Efficacy of Transitional Jobs:
A summary of findings from random assignment control group studies and program evaluations

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In the spectrum of workforce development solutions, Transitional Jobs (TJ) is the lead intervention for those considered hardest to employ. The challenges faced by people with multiple barriers to employment are complex and include low skill and literacy levels, little to no formal work experience, housing instability, chronic health problems, domestic violence and a criminal record, among others. Despite their complex employment barriers, evidence has shown that individuals with barriers to employment have a strong desire to work and given the opportunity, the vast majority will succeed in work with the right soft and hard skills training and supports. Transitional Jobs 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 TJ field is unique in its willingness to undertake the most rigorous form of program evaluation—random assignment, control group studies as well as other program evaluations. The field continues to evolve and advance based on research findings in order to continuously support access to and success in employment. The Transitional Jobs model as it is currently implemented has many demonstrable benefits for hard-to-employ individuals and has demonstrated positive results in a number of evaluations and studies. In order to produce more consistent, significant and lasting impacts on participant employment and recidivism, the field is evolving again and redoubling its efforts to identify ways to improve the model and implement promising approaches and innovations. The outcomes and findings discussed here can be found in the accompanying research summaries.

Random Assignment Control Group Studies of Transitional Jobs Programs

USDHHS’s Enhanced Services for the Hard-to-Employ Project
MDRC conducted rigorous, random-assignment studies on TJ for TANF recipients and on TJ for people who were incarcerated. Significant findings were present in both populations: participation in TJ was associated with increased employment 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 Recipients: In Philadelphia, MDRC evaluated a Transitional Jobs program operated by the Transitional Work Corporation (TWC) for long-term TANF recipients. Participants received 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.1 Participants then received placement assistance for

unsubsidized employment, post-placement support, and retention incentives. In addition to following the TJ program participants, the study tracked participants in a comprehensive pre-employment program as well as a control group. Study participants received TANF for an average of 39.3 months, 56 percent had no high school diploma or GED, 31 percent lived in public or subsidized housing, and 24 percent had received 5 or more years of TANF. Additional information can be found at http://www.mdrc.org/publications/537/overview.html. Findings include:

- Participants in the Transitional Work Corporation had significantly higher employment rates and earnings than the control group members, but the difference faded during the second year.
- When earnings from Transitional Jobs and unsubsidized jobs are combined, the TWC group earned about 26 percent more than the control group, on average.
- Participants in the Transitional Jobs program significantly reduced their reliance on TANF and lowered the amount of TANF received for the 18 months studied.
- In addition, those workers who were the most disadvantaged benefited more from the Transitional Jobs program.

**TJ for Formerly Incarcerated Individuals:** MDRC also evaluated the Center for Employment Opportunities (CEO) Transitional Jobs program for parolees in New York City, the largest Transitional Jobs employment programs for the formerly incarcerated. Participants began paid work within one week of enrollment, work four days a week, and were paid daily.2 On day five of each week participants received services such as job coaching and job development. When deemed “job ready,” participants received 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 received limited job search assistance. The study participants have an average of 6.6 prior convictions, 2.7 of which were felonies and spend five years in prison in their lifetime. 43 percent have no high school diploma or GED and over half of the study participants were fathers. Findings include:

- Throughout the three year follow-up period, findings show statistically significant increases in unsubsidized employment between those that were recently released from incarceration and participated in a Transitional Job at CEO and those that did not.
- At three-years out, CEO’s impact on recidivism continued, showing rare statistically significant reductions in recidivism as compared to the control group in a number of criminal justice activities.
- The monetary taxpayer benefits of CEO’s program far outweighed the costs of the program intervention. CEO generated approximately $7,500 in taxpayer benefits including victim benefits. Approximately $4,500 was in criminal justice savings.

**Joyce Foundation Transitional Jobs Reentry Demonstration Project**

The Transitional Jobs Reentry Demonstration project a random assignment evaluation sponsored by the Joyce Foundation and primarily conducted by MDRC tested the impacts of the Transitional Jobs model for men released within 90 days from prison in four cities, Chicago, IL, Detroit, MI, Milwaukee, WI, and St. Paul, MN.3 Participants in both the TJ and job search/placement (control) groups averaged four prior convictions, 2.6 of which were felonies, six years of lifetime.

