

WILDER **RESEARCH** CENTER

**Maximizing workforce
participation for people
with barriers**

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Maximizing workforce participation for people with barriers

*Discussion paper on trends, issues, best practices,
and future directions*

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Introduction

The Wilder Foundation has had a long-standing interest in improving economic stability for low-income individuals and families through employment, affordable housing and strong community support systems. In recent years, the Foundation has provided employment services to maximize workforce participation for people with barriers.

This discussion paper highlights some relevant current workforce trends and issues, and presents a review of current knowledge from Wilder's own programs as well as research and practice elsewhere.

Background and context

For most people, workforce participation is a key element in their ability to lead stable and self-sufficient lives. It is a cornerstone for economic self-sufficiency, including getting and keeping affordable housing. It is also an important contributing factor in families' ability to successfully raise and educate children and prepare for dignified and healthy aging, and it forms the individual and communal core of vital communities. Success in maintaining strong communities ultimately rests on the capacity of individuals to find and stay in jobs with adequate income, or to find other long-term supports if regular employment is not a realistic option.

There is currently a growing interest in identifying and delivering the most needed and most effective services to help with workforce participation, especially among those not currently participating, or who are working but not earning enough to be self-sufficient. For this purpose, it is useful to consider three primary categories of individuals needing such services. These are groups in which people are disproportionately likely to have significant or multiple barriers to workforce participation, and who are unlikely to be able to get or keep jobs relying only on their own resources and generally available networks of support. Individuals within these categories differ from each other in their personal characteristics and experiences, as well as in the kinds of services they most need. Based on our own research and a review of other research, these categories are:

1. People experiencing difficulties in their initial entry into the workforce

Services to these individuals should emphasize career exploration and basic academic and life skills; the employment services are of less immediate need compared to support services to help people stabilize their lives, and educational services to provide a foundation for more specific job skills later. Current public policies, however, emphasize rapid workforce attachment with minimal (if any) short-term training.

The following are some groups of people whose members may be disproportionately included in this category:

- “Disconnected youth” without strong educational or work preparation (*Services to this group, who are often young parents, not only produce direct benefits for those served but also helps to reduce the number of people needing such help in the next generation.*)

- Immigrants with limited English language proficiency and, often, limited formal education (*Immigrants are only 10% of U.S. population, but 25% of low-wage workers.*)
- Welfare recipients (*Most welfare recipients have some work experience, and many are able to secure adequate jobs and leave welfare in a short period of time, However, others have significant barriers to employment and are unable to get or keep jobs without considerable help.*)

2. “Cyclers” with some work experience but whose employment history is unstable or has had significant interruptions

These individuals need employment services primarily focused on career training and job placement and retention. Stabilization in an entry-level position of any sort may be an important first step, followed by exploring career and educational options to help them select and enter a career with more advancement opportunities.

- Ex-offenders (*Ex-offenders need jobs to support themselves and their families and re-enter mainstream society; however, a criminal record is a more significant barrier to employment than almost any other factor that employers consider in hiring, even when the offense was unrelated to the position sought. Nationally, 12 percent of African-American men in their twenties and early thirties, but only 1.6 percent of white men, are in prison or jail; over half of these men are fathers, and about one-quarter have open child support cases.*)
- Welfare recipients
- Displaced homemakers
- Single parents and other workers whose caregiving responsibilities are hard to balance with work responsibilities
- People struggling with physical or mental health problems, substance abuse, domestic violence, and/or homelessness

3. The working poor who have succeeded in finding and retaining work, but who have difficulty advancing to a pay level that allows them to be self-sufficient

While many people are able to advance on their own, research suggests that some are likely to become stuck at the bottom unless helped, and that those needing outside help belong disproportionately to the groups listed below.

The employment services for this group should emphasize career advancement (career planning and specific, targeted skill development together with help identifying, applying for, and succeeding in higher-level positions).

- People of minority racial and ethnic groups
- Women (who are more likely to be in careers with limited advancement opportunities for those with lower education levels)
- Workers in firms and industries that do not support skill development
- Current and former welfare recipients
- Individuals with limited skills, education, or familiarity with workplace norms and expectations
- People with significant personal or family barriers to employment (such as a disability, lack of transportation, or special caregiving responsibilities)

Clearly, the categories (and groups of people) presented here are not mutually exclusive. One of the groups, people making the transition from welfare to work, includes people of such a wide range of backgrounds and work experience that they may be among any of these three categories. Immigrants, although listed only in the first category, may also be represented in either of the other two.

In a related consideration, there is limited but growing research on the access of low-income individuals to higher education, which shows that those who begin but fail to complete post-secondary programs share much in common with low-wage workers in need of help. These “non-completers” are often enrolled as part-time students while also working full time, and are disproportionately likely to be of minority racial and ethnic groups and to have dependent families, poor prior school success, and low incomes.

