

Training low-income workers for skills and advancement

*Final report on the McKnight Foundation
Families Forward evaluation*

S E P T E M B E R 2 0 0 6

Training low-income workers for skills and advancement

Final report on the McKnight Foundation Families Forward evaluation

September 2006

Prepared by:

Ellen Shelton, study manager and lead author

Greg Owen, principal investigator

Thalia Cooper, June Heineman, Nicole Martin, Brian Pittman, Karen Ulstad,
contributing research staff and section authors

Wilder Research

1295 Bandana Boulevard North, Suite 210

Saint Paul, Minnesota 55108

651-647-4600

www.wilderresearch.org

Contents

Summary	1
Training low-income workers for skills and advancement.....	20
Final report on the McKnight Foundation Families Forward initiative.....	20
Background.....	21
What the Families Forward initiative involved	21
Methods.....	25
Data sources	25
Considerations in the interpretation of results	28
General characteristics of participants served.....	30
Demographics and work background	30
Personal and family stability, motivation, and expectations.....	31
Program completion.....	31
Kinds of services included in the programs.....	32
Assessment.....	32
Training.....	33
Employment support.....	34
Basic financial help.....	34
Personal and family support, including case management.....	35
Outcomes for participants after two years	37
Outcomes for non-participants.....	37
Outcomes for Families Forward participants.....	41
Summary of two-year outcomes	46
Indicators of longer-term outcomes	48
Factors affecting outcomes	50
Kinds of services that matter for outcomes.....	50
Effect of overall program model differences (selected features).....	52
Effect of help to balance work, family, and training	60
Effect of changing employer or industry sector.....	63
Summary of earlier findings about program organization and delivery	68
Program management issues.....	68
Local and state policy issues.....	71

Contents (continued)

Discussion, conclusions, and issues to consider	73
Effective programs seek to meet both worker and employer needs	73
Effective programs make themselves accessible to those who need them	75
Effective programs offer several kinds of training, including soft skills.....	77
What would it take to implement effective practices more widely?.....	78
Concluding observations.....	82
Appendix.....	85
1. Brief descriptions of the programs.....	87
2. Map of Families Forward sites by economic development regions	95
3. Statistical profiles of participants and outcomes	96

Figures

1. Number of new participants, by quarter and year, showing those represented by the two follow-up data sources	27
2. Participants' ratings of the difference the training made in various aspects of their lives.....	45
3. Summary of two-year wage, hour, and income changes for all participants, with comparison to wage and hour changes for low-wage workers in Minnesota.....	46
4. Summary of other two-year outcomes.....	47
5. One-, two-, and three-year outcomes for wages, hours, and income.....	49
6. Services linked to increased likelihood of positive outcomes	51
7. Grouping of programs by common program elements.....	54
8. Key characteristics of participants, by program cluster.....	57
9. Services received in the first three months: Comparison among clusters	59
10. Outcomes that are more likely if the participant received help balancing work and parenting responsibilities	62
11. Negative outcomes that are more likely if the participant reported that participation made it harder to balance work and parenting responsibilities.....	63
12. Outcomes that are more likely if the participant changed employers or industry sectors	65
13. Negative outcomes that are more likely if the participant changed employers	65
14. Two-year changes in hours, wages, and monthly income, by whether or not the participant changed employers (for those employed both at intake and follow-up)	67

Acknowledgments

We would like to thank the many project leaders, staff members, and partners of Families Forward grantees for their thoughtful responses to our many requests for information over the past four years. We thank Jodi Sandfort, Karyn Sciortino, and colleagues at The McKnight Foundation for their leadership in initiating and guiding the project and for helpful guidance and comments on the evaluation. We thank Luke Weisberg, Kathy Sweeney, Koryn Zewers, Julie Remington, and Jean Birttnen, all currently or previously of the Governor's Workforce Development Council, for their many insights over the past four years. We would also like to thank Cristine Leavitt and James Friedl of the Minnesota Department of Employment and Economic Development for their help providing the aggregated Wage Detail data included in this report.

The following Wilder Research staff members assisted in the completion of this report:

Mark Anton	Teresa Libro
Jackie Campeau	Bryan Lloyd
Marilyn Conrad	Ryan McArdle
Phil Cooper	Mark Miazga
Cardina Esparza	Ron Mortenson
Christopher Gerrard	Miguel Salazar
Louann Graham	Ben Shardlow
Nancy Hartzler	Abigail Struck
Ginger Hope	Lue Thao
Margaree Levy	

Finally, we would like to thank the Families Forward participants who completed follow-up surveys. Without them this report would not be possible.

Summary

Converging trends in recent years point to an emerging problem for the Minnesota economy, and to a potential solution. The trends are:

- Changing birth rates that provided expanding businesses with fewer new employees to replace older workers due to retire.
- A growing number of workers unable to support their families in entry-level jobs, unable to move up to better-paying jobs without further training, and unable to afford the cost of training on their own.

Strategies that could help these workers increase their skills would have the potential not only to improve the quality of life for those individuals and their families and communities, but also to help solve some of the anticipated labor shortage.

Since 2001, the McKnight Foundations' Families Forward initiative has been field-testing such strategies for meeting the needs of employers, workers, and communities.

In this final evaluation report, we describe the results for participants at a follow-up point two years after they began receiving services. Results are encouraging. Participants had an average 9 percent gain in monthly earned income, adjusted for inflation. During the same time period, workers in comparable low-wage jobs realized average gains of 1 percent after inflation. Participants also reported significant gains in motivation and in personal and family stability.

Three-year results, available for a smaller number of early participants, show a 15.5 percent average increase in monthly income after inflation.

These results are the combined average of 17 different service models, operating in urban, suburban, and rural Minnesota. The variation of program models offers opportunities for replication in a wide range of settings.

Background

The programs funded as part of the Families Forward initiative focused on low-income workers who, with additional training or support, could increase their wages, job stability, and future earning prospects. Service providers were asked to:

- Include employers in designing and carrying out the project.
- Make use of public workforce development systems.

- Focus on short-term training that is practical for working families.
- Provide family supports to help participants remain and advance in their jobs.

The McKnight funding allowed existing training and service providers to do several things not otherwise possible. They could target incumbent (currently employed) workers, a group often passed over by current public programs that emphasize rapid job placement for unemployed people. Grantees also had flexibility in the design of their programs, and were encouraged to form partnerships to develop and deliver services. Perhaps most importantly, the foundation's flexible philosophy encouraged grantees to experiment with a variety of approaches to meet the varied needs of Minnesota's low-skilled workers and their employers.

In asking grantees to work closely both with public systems and with private employers, McKnight encouraged them to act as workforce intermediary organizations: organizations that meet the needs not only of individual workers but also of their employers, blend multiple funding streams, and bridge public and private systems.

As part of Families Forward, McKnight also funded the Governor's Workforce Development Council (GWDC) to provide assistance to grantees in three ways:

- Consulting to answer questions and solve problems encountered in implementation.
- Connecting grantees to each other for mutual support, networking and information sharing.
- Bringing issues raised in the local implementation to a larger forum where statewide systems could learn from their experience and adjust their operations to become more responsive and effective.

The Families Forward evaluation addressed three main research questions:

- What are some key characteristics of the participants served? What are some key characteristics of the programs? What, if any, is the connection between the two?
- What kinds of program adjustments did grantees make, and why?
- Do Families Forward participants get better jobs after participation?

This final report on the four-year initiative highlights outcomes for participants two years after their initial contact with the program, based on survey and administrative data. It also summarizes earlier findings about what it takes for providers to offer skill development programs that meet the needs of workers and employers.

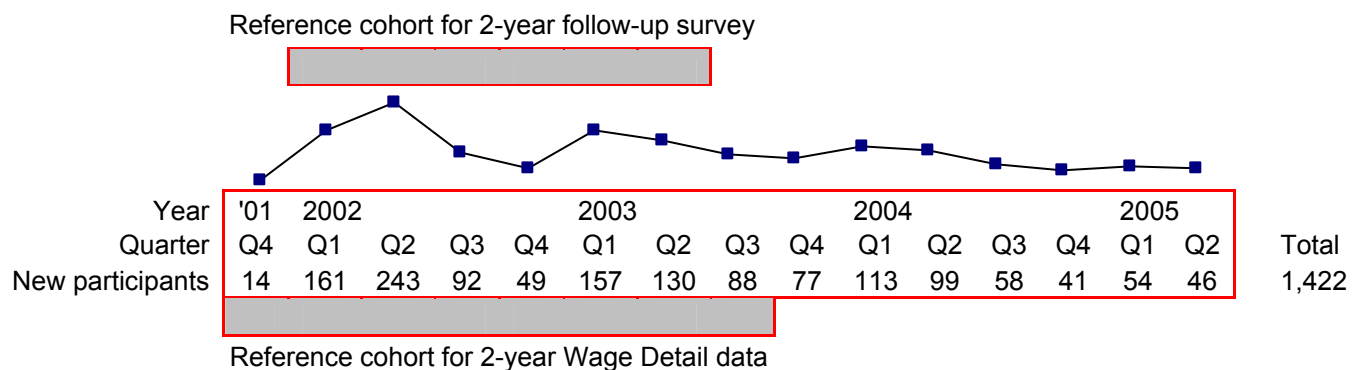
More detail about program design and operations, and what was learned from grantees' work over the course of initiative, may be found in the companion report (forthcoming, in cooperation with the Governor's Workforce Development Council).

The primary data sources for this final report on participant outcomes are:

- Intake data for each participant, collected by each grantee using a common form developed by Wilder Research, and including almost every participant served from September 2001 through July 2005 (N=1,422).
- Follow-up phone interviews with participants three months after intake, conducted by Wilder Research from March 2003 through February 2005 (N=566).
- Follow-up phone interviews with participants 24 months after intake, conducted by Wilder Research from May 2004 through August 2005 (N=363).
- Aggregate data from Wage Detail records, quarterly reports of workers' total hours and wages, reported quarterly by employers to the Minnesota Department of Employment and Economic Development (N=589 of the participants who started the program from September 2001 through September 2003).

The figure below shows the number of new participants entering the Families Forward programs each quarter. The gray bar above the figure indicates the participants who are represented by the 2-year follow-up survey. The bar below indicates those represented in the 2-year follow-up Wage Detail records.

Number of new participants, by quarter and year, showing those represented by the two main follow-up data sources



Participants served by Families Forward

- Two-thirds (67%) were women, and two-thirds (64%) were 25 to 44 years old.
- Fewer than half (42%) were non-Hispanic White, 29 percent were African American, 10 percent were American Indian, 10 percent were Hispanic, and 8 percent were Asian.
- Most (87%) had at least a high school education, including 28 percent who had at least some college. About two-fifths (39%) had prior job training experience.
- Slightly over two-thirds (71%) were working when they enrolled, and about one-third (35%) were employed full-time.
- Slightly under half (44%) of participants had incomes at or below the federal poverty level when they enrolled.

When asked about factors that might affect their employment stability, common problems included lack of reliable transportation (32%), low availability of social support (29%), and credit problems making it hard to get a job, a car, or housing (29%).

In addition, 26 percent of Families Forward participants had experienced at least one crisis-level problem (homelessness, domestic violence, or serious health problems for themselves or a family member that prevented work for at least two weeks) in the six months before they enrolled.

In the estimation of program leaders, about one in three participants had personal and family situations that were not very stable, even with the support that the program was able to provide. Program staff also estimated that around one in five entered the programs with vague or unrealistic goals, and around one in six had limited motivation or potential to advance.

Services provided by the programs

Grantees developed programs with different kinds of services. In addition, many programs individualized the mix of services for participants as needed. As a result, no single description of services would be accurate. However, most programs offered at least some services in each of the following categories:

- **Assessment:** Assessments included services to help participants and program staff understand participants' experiences and skills, interests and aptitudes, and the training or support that would be most helpful.

- **Training:** The most common kinds of training included coaching on workplace expectations, computer skills, basic literacy and mathematical skills, English as a second language, and job skills for specific industries or job categories.
- **Employment support:** Services included job placement, job retention support, job coaching or mentoring, and help to purchase needed supplies or equipment.
- **Basic financial help:** Financial help included direct help with tuition costs and small grants for emergencies such as car repairs. Indirect help included training in money management and help securing medical assistance, Earned Income Tax Credits, or other available benefits.
- **Personal and family support, including case management:** These services were the most variable. Case management generally means an ongoing relationship with a staff person who helps the participant solve problems and identify and accomplish goals. Personal and family needs that might be addressed included child care, transportation, housing, or getting or filling out applications, as well as general support and encouragement.

The general principle guiding most planning was to provide services needed but not otherwise available to help participants develop their skills and advance in their careers. Some services were provided directly by program staff; many were made available by connecting participants to community resources.

Families Forward served a wide range of participants, thus services and support needs varied considerably across programs. However, there was less variation in participants' reports of remaining needs *not* met during the first three months of the programs. This suggests that the programs somewhat leveled the playing field by making services available where they were most needed.

Clusters of programs by common program elements

Information from participants and program staff confirm that participants in most programs received a mix of services individualized to their needs. However, there were commonalities among some clusters of programs in the general strategies they used for recruitment, training, and support services. These clusters are shown in the figure below. (Brief descriptions of each program are included in the Appendix to the full report.)

Grouping of programs by common program elements

	Individualized	Sectoral– higher support	Sectoral– lower support	Employer-based
Recruitment	Self-referral based on flyers or word of mouth; referral by agencies or county offices	Self-referral based on flyers or word of mouth; referral by agencies or county offices	Self-referral based on flyers or word of mouth; referral by agencies or county offices	Identification by employer based on current job position
Training	Guided to variety of existing training programs based on individual needs and interests	Focus on training for a particular industry sector, and trained in cohort groups	Focus on training for a particular industry sector, and trained in cohort groups	Focus on skills needed for specific positions, and trained in cohort groups at the job site
Support services	More intensive support addresses personal and family barriers as well as employment barriers	More intensive support addresses personal and family barriers as well as employment barriers	Support is mainly focused on employment barriers	Support is mainly work-focused
Programs in cluster	Communities Investing in Families HIRED Women Achieving New Directions (WAND) West Central (Year 1)	East Metro Health Careers Institute Goodwill/Easter Seals International Institute West Central (Year 2) West Central – Teamworks Women Venture	Anoka County MN-BUILD Workforce Development, Inc. Teamworks	Dakota County Hennepin Technical College Southern Minnesota Initiative Foundation Stearns-Benton

Sources: *In-depth interviews with program leaders and GWDC staff; intake data forms collected by grantees; Wilder Research 3-month follow-up survey of participants.*

The individualized cluster served the youngest participants, on average. The next-older average age was in the sectoral–higher support cluster, followed by the sectoral-lower support cluster, and the employer-based cluster served the oldest participants. Similarly, there was a consistent gradient across the four clusters from least to most steady employment and least to most time in their current jobs. This sorting by cluster, while not deliberate, suggests that different program models may be best suited to people who are stuck at different stages of their work life.

However, all programs targeted people in low-wage work, which is often part-time and temporary. Therefore, people who were incumbent (currently employed) workers at the time they started a program might find themselves unemployed a short time later. The unpredictable nature of low-wage employment is reflected in the high proportion of unemployed and part-time employed participants in all the clusters except employer-based (see figure below).

Characteristics of participants, showing progression across the four clusters

	Individualized	Sectoral– higher support	Sectoral– lower support	Employer-based
Percent employed at intake	88%	46%	64%	100%
Percent working full-time	37%	21%	42%	100%
Key characteristics of participants [characteristics in which clusters sort along a gradient]	Participants tend to be (have):		Participants tend to be (have):	
	Younger ←		→ Older	
	More women ←		→ More men	
	More single ←		→ More married	
	Less steady work history ←		→ More steady work history	
	Fewer work hours, benefits ←		→ More work hours, benefits	

Source: Intake data forms collected by grantees.

Likely results at two years without Families Forward

Although the flexible and innovative design of the Families Forward initiative was not conducive to an experimental study, we have been able to document changes in employment, wages, and hours experienced by comparable low-wage workers in Minnesota over the same time period. This helps estimate the likely employment and wage progression of participants had they not participated in Families Forward. State labor force data for low-wage workers in Minnesota from 2001 to 2005 shows that low-wage workers without access to special programs experienced:

- Decreasing access to job vacancies.
- Wage growth of about 3 percent per year.¹
- No change in the number of hours worked per week.
- Steady or falling rates of availability of employer-sponsored health care, and steady or lower rates using coverage due to increased costs of premiums and co-pays.

¹ Unless otherwise stated in the text, wage and income figures are not adjusted for inflation. During the period of the Families Forward initiative (2001 to 2005) inflation averaged approximately 2.5 percent per year, or 5 percent for any given two-year period.

Outcomes for Families Forward participants after two years

This evaluation reports on participant outcomes two years after they began receiving services. While this is the final report of the Families Forward evaluation, it does not represent final results. Preliminary evidence suggests that personal and employment results continue to build beyond the second year.

From the time of intake to two years later:

- The percentage of employed participants rose from 65 percent to 80 percent.
- 53 percent had better jobs (going from unemployed to employed, or from one job to another one that was a step up).
- Participants were working more steadily (at least 20 hours per week for at least two weeks), increasing from an average of 3.9 months out of 6 to 4.6 months out of 6 months.
- 70 percent had higher hourly wages, with an average gain of 12 percent (from \$7.26 to \$8.12 per hour).²
- 53 percent were working more hours per week, with an average gain of 2 percent (from 17.1 to 17.4 hours).³
- Monthly earned income rose by 14 percent (from \$826 to \$941).⁴
- The percentage participating in employer-sponsored health care benefits rose from 28 percent to 40 percent, and the percentage participating in employer-sponsored dental benefits rose from 25 percent to 35 percent.

Summary of two-year wage, hour, and income changes for participants, and comparison to wage and hour changes for low-wage workers in Minnesota

	Families Forward	Low-wage workers in general
Two-year change in hourly wage		
Unadjusted	11.8%	5.9%
Adjusted for inflation	6.9%	1.0%
Two-year change in number of hours worked per week		
	2.0%	0%
Two-year change in monthly income		
Unadjusted	14.0%	5.9%
Adjusted for inflation	9.1%	1.0%

Sources: *Families Forward participants: Wage Detail records from the Minnesota Department of Employment and Economic Development, with calculations by Wilder Research. Low-wage workers in general: published labor market information from the Minnesota Department of Employment and Economic Development, with calculations by Wilder Research. Inflation: Federal Reserve Bank of Minneapolis.*

² These figures include wages of \$0 for those not employed. The average change in wages of those who were employed at both times was from \$11.19 to \$12.72.

³ These figures include weekly hours of 0 for those not employed. The average change in hours of those who were employed at both times was from 25.6 to 27.6 hours per week.

⁴ These figures include monthly earned income of \$0 for those not employed. The average change in monthly income for those who were employed at both times was 22 percent, from \$1,243 to \$1,520.

- The percentage in jobs with paid sick time increased from 25 percent to 48 percent, and the percentage with paid vacation time increased from 36 percent to 58 percent.

Improved jobs were only a part of the gains that Families Forward participants achieved. Despite the difficulties of combining work and training and (for many) parenting responsibilities, participants also improved their quality of life in other important ways.

- 29 percent of participants had more stable personal and family situations. Of the roughly one-third (38%) who started with the least stable situations, fully 68 percent had increased their stability by follow-up.
- Nearly all participants (91%) reported that their program “help[ed] you get motivated and encourage[d] you to think you could do something new or something more.” In addition, 90 percent reported that the program had made a difference in giving them confidence to try new things, including 68 percent who reported the program made “a big difference” in this respect.

Evidence of longer-term changes

Families Forward participants are likely to experience more success beyond the two-year point that is the focus of this report. The gains observed in personal and family stability, together with the participants’ self-reported growth in motivation and confidence, suggest that the first two years laid a solid foundation for continued growth in participants’ quality of life in a variety of ways. A glimpse at a small number of early participants for whom three-year Wage Detail data were available (N=251) shows pay and work hour increases that continue to exceed those expected for low-wage workers on average:

- Average hourly wages increased from \$7.07 to \$8.50, a 20 percent increase.
- The average number of hours worked per week increased from 16.6 to 18.3, a 10 percent increase.
- Combining these increases in hours and wages per hour, participants’ average monthly income increased substantially. This group of participants increased average earnings from \$803 per month to \$986 per month, a 23 percent increase over the three years.

The figure below summarizes the wage, hour, and monthly income findings for follow-up periods of one, two, and three years. The multi-year evidence suggests that the two-year results that are the main focus of this report are likely to be conservative, representing the lowest of the three points currently available in the overall trend lines.

One-, two-, and three-year outcomes for wages, hours, and income

Entire cohort		1 Year N=895	2 Years N=669	3 Years N=284
Employed both times		525 (59%)	282 (42%)	124 (44%)
Employed at baseline, not at follow-up		112 (13%)	153 (23%)	56 (20%)
Employed at follow-up, not at baseline		151 (17%)	154 (23%)	70 (25%)
Employed neither time*		107 (12%)	80 (12%)	34 (12%)
Average hourly wages	At baseline	\$8.10	\$7.26	\$7.07
	At follow-up	\$9.35	\$8.12	\$8.50
	Amount of change	\$1.25	\$0.86	\$1.43
	Percent change	15%	12%	20%
Average hours per week	At baseline	19.1	17.1	16.6
	At follow-up	20.8	17.4	18.3
	Amount of change	1.7	0.3	1.6
	Percent change	9%	2%	10%
Average monthly income	At baseline	\$944	\$826	\$803
	At follow-up	\$1,116	\$941	\$986
	Amount of change	\$172	\$115	\$182
	Percent change	18%	14%	23%

Source: Wage Detail data from Minnesota Department of Employment and Economic Development; additional calculations by Wilder Research. Unemployed participants are included in the averages, calculated at \$0 wages and 0 hours per week.

Notes: Wage and income figures are not adjusted for inflation. * Employed neither time: The number is estimated at 12% of the total for each follow-up point, based on 1-year and 2-year survey data. The survey found 12 percent employed neither time for the 1-year follow-up and 9% employed neither time for the 2-year follow-up. We have used the more conservative 12 percent estimate for all the follow-up periods, based on the presumption that those not employed at either time were harder to locate for the longer-term follow-up survey.

Factors affecting outcomes

Kinds of services that matter for outcomes

By comparing participants' responses to an earlier survey, evaluators were able to identify services received in the first three months of the program that were more often associated with increased pay or hours, better jobs, or increased work or family stability. These services were:

- Increased pay rate: help to identify or get suitable training.
- A better job: at least one kind of assessment.
- Increased personal or family stability: help with child care.
- Working more steadily: help with job placement following training and/or consultation to determine the kinds of support that would help them to get or stay in a job.

Effect of overall program model differences (program clusters)

Across all clusters, participants who were unemployed at intake were less likely to be employed two years later, compared to those who were working initially. Those who were working part-time were most likely to gain hours or to be working more steadily at follow-up. These patterns were affected very little by differences in program models represented by the cluster groupings. The individualized cluster showed slightly lower gains in employment, which may reflect the fact that programs in this model tended to be unable to focus on specific employers or industry sectors. As a result, although they worked hard to cultivate relationships with employers, these relationships tended to be less close than those between grantees and employers in the other clusters that had a sharper industry focus. Another possible explanation is that about half (47%) of participants in this cluster were in programs in rural parts of the state with fewer employment opportunities.

Effect of help to balance work, family, and training

About three out of five participants (61%) reported that they experienced some kind of difficulty balancing work with parenting responsibilities, including 39 percent who cited inconvenient work schedules and 28 percent who cited not having enough time for themselves or their families. On the positive side, 90 percent reported ways in which their jobs helped them be a good parent, including 36 percent who cited the pay or income, 30 percent who reported their jobs allowed them enough time, or sufficiently flexible time, for parenting.

About half (53%) reported that their Families Forward program had helped to make it easier for them to do both their work and their parenting well. Participants who reported receiving such help were more likely than other participants to report several kinds of success at the 24-month follow-up, including better jobs and increased motivation. In addition, they were more likely to credit the program for such improvements as increased hours, higher pay, doing better in their current job, and confidence to try new things.

Only 12 percent of participants reported that their participation in the program made it harder to do both their work and their parenting well. For this small group, by far the most common difficulty mentioned was being expected to do more than they were able to, most often due to lack of time or inconvenient class schedules (88%).

Those who reported that participation in the program made it harder to balance work and parenting had lower gains than other participants in steady employment. In addition, they were more likely to report that the program made “no difference” in helping them take care of their families.

Effect of changing employer

About half of employed participants (51%) reported that they were working for a different employer two years later. Slightly fewer than half (45%) reported that they were working in a different industry sector. The Wage Detail records show that 60 percent of participants had a different employer in the two-year follow-up quarter than during the baseline quarter. Participants whose initial jobs were of lower quality (with lower wages, fewer hours, or worse benefits) were somewhat more likely to change employers.

In the survey, participants who changed employers were significantly more likely to report that their job was a “step up,” that they were working more hours per week, and that they had worked more steadily in the past six months. Changing employers had some drawbacks, however. There was increased risk of losing benefits, at least temporarily – although participants who changed employers were less likely to have had benefits when they started (medical or dental coverage, or paid sick or vacation time). Participants who changed employers were also significantly less likely to report that they had received a raise. However, those who did receive raises appear to have received larger ones, because the average gain in wages (from Wage Detail records) was higher for this group than for those who stayed with the same employer.

Summary of findings about program organization and delivery

This section reviews key findings from the first three years of the study about effective program organization and delivery. They are based on in-depth interviews with program leaders and the staff of the Governor's Workforce Development Council who worked closely with programs, as well as comparison of information from these sources to participants' survey responses.

The experiences of Families Forward programs point to a real strength of operating workforce programs from a truly intermediary position – that is, one that serves not only workers' needs but also employers' needs.

To effectively serve low-wage workers, programs:

- Developed an understanding of the depth and complexity of participants' needs, and adjusted services to respond to those needs.
- Developed strategies for recruiting and engaging participants by getting them to believe in the value, purpose, and feasibility of the program.
- Helped to motivate participants by offering training in small steps, rewarding small successes, and creating opportunities for peer support as well as one-on-one attention from program staff.
- Offered training for jobs known to have openings in the local labor market.

To effectively serve employers, programs:

- Helped employers understand the importance and value of training and helped make program services accessible to them.
- Worked with individual participants' supervisors to resolve job retention issues or develop their support for further training.
- Developed formal and informal relationships and understandings in the design of training curricula or job placement of graduates.

To effectively work within the state and local context, programs:

- Cultivated relationships not only with low-income workers and employers but also other grantees, Minnesota State Colleges and Universities, adult basic education

consortia, WorkForce Centers, and the Governor's Workforce Development Council (the state-level workforce board).

- Identified, secured, and combined a variety of public and private funds.
- Introduced new services for regions or specific populations that previously lacked training opportunities, and strengthened existing training opportunities.

Discussion, conclusions, and issues to consider

Over a period of four years, the Families Forward initiative has generated a wealth of experience among the grantee and partner organizations involved, and contributed to improved earnings and advancement opportunities for most participants. Informal conversations with employers, and documentation of the pay increases they have given to participating employees, suggest that Minnesota's businesses have also realized gains in value (including improved productivity) from the efforts of the initiative.

This section discusses three broad themes that have recurred throughout the initiative from the combination of all data sources. They represent the main overarching conclusions to be drawn from program operations and outcomes.

Effective programs seek to meet both worker and employer needs

These programs fit the category known as "intermediary organizations." They meet the needs of employers as well as individuals. They are most effective when they:

- Involve a partnership of organizations with complementary skills and capacities.
- Are led by organizations with an entrepreneurial capacity and leadership, allowing them to respond flexibly to shifting conditions, and to secure and combine a variety of funding sources.
- Have excellent and lasting relationships with employers, involving a number of employers with common interests who can pool both risks and rewards of investment in their workforce.

Due to the work of programs with these features, the Families Forward initiative has seeded Minnesota with significant new or increased organizational competencies among the grantee organizations and many of their partners. In addition, program and policy leaders and a growing number of employers are increasingly aware of the importance of skill development in general, and incumbent worker training in particular.

