key project outcomes (see next page) that the Commonwealth deemed to be of particular importance. This report documents each of those eight outcomes either in terms of how they were addressed or satisfied through the experience to date as a project team, or in the form of recommendations—particularly for issues for which Commonwealth involvement will be valuable going forward. As such, one immediate application of this case study/key projects outcomes document is for it be used in early 2013 as part of bringing the various agency and employer stakeholders together to consider potential actions for bolstering each of these key project outcomes.

Purpose and Organization

- The Commonwealth’s grant funded the development of a How-to Guide intended to promote more employment opportunities for PwD.
- As part of the grant, eight key outcomes are identified; several of the outcomes are achieved directly or indirectly through the development of the How-to Guide, others are addressed separately.
- This report documents how each of the eight project outcomes is addressed or recommends how the outcome should be addressed in light of the experience gained developing the How-to Guide, and the deliberation and collaboration among private and public organizations involved in the process.
- The development process brought together employers and supporting agencies.

- Proper closure for this document to achieve its extent will entail a meeting including team members and key agencies early in 2013 to review results and recommendations, and address any next steps.

Key Project Outcomes

- 1) Facilitate the establishment of a smooth-running program for The Hershey Company.
- 2) Develop ways for more effectively bringing people with disabilities (PwD) into the workforce that is successful for The Hershey Company and that may be emulated by other large employers.
- 3) Document a Single Point of Contact (SPOC) approach along with a position description and recommendations for a feasible means of reimbursement. Develop an adjunct position to support job candidates not supported by the Single Point of Contact.
- 4) Develop a Scorecard of Key Performance Measures that reflect areas such as critical outcomes, process efficiency, and employer satisfaction, among other measures, to be developed through the collaborative process with the involvement of employer and agency stakeholders.
- 5) Develop a structure to effectively “manage” or be involved in similar projects going forward to ensure minimum standards and accountability.
- 6) Define when and how “employment readiness” (soft skills) will be developed and reimbursed.
- 7) Identify programmatic/client funding shortfalls including start-up costs and strategies for addressing shortfalls.
- 8) Effectively resolve various cash flow issues and barriers during the Hershey project, including job coach training.

On the following pages each of these outcomes is covered by defining the issues associated with the key project outcome, identifying the requirements, and/or describing the needs. A second section indicates how the outcome was accomplished or resolved, or what recommendations are necessary for future broader resolution—even possible policy-level change—beyond The Hershey Company experience drawn upon for development of the How-to Guide.

Project Outcome #1: Facilitate the establishment of a smooth-running program for The Hershey Company. **OUTCOME ACCOMPLISHED**

Issue Overview, Requirements, or Needs

There was a significant shift in the team’s anticipated role early on from one of supporting The Hershey Company (Hershey) to being a partner in the development of the How-to Guide and addressing the critical project outcomes covered herein. The Hershey Company’s PwD initiative was under way when this project was funded. Hershey has been a tremendous partner in developing the How-to Guide and helping to ensure the key project outcomes.

Hershey's Manufacturing Apprenticeship Program was all about breaking down barriers. Hershey emphasized how the SPOC works in the model. The Hershey experience with employing PwD also demonstrated success in the following areas that are key to a smooth-running program and replicable for other companies:

- Outreach to the potential pool of PwD candidates with a focus on targeted positions.
- Senior management support for hiring PwD.
- Establishing an overall corporate approach for PwD hiring while ensuring needed flexibility for each site.
- In addition, Hershey plans to roll out the program to other company sites in 2013 and use the How-to Guide—it is anticipated that Hershey will use the document in expanding to other sites.

Resolution and/or Recommendations

- Hershey validated many lessons learned that are applicable to other employers, including:
 - The importance of visiting and observing the programs of successful employers.
 - The importance of taking a customized approach based on learning from others—the Lowe’s and Walgreens models were the foundation for Hershey’s learning and orientation, which Hershey adapted to meet its own particular hiring needs.
 - The outcome measures used for manufacturing plants differ from those used by distribution sites—as such, there is not a one-size-fits-all for outcome or performance measures.



- That there is a powerful message of adaptation and customization for any employer—but the basic model or concept may work for virtually any employer.
- An exciting shift in focus occurs from *considering* hiring PwD to employing *more* PwD—creating more opportunities for more employment of PwD.

Project Outcome #2: Develop ways for more effectively bringing PwD into the workforce that is successful for The Hershey Company and that may be emulated by other large employers. **OUTCOME ACCOMPLISHED**

Issue Overview, Requirements, or Needs

- The Hershey Company has confirmed that the model works for them and can work well for a wide range of other employers.
- Hershey’s transferable lessons learned are summarized in the section below, in what they informally indicate is the “elevator speech” that they would give about their experience with hiring PwD.

