

# Guide to Transitional Jobs Program Design

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

This **Guide to Transitional Jobs Program Design** is an introduction to the essential components of the Transitional Jobs strategy. It includes an overview of the target populations for and goals of the strategy, descriptions of each program element, and best practices for implementing those elements based on research evidence and the experiences of practitioners in the field. This guide can be used as a planning resource by organizations that are interested in starting a new TJ program, or by existing employment programs seeking to fully adopt the TJ model according to evidence-based principles. This guide can also serve as a concise but comprehensive introduction of the TJ strategy for funders, policymakers, employers, and others.

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## Target Populations

The populations targeted for TJ program participation are those with multiple employment obstacles or limited work experience and those that have been chronically unemployed. This includes individuals who are homeless, persons with criminal records, refugees and asylum seekers, long-term welfare recipients, and disconnected youth. Program services are tailored for the specific population and strong linkages are made to related support services.

## Goals

Transitional Jobs offers a model of employment by which participants learn through experience the customs and routines of work, acquire work-task skills, establish an employment record, and generate employer references to enhance their competitiveness in private sector employment. With confidence gained from success in the workplace and appropriate case management to assist with any problems along the way, TJ provides the participant with learning opportunities, pay, and the support necessary to transition to full-time, permanent employment and on a pathway to job advancement.

The goals of Transitional Jobs programs are multi-pronged and based on research outcomes and program evidence from the field:

**Providing immediate paid work for people that would not otherwise have access to employment.** Without the opportunity to engage in real, wage-paid work of Transitional Job programs, many people with barriers to employment would not otherwise have access to employment. For many the Transitional Job is often the first job they have. TJ programs offer the opportunity for them to earn a wage while learning the norms and behaviors of work, gaining on-the-job success, increasing stability at a job, and increasing soft and hard skills.

**Stabilizing people through providing needed income and supports.** The earned income and supportive environment of TJ programs is important for those who struggle in poverty and need to meet basic needs such as food, housing, and clothing. TJ programs help participants address employment-hindering challenges such as conditions of probation or parole, fatherhood and parenting needs, child support issues, substance abuse or mental health challenges, transportation issues and others.

**Creating linkages to stable unsubsidized employment.** Upon entry into TJ programs, staff focus on determining the most feasible routes into unsubsidized work for participants. Participants receive a mix of job readiness classes, experiential learning on-the-job with frequent feedback, career planning and education and skill assessments. Through these, participants create a plan and are moved into unsubsidized jobs when ready.

**Establishing a platform for positive earnings and income trajectory.** TJ programs help multi-barriered populations establish an employment history and references critical for being hired into future jobs. In addition, being in a Transitional Job increases the likelihood that they will be eligible for the Earned Income Tax Credit, Unemployment Insurance, Social Security, and other wage-based income supports. TJ programs often serve as the gateway into education, skills training and building a career pathway for low income people.

**Cost savings to states and localities.** Prolonged unemployment is associated with rising crime and lost production in communities, potential workers experiencing poorer physical and psychological health, and families feeling the strains of poverty and hardship for generations. Using TJ to break this cycle results in savings at many levels. For example, the Fiscal Policy Institute projected the cost savings to New York to implement TJ programs for people with criminal records and public assistance recipients equaled over \$106 million over 3 years after subtracting the state's initial \$47 million investment.<sup>1</sup>

**Increasing public safety.** The likelihood that a person is arrested, commits a new crime, or becomes incarcerated is at least somewhat related to employment and earnings - especially for low-income individuals. TJ programs work to stabilize individuals through employment and supports providing structured days and earnings, activities shown to decrease crime and improve public safety.