Effective programs make themselves accessible

Businesses that must continually adapt and reinvent themselves require employees who are able to do so as well. This will require a new perspective on job training that extends beyond traditional high school and college study. To serve a growing clientele of working adults, training providers must also adapt, re-structuring services to be more accessible to a clientele who are obliged to combine training with continuing employment and also, for many, parenting young children.

A recurring theme in the evaluation of the Families Forward initiative has been the finding of program leaders that participants, on average, faced more barriers than expected to participation in work and training.

- It has taken programs more time, and more resources, than anticipated to help participants stabilize their work and family situations in order to successfully add training to their other responsibilities. However, funding for support services to make training accessible has proven harder to secure than funding for the training itself.
- Fewer participants than expected have combined work and training in a truly *incumbent* worker model in which participants receive training while continuing to work. Effective, intensive, brief training often proved too much for participants to combine with ongoing work responsibilities.
- To some extent, convenient and flexible program times and locations may reduce the need for some support services.
- For training or supplementary services, the level of resources currently available is substantially less than the need, and will not be enough to continue the work that was begun in the four years of the initiative, let alone expand it to others who could benefit from additional skills training.

Because of the availability of flexible support services in the Families Forward programs, even workers with the greatest needs have been able to access and benefit from the training that was offered.

Effective programs include a range of types of training, including soft skills

Many program leaders and employers have reported that they found it necessary to incorporate more soft skills training into the programs, although nearly all participants reported that they knew – and understood the importance of – the basic workplace norms for behavior.

The term “soft skills” generally includes at least two distinct clusters of behaviors: interaction (including friendliness, teamwork, appropriate grooming, and the like) and motivation (including positive work attitude, dependability, and willingness to learn), and sometimes also good communication.

Assessment of these behaviors is usually subjective, and influenced by cultural expectations. Furthermore, the performance of soft skills is highly affected by context.

- Indirectly, support services (such as counseling or help with child care or transportation) can help to address the perceived need for soft skills, as they help participants attend work reliably. By reducing sources of concern and stress, they may also enhance motivation and concentration and hence productivity while the participant is on the job.
- Complementing their work with participants on soft skills, programs have also demonstrated the value of working with employers (including front-line supervisors) to help them gain skills in managing and supervising non-traditional employees.

The value of soft skills training is illustrated by the finding that participants who received such services were more likely than those who did not to receive pay raises that they attributed to program participation. Other more personal supports also appear to contribute to participants’ value to their employers, as seen by the finding that participants who received such services were somewhat more likely to report favorable job outcomes.

What would it take to implement effective practices more widely?

In its four years of operation, the Families Forward initiative has field-tested many strategies in a variety of settings, with a variety of partners, serving a variety of workers and employers. Based on all data sources, the following recommendations summarize what the authors conclude about ways to incorporate the most effective practices of the initiative into the on-going work of public and private organizations in Minnesota.

Ensure that training is available in needed kinds of skills, including soft skills

- Encourage training programs that include a mix of kinds of training. Combine training in specific job skills with other needed skills, such as basic math and reading skills or computer skills, as well as job readiness. Increase the flexibility of funding streams. (✓State-level policymakers; ✓Training and support providers)
- Build on MnSCU's gaps analysis work and DEED's on-going labor market analysis by developing an accountability and response system to ensure that the policies and resources of state entities (WorkForce Centers, MnSCU, etc.) are reasonably aligned with documented workforce needs. Ensure that funding and policy incentives work to encourage, not discourage, such a response. (✓State-level and local policymakers; ✓Higher education; ✓Businesses; ✓Training and support providers)
- Provide incentive funds to MnSCU institutions or departments for curriculum development in skill areas or industries where gaps have been identified. Remove funding disincentives that discourage programs for technical, high-demand industries because of the higher per-student cost of equipment and specialized facilities. (✓State-level policymakers; ✓Higher education)
- Recognize the importance and value of soft skills training. Combine it with hard skills training, in settings as similar as possible to real work. Provide incentives to providers to incorporate a mix of training in their programs, and to involve employers (especially front-line supervisors) in the training. (✓State-level and local policymakers; ✓Businesses; ✓Training and support providers)

Ensure that workforce systems are flexible and can respond to the shifting needs of workers and employers

- Restructure funding and policies for local WorkForce Centers to allow greater flexibility and autonomy in response to local conditions and needs. (✓State-level and local policymakers)

- Provide incentives to businesses to actively participate in planning and implementing training programs. Structure incentives to encourage joint participation by multiple, related businesses. (✓State-level and local policymakers; ✓Businesses)
- Convene a group of workforce professionals, industry leaders, and educators to identify career ladders or lattices for critical industries, and the training required to move up. Ensure that these career ladders are well documented and communicated to industry and labor leaders, educators and other training providers, and WorkForce Centers. (✓State-level and local policymakers; ✓Higher education; ✓Businesses; ✓Training and support providers)

Ensure that training opportunities are accessible to low-wage workers and their employers

- Structure funding and policies to encourage training programs to include flexible, individualized support services. (✓State-level policymakers)
- Restructure financial aid for higher education to better include part-time students and those taking non-credit courses. Provide incentive funds to MnSCU programs to offer courses at times, in locations, or through media that are more accessible to part-time and working students. Develop articulation or transfer agreements to give academic credit, as appropriate, for mastery gained in non-credit training. (✓State-level policymakers; ✓Higher education)
- Seek alternative ways to provide employer-based tuition reimbursement to low-wage workers that do not require them to pay the full amount out-of-pocket in advance. (✓Businesses)

Concluding thoughts

Outcomes of the Families Forward program include improved jobs, wages, and benefits for a significant number of participants, with average increases substantially above what might have been expected in the absence of the program. In addition, overall levels of personal and family stability were slightly improved at two years compared to when participants started their programs, and participants were more likely to be working steadily. Finally, and also importantly, participants reported gains in their motivation and confidence to try new things – gains that persisted well beyond the end of the program for most participants.

More indirect evidence points to positive outcomes for employers as well, including access to a labor pool with more valuable skills, and improvements in participating employers' capacity to recruit and retain a more diverse workforce.

Outcomes for the State of Minnesota and its economic regions include the development of a set of intermediary organizations with the skills, capacity, and relationships to respond flexibly and rapidly to changing economic conditions. These grantee organizations have demonstrated their skill in understanding and meeting the needs of workers and employers simultaneously, to the advantage of both. The Families Forward initiative has also contributed to a growing awareness of the importance of skill training in general, and incumbent worker training in particular, as contributors to the health and future of the Minnesota economy.

With the conclusion of The McKnight Foundation's involvement in the program it is timely to ask how the lessons learned from the initiative can be applied to greatest effect. It is important that the new capacity of workforce intermediary organizations be kept current and in operation to meet the continuing needs of Minnesota's workers and employers. To maintain the momentum of the initiative, and put organizational skills and capacity to best use, it will be important to identify new sources of funding to continue the programs that have contributed to the outcomes described in this report. This will require a candid discussion of the appropriate forms of cost-sharing that can best support the work, which benefits not only individual workers and their employers but also the shared economy of the state overall. Currently, workers and employers are contributing significant resources to these efforts, in the form of direct payments and even more in the form of opportunity costs (from the investment of time that could have been used in other important ways). Neither group – individual workers or employers – appears to be in a position to expand significantly on their current level of contribution. Some new funding will be needed to bring program benefits to bear on the wider needs across the state.

The initiative has allowed the pilot-testing of a range of successful, replicable program models that are suitable to a wide variety of needs and settings, including a variety of employers, industry sectors, regions of the state, and life stages of participants. If they can be supported to continue their work, and employers and participants can be supported to continue to access their services, the State of Minnesota as a whole stands to gain from the results.

Training low-income workers for skills and advancement

Final report on the McKnight Foundation Families Forward initiative

Converging trends in recent years point to both an emerging problem for the Minnesota economy and to a potential solution. The trends are:

- Changing birth rates that provide expanding businesses with fewer new employees to replace older workers due to retire.
- A growing number of workers unable to support their families in entry-level jobs, unable to move up to better-paying jobs without further training, and unable to afford the cost of training on their own.

Strategies that could help these workers increase their skills would have the potential not only to improve the quality of life for those individuals and their families and communities, but also to help solve some of the anticipated labor shortage.

Since 2001, The McKnight Foundation's Families Forward initiative has field-tested just such a strategy to meet both workers' and employers' needs for increased work skills. This is the final evaluation report on that initiative. It describes the results for participants at a follow-up point two years after they began receiving services.

These results, averaged over all participants, include wage gains of 7 percent (after inflation) over a two-year period, and 2 percent gains in hours of work, resulting in an average 9 percent gain in monthly earned income. These occurred during a time in which workers in comparable low-wage Minnesota jobs realized average wage gains of only 1 percent (after inflation) in two years, with no overall increase in hours of employment.

Three-year results are available for a smaller number of early participants. These results show continued gains in both wages and hours, resulting in an average 15.5 percent increase in monthly income (adjusted for inflation) after three years.

These results are the combined average of 17 different service models, operating in urban, suburban, and rural Minnesota, with a variety of organizational partners using a variety of service strategies, and serving a wide variety of participants. The range of program models offers opportunities for replication in a wide range of settings.

Background

The McKnight Foundation, through grants to 17 different organizations and partnerships across Minnesota since September 2001, invested approximately \$6 million to field-test many different approaches to promoting job advancement for low-wage workers through improved access to education and training.

What the Families Forward initiative involved

Grantees, timing, and target population

Grantees and their partners included non-profit agencies, several counties and their associated WorkForce Centers, regional philanthropies, for-profit businesses, labor unions, and campuses of the Minnesota State Colleges and Universities (MnSCU).

Two-year grants were made in two rounds, beginning in September 2001 and September 2002. (One program⁵ which was funded in March 2002 has been grouped with the Round 2 programs because of its implementation schedule.) Grantees could apply for two-year continuation grants at the end of the first award, and some grantees were given an extension on the time period for expending their initial grants. The last renewal grants are scheduled to conclude in the fall of 2006.

The programs funded as part of the Families Forward initiative focused on people who were already working but who, with additional training or support, could increase their wages, job stability, and future earning prospects. Reflecting local needs and conditions, some programs also included some participants who were not currently working.

Program components

Families Forward grantees were asked to:

- Direct their efforts toward low-income workers.
- Include employers in designing and carrying out the project.
- Make use of public workforce development systems.

⁵ This report uses the term “program” as it is commonly used among non-profits, to mean a service or suite of services, offered to a group of participants sharing some common set of criteria for eligibility, and designed to produce a particular set of outcomes. Families Forward programs should not be confused with “government programs,” which are usually associated with specific funding streams. In fact, as discussed later, one of the distinguishing features of many of the Families Forward programs was their entrepreneurial ability to combine multiple funding streams.

- Focus on short-term training that is practical for working families.
- Provide family supports to help participants remain and advance in their jobs.

The programs included many different kinds of training. Some grantees worked within specific workplaces to train employees in skills needed for particular jobs; some provided English language training in conjunction with specific job skills; some offered entry-level training in specific trades or industries, such as construction or banking; some provided continuing education to help people with prior experience in a field (such as nursing) move up to higher-skilled positions. Potential participants might be identified or referred by employers, by WorkForce Center or nonprofit agency staff, or by self-referral after hearing about the program through word of mouth or seeing a flyer. Settings also varied, with training delivered on-site at the workplace, in a community non-profit agency or WorkForce Center, or in an Adult Basic Education or community college classroom.

Overall, despite each program's unique features, the general similarities in participants and desired outcomes for the initiative led to what amounts to different models for the same general kind of vehicle: enhanced education and employment options for workers with underdeveloped skills. Although specific program models varied, all included strategies for implementing the following common program components:

- Identifying and recruiting participants.
- Assessing participants' prior work experience and skills, identifying goals for future job advancement, and identifying the training and support services needed to work toward those goals.
- Encouraging and motivating participants to have confidence that job advancement was a realistic possibility.
- Providing one or more kinds of training, either directly or by referral to other sources in the community.
- Working with employers to ensure that participants had opportunities to apply their new skills.

What the McKnight funding made possible

Direct services to workers and employers. The McKnight funding provided an incentive to serve incumbent workers, a group often passed over by current public programs that tend to emphasize rapid job placement for unemployed people. The grants allowed grantees flexibility in the design of their programs, and served as a catalyst to convene partners to work together in the development and delivery of services. Perhaps

most importantly, the foundation provided encouragement for grantees to experiment with a variety of approaches to meet the variety of needs of Minnesota’s low-skilled workers and their employers.

In asking grantees to work closely both with public systems and with private employers, McKnight encouraged them to develop their potential to operate as workforce intermediary organizations: organizations that seek to meet the needs not only of individual workers but also of their employers; that serve these dual customers by “bring[ing] together employers and workers, private and public funding streams, and relevant partners to . . . navigate public and private systems to attain important and distinctive results for employers and workers.”⁶

Technical assistance to grantees, and a statewide perspective on the work. The McKnight Foundation contracted with the Governor’s Workforce Development Council to provide assistance to grantees. This public entity, which operates as the state-level Workforce Investment Board under the federal Workforce Investment Act (1998), includes representatives of business, labor, education, nonprofits, and the state legislature. Its role is to oversee and coordinate efforts to promote workforce skill development in a way that promotes the economic health of the state. Under the Families Forward grant, staff of this agency provided three main forms of assistance to grantees:

- Consulting with grantees to help them answer questions and solve problems encountered in the implementation of their programs.
- Connecting grantees to each other for mutual support, networking, and information sharing.
- Bringing issues raised in grantees’ experiences to a larger forum, so that those responsible for statewide systems could learn from their experience and adjust their operations to be more responsive and effective.

Program evaluation. The McKnight Foundation contracted with Wilder Research to evaluate the effectiveness of the Families Forward initiative. In four annual reports ending with this one, the evaluation has addressed the following main research questions:

- What are some key characteristics of the participants served by the Families Forward initiative? What are some key characteristics of the programs being delivered by the grantees? What, if any, is the connection between the two?
- What kinds of program adjustments did grantees make, and why?

⁶ Giloth, Robert P. *Workforce intermediaries for the twenty-first century*. Philadelphia: Temple University Press (page 5).

■ Do Families Forward participants get better jobs after participation?

This final report on the four-year initiative highlights outcomes for participants two years after their initial contact with the program, based on survey and administrative data. It also summarizes earlier findings about what it takes for providers to offer skill development programs that meet the needs of workers and employers, and it updates earlier reports on participants' experiences combining training, employment, and (for most) parenting.

More detail about program design and operations, and what was learned from grantees' work over the course of initiative, may be found in the companion report (forthcoming, in cooperation with the Governor's Workforce Development Council).

Methods

Data sources

The evaluation design combined quantitative and qualitative measures, some of which were modified over the course of the project based on new learning and new information needs. Data on program operations and lessons learned in the organization and delivery of services have been reported in previous years, and are summarized briefly at the end of this report.

The primary data sources for this final report on participant outcomes are:

■ **Intake data for each participant**

To the extent possible, these forms were completed by program staff (sometimes by participants themselves) for every Families Forward participant and were submitted, with participants' consent, to Wilder Research. They provide background on participants at the time of intake, including demographic information; educational and work history; current employment status including wages, hours, benefits, job title, and monthly household income; and English language skills. The 1,422 participants included in this report represent all those enrolled since the beginning of the initiative whose intake forms were received at Wilder through the end of data collection in July 2005.

We do not know the number of participants who declined to give consent for inclusion in the study, but from conversations with program staff we believe the number is small. The greatest loss of data, stemming from some employers' privacy concerns, is from early participants in one large employer-based program. Our ability to document participant characteristics and outcomes is therefore less than fully representative of this site in particular, and of employer-based programs in general, than for the balance of the initiative. In addition, this evaluation does not include any data on participants enrolled with one grantee, which piloted a unique approach and had delays in beginning enrollments.

■ **Follow-up phone interviews with participants three months after intake**

Three-month follow-up interviews were conducted by telephone from Wilder Research from March 2003 through February 2005. This survey asked about entry into the program and current program status, as well as personal and family barriers relating to work or training that participants may have experienced just prior to enrollment. It also asked detailed questions about training and support services that participants may have received or needed from the program. Data were available for this report from 566 participants in 18 programs. The response rate was 76 percent. The participants

who completed this interview are 40 percent of all participants in the evaluation records. Because it was introduced more than a year after the initiative began, this three-month follow-up interview does not represent participants in the first year of Round 1 programs.

■ **Follow-up phone interviews with participants 24 months after intake**

The longest-term follow-up survey conducted by Wilder was a 24-month follow-up interview. As with other follow-up interviews, it was conducted by telephone and asked about current program status and current employment status. Additional questions asked about work-family balance issues and any difficulties that might have been experienced as a result of adding training to existing responsibilities. There were also both closed- and open-ended questions about the participant's perceptions of the value and impact of the program. Data reported here come from 363 interviews completed between May 2004 and August 2005, out of a sample of 649 participants who were eligible for such interviews during this time period, yielding a response rate of 56 percent.

■ **Aggregate data from the Minnesota Department of Employment and Economic Development's Wage Detail records**

To complement participants' self-reported data, and because administrative data on wages are usually considered more reliable than self-reports, this report also includes employer-reported hours and wage data. These data are reported to the state every quarter by employers. Overall, the records cover an estimated 90 percent of jobs in the state, although the coverage is less at lower income levels. By comparing the quarter before participants began their programs with the quarter two years later, we can obtain group results on hours and wages that correspond reasonably closely with our survey data from the 24-month follow-up interviews. From the hours and wages we are also able to compute average monthly income from employment.

Staff at the Minnesota Department of Employment and Economic Development (DEED) were able to match names and identification numbers (last four digits of Social Security Number) for 589 participants (63%) of the 934 participants who had been in the program for at least two full years, and to provide baseline and follow-up data on wages and hours for most of these participants. The data were retrieved for 76 percent of participants in most program models, but only 26 percent of those in the employer-based programs (because of employers' concerns, mentioned above, about permitting individual identification of participants).

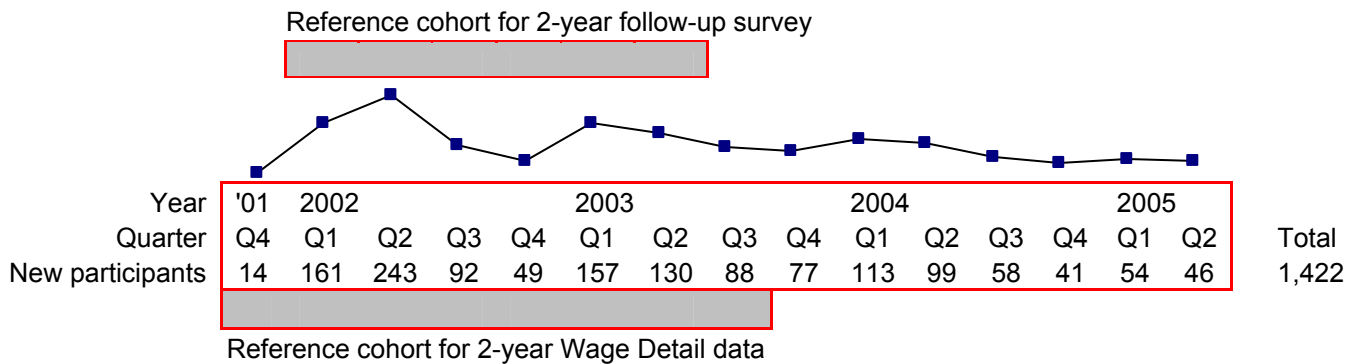
To preserve the confidentiality of Wage Detail records, DEED provided only aggregate information to Wilder Research. As a result, detailed cross-tabulations with other evaluation data were not possible. Furthermore, for the 27 percent of participants who

were not matched in Wage Detail records, it was not possible to determine whether this was because of inadequate information (such as for an individual who did not consent to identification and was thus recorded in the evaluation records as “John Doe”) or because that person was not working during the relevant baseline and follow-up quarters. Based on Wilder survey data, we estimate that the participants who were not employed at either time were 12 percent of the total. Average wages and hours have been computed for the baseline and each of the annual follow-up points using this estimate.

In addition to these two-year follow-up results, DEED staff were able to provide three-year follow-up data for 250 (or 49%) of 511 participants who had been in the program at least three years. This is 60 to 76 percent of those in most programs, and 16 percent of those in the employer-based programs.

The figure below shows the number of new participants entering the initiative for each of the quarters covered by the evaluation (fourth quarter of 2001 through second quarter of 2005). It also shows the subset of participants who are represented by the two-year follow-up survey (gray bar above the chart) and those who are represented by the two-year follow-up data available through the Wage Detail records (gray bar below the chart).

1. Number of new participants, by quarter and year, showing those represented by the two follow-up data sources



Considerations in the interpretation of results

The outcomes described in this report are those observed at a specific point in time. This represents the ending point for the evaluation, but not necessarily for participants, their employers, or the grantees who operated the programs. The evidence from the data collected to date suggests that the benefits for these groups will continue to accrue over a longer term.

In the interpretation of evaluation results, it is important to bear in mind three kinds of possible differences that might affect the findings. The findings presented in this report should be interpreted with the following considerations in mind:

Differences between program participants and non-participants that might be related to program outcomes

- Participants in most programs were self-selected. Although some were specifically referred to the program by other service providers or case managers (including some welfare job counselors), their participation was voluntary. As a result, they may be somewhat more motivated than the average non-participant. Participants in the employer-based programs were not subject to similar selection factors, because they were identified for participation based on their membership in certain job categories (not based on personal characteristics or motivation).
- It is impractical to use an experimental design in the evaluation of an initiative such as Families Forward, which is intended to stimulate innovation. Therefore, in the absence of a control group to whom participants can be compared, we cannot say conclusively that the observed outcomes were caused by the efforts of the programs, or rule out the possibility that other unmeasured factors contributed to some part of the outcomes. We have, however, included a detailed analysis of general trends in employment for low-skilled occupations comparable to those of Families Forward participants, describing the changes in wages, hours, and benefits known to have occurred, on average, during the time of the initiative.⁷

⁷ This review of results that might be expected in the absence of intervention describes wage and benefit changes expected within jobs, but not changes that might occur for individuals who changed jobs; and it describes expected results for all low-income workers, not just those who are motivated to enroll in a program to improve their skills and opportunities. In these two respects it probably slightly underestimates the job changes likely for workers comparable to those in the Families Forward initiative. However, this is somewhat compensated for by the fact that over any given two-year period between 2001 and 2005, on average, there were fewer low-wage jobs available, so fewer low-wage workers in the state overall were employed at all at the end of the follow-up period.

Differences between participants who are included in data collection efforts and those who are not

- Due to some employers' privacy concerns, the evaluation was unable to obtain consent to receive intake data for some participants in some employer-based programs, and unable to obtain consent to collect follow-up data for many more. As a result, findings are less generalizable for this program model than for others.
- The 24-month follow-up survey, on which some of the follow-up findings are based, did not begin until some programs had been operating for about 30 months. As a result, a small number of the initial participants, especially in the East Metro Health Careers Institute program, are under-represented in the findings.
- In addition, the latest participants (those who entered their programs after July 2003) are not represented in the 24-month follow-up data. As a result, outcomes reported here under-represent some of the Round 2 programs. They also represent outcomes of programs in their earlier form of operation, before some minor adjustments were made.
- The amount of change in participants' wages and incomes is documented from Wage Detail records, which include most but not all jobs in the state of Minnesota. Participants who were agricultural employees or domestic workers, self-employed or working for a family member, or an employee of a government or religious entity, and participants who moved out of the state, would not be represented in these data. Job categories not covered by Wage Detail records tend to be lower-paying than those that are covered. Reported results thus likely understate actual wage and income increases.

Differences between participants who do and do not respond to follow-up surveys

Response rates on the 24-month follow-up survey may result in under-representing participants who did less well in their programs, thus overstating average outcomes. We have examined the baseline characteristics of those who did and did not complete this survey, and how these characteristics may have affected the pattern of responses we received. The largest groups that were under-represented in the follow-up interview included groups with better as well as worse outcomes on average. We conclude that the number and pattern of non-respondents to the 24-month follow-up interview is likely to have had minimal effects on the outcomes that we are able to report at the overall level.

Unless otherwise specified, wage and income figures stated in this report have not been adjusted for inflation.

General characteristics of participants served

Demographics and work background

Looking at all 1,422 Families Forward participants as a whole:

- Two-thirds (67%) were women, and two-thirds (64%) were 25 to 44 years old.
- Fewer than half (42%) were non-Hispanic White, 29 percent were African American, 10 percent were American Indian, 10 percent were Hispanic, and 8 percent were Asian.
- Most (87%) had at least a high school education, including 28 percent who had at least some college. About two-fifths (39%) had prior job training experience.
- Slightly over two-thirds (71%) were working when they enrolled, and about one-third (35%) were employed full-time.
- Slightly under half (44%) of participants had incomes at or below the federal poverty level when they enrolled. Another 42 percent had incomes of less than 200 percent of the federal poverty level.
- In 2004, a detailed analysis was conducted of the 487 participants then in the evaluation records who were working and for whom household composition and income data were available. This analysis found that 95 percent of those employed participants had incomes below what was needed to support a basic needs, no-frills budget.⁸

Participant characteristics varied considerably among the different Families Forward programs. In general, these variations appear to relate mainly to the kinds of training offered, the region of the state, and the recruiting strategies of the individual programs.

⁸ Based on basic needs family budgets computed by the JOBS NOW Coalition (Ristau, K., LaFond, C., McMahon, B., Cederberg, H., & Steuernagel, B. (2003). *The Cost of Living in Minnesota*. St. Paul, MN: JOBS NOW Coalition. Downloaded August 29, 2003 from www.jobsnowcoalition.org).

Personal and family stability, motivation, and expectations

In the three-month follow-up survey, participants were asked whether in the six months just before starting the program they had experienced any of a number of kinds of problems likely to affect their employment stability, their personal and family stability, or both. Of a list of 11 possible problems, the most common ones identified from participants' responses were poverty-level income (44%), lack of reliable transportation (32%), low availability of social support (29%), and problems with credit making it hard to get a job, a car, or housing (29%). In addition, 26 percent of Families Forward participants had experienced at least one crisis-level problem (homelessness, domestic violence, or serious health problems for themselves or a family member that prevented work for at least two weeks) in the six months before they enrolled.

In the estimation of program leaders, about one in three participants had personal and family situations that were not very stable, even with the level of support that the program was able to provide. Around one in five entered the programs with what program staff considered vague or unrealistic goals, and around one in six were estimated to have somewhat or severely limited motivation or potential to advance.

Program completion

Most participants who successfully enrolled were able to complete all program requirements. At the time of the three-month follow-up interview, 95 percent were either still receiving services or had completed all program expectations. Thirteen percent reported they were still receiving some kind of service at the time of the 24-month follow-up interview.

Kinds of services included in the programs

Different grantees developed programs with different kinds of services. In addition, many programs were quite individualized, offering different services to different participants as needed. As a result, no single description of services would be accurate for a majority of participants. However, most programs offered at least some services in each of five main categories. Examples (using fictitious names) illustrate some of the many different kinds of services that were included in each category.

Assessment

This category included services to help participants and program staff understand participants' prior experiences and skills, their interests and aptitudes, and the kinds of training or support that would be most helpful.

- 83% of participants reported they received at least one such service during their first three months in the program.
- 42% reported there had been at least one service in this category that they needed but did not receive during the first three months.

Examples:

- Shawn, a 17-year old parent, in a specialized program for youth, meets for several weekly hour-long discussions with his case manager during which they review his school standing, work history and interests, and how he will find housing when his current lease expires next month.
- After meeting a case manager for an brief intake interview, Donna, a 30-year-old sales assistant, completes a standardized, computer-based career interest inventory and also a short test of basic reading and math skills.

Training

The most common kinds of training included coaching on workplace norms and expectations, computer skills, basic literacy and mathematical skills, English as a second language, and job skills for specific industries or job categories.

- 72% of participants reported they received at least one such service during their first three months in the program.
- 37% reported there had been at least one service in this category that they needed but did not receive during the first three months.

