

Developing and Sustaining Employment Entry, Access, Retention  
and Advancement for TANF Participants and Low-Income Clients

**TANF Regions V & VII Priority Update Meeting**

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National Transitional Jobs Network

September 11, 2012



# National Transitional Jobs Network

The National Transitional Jobs Network (NTJN) exists to ensure that policies account for the hard-to-employ, that programs are able to effectively serve as many individuals as possible, and that best practices and technical assistance are widely shared and implemented throughout the network. **The NTJN offers**

- Technical assistance
- State and federal advocacy
- Monthly newsletters – sign up at [www.transitionaljobs.net](http://www.transitionaljobs.net)
- National conference

# Defining Transitional Jobs

Transitional Jobs (TJ) is a workforce strategy designed to overcome employment obstacles by using ***time-limited, wage-paying jobs that combine real work, skill development, and supportive services,*** to transition participants successfully into the labor market.

# The Goals of Transitional Jobs

- Stabilize individuals and families with earned income
- Learn the expectations of the workplace experientially
- Address barriers to work
- Build a work history and references
- Access incentives like the Earned Income Tax Credit
- Gain skills and experience to transition into unsubsidized employment

“I gained work experience and learned proper work effort in a work place.”

*JobStart Participant*

# Core Components of the TJ Model

- Orientation & Assessment
- Job Readiness/Life Skills Classes
- Case Management Support
- ***Transitional Job - Real Work Experience***
- Unsubsidized Job Placement & Retention
- Linkages to Education and Training

# Wage-paid, real work experience is key

- ❑ Unpaid work experience has little if any impact on employment or earnings, and is not associated with lower welfare receipt or payments
- ❑ Transitional Jobs programming is associated with higher earnings, lower TANF payments and reduced TANF receipt
  - ❑ A random-assignment study of the Transitional Work Corporation found increased earnings, reduced TANF receipt and lower TANF payments among long-term TANF recipients compared with a control group and a group receiving job search assistance alone

# Lessons from the TANF Emergency Fund Experience



## Lessons learned from TANF ECF subsidized employment expansion

- ❑ SE and TJ programs served **a range of low-income, unemployed** populations
  - ❑ TANF recipients, UI recipients, non custodial parents, youth, low-income families
- ❑ States identified subsidized employment programs as a new way to “engage” clients
- ❑ States demonstrated ability to **scale-up and implement cost-effective programs** quickly

## Subsidized employment programs positively impacted individuals, communities and employers

- ❑ Stabilized individuals and families through earned income & increased total family earnings
- ❑ “Stimulus” effects in local communities
- ❑ Increased payment of federal and state income, Medicare and Social Security taxes
- ❑ Employers reported improved financial health, increased quality of work, and increased productivity

“Our business was able to service more clients, do more outreach, marketing and capacity building.”

*Chicago TJ  
Employer*

# The TANF ECF flexibility led to a myriad of design innovations

## ❑ **Structure variations**

- Partners - intermediaries, WIBs
- Direct placement with private employers
- Tiers based on skills and readiness
- Length of time

## ❑ **Wage subsidy varied**

- 100% capped subsidy
- Step down subsidies
- Prevailing wage
- Length of time

# Employer engagement and feedback

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# Strategies Used to Recruit Employers

- Media and Marketing
  - Led by Governors and Mayors
  - Dedicated websites
  - Catchy names
  - Self-marketing by participants
  - Word of mouth
- Use of Intermediaries
  - Staffing firms
  - One stops
  - Non-profits