Finally, some of the people among the groups identified here (as well as others) may not have the functional capacity to ever be in regular, unsupported jobs, and may need part-time work only, or support services, or both, on a more or less permanent basis. For others, time spent in supportive work placements (also called transitional work), similar to the model used in vocational rehabilitation, may allow for a transition to independent or “market-based” employment. For many people graduating from transitional employment, full self-sufficiency without on-going supports outside the workplace may still not be realistic.

Trends

Economic, demographic, and political changes in the past generation have combined to significantly change assumptions about the position of work in American life, as well as the nature of work and the workplace and how these interact with family life.

Changing meaning of work

As recently as a generation ago, it was common (if no longer standard) for couples, with or without children, to support themselves on a single income. This arrangement not only allowed one adult to be home to care for children and elders, but also kept the potential income of a second adult in reserve in case of emergencies. Today, work is generally expected of all adults, regardless of their caregiving responsibilities in the home.

Stagnant or eroding wage levels for a large proportion of the workforce make two incomes necessary for a growing share of families to meet basic family needs. Across the U.S., two adults working full-time at minimum wage can just about afford rent, food, transportation, and other basic necessities, but cannot afford to support even one child. For families unable to support themselves on their own wages, government assistance is now almost exclusively conditional on work. There are few exceptions aside from those who have reached retirement age or are fully disabled for a protracted period of time. There is no social consensus on what should be expected of those with partial limitations or barriers to work, or on what publicly-funded support should be available to help them.

Implications

There is growing need to help people prepare for employment who were not previously expected to work, and who may not themselves have planned or wanted to work. Some people with multiple barriers or partial disabilities may be required by policy to work in exchange for benefits, although the requirement may not be very realistic. This can lead to frustration for both the participant and service provider. The services most needed may include doing more to document and report on the nature and extent of the mismatch between policy assumptions and practical reality, and proposing alternatives.

The involvement of all or nearly all competent adults in the workforce also drives a growing need for skills to balance working with household responsibilities, especially for those with families, as well as a growing need for an infrastructure of work supports such as affordable child care and elder care.

Changing nature of work

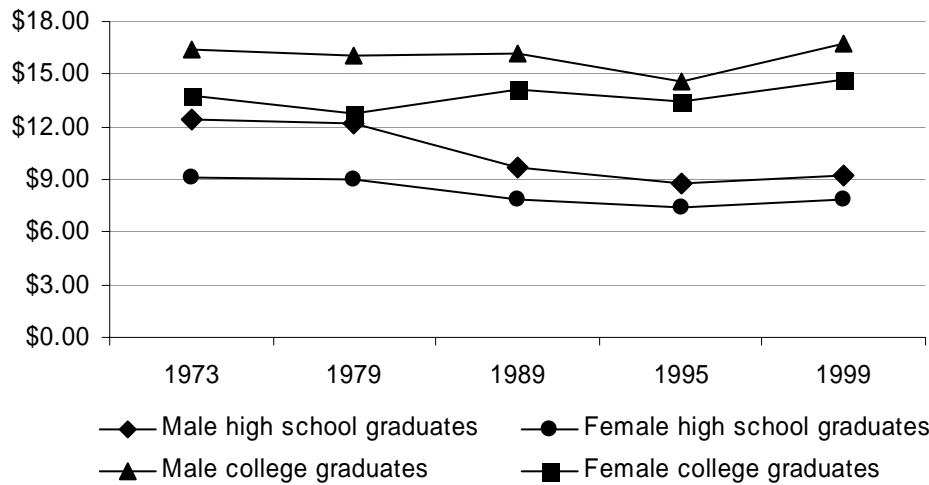
Structural changes in the economy and labor market have made deep changes in the American workplace, and other parts of society have yet to catch up. Compared to a generation ago, the workplace is less insulated from foreign competition, less stable in wages and working conditions, and less male and white; it includes a far smaller proportion of employees who have a full-time caregiver in the home while they are at work; and it provides less employment security and fewer of the mid-level positions that offer opportunities for advancement for entry-level employees who show hard work and loyalty. The “new economy” requires businesses to adapt quickly to changes in economic conditions. This has weakened the links between employers and employees, and “churning” (or short-term gains and losses of jobs within firms, sectors, and communities) is increasingly common. Every year, up to one-third of all jobs are either recently added to the economy, or are about to be cut from it. About one in four workers has a non-traditional relationship to his or her employer, either through self-employment, contract or freelance work, or in a temporary position.

The mix of types of jobs is evolving with the new economy, and includes a higher proportion of jobs in the service sector and fewer in manufacturing. The service sector is the main source of new jobs and is projected to continue to be so for at least the next decade, with health or computer (information technology) accounting for 9 of 10 fastest growing occupations. Of the 10 occupations adding the largest number of jobs over this period, six require only short or moderate term on-the-job training and are concentrated at the low end of the wage scale.