Examples:

- After identifying nursing as a field of interest, Carol, a former welfare recipient currently working as a teacher's aide, receives help to identify and apply for a one- or two-semester training program in phlebotomy at a local community college.
- James, a 35-year old ex-felon, enters a five-week, intensive, 35 hour per week training program in the construction trades. After one week in the classroom on basic safety, measurement, and tool familiarity, he spends most of the next four weeks with ten other participants at a construction site receiving hands-on training and close supervision, coaching, and encouragement from a master tradesman. Three half-days per week are spent in the classroom for group instruction on topics identified during the job-site work.
- Luis is currently an assembler in a metro-area manufacturing plant. His employer has contracted with a Families Forward grantee to provide on-the-job training to all employees in his job category. Three days a week for six weeks, he goes to a classroom at his job site for paid training for one hour at the beginning of his scheduled shift. The training incorporates instruction in English as a second language together with vocabulary, concepts, and skills specific to his current position.
- Jessica receives individualized training from her case worker to help her build professional networks, identify and work with mentors, and learn workplace expectations and communications strategies as well as job search skills. She also attends group workshops on computer and office skills, and is part of a peer support group with other participants who provide each other with mutual encouragement and support.

Employment support

These services included job placement, job retention support, job coaching or mentoring, and help to purchase needed supplies or equipment.

- 62% of participants reported they received at least one such service during their first three months in the program.
- 30% reported there had been at least one service in this category that they needed but did not receive during the first three months.

Examples:

- After completing three weeks of banking training, Rosa is placed as a teller. Once a week, her retention worker comes to the job site to talk with Rosa and with her supervisor about how things are going, and to help resolve questions or concerns that either of them has.
- Ronald develops a relationship with a more senior worker in the machine tool shop where he works. This job mentor helps him to develop the confidence to ask the supervisor appropriate questions when unexpected things develop in the manufacturing process.
- Susan has completed a pre-apprenticeship training in bricklaying and qualified for a position as an apprentice, but she can't afford the tools required for the position. Her training program has a fund to help her buy them.

Basic financial help

Financial help included direct help with costs of tuition, small grants for emergencies such as car repairs, as well as more indirect help such as training in budgeting or money management, and help securing medical assistance, Earned Income Tax Credits, or other available benefits.

- 83% of participants reported they received at least one such service during their first three months in the program.
- 44% reported there had been at least one service in this category that they needed but did not receive during the first three months.

Examples:

- The case manager has learned that Choua does not have insurance for herself or her children. She helps Choua get applications for MinnesotaCare, helps her figure out what paperwork is needed to document her eligibility, and helps her learn how to submit the application and answer questions that might be asked of her.
- Rhonda is reducing her hours at work to have the time needed to attend trainings. Her case manager meets with her to review her family financial situation and help her set up a budget for how she will support her family and meet her bills until she can expect to earn a full-time income.

Personal and family support, including case management

These services were the most variable among programs and participants. Case management services – that is, an ongoing relationship with a staff person who works with the participant to identify goals and develop plans for meeting them – were often a standard component, especially in programs with more intensive support services. Other personal and family support services that might be provided to an individual participant if needed included help with problems relating to child care, transportation, or housing; help getting or filling out applications; and counseling or general emotional support and encouragement.

- 61% of participants reported they received at least one such service during their first three months in the program.
- 36% reported there had been at least one service in this category that they needed but did not receive during the first three months.

Examples:

- Victor's 10-year-old car has broken down (again). His case manager helps him find a nonprofit in his county that makes low-cost loans for car repairs. She may also be able to find him a volunteer driver, or provide him with a bus token, to get to the nonprofit's office to apply for the loan.
- Fadumo is concerned about accepting a job offer she has received as a nurse's assistant. It will require her to work evening hours in a part of the metro area with which she is not familiar. Her case manager discusses with her the options she has for child care and transportation, helps her plan a bus route that will be most efficient, and helps her rehearse some of the situations she may encounter on her first day, to give her confidence.

The general principle that guided most of grantees' service planning was to provide those services needed, and not otherwise available, to help participants move forward with skill development and career advancement. Some services were provided directly by program staff; many were made available by helping connect participants to sources of help in the community that they may not have been aware of or known how to get.

Differences among programs in the level of reported needs reflect differences in kinds of participants served. In general, however, programs differ less in the level with which participants report unmet needs. This appears to reflect a measure of success on the part of the programs at leveling the playing field by making services most available where they are most needed.

Outcomes for participants after two years

This evaluation focuses on outcomes for participants two years after they began receiving services. While this is the final report of the Families Forward evaluation, this two-year point in time does not represent a final ending point for the grantees or participants. The grantee organizations continue to provide workforce services, and preliminary evidence on participants' longer-term outcomes suggests that personal and employment results continue to improve beyond the second year.

Data on two-year outcomes are based on the 24-month follow-up telephone survey and the Wage Detail records submitted to the state every quarter by employers. A number of different outcomes were documented, including gains in wages, hours of employment, and job status; access to job benefits; personal and family stability; and motivation. Taken together, these present a snapshot of the participants' quality of life two years after first receipt of services, along with an indication of how that had changed since they started.

Outcomes for non-participants

Although the flexible and innovative design of the Families Forward initiative was not conducive to an experimental study, we have been able to document the changes in employment, wages, and hours that have been experienced by comparable low-wage workers in Minnesota over the same time period. This can help to estimate what participants' employment and wage progression might likely have been had they not participated in Families Forward.

Local, state, and national economic conditions affect employment and advancement opportunities. Economic slowdowns are especially hard on workers who, like Families Forward participants, are at the lower end of the skills and wage distribution. Under any kind of economic conditions, employment and wage growth following training generally take several years at least. The Jobs Initiative of the Annie E. Casey Foundation, which like Families Forward focused on helping poor families improve their economic stability through skills training, found even during the economic boom before 2001 that "For most, reaching a family wage takes much longer than anyone originally estimated,"⁹ and

⁹ Iversen, R.R. (2002). *Moving up is a steep climb: Parents' work and children's welfare in the Annie E. Casey Foundation's Jobs Initiative (Overview)*. Baltimore, MD: Annie E. Casey Foundation. Downloaded July 19, 2002, from <http://www.aecf.org/jobsinitiative/ethnography/overview.pdf>

cited prior research that found “it takes three years or more for parents with any employment challenge in their background to approach financial security through work.”¹⁰

In addition to these general considerations, an understanding of the specific labor market conditions in Minnesota since the beginning of the Families Forward initiative is helpful in interpreting the success observed for program participants in finding jobs or moving up to better ones.

Job vacancies and employment

The years of the Families Forward initiative were a time of decreased employment in Minnesota. In the occupational categories most representative of Families Forward participants and their programs (health care, construction, finance and insurance, manufacturing, retail trade, and other services), the available data on employment (for the years 2001 - 2004) show a decrease of 2.8 percent in the number of people employed over an average two-year period.¹¹

In addition to this slight decline in the number of jobs, there was a steeper drop in the number of job openings. In its twice-annual survey of job vacancies, the Minnesota Department of Employment and Economic Development found that the number fell steadily from 2000 to 2003 in nearly every industry sector and occupational group, before beginning to rebound in 2004 and 2005. Despite this rebound, in the main occupational categories for Families Forward participants mentioned above, job vacancies dropped 24 percent on average over any given two-year period between 2001 and mid-2005, when data collection for this evaluation ended.¹²

Hourly wages

A March 2004 report from the Minnesota Department of Employment and Economic Development on hourly wages from 2000 to 2002 shows small changes in pay rates in “low-wage industries.”¹³ Wages for entry-level workers¹⁴ in these industries rose as much as 3.2 percent annually during this period in agriculture, forestry, fishing and hunting, and

¹⁰ Herr, T., & Halpern, R. (1994). *Lessons from Project Match for welfare reform*. Chicago: Erikson Institute (cited by Iversen, p.7).

¹¹ Wilder Research analysis of data from the U.S. Bureau of Labor Statistics, downloaded March 27, 2006 from data.bls.gov/PDQ/servlet/.

¹² Wilder Research analysis of data from the Minnesota Job Vacancy Survey, downloaded December 13, 2005 from www.deed.state.mn.us/lmi/publications/jobvacancy/history.htm.

¹³ Hammida, M. (2004). A look at hourly wages by industry, 2000-2002. *Minnesota Employment Review*, March 2004.

¹⁴ For this purpose, “entry-level workers” includes those at or below the 20th percentile in the wage distribution.

decreased by as much as 0.5 percent annually in administrative, support and waste services. Wages for entry-level workers in other industry sectors were also modest: in construction and health care and social assistance they rose by 1.5 percent annually during this two-year period, and in manufacturing by 2.6 percent. Decomposition by year shows that most of this growth was between 2000 and 2001, with much more modest growth (especially at the lower end of the wage distribution) from 2001 to 2002. This difference reflects the effects of the recession that began (according to the National Bureau of Economic Research) in March 2001. The recession officially ended in November 2001, but it has been followed by a sluggish recovery.

An analysis by Wilder Research of more recent wage data (through 2004) for job classifications most typical of Families Forward participants showed slightly better wage gains. The average two-year wage increases for those relevant jobs, between 2001 and 2004, was 5.9 percent.¹⁵ This figure may reasonably be considered the amount of gain a Families Forward participant might have expected in two years if he or she remained employed but did not participate in the program.

Note that wage and income figures used throughout this report are not adjusted for inflation. According to Wilder Research calculations using Consumer Price Index inflation figures published by the Federal Reserve Bank of Minneapolis, the average two-year inflation rate between 2001 and 2005 was 4.9 percent.¹⁶ This means that the 5.9 percent increase in wages for an average Minnesota low-income worker would yield an effective two-year gain in purchasing power of about 1 percent, after inflation.

Hours

The average number of hours worked per week has changed far less than has average pay per hour. From 2001 to 2004 two relevant industries (home health care and retail–general merchandise) saw average increases of 1.3 and 1.4 percent, respectively. In most other low-wage industries the trend over the same period was a slight decline, including a drop of 0.2 percent in overall retail trade and a drop of 0.4 percent in finance and insurance. The overall change for the private sector as a whole was a decrease of 0.2 percent. In the absence of outside programs, it is likely that Families Forward participants would see no change in the number of hours they worked per week.

¹⁵ These “relevant jobs” were 12 job classifications that account for 51 percent of all Families Forward participants’ job titles at the time of intake: healthcare support, office and administrative support, word processors and typists, cashiers and tellers, retail salespersons, waiters and waitresses, maids and housekeeping cleaners, gaming dealers, nursing aides and attendants, (food) painting and decorating workers, machinists, and packaging and filling machine operators and tenders.

¹⁶ Using the “What is a dollar worth?” feature on the Federal Reserve’s web site at <http://woodrow.mpls.frb.fed.us/research/data/us/calc/>. This 4.9 percent figure averages the separate two-year rates for 2001-2003 (3.955%), 2002-2004 (5.003%), and 2003-2005 (5.761%).

Benefits

A study by the Urban Institute¹⁷ found that between 1999 and 2002 the proportion of the non-elderly population with employer-sponsored insurance coverage fell by 2.2 percentage points. The drop was more than twice as great for families who, like nearly all those in Families Forward, are low-income (having incomes below 200%), for whom the drop of 4.6 percentage points was the equivalent to a 12 percent decrease. About one-quarter of this drop in coverage (26%) was found to be due to changes in employment, another quarter (24%) was due to changes in the rates at which insurance was offered by employers, and about half (48%) was due to changes in take-up by those to whom it was offered. (A small proportion, 2%, was due to other factors.) The decrease in take-up rates, as well as in coverage, was greatest for workers with dependent children.

While the Urban Institute study is only applicable through 2002, more recent national data from the Kaiser Family Foundation finds that the cost of employer-sponsored coverage continued to rise by 9 percent or more per year through 2005, affecting both employers' ability to offer coverage and the costs to employees who take up such offers. In addition, the 2005 findings showed a growing proportion of firms offering coverage at least partially through high-deductible health plans (those with deductibles of \$1,000 or more for individual coverage, or \$2,000 or more for family coverage).¹⁸

In Minnesota, a statewide survey of employers in the first three months of 2005 found that 65 percent of full-time workers and 9 percent of part-time workers were participating in employer-sponsored medical insurance. Slightly fewer (53% and 8%, respectively) were participating in employer-sponsored dental insurance.¹⁹ The survey does not give figures separately for low-income workers.

Less information is available to compare the availability of other major job-related benefits, particularly sick and vacation time. A 2002 survey of a nationally-representative sample of families²⁰ found that 80 percent of working parents had access to some kind of paid leave. However, only 46 percent of those with incomes below poverty had access to any paid leave, compared to 84 percent of those at 200 percent of poverty or higher.

¹⁷ Blumberg, L.J., & Holahan, J. (2004). "Work, offers, and take-up: Decomposing the source of recent declines in employer-sponsored insurance." *Health Policy Online*, No. 9. Downloaded from the Internet May 27, 2004, from www.urban.org/UploadedPDF/1000645_healthpolicyonline_no9.pdf

¹⁸ Gabel, J., Claxton, G., Gil, I., Pickreign, J., Whitmore, H., Finder, B., Hawkins, S., & Rowland, D. (2005). Health benefits in 2005: Premium increases slow down, coverage continues to erode. *Health Affairs*, 24 (5) 1273-1280.

¹⁹ Labor Market Information Office, Minnesota Department of Employment and Economic Development, and State Society of Human Resource Managers. *Minnesota employee benefits survey, Spring 2005*. Saint Paul: Authors.

²⁰ Phillips, K.R. (2004). *Getting time off: Access to leave among working parents* (New Federalism policy brief No. B-57). Washington, D.C.: The Urban Institute.

Considering this evidence about trends for low-wage workers in the U.S. and Minnesota in general in the early years of the 2000s, we would anticipate the following two-year changes for low-wage workers without access to special programs:

- Decreasing employment and, if unemployed, decreasing access to job vacancies.
- Wage growth of about 3 percent per year.
- No change in the number of hours worked per week.
- Steady or falling rates of availability of employer-sponsored health care, and steady or lower rates of using (“taking up”) such coverage because of the increased costs to employees in premiums and co-pays.

Outcomes for Families Forward participants

Outcomes reported here show overall gains not only in employment status, wages, hours, and benefits, but also in work stability, family stability, and confidence and motivation.

Employment status and stability

Employment status. Of the cohort of 363 participants surveyed two years after enrollment, 236 (65%) were employed at intake, and 291 (80%) were employed two years later. A few (11%) of those employed at intake were not employed at two years, so a total of 55 percent were employed at both times. Nine percent were employed at neither time (but most of these were employed for at least part of the two years in between). (Source: Wilder Research survey)

From baseline to two years later, this represents a 23 percent increase in the number of employed participants. This compares favorably to the 2.3 percent drop in overall employment in comparable occupational categories in Minnesota in the same time period, especially in light of the 24 percent drop in job vacancies.

In addition to the 11 percent of participants who were working at baseline but not at the two-year follow-up, another 36 percent had jobs at follow-up that were no better than when they started. However, over half of participants (53%) had either gotten a job after not having one at the start, or reported that their jobs two years later were “a step up” from where they had started. This group included 34 percent who reported that their participation in the program had helped them to get those jobs. (Source: Wilder Research survey)

Employment stability. Not only were more participants working at the two-year follow-up point, but they were working more steadily. At intake, participants averaged 3.9

months out of the previous six months in which they had worked at least 20 hours per week for at least two weeks. By comparison, two years later the average was 4.6 months out of the previous 6, or an 18 percent gain. (Source: Wilder Research survey)

Wages, hours, and monthly income

Wages. At the two-year follow-up, besides the 11 percent of participants who were employed at intake but not at follow-up, another 11 percent reported that their wages were the same as or lower than at intake. Nine percent who were not employed at either time also had wages (of \$0 per hour) that were the same as at intake. The remaining 70 percent reported that their pay rate was better than when they started. Forty percent, including over half of those who had no job at intake, reported that their participation in the program helped them get the increase in pay. (Source: Wilder Research survey)

Data from Wage Details records shows the amount of improvement in wages. For those who were employed at both times, the average increase was 14 percent, from \$11.19 to \$12.72 per hour. For a more complete picture of program effects, we also calculated the average change for all participants, including those who were not employed: the average increase for this overall group was 12 percent, from \$7.26 to \$8.12 per hour. (Source: Wage Detail records)

Hours. At the two-year follow-up, 19 percent of participants were working fewer hours than when they started (including those who were not currently working at all), and 28 percent reported that they were working the same number of hours per week. The remaining 53 percent reported that they were working more hours than at baseline (including those who were not employed at the start but who had jobs at the two-year follow-up point). In this latter group of 53 percent were 25 percent who reported that their participation in the program had helped them get the job or the increased hours. (Source: Wilder Research survey)

The Wage Detail records document the amount by which participants' hours of employment changed. For just those who were employed at both times, the average increased by 8 percent, from 25.6 to 27.6 hours per week. Again, to examine these changes for all participants, we also calculated the change including those who were not employed at one or both end points: the average change for this group was from 17.1 to 17.4 hours, a 2 percent gain. (Source: Wage Detail records)

Monthly income from wages. Monthly income is affected both by hourly wage rates and the number of hours during which those are earned. Thus the separate gains in wage rates and hours result in higher gains in monthly income. For just those employed at both times, the change was a 22 percent increase, from \$1,243 to \$1,520. The overall average, for all participants regardless of employment status, was from a baseline of \$826 per

month to \$941 at follow-up, for an average increase of 14 percent in two years. Even including participants who were not employed at either time, and those who were employed initially but not at the follow-up, this compares favorably to the 6 percent gain typical for average Minnesota workers in comparable occupational categories over the same time period. (Source: Wage Detail records)

Benefits

Health care benefits. At baseline, 62 percent of participants were not working or were in jobs that did not offer health care benefits. Thirty-seven percent were offered benefits, including 28 percent who were taking them.²¹ At the two-year follow-up point, only 41 percent were not working or were in jobs that did not offer them benefits. Fifty-eight percent were offered benefits, including 40 percent who were taking them. (Source: Wilder Research survey)

This increase of 12 percentage points in participation in employer-sponsored health care benefits compares favorably to the overall rates of employer-sponsored coverage in the low-wage workforce during the same time period, which showed level to falling rates of participation.

Dental benefits. The outcomes for dental benefits are similar to those for health care benefits. The proportion of participants who were offered dental benefits increased from 34 percent at baseline to 57 percent at follow-up. The proportion taking dental benefits increased from 25 percent to 35 percent. (Source: Wilder Research survey)

Paid time off. The proportion of participants in jobs with paid sick time increased from 25 percent to 48 percent, and the proportion with paid vacation time increased from 36 percent to 58 percent. (Source: Wilder Research survey)

Personal and family stability

Compared to their situations at the time they started the program, over one-quarter (29%) of participants had more stable personal and family situations at 24 months, based on an analysis of 11 questions about issues such as homelessness, health problems that prevented or impeded working, low availability of social support, and problems with child care, credit, transportation, and the like (see above, page 29). Most (57%) maintained about the same level of stability, and fewer (14%) reported more challenges to stability at 24 months.

²¹ Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some participants who would be eligible after working in the same position longer. Benefits may not be taken for a variety of reasons, including the cost of premiums or co-pays, or coverage through a spouse's benefits. Participants not taking medical benefits may or may not have coverage through another source.

Among the roughly one-third (38%) who started with the least stable situations, 68 percent had increased their stability by follow-up. (Source: Wilder Research survey)

Motivation

In June 2005, a group of employers participating in two Families Forward programs gathered for a discussion with program and policy leaders. During their discussion of reasons for their interest in the continued development of their incumbent workers, they mentioned that they often found entry-level workers fearful of trying new things. This echoed earlier findings from a survey of grantees, in which program staff estimated that a sizeable minority of participants (around one in six) entered the programs with somewhat or severely limited motivation or potential to advance. In this context, it is encouraging that Families Forward participants have given particularly strong accounts of the extent to which the programs helped them to surmount such motivational barriers.

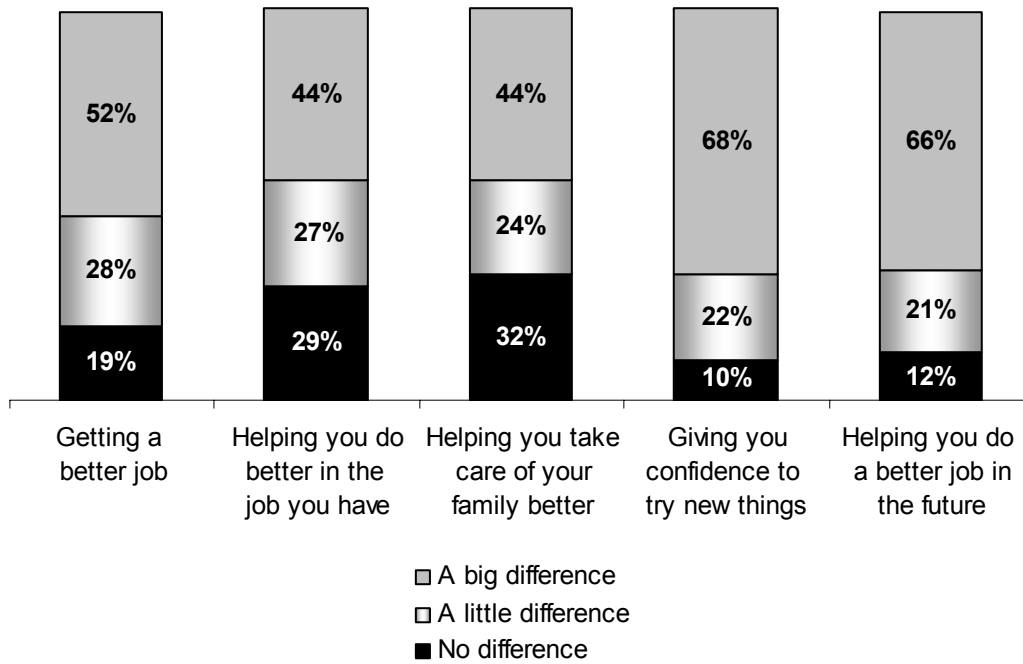
Nearly all participants (91%) reported during the 24-month follow-up interview that their program “help[ed] you get motivated and encourage[d] you to think you could do something new or something more.” Most training took place within the first three months of most programs, and only 13 percent of participants were still receiving any services from their programs at two years. The fact that so many participants still reported this kind of impact on attitude at this later date is thus a significant indication that the motivational change was more than temporary and lasted beyond the time that they were receiving direct services or support.

Participants were also asked whether they currently (that is, at the two-year follow-up point) had a goal for the kind of job they planned to be in within the next three to five years. About three-quarters (79%) of participants reported that they had such a goal. Of these, about one-third (35%) reported having that goal in mind before they started the program, but 22 percent reported that the program helped them decide on it, and an addition 43 percent had decided on it after completing the program.

What participants say about the value of the program

In the two-year follow-up interview, participants were asked how much difference they felt the program made in helping them to get a better job now, do better in the job they had, take better care of their family, gain the confidence to try new things, and get a better job in the future. In order of most frequent mention, participants reported that the program made “a big difference” in giving them confidence to try new things (68%) and helping them get a better job in the future (66%), as well as helping them get a better job now (52%), helping them take care of their family better (44%), and helping them do better at their current job (44%).

2. Participants' ratings of the difference the training made in various aspects of their lives



Source: Wilder 24-month follow-up survey of participants.

Reinforcing the strongly positive reports about the program's effects on motivation (mentioned above), "giving you confidence" was the area in which participants were least likely to report that the program made "no difference" (10%).

Over four out of five participants (83%) reported that, when they thought back to where they were when they started the program two years earlier, they felt it had given them what they needed to succeed in the workplace. Asked what it was that they had received that had been most helpful, they most commonly cited the training or new skills (31% of this group), a new or better job or better job performance that their new skills had helped them attain (25%), and growth in confidence, attitude, and motivation (24%). Other themes mentioned by more than 10 percent of respondents were financial or material help (15%), personal support, encouragement, and guidance from program staff (15%), and gains in knowledge or connections (14%).

Only 17 percent reported that they had needed something that the program had not provided. The elements that were most commonly cited as lacking once again reinforced the same themes about important components of effective programs: financial or other material help (24% of those who said there was a lack, or 4% overall), and personal support, encouragement, or guidance from program staff (23% of those who said there

was a lack, or 4% overall). Seventeen percent of the group who reported any lack (3% overall) reported that they had needed more training than they had received.

Participants were asked to say, based on their experiences in the program, what one or two things were most important for the people in charge of the programs to know. When their responses were grouped by theme, by far the most common response was an expression of satisfaction with the program or staff, without describing specific elements (42%). In addition, 27 percent reported good outcomes as a result of the program, again without specifying particular elements that caused those results. The next most common response, and the most common theme that mentioned a specific program element, came from the 18 percent who highlighted the guidance, support, and encouragement they received in trying new things or help received to reach their goals. Far fewer participants mentioned any kind of complaint or suggestion. The most common such mention came from 6 percent who would have liked program staff to be more involved (either by following up longer, or by offering more one-on-one support).

Summary of two-year outcomes

Figure 28 below summarizes wage, hour, and monthly income changes experienced by Families Forward participants in the two years following their enrollment in their programs, and compares these with what is known about job trends for low-wage workers in Minnesota in general.

3. Summary of two-year wage, hour, and income changes for all participants, with comparison to wage and hour changes for low-wage workers in Minnesota

	Two-year change in hourly wage		Two-year change in number of hours worked per week		Two-year change in monthly income	
	All Families Forward participants	Low-wage workers in general	All Families Forward participants	Low-wage workers in general	All Families Forward participants	Low-wage workers in general
Unadjusted	11.8%	5.9%	2.0%	0%	14.0%	5.9%
Adjusted for inflation	6.9%	1.0%			9.1%	1.0%

Sources: Families Forward participants: Wage Detail records from the Minnesota Department of Employment and Economic Development, with calculations by Wilder Research. Low-wage workers in general: published labor market information from the Minnesota Department of Employment and Economic Development, with calculations by Wilder Research. Inflation: Federal Reserve Bank of Minneapolis. (See notes above, pages 36-39, for details.)

Figure 4 summarizes other outcomes for participants from the follow-up surveys.

4. Summary of other two-year outcomes

	Entire 24-month follow-up cohort	
	Number 362 ^(a)	Percent 100.0%
Employed at intake	236	65.2%
Employed at 24 months	291	80.4%
Job quality improved (not employed at intake but working at 24 months; better position at 24 months)	192	53.0%
Job hours improved (not employed at intake but working at 24 months; more hours at 24 months)	191	52.9%
Hourly wages improved (not employed at intake but working at 24 months; higher pay at 24 months)	252	69.6%
Number/percent participating in health benefits at intake	100	27.7%
Number/percent participating in health benefits at 24 months	144	39.8%
Number/percent participating in dental benefits at intake	90	24.9%
Number/percent participating in dental benefits at 24 months	127	35.1%
Number/percent with paid sick time available at intake	94	26.0%
Number/percent with paid sick time available at 24 months	176	48.6%
Number/percent with paid vacation available at intake	132	36.5%
Number/percent with paid vacation available at 24 months	212	58.6%
Workforce attachment: Number of past six months in which participant worked at least 20 hours per week for at least two weeks	Average at intake Average at 24 months	3.9 months 4.6 months
Improved on an 11-item scale of personal and family stability (N=154 who also completed the 3-mo FUP survey)	44	28.6%
Program helped with motivation	328	90.6%
Program made “a big difference” in terms of ...		
Getting a better job	190	52.5%
Doing better in the job you had when you started	123	33.9% (40.4% of those who had a job at the start)
Helping you take better care of your family	158	44.3%
Giving you confidence to try new things	245	67.7%
Getting a better job in the future	236	66.5%

Sources: Intake data forms collected by grantees; Wilder Research 3-month and 24-month follow-up surveys.

Notes: ^(a) 363 participants were surveyed, but one did not answer the questions about current employment status.

Indicators of longer-term outcomes

Not all job outcomes expected as a result of Families Forward programs are likely to be evident within the first two years after program enrollment. The gains observed to date in personal and family stability, together with the participants' self-reported growth in motivation and confidence, suggest that a solid foundation has been laid in the first two years for continued growth in participants' quality of life in a variety of ways.