# Employer Recruitment Strategies, cont.

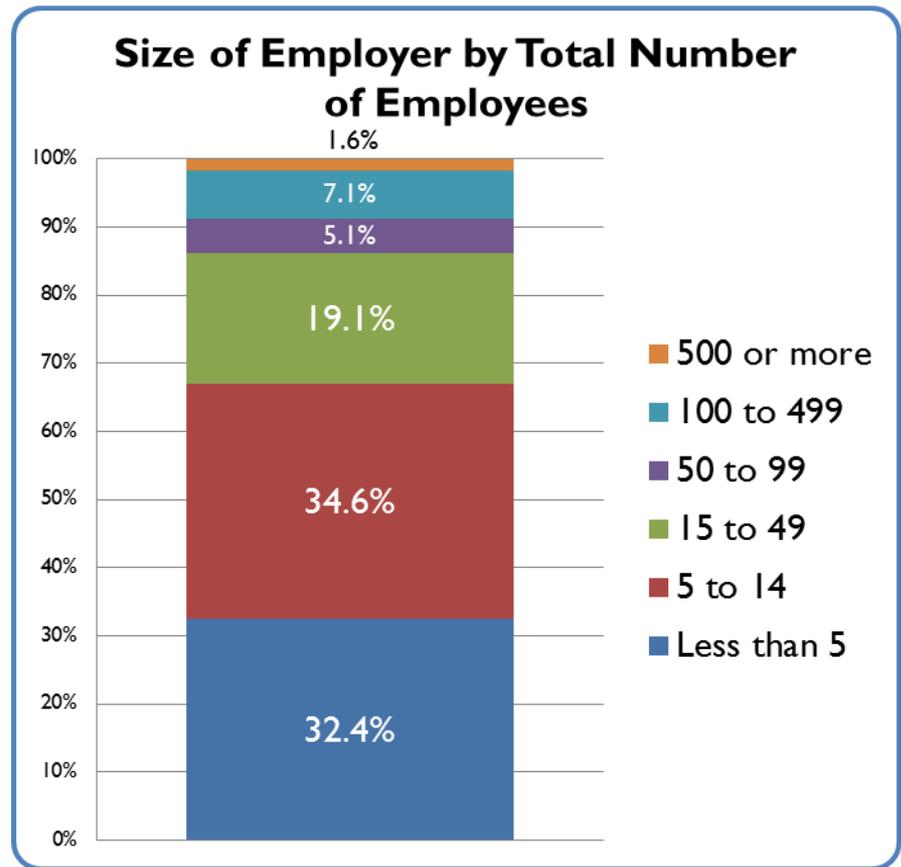
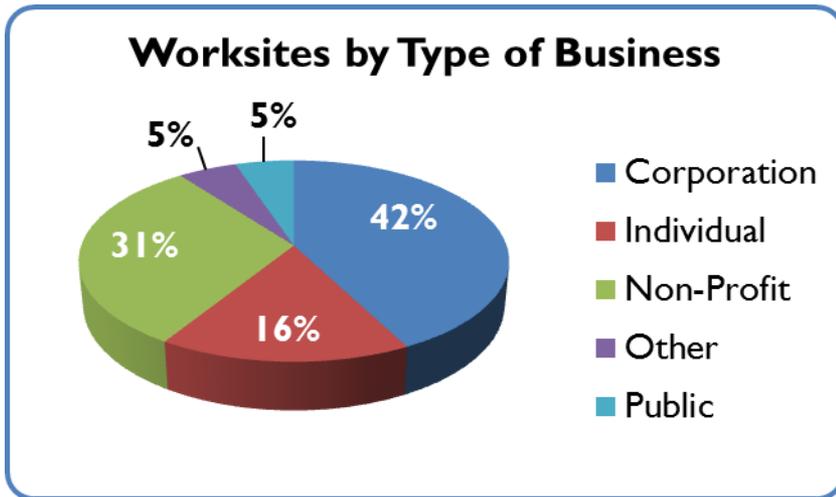
- **Business Outreach**
  - Departments of Commerce
  - Chambers of Commerce
  - Partnerships with WIBS
- **Job Development**
  - Cold calling
  - Want ad responses
  - Meetings with prospective employers

# Employer Recruitment Strategies, cont.

- Strategic Targeting
  - Smaller employers
  - Track record of hiring people with criminal records
  - Non-profits for more barrierred job seekers

# Picture of Employers Participating in TANF ECF Illinois Subsidized Employment Program (PITW)

- Majority for-profit or nonprofit
- Majority small
- 62% never participated in subsidized jobs program



## Reasons Why Employers Participated: Illinois Subsidized Employment Program (PITW)

|   |     |
|---|-----|
| Help struggling community and neighbors with jobs                               | 60% |
| Create an opportunity for somebody who wants to upgrade skills/get trained      | 58% |
| Opportunity to "test" new workers without risk but with potential to hire later | 53% |
| Opportunity to have subsidized labor for a few months                           | 45% |
| Help struggling business  | 25% |
| Test partnership with a social service agency for another program               | 14% |