Average wages, except for college-educated workers, have decreased in real value compared to a generation ago. For people with less than a college degree, expected earnings for *new* workers (in their first five years of work) are lower than they were in 1973, and grow more slowly over time. The erosion is greatest for those with the least education. As a result, the gap is growing between what entry-level workers earn and the minimum amount needed to support themselves and their families, with the result that over half of Americans below the poverty line live in households in which someone works full time.

The chart below shows the growing gap between expected wages for new college graduates and those for entry-level workers with only a high school diploma for the period 1973 to 1999. While the economic boom at the end of the 1990s reversed the 20-year decline in the value of high school graduates’ real earnings, the increase since 1995 has not been enough to return to the high they had attained in 1973. It has also not been as significant as the growth over the same period for more-educated workers.

Hourly wages of entry-level workers by education level, 1973-1999 (1999 dollars)



Source: Mishel, Bernstein, & Schmitt, "The state of working America 2000-2001"

There have been some adaptations in federal and state safety nets to compensate for lower wages. The Earned Income Tax Credit raises many working parents above the poverty line. Child care subsidies and dependent child credits add modest amounts of income for some qualifying families. Some other social institutions have failed to adapt to the new economy, however. Unemployment Insurance is still largely based on outmoded assumptions from a time when most jobs were stable and full-time. Health coverage is still based mainly on employment, although it is often not available for part-time work or the lowest-wage jobs.

While wages for lower-skilled workers have eroded, pay levels for those with higher skills have grown, resulting in growing income disparities. Disparities in assets (or wealth) are even more extreme than income gaps, particularly for racial minorities. When all adults in a family are working, there is no longer a caregiver and/or worker in reserve to draw upon in case of emergencies, either for care in case of illness, or for temporary work to bring in some extra income at a time of unexpected expense. This is speculated to represent part of the reason why credit problems and personal bankruptcies are increasing.

Working conditions have also changed as the economy adapts to global competition and a "24/7" schedule. More people now work night and evening shifts, or rotating shifts. At the lower skill and pay levels, workers are more likely to be caring for ill or disabled family members, but are less likely to have either the benefits or job flexibility to help them to do this. Stressful work conditions and stressful family conditions feed into each other. Some studies have found that children of parents who work nights and evenings

perform less well in school. This difference is still evident after controlling for differences in parents' education levels. In some families, parents work opposite shifts in order to have one parent home to care for children; a recent study has found that this arrangement, while it may save child care costs, increases the risk of separation and divorce.

The change in the mix of jobs, from manufacturing to service and retail, has not only decreased average wages for less-skilled workers, but has also differentially affected access to jobs for some groups of job-seekers. Evidence from studies of different kinds of job-search strategies indicates that service and retail employers are more likely than manufacturing employers to rely mainly on informal referrals for open positions. This method has been found to have the greatest disadvantage for African American job applicants, who are least likely to receive such referrals from among members of their social networks, and who are most likely to be hurt by the subjective screening methods typical to such a process.

Implications

In an increasingly churning economy, initial job placement may not be enough to settle an individual on a stable path toward self-sufficiency. Job retention support may be needed, and people also need more help planning and preparing for career and wage advancement. Services should be provided based on a thorough understanding of labor market conditions, including what job sectors offer job opportunities, higher-than average wages for modest skill levels, and advancement opportunities.

Those working to help people reduce barriers to self-sufficiency can no longer assume that wages alone will provide the income needed to support a family. Service providers must also be familiar with the array of work supports that might be available to clients to help them meet their needs, and able to provide or connect clients with other supports such as transportation, housing assistance, and child care options. Increasingly, job retention services must focus not only on the client's individual needs but also those of the entire family.

Changing demographics of the workforce

In the generation leading up to 2000, economic growth was fueled in part by a growing workforce made up largely of native-born Americans. As the baby boom generation reaches retirement age, this growth has now ended, and between 2001 and 2021 there will be no net rise in native-born workers age 25 to 54 entering the workforce. Any growth in the workforce must thus come from older workers remaining on the job longer, from immigrants, and from increased work participation by other groups who have previously

been less involved in the workforce, including youth, minorities, and individuals with disabilities. As the economy recovers from the current slump and employers once again compete for scarce labor, this situation is likely to require them to make some accommodations to different characteristics of workers. In the next decade alone, while the number of jobs is expected to grow by 21.3 million jobs, the number of people in the labor force is expected to grow by only 17.4 million workers.

In the last generation, growth in productivity was largely based on a significant rise in the education level of the workforce. Between 1980 and 2000, the number of college-educated workers in the workforce more than doubled. This growth is not expected to continue into the next generation, however; the proportion of new workers who are college graduates is expected to be static through 2021. Productivity growth may also be limited by the family stress mentioned above.