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imprisonment, and over half at 57 percent had a prior violent conviction. Averaged across the programs for the One-Year Impacts report, TJ participants earned a one-year total of $2,044 in subsidized wages. Findings include:

- Only one year of findings available. During first part of study there was a large increase in employment for TJ participants. The employment impacts faded over time.
- The Transitional Jobs intervention appeared more effective than the job search/placement programs at stabilizing employment through the worst part of the recession.
- Earnings and employment appear more positive for those who received retention bonuses.
- Just over one third of TJ participants ended up returning to prison during the first year of the follow-up period, most for technical parole violations.

Additional information can be found at [http://www.mdrc.org/publications/570/overview.html](http://www.mdrc.org/publications/570/overview.html).

### Program Evaluation Data Supporting Transitional Jobs

In addition to recent random-assignment evaluations, other research demonstrates the value of Transitional Jobs in supporting the transition to work for hard to employ individuals, reducing public benefits receipt, and improving the lives of children.

**Chicago Family Case Management Demonstration**: The Urban Institute’s study of the Chicago Family Case Management Demonstration located in two study sites just south of the loop in Chicago, IL took place from 2007 to 2009. The program served “hard to house” families with low literacy, weak or non-existent employment histories and possible drug or alcohol abuse. The program provided intensive family case management, long-term support, financial literacy classes, and workforce strategies including a Transitional Jobs program for the hardest to employ, those with low-literacy and substance abuse problems who had been recruited from two Chicago Housing Authority Developments. Findings included:

- TJ program participants reported a ten percent increase in their employment from 2007 to 2009.
- Later analysis by the Urban Institute found that participation in the program was associated with obtaining unsubsidized employment.

Additional information on the study and program can be found at [http://www.urban.org/publications/411708.html](http://www.urban.org/publications/411708.html).

**Lifetrack Resources Advancement Plus**: Funded by the Joyce Foundation and performed by EnSearch, this 2004 comparison study assessed the efficacy of Lifetrack Resources Advancement Plus, a Transitional Jobs program exclusively serving Minnesota TANF recipients, compared with Minnesota TANF recipients who were not enrolled in TJ. TANF participant characteristics included

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weak education histories with a little over a third having obtained their GED, and for just over half of participants English was their primary language. Findings included:

- Value was found to be added by presence of Occupational Therapists, Speech-Language Pathologists, and Advancement Specialists in serving participants with greater barriers.
- When groups consisted of a similar barrier makeup, TJ participation was found beneficial in most measures.
- Two TJ and Control groups placed the same percentage of their ex-offender participant pools in unsubsidized jobs, but a greater percentage of the TJ ex-offender pool possessed felony convictions at 21 percent compared to the control group’s seven percent.
- The TJ group was found beneficial to participants with more severe barriers like previous incarceration for felonies, homelessness, or victims of domestic violence.
- During a period of rising unemployment rates, the TJ group enjoyed not only higher unsubsidized employment placement than the control group for the same time period, but also control groups during periods of lower unemployment rates.
- The TJ group boasted a higher percentage of participants no longer receiving TANF payments than the control group for the same years of participation.

Additional information on the study and program can be found at [http://www.transitionalwork.org/publications/Lifetrack_2004comparisonstudy.pdf](http://www.transitionalwork.org/publications/Lifetrack_2004comparisonstudy.pdf).

**Georgia GoodWorks! Program:** Evaluated by Mathematica Policy Research (MPR) from 2000 to 2001, Georgia’s GoodWorks! TJ program exclusively served long-term TANF recipients in five Georgia counties: Macon in Bibb County, Athens in Clarke County, Decatur in DeKalb County, Atlanta suburbs in Fulton County, and Augusta in Richmond County. GoodWorks! targeted hard-to-employ welfare recipients who are near or have reached Georgia’s 48-month welfare time limit and had poor work histories, limited education and personal or familial barriers to employment. Only individuals who had received TANF for at least 30 months were eligible to participate. Findings included:

- TJ program completion rates were generally high with two counties at over 80 percent.
- Unsubsidized job placement rates for all participants ranged from 35 to 70 percent, with placement rates for program completers much higher at a range of 54 to 85 percent.
- For every county, participants who completed the TJ program had higher unsubsidized placement rates than those that did not.