**Reducing recidivism in several measures.** A random assignment, control group evaluation of the Center for Employment Opportunities, found that TJ participants were significantly less likely than the control group to be arrested, convicted for a new crime, or incarcerated at the three year mark. These results show the TJ model effectively combating cycles of incarceration and helping stabilize individuals returning from incarceration.<sup>2</sup>

**Reduced public benefits payments.** Another random assignment, control group evaluation of the Transitional Work Corporation serving longtime public assistance recipients, found that 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 TANF and TANF payment amounts. These results show the TJ model providing significantly better outcomes than both the control group and the group receiving pre-employment services.<sup>3</sup>

<sup>1</sup> Renwick, T. (2008). Transitional Jobs return on investment study. New York: Fiscal Policy Institute.

<sup>2</sup> 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.

<sup>3</sup> Bloom, Dan. November 2008. Alternative Welfare-to-Work Strategies for the Hard-to-Employ TANF Recipients. MDRC. APPAM Annual Research Conference Presentation.

## Program Design Elements

The Transitional Jobs strategy is highly adaptable to different delivery models, including subsidized jobs in work crews, in-house placements, or in scattered employment sites. Regardless of the structure, it is important that a comprehensive package of wage-paid employment with ongoing support services throughout the TJ program is provided including the following core components: targeting and assessment, job readiness and skill development, employment-focused case management and supportive services, subsidized, wage-paid temporary employment, unsubsidized job placement, job retention support, linkages to literacy/education/training, and protections against displacement of non-transitional workers.

### Targeting and Assessment

Research indicates that Transitional Jobs programs are most successful and best targeted at populations that typically demonstrate multiple employment barriers and those that have sporadic, problematic, and inconsistent work histories within the 2 years prior to engaging in the Transitional Jobs program. Programs then provide a thorough assessment of participants entering the program in all areas related to assessing barriers to employment, including but not limited to substance abuse and mental health challenges, disability, criminal history, housing, transportation, literacy and adult basic education as well as a thorough assessment of academic skills, vocational skill development, employment experience, vocational and/or educational goals and interests.

### Job Readiness and Skill Development

In order to reinforce the real work experience of the program, participants need access to in-program support, peer-learning experiences, and class work to reinforce learning done on the worksite, support participant skill building, and future educational attainment as needed prior to the start of the subsidized employment as well as ongoing throughout and following the program. Job readiness and advancement efforts should:

- Address, at minimum, soft job skills, family support issues, and personal barriers such as anger management, conflict resolution, and other life skills to support the work experience and employment-focused case management. Other activities include instruction on how to write a resume, filling out an employment application, how to conduct a job search and interviews, computer literacy, financial literacy, learning how to dress for the job, explanations of appropriate workplace behaviors, contextualized learning and opportunities to learn how to engage in education, training, and career planning and their benefits.
- Be flexible enough to address conditions of probation, parole, child support, substance abuse or mental health counseling, and/or housing.
- Structure internal programs or strong collaborations with literacy and educational programming including ABE, ESL, GED, college and vocational training as well as address continuing education leading to an employer-recognized credential or degree and/or skills training.

### Employment-Focused Case Management and Supportive Services

Support services geared toward assisting participants in managing employment barriers are critical as they learn and take steps towards unsubsidized employment. TJ programs provide the following case management services:

- Ongoing supervision and coaching of Transitional Jobs employees by the designated workplace supervisors/work-crew leaders, balancing the goals of barrier management and work-readiness of the participants and the goals of the employers frequently in the initial few weeks, and on a regular basis going forward.

- Clear communication with the subsidized employer or work-site supervisor, the participant, and case managers to ensure a consistent flow of information and ongoing assessment of participant needs and progress, based on agreed-upon measures of job-readiness such as punctuality, cooperation with supervisors and coworkers, appropriate dress and personal presentation, following workplace rules, and work effort.
- Case management and support services associated with participant success, including transportation, clothing allowances, substance abuse and mental health counseling, anger management, literacy and financial literacy, fatherhood programming, obtaining accurate identification, and other services as needed.