Implications

Individuals who will fill the need for growth in the workforce will come increasingly from groups with limited prior exposure to the American workplace and hence little familiarity with its norms and expectations. To keep workers and attract new ones, employers will need to understand and manage greater diversity and focus more effort on the retention and skill development of workers. Service providers will need to ensure that aspiring workers learn the skills to adjust to an unfamiliar workplace culture, not only during job search and application, but also with ongoing supports to help them adjust to their jobs after being hired. Service providers can also play an important training and support role for supervisors and managers.

Increasing demand for skills

As average education levels stop rising due to demographic changes, the demand for skilled workers is outpacing the supply, but mechanisms for filling the gap are still elusive. The U.S. Bureau of Labor Statistics projects a 24 percent growth from 2000 to 2009 in the number of jobs requiring an associate's degree or postsecondary vocational credential, and by 2020 it is estimated that there will be 15 million new U.S. jobs requiring a college degree, but only 3 million new college-educated workers to fill them. The Governor's Workforce Development Council identified the skills shortage as one of the three main challenges to be faced in the immediate future in Minnesota.

The restructuring of work and the workplace has also resulted in increased expectations for what are often called "soft skills." While these are typically associated with the work ethic involved in being a reliable employee who shows up on time and works hard, it is common for many employers to also include expectations for problem-solving and

interpersonal skills. Service jobs with extensive customer contact require these skills more than manufacturing jobs did, and even in manufacturing, many of the routine manual tasks have been automated and remaining human tasks require more thought and teamwork.

Implications

The higher skill levels needed for new jobs, together with the lower education levels typical of the new workers expected to fill many of them, will place heavy demands on systems responsible for training and educating workers. Training needs will be broad and varied, encompassing remediation in basic literacy and mathematics skills, English fluency, basic life management skills including “soft skills” related to workplace adjustment, interpersonal relations (including in cross-cultural situations), and problem-solving, as well as in more specific job-related “hard skills.” Different people will need different mixes of these kinds of help, and individuals will need different kinds of help at different life and career stages. Training and re-training will become more of a lifelong process, and may increasingly be delivered through technology-based means.

Decreasing opportunities for skill development

As employers increasingly view workers as provisional, to be added or shed on short notice based on market conditions, workplace-based training programs are less available, and internal career ladders are less common. At the same time, in the last 10 to 20 years, federal funding for workforce development has also been reduced. Cuts have been especially large during this period in federal programs targeting low-income adults and youth. Since 2000, just when the recession has resulted in more laid-off workers looking for new jobs, funding to retrain dislocated workers was also reduced. In workforce programs that remain, the purposes for which funds may be spent has shifted from skills training to supports for job search and rapid workforce entry at any level, regardless of the individual’s likelihood of stability or long-term self-sufficiency in the position obtained.

Over the same period, supports for postsecondary education have not kept pace with growing demand, the rise in the cost of college, and the change in the characteristics of those attending them. As a result, despite the rising total amount spent for these grants, the value of the awards to individual recipients has dropped. The main such program (Pell Grants) is designed for young adults with no incomes who are attending school full-time, and is of limited use for working adults going to college part-time. Pell Grants can also be used only for courses taken as part of a degree or certificate program, further limiting their use by working adults needing short-term skills training.

Investment by private businesses in their own employees' skills has similarly not kept pace with needs. As a percent of Gross Domestic Product, business investment in training fell by 18 percent from 1988 to 1999. Most in-house training dollars are spent on higher-level employees, and employer-provided skills training is less common in small firms than in large, although small firms employ the majority of workers.

Implications

Many different stakeholders are involved in the field of workplace development, including K-12 education, adult basic education, higher education, individual firms and business associations, government agencies at all levels, labor organizations, non-profit training and support service providers, and philanthropies. There is no clear understanding of who is responsible for what kind of service, or of how the different components should fit together in a coherent system. Both job-seekers and employers express considerable frustration with the gaps and redundancies in service. To provide effective help – or be prepared to promote realistic reform – service providers must be closely attuned to the needs of both and be familiar with a wide array of funding and sources of collateral services.

In the past decade, private non-profits and large philanthropies have shown growing interest in addressing the mismatch between the needs of individuals and businesses. Major initiatives have included economic development in areas with few jobs, and training and placement programs in areas with vacant jobs and unemployed job-seekers. Lessons learned from these programs to date are summarized in the next section of this report below.