- Top two reasons: altruistic?
- Significant portion testing employees for potential permanent hire

## Employer Feedback: As a result of PITW...

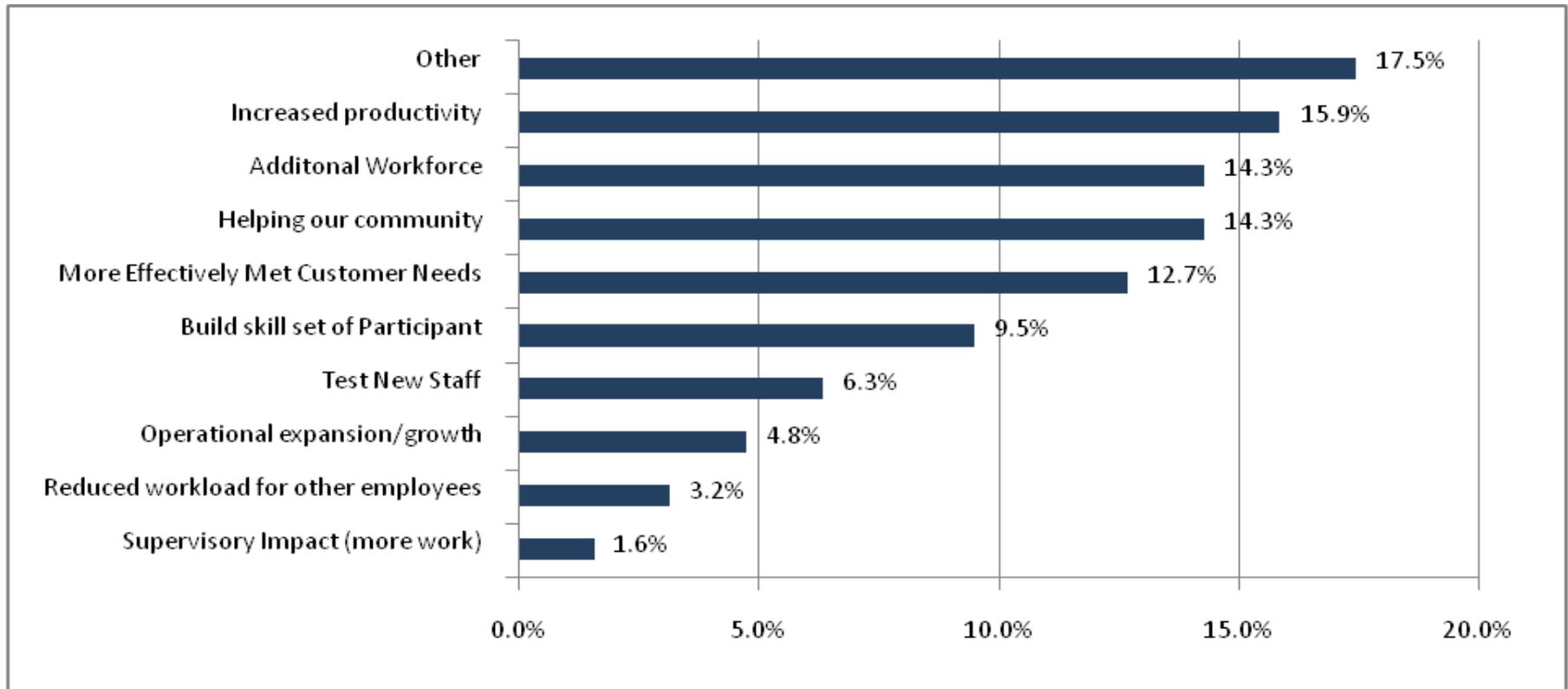
- **74%:** productivity increased
- **69%:** current workforce's satisfaction with workload improved
- **67%:** able to serve more customers
- **61%:** quality of work improved
- **58%:** saw customer satisfaction improve
- **58%:** financial health was better or somewhat better
  - **47%** attributed at least half of that improvement directly to participation in PITW

## PITW Employer Satisfaction Feedback

- 88% indicate **they would participate in PITW or a similar program** if it were offered again
- If the wage subsidy were cut in half, **40%** of employers report they would participate, and **43%** might participate
- **67% would give an employment reference** for more than half or all of their transitional workers
- **52% of employers would permanently hire** half to all of their Transitional workers if they were financially able to do so
- Half of all employers stated that they are **more willing now to hire low-income parents and young adults** than before PITW.