Resolution and/or Recommendations

- Employers must experience a successful program through on-site visits to demonstrate that more jobs can be filled by PwD.
- Hershey’s site visit experience was eye opening—it helped create a greater understanding of the range of disabilities; some of which may fit well for a particular employer and others which may not.
- Employers learn through exposure and involvement to PwD employment programs.
- Hershey stresses the value of being open to possibilities from the employer’s standpoint—there is clearly an educational or organizational learning component (that creates a new frame of reference for many).
- It is all about finding the right fit—the Hershey program was able to fit with all existing policies and programs, even though some minimal customization occurred. The bottom line is that human resources and other policies did not require extensive revamping.
- Hiring fits within existing systems, policies, and processes.
- Building relationships with partners is necessary to make the model work.
- Hershey emphasizes the importance of keeping it simple and easy—inclusiveness was demonstrated by working within their system.

- Various examples of adaptation—Hershey fine-tuned its existing interview guide to make it more about relevant life experiences.

Project Outcome #3: Document a Single Point of Contact Approach along with a position description and recommendations for a feasible means of reimbursement. Develop an adjunct position to support job candidates not supported by the Single Point of Contact.

RECOMMENDATIONS

Issue Overview, Requirements, or Needs

- Hershey’s approach of working with a SPOC (a senior manager with the PA Office of Vocational Rehabilitation (OVR)) has been very successful; OVR will provide a standard approach from location to location for Hershey. Initially, the Hershey project manager initiated contacts with OVR, various agencies, county departments, and educators. Over time, OVR became their SPOC.
- The importance of training and certifying the designated OVR person as the SPOC cannot be overstated—this position/individual must be able to relate to the employers and to the agencies that the SPOC enlists to comprise the SPOC/core team.
- The approach must establish that OVR is responsible for assembling the core team of agencies to meet each employer’s requirements.
- The Adjunct Position needs to be defined further, and one idea recommended below needs to be further developed, with the input of the Department of Public Welfare.
- The Adjunct Position description must identify the types of situations or instances that would require the use of the Adjunct.

Resolution and/or Recommendations

- OVR develops a short position description for the SPOC, including a list of the SPOC’s key roles and responsibilities.
- OVR defines what is entailed with SPOC certification (requirements and process).
- Hershey recommends teaching partnering skills as part of the certification process. This would entail establishing key learning objectives with corporate input (what must the OVR person know or be able to do—that is the fundamental question to be addressed in order to define knowledge and skills requirements).
- Consider having a business school tie-in (one with degree programs in Vocational Rehabilitation) to provide the training and minimum training requirements being defined, e.g., partnering, how to talk to business leaders, etc.

- It is recommended that the above training approach be advanced through entities at colleges/universities such as the Advisory Boards for Vocational Rehabilitation majors, e.g., Penn State, Scranton, and the University of Pittsburgh.
- More consideration should be given to how to better involve other programs such as Workforce Development/Career Links.
- The Adjunct's reporting relationship to OVR needs to be defined as part of a position description for the Adjunct.
- Consider advertising for the Adjunct through a Request for Proposals, and make the position performance-based with incentives for success.

Project Outcome #4: Develop a Scorecard of Key Performance Measures that reflect areas such as critical outcomes, process efficiency, and employer satisfaction—among other measures to be developed through the collaborative process with the involvement of employer and agency stakeholders. **RECOMMENDATIONS** – A GENERIC SCORECARD APPEARS AS AN APPENDIX TO THIS DOCUMENT.

Issue Overview, Requirements, or Needs

- Hershey emphasizes that measures must be employer-specific.
- Hershey has also identified measures they are using plus some generic measures for consideration for potential use by any employer (listed in the next section).
- The employer and the SPOC may collaborate in developing scorecards for both the employer and the SPOC/core team.

Resolution and/or Recommendations

- Employee performance—the job performance standard is the same for program participants as for other positions in the company—it is the same across all jobs. The Hershey Company reviews performance every 30 days in the apprenticeship program. In addition, the program includes an additional 90 days over and above the standard 90-day probationary period, resulting in a full 180-day probationary period for PwD. The rationale for doing so is that PwD candidates typically do not have manufacturing experience. This is a creative way of providing employment and on-the-job experience as a “package.” Note, the standard Hershey employee evaluation form is used for PwD but with a few adjustments:
 - Employee Retention
 - Safety Record
 - Attendance
 - Teamwork
- Employer Training Cost – employer-specific costs; employers can explore eligibility for tax credits and should subtract the dollar amount of any actual tax credits from the training cost, to produce a more accurate measure of true cost to the employer.
- Employers should explore eligibility for tax credits (i.e., the Work Opportunity Tax Credit). If tax credits are used the measure would technically be net training cost after tax benefit.