Best practices in services for people with serious or multiple barriers to employment

For people in all three of the categories described in the section above – those with barriers to initial job entry, those who cycle in and out of the workforce, and those stuck in low-end jobs – the evidence from research and practice suggests that many people need a range of coordinated services. These should include not only **employment services** (such as job training, placement, and retention support), but often also **educational services** (for basic literacy and computational skills, or English language proficiency, or both), and **social and personal support services**. Although not all of these may be necessary to obtain an initial job placement, they may be needed to help retain the job, and needed even more to advance from the initial job into better positions with higher pay.

Especially for individuals with limited social support networks of their own, support services may be a critical component in enabling them to access and stay connected to services that are more directly work-related. The supports needed may include help learning basic life skills in such areas as financial literacy and money management; so-called “soft skills” to be a positive, dependable employee; support in caregiving responsibilities for family members; help dealing with health and mental health; help with other personal problems including resolving legal difficulties; and help solving transportation, child care, and housing difficulties.

Recent evidence from paired testing studies also confirms the continuing need to identify, confront, and surmount on-going discrimination against African Americans, American Indians, Asian Americans, and Chicano/Latino people, especially in housing and employment practices.

Service trends

In the debates leading to the “welfare reform” policies emphasizing immediate entry into the labor force, research on various workforce training programs was cited as evidence that training programs did not improve participants’ wages significantly. As a result, emphasis shifted from a focus mainly on education and training to a focus mainly on quick labor force attachment. Consistently, research on such programs is showing that wages earned by participants start low and do not increase significantly over time, unless participants were carefully placed in higher quality jobs initially. Work-first programs were based in part on the assumption that early opportunities to acquire work experience

would help individuals move on and up. This assumption has proven to be least valid for people with the most barriers to work, who are least likely to gain the expected work experience unless they have both more pre-employment preparation and more sustained post-employment support.

More recent re-examination of earlier programs, with more nuanced attention to their different mixes of services, has led some researchers to conclude that the results of human capital strategies depended more than previously reported on the type, duration, and intensity of training, and that some education and training programs (especially those with stronger work-connected components) were indeed effective.

Current TANF policies have led to experimentation to find strategies to both place inexperienced workers in jobs quickly, while still providing a foundation for eventual growth in earnings to a level approaching self-sufficiency. A large body of research and evaluation is converging on some key findings, highlighted below, about effective workforce development to meet these needs.

Sectoral strategies

Evidence consistently shows better results from initial placement in the “right jobs,” particularly those with better pay and benefits and more advancement opportunities. These are more commonly found in some industry sectors than others. These findings, combined with an appreciation of the value of diluting risks by working with more than just one or a few employers, has led to a significant growth in the past decade in “sectoral strategies,” in which a program targets a particularly strong sector of the local labor market. Research currently shows these strategies as promising; full information about success for the least well-prepared participants is yet to be produced.

Place-based strategies

One variation on the sectoral approach is the “place-based” model. Such programs focus on low-income geographic areas, or on the needs of hard-to-employ individuals in specific neighborhoods, typically by building on existing local support networks and relationships. One example of this model is Wilder’s Jobs Plus program, in which employment services were provided as part of a broad and intensive array of services within a public housing site. The national evaluation of this program found that advantages include the development of “saturation” of awareness of available services, and the resulting opportunity to deliver services to a high proportion of eligible recipients. Another advantage is the availability of informal pathways for support and information to supplement formal services. Disadvantages may include concerns about crime and safety, and residential transience. When services are delivered at the housing site, the link to housing subsidies also provides incentives to participate. Regardless of

location of services, the availability of housing supports also appears to help stabilize families and improve employment and income outcomes.

Other studies provide further evidence of the importance of pairing employment with housing services. The longitudinal evaluation of Minnesota's pilot welfare reform program found that "nearly all of the project's success was due to substantial gains among families receiving housing assistance. The National Survey of America's Families found that among families who left welfare between 1997 and 1999, those who received housing assistance had significantly higher barriers to employment (including low education, mental and physical health, lack of recent work experience) but nevertheless achieved comparable employment rates and incomes as those who had fewer barriers but had not received housing assistance.

Workforce intermediaries

The labor market is becoming more complex as jobs are created and phased out more frequently and people are more likely to switch not only jobs but also careers. Both individual job-seekers and employers seeking new hires express frustration at not knowing where to go to get good information on what is available. Many researchers and organizations have identified a need for more "labor market intermediaries," organizations with "capacity, commitment, and agility to meet the needs of employers, as well as individuals" and thus bridge supply and demand. Such services appear to be especially important to help small employers connect with job seekers. Not only do small employers account for the largest share of the workforce, but there is also evidence that they may be more able to adapt to specific challenges for which non-traditional employees need accommodation or flexibility.

