THE PROMISE AND CHALLENGE OF TRANSITIONAL JOBS

OPPORTUNITY CHICAGO’S TRANSITIONAL JOBS EXPERIENCE

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Executive Summary

Transitional Jobs (TJ) programs—which combine temporary, wage-paying, subsidized employment with job readiness assistance, supportive services, and job-placement assistance—are a promising approach for improving the employment prospects of hard-to-employ jobseekers. This report assesses the performance of the TJ programs that were supported by Opportunity Chicago, a public-private partnership whose mission was to substantially improve the job prospects of Chicago Housing Authority residents.

In January 2006, Chicago Housing Authority (CHA), The Partnership for New Communities (PNC), and the Chicago Department of Family and Support Services (DFSS) (formerly Mayor’s Office of Workforce Development), allied under the auspices of Opportunity Chicago. Their goals included placing 5,000 public housing residents into stable employment through a range of training, education, and employment programs during the initiative’s five-year (2006-2010) tenure (see companion report, Opportunity Chicago 2006-2010: Improving Access to Employment for Chicago Housing Authority’s Residents).

TJ programs became a core component of this broader effort, and a goal was set to place 1,000 public housing residents into unsubsidized employment through TJ programs. The programs were created with the recognition that intensive employment skills training and placement services must be tailored to the needs of the hardest-to-employ public housing residents if they are to achieve successful transitions into employment. The partners collaborated in the integration of resources to support TJ programming. They turned to several experienced workforce development providers to design and operate TJ programs, while case management and supportive services were leveraged through CHA’s case management infrastructure, which served as residents’ primary access point to TJ services. The partners invested roughly $10.6 million in TJ programs.
Highlights of Major Findings

Participant Profile
The target population for the TJ programs consisted of a pool of roughly 4,800 public housing residents with low literacy levels, low educational attainment, and less than one quarter of work during the two years prior to program entry. The typical program participant was a 36-year-old single, African-American female head of household with a high school diploma or GED. Average math and reading scores on the TABE test for all TJ participants were below 8th grade level. Eighty percent of program participants were either consistently unemployed (worked zero quarters) or sporadically employed (worked less than 50% of all possible quarters) in the eight quarters prior to entering the TJ program.

TJ Approach

TJ Delivery System and Provider Program Models. Opportunity Chicago built on the strengths of nine non-profit and for-profit providers, each with experience serving disadvantaged populations. The TJ programs included a set of core program components: orientation and assessment; job readiness training; case management support; subsidized placement; and unsubsidized job placement and retention services. In addition, each provider served as the TJ employer of record for administration of payroll to program participants. But these programs had significant differences as well, since providers ultimately were responsible for program design, implementation and day-to-day operations. Staffing size and training models varied, as did TJ placement structures, which included scattered site, work crew and social enterprise placement models. Finally, several providers piloted new program models such as hybrid Literacy-Transitional Jobs and Sector-Focused TJ programs to address participants’ changing needs as Opportunity Chicago unfolded.

Participant Access and Case Management. Residents accessed TJ programs primarily through their engagement with CHA’s existing case management system, known as FamilyWorks. The FamilyWorks program, which continues to exist, consists of six community agencies. Services include, but are not limited to, helping residents (1) prepare for and obtain employment to meet CHA’s work requirement, which began in 2009; (2) receive clinical services to address mental health or substance abuse issues; (3) access supportive services to assist them in meeting employment, clinical, and housing goals based on an established service plan (e.g., workforce supports, transportation, child care, financial planning, and lease compliance); and (4) identify services and programs that are available throughout the city. FamilyWorks providers prioritized the TJ programs in their referral process, and they worked closely with TJ providers to recruit residents and to educate them about the program through marketing materials and FamilyWorks-sponsored community meetings and service fairs.
Economic Context
Since its launch, Opportunity Chicago was confronted with a turbulent and highly competitive job market with few economic sectors providing sustained employment growth. Unemployment among African-American females (who comprise the overwhelming majority of TJ participants) was 16.7 percent at the time the TJ programs were launched, more than triple the unemployment rate for the Chicago region. The jobless rate among African-American females remained persistently higher than regional jobless rates throughout the recession, climbing to 23.5 percent in 2010. The TJ programs reached their intended target population and exceeded the Opportunity Chicago goal of connecting 1,000 public housing residents to unsubsidized employment.