- Employee survey – an employee engagement survey such as The Hershey Company has used is a way to gauge the effectiveness of the program with input from other employees.
- Customize employee survey by location – should be site-specific to be more focused and reliable.
- Senior management support – a process measure that simply indicates a “yes” or a “no” or the extent of upper-level management support which is very important.
- Presence of a Champion – similar to senior management support, this measure is also a “yes/no” type measure recognizing how important it is to have a day-to-day champion for the program on staff—typically someone who has a personal experience or relative that is a PwD.
- Champions/peers in place and effective at every level.
- Agency champions should be evaluated as well, possibly using a 360-degree evaluation.
- Site visits by senior managers – a potential yes-no process measure to ensure that the walk matches the talk; also an early measure on senior leader awareness/visiting programs.
- OVR/agency-type measure of support and effectiveness of the SPOC. Making this part of the overall approach to measurement is a way to convey expectations for high performance and a results orientation.
 - Responsive, accessible, speed of turnaround, know and will act on employer needs as demonstrated through screening of candidates.
 - Providing the needed candidate pool.
 - Employer evaluation of OVR SPOC form/Can Do Attitude; demonstrably resourceful.
- Setting goals (can use Office of Federal Contract Compliance Programs (OFCCP) as a basis for this, but it must primarily make sense for the company). For more information on OFFCP go to <http://www.dol.gov/ofccp/>
- Retention Rate – the ratio of quality placements to total hires at 6 and 12 months, for example, which can be compared to a company’s overall retention rate or future goals if that is useful.

- Benchmarks (including those of other companies) that are adjustable over time.
- Measures may vary by site – an important consideration for establishing an evaluation approach.

Project Outcome # 5: Develop a structure to effectively “manage” or be involved in similar projects going forward to ensure minimum standards and accountability. **OUTCOME ACCOMPLISHED**

Issue Overview, Requirements, or Needs

The structure for effective management is established through the employer-SPOC/core team partnership. Management of that must occur through accountability of all partners to the process. Eight key elements are listed below that reflect the requirements for a successful management and performance/accountability system among partners.

Resolution and/or Recommendations

1. Consistency of quality – a Quality Assurance/Quality Control approach is in place to ensure it.
2. Customer-driven philosophy and approach – there are two customers: the employer and the job candidates who are PwD.
3. SPOC is effective in carrying out roles and responsibilities.
4. Training program is established between employer and SPOC/core team.
5. SPOC certification process is in place and is consistently followed.
6. Team formation occurs with employer and SPOC/core team, and the plan and quality process to be followed is known to all with a shared consensus to follow it.
7. After-the-fact evaluations of performance occur.
8. Finally, given the utter importance of the SPOC to this successful model, this policy recommendation is being made: Consider the concept of an OVR establishing a SPOC *Academy* for recurring skills training/acquisition.

Project Outcome #6: Define when and how “employment readiness” (soft skills) will be developed and reimbursed.

RECOMMENDATIONS

Issue Overview, Requirements, or Needs

- Funding is critically important for this component as soft skills can be the key determinant as to whether the prospective hire is going to be successful.
- There are various issues that need to be resolved. The employee development side, for example, is not reimbursed.
- Funding agencies have differing eligibility criteria, fee structures, and reporting requirements that can take the focus away from employment training to administrative log jams.

Resolution and/or Recommendations

- Recommendation: Set up a pool of funds for those costs not normally reimbursed or waiver funded. Costs should be reimbursable. The candidate’s support plan should include “soft skills,” if needed.
- Rationale: Agencies typically do not have the capital to front the costs, particularly if there is no expectation of reimbursement.
- Depending on each PwD job candidate’s Cross-System involvement (e.g., State Vocational Rehabilitation (VR) program (OVR), PA Department of Public Welfare (DPW) County Mental Health (MH) or Office of Developmental Programs (ODP), CareerLink/OneStop) they may have had or currently have access to job readiness training and support.
- For example, PA OVR job seekers are provided these services by their OVR Counselor or this may be supplemented with OVR-facilitated job readiness classes run by their local district office, or specific Personal Work Adjustment Training (PWAT) contracted from OVR-approved providers prior to hire. DPW County Supports Coordinators may purchase job readiness training and support from local Community Rehabilitation Providers (CRPs) prior to and during active job coaching, if there is funding.
- The CareerLink system may also offer additional classes and workshops in local CareerLink offices’ resource rooms or through electronic media links to PA Department of Labor and Industry Center for Workforce Information and Analysis career videos.