Features of effective strategies

"One striking implication from a review of the research is that obtaining work, sustaining employment, and moving up to better jobs may be somewhat separate challenges, with different factors being more important for one goal than another." (Strawn & Martinson, 2000, p.14)

Not only do different individuals and groups of people have differing needs that require somewhat different programs, but also the goal of the program will affect what service strategies should be used. For example, helping participants work steadily initially has been shown to help them sustain their employment, but it does not help them improve their wages or move up to better jobs. A program that aims to help participants move on to higher than entry-level wages needs to focus on higher quality initial jobs as well as longer-term access to education and training.

Briefly, across most types of participants and for programs focusing on initial workforce entry as well as upward mobility, effective programs have been found to have the features highlighted below. These characteristics apply generally to programs for people with significant or multiple barriers to workforce participation; specific considerations are mentioned at the end of each section for the following three populations with particularly serious barriers to employment:

Hard-to-employ welfare recipients. Not all welfare recipients have sustained barriers to employment, but those who enter welfare at a young age, and those who have been on it for longer than a year, are more likely to have barriers that make them hard to employ. These barriers are often hard to detect.

Ex-offenders. Although a criminal record restricts one's options in the workforce, and is commonly associated with other barriers to employment like ongoing legal problems, substance abuse, and low basic skills, there are service delivery approaches which have been shown to be effective for ex-offenders. Interventions of this nature not only help ex-offenders become successfully employed, but have been shown to carry with them the added societal benefit of reducing recidivism.

Immigrants and other English language learners. English language skills have been shown to be critical to employment, earnings, and wage growth over time. Refugees are less likely than other immigrant groups to speak English. Because of Minnesota's relatively lower unemployment rates and the strong services here for refugee resettlement, refugees make up a larger share of the overall immigrant population in Minnesota than in most parts of the U.S. Furthermore, a large proportion of the Twin Cities' immigrant community are new to the U.S. – according to the 2000 Census, more than 60 percent of the area's foreign-born residents had been in the country for less than ten years.

Combine employment services with educational and social services

Over 30 years of evaluations, "short-term job search assistance with no educational component and short-term (3-6 month) stand-alone pre-employment basic education or training ... [have not] helped low-income individuals find better jobs than they would have on their own." (Kazis, 1999, p.6)

Programs with only pre-employment job search help, with no training and no follow-up, result in most participants attaining jobs with low wages, few benefits, and high rates of workplace conflict or other difficulties getting along with others. These workplace problems are often associated with serious personal problems including mental health or substance abuse problems or family conflicts. Other problems that commonly interfere with stable employment are persistent child care and transportation problems. Evidence

suggests that pre-employment service providers who offer emergency financial help (such as for car repairs or overdue rent) may improve their participants' employment success rates, as well as improve their levels of trust and cooperation with the program.

To help participants not only get but also keep jobs, the most effective programs include not only pre-employment training that includes soft skills, entry-level job skills, and "life skills," but also:

- Post-employment services, strongly connected to the pre-employment program, to give the participant a solid bridge during the transition into work
- Case management
- Skill development in a work context or one that emulates an employment setting

Training alone has been shown to be ineffective (when brief), or prohibitively expensive (when longer). However, positive results are emerging from programs that combine employment-focused education and training with rapid workforce attachment. Furthermore, the benefits of training improve over a longer time frame.

Such programs are often delivered by strategic partnerships of providers. More than "employment training in the narrow sense," today's programs require "substantial employer engagement, deep community connections, career advancement, integrative human service supports, contextual and industry-driven education and training, reformed community colleges, and connective tissue of networks."

Whether provided by a single organization or brokered through multiple community partners, programs serving low-skill and low-income youth or adults must recognize and address the realities of their situations. They frequently lack basic social and material supports that are important to stability at a personal and family level, let alone in a workplace. Effective programs help participants access an array of work supports and benefits, including child care, health care, transportation, and wage supports.

In blended programs, training components are short, usually intensive, and designed to be offered in conjunction with work or in a setting that emulates the work environment. Evaluations report that successful training components involve shortening, or "chunking," existing occupational certificate and degree programs so that low-income, working parents can start programs at any time of the year and complete a meaningful segment in a short time. Providers have also met training needs of some of their low-skilled, unprepared clients by creating "bridge" programs to help individuals qualify for existing training opportunities.

Lessons from research on specific populations:

- For the hardest-to-employ welfare recipients, supported employment programs have shown long-term success. These include substance abuse, mental health, and counseling services offered in a service context that clearly relates the problems and their solutions to how they affect the client's employment. For those who start with little basic skills and work experiences, programs must offer opportunities for incremental gains, rather than expecting major advancement in a single intervention.
- Effective programs for ex-offenders teach them how to address their records in the job search process, and how to communicate with employers.
- For immigrants and English language learners, the need to put training in a work setting applies not only to job training but also to language and literacy training. Both job skills and language skills appear to be more effectively learned in an employment setting, or at least – if they are delivered in a pre-employment setting – if the instructional methods and setting replicate workplace situations and uses. Training should also include cultural skills relevant to the workplace, such as communicating with co-workers and supervisors, expectations for timeliness, and other soft skills in which American workplace expectations may not be the same as in other cultures; training for agency and employer staff on cultural understanding is also helpful.
- For refugees, lingering effects of war violence may be reawakened by stress, including that related to new work environments. The symptoms may include physical pains, distrust of others, sleep disturbances, disturbing memories, feelings of sadness or helplessness, and fears and avoidance. Affected individuals may be prevented by shame or fear of stigma from discussing these problems or seeking help. With support, however, they need not prevent successful employment.