A glimpse of likely wage and hour outcomes for one additional year can be obtained for a small number of early participants for whom three-year Wage Detail data were available. These include 251 who were employed in the baseline quarter, in the quarter three years later, or both. Using the same methods as for the two-year cohort, we estimate that an additional 34 participants were employed in neither of those quarters. Including all 284 in the calculations, the data show gains in wages and hours that continue to exceed those expected for low-wage workers on average:

- Average hourly wages (including wages of \$0 for those not employed) increased from \$7.07 at baseline to \$8.50 three years later. This is an average increase of \$1.43 per hour, or a 20 percent increase in hourly wages over the three-year period.
- The average number of hours worked per week increased from 16.6 at baseline to 18.3 three years later. This is an average increase of 1.6 hours per week, or a 10 percent increase in work hours from baseline to three years later.
- Combining these increases in hours and wages per hour, participants' average monthly income increased substantially. At baseline, this group of participants were earning an average of \$803 per month, and by three years later they were earning an average of \$986 per month, for an average increase of \$182 per month, or a 23 percent increase in monthly income over the three years.

These results should be interpreted with some degree of caution, given the relatively small number of participants on whom they are based. However, similarly early indicators for last year's equally small group of two-year participants have been closely replicated by this year's more complete follow-up data.

Figure 5 below summarizes the wage, hour, and monthly income findings for follow-up periods of one, two, and three years. These findings show substantial growth in hourly wages and hours worked per week. As a result, the growth in monthly income is significant. Most striking, the multi-year evidence suggests that the two-year results that are the main focus of this report are likely to be conservative estimates of the actual outcomes of the Families Forward initiative, representing the lowest of the three points currently available in the overall trend lines.

5. One-, two-, and three-year outcomes for wages, hours, and income

Entire cohort		1 Year N=895	2 Years N=669	3 Years N=284
Employed both times		525 (59%)	282 (42%)	124 (44%)
Employed at baseline, not at follow-up		112 (13%)	153 (23%)	56 (20%)
Employed at follow-up, not at baseline		151 (17%)	154 (23%)	70 (25%)
Employed neither time*		107 (12%)	80 (12%)	34 (12%)
Average hourly wages	At baseline	\$8.10	\$7.26	\$7.07
	At follow-up	\$9.35	\$8.12	\$8.50
	Amount of change	\$1.25	\$0.86	\$1.43
	Percent change	15%	12%	20%
Average hours per week	At baseline	19.1	17.1	16.6
	At follow-up	20.8	17.4	18.3
	Amount of change	1.7	0.3	1.6
	Percent change	9%	2%	10%
Average monthly income	At baseline	\$944	\$826	\$803
	At follow-up	\$1,116	\$941	\$986
	Amount of change	\$172	\$115	\$182
	Percent change	18%	14%	23%

Source: Wage Detail data from Minnesota Department of Employment and Economic Development; additional calculations by Wilder Research. Unemployed participants are included in the averages, calculated at \$0 wages and 0 hours per week.

Notes: Wage and income figures are not adjusted for inflation.

* *Employed neither time:* The number is estimated at 12 percent of the total for each follow-up point, based on 1-year and 2-year survey data. The survey found 12 percent employed neither time for the 1-year follow-up and 9 percent employed neither time for the 2-year follow-up. We have used the more conservative 12 percent estimate for all the follow-up periods, based on the presumption that those not employed at either time were harder to locate for the longer-term follow-up survey.

Factors affecting outcomes

Evaluation results suggest several factors that appear to affect outcomes for participants. In the sections that follow, each of the following is discussed:

- Specific kinds of services received by participants.
- More general kinds of overall program approaches to training and services.
- Help from the program to balance work, family, and training responsibilities.
- Whether or not the participant changed employers.

Kinds of services that matter for outcomes

Of the 363 participants who were surveyed for the two-year follow-up cohort, 99 had also previously completed a follow-up interview three months after starting their programs. In this survey they provided information about the services they had received up to that point, and services that they did not receive but felt they had needed. Research staff compared the likelihood that a person receiving a service would obtain a specific two-year outcome (such as a better job, or increased wages) compared to the likelihood that a person not receiving that service would obtain the same outcome.

It was not always possible to know, from participants' responses to the survey, whether the services they had received were provided by the program or were obtained by the participant independently from another source. This distinction, however, is relatively unimportant for program design. Programs were more effective in moving participants forward if they helped ensure that roadblocks to advancement were removed, regardless of whether they themselves helped to remove them or simply helped participants access other sources of help. It will be helpful to future program designers to know the services that helped Families Forward participants, so they can better understand the kinds of needs that it will be helpful to assess, and so they can plan for either direct or indirect help to be provided to address those needs.

The table below shows, for each outcome, the services that were more likely to have been received by those with a more favorable outcome. The odds ratio (third column) indicates how much more likely participants with a favorable outcome were to have received the service compared to those who did not have that outcome. The statistical significance (last column) indicates the likelihood that this difference was due to chance alone. For example, reading across the first line of the table, participants whose pay at 24 months was higher than at intake were 1.2 times more likely to have received training in

job-specific skills than were participants who did not receive raises; the chance that this difference is unrelated to the program's effects is less than 5 chances out of 100.

6. Services linked to increased likelihood of positive outcomes

Outcome	Services linked to increased likelihood for this outcome	Odds ratio*	Statistical significance**
Higher pay at 24 months	Training in job-specific skills	1.2	< .05
Participation in the program helped get the higher pay	Help to identify or get into a suitable training opportunity	1.5	< .01
	Help with soft skills (asked as, "help to learn basic job expectations like getting to work on time, keeping your temper on the job, or working with your supervisor")	1.3	< .05
Job at 24 months is a step up	Help with budgeting or money management	1.5	< .05
Participation in the program helped get the better job	At least one kind of assessment	1.9	< .01
	Help with transportation needs or problems	1.4	< .05
	Testing for academic skills or learning ability	1.4	< .05
	Testing for English language skills	1.4	< .05
Improved personal or family stability	Help with child care	2.0	< .01
	Job retention help	1.8	< .05
	Assessment of job-specific skills	1.8	< .05
	Assessment of computer skills	1.7	< .05
Program helped motivate and encourage	Testing for English language skills	1.1	< .01
	At least one kind of assessment	1.1	< .05
	Training to operate a computer	1.1	< .05
	Testing for computer skills	1.1	< .05
	Help with job placement after training	1.1	< .05
	A career aptitude assessment or other service to see what kind of job might be the best fit	1.1	< .05
Working more steadily at 24 months	Help with job placement after training	2.1	< .01
	Consultation with someone to determine the kinds of support needed to get or stay in a job	1.7	< .01
	Help dealing with family violence	4.5	< .05
	Assessment of job-specific skills	1.5	< .05

Sources: Intake data collected by grantees and Wilder Research 3-month and 24-month follow-up surveys.

Notes: * The odds ratio shows how much more likely a person who received this service was to have a favorable outcome, compared to a person who did not receive the service. **The statistical significance is the likelihood that this difference between groups occurred by chance (.05 means there are five chances in one hundred that the difference is not due to the program; .01 means there is only one chance in a hundred that the difference is not due to the program).

Effect of overall program model differences (selected features)

Information from participants and program staff alike confirm that the specific services received by any particular participant were highly individualized within most programs. However, there were other ways in which particular programs, while internally consistent, differed significantly from other programs. Some of these were:

How potential participants were identified and recruited, including:

- Individual self-identification and self-referral based on flyers, word of mouth, etc.
- Referral from other programs in county agencies, nonprofits, etc.
- Identification by employers based on current job classification.

The kinds of skills that were the primary focus of training, including:

- Skills for one or more specific job classifications within a single employer.
- Skills relevant to one or more specific industry sectors (such as health care, construction, manufacturing, or banking), applicable to a variety of jobs with a variety of employers in the sector.
- Job skills specific to an individual career focus based on the participant's interests and aptitudes.
- Broadly transferable skills in English as a second language, computer use, or "soft skills" relating to teamwork, communication, and networking.

The main providers of training, and settings in which training took place:

- Training providers included post-secondary education institutions (credit or non-credit classes), nonprofit agencies, and state/county WorkForce Centers.
- For any of these providers, the locations of the training may have been the provider's main facility or campus, a satellite site in the community, or the participant's workplace.

The relative emphasis in the kinds and amount of support services made available to help participants access training, stay in it, and find jobs after it, including:

- Assessment, before and after training, of skills for a specific job.
- Help to identify and resolve barriers directly related to employment, such as help with job placement or the purchase of needed equipment.

- Help to identify and resolve personal and family barriers indirectly related to employment, such as help with transportation, child care, or credit counseling.

The differences in program models reflect underlying differences among grantees regarding geographic settings, organizational partners, and prior program expertise and clientele (among others). In turn, these program variations also have varying implications for the kinds of participants who can most readily be served, as well as the kinds of strategies most likely to be effective for helping participants advance. For example:

- A program that works directly with a single employer to provide customized training may serve only current employees (or possibly also newly hired employees), whereas a program that serves current or recent welfare recipients is likely to work with a range of employers and serve a mix of fully-employed, under-employed, and unemployed workers.
- In many rural parts of the state there are few individuals in need of the same training in the same general location at the same time. As a result, more individualized training strategies are more likely to be developed.
- Where participants' initial jobs are in industries with few intermediate rungs on the career ladder, or in workplaces too small to have likely vacancies for advancement, strategies for helping low-wage workers move into better jobs are more likely to emphasize preparing to change employers or industry sectors. They are less likely to seek to augment current specific job skills in order to move upward in the same workplace or industry.

Grouping of programs for the purpose of analysis

While recognizing that the programs varied widely, it is nevertheless useful to group them according to shared common features. For the purpose of analysis, evaluators classified the programs into four groupings (see Figure 7 below) based on the extent to which programs recruited and trained participants individually or in groups, and the amount and kinds of services offered in support of the training. (Brief descriptions of each program are included in the Appendix.)

The individualized cluster served the youngest participants, on average. The next-older average age was in the sectoral–higher support cluster, followed by the sectoral–lower support cluster, and the employer-based cluster served the oldest participants. Similarly, there was a consistent gradient across the four clusters from least to most steady employment and least to most time in their current jobs. This sorting by cluster, while not deliberate, suggests that different program models may be best suited to people who are stuck at different stages of their work life.

However, all programs targeted people in low-wage work, which is often part-time and temporary. Therefore, people who were incumbent (currently employed) workers at the time they started a program might find themselves unemployed a short time later. The unpredictable nature of low-wage employment is reflected in the high proportion of unemployed and part-time employed participants in all the clusters except employer-based.

Individualized programs identified participants one by one, and provided services according to individual needs and interests. In most, training opportunities were not restricted to pre-determined training programs or industry sectors (although Communities Investing in Families focused on certain sectors with high employment and career potential). All individualized programs provided significant levels of support in addition to training, for personal and family issues as well as employment issues. Most participants (88%) were employed when they started the program, but only 37 percent were working full-time.

Sectoral programs offered training and employment opportunities focused in specific high-demand industry sectors and were designed to meet the skill needs of those sectors. Like individualized programs, most identified participants individually through self-referral or through other service providers. However, most had closer relationships with specific employers or industry groups compared to the individualized programs, and some worked closely with these employers in their recruitment as well as in placement of participants following training. One site (Teamworks) worked directly with employers in the identification of individuals to be trained. In general, the sectoral programs had the lowest proportion of employed participants.

The sectoral cluster is subdivided according to the balance of kinds of supports offered to participants to reduce training and employment barriers:

Sectoral–higher support programs provided considerable assistance to help participants resolve personal and family barriers to program participation, work readiness, and/or job retention. Fewer than half of participants in this cluster (46%) were employed when they started the program, and only 21 percent were working full-time.

Sectoral–lower support programs typically provided some assistance to help participants stay in the program and/or job, but most program effort was focused on addressing education and training needs and solving work-related (rather than personal) barriers. Slightly more participants (64%) were employed at intake, including 42 percent who were working full-time.

Employer-based programs identified participants through their employers and provided training services through employers, based on employees' existing job status and the specific skill requirements for those positions. Either as a main focus or as a significant component of the program, three of the four employer-based programs included occupational English training for employees who were not native English speakers. All participants in this cluster of programs were working full-time at intake.

These cluster categories bring out important considerations about program design, although they do not address some other kinds of variation among programs. For instance, there were a wide range of approaches among the sectoral and individualized programs in how support services were delivered, including differences in the extent to which they were individually- or group-oriented and differences in the extent to which the lead organization provided the help or referred the participant to other service providers for supports. In addition, some programs could be classified differently depending on what aspects of the program are emphasized in making the groupings, or based on adjustments in program features over time. In particular, the level of support services appears to have become more equal among the sectoral programs in the later years of the initiative.

As Figure 8 shows, there were some significant differences among the different clusters in the kinds of participants they served. On several measures, there was a consistent gradient from individualized programs at one end, through sectoral–higher support programs and then sectoral–lower support programs in the middle, to employer-based programs at the other end. On this gradient, participants in the employer-based programs have the highest average age, are most likely to be men, are most likely to be married, have been in their current job the longest time, and have the fewest (self-reported) barriers to employment and personal and family stability. The same gradient also was observed on a number of job quality measures, including average monthly income, hours per week, and the availability of medical, dental, and vacation benefits. Many, but not all, of these characteristics are commonly associated with a later or more mature stage of life. On some of these measures, sectoral–higher support and individualized cluster participants were approximately equal.

No consistent pattern is observed among the clusters with respect to other personal characteristics, including education level, English language proficiency, and racial and ethnic background.

Clusters were notably different from each other in the proportion of participants who were employed or unemployed at the time of intake, and in the proportion of employed participants who worked full-time (35 hours per week or more) or part-time. At the two extremes, in the employer-based cluster 100 percent of participants worked full-time, whereas in the sectoral–higher support cluster only 46 percent were employed, including only 21 percent full-time.

8. Key characteristics of participants, by program cluster

	Individualized N=372	Sectoral– higher support N=509	Sectoral– lower support N=246	Employer- based N=295
* Average age	31	30	33	36
* Percent men / women	10% / 90%	22% / 78%	36% / 64%	57% / 43%
* Percent married	13%	34%	43%	68%
* Avg. number of barriers ^(a)	2.4	2.2	1.6	0.9
* Avg. weeks in current job	51	82	149	151
* Avg. work hours / week	30	31	33	41
* Percent with medical benefits available	40%	42%	61%	98%
* English as primary language	94%	76%	77%	19%
Avg. household income ^(b)	\$1,211	\$1,095	\$1,838	\$2,468
Percent below poverty	42%	54%	35%	5%
Percent employed	88%	46%	64%	100%
Employed full-time ^(c)	37%	21%	42%	100%
Race/ethnicity:				
Black / African American	32%	47%	30%	16%
American Indian	22%	9%	16%	<1%
Asian	4%	3%	-	33%
Non-Hispanic White	39%	36%	39%	17%
Hispanic	3%	4%	14%	34%
Other, incl. mixed race	1%	2%	2%	-

Source: Intake data forms collected by grantees.

Notes: Includes all participants in the two-year follow-up cohort. * Characteristics that show a consistent gradient in their distribution, from the individualized cluster at one end, through the sectoral–higher support and then sectoral–lower support clusters, to the employer-based cluster at the other end. On some of these gradient characteristics, the individualized and sectoral–higher support cluster are essentially equal. (a) Average number of (self-reported) employment and personal barriers, from list of 11 asked. (b) Average monthly household income from all sources (self-reported; typically is higher than that computed from Wage Detail records) (c) Full-time employment is defined as 35 or more hours per week.

Differences in services

Figure 9 below shows the significant differences between the clusters in the types of services received by participants in the 24-month follow-up reference cohort.

Reflecting the individual attention that is the common thread among programs in the individualized cluster, participants in these programs were 2.5 times more likely than other participants to report that they had received case management services. Reflecting their lower incomes and higher levels of personal and employment barriers, they were also more likely to report a variety of unmet needs. These included English language assessment (which they were less likely than others to have received), as well as help with tuition, purchase of job equipment or supplies, and job placement – all services that they were equally likely to receive as participants in other clusters, but for which they expressed a level of need that was greater than that reported by other participants.

Participants in the sectoral–higher support programs were significantly more likely than others to report that they had received an assessment of specific job skills, help with job placement, and an assessment of the kinds of help they might need to retain and succeed in their job.

Participants in the sectoral–lower support programs were significantly more likely to report receiving help to identify or access an appropriate training program, as well as help with tuition costs. Reflecting an important component of one program in this cluster, they were also more likely to report receiving help with the purchase of job equipment and supplies. Participants in this cluster were less likely than others to receive an assessment of their computer skills, and reported higher levels of unmet need for English language skill assessment.

Reflecting a common kind of training offered in the employer-based cluster, participants in this set of programs were 5.7 times more likely than others to receive training in English language skills. They were less likely than other participants to receive career aptitude assessments or assessments of the kinds of job support they needed, and reported higher levels of unmet needs for these services.

It is important to note that these differences in services received and needed apply to one specific cohort of Families Forward participants. These participants – those in the group who answered both the 3-month and the 24-month follow-up survey – were enrolled relatively early during the initiative, while some programs were still adjusting their service models. Surveys of later participants show somewhat different patterns of services. In particular, later participants reported slightly higher rates of receipt of a somewhat wider variety of assessments and kinds of training, and somewhat higher levels of support services.

9. Services received in the first three months: Comparison among clusters

	Odds ratio and statistical significance			
	Individualized N=46	Sectoral– higher support N=84	Sectoral– lower support N=66	Employer- based N=33
Aptitude assessment				(2.99) ***
Help to identify and/or access training			1.31 *	
English assessment	(2.80) ***		*	
Hard skills (specific job skills) assessment		1.39 *		
Computer assessment			(2.64) **	
Tuition help	**		1.78 ***	
Computer training				
ESL training				5.70 ***
Help to purchase job equipment or supplies	**		2.15 ***	
Job placement help	**	2.03 ***		
Support needs assessment		1.4 *		(2.65) **
Case management	2.46 ***			
Child care help		*		

Source: Wilder 3-month follow-up survey (limited to only participants in the 24-month follow-up cohort).

Notes: Where participants were more likely to receive a service, odds ratios are shown in bold face. Where participants were less likely to receive a service, odds ratios are shown in (parentheses), but only if they also reported a statistically significantly higher level of unmet need for the same service. Asterisks indicate the likelihood that the difference in odds is due to chance alone: * $p < .05$, ** $p < .01$, *** $p < .001$. Where asterisks appear without an odds ratio, participants' odds of receiving the service were not significantly higher or lower than other participants', but participants were significantly more likely to report an unmet need for that service.

Differences in outcomes

The large differences among clusters in participants' initial employment status makes it important to examine cluster results separately to see whether these difference might contribute to different results. We analyzed the survey data to examine cluster differences in outcomes holding initial employment status constant. This analysis showed that nearly all differences in outcomes among clusters were related to participants' initial employment status:

- Participants who were unemployed at intake were 1.1 times less likely to be employed at two years, compared to those who were employed at intake ($p < .05$). Holding employment status constant across clusters, initially unemployed participants in the individualized cluster were 1.5 times less likely than those in other clusters to be employed at follow-up ($p < .05$).

- Those who were **employed part-time** at intake were more likely (compared to those employed full-time or those unemployed at intake) to have gained hours, or to be working more steadily, at follow-up. There were no significant differences among clusters in results for part-time workers.
- Those who were **employed full-time** at intake were 1.2 times more likely than others to be employed at follow-up ($p < .01$). Compared to those in the other clusters, full-time employed participants in the individualized cluster were 1.2 times *less* likely to be employed at follow-up ($p < .05$).
- Those who were **employed full-time** at intake were no more or less likely than part-time workers to report increased wages at follow-up, but if they did receive pay raises, they were 1.4 times more likely to report that their participation in the program helped ($p < .05$). There were no significant differences among clusters in this regard.
- Those who were **employed full-time** at intake were no more or less likely than part-time workers to report that they were in a better job at follow-up. However, those in the employer-based program who were in better jobs were 1.5 times *less* likely to report that their participation in the program helped ($p < .05$).

The main difference not related to initial employment status was a lower level of employment at follow-up for participants in the individualized sector. This may reflect the fact that programs in this model tended to be unable to focus on specific employers or industry sectors. As a result, although they programs worked hard to cultivate relationships with employers, these relationships tended to be less close than those between grantees and employers in the other clusters that had a sharper industry focus. Another possible explanation is that about half (47%) of participants in this cluster were in programs in rural parts of the state with fewer employment opportunities.

Effect of help to balance work, family, and training

Participants were asked two open-ended questions about aspects of their jobs that made it harder or easier to be a good parent. In response to the first of these questions, 39 percent reported that there was nothing about their job that created difficulties in this respect. Twenty-nine percent reported difficulties due to inconvenient work schedules, and 28 percent reported difficulties due to not having enough time for themselves or their families. In response to the second question, only 10 percent reported nothing about their job that helped them be a better parent, while 36 percent mentioned the pay or income they received from the job, 30 percent mentioned having enough time, or sufficiently flexible time for parenting. Nineteen percent mentioned the skills they gained on the job as

beneficial to their parenting (including English language skills, social skills such as patience, and care-giving skills learned by some participants in health care programs).

About half (53%) of participants reported that their Families Forward program had provided some kind of help to make it easier for them to do both their work and their parenting well. In response to an open-ended question about the kind of help provided, respondents most often mentioned help with personal and general life skills. This included such things as help with attitude or anger management, help to set priorities, help with time management, help with financial management, help to become more organized, and other kinds of personal growth. Such kinds of help were mentioned by 26 percent of those who reported receiving some kind of help balancing work and parenting. Notably, these same kinds of personal and life skills are typically considered important “soft skills” in a work context. Other common kinds of help were help with child care and other parenting responsibilities or parenting skills (21%), providing the program on a convenient or flexible schedule that accommodated their other responsibilities (16%), provision of support, counseling, or similar services (16%), and help to get or keep a job or advance to a better job (13%).

Participants who reported that the program had helped them balance work and parenting – in any of the above kinds of ways – were significantly more likely than other participants to report a number of important positive outcomes at the 24-month follow-up, including better job positions and increased motivation. In addition, they were significantly more likely to credit the program as a factor in other outcomes. Figure 10 (next page) summarizes the outcomes that were significantly more likely to be reported by participants who had received help balancing work and parenting responsibilities.

10. Outcomes that are more likely if the participant received help balancing work and parenting responsibilities

Outcome	Odds ratio*	Statistical significance**
Job at 24 months is a step up	1.2	< .05
Participation in the program helped get more hours	2.0	< .01
Participation in the program helped get higher pay	1.4	< .01
Program helped with motivation and encouragement	1.1	< .01
Program made a big difference in ...		
getting a better job now	2.0	< .001
helping you do better in the job you had	2.1	< .001
helping you to take care of your family better	2.8	< .001
giving you confidence to try new things	1.6	< .001
helping you to get a better job in the future	1.4	< .001

Source: Wilder Research 24-month follow-up survey of participants.

Notes: * The odds ratio shows how much more likely a person who received this service was to have a favorable outcome, compared to a person who did not receive the service. **The statistical significance is the likelihood that this difference between groups occurred by chance (.05 means there are five chances in one hundred that the difference is not due to the program; .01 means there is only one chance in a hundred that the difference is not due to the program).

Only 12 percent of participants reported that their participation in the program made it harder to do both their work and their parenting well. For this small group, by far the most common difficulty mentioned was being expected to do more than they were able to, including not enough time or having classes at inconvenient times (88%).

Participants who reported that participation in the program made it harder to balance work and parenting had significantly lower gains than other participants in steady employment at the two-year follow-up. In addition, they were significantly more likely to report that the program made “no difference” in helping them take care of their family better. See Figure 11.

11. Negative outcomes that are more likely if the participant reported that participation made it harder to balance work and parenting responsibilities

Outcome	Odds ratio*	Statistical significance**
Participant is not working more steadily at 24 months compared to at intake	1.4	< .05
Program made no difference in helping you to take care of your family better	2.1	< .001

Source: Wilder Research 24-month follow-up survey of participants.

Notes: * The odds ratio shows how much more likely a person who received this service was to have a favorable outcome, compared to a person who did not receive the service. **The statistical significance is the likelihood that this difference between groups occurred by chance (.05 means there are five chances in one hundred that the difference is not due to the program; .01 means there is only one chance in a hundred that the difference is not due to the program).

Another indication of the challenge of balancing work and family is found in answers to a series of questions about time missed from work in the six months prior to the follow-up interview. About two-thirds of participants (64%) had missed at least one day of work during this time, with the average being 2.9 days missed. Reasons for missed work days, besides their own illness (37% of all employed participants), included being needed at home to care for a sick family member (27%) and not having child care (11%).

Effect of changing employer or industry sector

When there is a good fit between a worker and a job position, job stability benefits both the employer and the employee. However, movement among jobs or industries is a common feature in the contemporary labor market. A certain level of fluidity benefits both employers and employees. One way in which some Families Forward programs helped both workers and employers was by helping in this process of job market clearing – that is, helping match workers to suitable job vacancies. Although some Families Forward programs were focused entirely on training for work within the workers' current workplaces, others helped workers with minimal advancement opportunities in one workplace to identify and qualify for better opportunities elsewhere.

This kind of help is important to workers, who may not have enough knowledge of the job market to know what kind of job change would be advantageous. Help is also important to employers, who do not always know where to find the most suitable applicants for their job vacancies.

Using both survey responses and Wage Detail data, evaluators examined results separately for participants who did and did not change employers between baseline and

the two-year follow-up. This comparison was made only for those who were employed at both times.

In the two-year follow-up survey, about half of participants (51%) reported that they were working for a different employer than when they started. Slightly fewer than half (45%) reported that they were working in a different industry sector. The Wage Detail records show that 60 percent of participants had a different employer in the two-year follow-up quarter than during the baseline quarter.

In the survey, participants who changed employers were significantly more likely to report that the job they were in at the two-year point was a “step up” from where they had started, that they were working more hours per week, and that they had worked more steadily in the past six months. Changing employers had some drawbacks, however: Participants who had done so were also significantly less likely to report that they had received a raise. There was also some increased risk of losing benefits, at least temporarily. Participants who changed employers were significantly less likely to have had benefits when they started (medical or dental coverage, or paid sick or vacation time). However, those who had benefits at the start were significantly more likely to lose them if they changed employers. (The loss may be only temporary, as participants wait out the qualifying period that many employers require before making benefits available to newly hired employees. It is not possible with the data available to determine the proportion of participants for whom the loss of benefits was temporary for this reason.)

Outcomes were similar for surveyed participants who had changed industry sector. They were significantly more likely to have better jobs and more hours, and to be working more steadily. In addition, they were more likely to report that the program made “a big difference” in getting a better job.

12. Outcomes that are more likely if the participant changed employers or industry sectors

Outcome	Changed employer		Changed industry sector	
	Odds ratio*	Statistical significance**	Odds ratio*	Statistical significance**
Job at 24 months is a step up	2.3	< 0.001	2.67	< 0.001
Working more hours per week	1.70	< 0.001	1.40	< 0.05
Gained dental benefits (if participant had none at start)			1.71	< 0.05
Working more steadily ^(a)	3.21	< 0.001	2.24	< 0.001
Program did not make a big difference in getting a better job	-	-	1.36	< 0.01

Source: Wilder Research 24-month follow-up survey of participants.

Notes: * The odds ratio shows how much more likely a person who received this service was to have a favorable outcome, compared to a person who did not receive the service. **The statistical significance is the likelihood that this difference between groups occurred by chance (.05 means there are five chances in one hundred that the difference is not due to the program; .01 means there is only one chance in a hundred that the difference is not due to the program). “-” means that the difference was not statistically significant. (a) The steadiness of work was measured by the number of months in a six-month period during which the participant worked at least 20 hours a week for at least two weeks.