## Subsidized Transitional Job Placements

Subsidized employment is the vehicle through which participants gain work experience while earning a wage and developing an employer reference while receiving support and guidance. The subsidized employment experience is an essential aspect of the Transitional Jobs program and critical for participant success. TJ programs:

- Identify and create subsidized employment slots in the community or within the program that are temporary employment opportunities at nonprofits, governmental agencies, or for-profit employers.
- Orient the subsidized employment site so they have a clear understanding of the program rules/regulations and know who to contact should issues arise.
- Act as the employer of record - that is, pay participants' hourly wages at or above the state or federal minimum wage and comply with all the legal requirements of the employer-employee relationship, such as withholding payroll taxes and participating in unemployment and worker compensation insurance.
- Offer subsidized employment to participants for no fewer than 20 hours per week and ideally allow them to remain in the subsidized employment position until it is determined that the participant is ready and unsubsidized employment slots are available for the participant to transition into.
- Provide personal contact and consistent follow-up between program staff, participants and employment supervisors and provide an immediate opportunity for the participant to work with a case manager for the participant to address serious issues if they arise.

## Job Development and Unsubsidized Job Placements

Transitioning TJ participants to unsubsidized jobs is among the most challenging aspects of TJ program operation, especially in times of high unemployment. TJ programs must:

- Dedicate adequate resources to job development, by fully funding and staffing job development efforts, and investing in professional development for job developers.
- Build and leverage relationships in the community that can provide exposure to potential employer partners, through chambers of commerce and other formal and informal networks.
- Emphasize the advantages that TJ participants have over other entry-level candidates, such as soft skills training, access to job coaches, and ongoing retention support.
- Educate employers about incentives like the Work Opportunity Tax Credit for which participants may qualify.
- When applicable, target appropriate industries that do not prohibit hiring people with criminal records and dispel stereotypes and myths about this population.
- Identify and build long-term relationships with employer partners that understand not only the business case for hiring TJ graduates, but also believe in the social mission and community benefits of TJ.
- Use a “dual customer” approach addressing the skills needs of employers and career interests of participants.
- Transition participants into unsubsidized employment in the community with non-profit, government, or for-profit employers with minimal time between subsidized and unsubsidized employment.
- Reengage participants in subsidized employment if the participant loses the unsubsidized job.

## Job Retention Support

Job retention support is critical for the success of participants. Retention in unsubsidized work should be a priority of programming from the first day a participant enters a TJ program. Case management, job readiness training, soft- and hard-skills training, and job coaching should all focus on ultimately helping participants stay and advance in unsubsidized jobs. It is also critical that retention activities receive the same amount of planning, resources, and staff time as any other component of the TJ model. Research has indicated that retention services lasting no fewer than six months and programs conducting three or more participant contacts per month are associated with positive outcomes such as working more months, working full time, and higher earnings. TJ programs:

- Monitor participants and provide retention services for no fewer than 6 months ongoing following unsubsidized job placement.
- Provide regular, frequent follow-up contacts by retention specialists with both employees and employers.
- Conduct ongoing retention-focused activities such as workshops, peer learning groups and support groups.
- Offer monetary and nonmonetary retention incentives such as wage supplements and child care services.
- Provide reemployment services.

Core retention services such as follow-up contacts should begin as soon as a participant enters unsubsidized employment. Research from P/PV indicates that the length of time in a retention/advancement program—receiving services for at least six months—was associated with working more months, working full time and having higher annual earnings. The intensity of program retention/advancement services—averaging three or more contacts with program staff per month—has been associated with having an increase in wages of \$1 or more per hour, working full time and having health benefits.

## Protections against Displacement of Non-Transitional Workers

Concerns about potential substitution and displacement of permanent employees at the transitional work sites require serious consideration in program design and policy development, but are not a substantial obstacle to effective TJ implementation. Eligibility for TJ services requires participants to have substantial or multiple barriers to employment, long-term disconnection from the workforce, or problematic work histories, which would prevent employers from removing current employees from payrolls and rehiring them in TJ positions. Moreover, the time-limited nature of TJ, typically three to nine months and seldom longer than a year, makes the use of TJ to substitute or displace incumbent workers less attractive. TJ programs can implement:

- Strong prohibitions against substitution and displacement.
- Protections for recently laid-off employees, workers on leave, and striking workers.
- Preservation of recall rights under collective bargaining agreements for union employees of TJ employer partners.

