

New Evidence for the Efficacy of Transitional Jobs

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Program Technical Assistance Series

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The Transitional Jobs (TJ) model is an employment strategy designed to help people with multiple barriers to employment make a successful transition into the workforce. The multiple barriers experienced by the “hardest to employ” often include prior incarceration and/or periods of time receiving Temporary Assistance for Needy Families (TANF) or other public assistance. Aside from Transitional Jobs, few workforce strategies have been shown to be effective in lowering rates of reincarceration, reducing TANF participation, or helping these populations with limited work experience and substantial barriers to employment successfully join the workforce. New and recent studies indicate that TJ yields significant improvements in outcomes for both TANF recipients and the formerly incarcerated.

USDHHS’s Enhanced Services for the Hard-to-Employ Project

MDRC is conducting rigorous, random-assignment studies on TJ for TANF recipients and on TJ for people who were incarcerated which are showing promising preliminary findings: *participation in TJ is associated with increased employment and earnings for both groups, reduced TANF receipt and lower TANF payments among long-term TANF recipients, and reductions in recidivism among former prisoners.*

TJ for TANF Recipients¹: In Philadelphia, MDRC is evaluating a Transitional Jobs program operated by the Transitional Work Corporation (TWC) for long-term TANF recipients. Participants receive two weeks of pre-employment training followed by 25 hours per week of paid transitional employment coupled with intensive case management and 10 hours per week of professional development services such as GED classes and workshops. Participants then receive placement assistance for unsubsidized employment, post-placement support, and retention incentives.

In addition to following the TJ program participants, the study is tracking participants in a comprehensive pre-employment program as well as a control group. Study participants received TANF for an average of 40 months, 56% had no high school diploma or GED, and 31% lived in public or subsidized housing. *After one and a half years the TJ participants experienced statistically significant increases in earnings as well as statistically significant decreases in both receipt of*

Located in Philadelphia, the **Transitional Work Corporation (TWC)** is the country’s largest urban Transitional Jobs program. Since its founding in 1998, TWC has guided thousands of low-income adults toward self-sufficiency and provided businesses with reliable, entry-level employees. TWC works with those who have received Temporary Assistance for Needy Families (TANF) and has played a critical role in cutting nearly in half the number of Philadelphians receiving TANF.

¹ Bloom, Dan. November 2008. Alternative Welfare-to-Work Strategies for the Hard-to-Employ TANF Recipients. MDRC. APPAM Annual Research Conference Presentation.

TANF and TANF payment amounts. The results show the TJ model providing significantly better outcomes than both the control group and the group receiving pre-employment services. A final report will be released in 2010 or 2011.

TJ for Formerly Incarcerated²: MDRC is also evaluating the Center for Employment Opportunities (CEO) Transitional Jobs program for parolees in New York City, one of the largest employment programs for the formerly incarcerated. Participants begin paid work within one week of enrollment, work four days a week and are paid daily. On day five of each week, participants receive services such as job coaching and job development. When deemed “job ready,” participants receive help finding a permanent job, as well as job retention services.

The study compares outcomes for CEO’s TJ participants with a control group that has received limited job search assistance. The study participants have an average of 7 convictions, 3 of which were felonies. 43% have no high school diploma or GED and over half of the study participants were fathers. *The three year impacts of the study indicate that CEO participants were significantly less likely than the control group to be arrested, convicted for a new crime or incarcerated.* The final report will be released in 2011.

The **Center for Employment Opportunities (CEO)** offers comprehensive employment services to people with recent criminal convictions in New York. In the last decade, CEO has made 10,000 job placements into full-time employment for formerly incarcerated persons. CEO maintains the distinction of being the only organization in New York City to offer immediate employment during the critical first days after release from prison.

Additional Evidence Supporting Transitional Jobs

In addition to the current MDRC studies, there is other recent research that demonstrates the value of Transitional Jobs in helping hard-to-employ join and succeed in the workforce:

Transitional Jobs programs are a cost effective way of helping individuals with barriers to employment enter and succeed in the labor market. A 2008 return on investment analysis by the Fiscal Policy Institute projected that the cost savings for New York state in serving longtime public assistance recipients and the formerly incarcerated through Transitional Jobs programs together equaled over \$106 million over 3 years after subtracting the state’s initial funding investment in Transitional Jobs programs.³

Participants in Transitional Jobs programs are more likely to get and keep a job, increase wages over time, and show a decreased reliance on public benefits. An extensive review of TJ program data found high post-Transitional Jobs employment rates for six Transitional Jobs programs—between 81 and 94 percent. In addition, an evaluation of Washington State’s Community Jobs program found that the program had strong positive impacts on employment and earnings.⁴ The average participants had eight barriers to employment and were the least work ready of all welfare recipients in the state, yet after the program, 72 percent of participants entered unsubsidized employment and had average income increases of 60 percent during the first two years in the workforce compared to pre-program income.⁵

² Cindy Redcross, November 2009. Transitional Jobs for Ex-Prisoners: Three Year Results from a Random Assignment Evaluation of the Center for Employment Opportunities. MDRC. APPAM Annual Research Conference Presentation.

³ Renwick, T. (2008). Transitional Jobs return on investment study. New York: Fiscal Policy Institute.

⁴ Kirby, Gretchen et al. April 2002. Transitional Jobs: Stepping Stones to Unsubsidized Employment. Mathematica Policy Research: Washington DC.

⁵ Burchfield, E. (2002). Community jobs program moves people from welfare to a career track: Outcomes assessment summary. Seattle: Economic Opportunity Institute.

The National Transitional Jobs Network is (NTJN) is a coalition of city, state, and federal policy makers; community workforce organizations; anti-poverty nonprofit service providers and advocacy organizations committed to advancing and strengthening Transitional Jobs programs around the country so that people with barriers to employment can gain success in the workplace and improve their economic lives and the economic conditions of their communities. The NTJN supports a constituency of over 4,000 active members and stakeholders across the country.

The NTJN is a project of Heartland Alliance for Human Needs & Human Rights.