Program Outcomes
The TJ programs reached their intended target population and exceeded the Opportunity Chicago goal of connecting 1,000 public housing residents to unsubsidized employment.

• 1,793 public housing residents participated in TJ programs.
• Ninety percent of participants engaged in structured job readiness training to improve soft skills and prepare themselves for work.
• Seventy percent (1,260) of program participants were placed in subsidized jobs, for a total of 1,823 placements (some individuals had more than one placement). Sixty-three percent of participants who had a subsidized job worked at least 30 hours per week, and the average hourly placement wage was $8.49.
• The transition from subsidized into unsubsidized employment was strong, with 80 percent of participants with subsidized placements making the transition from subsidized to unsubsidized employment.
• A total of 1,359 individuals (76% of participants) worked in at least one quarter after exiting a TJ program.
• Retention in unsubsidized employment was promising. The vast majority of unsubsidized placements (91%) were retained for at least 30 days; and 62 percent were retained at least one year.
Employment & Earnings Impacts

• Fifty-six percent of participants who were consistently unemployed before entering a TJ program strengthened their attachment to the labor market following program exit—i.e., they moved from consistently unemployed to sporadically, mostly, or consistently employed.

• Fifty-two percent of TJ participants saw an increase in the percentage of quarters they worked after exiting the TJ program, as compared to before program entry.

• Fifty-seven percent of TJ participants had post-program average quarterly earnings that exceeded their pre-program earnings levels. Average quarterly earnings of participants who worked before entering the program were $1,737. Following program exit, average quarterly earnings of these TJ participants rose to $2,385, an increase of 37 percent.

• Most participants who found a job after program exit did so in the same quarter in which they exited a TJ program.

• Participants’ employment following program exit was concentrated in three of five industry sectors targeted by Opportunity Chicago as part of its sector strategy: Health Care and Social Assistance (27%), Retail Trade (15%), and Accommodation and Food Services (12%). Although not a target sector, Administrative and Support Services accounted for the second highest percentage of jobs (15%) held by participants. These sectors rank among the Chicago region’s high-demand sectors.

Lessons have emerged from Opportunity Chicago’s TJ experience that may be useful to a broader audience of policymakers and program administrators who are considering similar approaches to assisting hard-to-employ jobseekers. Among the key lessons learned are:

• Success at the workforce systems level relies on effective partnerships, flexibility, communication across the system, and documenting and measuring program results.

• Providers face a dilemma: they must design programs that meet the particular needs of hard-to-employ populations while integrating participants into broader workforce development programs with other jobseekers. This “mainstreaming” of TJ participants is an effort to avoid undermining the employability of participants by focusing on their job readiness and employment prospects as opposed to any barriers to employment they may face.

• For participants, TJ program models need to incorporate substantial literacy components into overall programming. Literacy programming was integrated into the TJ programs, which raised literacy scores of those who had low reading and numeracy comprehension levels.

• For many TJ participants, the transition to living-wage jobs will be a long one. TJ programs have been effective in placing participants into subsidized jobs where qualifications tend to be modest. Moving beyond this stratum of the labor market, however, will require participants to upgrade their skills and improve their qualifications.

• Quantitative measures (e.g., number of placements and days retained in employment) are an important gauge of a program’s success. However, it is also important to consider qualitative indicators, such as empowering residents to become independent from support systems, and assisting them in making choices about career pathways.
Introduction & Background

Transitional Jobs (TJ) programs show promise as an approach for helping hard-to-employ jobseekers find work. TJ programs combine temporary, wage-paying, subsidized employment with job readiness assistance, supportive services, and job-placement assistance. The programs have been implemented in more than 30 states nationwide.¹ This report assesses the performance of the TJ programs that were part of Opportunity Chicago, a public-private partnership that sought to substantially improve the job prospects of Chicago Housing Authority residents and support the employment objectives aligned with Chicago’s Plan for Transformation of public housing.