Recognize and respond to individual differences in needs

The flexible mix of services described above is ineffective unless it is tailored to needs of individual clients. Given the wide range of individual characteristics and needs that a program is likely to find among its clients, fitting the best program mix can be a challenging task. Assessments are an important early tool to help prescribe the most effective program for an individual client. Some strategies for doing this involve substantial one-on-one contact with a case manager. Another approach that has been found effective enough to improve results with minimal cost and time has been a simple calculation of “points” based on information in clients' files, based on such factors as age, education, and welfare status.

Another strategy is to screen potential clients to ensure a good fit with available services. This can result in “creaming,” or excluding less well-prepared applicants who are most in need of service. Building bridge programs to help such clients become qualified can help to compensate for the negative effects of such a strategy.

Lessons from research on specific populations:

- For immigrants and other English language learners, assessments must include measures of language proficiency, not just basic skills. Tools used for assessment should recognize cultural differences as a factor that may influence aspirations and perceptions of choice, as well as how people interpret and respond to specific questions in the assessment.
- Because of immigrants’ lower language facility, and sometimes also lower educational preparation and basic academic skills, programs serving them may need to include or refer to “bridge programs.” Such programs offer condensed preparation for higher level job training or education programs that participants may not be prepared to enter immediately, but for which most available preparations are of low intensity and offered over long periods of time.
- Programs for immigrants should be responsive to needs and problems that participants may have related to their adjustment to a new culture.

Extend services beyond job placement to include long-term post-placement support

As mentioned above, when serving people with significant or multiple barriers, job placement alone may not produce job stability or growth in wages. Programs that aim to help participants not only access but remain and become successful in the workplace increasingly need to include post-placement support as well. Effective services include relationship-based supports such as job mentoring, peer support, and counseling, and include frequent follow-up especially during the critical first weeks of employment.

General case management programs for job retention have not so far shown strong evidence for better employment stability. Evaluations to date indicate that it may be more effective to target services to a smaller group of participants at higher risk of poor outcomes. Also more effective may be better integration of post-employment supports with other services and supports, or provision of such services through brokering arrangements, which can be less expensive and more flexible. For longer-term job success, it is also important to focus post-employment supports on connecting low-income workers with their next job.

Lessons from research on specific populations:

- Effective programs for hard-to-employ welfare participants combine barrier-reduction services before employment with intensive case management after placement.
- Effective programs for ex-offenders offer open-ended employment supports, in order to facilitate participants' acclimation into the work environment
- For English language learners, it is particularly important for programs to recognize that their participants typically have lower access to advancement opportunities because of their lower English language facility. Such programs must therefore focus not just on getting a job immediately, but also on planning over the longer term for a career.
- Immigrants, especially refugees, may need help developing or rebuilding social support networks. Job shadowing or job mentors (also sometimes called job buddies) can help provide this with a specific focus on employment preparation and support.

Closely link programs to the local labor market and view employers as customers

A large number of evaluations show that effective programs involve close relationships with employers, to the extent of seeing them as a program client of equal importance with the job-seeking individual clients. Meeting employers' needs involves:

- Designing training programs to deliver skills that local employers need
- Post-placement support services for employers to help resolve work adjustment issues the new employee may be experiencing
- Supervisor training in effective ways to manage nontraditional employees

Recent paired-testing and matched-resume studies have shown continuing employment discrimination against African Americans, and many employers (from upper management to front-line supervisors) lack the ability or willingness to recruit, hire, or manage workers from different backgrounds. Some large-scale national demonstration programs are developing programs to deliver training in "soft skills for employers," including changing discriminatory hiring and supervision practices. These have been acceptable to employers when they are offered with evidence for how they help keep business costs down (by decreasing costs due to turnover), rather than as an attack on prior practices. Businesses and influential political constituencies may also be enlisted to support "dual-customer" approaches by pointing out how they can improve regional economic competitiveness.

Many studies show that some amount of job-switching is helpful (up to no more than once per year), and that low-wage workers who advance do so mainly by switching to higher-wage employers. There is some evidence, especially from evaluations since the recession began, that starting at “temp” agencies may enhance the likelihood that this successful switching will happen.