## Program Model Options

The Transitional Jobs strategy is highly adaptable to different delivery models, including subsidized jobs in work crews, in-house placements, or in scattered employment sites. These three primary structures for delivering the subsidized employment part of the TJ program have advantages and challenges to program planning and delivery. The list of advantages and challenges outlined below are not exhaustive. Regardless of the structure, it is important that the core elements of the strategy be present to maximize outcomes.

**PROGRAM STRUCTURE 1:** Scattered Employment Sites - TJ program participants work in for-profit, non-profit or government sites typically with 1 to 2 subsidized workers per site.

ADVANTAGES	CHALLENGES
<p><u>Maximum Choice</u> – Ability to match job site and participant skills/interests is maximized.</p> <p><u>Diversity &amp; Number of Employer Relationships</u> – Community buy-in and support through employer engagement and relationship building helps build strong champions.</p> <p><u>“Realest” of Real Work Experience</u> - Participant is working with people who are not within a employment program. Immediate feedback from colleagues and peers.</p>	<p><u>Staff Intensive</u> – Monitoring individual job sites (subsidized &amp; unsubsidized) and participants is time-consuming and requires a mix of staff expertise.</p> <p><u>Organization &amp; Management</u> – Scattered site structure means that a provider has a lot of relationships to manage.</p> <p><u>High Need for Role Clarity, Communication of Expectations</u> - Program staff must set clear roles and expectations of employer. Employment site mentor is critical.</p>

**PROGRAM STRUCTURE 2:** Work Crews – Crews of 5-7 people work on a project often within maintenance, janitorial, parks, and community renewal projects.

ADVANTAGES	CHALLENGES
<p><u>High Control</u> – Work environment is highly controlled by crew leader who is an employee of the program.</p> <p><u>Job Developer Role Streamlined</u> – Job developer can concentrate on “group projects” to be completed by crew.</p> <p><u>Daily Observation of Progress</u> – Work Crew leader is onsite to monitor growth and progress of participant.</p> <p><u>“Good” Peer Pressure</u> – Group of participants helps foster adherence to ideal behaviors of work.</p>	<p><u>Less Career Matching Choices</u> – Job types are more limited and harder to match to TJ participant skills/interests.</p> <p><u>Job Congruency</u> – The link between the subsidized and unsubsidized employment slot can be unrelated.</p> <p><u>Focus on Behaviors of Work</u> – Work setting allows program to hone and evaluate behaviors of work to be achieved before transition.</p>

**PROGRAM STRUCTURE 3:** In House Placements – Participants work for the TJ agency, often in the product or service revenue generating arm of the organization.

ADVANTAGES	CHALLENGES
<p><u>Maximum Control</u> - Every TJ position is one that the program develops and manages through the business.</p> <p><u>Diversified Work Experience</u> – Participant often has the opportunity to work in a number of different jobs, all within the same program.</p> <p><u>Revenue For Wages</u> – Product or service allows for non-restricted program funds for participant wages.</p> <p><u>Daily Observation of Progress</u> – Supervisor or Case manager is onsite to monitor growth and progress of participant.</p> <p><u>Job Developer Role Streamlined</u> – Job developer can concentrate on unsubsidized placements since all of the subsidized placements are in house.</p>	<p><u>Significant Capital Needed</u> – Social Enterprises can be expensive to start.</p> <p><u>Staff Intensive Creation &amp; management of business WHILE</u> employing persons with barriers to employment.</p> <p><u>Double Bottom Line</u> - When participants are ready to transition to unsubsidized employment – they are your BEST workers. Balancing social and business mission.</p> <p><u>Market Influence</u> – Your program depends heavily on demand for your product or service.</p>

For more information on designing and refining a Transitional Jobs program please visit the NTJN website at [www.transitionaljobs.net](http://www.transitionaljobs.net) or email us at [ntjn@heartlandalliance.org](mailto:ntjn@heartlandalliance.org).

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.