Additional information on the study and programs can be found at [http://www.mathematica-mpr.com/PDFs/goodworks.pdf](http://www.mathematica-mpr.com/PDFs/goodworks.pdf).

**Catholic Charities Transitional Community Jobs Program:** In September 2000, Heartland Alliance’s Mid-America Institute on Poverty (now the Social IMPACT Research Center) conducted an evaluation of the Catholic Charities Transitional Community Jobs program operating out of Chicago which primarily served TANF recipients and non-custodial parents of children receiving welfare.  

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Participants tended to have been a TANF recipient for at least 30 months, with limited education, and have experienced substance abuse barriers. The Transitional Community Jobs program provided 6-months of TJ work experience in addition to typical employment services while the control group provided at least one day of employment services without subsidized TJ employment. The TJ subsidized employment group had significantly better outcomes on all measures compared to the limited services group including:

- The TJ group obtained unsubsidized job placements faster by three months and stayed employed longer than the limited services group at six months.
- The TJ group experienced 21.8 percent higher unsubsidized employment rates at 3 months and 17.7 percent at 6 months post-program over the limited services group.
- By six months the TJ group had obtained 32 percent more in earnings than the limited services group.
- Significant public sector savings were found. The TJ group experienced a 68 percent decrease in TANF cash assistance paid, whereas the limited services group experienced a decrease of less than 2 percent.


**Washington State Community Jobs Program:** The Economic Opportunity Institute evaluated the Community Jobs Program (CJ) run by Washington State’s Work First welfare reform program which utilized the Transitional Jobs model in serving TANF recipients, often single moms with multiple financial barriers to employment like poor work histories, lack of GED, and personal barriers like having suffered domestic abuse, debt, or unstable housing. From September 1998 to June 2001, participants worked 20 hours per week during the nine month long program length. While working at CJ, participants earned an average income of $12,962 which contained CJ wages, EITC earnings, and TANF assistance. Findings on earnings and placement included:

- 72 percent of CJ participants obtained gainful employment.
- Program completers in the workforce averaged an increase of 42 percent earnings from the first to the fourth quarter in the first year.
- Average income of post-CJ workers increased 60 percent during their first two years in the workforce and was 148 percent higher than their pre-CJ income.
- Over 75 percent of post-CJ who entered the unsubsidized workforce found work within the first 6 months.
- Average income of a post-CJ worker was 148 percent higher than what they would have received on TANF.

Additional information on the study and program can be found at http://eoionline.org/CJ-OutcomesAssessmentSummary0402.htm.

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**Multi-Site Evaluation of Transitional Jobs:** Six programs in five states were evaluated by Mathematica Policy Research to gain an understanding of the TJ model and outcomes: GoodWorks! in Atlanta, Georgia, People Realizing Employment Possibilities (PREP) in Forrest City, Arkansas, Community Jobs Program in San Francisco, California, Transitional Work Corporation (TWC) in Philadelphia, Pennsylvania, and Community Jobs in Aberdeen and Tacoma Washington state. Program participants consisted of adults who are long-term TANF recipients or TANF recipients unable to obtain work, many with additional barriers to employment like very low-income, lack of HS diploma or GED, poor work histories, personal barriers, and histories of domestic violence. Programs paid on average between $287 and $749 in subsidized wages per month to participants. Site visits as well as in-person small-group evaluations with staff were performed in the late 1990’s and early 2000’s in six to twelve month study periods. Findings included:

- Unsubsidized placement rates were high, ranging from 81 percent to 94 percent for program completers.
- Several programs had higher unsubsidized employment placement rates for those with lower education or with disabilities than those with higher education or without disability.
- In the only program that obtained retention data, 45 percent of those placed kept that job for at least 6 months.
- Four of the TJ programs studied have total service costs lower than the costs of other labor force attachment programs for welfare recipients.

Additional information on the study and program can be found at [http://www.mathematica-mpr.com/publications/PDFs/transitionalreport.pdf](http://www.mathematica-mpr.com/publications/PDFs/transitionalreport.pdf).