13. Negative outcomes that are more likely if the participant changed employers

Outcome	Changed employer	
	Odds ratio*	Statistical significance**
Pay at 24 months is no higher than at intake	1.16	< 0.001
(Did not take medical benefits at intake)	1.88	< 0.001
No longer taking medical benefits (if participant was taking them at intake)	3.93	< 0.001
(Did not take dental benefits at intake)	1.93	< 0.001
No longer taking dental benefits (if participant was taking them at intake)	2.59	< 0.01
(Did not have paid sick time at intake)	1.78	< 0.001
No longer offered paid sick time (if participant was offered it at intake)	2.84	< 0.05
(Did not have paid vacation time at intake)	1.51	< 0.001
No longer offered paid vacation time (if participant was offered it at intake)	3.10	< 0.01
Program made a big difference in helping you do better in the job you had	1.48	< 0.05

Source: Wilder Research 24-month follow-up survey of participants.

Notes: * The odds ratio shows how much more likely a person who received this service was to have a favorable outcome, compared to a person who did not receive the service. **The statistical significance is the likelihood that this difference between groups occurred by chance (.05 means there are five chances in one hundred that the difference is not due to the program; .01 means there is only one chance in a hundred that the difference is not due to the program). “-” means that the difference was not statistically significant.

Change of industry sector was not significantly associated with any negative outcomes.

Survey data show *how many* of the participants experienced any amount of change in wages or hours. Data from Wage Detail records show *how much* change they experienced, on average. The table below shows actual change and percent change, for each of the first three years of follow-up. As with the survey results reported above, it includes only those participants who were employed at both times. (Due to the aggregate way in which data were provided to Wilder, we were unable to compute the statistical significance of the differences.)

Examining the Wage Detail results together with the survey results, we observe that participants whose initial jobs were of lower quality (those with lower wages, fewer hours, or worse benefits) appear to have been more likely to change employers. Participants who changed employers began with average baseline hourly wages of \$9.43, compared to \$10.39 for those who stayed with their employer. They also began with fewer work hours (23 per week vs. 30), and more of them were living at or below the poverty level (44% compared to 24%).

Those who changed employer were significantly *more likely* to be women, White, and single. Compared to those who stayed with the same employer, at the time of intake they also started with *lower* average workforce attachment and tenure in their current position.

At the two-year follow-up point, participants who had changed employers were less likely to report that they had received any pay raise. However, it appears that those who did receive raises received larger ones, because the average gain in wages for this group was higher than the average gain among those who stayed with the same employer. Further evidence that many workers may find promotion more likely outside their initial workplaces is seen from the survey results, which show that job changers had significantly greater odds of reporting a better job (one that was a “step up”) as well as increased hours.

The interview did not ask participants to say what it was that made a job a “step up,” but the findings reported here suggest the possibility that participants changing employers may sacrifice an immediate raise in favor of the hoped-for prospect of greater longer-term earning potential in a new position. An alternative interpretation is that participants who changed employers began in positions with lower potential for raises, immediate or long-term, compared to those who stayed.

14. Two-year changes in hours, wages, and monthly income, by whether or not the participant changed employers (for those employed both at intake and follow-up)

	Number of cases		Average change in hourly wage		Average change in hours per week		Average change in monthly income	
	Actual	Percent	Actual	Percent	Actual	Percent	Actual	Percent
Changed employer	168	60%	\$1.91	18.2%	3.4	13.0%	\$371	35.9%
Same employer	114	40%	\$1.16	9.7%	- 0.2	- 0.6%	\$140	9.1%

Source: Wage Detail data from Minnesota Department of Employment and Economic Development; additional calculations by Wilder Research.

Summary of earlier findings about program organization and delivery

This section reviews Families Forward key findings from the first three years of the study from two perspectives: (1) program management issues and (2) local and state policy. Grantees were not only expected to target low-income working parents, but also expected to include employers in the design and implementation of the project, promote interaction with publicly-funded workforce development systems, focus on short-term training that is practical for working families, and understand the needs and experiences of low-wage workers in order to provide the family supports needed to help participants remain and advance in their jobs.

Lessons learned about service integration, engagement of participants and employers, and the effects of policy and funding have been described in prior years' reports, and are presented in detail in the companion report from the Governor's Workforce Development Council (forthcoming). These lessons include conclusions with specific implications for service providers serving low-income workers, policy-makers delivering public funds and shaping expectations for the advancement of low-wage workers, employers engaged in hiring and promoting low-wage workers, and others with an interest in the topic. Key findings are summarized below.

Program management issues

As mentioned earlier, participants served in Families Forward programs were almost all in low-income households (earning less than 200% of the poverty line), and 44 percent were living in poverty. Many had one or more other significant barriers to employment, including their own health problems or those of family members, lack of reliable transportation, low availability of informal social support, and problems with credit.

This section summarizes findings published in earlier years' reports about effective programs for serving such clients. Data sources for these findings include in-depth interviews with program leaders and staff from the Governor's Workforce Development Council who worked with grantees in implementation. In addition, these key informants' descriptions of program operations and challenges were analyzed together with findings from participant surveys.

What works best in serving low-wage workers?

Throughout the initiative, program leaders continued to seek the right balance between serving those with the greatest needs and serving those with fewer barriers who were more likely to take advantage of and succeed in their programs. They often found it necessary to adjust services in response to the depth and complexity of participants' needs.

Program leaders also consistently expressed the need to recruit and engage participants by getting them to believe in the value, purpose, and feasibility of the program. Participants with good life management skills and flexible schedules were reported to be better equipped to take advantage of training opportunities. Participants with more barriers or who started from positions of greater disadvantage typically required longer periods of service and more intensity of effort.

Program leaders knew before they started, or learned from experience, that they needed to understand the local job market, and that they could help to motivate participants by offering training for jobs known to have openings. Motivation was also promoted by programs that worked incrementally, offering training in small steps, and rewarding small successes. This was especially important for participants who had experienced generational poverty. Grantees also reported the value of creating opportunities for peer support, and of helping participants maintain motivation if they did not find jobs immediately after completing the program. They found it helpful to provide one-on-one attention, especially for job retention and advancement. They also found it important to provide transportation help, reporting that the lack of reliable transportation continues to be a debilitating barrier, especially for rural low-income workers.

Overall, over the course of the initiative, it appears that programs became more holistic in their approach. This included more attention to soft skills, and the use of community resources to build a support system and extend the kinds and levels of support that could be provided to meet participants' needs.

What works best in working with employers?

Just as programs found it necessary to help many of their participants understand the importance and value of training, and help to make the training accessible to them, they found the same tasks often needed to also be undertaken in engaging with employers. Program leaders reported that the process of building and maintaining relationships with employers takes time and effort that cannot be short-cut. This included time to develop an effective business case and clearly describe the program's goals, time at the front end of the program itself to develop an understanding of the business, build trust, and reach a clear understanding of what the relationship would entail; and time throughout the

operation of the program to nurture the relationship and solve problems together. Targeting suitable employers to work with involved the same balancing act as identifying participants with not too many or too few needs. Many employers of low-income workers were found to be either unreceptive to the prospects of worker investment, or to already have supportive work environments and career ladders in place.

The programs of the Families Forward initiative interacted with employers in a number of different ways, including:

- Individualized work with participants' supervisors to work out job retention issues or develop their support for further training.
- Contracted work with employers to provide specified training services for employees.
- Formal and informal relationships and understandings in the development of training curricula or job placement of graduates.

How can workers' and employers' needs be harmonized?

The experiences of Families Forward programs point to a real strength of operating workforce programs from a truly intermediary position – that is, one that serves not only workers but also employers.

For the most part, programs with a main focus on serving the needs of individual participants developed fewer stable, long-term relationships with employers. Programs with a main focus on serving the needs of employers, for the most part, had less leverage for changing employment practices to make the most of worker's skills. Nevertheless, about half of the grantees reported that they observed some employers who changed their views and come to see more value and potential in their entry-level and non-traditional workers.

In some cases, grantees reported that the relationship begun with the Families Forward grant would continue beyond the grant period, either with the same employer or with new ones. Several grantees reported that positive relationships with employers had yielded their own organization a demonstrable understanding of a specific industry, which in turn became an asset that could inform new relationships with other employers in that industry.

Local and state policy issues

What role do the programs play?

For program leaders, the best way to ensure success was to cultivate healthy programmatic relationships with low-income workers, employers, and other players in the workforce development system. Principles of how best to accomplish this varied some among different program models, and depended on the specific populations of workers and employers to be served, but shared most features in common.

Grantees valued the new relationships that the initiative promoted – not only with other grantees, but also with Minnesota State Colleges and Universities, adult basic education consortia, workforce centers, employers, and the Governor’s Workforce Development Council. Based on interviews with program leaders, these relationships were likely to carry over into the future work of the grantees.

As a result of the grants, program leaders reported that new services were introduced for regions or specific populations that previously lacked training opportunities, and that existing training programs were strengthened. Grantees reported that they required additional resources to maintain most of these services and improvements. As a result, not all were likely to be sustained beyond the grant period unless new sources of funding could be found.

Many grantees who were not themselves public agencies but who worked with these other institutions were affected by budget cutbacks in some public services, including WorkForce Centers, adult education, and welfare and its associated employment services. On the other hand, several programs reported promising developments in working with community and technical colleges and experimenting with new ways of delivering services, or delivery to new populations.

Furthermore, the needs for such skill development were increasing as the economy began to recover from the recession. Grantees foresaw continuing needs among Minnesota businesses and workers for basic and advanced skills in the next five years, and for programs to develop those skills. The evidence from the programs that were tested in this initiative was that service providers would need resources to offer such programs, and that employers and workers would need supports to make use of them.

In the absence of new public funding, grantees that most thoroughly adopted the intermediary role, meeting both worker and employer needs simultaneously, appeared to be best positioned to secure and combine the variety of public and private funds needed to continue the work piloted under the Families Forward grants. Evaluators concluded

that a few such programs – those operated by strong intermediary organizations – would continue to operate after the McKnight funding ended, but likely at a significantly reduced scale.

What role does the Governor’s Workforce Development Council play?

At the state level, several grantees felt that the Governor’s Workforce Development Council (GWDC)’s involvement in the Families Forward initiative shaped the work that GWDC does in state policy development, and thereby (as one grantee expressed it) “changed the character of the debate” about workforce development in Minnesota. Through the GWDC’s work, other key state agency leaders demonstrated increased awareness of the need for skill development (in addition to rapid workforce attachment) as an important goal for state attention, as well as greater understanding of effective practices in skill development. It appears likely that the legislature and state agencies may be prepared to move this agenda forward within the next few years. There is evidence that the Families Forward initiative contributed both to the direction of this movement, and to its pace. The continued involvement of local practitioners in GWDC committees and the Council itself (recruited from among Families Forward grantee staff by the GWDC staff) is likely to help to maintain a helpful level of engagement in skill development at the state policymaking levels, as well as inform the discussions.

In light of continuing shortages in public budgets at the state and local levels, it will be difficult to secure new funding for any public programs. However, experience with Families Forward programs provided strong evidence that the investment in skill development that meets needs of workers and employers produces results with valuable public benefits, including higher individual (taxable) incomes and stronger, more competitive businesses.

Discussion, conclusions, and issues to consider

Over a period of four years, the Families Forward initiative has generated a wealth of experience among grantee and partner organizations, and contributed to increased earnings and advancement opportunities for participants. Informal conversations with employers, and documentation of the pay increases they have given to participating employees, suggest that Minnesota's businesses have also realized gains in value (including improved productivity) from the efforts of the initiative.

Prior years' reports²² have highlighted a number of issues and areas of learning that have emerged from the combined experience and reflection of participants, grantees (program leaders and their staff) and their partner organizations, The McKnight Foundation staff, Governor's Workforce Development Council staff, and evaluators. This section discusses three broad themes that have recurred throughout the initiative and represent the main overarching conclusions to be drawn from program operations and outcomes.

Effective programs seek to meet both worker and employer needs

These programs fit the category described earlier as "intermediary organizations," which flexibly combine multiple partners and funding streams to deliver holistic services that meet the needs of employers as well as individuals. Over the course of the initiative, we have learned that programs can be more effective if they:

- Involve a partnership of different organizations with complementary skills and capacities. These often involve a mix of public and private organizations.
- Are led by organizations that have an entrepreneurial capacity and leadership allowing them to respond flexibly to shifting conditions.
- Involve not just one or two employers, but many employers with common interests who can pool both risks and rewards of joint investment in their workforce.
- Are led by intermediary organizations with the knowledge and capacity to identify, secure, and combine many different funding sources, each of which alone is often narrowly and categorically focused.

²² On the McKnight web site, these reports can be found at http://www.mcknight.org/resources/publications_archive.aspx?itemID=&catID=2423 .

On the Wilder Research web site they can be found at [http://www.wilder.org/357.0.html?no_cache=1&tx_ttnews\[cat\]=35](http://www.wilder.org/357.0.html?no_cache=1&tx_ttnews[cat]=35) .

In addition, findings of the Governors Workforce Development Council on program effectiveness are posted on the GWDC website at www.gwdc.org/FF .

- Foster excellent and lasting relationships with employers and other service providers, and appreciate the different organizational cultures of their partner organizations. They also can help to “translate” communications between people in these different organizational cultures, as well as help interpret differences in cultural practices and expectations that may exist between non-traditional employees and their employers and supervisors.

Outcomes of the initiative that demonstrate the value of these practices include:

- Improvements in the organizational skills and relationships of grantees and partners as well as growth in the pool of skilled workforce intermediary organizations in Minnesota. These organizations have demonstrated expertise in program delivery, and have developed and nurtured productive relationships with employers and other community service organizations. Many of them have also reached a point in their work where word of mouth has spread information about their programs to a pool of potential participants and employers in their communities who could benefit from their services.
- Greater awareness among program and policy leaders as well as a growing number of employers of the importance of skill development in general, and incumbent worker training in particular. This is a healthy correction after a period in which workforce efforts concentrated on immediate job placement, with little attention to the needs of workers or employers for job performance and skills that would help workers be productive and advance to higher-level jobs later.

Case study:

Program A meets employer needs by providing job-specific training to current employees. There is no assurance this training will help the employee (if no next-level jobs are open for promotions, if the increase in skills is not matched with pay increases, or if the plant lays off some of the employees).

Program B meets worker needs by providing training in the worker’s field of interest, as well as some supportive services to help with access to that training. However, there is no assurance this training will meet employer needs, if there are few openings in the region for this type of job, or if the program has limited contacts with employers to help match the trained worker to job openings.

Program C meets both worker and employer needs by providing training in an industry sector with known job openings and career ladder opportunities, so that increased skills give the worker a good chance at promotional opportunities. In addition, the program has established relationships with multiple employers in the industry, so that regardless of the hiring or restructuring plans of any one employer, the program can help place the worker in a job where his or her skills are needed. The worker’s and employer’s needs are also met after job placement by the availability of job retention help to resolve problems that might be encountered adjusting to the new position.

Effective programs make themselves accessible to those who need them

If businesses must adapt and reinvent themselves constantly to thrive, they must have employees who are able to adapt and reinvent themselves too. This will require a new perspective on job training that extends beyond the current K-12, or even P-16, to facilitate lifelong growth and learning of job-relevant skills. This in turn requires more education and training that is more accessible to already-employed adults, i.e., those who are obliged to combine ongoing training with continuing employment and also, for many, with parenting of young children. Given the demographic changes in the Minnesota workforce, workers who are able to afford both the time and the cost of such training without some kind of outside help will be a shrinking share of the workforce.

A recurring theme in the evaluation of the Families Forward initiative has been the finding of program leaders that participants, on average, faced more barriers than expected to participation in work and training. From analysis of participant and program staff interviews, we have learned the following:

- It has taken programs more time than anticipated to help participants stabilize their work and family situations so that they could add training to their responsibilities without finding the resulting situation unmanageable.
- Fewer participants than expected have combined work and training in a truly *incumbent* worker model in which participants receive training while continuing to work. In order to offer the most effective training they could, many programs made their programs short but highly intensive, such that most participants were unable to combine them with their regular jobs.
- Many programs have reported that they needed to add to the support services offered in the program in order to ensure that participants could stay enrolled and benefit from the training. Key areas of support that have been needed include help solving problems with child care, transportation, and housing, or help with financial management.
- To some extent, the time and location of training services can mitigate the need for support services. Programs that were offered on a flexible schedule, or at the participants' regular work site during regular work hours, created less additional stress on participants to make supplementary child care and transportation arrangements.
- Funding for needed support services has been harder to secure than funding for the training itself. However, without the support services the training is less likely to be effective.

- For training or supplementary services, the level of resources currently available is substantially less than the need. With generous McKnight Foundation funding, over 1,500 Minnesota workers have been served in the past four years, with impressive average gains in income. The employers of these workers have gained a more skilled and productive workforce. This has been made possible by a pooling of resources from multiple sources, including not only The McKnight Foundation but also the State of Minnesota, several counties, the Minnesota State Colleges and Universities system, several Adult Basic Education consortia through public school districts, many nonprofits, and workers and employers themselves. However, the funding currently available from these sources is not enough to continue the work that was begun in the four years of the initiative, let alone expand it to the many thousands of other low-wage workers in Minnesota, and their employers, who could benefit from additional skills training.

Outcomes of the initiative that demonstrate the value of these practices include:

- Relatively even levels of unmet service needs across the different types of programs, despite significant variation in the backgrounds and needs of participants. This is promising evidence that programs' attention to the provision of appropriate levels of support services has helped to enable workers with greatest needs to access and benefit from the available training.
- Overall gains not only in wages, hours, monthly income, and benefits, but also gains in the stability of participants' personal and family situations including gains in the stability of their participation in the workforce.
- Lasting increases in nearly all participants' motivation and confidence to try new things.

Case studies:

In a very rural part of the state, Program D provides training to entry-level workers in a growing industry to help them qualify as supervisors. Many participants do not have cars and are unable to travel to the program's site for training. Most training is therefore provided at the workplace. The program also has a van that can be used to help trainees attend sessions elsewhere, if needed.

Program E helps some MFIP (welfare) participants enter CNA (Certified Nurse Assistant) training while they are also working as long-term care attendants. If their income reaches the point where they no longer qualify for welfare, the welfare training funds can no longer be used to continue the training and they may have to quit. Families Forward provided flexible funds to continue the training after participants lost their eligibility for MFIP or other narrowly-defined programs.

Program F enrolled an applicant who had to cut back on his work hours as a custodian in order to attend training to gain boiler certification for a significantly higher pay grade. The program was able to provide a small emergency grant, as well as budget counseling to help him figure out how he and his family would live and pay their bills on the temporarily reduced income.

Effective programs offer several kinds of training, including soft skills

Throughout the initiative, evaluators found that “soft skills” is not a well-defined term, and that people in different positions perceive different causes and solutions where “soft skills” are thought to be lacking. A large majority of participants reported that they knew – and understood the importance of – the basic workplace norms for behavior. At the same time many program leaders reported that they found it necessary to incorporate more “soft skills” training into their programs.

This mismatch in perceptions may be due in part to the variety of dimensions often included in the term “soft skills.” One definition is “skills, abilities, and traits that pertain to personality, attitude, and behavior rather than to formal or technical knowledge.” This includes at least two distinct clusters of behaviors: interaction (including friendliness, teamwork, ability to fit in, appropriate grooming, and the like) and motivation (including such components as enthusiasm, positive work attitude, dependability, and willingness to learn). The term often also includes some communication behaviors.²³

Any assessment of the kinds of traits included in the term is likely to be subjective, and the performance of “soft skills” is highly affected by context.

Some of the difference in perceptions about participants’ levels of soft skills is probably due to the assortment of elements included in this concept. It is very likely that some entry-level workers have some of the soft skill elements well in hand (such as appropriate grooming and fitting in) but may not have had prior background or experience with some other elements (such as work attitude or certain culturally-shaped ways of expressing enthusiasm). For this reason, effective training in soft skills often includes helping supervisors to recognize and encourage positive attitudes when they are expressed in cultural ways with which the supervisors are not familiar.

As a result of the work of Families Forward grantees and their partners, we have learned:

- Indirectly, the availability of an array of support services that help workers address transportation, child care, and other personal and family problems may also be helpful in addressing the perceived need for soft skills, to the extent that solving such problems helps participants be more reliable in their attendance at work. By reducing sources of concern and stress, they may also enhance motivation and concentration and hence productivity while the participant is on the job. Such personal and family supports were also among the services that enhanced the likelihood of participants’ realizing favorable job outcomes.

²³ Moss, P., & Tilly, C. (2001). *Stories employers tell: Race, skill, and hiring in America*. New York: Russell Sage Foundation. (Selection quoted is on page 44).

- Complementing their work with participants on soft skills, programs have also demonstrated the value of working with employers (including front-line supervisors) to help them gain skills in the management and supervision of non-traditional employees. They are gradually helping employers to recognize that such efforts can help make firms more competitive in their search for skilled workers, and can reduce turnover and increase productivity.

Outcomes of the initiative that demonstrate the value of these practices include:

- The finding that participants who received soft skills training were more likely than others to receive pay raises they attributed to program participation.
- The finding that participants who received help with child care, transportation, or related needs were somewhat more likely to report favorable job outcomes.

Case studies:

Program G provided excellent instruction in the skills needed to be a Certified Nurse Assistant. The participants, who were mostly immigrants, mastered this content knowledge, but still had disappointing failure rates on the CNA certification exam because their facility with the English language was still relatively low. By contrast, Program H – also primarily serving immigrants – includes not only health care instruction but also English as a second language and introduction to common expectations and practices of the American work place.

Program J provided training not only in basic construction skills but also material on safety, basic math (for the measurements required in construction jobs), how to be prepared for and respond to sexual harassment on the job, and peer group sessions to promote and support self-confidence. Participants reported that all of these were helpful for them to be successful when they were placed in jobs following training.

What would it take to implement effective practices more widely?

In its four years of operation, the Families Forward initiative has field-tested many strategies in a variety of settings, with a variety of partners, serving a variety of workers and employers. The design of the initiative included expert technical assistance from workforce professionals on the staff of the Governor’s Workforce Development Council, regular opportunities for grantees to convene to share their experiences and learnings, and an evaluation design that included measures of implementation as well as outcomes. From all of these sources, the following set of recommendations summarizes what the authors conclude about ways in which the most effective practices of the initiative could be incorporated into the on-going work of public and private organizations in Minnesota in order to spread the benefits obtained in Families Forward to more workers and employers, and better support the work of the service providers who serve both these groups.

Actions to implement effective practices more widely	Who should act
Ensure that training is available in needed kinds of skills, including soft skills	
<ul style="list-style-type: none"> ▪ Structure funding and policies to encourage training programs to include a mix of kinds of training. We have found that training in specific job skills can be more effective if it is combined with other needed skills, such as basic math and reading skills or computer skills, as well as job readiness. This will involve making funding more flexible so that different kinds of training can be combined based on individual needs, without violating narrow conditions for the use of training funds. 	<p>State-level policymakers</p> <p>Training and support providers</p>
<ul style="list-style-type: none"> ▪ Examine options to provide incentive funds to MnSCU institutions or departments for curriculum development in skill areas or industries where gaps have been identified. 	<p>State-level policymakers</p> <p>Higher education</p>
<ul style="list-style-type: none"> ▪ Re-examine higher education funding structures to remove fiscal disincentives for offering programs for technical, high-demand industries because of the higher per-student cost of equipment and specialized facilities. 	<p>Higher education</p>
<ul style="list-style-type: none"> ▪ Build on the gaps analysis work already done by MnSCU, as well as on-going labor market analysis work by DEED, by developing an accountability and response system to ensure that state entities (WorkForce Centers, MnSCU, etc.) can demonstrate that their policies and resources are modified in response to documented workforce needs. Ensure that funding and policy incentives work to encourage, not discourage, response to the needs so identified. 	<p>State-level and local policymakers</p> <p>Higher education</p> <p>Businesses</p> <p>Training and support providers</p>
<ul style="list-style-type: none"> ▪ Recognize the importance and value of “soft skills” training, and the evidence that it is best developed together with “hard skills” training, in a context as similar as possible to a real work setting. Provide incentives to training providers to incorporate such training in their programs, and to involve employers (especially front-line supervisors) in the trainings to ensure that workers and supervisors share a common understanding of workplace expectations, and receive the necessary practice and help communicating effectively with each other about them. 	<p>State-level and local policymakers</p> <p>Businesses</p> <p>Training and support providers</p>

Actions to implement effective practices more widely	Who should act
Ensure that workforce systems are flexible and can respond to the shifting needs of workers and employers	
<ul style="list-style-type: none"> ▪ Restructure funding and policies for local WorkForce Centers to allow greater flexibility and autonomy in response to local conditions and needs. Current funding levels and restrictions and other policies often do not allow prompt, flexible responses to business training needs within the rapid time frame with which businesses must respond to changing economic conditions. 	<p>State-level and local policymakers</p>
<ul style="list-style-type: none"> ▪ Provide incentives to businesses to actively participate in articulating training needs and developing and implementing training programs. Structure incentives to encourage joint participation by multiple, related businesses. This can promote efficiency in the local labor market and the development of distinctive local capacity. It can also help to reduce the risks and increase the benefits to each individual business of participating in the training, and make participation more feasible for small employers. 	<p>State-level and local policymakers</p> <p>Businesses</p>
<ul style="list-style-type: none"> ▪ Convene a group of workforce professionals, industry leaders, and educators to identify career ladders or lattices for critical industries, including a common understanding of the skill sets needed for each stage of career development, and the training required for movement between them. Ensure that these career ladders are well documented and communicated to industry and labor leaders, educators and other training providers, and WorkForce Centers. 	<p>State-level and local policymakers</p> <p>Higher education</p> <p>Businesses</p> <p>Training and support providers</p>

Actions to implement effective practices more widely	Who should act
Ensure that training opportunities are accessible to low-wage workers and their employers	
<ul style="list-style-type: none"> ▪ Structure funding and policies to encourage training providers to also include – or partner with others to provide – flexible, individualized support services. Many low-wage workers are also parents with children to care for. They may need help to afford training and be able to attend regularly without interruptions due to their limited options for child care, transportation, or health care coverage. 	State-level policymakers
<ul style="list-style-type: none"> ▪ Restructure financial aid for higher education to reduce the extent to which they exclude part-time students and those taking non-credit courses. 	State-level policymakers Higher education
<ul style="list-style-type: none"> ▪ Provide incentive funds to MnSCU institutions or departments to modify courses to enable them to be offered at times, in locations, or through media that are more accessible to part-time and working students. Include “asynchronous” classes in which much of the instruction is available via the web at the individual’s own convenience, supplemented with hands-on, in-person, instructor-supervised experiences on campus or at a job site. 	State-level policymakers Higher education
<ul style="list-style-type: none"> ▪ Strengthen the link between credit and non-credit divisions of higher education institutions. Develop articulation or transfer agreements to give academic credit, as appropriate, for mastery gained in non-credit training. This could help education institutions provide the “bridge” experiences that help new students gain or refresh their pre-requisite skills; it could also help increase enrollments by making it more attractive for customized training recipients to continue to enroll and earn further credentials. At the same time, it would help incumbent workers by allowing them to build their skills and credentials through a sequence of courses of manageable proportions. 	Higher education
<ul style="list-style-type: none"> ▪ Seek alternative ways to provide employer-based tuition reimbursement to low-wage workers that do not require them to pay the full amount out-of-pocket. Allow employees to access such incentives up front when tuition is due. If needed, include a provision that the cost is to be paid back by the employee by withholding from future paychecks if the course is not satisfactorily completed. 	Businesses

Concluding observations

Outcomes of the Families Forward program include improved jobs, wages, and benefits for a significant number of participants, with average increases above what might have been expected in the absence of the program. In addition, overall levels of personal and family stability were slightly improved at two years compared to when participants started their programs, and participants were more likely to be working steadily (more months out of a six-month period). Importantly, participants reported gains in their motivation and confidence to try new things – gains that persisted well beyond the end of the program for most participants. Finally, the limited data based on three-year follow-up point to continued gains for workers involved in the Families Forward initiative.

More indirect evidence points to additional outcomes for employers as well, including access to a labor pool with more valuable skills, and improvements in participating employers' ability to recruit and retain a more diverse workforce.