# Employer Survey Feedback: Chicago TANF ECF Transitional Jobs Program (JobStart)

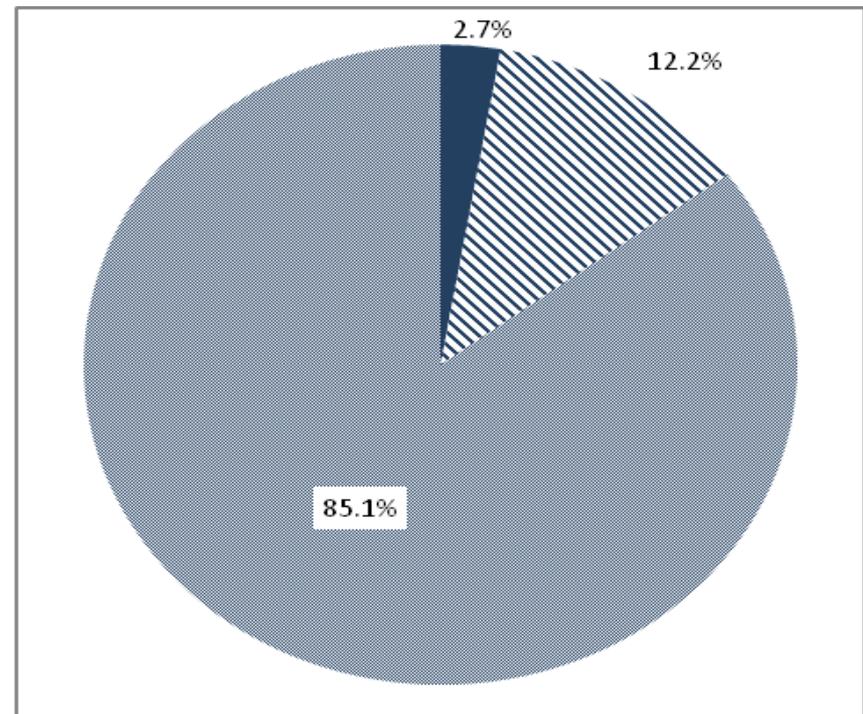
**What was the most important impact of JobStart on your business?**



# Employer Survey Feedback: Chicago TANF ECF Transitional Jobs Program (JobStart)

**Considering your experience with JobStart, would you participate in it or a similar program if it were offered again in the future?**

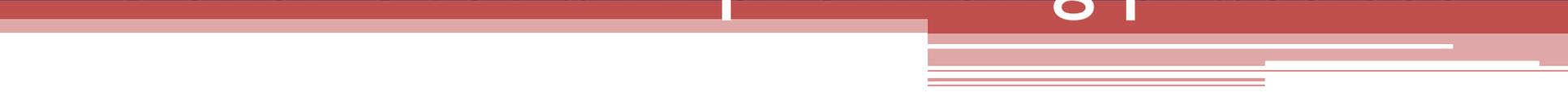
**85% of employers who participated in the Chicago Neighborhood JobStart program said they would participate in this program or a similar program again.**



# Lessons for Employer Engagement

- Subsidy – bottom line impact, “rebate”, internship like
- Employer friendly program – simple paperwork, time reimbursements
- Program staff offer key supports
- Ensure good matches – needs, skills, interests
- Opportunity to try out employees
- Appeal to economic return as well as to altruism

# Other best and promising practices

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# Best practices and innovations

- ❑ Accurate targeting to determine who will benefit most from TJ
  - ❑ Evidence suggests TJ is more effective for individuals with more barriers
- ❑ Improving the developmental nature of the transitional employment experience
  - ❑ Structured work-readiness feedback
  - ❑ Graduated stress and responsibility
  - ❑ Enhanced mentoring and coaching
  - ❑ Facilitating peer support

# Best practices and innovations, continued

- ❑ Improved job development strategies
  - ❑ Making the “business case” for TJ
- ❑ Enhanced job retention and advancement services
  - ❑ Intensive follow-up; incentives
- ❑ Integrating contextualized adult learning
- ❑ Sector-based hard skills training

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