**New Hope Transitional Jobs Program:** An academic research team evaluated the effects of the New Hope Transitional Jobs Program in Milwaukee, Wisconsin on the children of past participants over a three year period from 1994 to 1997. Adult participants were generally female (~90 percent), had at least one child between the ages 0 and 11, with very low-income, a willingness to work, and may receive social supports like food stamps or Medicaid. TJ participants average a total income over two years of $28,100, which consisted of TJ payments, EITC earnings, TANF receipts, AFDC, and food stamps. Findings include:

- Adult participants in the New Hope Transitional Jobs program in Milwaukee were more likely than the control group to work.
- The children of New Hope participants were less likely to repeat a grade, receive poor grades or be placed in special education.
- Children of participants were more likely to have taken part in employment and career preparation activities.

Additional information can be found at [http://faculty.uml.edu/darcus/47.501/assign/huston_etal01.pdf](http://faculty.uml.edu/darcus/47.501/assign/huston_etal01.pdf)

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Return on Investment Analysis for Transitional Jobs

The Fiscal Policy Institute spearheaded a Transitional Jobs Return of Investment Study (ROI) which analyzed the fiscal impacts of a proposed state-wide implementation of the TJ model in New York State. With a proposed enrollment of 8,000 individuals over the course of a year, the program would target two groups equally: public assistance recipients and those who had been unemployed for over a year, and recently released ex-offenders. They deduced that a statewide TJ initiative in New York would pay for itself in primary public cost savings.

- In just three years, if it were able to increase employment rates by more than 26 percent for public assistance recipients an initial $17 million investment would result in state and local cost savings of $60 million dollars.
- And if employment of previously incarcerated participants rose by more than 35 percent, an initial investment of $32 million would result in state and local cost savings of $96 million.

Additional information can be found at http://cvh.mayfirst.org/files/TRANSITION%20JOBS%20RETURN%20ON%20INVESTMENT%20STUDY.pdf.

Forthcoming Research on Transitional Jobs

U.S. Department Of Labor: On March 2, 2011 the Department of Labor, Employment and Training Administration released the Enhanced Transitional Jobs Demonstration project, to fund and evaluate entities implementing Enhanced Transitional Jobs program models for non-custodial parents and/or people returning from incarceration that go beyond Transitional Jobs programs tested previously. The random assignment evaluation is being evaluated by MDRC. In June DOL announced 7 awardees for the demonstration across the country (Milwaukee, WI, New York, NY, Rochester, NY, Atlanta, GA, Fort Worth, TX, San Francisco, CA, and Indianapolis, IN). Model enhancements being implemented and tested through the evaluation include:

- Step-down subsidy approaches with private sector employers,
- Enhanced retention supports and bonuses,
- Staged or tiered employment opportunities that gradually increase stress and responsibility for participants,
- Occupational skills training,
- Social enterprise work experiences, and
- Child support advocacy and order modification.

U.S. Department of Health and Human Services: The Department of Health and Human Services, Administration for Children and Families will lead the Subsidized and Transitional Jobs Demonstration Project, which is a random assignment evaluation. ACF has defined the goal of the

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evaluation as “to demonstrate and evaluate subsidized and transitional employment approaches for critical low-income populations...[and] to increase our knowledge about the efficacy of programs aimed at helping the target populations secure and maintain unsubsidized employment.” The project will study up to 7 sites across the country implementing a range of Transitional Jobs and Subsidized Employment programs.

**Conclusion**

TJ participants typically have significant work experience deficiencies coupled with low soft and hard job skills that further bars them access to employment. TJ helps participants gain experience and skills to be more competitive in the labor market by establishing recent work history and providing supportive services in the form of on the job training, education, and monetary resources. In many studies and program evaluations, TJ has demonstrated success with hard-to-employ populations such as TANF recipients, individuals who have been formerly incarcerated, and others who have been disconnected from the workforce. These hard-to-employ populations have seen significant increases in employment, higher earnings, and lower recidivism.

The cumulative evidence demonstrates that TJ offers multiple benefits for jobseekers with barriers to employment. TJ participants have shown higher rates of obtaining unsubsidized employment, higher wages, lower TANF payments, and positive returns on investment due to lower public costs. The National Transitional Jobs Network is committed to supporting further research, advancing the field with evidence-based and promising innovative program enhancements and designs, and helping more people with barriers enter and stay in the labor force.