Outcomes for the State of Minnesota and its economic regions include the development of a set of intermediary organizations with the skills, capacity, and relationships to respond flexibly and rapidly to changing economic conditions. These grantee organizations have demonstrated their skill in understanding and meeting the needs of workers and employers simultaneously, to the advantage of both. The Families Forward initiative has also contributed to a growing awareness of the importance of skill training in general, and incumbent worker training in particular, as contributors to the health and future of the Minnesota economy.

With the conclusion of The McKnight Foundation's involvement in the program it is timely to ask how the lessons learned from the initiative will be applied to greatest effect. It is important to sustain and build on the new competencies of workforce intermediary organizations in order to meet the continuing needs of Minnesota's workers and employers. To maintain the momentum of the initiative, and put organizational skills and capacity to best use, it will be important to identify new sources of funding to continue the development of intermediary organizations that can contribute to the types of outcomes described in this report. This will require a candid discussion of the appropriate forms of cost-sharing that can best support the work, which benefits not only individual workers and their employers but also the shared economy of the state overall. Currently, workers and employers are contributing significant resources to these efforts, some in the form of payments and even more in the form of opportunity costs (from the investment of significant amounts of time that could have been used in other important ways). Neither group – individual workers or employers – appears to be in a position to expand

significantly on their current level of contribution. Well-targeted, flexible funding will be needed to bring program benefits to the wider needs across the state.

The initiative has allowed the pilot-testing of a range of successful, replicable program models. As described in earlier reports, these are suitable to a wide variety of needs and settings, including a variety of employers, industry sectors, regions of the state, and life stages of participants. If they can be supported to continue their work, and employers and participants can be supported to continue to access their services, the State of Minnesota as a whole stands to gain from the results.

Appendix

- 1. Brief descriptions of the programs in the Families Forward initiative*
- 2. Map of Families Forward sites by economic development regions*
- 3. Statistical profiles of participants and outcomes*
 - A. Overall (participants in all sites)*
 - B. Employer-based programs*
 - C. Sectoral – lower support programs*
 - D. Sectoral – higher support programs*
 - E. Individualized programs*

1. Brief descriptions of the programs

This section is based on information collected in 2001 through 2003, and verified by program leaders at the end of 2003. Some programs have continued to operate beyond the end of the McKnight grant, but we use the past tense for all the programs, as a reminder that these program summaries may not be current. However, they do describe the programs as they were experienced by most of the participants whose outcomes are described in this report.

Descriptions are arranged alphabetically, according to the clusters in which they were grouped. At the end of the descriptions is a map showing program locations.

A. Individualized

A1. Communities Investing in Families: Families Forward Program

The program was a partnership between the multi-sector nonprofit Communities Investing in Families and Central Minnesota Jobs and Training Services, and operated in 10 counties in east-central and central Minnesota. It offered individuals in existing welfare-to-work job retention programs access to education and training in selected employment sectors, in combination with personal and job support services. An additional program objective was to demonstrate the value of an individualized program for meeting the needs of rural, low-income, incumbent workers. Existing, structured, short-term training was offered in four fields chosen for high employment and career potential: retail management, machine tool technology, health care, and computer technology. Flexible funds were available to help pay for associated costs such as tuition, supplies, and transportation. Job retention counselors helped participants with goal planning, worked with employers to secure their support for the training plans, and assisted participants to identify and access other community resources to help them balance job, training and personal responsibilities. Support for this program also came from partnerships with Pine Technical College Employment and Training Center and the East Central Minnesota Workforce Partnership.

A2. HIRED, Inc.: Career advancement Preparation Program

This highly individualized program partnered with a variety of educational institutions, businesses, and nonprofit organizations in the Twin Cities area to provide intensive longer-term career preparation services and support to young low-income working parents age 14 to 24. Applicants who demonstrated the desire, ability, and maturity to advance, and whose needs could not be met in existing welfare-to-work or other youth programs were eligible for services, which lasted up to two years. Individual support and guidance were central to the program. Each participant worked with a case manager to identify skills and interests, develop a career and training plan, select and enroll in a training or educational program, and build life skills. The case manager also helped participants establish a solid support system to manage work and family responsibilities. Additional personal support was provided through parenting classes, support groups, and adult mentorships. Employment supports included job exploration and placement, internships, and assistance retaining or regaining employment.

A3. Resources, Inc.: Women Achieving New Directions (WAND)

The “Step-Up” program offered services designed to help low-income working single mothers, many recently off MFIP, prepare for career advancement. Program staff provided individual and group career counseling and coaching in career exploration, job training opportunities, job search skills, self-advocacy (including salary negotiations), networking, and soft skills. Workshops and training opportunities were available in the areas of financial services, banking, and insurance; health care; management; office; and computer and technical support. The program also assisted participants with job placement and attempted to pair participants with mentors with similar career interests and cultural background. To accommodate participants’ busy schedules, program activities were held during evenings and weekends, or at other convenient times. Support for additional needs, such as child care, transportation, and other personal and family needs was met through referral to other area community agencies.

A4. West Central Initiative Foundation: Career Advancement Program (West Central, Year One)

The program offered opportunities for working parents in entry-level and low-wage positions to upgrade their skills to meet specific needs of employers in the west-central region of Minnesota. In its first year, the program operated mainly as an individualized program, matching participants with individualized training opportunities including a variety of community college programs. A case manager worked with participants to develop career plans and long-range goals and to provide guidance

throughout the program. A wide range of individualized support services were available, including a \$400 cash grant to help participants meet training-related needs. In its second and subsequent years, the program narrowed its focus to short-term training through four existing workforce training initiatives in the region, and the program was thereafter classified in the Sectoral–higher support cluster.

B. Sectoral – higher support

B1. East Metro Health Careers Institute

The program prepared low-income workers, immigrants, and welfare recipients to work in skilled health care positions in east metro area hospitals. The project was a joint effort among east metro community colleges and hospitals, Workforce Solutions, and Twin Cities Rise! to provide career development opportunities to disadvantaged individuals while helping to meet area hospitals' need for trained health care workers. The project recruited participants from current entry-level workers in participating hospitals, low-income residents of neighborhoods surrounding the hospitals, and neighborhood residents moving off of welfare. Each participant had an individualized education plan that included approximately five weeks of full-time training through the community colleges, case management, and a wide range of work-related and personal support services. Participants who completed the program and met hiring requirements received a job offer from a participating hospital or full tuition reimbursement if no job was available.

B2. Goodwill – Easter Seals, Inc.

In partnership with metro area banks and construction sites, this program provided banking, construction, and financial services skills training and individualized support services to low-income adults with multiple barriers to advancement and who often lacked access to traditional funding sources for training. Curriculum was developed with input from business partners and included both classroom activities and hands-on work experience. Each participant had an individualized Career Advancement Plan. Job placement and retention services were key program elements and included a career laddering component, typically provided at the participant's workplace. Additional training, including English language classes, keyboarding and basic computer skills, complemented the job training. A wide variety of other programs and support services were designed to increase participants' self-reliance and help them with housing, child care, transportation, parenting, and other personal and family needs.

B3. International Institute

The International Institute offered three programs designed to provide qualified bilingual workers for Twin Cities health care providers and to assist low-income immigrants and refugees to enter into and advance in medical careers. The largest of the three, the *Certified Nursing Assistant* program, combined medical training with English as a second language (ESL) and workplace soft skills training. The *Academic ESL* program provided language and cultural skills instruction to help participants prepare for college-level coursework in medical training programs. The *Medical Careers Advancement* program was designed for persons working in entry-level positions and focused on individual assessment and job retention and advancement strategies; it also helped participants access externally-provided ESL and job skills training. A wide range of employment and other support services was available to help participants in all three programs with problems related to child care, transportation, public assistance, housing, finances, employment issues and other needs.

B4. West Central Initiative Foundation: Career Advancement Program (West Central, Year Two)

The program offered opportunities for working parents in entry-level and low-wage positions to upgrade their skills to meet specific needs of employers in the west-central region of Minnesota. In its second and subsequent years, the program focused on short-term training provided through four existing workforce training initiatives in the region to prepare workers for jobs with the potential for career advancement. Training was available in the fields of manufacturing, health care, and information technology systems support. A case manager worked with participants to develop career plans and long-range goals and to provide guidance throughout the program. A wide range of individualized support services were available, including a \$400 cash grant to help participants meet training-related needs.

B5. West Central – Teamworks combined program

A partnership between the West Central Initiative Foundation (program B4, above) and Teamworks (program C4, below) made West Central's wrap-around support services available to the Teamworks program's manufacturing participants who had unmet employment support service needs.

B6. Women Venture: Jobs in the Trades

The program provided opportunities for women seeking non-traditional occupations to prepare for construction trades jobs offering better-than-average entry-level wages and the potential for high lifetime earnings. Cable installation was also offered

briefly before job opportunities in the field declined. The program screened applicants and provided them with a realistic picture of this type of work and the potential hardships involved. Qualified applicants received unpaid, full-time, three-week (cable installation) or five-week (construction) training incorporating on-site work, vocational mathematics instruction, and soft skills development, including training in motivation, positive attitude formation, interviewing skills, prevention and handling of sexual harassment, and personal finance management. Other support services included case management, work with a mentor, and help to resolve issues with child care, transportation, or housing if needed. Placement specialists provided job leads and worked to match participants with suitable positions.

C. Sectoral – lower support

C1. Anoka Work Skills Training Program

The program, in partnership with local community colleges, health care providers, and the Anoka County Job Training Center, provided training and career laddering opportunities to meet workforce needs in the health care industry. The program offered individualized and flexible training opportunities and extensive career support to low-wage working parents with the interest in and aptitude for jobs in the health care field. Cooperating community colleges provided (and worked with each other to coordinate) training to prepare participants for employment in the following positions: Nursing Assistant, Registered Nurse (two year program), Lab Assistant/ Phlebotomist, and Medical Assistant. A typical program was half-time for two years. Help with ESL, soft skills, and basic skills was available. Key program elements were tuition assistance and case management for all participants, as well as extensive career supports, including a vocational counselor, comprehensive assessments, career counseling, support groups, and job retention and advancement assistance.

C2. Minnesota-BUILD

The program focused on helping parents in low-wage jobs learn about job opportunities in the construction industry and to enter into a career path in a construction trade. Emphasis was placed on recruiting women and members of minority and immigrant groups that have historically been under-represented the construction trades. Applicants were assessed on a number of criteria, including construction industry requirements, work experience, basic math, dexterity, and spatial matching abilities. Qualified applicants received a free five-week pre-apprenticeship program, designed and conducted by construction professionals, that included hands-on training in safety and four construction trades (bricklaying, carpentry, cement finishing, and painting). Case management was provided to all

participants. Remedial skills training and work-related support services were available. Upon program completion, participants received assistance applying to formal apprenticeship programs and finding jobs in the construction industry. The program was conducted in partnership with Merrick Community Services, the Minneapolis/St. Paul Building and Construction Trades Council, OnTrack for Life and local construction employer associations.

C3. Workforce Development, Inc.: Reading Partners Project

The program was developed to help immigrant groups improve their English language skills and occupational vocabulary proficiency, and to make the transition from welfare or low-paying jobs to entry-level career pathways. It was partially funded by the Minnesota Job Skills Partnership. Two programs were instituted. One program operated for one year in partnership with the Somali Resettlement Community, and focused on information technology training, certification, and employment plan development for low-income workers in Olmsted County. A second program offered Certified Nursing Assistant training to limited-English speaking Chicana/Latina women in Freeborn County. Classroom training was provided through area community college partners; clinical training and employment were provided by local long-term care facility partners. Students received bilingual instruction through Adult Basic Education and interactive computer-based instruction developed by Workforce Development, Inc. Job placement, mentoring, retention services, and support services for work-related needs such as transportation and uniforms were available.

C4. Teamworks: Families Forward Program

Through Teamworks, two programs were established to create more opportunities for low-income working parents in 10 west-central Minnesota counties to build their workplace skills, gain better jobs, and attain financial stability. One program worked in partnership with area manufacturers (machine shops and potato processors) to identify, assess, and train incumbent workers for advanced machine operator jobs. A second program partnered with the White Earth Band of Ojibwe to train band members employed and selected by Shooting Star Casino for supervisory and management positions. Participants in both programs received hard and soft skills training and coaching on (paid) company time. Training was intended to enhance job retention and career advancement opportunities. In addition, Teamworks provided supervisory and leadership training for existing management and worked with employers to promote better pay, career laddering, and good working conditions. The State of Minnesota provided additional support to this program through the Job Skills Partnership program.

D. Employer-based

D1. Dakota County

The program provided on-site training in English and manufacturing skills to workers in low-wage manufacturing jobs, with the goal of increasing job retention and opportunities for advancement. The program was also designed to improve communication between workers and supervisors, work output, and job performance. Program coordinators worked with a food processing employer to set project goals and recruit and assess eligible workers. In conjunction with Dakota County Technical College, specialized worksite instruction was provided in occupational English, with an emphasis on reading, writing and comprehension of job specific terminology, and training in core skills standards for manufacturing. All participants also received training in soft skills and basic skills. Support services were not offered directly through the program, but were available through the employer's Human Resources departments.

D2. Hennepin County Technical College, Customized Training Services

The program, in partnership with selected small and mid-sized Twin Cities manufacturing firms, offered customized occupational English training programs to build job skills and improve retention of employees who were English language learners. Hennepin Technical College staff worked with participating employers to select employees to be offered the program. Both technical and language training were provided to all participants. Non-native English speakers also received leadership training. Training emphasis was on helping participants improve their ability to perform in their current jobs, rather than on short-term advancement. In addition, supervisors, managers and co-workers received training to build cultural awareness and skills for working with various populations. Support services consisted of assisting participants to access additional company-provided education and training opportunities, and "organizational development" coaching to improve communication and cooperation among workers, supervisors and managers. A related program goal was to expand the capacity of the college's APPLE (Assessment, Planning, Promotion, Learning and Evaluation) Model for Occupational English by adapting the curriculum developed for employers for general use through workforce centers, community colleges and other training providers.

D3. Southern Minnesota Initiative Foundation

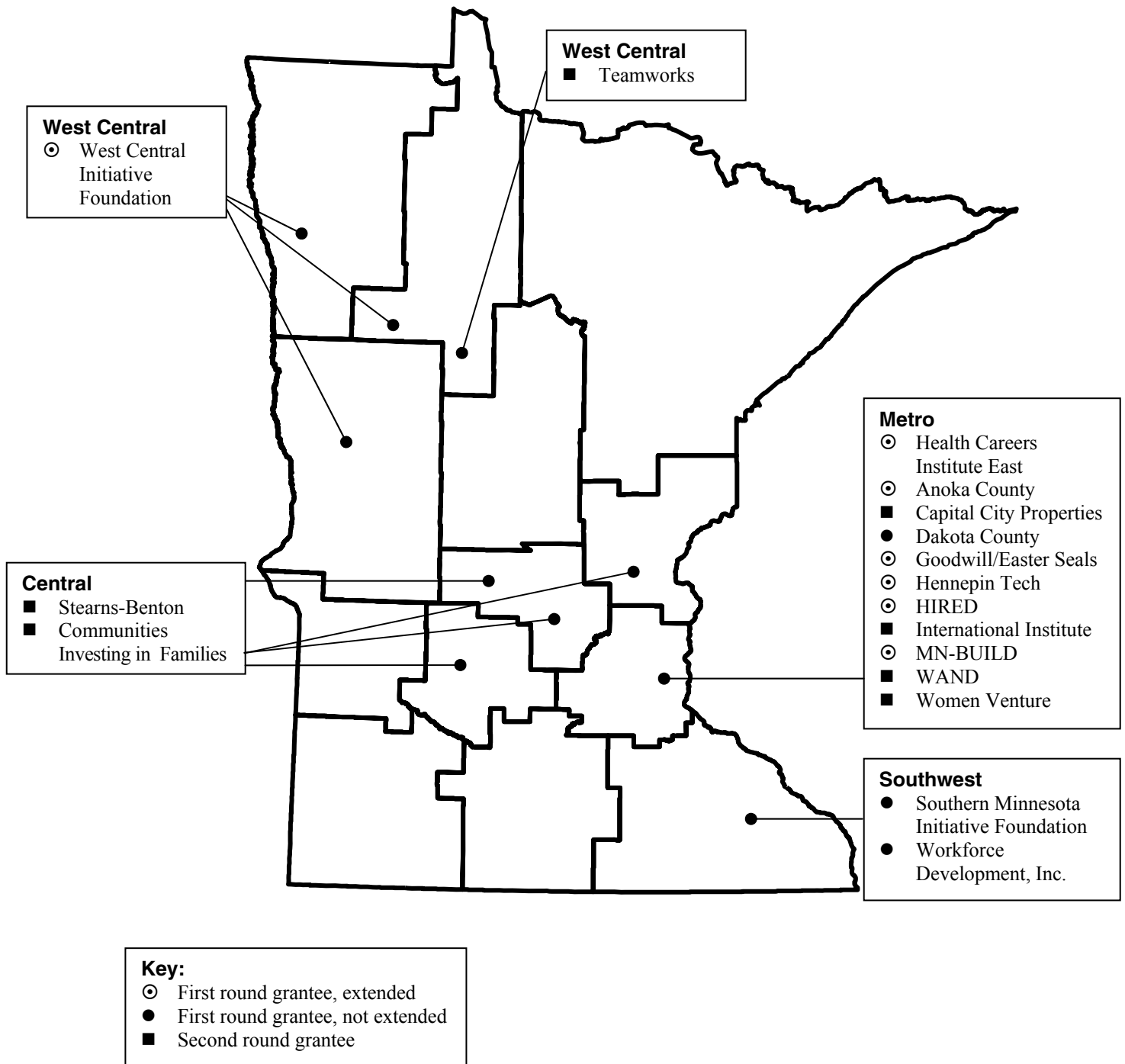
This program provided experienced training staff to manufacturing and food production employers in southeast and south central Minnesota who had significant numbers of entry-level Somali, Asian, Hispanic, or other workers with needs for specialized job training and occupational English instruction. Training specialists

and employers collaborated to design training programs to meet the employers' business needs, ranging from helping workers understand manufacturing terminology and task directions to training workers to use new technologies. Program goals for workers were job retention, higher wages, and advancement within the industry. Employers selected the employees to receive 40 to 50 hours of training on paid time at the work site. Job-specific hard skills were emphasized; some soft skills components were included for some participants. Support services required by participants were available through employers' Human Resource departments or through referral to outside service providers.

D4. Stearns-Benton Employment and Training Council: Quebecor Printing Project

The short-term purpose of the program was to help incumbent QuebecorWorld workers in seven entry-level bindery and press jobs develop lifelong learning plans and learn specific skills needed for key job classifications and potential advancement to higher positions. The longer-term goal was to design and pilot a model of continuous training that could be replicated in other printing firms. Participation in training was voluntary for current Quebecor workers and mandatory for new employees. Training was conducted on company (paid) time by current employees who were recruited (with additional pay) and trained to conduct training for other employees. On-the-job mentoring and career counseling were available, and support service needs were met through referral to the company's Human Resources department or outside services. Participants received portable portfolios that documented their skills.

2. Map of Families Forward sites by economic development regions



3. Statistical profiles of participants and outcomes

The pages that follow present a summary of participant characteristics (based on intake data collected by grantees) and outcomes for participants at the two-year follow-up. In addition to the overall profile there are also separate profiles for the four groupings of programs that were used in the analysis based on overall program model similarities.

A. Overall (participants in all sites)

Families Forward **Profile of participants and outcomes** **Overall (all participants in all sites)**

The Families Forward initiative began in September 2001 with multi-year grants from The McKnight Foundation to 17 partnerships across the state of Minnesota. The purpose was to stimulate and support innovative projects to help low-wage workers increase their skills and advance in their jobs. As a supplement to the full evaluation report and summary (see box at end) this profile presents a statistical summary of the participants served in the initiative and some of the outcomes observed after one, two, and three years.

Each of the 17 grantees offered a unique model of program. Variations among programs included the kinds of participants served; the content, intensity, and length of training; and the type and intensity of supports offered during and following the program. To help understand the effects of these program variations, the sites were grouped into four clusters for some analyses of outcomes. These groupings are based on how participants were identified and grouped for training, and the amount and kind of supports. While these groupings reflect certain commonalities among programs, they also mask other important program differences (such as in participant characteristics, and content, intensity, and duration of training).

Employer-based programs identified and served participants based on current job positions with a specific employer, and provided limited support services. **Sectoral programs** identified participants individually (through self-selection or referral from a community agency) but provided training in groups for skills needed in a specific industry (such as health care, banking, or construction). The **Sectoral – lower support** cluster typically offered employment-related support services such as job placement and retention help; the **Sectoral – higher support** cluster typically offered both employment-related services and also more personal supports such as help arranging child care or help with budgeting and financial management. The **Individualized** cluster of programs not only identified participants individually, but also provided training on a case-by-case basis, depending on the individual's current situation and goals.

This profile shows the characteristics and outcomes of participants in all of the 17 sites included in the Families Forward evaluation.

Between September 2001 and July 2005, when data collection ended, the evaluation obtained data on 1,422 participants in these 17 partnerships, of whom 1,360 gave consent to be included in the follow-up interviews. This profile of participant characteristics and outcomes is based on three main sources:

- Information that was collected by grantees at the time participants began receiving services. This information was provided for 1,422 participants overall, although due to some employers' privacy concerns it was not complete in some programs.
- The responses of a sample of participants to a telephone survey conducted by Wilder Research 24 months later. These surveys were completed by 363 participants overall.
- Wage Detail records maintained by the Minnesota Department of Employment and Economic Development based on employers' quarterly reports of employees' hours and wages. These data were shared with Wilder Research in aggregate (anonymous) form for 589 two-year participants.

Demographic characteristics of participants at entry

Age: Average age = 33

- 24% age 24 or younger (youngest is 16)
- 37% age 25 to 34
- 27% age 35 to 44
- 12% age 45 or older (oldest is 73)

Race/ethnicity:

- 42% White
- 29% Black
- 10% Hispanic
- 10% American Indian
- 8% Asian
- 1% Mixed race

Citizenship:

- 77% U.S. citizens, 24% non-citizens

Marital status:

- 37% married
- 9% in a marriage-like relationship with a partner
- 20% separated, divorced, or widowed
- 35% single, never married

Gender:

- 33% male
- 67% female

Dependent children: Average number = 2

- 7% have none
- 63% have 1 or 2 children
- 25% have 3 or 4 children
- 5% have 5 or more children

Age of youngest child:

- 42% 0 to 2 years old
- 21% 3 to 5 years old
- 17% 6 to 9 years old
- 10% 10 to 12 years old
- 10% 13 to 17 years old
- 1% 18 years or older

Age of oldest child:

- 19% 0 to 2 years old
- 16% 3 to 5 years old
- 22% 6 to 9 years old
- 14% 10 to 12 years old
- 21% 13 to 17 years old
- 8% 18 years or older

Source: *Intake data from grantees, calculations by Wilder Research.*

Primary language of participants

- 79% English
- 8% Spanish
- 3% Somali
- 1% Hmong
- 2% Amharic
- 1% Yoruba
- 1% French
- <1% each of 34 other languages

For the 264 participants for whom English was not the primary language, grantee staff estimated how well participants could use and understand English in a variety of ways. The figures below show the percent estimated to do each kind of task in English “well” or “very well.”

- 63% Understand conversations
- 59% Carry on conversations
- 57% Read papers and books
- 53% Write notes or letters

Education and training background of participants

Highest grade of school completed:

- 14% Less than 12th grade, no diploma or high school equivalency
- 59% High school diploma or GED
- 12% Some post-secondary experience, no degree
- 9% Two-year degree
- 6% Four-year degree or more

Job training:

- 39% had completed a job training program before entering Families Forward

Employment status and background

Initial employment:

- 71% Employed at the time of intake (including 9% working more than one job)
- 26% Unemployed at the time of intake, but had been employed in the past
- 3% Never employed

Stability of workforce attachment:

This measure shows how many months the participant was employed (for at least 20 hours a week for at least two weeks of the month), of the six months just before entering the program.

- 16% 0 months of the previous 6 months
- 17% 1, 2, or 3 months of the previous 6 months
- 10% 4 or 5 months of the previous 6 months
- 56% all 6 of the previous 6 months

Industry sector (initial or most recent job):

- 27% Service occupations
- 22% Clerical and sales occupations
- 13% Professional, technical, or managerial occupations
- 11% Machine trade occupations
- 14% Other (agricultural/fishery/forestry, processing, structural, and miscellaneous occupations)
- 13% Benchwork occupations

For those initially employed:

Length of time in current position:

- 33% Up to half a year
- 19% More than half a year to 1 year
- 27% More than 1 year to 3 years
- 11% More than 3 years to 5 years
- 11% More than 5 years

Total hours worked in an average week:

- 12% less than 20 hours
- 30% 20 to 34 hours
- 47% 35 to 40 hours
- 11% more than 40 hours

For those initially unemployed:

Length of time since last job

- 59% Half a year or less
- 22% More than half a year but not more than 1 year
- 13% More than 1 year but not more than 2 years
- 6% More than 2 years

Source: Intake data from grantees, calculations by Wilder Research.

Initial job quality measures

For those initially employed:

Wage at start of project:

Average = \$10.17 per hour

Note: Not all wages were given as hourly rates; some are calculated from weekly or monthly figures, using reported average number of hours worked per week.

- 11% Up to \$6.75 per hour (minimum = \$1)
- 12% More than \$6.75 to \$8.00 per hour
- 28% More than \$8.00 to \$10.00 per hour
- 36% More than \$10.00 to \$13.00 per hour
- 12% More than \$13.00 per hour (maximum = \$32)

Monthly income from employment at start:

Average = \$1,426

Note: Monthly income may be more reliable than hourly wage, because it is directly reported by participants rather than calculated.

- 13% Up to \$500 (minimum = \$0)
- 18% More than \$500 to \$1,000
- 22% More than \$1,000 to \$1,500
- 27% More than \$1,500 to \$2,000
- 20% More than \$2,000 (maximum = \$5,000)

Benefits at start of project:

- 63% were offered health care coverage, of whom 70% took it
- 60% were offered dental care coverage, of whom 77% took it
- 48% were offered a retirement plan, of whom 66% took it
- 44% were offered paid sick time
- 64% were offered paid vacation time
- 31% were offered paid parental leave

Note: Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some who would be eligible after working in the position longer. Benefits may not be taken for a variety of reasons, including expense or coverage through a spouse's benefits; participants not taking medical benefits may or may not have coverage.

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

OUTCOMES FOR FAMILIES FORWARD PARTICIPANTS

About the data sources for outcomes

For participants who agreed to the collection of follow-up information, outcome data are available from two sources:

Wage detail records

These data on work hours and wages are reported every quarter by employers to the state. Data on 589 participants could be found in these records for the baseline quarter (before starting the program) and/or a follow-up quarter two years later. Wage Detail records are the source for information on the magnitude of change in wages and hours. For this kind of information, such administrative data are considered more accurate than individuals' survey responses.

Telephone follow-up surveys

These were conducted by Wilder Research between May 2004 and August 2005 with a sample of participants two years after they began receiving services. A total of 363 participants completed the interviews, or 56 percent of the randomly selected sample of 649. These respondents represent a "reference cohort" of 797 participants who were enrolled in the project early enough to make two-year follow-up possible. Because some employers declined to share information on employees, the follow-up interviews tend to under-represent participants in certain employer-based projects.

The survey responses are the source for information on the number of participants who received better jobs, wages, or benefits, and participants' perceptions of the value of the program.

*State records: Average changes in wages and hours**

		1 year	2 years	3 years
Number in program this long		1,223	934	510
Number matched in records		788	589	250
Reference Cohort (# matched and estimated)		895	669	284
Number employed at intake but not at 24 months		112 (13%)	153 (23%)	56 (20%)
Number employed at 24 months but not at intake		151 (17%)	154 (23%)	70 (25%)
Number employed at both times		525 (59%)	282 (42%)	124 (44%)
Number employed at neither time (estimated)		107 (12%)	80 (12%)	34 (12%)
Average hourly wages	At baseline	\$8.10	\$7.26	\$7.07
	At follow-up	\$9.35	\$8.12	\$8.50
	% change	15%	12%	20%
Average hours per week	At baseline	19.1	17.1	16.6
	At follow-up	20.8	17.4	18.3
	% change	9%	2%	10%
Average monthly wages	At baseline	\$944	\$826	\$803
	At follow-up	\$1,116	\$941	\$986
	% change	18%	14%	23%

* For all participants, including those employed and not employed at baseline and follow-up.

