The Impact of the Employer Resource Network® Model Nationally
December 2021

The Latest ERN Research Study
Recent research highlights from the "Feasibility Study of an Impact Evaluation of the Employer Resource Network Model Nationally," prepared for American Enterprise Institute by Midwest Evaluation and Research, LLC., show the power and the promise of the ERN model. Through key informant interviews, the research identified three components of the ERN model that are necessary for model fidelity and success: **Employer Commitment and Buy-In, On-site Success Coaches, and Community Partnerships.**

The Current Workforce Landscape
Over 44 percent of the labor force earns low wages. These workers experience greater job instability than their higher-wage counterparts, with regular changes in employment that do not result in wage advancement. Frequent employment changes often lead to financial instability for households. Safety net programs provide resources for families in need, but when employment is gained, many of these benefits are lost. Families, in many cases, must choose between benefits and stable employment.

Employer Resource Networks
The Employer Resource Network (ERN) model provides on-site, shared resources specifically focused on job retention, increasing worker productivity, and providing skills training designed to overcome common barriers to greater economic stability and career advancement. Employers invest in their employees by providing embedded success coaches that are trained and have the knowledge to navigate available social services to address issues that low-income employees may be facing.

Launched in Michigan in 2007, the Employer Resource Network model differs from other programs by providing on-site, shared resources specifically focused on job retention, increasing worker productivity, and providing skills training designed to overcome common barriers to greater economic stability. The ERN program has been a registered trademarked model with the USPTO since 2017.

The Employer
Employer Resource Networks arose out of employers' desire to provide high-touch service dedicated to their employees and of the need to ensure that entry-level workers have the tools necessary to overcome unstable employment attachment related to issues at work and at home. ERN employer members use each other and their private/public partnerships to create employee resource economies of scale, with the goal of improving job retention among their existing workforces.

ERN networks are community-oriented, established by small regional groups of businesses each employing between 50-250 employees on average. The model calls for each firm to dedicate a representative to serve on their local ERN governance board and for firms to divide responsibilities for carrying out the administrative functions amongst themselves. Network members also work together on innovative approaches to common employee benefits and employment challenges of the entry-level workforce.

Joining a local ERN requires employer buy-in in the form of time and membership fees. Membership fees, also called shares, are paid by each employer within the network and are associated with funding and maintaining the ERN, including

the salary of the shared success coach. The fee structure is determined by the number of employers in the local network, which then determines the types and intensity of services provided.

The Success Coach
Another key component of the ERN model is the utilization of an on-site success coach. The job of the success coach is to provide voluntary case management services to all employees, with a focus on those high-barrier workers who may benefit from public services or assistance. By providing a trained individual on location, employers create a confidential and connected relationship between their employees and the resources they need to enhance retention, job skills, and financial stability. Success coaches are seen as a neutral party to turn to and a familiar face to build trust with employees.

To ensure model fidelity, data is collected by success coaches on a Salesforce platform called ERN® Data Solutions, and employers share data in an annual key performance indicator (KPI) report. Variables included in this annual report include types of barriers employees face, the services they request, what services are delivered to them, employer return-on-investment (ROI), and initial and ongoing employee retention rates.

Community Partnerships
These are the third and final key component of the ERN model and include the support and assistance of non-profits and the public sector. Success coaches frequently help employees navigate the social support system and make referrals to community organizations, so partnerships must be established with these organizations to ensure referrals result in received services.

Key Outcomes
Annual Employer Resource Network Reports including the most recent in 2019 show many positive outcomes.

Benefits to the employer:
• Average company ROI of 501%
• HR time savings of up to 15%
• Average of 95-98% retention of employees who work with a success coach

Benefits to the employee:
• Allocation of $494,297 in emergency loans and $257,034 in employee savings
• Workforce utilization rate of 16%
• Training and skill building leading to increased career development, and higher-paying jobs

Benefits to the community:
• Greater alignment of resources, collaboration, and access for workers facing the most barriers
• Stable and equitable job creation and employment opportunities
• Taxpayer savings due to fewer individuals requiring government assistance programs

Conclusion
The Employer Resource Network is a promising model to increase employee retention and wellbeing.

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