Another means of simultaneously meeting both job-seekers’ and employers’ needs is to provide trainees with a recognized credential upon completion of training. In a context of job churning, this provides important documentation for both parties of the job-relevant skills that the holder possesses.

Lessons from research on specific populations:

- Target industries and firms which are receptive to hiring ex-offenders, and be aware of occupations from which ex-offenders may be barred
- Build relationships with local employers, and educate them about incentives to hire people with criminal records such as the Work Opportunity Tax Credit
- For immigrants and other English language learners, effective programs offer hands-on job training, and vocationally-oriented English language and cultural/soft skills training. This “contextual learning” results in more retention of skills than training that takes place in the more abstract classroom setting.
- Effective programs for immigrants (as well as for native-born workers from minority racial and ethnic groups) work with employers to help them understand and work across cultural differences. Employers who hire refugees may benefit from managers’ and supervisors’ training about common responses that refugees may have to stress, and ways that employers can help to minimize the negative consequences of these responses.

Operate at a scale that allows the program to weather fluctuations in funding sources, employer interest, and economic cycles

National demonstration program evaluations report that successful programs draw upon a variety of funding sources, and are of sufficient scale to ride out the loss of any one funder or funding stream. As mentioned above, sufficient scale for stability also requires work with multiple employers. This helps to avoid the risks to service providers if one employer changes hiring patterns or job requirements. By pooling investments in training from multiple employers, it reduces the risk that individual employers would otherwise face of losing their investment in training if other employers hire away the now more valuable employee.

Because of the importance of close ties to local labor markets, programs with better access to employment opportunities typically have the same geographic scale as the local market, which are usually regional, not limited by city or county boundaries. However, large-scale evaluation of federally-funded Skills Shortage Demonstration Programs found that geographically compact programs were the most successful when they focused on specific labor market niches of specific industries or sub-industries.

A note on transportation

In most research, transportation difficulties are cited as a significant barrier for participants, and there are few mentions of evidence for solutions already implemented and proven successful. Strawn and Martinson (2000, p.6) say (although they do not cite their sources) that “Successful transportation initiatives require assessing the nature of transportation problems in local areas and forming partnerships to promote the collaboration of multiple stakeholders.” In the Twin Cities area, there have been some small-scale efforts to coordinate providers of “community transit,” the non-fixed-route transportation offered by a variety of medical and social service providers, and the United Way is currently investigating ways to increase such efforts. However, most efforts in Minnesota to date to provide transportation options to low-income families have found no solution that meets unique needs and schedules of families as well as helping them to acquire and maintain private cars.

Resource for program planning

A helpful resource for program planning is the “How-to Guide” by Strawn and Martinson, “Steady Work and Better Jobs: How to Help Low-Income Parents Sustain Employment and Advance in the Workforce,” published by the Manpower Demonstration Research Corporation and available on the Internet at www.mdrc.org. It includes not only reviews of research but also practical suggestions (from research and program experience) on how to implement work supports, services, and job advancement strategies.

Access to postsecondary education

Multiple sources cite the importance of postsecondary education for long-term access to wages at a level high enough to support a family. For clients with sufficient basic skills and educational preparation, a basic program strategy should include helping them access postsecondary education. For others, “bridge” programs with a strong vocational component can help overcome lack of preparation.

Barriers to post-secondary education are similar to employment barriers, and include:

- Competing demands of work, family, & school
- Costs (especially for foregone earnings) and insufficient financial aid packages
- TANF work requirements that discourage schooling
- Lack of family or community support for postsecondary education for individuals from backgrounds with limited experience with higher education. The lack of support may be due at least in part to people's lack of awareness of how much higher income can result from the higher education. However, it remains unfortunately true that the returns for postsecondary education are lower for groups suffering discrimination.
- The long time needed to attain a credential, especially for those attending part-time
- Inadequate access to supports such as child care and transportation

Thoughts on future directions

For low-income people, access to stable employment (at self-supporting wages) is essential for their personal and economic stability and hence for their success in many other aspects of their lives, including raising and educating their children, maintaining stable housing, contributing to healthy communities, and preparing for retirement and old age.

The changing structure of the economy is creating conditions in which those who start life with fewer resources are finding it more and more difficult to acquire the skills needed to access jobs that pay enough to support this level of stability for themselves and their families. Services to help people prepare for work, and to find, keep, and advance in their employment are increasingly necessary as the gap grows between what people need to do and what they can readily do without outside help. At the same time, funding to offer such services is limited and often unreliable.

It is important to consider the role that employment services play not only as a direct service priority in their own right, but also as a way to help our fellow Minnesotans succeed in other aspects of our social fabric. Consideration of these issues is important at every level, from individual service-providing agencies and employers, to city and county decision-makers and regional associations of service providers and businesses, to state-level decision-makers in education, employment and economic development, social services, and the legislature.

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