Note: Dollars not adjusted for inflation.

Source: Minnesota Department of Employment and Economic Development, Wage Detail records (aggregate), as available, with calculations by Wilder Research.

Wilder survey: Employment status after 24 months

- 55% Employed at intake and 24-month follow-up
- 26% Not employed at intake, but employed at follow-up
- 9% Not employed at intake or follow-up
- 10% Employed at intake, but not employed at follow-up

Wilder survey: Contact with programs at 24 months

Most projects were of relatively short duration, although some offered follow-up support services if needed. Most participants (87%) were no longer receiving any services at the 24-month follow-up.

Service receipt at 24 months:

- 13% Still receiving project services at 24 mos.
 - (of whom) 39% Classes or training
 - 65% Counseling or follow-up
 - 57% Something else
- 87% No longer receiving services

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

Wages and hours at 24 months

Participants were asked about job changes since enrollment. If their jobs had improved, they were also asked whether they felt the improvement was helped by their participation in the Families Forward project.

Job quality change (“Better position” indicates a “yes” response to the question, “Is the position you have now a step up from the one you had when you started the program?”)

- 10% Worse:** Employed at intake, not at 24 months
- 40% Same:**
 - 9% Not employed at either time
 - 22% Employed in same job at both times
 - 9% Employed at both times; new job at 24 months, but no better than initial job
- 50% Better:** (19% due to program)
 - 26% Not employed at intake, employed at 24 mos.
 - 24% Better position at 24 months

Pay rate change:

- 10% Worse:** Employed at intake, not at 24 months
- 11% Worse or same:** Pay same or lower at 24 mos.
- 9% Same:** Not employed at either time (25% due to program)
 - 26% Not employed at intake, employed at 24 mos.
 - 44% Higher pay at 24 months

Hours per week change:

- 19% Worse:**
 - 11% Employed at intake, not at 24 months
 - 8% Employed both times, fewer hours at 24 mos.
- 28% Same:**
 - 9% Not employed at either time
 - 19% Working the same number of hours both times
- 53% Better:** (11% due to program)
 - 26% Not employed at intake, employed at 24 mos.
 - 11% More hours at 24 months

Note: Change “due to program” indicates the participant answered “Yes” to the question, “Did your participation in the program help you get ... [the change]?” (the new position; the higher pay rate; the additional hours).

Note: Totals may not add to 100% due to rounding or respondents who did not answer the question.

Source: 24-month follow-up interviews by Wilder Research.

Benefits at intake and 24 months

<u>At intake</u>		<u>At 24 months</u>
Health benefits		
35%	Not employed	20%
Employed and:		
27%	Benefit not offered	21%
10%	Benefit offered but not taken	20%
28%	Benefit taken	40%
Dental benefits		
35%	Not employed	20%
Employed and:		
31%	Benefit not offered	23%
10%	Benefit offered but not taken	22%
25%	Benefit taken	35%

“Benefits offered” are those made available by the employer to people in the participant’s current position. Benefits may be “not offered” either because they are not made available to anybody in the participant’s position, or because the participant has not been in the position long enough to qualify.

“Benefits taken” shows the proportion of participants who are offered benefits and who make the choice to use them. Participants may choose not to use benefits for a variety of reasons, including the expense of the premiums or co-pays, or because they already have coverage through a spouse. Participants not taking medical or dental benefits may or may not have coverage through other sources.

Paid sick time

35%	Not employed	20%
38%	Employed; benefit not offered	30%
26%	Employed; benefit offered	48%

Paid vacation time offered

35%	Not employed	20%
28%	Employed; benefit not offered	21%
36%	Employed; benefit offered	58%

Perceived immediate and future value of participation

Participants reported that their participation in the Families Forward project made a difference, in each of the following kinds of ways:

Getting a better job

- 53% a big difference
- 29% a little difference
- 19% no difference

Doing better in the job you had when you started

- 44% a big difference
- 27% a little difference
- 29% no difference

Helping you take better care of your family

- 44% a big difference
- 24% a little difference
- 32% no difference

Giving you confidence to try new things

- 68% a big difference
- 22% a little difference
- 10% no difference

Getting a better job in the future

- 67% a big difference
- 21% a little difference
- 12% no difference

Did the program help you get motivated and encourage you to think you could do something new or something more?

- 91% Yes
- 9% No

Source: 24-month follow-up interviews by Wilder Research

Suggestions for programs

What are the one or two most important things for the people in charge of the program to know? (Open-ended question, with responses grouped into themes. The top three themes are shown here.)

- 42% Satisfaction with program or staff (non-specific)
- 27% Good results from program (no specifics about how the program caused them)
- 18% Guidance, encouragement, support in trying new things, help to reach new goals

Most helpful and most needed program elements

Did the program give you what you needed to succeed in the workplace?

- 83% Yes ☞

What did the program provide that helped you to succeed? (top 3 themes mentioned) (N=288)

- 31% Gave me training or increased my skills
- 25% Helped me get a (better) job or do better on my job
- 24% Personal growth (attitude, motivation)

Was there anything you needed (when you started) that the program did not provide?

- 17% Yes ☞

What did you need then that was not provided by the program? (Top 3 themes)(N=94)

- 26% Financial or material help (including 20% who say they still need this)
- 24% Personal support, encouragement, guidance (13% say they still need this)
- 18% Training or skills (general or specific) (10% say they still need this)

For more information

This summary presents a profile of participants in the McKnight Foundation's *Families Forward* Initiative and their outcomes at 24 months. For more information about these data, contact Ellen Shelton at Wilder Research, 651-637-2470.

B. Employer-based program

Families Forward Profile of participants and outcomes Employer-based programs

The Families Forward initiative began in September 2001 with multi-year grants from The McKnight Foundation to 17 partnerships across the state of Minnesota. The purpose was to stimulate and support innovative projects to help low-wage workers increase their skills and advance in their jobs. As a supplement to the full evaluation report and summary (see box at end) this profile presents a statistical summary of the participants served in the initiative and some of the outcomes observed after one, two, and three years.

Each of the 17 grantees offered a unique model of program. Variations among programs included the kinds of participants served; the content, intensity, and length of training; and the type and intensity of supports offered during and following the program. To help understand the effects of these program variations, the sites were grouped into four clusters for some analyses of outcomes. These groupings are based on how participants were identified and grouped for training, and the amount and kind of supports. While these groupings reflect certain commonalities among programs, they also mask other important program differences (such as in participant characteristics, and content, intensity, and duration of training).

Employer-based programs identified and served participants based on current job positions with a specific employer, and provided limited support services. **Sectoral programs** identified participants individually (through self-selection or referral from a community agency) but provided training in groups for skills needed in a specific industry (such as health care, banking, or construction). The **Sectoral – lower support** cluster typically offered employment-related support services such as job placement and retention help; the **Sectoral – higher support** cluster typically offered both employment-related services and also more personal supports such as help arranging child care or help with budgeting and financial management. The **Individualized** cluster of programs not only identified participants individually, but also provided training on a case-by-case basis, depending on the individual's current situation and goals.

This profile shows the characteristics and outcomes of participants in the four sites included in the Employer-based cluster.

Between September 2001 and July 2005, when data collection ended, the evaluation obtained data on 295 participants in these four partnerships, of whom 170 gave consent to be included in the follow-up interviews. This profile of participant characteristics and outcomes is based on two main sources:

- Information that was collected by grantees at the time participants began receiving services. This information was provided for 236 participants in this cluster.
- The responses of a sample of participants to a telephone survey conducted by Wilder Research 24 months later. These surveys were completed by 35 participants in this cluster.

Demographic characteristics of participants at entry

Age: Average age = 35

- 22% age 24 or younger (youngest is 18)
- 36% age 25 to 34
- 22% age 35 to 44
- 19% age 45 or older (oldest is 73)

Race/ethnicity:

- 27% White
- 13% Black
- 31% Hispanic
- <1% American Indian
- 28% Asian
- <1% Mixed race

Citizenship:

- 52% U.S. citizens, 48% non-citizens

Marital status:

- 55% married
- 7% in a marriage-like relationship with a partner
- 7% separated, divorced, or widowed
- 31% single, never married

Gender:

- 60% male
- 40% female

Dependent children: Average number = 1.5

- 37% have none
- 40% have 1 or 2 children
- 16% have 3 or 4 children
- 7% have 5 or more children

Age of youngest child:

- 45% 0 to 2 years old
- 23% 3 to 5 years old
- 11% 6 to 9 years old
- 8% 10 to 12 years old
- 8% 13 to 17 years old
- 5% 18 years or older

Age of oldest child:

- 13% 0 to 2 years old
- 27% 3 to 5 years old
- 17% 6 to 9 years old
- 12% 10 to 12 years old
- 19% 13 to 17 years old
- 12% 18 years or older

Source: Intake data from grantees, calculations by Wilder Research.

Primary language of participants

- 41% English
- 54% Spanish
- 2% Bosnian
- 1% Hmong
- 1% Lao
- 1% Vietnamese
- 1% French

For the 88 participants for whom English was not the primary language, grantee staff estimated how well participants could use and understand English in a variety of ways. The figures below show the percent estimated to do each kind of task in English “well” or “very well.”

- 14% Understand conversations
- 14% Carry on conversations
- 9% Read papers and books
- 8% Write notes or letters

Education and training background of participants

Highest grade of school completed:

- 39% Less than 12th grade, no diploma or high school equivalency
- 46% High school diploma or GED
- 6% Some post-secondary experience, no degree
- 6% Two-year degree
- 8% Four-year degree or more

Job training:

- 27% had completed a job training program before entering Families Forward

Employment status and background

Initial employment:

- 100% Employed at the time of intake
(including 7% working more than one job)

Stability of workforce attachment:

This measure shows how many months the participant was employed (for at least 20 hours a week for at least two weeks of the month), of the six months just before entering the program.

- 1% 0 months of the previous 6 months
- 7% 1, 2, or 3 months of the previous 6 months
- 5% 4 or 5 months of the previous 6 months
- 87% all 6 of the previous 6 months

Industry sector (initial or most recent job):

- 43% Benchwork occupations
- 30% Machine trades occupations
- 13% Processing occupations
- 3% Professional, technical, or managerial occupations
- 2% Clerical and sales occupations
- 9% Other (agricultural/fishery/forestry, service, structural, and miscellaneous occupations)

For those initially employed:

Length of time in current position:

- 20% Up to half a year
- 17% More than half a year to 1 year
- 37% More than 1 year to 3 years
- 13% More than 3 years to 5 years
- 13% More than 5 years

Total hours worked in an average week:

- 0% less than 20 hours
- 0% 20 to 34 hours
- 75% 35 to 40 hours
- 25% more than 40 hours

Source: Intake data from grantees, calculations by Wilder Research.

Initial job quality measures

For those initially employed:

Wage at start of project:

Average = \$11.18 per hour

Note: Not all wages were given as hourly rates; some are calculated from weekly or monthly figures, using reported average number of hours worked per week. Self-reported wages and incomes tend to be higher than those reported by employers from payroll records.

- 0% Up to \$6.75 per hour (minimum = \$8.75)
- 0% More than \$6.75 to \$8.00 per hour
- 29% More than \$8.00 to \$10.00 per hour
- 64% More than \$10.00 to \$13.00 per hour
- 7% More than \$13.00 per hour (maximum = \$20)

Monthly income from employment at start:

Average = \$1,921

Note: Monthly income may be more reliable than hourly wage, because it is directly reported by participants rather than calculated.

- 0% Up to \$500 (minimum = \$1,000)
- 1% More than \$500 to \$1,000
- 17% More than \$1,000 to \$1,500
- 44% More than \$1,500 to \$2,000
- 38% More than \$2,000 (maximum = \$4,067)

Benefits at start of project:

- 97% were offered health care coverage, of whom 72% took it
- 97% were offered dental care coverage, of whom 86% took it
- 71% were offered a retirement plan, of whom 59% took it
- 55% were offered paid sick time
- 96% were offered paid vacation time
- 64% were offered paid parental leave

Note: Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some who would be eligible after working in the position longer. Benefits may not be taken for a variety of reasons, including expense or coverage through a spouse's benefits; participants not taking medical benefits may or may not have coverage.

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

OUTCOMES FOR FAMILIES FORWARD PARTICIPANTS

About the data source for outcomes

The outcome data shown here come from telephone surveys conducted by Wilder Research between May 2004 and August 2005, with a sample of participants who agreed to the collection of follow-up information. Of the 170 who consented to be followed up, 115 were in the program early enough to be eligible for a 24-month follow-up by July 2005. Of these 115, 111 were randomly sampled. Of those 111, 35 (or 32%) could be located and agreed to complete the interview. Because some employers declined to share information on employees, or shared limited information but declined to ask participants for their consent for follow-up, the follow-up interviews tend to under-represent participants in certain employer-based projects.

Employment status after 24 months

- 97% Employed at intake and 24-month follow-up
- 0% Not employed at intake, but employed at follow-up
- 9% Not employed at intake or follow-up
- 3% Employed at intake, but not employed at follow-up

Contact with programs at 24 months

Projects were of relatively short duration, although some offered follow-up support services if needed. No participants were receiving any services at the 24-month follow-up.

Service receipt at 24 months:

- 0% Still receiving project services at 24 mos.
- 100% No longer receiving services

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

Wages and hours at 24 months

Participants were asked about job changes since enrollment. If their jobs had improved, they were also asked whether they felt the improvement was helped by their participation in the Families Forward project.

Job quality change (“Better position” indicates a “yes” response to the question, “Is the position you have now a step up from the one you had when you started the program?”)

- 3% Worse:** Employed at intake, not at 24 months
- 69% Same:**
 - 0% Not employed at either time
 - 49% Employed in same job at both times
 - 20% Employed at both times; new job at 24 months, but no better than initial job
- 29% Better:** (20% due to program)
 - 0% Not employed at intake, employed at 24 mos.
 - 29% Better position at 24 months

Pay rate change:

- 3% Worse:** Employed at intake, not at 24 months
- 17% Worse or same:** Pay same or lower at 24 mos.
- 0% Same:** Not employed at either time
- 80% Better:** (63% due to program)
 - 0% Not employed at intake, employed at 24 mos.
 - 80% Higher pay at 24 months

Hours per week change:

- 3% Worse:**
 - 3% Employed at intake, not at 24 months
 - 0% Employed both times, fewer hours at 24 mos.
- 69% Same:**
 - 0% Not employed at either time
 - 69% Working the same number of hours both times
- 29% Better:** (17% due to program)
 - 0% Not employed at intake, employed at 24 mos.
 - 29% More hours at 24 months

Benefits at intake and 24 months

<u>At intake</u>	<u>At 24 months</u>
------------------	---------------------

Health benefits

0%	Not employed	3%
Employed and:		
0%	Benefit not offered	6%
6%	Benefit offered but not taken	23%
94%	Benefit taken	69%

Dental benefits

0%	Not employed	3%
Employed and:		
0%	Benefit not offered	17%
11%	Benefit offered but not taken	20%
89%	Benefit taken	60%

“Benefits offered” are those made available by the employer to people in the participant’s current position. Benefits may be “not offered” either because they are not made available to anybody in the participant’s position, or because the participant has not been in the position long enough to qualify.

“Benefits taken” shows the proportion of participants who are offered benefits and who make the choice to use them. Participants may choose not to use benefits for a variety of reasons, including the expense of the premiums or co-pays, or because they already have coverage through a spouse. Participants not taking medical or dental benefits may or may not have coverage through other sources.

Paid sick time

0%	Not employed	3%
63%	Employed; benefit not offered	37%
37%	Employed; benefit offered	63%

Paid vacation time

0%	Not employed	3%
11%	Employed; benefit not offered	6%
89%	Employed; benefit offered	94%

Note: Change “due to program” indicates the participant answered “Yes” to the question, “Did your participation in the program help you get ... [the change]?” (the new position; the higher pay rate; the additional hours).

Note: Totals may not add to 100% due to rounding or respondents who did not answer the question.

Source: 24-month follow-up interviews by Wilder Research.

Perceived immediate and future value of participation

Participants reported that their participation in the Families Forward project made a difference, in each of the following kinds of ways:

Getting a better job

- 43% a big difference
- 40% a little difference
- 17% no difference

Doing better in the job you had when you started

- 57% a big difference
- 37% a little difference
- 6% no difference

Helping you take better care of your family

- 47% a big difference
- 22% a little difference
- 31% no difference

Giving you confidence to try new things

- 71% a big difference
- 23% a little difference
- 6% no difference

Getting a better job in the future

- 69% a big difference
- 23% a little difference
- 9% no difference

Did the program help you get motivated and encourage you to think you could do something new or something more?

- 94% Yes
- 6% No

Suggestions for programs

What are the one or two most important things for the people in charge of the program to know?

(Open-ended question, with responses grouped into themes. The top two themes are shown here.)

- 60% Satisfaction with program or staff (non-specific)
- 21% Good results from program (no specifics about how the program caused them)

Most helpful and most needed program elements

Did the program give you what you needed to succeed in the workplace?

- 91% Yes ☺

What did the program provide that helped you to succeed? (top 3 themes mentioned) (N=31)

- 42% Helped me get a (better) job or do better on my job
- 42% Learning English/American culture
- 29% Gave me training or increased my skills

Was there anything you needed (when you started) that the program did not provide?

- 17% Yes ☹

What did you need then that was not provided by the program? (Only 3 themes) (N=6)

- 6 Longer running classes/more time in training (5 say they still need this)
- 1 Bilingual teacher (1 says they still need this)
- 1 Training or skills (general or specific) (1 says they still need this:)

Source: 24-month follow-up interviews by Wilder Research.

For more information

This summary presents a profile of participants in the McKnight Foundation's *Families Forward* Initiative and their outcomes at 24 months. For more information about these data, contact Ellen Shelton at Wilder Research, 651-637-2470.

C. Sectoral – lower support programs

Families Forward **Profile of participants and outcomes** **Sectoral-lower support programs**

The Families Forward initiative began in September 2001 with multi-year grants from The McKnight Foundation to 17 partnerships across the state of Minnesota. The purpose was to stimulate and support innovative projects to help low-wage workers increase their skills and advance in their jobs. As a supplement to the full evaluation report and summary (see box at end) this profile presents a statistical summary of the participants served in the initiative and some of the outcomes observed after one, two, and three years.

Each of the 17 grantees offered a unique model of program. Variations among programs included the kinds of participants served; the content, intensity, and length of training; and the type and intensity of supports offered during and following the program. To help understand the effects of these program variations, the sites were grouped into four clusters for some analyses of outcomes. These groupings are based on how participants were identified and grouped for training, and the amount and kind of supports. While these groupings reflect certain commonalities among programs, they also mask other important program differences (such as in participant characteristics, and content, intensity, and duration of training).

Employer-based programs identified and served participants based on current job positions with a specific employer, and provided limited support services. **Sectoral programs** identified participants individually (through self-selection or referral from a community agency) but provided training in groups for skills needed in a specific industry (such as health care, banking, or construction). The **Sectoral – lower support** cluster typically offered employment-related support services such as job placement and retention help; the **Sectoral – higher support** cluster typically offered both employment-related services and also more personal supports such as help arranging child care or help with budgeting and financial management. The **Individualized** cluster of programs not only identified participants individually, but also provided training on a case-by-case basis, depending on the individual's current situation and goals.

This profile shows the characteristics and outcomes of participants in the four sites included in the Sectoral – lower support cluster.

Between September 2001 and July 2005, when data collection ended, the evaluation obtained data on 246 participants in these four partnerships, of whom 242 gave consent to be included in the follow-up interviews. This profile of participant characteristics and outcomes is based on two main sources:

- Information that was collected by grantees at the time participants began receiving services. This information was provided for 243 of participants in this cluster.
- The responses of a sample of participants to a telephone survey conducted by Wilder Research 24 months later. These surveys were completed by 94 participants in this cluster.

Demographic characteristics of participants at entry

Age: Average age = 33

- 16% age 24 or younger (youngest is 18)
- 45% age 25 to 34
- 26% age 35 to 44
- 13% age 45 or older (oldest is 68)

Race/ethnicity:

- 36% White
- 25% Black
- 11% Hispanic
- 25% American Indian
- 2% Asian
- 1% Mixed race

Citizenship:

- 85% U.S. citizens, 15% non-citizens

Marital status:

- 42% married
- 11% in a marriage-like relationship with a partner
- 15% separated, divorced, or widowed
- 32% single, never married

Gender:

- 38% male
- 62% female

Dependent children: Average number = 2

- 5% have none
- 57% have 1 or 2 children
- 31% have 3 or 4 children
- 7% have 5 or more children

Age of youngest child:

- 42% 0 to 2 years old
- 23% 3 to 5 years old
- 14% 6 to 9 years old
- 10% 10 to 12 years old
- 10% 13 to 17 years old
- 1% 18 years or older

Age of oldest child:

- 16% 0 to 2 years old
- 16% 3 to 5 years old
- 22% 6 to 9 years old
- 13% 10 to 12 years old
- 21% 13 to 17 years old
- 12% 18 years or older

Source: *Intake data from grantees, calculations by Wilder Research.*

Primary language of participants

- 81% English
- 7% Spanish
- 7% Somali
- 2% Hmong
- 1% Nuer
- 1% Yoruba
- <1% Russian
- <1% French

For the 46 participants for whom English was not the primary language, grantee staff estimated how well participants could use and understand English in a variety of ways. The figures below show the percent estimated to do each kind of task in English “well” or “very well.”

- 78% Understand conversations
- 74% Carry on conversations
- 71% Read papers and books
- 67% Write notes or letters

Education and training background of participants

Highest grade of school completed:

- 9% Less than 12th grade, no diploma or high school equivalency
- 62% High school diploma or GED
- 14% Some post-secondary experience, no degree
- 12% Two-year degree
- 4% Four-year degree or more

Job training:

- 36% had completed a job training program before entering Families Forward

Employment status and background

Initial employment:

- 64% Employed at the time of intake (including 9% working more than one job)
- 34% Unemployed at the time of intake, but had been employed in the past
- 2% Never employed

Stability of workforce attachment:

This measure shows how many months the participant was employed (for at least 20 hours a week for at least two weeks of the month), of the six months just before entering the program.

- 16% 0 months of the previous 6 months
- 14% 1, 2, or 3 months of the previous 6 months
- 9% 4 or 5 months of the previous 6 months
- 61% all 6 of the previous 6 months

Industry sector (initial or most recent job):

- 31% Service occupations
- 22% Clerical and sales occupations
- 21% Professional, technical, or managerial occupations
- 8% Machine trade occupations
- 5% Processing occupations
- 14% Other (agricultural/fishery/forestry, benchwork, structural, and miscellaneous occupations)

For those initially employed:

Length of time in current position:

- 20% up to half a year
- 17% more than half a year to 1 year
- 29% more than 1 year to 3 years
- 14% more than 3 years to 5 years
- 20% more than 5 years

Total hours worked in an average week:

- 4% less than 20 hours
- 30% 20 to 34 hours
- 58% 35 to 40 hours
- 8% more than 40 hours

For those initially unemployed:

Length of time since last job

- 66% up to half a year
- 24% more than half a year to 1 year
- 10% more than 1 year to 2 years
- 0% more than 2 years

Source: Intake data from grantees, calculations by Wilder Research.

Initial job quality measures

For those initially employed:

Wage at start of project:

Average = \$11.01 per hour

Note: *Not all wages were given as hourly rates; some are calculated from weekly or monthly figures, using reported average number of hours worked per week. Self-reported wages and incomes tend to be higher than those reported by employers from payroll records.*

- 8% Up to \$6.75 per hour (minimum = \$5)
- 6% More than \$6.75 to \$8.00 per hour
- 27% More than \$8.00 to \$10.00 per hour
- 40% More than \$10.00 to \$13.00 per hour
- 20% More than \$13.00 per hour (maximum = \$20)

Monthly income from employment at start:

Average = \$1, 528

Note: *Monthly income may be more reliable than hourly wage, because it is directly reported by participants rather than calculated.*

- 3% up to \$500 (minimum is \$157)
- 18% more than \$500 to \$1,000
- 32% more than \$1,000 to \$1,500
- 29% more than \$1,500 to \$2,000
- 18% more than \$2,000 (maximum is \$4,500)

Benefits at start of project:

- 74% were offered health care coverage, of whom 79% took it
- 70% were offered dental care coverage, of whom 80% took it
- 58% were offered a retirement plan, of whom 75% took it
- 62% were offered paid sick time
- 76% were offered paid vacation time
- 27% were offered paid parental leave

Note: *Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some who would be eligible after working in the position longer. Benefits may not be taken for a variety of reasons, including expense or coverage through a spouse's benefits; participants not taking medical benefits may or may not have coverage.*

Source: *Intake data from grantees and 24-month follow-up interviews by Wilder Research.*

OUTCOMES FOR FAMILIES FORWARD PARTICIPANTS

About the data source for outcomes

The outcome data shown here come from telephone surveys conducted by Wilder Research between May 2004 and August 2005, with a sample of participants who agreed to the collection of follow-up information. Of the 242 who consented to be followed up, 164 were in the program early enough to be eligible for a 24-month follow-up by July 2005. All of these 164 were sampled for interviews. Of those 164, 94 (or 57%) could be located and agreed to complete the interview.

Employment status after 24 months

- 55% Employed at intake and 24-month follow-up
- 29% Not employed at intake, but employed at follow-up
- 8% Not employed at intake or follow-up
- 9% Employed at intake, but not employed at follow-up

Contact with programs at 24 months

Most projects were of relatively short duration, although some offered follow-up support services if needed. Most participants (85%) were no longer receiving any services at the 24-month follow-up.

Service receipt at 24 months:

- 15% Still receiving project services at 24 mos.
 - (of whom) 57% Classes or training
 - 79% Counseling or follow-up
 - 29% Something else (mainly help paying educational expenses)
- 85% No longer receiving services

Source: *Intake data from grantees and 24-month follow-up interviews by Wilder Research.*

Wages and hours at 24 months

Participants were asked about job changes since enrollment. If their jobs had improved, they were also asked whether they felt the improvement was helped by their participation in the Families Forward project.

Job quality change (“Better position” indicates a “yes” response to the question, “Is the position you have now a step up from the one you had when you started the program?”)

- 9% **Worse:** Employed at intake, not at 24 months
- 37% **Same:**
 - 8% Not employed at either time
 - 26% Employed in same job at both times
 - 3% Employed at both times; new job at 24 months, but no better than initial job
- 55% **Better:** (40% due to program)
 - 29% Not employed at intake, employed at 24 mos.
 - 26% Better position at 24 months, due to program

Pay rate change:

- 9% **Worse:** Employed at intake, not at 24 months
- 13% **Worse or same:** Pay same or lower at 24 mos.
- 8% **Same:** Not employed at either time
- 71% **Better:** (49% due to program)
 - 29% Not employed at intake, employed at 24 mos.
 - 42% Higher pay at 24 months

Hours per week change:

- 16% **Worse:**
 - 9% Employed at intake, not at 24 months
 - 8% Employed both times, fewer hours at 24 mos.
- 28% **Same:**
 - 8% Not employed at either time
 - 20% Working the same number of hours both times
- 56% **Better:** (31% due to program)
 - 29% Not employed at intake, employed at 24 mos.
 - 27% More hours at 24 months

Benefits at intake and 24 months

<u>At intake</u>		<u>At 24 months</u>
------------------	--	---------------------

Health benefits

37%	Not employed	17%
	Employed and:	
22%	Benefit not offered	20%
10%	Benefit offered but not taken	16%
31%	Benefit taken	48%

Dental benefits

37%	Not employed	17%
	Employed and:	
26%	Benefit not offered	20%
9%	Benefit offered but not taken	20%
29%	Benefit taken	43%

“Benefits offered” are those made available by the employer to people in the participant’s current position. Benefits may be “not offered” either because they are not made available to anybody in the participant’s position, or because the participant has not been in the position long enough to qualify.