<http://www.portal.state.pa.us/portal/server.pt?open=514&objID=814798&mode=2> (follow link to assembler and fabricator video)

- Also, the U.S. Department of Labor's Office of Disability Employment Policy (DOL ODEP) recently released a series of Skills to Pay the Bills video vignettes that illustrate, in a lighthearted way, six key characteristics of effective employees:
 - communication
 - enthusiasm and attitude
 - teamwork
 - networking
 - problem solving
 - critical thinking
 - professionalism
- These U.S. DOL ODEP training tools are excellent resources for use by all of the above agencies, CRPs, or local educational authorities for PwD transition students and any PwD job seeker with limited work history and experience who is in need of polishing their soft skills.

Project Outcome #7: Identify programmatic/client funding shortfalls including start-up costs and strategies for addressing shortfalls.

RECOMMENDATIONS

Issue Overview, Requirements, or Needs

- Same issue fundamentally as # 6, though not specific to soft skills.

Resolution and/or Recommendations

- It must be noted that The Hershey Company funded the Manufacturing Apprenticeship Program on its own. However, most businesses may not be able to do this and not having outside funding (such as DPW) would be a barrier to initiating the program.
- It is also recognized, however, that this issue must be resolved on a policy level including, but not limited to:
 - Job coaching
 - Soft skills
 - Meeting company requirements
- Funding availability for employment supports and agency services to help with employment on-boarding a PwD is usually determined on an individualized PwD job candidate basis and is considered on their eligibility and choice of participation in the State VR program (OVR), PA DPW County Mental Health (MH) or Office of Developmental Programs (ODP), or CareerLink/OneStop.
- Extended job coaching support can be considered on a case-by-case basis by each agency. Cross-System braided or coordinated funding can be considered to maintain continuity of employment services over an extended time period.
- Social Security Ticket to Work cost reimbursements and benchmark payments can also be employed by those provider organizations participating as Employment Networks (ENs). While cost reimbursement risks are higher under this resource, it does provide a vehicle for the upfront cost reimbursements as well as longer-term follow-up funding with the attainment of certain outcome measures.

Project Outcome #8: Effectively resolve various cash flow issues and barriers during the Hershey project including job coach training.
RECOMMENDATIONS

Issue Overview, Requirements, or Needs

- These issues are vexing IF the candidates are outside of OVR. This is a barrier that must be addressed.

Resolution and/or Recommendations

- Not applicable for Hershey – job coaches were assigned to candidates and funded by OVR.
- Did not have job coaching right away.
- Six hires had manufacturing experience. Three hires needed additional training beyond the on-the-job training.
- No funding issues because job coaches were already assigned through OVR. The candidates were already in the OVR system.
- Conversely, if someone was not in the OVR system it would not work. This could apply to Hershey if they hired someone that had not been in the OVR system.
- Each Cross-System Agency, CRP, and the PwD beneficiary that receives on-boarding employment assistance, including job coaching, should work together to ensure a satisfactory outcome. Each agency, County MH/Intellectual Disability (ID) Supports Coordinator, or representative should be notified of the need for continued support and work with the PwD employee and business to review options available based on eligibility, funding, or policy.

Appendix Scorecard of Key Performance Measures (First Draft)

This scorecard is generic, including measures that some employers have used. It should be used as a starting point for other employers to modify or adapt to best meet their needs. This could mean the use of only selected measures, the modification of measures shown, or the addition of other measures specific to the employer.

Measure	Description/Guidance	Your Use/Results
Employee Performance	Standards set for the position hired – typically the same for PwD as any employee in the position	
Employee Retention	Ratio of quality placements to total hires	
Safety Record	Use company standards or targets	
Attendance	Use company standards or targets	
Teamwork	How well the employee has operated in a team environment as well as progress to that end	
Training Costs	A net training cost if the employer receives and applies tax credits for training PwD	
Employee Survey Results	Customize employee survey by location— should be site-specific to be more focused and reliable. This is an opportunity to solicit the input of other workers.	
Senior Management Support	A process measure that indicates a “yes” or a “no” or the extent of upper-level management support	
Project Champion	Also a “yes-no” type measure recognizing how important it is to have a day-to-day champion for the program on staff <ul style="list-style-type: none"> • Champions/peers in place and effective at every level 	
SPOC Performance/Agency Champions	Making this part of the overall approach to measurement is a way to convey expectations for high performance and a results orientation <ul style="list-style-type: none"> ○ Responsive, accessible, speed of 	

Measure	Description/Guidance	Your Use/Results
	<p>turnaround, demonstrate they know and will act on employer needs (i.e., screening of candidates)</p> <ul style="list-style-type: none"> ○ Providing the needed candidate pool ○ Employer evaluation of OVR SPOC form/Can Do Attitude; demonstrably resourceful 	
Site Visits by Senior Managers	A process measure that can be applied to senior managers visiting other employer programs is strongly recommended as well as site visits after PwD employees are hired to demonstrate support	
Other?	For example, employers may want to select one or more other companies to benchmark best practices that are selected for emulation	

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