



Case Study April 2021

Riley Webster OPRE report 2023-081

Greyston Bakery's Open Hiring Model

Summary

Greyston Bakery is a social enterprise that hires individuals looking for work, no questions asked. Individuals interested in working for the bakery simply add their name to a list, and new employees are hired from the list as openings arise. In practice, this Open Hiring Model allows individuals with barriers to employment (such as limited work history, criminal records, substance dependence, or homelessness) to gain employment with Greyston. In addition to a job, employees have access to an on-site case manager and other services offered through the broader Greyston Foundation to mitigate their barriers to employment. By providing individuals with necessary supports and job experience that can help them get promoted within the bakery or find employment elsewhere, Greyston hopes to address not only participants' experience of unemployment but also homelessness, food insecurity, educational attainment, nutrition, recidivism, and crime rates.

Funding source



Greyston Bakery is a for-profit social enterprise that uses profits from selling its baked goods to reinvest in the bakery to grow the business and support the bakery's Open Hiring Model.

The bakery also pays a management fee to the Greyston Foundation, which provides a variety of services to bakery employees and supports other initiatives in the local community.

Intervention description



Greyston Bakery has operated using an Open Hiring Model since 1982, hiring individuals to work in their industrial bakery, no questions asked. Any individual who can verify U.S. citizenship status, is

interested in working at Greyston Bakery, and can perform the physical tasks

What are case studies?

Case studies provide practitioners with information about innovative interventions that states, counties, community-based organizations, or other entities are undertaking to improve employment outcomes for TANF participants and other individuals with low incomes, especially public assistance recipients. Case studies cover interventions not included elsewhere in the Clearinghouse because they have not yet been rigorously evaluated.

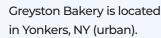
Services provided

Case management;
Financial incentives;
Training (Occupational or sectoral training; Soft-skills training); Work readiness activities

Populations served

Greyston Bakery focuses on providing job opportunities and support to individuals with any barriers to employment, regardless of background.

Setting







Year first implemented

1982 (ongoing at the time of data collection)

required of the job can put their name on a list and is hired to work in the bakery when an opening becomes available. By not requiring any background checks, interviews, or résumés from candidates, the model is designed to eliminate systemic barriers to employment while growing the local economy.

The waitlist for a position at Greyston Bakery is, on average, 6 months long. When individuals are first taken off the waitlist, they are hired as apprentices. It costs around \$1,900 to onboard and train a new employee through the apprenticeship. The apprenticeship lasts 6 to 10 months, and apprentices receive job-specific training and training on soft skills such as effective communication and punctuality. During this period, apprentices earn \$13.00 an hour (as of 2019) and are supervised by a manager with whom they meet every two weeks to discuss their progress. If they complete the apprenticeship in a satisfactory manner, they are hired as an employee making \$13.50 per hour and receive health benefits, life insurance, disability insurance, and an annual share of the bakery's revenue. Apprentices and employees work full time, 40 hours a week.

Employees and apprentices have access to other services through the Greyston Foundation, which also serves members of the local community. The Foundation is the umbrella organization that oversees the for-profit Greyston Bakery, offers workforce development training programs, and operates a supportive care housing facility for individuals formerly experiencing homelessness and living with HIV or AIDS. Greyston Bakery partners with Westchester Jewish Community Services to provide apprentices and employees with an on-site care manager who offers individualized case management, including referrals to those services offered by the Greyston Foundation and other services available in the community.

Research on intervention to date



This intervention has not been rigorously evaluated for effectiveness. Although there have not been any evaluations of the Open

Hiring Model, Greyston Bakery tracks the services it offers. According to data provided by Greyston, the bakery accomplished the following:

- Currently employs 67 individuals
- Hired 40 new Open Hire employees in 2019
- Employed Open Hire employees for an average tenure of 3.6 years
- Paid \$2.3 million in wages to Open Hire employees in 2019
- Offered a mean annual gross pay of \$37,617 across Open Hire employees who were employed for all of 2019
- Served 59 percent of Open Hire employees through the on-site care coordinator since 2016

According to the chief executive officer of Greyston, the Open Hiring Model has *not* led to higher employee turnover rates, with Greyston's turnover rate matching the industry average. Greyston Bakery has also been able to grow its revenue while operating the Open Hiring Model, working with large customers such as Ben & Jerry's and Whole Foods. Greyston was able to further increase its visibility after becoming a benefit corporation, a legal designation in some states (including New York) that requires the business to focus on social impact in addition to profit. In 2018, Greyston Bakery earned \$20 million in revenue.

Greyston Bakery has operated using an Open Hiring Model since 1982, hiring individuals to work in their industrial bakery, no questions asked. Any individual who can verify U.S. citizenship status, is interested in working at Greyston Bakery, and can perform the physical tasks required of the job can put their name on a list and is hired to work in the bakery when an opening becomes available.

Case study information sources

The primary sources of information for this case study were materials available through the Greyston Bakery website and elsewhere on the Internet. The "More information" section below provides references for these materials. In addition, the Pathways Clearinghouse conducted a telephone interview and email communications

with leaders at Greyston Bakery in the spring and summer of 2020. The Pathways Clearinghouse shared a near-finalized draft of the case study with Greyston Bakery and incorporated revisions for accuracy and completeness. For more information about the methods for selecting and developing the case studies, please see the Protocol for Pathways Clearinghouse Case Studies on the <u>Pathways</u> <u>Clearinghouse project page</u>.

More information



More information on this intervention is available from the following resources:

https://www.greyston.org/ and https://greystonbakery.com/

Anderson, Jacquelyn (2015). *Impact to last: Lessons from the front lines of social enterprise—Greyston Bakery*, San Francisco, CA: Roberts Enterprise Development Fund. Available at https://redfworkshop.org/wp-content/uploads/2015/12/GB-Case-Study.pdf.

Leipziger, Deborah (2013). *Greyston Bakery: Combatting poverty by making a profit*, Washington, DC: The Aspen Institute. Available at https://assets.aspeninstitute.org/content/uploads/2019/01/Greyston_121813. https://assets.aspeninstitute.org/content/uploads/2019/01/Greyston_121813. https://assets.aspeninstitute.80145117.1574642102.

Van Wert, Chet (2018). *Case study: Greyston Bakery*, New York, NY: New York University Center for Sustainable Business. Available at https://www.stern.nyu.edu/sites/default/files/assets/documents/Greyston_Chet%20Van%20 Wert 07.2018.pdf.

Rosenberg, Tina (2019). No background check, drug test, or credit check. You're hired!, *New York Times*, Wednesday, May 29, 2019, Opinion section. Available at https://www.nytimes.com/2019/05/29/opinion/greyston-bakery-open-hiring.html.

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