“Benefits taken” shows the proportion of participants who are offered benefits and who make the choice to use them. Participants may choose not to use benefits for a variety of reasons, including the expense of the premiums or co-pays, or because they already have coverage through a spouse. Participants not taking medical or dental benefits may or may not have coverage through other sources.

Paid sick time

37%	Not employed	17%
26%	Employed; benefit not offered	35%
37%	Employed; benefit offered	48%

Paid vacation time

37%	Not employed	17%
19%	Employed; benefit not offered	29%
44%	Employed; benefit offered	54%

Note: Change “due to program” indicates the participant answered “Yes” to the question, “Did your participation in the program help you get ... [the change]?” (the new position; the higher pay rate; the additional hours).

Note: Totals may not add to 100% due to rounding or respondents who did not answer the question.

Source: 24-month follow-up interviews by Wilder Research.

Perceived immediate and future value of participation

Participants reported that their participation in the Families Forward project made a difference, in each of the following kinds of ways:

Getting a better job

- 66% a big difference
- 17% a little difference
- 17% no difference

Doing better in the job you had when you started

- 50% a big difference
- 20% a little difference
- 30% no difference

Helping you take better care of your family

- 56% a big difference
- 17% a little difference
- 27% no difference

Giving you confidence to try new things

- 69% a big difference
- 18% a little difference
- 13% no difference

Getting a better job in the future

- 76% a big difference
- 13% a little difference
- 11% no difference

Did the program help you get motivated and encourage you to think you could do something new or something more?

- 94% Yes
- 6% No

Suggestions for programs

What are the one or two most important things for the people in charge of the program to know?

(Open-ended question, with responses grouped into themes. The top three themes are shown here.)

- 46% Satisfaction with program or staff (non-specific)
- 22% Good results from program (no specifics about how the program caused them)
- 16% Guidance, encouragement, support in trying new things, help to reach new goals

Most helpful and most needed program elements

Did the program give you what you needed to succeed in the workplace?

- 89% Yes ☞

What did the program provide that helped you to succeed? (top 3 themes mentioned) (N=80)

- 36% Gave me training or increased my skills
- 25% Helped me get a (better) job or do better on my job
- 23% Financial or material help

Was there anything you needed (when you started) that the program did not provide?

- 20% Yes ☞

What did you need then that was not provided by the program? (Top 4 themes)(N=19)

- 26% Financial or material help (including 21% who say they still need this)
- 21% Help with basic skills/education (still need: 5%)
- 16% Personal support, encouragement, guidance (say they still need this: 5%)
- 16% Training or skills (general or specific) (say they still need this: 5%)

Source: 24-month follow-up interviews by Wilder Research.

For more information

This summary presents a profile of participants in the McKnight Foundation's *Families Forward* Initiative and their outcomes at 24 months. For more information about these data, contact Ellen Shelton at Wilder Research, 651-637-2470.

D. Sectoral – higher support programs

Families Forward **Profile of participants and outcomes** **Sectoral – higher support programs**

The Families Forward initiative began in September 2001 with multi-year grants from The McKnight Foundation to 17 partnerships across the state of Minnesota. The purpose was to stimulate and support innovative projects to help low-wage workers increase their skills and advance in their jobs. As a supplement to the full evaluation report and summary (see box at end) this profile presents a statistical summary of the participants served in the initiative and some of the outcomes observed after one, two, and three years.

Each of the 17 grantees offered a unique model of program. Variations among programs included the kinds of participants served; the content, intensity, and length of training; and the type and intensity of supports offered during and following the program. To help understand the effects of these program variations, the sites were grouped into four clusters for some analyses of outcomes. These groupings are based on how participants were identified and grouped for training, and the amount and kind of supports. While these groupings reflect certain commonalities among programs, they also mask other important program differences (such as in participant characteristics, and content, intensity, and duration of training).

Employer-based programs identified and served participants based on current job positions with a specific employer, and provided limited support services. **Sectoral programs** identified participants individually (through self-selection or referral from a community agency) but provided training in groups for skills needed in a specific industry (such as health care, banking, or construction). The **Sectoral – lower support** cluster typically offered employment-related support services such as job placement and retention help; the **Sectoral – higher support** cluster typically offered both employment-related services and also more personal supports such as help arranging child care or help with budgeting and financial management. The **Individualized** cluster of programs not only identified participants individually, but also provided training on a case-by-case basis, depending on the individual's current situation and goals.

This profile shows the characteristics and outcomes of participants in the six sites included in the Sectoral – higher support cluster.

Between September 2001 and July 2005, when data collection ended, the evaluation obtained data on 509 participants in these six partnerships, of whom 502 gave consent to be included in the follow-up interviews. This profile of participant characteristics and outcomes is based on two main sources:

- Information that was collected by grantees at the time participants began receiving services. This information was provided for all participants in this cluster.
- The responses of a sample of participants to a telephone survey conducted by Wilder Research 24 months later. These surveys were completed by 150 participants in this cluster.

Demographic characteristics of participants at entry

Age: Average age = 32

- 24% age 24 or younger (youngest is 16)
- 38% age 25 to 34
- 29% age 35 to 44
- 9% age 45 or older (oldest is 57)

Race/ethnicity:

- 45% White
- 41% Black
- 4% Hispanic
- 7% American Indian
- 2% Asian
- 1% Mixed race

Citizenship:

- 74% U.S. citizens, 26% non-citizens

Marital status:

- 41% married
- 9% in a marriage-like relationship with a partner
- 19% separated, divorced, or widowed
- 31% single, never married

Gender:

- 29% male
- 71% female

Dependent children: Average number = 2

- 2% have none
- 68% have 1 or 2 children
- 26% have 3 or 4 children
- 4% have 5 or more children

Age of youngest child:

- 43% 0 to 2 years old
- 20% 3 to 5 years old
- 19% 6 to 9 years old
- 9% 10 to 12 years old
- 8% 13 to 17 years old
- 1% 18 years or older

Age of oldest child:

- 20% 0 to 2 years old
- 15% 3 to 5 years old
- 25% 6 to 9 years old
- 14% 10 to 12 years old
- 22% 13 to 17 years old
- 5% 18 years or older

Source: *Intake data from grantees, calculations by Wilder Research.*

Primary language of participants

- 78% English
- 5% Amharic
- 4% Somali
- 2% Yoruba
- 1% Spanish
- 1% French
- <1% each of 29 other languages

For the 111 participants for whom English was not the primary language, grantee staff estimated how well participants could use and understand English in a variety of ways. The figures below show the percent estimated to do each kind of task in English “well” or “very well.”

- 88% Understand conversations
- 86% Carry on conversations
- 85% Read papers and books
- 79% Write notes or letters

Education and training background of participants

Highest grade of school completed:

- 10% Less than 12th grade, no diploma or high school equivalency
- 63% High school diploma or GED
- 11% Some post-secondary experience, no degree
- 8% Two-year degree
- 8% Four-year degree or more

Job training:

- 45% had completed a job training program before entering Families Forward

Employment status and background

Initial employment:

- 46% Employed at the time of intake (including 9% working more than one job)
- 47% Unemployed at the time of intake, but had been employed in the past
- 7% Never employed

Stability of workforce attachment:

This measure shows how many months the participant was employed (for at least 20 hours a week for at least two weeks of the month), of the six months just before entering the program.

- 30% 0 months of the previous 6 months
- 22% 1, 2, or 3 months of the previous 6 months
- 12% 4 or 5 months of the previous 6 months
- 37% all 6 of the previous 6 months

Industry sector (initial or most recent job):

- 36% Service occupations
- 28% Clerical and sales occupations
- 9% Professional, technical, or managerial occupations
- 7% Machine trade occupations
- 7% Benchwork occupations
- 21% Other (agricultural/fishery/forestry, processing, structural, and miscellaneous occupations)

For those initially employed:

Length of time in current position:

- 42% Up to half a year
- 22% More than half a year to 1 year
- 18% More than 1 year to 3 years
- 11% More than 3 years to 5 years
- 7% More than 5 years

Total hours worked in an average week:

- 20% less than 20 hours
- 34% 20 to 34 hours
- 34% 35 to 40 hours
- 12% more than 40 hours

For those initially unemployed:

Length of time since last job

- 56% Half a year or less
- 20% More than half a year but not more than 1 year
- 16% More than 1 year but not more than 2 years
- 9% More than 2 years

Source: Intake data from grantees, calculations by Wilder Research.

Initial job quality measures

For those initially employed:

Wage at start of project:

Average = \$9.43 per hour

Note: Not all wages were given as hourly rates; some are calculated from weekly or monthly figures, using reported average number of hours worked per week. Self-reported wages and incomes tend to be higher than those reported by employers from payroll records.

- 20% Up to \$6.75 per hour (minimum = \$2.41)
- 15% More than \$6.75 to \$8.00 per hour
- 28% More than \$8.00 to \$10.00 per hour
- 25% More than \$10.00 to \$13.00 per hour
- 12% More than \$13.00 per hour (maximum = \$31)

Monthly income from employment at start:

Average = \$1,074

Note: Monthly income may be more reliable than hourly wage, because it is directly reported by participants rather than calculated.

- 29% Up to \$500 (minimum = \$8)
- 26% More than \$500 to \$1,000
- 21% More than \$1,000 to \$1,500
- 13% More than \$1,500 to \$2,000
- 12% More than \$2,000 (maximum = \$5,000)

Benefits at start of project:

- 40% were offered health care coverage, of whom 70% took it
- 35% were offered dental care coverage, of whom 68% took it
- 29% were offered a retirement plan, of whom 68% took it
- 29% were offered paid sick time
- 41% were offered paid vacation time
- 11% were offered paid parental leave

Note: Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some who would be eligible after working in the position longer. Benefits may not be taken for a variety of reasons, including expense or coverage through a spouse's benefits; participants not taking medical benefits may or may not have coverage.

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

OUTCOMES FOR FAMILIES FORWARD PARTICIPANTS

About the data source for outcomes

The outcome data shown here come from telephone surveys conducted by Wilder Research between May 2004 and August 2005, with a sample of participants who agreed to the collection of follow-up information. Of the 502 who consented to be followed up, 235 were in the program early enough to be eligible for a 24-month follow-up by July 2005. All of these 235 were sampled for interviews. Of those 235, 150 (or 64%) could be located and agreed to complete the interview.

Employment status after 24 months

- 38% Employed at intake and 24-month follow-up
- 40% Not employed at intake, but employed at follow-up
- 13% Not employed at intake or follow-up
- 9% Employed at intake, but not employed at follow-up

Contact with programs at 24 months

Most projects were of relatively short duration, although some offered follow-up support services if needed. Most participants (91%) were no longer receiving any services at the 24-month follow-up.

Service receipt at 24 months:

- 9% Still receiving project services at 24 mos.
 - (of whom) 57% Classes or training
 - 64% Counseling or follow-up
 - 43% Something else (mainly help paying educational expenses)
- 91% No longer receiving services

Source: Intake data from grantees and 24-month follow-up interviews by Wilder Research.

Wages and hours at 24 months

Participants were asked about job changes since enrollment. If their jobs had improved, they were also asked whether they felt the improvement was helped by their participation in the Families Forward project.

Job quality change (“Better position” indicates a “yes” response to the question, “Is the position you have now a step up from the one you had when you started the program?”)

- 9% Worse:** Employed at intake, not at 24 months
- 29% Same:**
 - 13% Not employed at either time
 - 15% Employed in same job at both times
 - 1% Employed at both times; new job at 24 months, but no better than initial job
- 62% Better:** (37% due to program)
 - 40% Not employed at intake, employed at 24 mos.
 - 22% Better position at 24 months

Pay rate change:

- 9% Worse:** Employed at intake, not at 24 months
- 5% Worse or same:** Pay same or lower at 24 mos.
- 13% Same:** Not employed at either time
- 73% Better:** (37% due to program)
 - 40% Not employed at intake, employed at 24 mos.
 - 33% Higher pay at 24 month

Hours per week change:

- 19% Worse:**
 - 9% Employed at intake, not at 24 months
 - 11% Employed both times, fewer hours at 24 mos.
- 21% Same:**
 - 13% Not employed at either time
 - 8% Working the same number of hours both times
- 59% Better:** (29% due to program)
 - 40% Not employed at intake, employed at 24 mos.
 - 19% More hours at 24 months

Benefits at intake and 24 months

<u>At intake</u>		<u>At 24 months</u>
Health benefits		
53%	Not employed	22%
Employed and:		
23%	Benefit not offered	21%
7%	Benefit offered but not taken	22%
16%	Benefit taken	35%

Dental benefits		
53%	Not employed	22%
Employed and:		
27%	Benefit not offered	23%
6%	Benefit offered but not taken	24%
14%	Benefit taken	31%

“Benefits offered” are those made available by the employer to people in the participant’s current position. Benefits may be “not offered” either because they are not made available to anybody in the participant’s position, or because the participant has not been in the position long enough to qualify.

“Benefits taken” shows the proportion of participants who are offered benefits and who make the choice to use them. Participants may choose not to use benefits for a variety of reasons, including the expense of the premiums or co-pays, or because they already have coverage through a spouse. Participants not taking medical or dental benefits may or may not have coverage through other sources.

Paid sick time		
53%	Not employed	22%
31%	Employed; benefit not offered	27%
15%	Employed; benefit offered	51%

Paid vacation time		
53%	Not employed	22%
25%	Employed; benefit not offered	17%
21%	Employed; benefit offered	61%

Note: Change “due to program” indicates the participant answered “Yes” to the question, “Did your participation in the program help you get ... [the change]?” (the new position; the higher pay rate; the additional hours).

Note: Totals may not add to 100% due to rounding or respondents who did not answer the question.

Source: 24-month follow-up interviews by Wilder Research.

Perceived immediate and future value of participation

Participants reported that their participation in the Families Forward project made a difference, in each of the following kinds of ways:

Getting a better job

- 53% a big difference
- 29% a little difference
- 18% no difference

Doing better in the job you had when you started

- 45% a big difference
- 28% a little difference
- 28% no difference

Helping you take better care of your family

- 41% a big difference
- 28% a little difference
- 31% no difference

Giving you confidence to try new things

- 64% a big difference
- 26% a little difference
- 11% no difference

Getting a better job in the future

- 64% a big difference
- 26% a little difference
- 10% no difference

Did the program help you get motivated and encourage you to think you could do something new or something more?

- 88% Yes
- 12% No

Source: 24-month follow-up interviews by Wilder Research.

Suggestions for programs

What are the one or two most important things for the people in charge of the program to know?

(Open-ended question, with responses grouped into themes. The top three themes are shown here.)

- 40% Satisfaction with program or staff (non-specific)
- 28% Good results from program (no specifics about how the program caused them)
- 18% Guidance, encouragement, support in trying new things, help to reach new goals

Most helpful and most needed program elements

Did the program give you what you needed to succeed in the workplace?

- 78% Yes ☺

What did the program provide that helped you to succeed? (top 3 themes mentioned) (N=115)

- 30% Helped me get a (better) job or do better on my job
- 28% Gave me training or increased my skills
- 20% Personal support/encouragement from program staff

Was there anything you needed (when you started) that the program did not provide?

- 35% Yes ☺

What did you need then that was not provided by the program? (Top 3 themes) (N=52)

- 27% Personal support, encouragement, guidance (12% say they still need this)
- 23% Financial or material help (including 17% who say they still need this)
- 17% Training or skills (general or specific) (8% say they still need this)

For more information

This summary presents a profile of participants in the McKnight Foundation's *Families Forward* Initiative and their outcomes at 24 months. For more information about these data, contact Ellen Shelton at Wilder Research, 651-637-2470.

E. Individualized programs

Families Forward **Profile of participants and outcomes** **Individualized programs**

The Families Forward initiative began in September 2001 with multi-year grants from The McKnight Foundation to 17 partnerships across the state of Minnesota. The purpose was to stimulate and support innovative projects to help low-wage workers increase their skills and advance in their jobs. As a supplement to the full evaluation report and summary (see box at end) this profile presents a statistical summary of the participants served in the initiative and some of the outcomes observed after one, two, and three years.

Each of the 17 grantees offered a unique model of program. Variations among programs included the kinds of participants served; the content, intensity, and length of training; and the type and intensity of supports offered during and following the program. To help understand the effects of these program variations, the sites were grouped into four clusters for some analyses of outcomes. These groupings are based on how participants were identified and grouped for training, and the amount and kind of supports. While these groupings reflect certain commonalities among programs, they also mask other important program differences (such as in participant characteristics, and content, intensity, and duration of training).

Employer-based programs identified and served participants based on current job positions with a specific employer, and provided limited support services. **Sectoral programs** identified participants individually (through self-selection or referral from a community agency) but provided training in groups for skills needed in a specific industry (such as health care, banking, or construction). The **Sectoral – lower support** cluster typically offered employment-related support services such as job placement and retention help; the **Sectoral – higher support** cluster typically offered both employment-related services and also more personal supports such as help arranging child care or help with budgeting and financial management. The **Individualized** cluster of programs not only identified participants individually, but also provided training on a case-by-case basis, depending on the individual's current situation and goals.

This profile shows the characteristics and outcomes of participants in the four sites included in the Individualized cluster.

Between September 2001 and July 2005, when data collection ended, the evaluation obtained data on 372 participants in these four partnerships, all of whom gave consent to be included in the follow-up interviews. This profile of participant characteristics and outcomes is based on two main sources:

- Information that was collected by grantees at the time participants began receiving services. This information was provided for all participants in this cluster.
- The responses of a sample of participants to a telephone survey conducted by Wilder Research 24 months later. These surveys were completed by 84 participants in this cluster.

Demographic characteristics of participants at entry

Age: Average age = 31

- 31% age 24 or younger (youngest is 18)
- 32% age 25 to 34
- 28% age 35 to 44
- 9% age 45 or older (oldest is 55)

Race/ethnicity:

- 55% White
- 27% Black
- 2% Hispanic
- 11% American Indian
- 3% Asian
- 2% Mixed race

Citizenship:

- 94% U.S. citizens, 6% non-citizens

Marital status:

- 19% married
- 6% in a marriage-like relationship with a partner
- 31% separated, divorced, or widowed
- 44% single, never married

Gender:

- 12% male
- 88% female

Dependent children: Average number = 2

- <1% have none
- 72% have 1 or 2 children
- 24% have 3 or 4 children
- 4% have 5 or more children

Age of youngest child:

- 39% 0 to 2 years old
- 20% 3 to 5 years old
- 19% 6 to 9 years old
- 10% 10 to 12 years old
- 12% 13 to 17 years old
- <1% 18 years or older

Age of oldest child:

- 22% 0 to 2 years old
- 15% 3 to 5 years old
- 18% 6 to 9 years old
- 15% 10 to 12 years old
- 21% 13 to 17 years old
- 9% 18 years or older

Source: Intake data from grantees, calculations by Wilder Research.

Primary language of participants

- 95% English
- 1% Spanish
- 1% Hmong
- 1% French
- 1% Non-English/Unknown
- <1% each of 6 other languages

For the 19 participants for whom English was not the primary language, grantee staff estimated how well participants could use and understand English in a variety of ways. The figures below show the percent estimated to do each kind of task in English “well” or “very well.”

- 79% Understand conversations
- 63% Carry on conversations
- 68% Read papers and books
- 53% Write notes or letters

Education and training background of participants

Highest grade of school completed:

- 8% Less than 12th grade, no diploma or high school equivalency
- 58% High school diploma or GED
- 15% Some post-secondary experience, no degree
- 11% Two-year degree
- 8% Four-year degree or more

Job training:

- 38% had completed a job training program before entering Families Forward

Employment status and background

Initial employment:

- 88% Employed at the time of intake (including 9% working more than one job)
- 12% Unemployed at the time of intake, but had been employed in the past
- 0% Never employed

Stability of workforce attachment:

This measure shows how many months the participant was employed (for at least 20 hours a week for at least two weeks of the month), of the six months just before entering the program.

- 7% 0 months of the previous 6 months
- 19% 1, 2, or 3 months of the previous 6 months
- 11% 4 or 5 months of the previous 6 months
- 64% all 6 of the previous 6 months

Industry sector (initial or most recent job):

- 37% Service occupations
- 33% Clerical and sales occupations
- 20% Professional, technical, or managerial occupations
- 2% Machine trade occupations
- 2% Structural work
- 7% Other (agricultural/fishery/forestry, benchwork, processing, and miscellaneous occupations)

For those initially employed:

Length of time in current position:

- 45% Up to half a year
- 19% More than half a year to 1 year
- 22% More than 1 year to 3 years
- 7% More than 3 years to 5 years
- 8% More than 5 years

Total hours worked in an average week:

- 17% less than 20 hours
- 41% 20 to 34 hours
- 38% 35 to 40 hours
- 4% more than 40 hours

For those initially unemployed:

Length of time since last job

- 61% Half a year or less
- 29% More than half a year but not more than 1 year
- 5% More than 1 year but not more than 2 years
- 5% More than 2 years

Source: Intake data from grantees, calculations by Wilder Research.

Initial job quality measures

For those initially employed:

Wage at start of project:

Average = \$9.82 per hour

Note: *Not all wages were given as hourly rates; some are calculated from weekly or monthly figures, using reported average number of hours worked per week. Self-reported wages and incomes tend to be higher than those reported by employers from payroll records.*

- 11% Up to \$6.75 per hour (minimum = \$1)
- 20% More than \$6.75 to \$8.00 per hour
- 30% More than \$8.00 to \$10.00 per hour
- 28% More than \$10.00 to \$13.00 per hour
- 12% More than \$13.00 per hour (maximum = \$32)

Monthly income from employment at start:

Average = \$1,183

Note: *Monthly income may be more reliable than hourly wage, because it is directly reported by participants rather than calculated.*

- 18% Up to \$500 (minimum = \$0)
- 27% More than \$500 to \$1,000
- 23% More than \$1,000 to \$1,500
- 21% More than \$1,500 to \$2,000
- 11% More than \$2,000 (maximum = \$3,102)

Benefits at start of project:

- 42% were offered health care coverage, of whom 60% took it
- 39% were offered dental care coverage, of whom 59% took it
- 35% were offered a retirement plan, of whom 74% took it
- 35% were offered paid sick time
- 43% were offered paid vacation time
- 16% were offered paid parental leave

Note: *Offered benefits are those made available by the employer to people in the participant's current position, and may thus exclude some who would be eligible after working in the position longer. Benefits may not be taken for a variety of reasons, including expense or coverage through a spouse's benefits; participants not taking medical benefits may or may not have coverage.*

Source: *Intake data from grantees and 24-month follow-up interviews by Wilder Research.*

OUTCOMES FOR FAMILIES FORWARD PARTICIPANTS

About the data sources for outcomes

The outcome data shown here come from telephone surveys conducted by Wilder Research between May 2004 and August 2005, with a sample of participants who agreed to the collection of follow-up information. Of the 372 who consented to be followed up, 144 were in the program early enough to be eligible for a 24-month follow-up by July 2005. Of these 144, 138 were randomly sampled. Of those 138, 84 (or 61 percent) could be located and agreed to complete the interview.

Employment status after 24 months

- 67% Employed at intake and 24-month follow-up
- 7% Not employed at intake, but employed at follow-up
- 7% Not employed at intake or follow-up
- 19% Employed at intake, but not employed at follow-up

Contact with programs at 24 months

Most projects were of relatively short duration, although some offered follow-up support services if needed. Most participants (79%) were no longer receiving any services at the 24-month follow-up.

Service receipt at 24 months:

- 21% Still receiving project services at 24 mos.
 - (of whom) 11% Classes or training
 - 56% Counseling or follow-up
 - 89% Something else (mainly information and referrals on job search help)
- 79% No longer receiving services

Source: *Intake data from grantees and 24-month follow-up interviews by Wilder Research.*

Wages and hours at 24 months

Participants were asked about job changes since enrollment. If their jobs had improved, they were also asked whether they felt the improvement was helped by their participation in the Families Forward project.

Job quality change (“Better position” indicates a “yes” response to the question, “Is the position you have now a step up from the one you had when you started the program?”)

19% Worse: Employed at intake, not at 24 months

36% Same:

- 7% Not employed at either time
- 21% Employed in same job at both times
- 7% Employed at both times; new job at 24 months, but no better than initial job

45% Better: (26% due to program)

- 7% Not employed at intake, employed at 24 mos.
- 38% Better position at 24 months

Pay rate change:

19% Worse: Employed at intake, not at 24 months

15% Worse or same: Pay same or lower at 24 mos.

7% Same: Not employed at either time

58% Better: (25% due to program)

- 7% Not employed at intake, employed at 24 mos.
- 51% Higher pay at 24 months

Hours per week change:

27% Worse:

- 19% Employed at intake, not at 24 months
- 8% Employed both times, fewer hours at 24 mos.

24% Same:

- 7% Not employed at either time
- 17% Working the same number of hours both times

49% Better: (15% due to program)

- 7% Not employed at intake, employed at 24 mos.
- 42% More hours at 24 months

Benefits at intake and 24 months

At intake

Health benefits

14%	Not employed	26%
Employed and:		
54%	Benefit not offered	30%
15%	Benefit offered but not taken	18%
17%	Benefit taken	26%

Dental benefits

14%	Not employed	26%
Employed and:		
58%	Benefit not offered	33%
14%	Benefit offered but not taken	17%
13%	Benefit taken	24%

“Benefits offered” are those made available by the employer to people in the participant’s current position. Benefits may be “not offered” either because they are not made available to anybody in the participant’s position, or because the participant has not been in the position long enough to qualify.

“Benefits taken” shows the proportion of participants who are offered benefits and who make the choice to use them. Participants may choose not to use benefits for a variety of reasons, including the expense of the premiums or co-pays, or because they already have coverage through a spouse. Participants not taking medical or dental benefits may or may not have coverage through other sources.

Paid sick time

14%	Not employed	26%
58%	Employed; benefit not offered	36%
27%	Employed; benefit offered	38%

Paid vacation time

14%	Not employed	26%
52%	Employed; benefit not offered	31%
33%	Employed; benefit offered	43%

Note: Change “due to program” indicates the participant answered “Yes” to the question, “Did your participation in the program help you get ... [the change]?” (the new position; the higher pay rate; the additional hours).

Note: Totals may not add to 100% due to rounding or respondents who did not answer the question.

Source: 24-month follow-up interviews by Wilder Research.

Perceived immediate and future value of participation

Participants reported that their participation in the Families Forward project made a difference, in each of the following kinds of ways:

Getting a better job

- 41% a big difference
- 36% a little difference
- 24% no difference

Doing better in the job you had when you started

- 29% a big difference
- 29% a little difference
- 41% no difference

Helping you take better care of your family

- 36% a big difference
- 26% a little difference
- 38% no difference

Giving you confidence to try new things

- 71% a big difference
- 20% a little difference
- 8% no difference

Getting a better job in the future

- 59% a big difference
- 21% a little difference
- 21% no difference

Did the program help you get motivated and encourage you to think you could do something new or something more?

- 90% Yes
- 10% No

Suggestions for programs

What are the one or two most important things for the people in charge of the program to know?

(Open-ended question, with responses grouped into themes. The top three themes are shown here.)

- 35% Satisfaction with program or staff (non-specific)
- 35% Good results from program (no specifics about how the program caused them)
- 25% Guidance, encouragement, support in trying new things, help to reach new goals

Most helpful and most needed program elements

Did the program give you what you needed to succeed in the workplace?

- 80% Yes ☺

What did the program provide that helped you to succeed? (top 3 themes mentioned) (N=62)

- 48% Personal growth (attitude, motivation)
- 29% Gave me training or increased my skills
- 26% Personal support/encouragement from program staff

Was there anything you needed (when you started) that the program did not provide?

- 27% Yes ☺

What did you need then that was not provided by the program? (Top 3 themes) (N=23)

- 30% Financial or material help (including 26% who say they still need this)
- 26% Personal support, encouragement, guidance (22% say they still need this)
- 17% Training or skills (general or specific) (13% say they still need this)

Source: 24-month follow-up interviews by Wilder Research.

For more information

This summary presents a profile of participants in the McKnight Foundation's *Families Forward* Initiative and their outcomes at 24 months. For more information about these data, contact Ellen Shelton at Wilder Research, 651-637-2470.