In January 2006, the Chicago Housing Authority (CHA), The Partnership for New Communities (PNC), and the Chicago Department of Family and Support Services (DFSS) (formerly the Mayor’s Office of Workforce Development) allied under the auspices of Opportunity Chicago. They set an overarching goal of placing 5,000 public housing residents into stable employment through a range of training, education, and employment programs during the initiative’s five-year (2006-2010) tenure.² TJ programs became a core component of this broader effort, and a goal was set to place 1,000 public housing residents into unsubsidized employment through TJ programs. The programs, which operated from September 2006 through June 2011³, were created with the recognition that intensive employment skills training and placement services must be tailored to the needs of the hardest-to-employ public housing residents if they were to achieve successful transitions into employment.⁴ The partners collaborated in the integration of resources to support TJ programming. They turned to several experienced workforce development providers to design and operate TJ programs, while CHA’s FamilyWorks program (described later) delivered case management and support services and served as residents’ primary access point to TJ services.

Throughout its tenure, Opportunity Chicago faced a turbulent job market with few economic sectors providing sustained employment growth. Yet, despite a protracted economic downturn, its TJ programs exceeded the goal of connecting 1,000 residents to unsubsidized jobs. In addition, a significant proportion of program participants increased both the number of quarters they worked and their quarterly earnings after exiting the program.

>> The Plan for Transformation

The largest and most ambitious reconstruction of public housing in the country’s history, Chicago’s Plan for Transformation launched in 2000 and called for the demolition of notorious high-rise developments, the comprehensive rehabilitation of all the other scattered-site, senior and lower-density family properties, and the construction of new mixed-income/mixed-finance developments. The Plan’s guiding principle is the comprehensive integration of low-income families into the larger physical, social and economic fabric of the city.
Nature of the Study

This case study documents the evolution of TJ programs under the auspices of Opportunity Chicago from September 2006 through June 2011, and assesses the programs’ effectiveness in achieving sustainable transitions into work for hard-to-employ public housing residents. The study highlights key performance outcomes, including impacts on residents’ employment and earnings, while examining the program against the backdrop of the local economy and its impact on residents’ labor market outcomes. In addition, the study presents key lessons of Opportunity Chicago.

The study is organized around three key questions:

1. To what extent did TJ programs help hard-to-employ public housing residents achieve sustainable transitions into work, and what measurable impacts did TJ programs have on residents’ employment and earnings?

2. What were the programs’ benefits and challenges?

3. What are the programs’ replicable lessons?

To address these questions, the evaluation team conducted (1) interviews with key Opportunity Chicago stakeholders, site visits and interviews with program administrators, reviews of relevant program documents and background materials, and a review of TJ literature and published studies; and (2) analyses of administrative data from two sources: program data recorded in CHA’s data management information system (SalesForce), and Illinois Department of Employment Security (IDES) data on the employment and earnings of public housing residents. A detailed description of the case study methodology, along with study terms and definitions, is included in Appendix A.

Participant Profile

The target population for TJ and other intensive employment services offered through Opportunity Chicago included public housing residents with low literacy levels, low educational attainment, and less than one quarter of work in the two years prior to program entry. The Transitional Jobs programs sought to help these residents: (1) learn the customs and routines of work; (2) acquire employment skills; (3) establish an employment record and generate employer references through contextualized job readiness training; (4) gain work experience in a time-limited job with pay; and (5) reduce employment-related barriers, such as mental health issues, language or literacy deficiencies, or difficulty finding appropriate child care or transportation.

The typical TJ participant was a 36-year-old single, African-American female head of household with a high school diploma or general educational development (GED) certificate. The average math score on the TABE test for all TJ participants was 6.4; the average reading score was 7.6.
Collaboration and Integrated Public-Private Resources

The hallmark of Opportunity Chicago’s TJ programs was a public-private partnership comprised of CHA, PNC, and DFSS. Although built on CHA’s existing foundation of workforce development programming and case management services, the three partners provided a collaborative framework for development and integration of resources to support a variety of TJ services to meet the unique needs of hard-to-employ public housing residents. They shared a common goal of placing 1,000 residents into unsubsidized jobs through TJ.

The partners invested approximately $10.6 million in TJ. CHA’s investment of $7.2 million accounted for 68 percent of the total investment and supported six organizations administering TJ programs. PNC grants of $3.1 million accounted for 29 percent of the total dollars invested and supported four TJ providers. A smaller pool of funds ($350,000) flowed into the TJ programs from DFSS through Community Service Block Grant funds, which accounted for 3 percent of the investment.

Aside from monetary investments, TJ programs leveraged the resources of CHA’s case management system to provide case management and support services to residents as part of the continuum of TJ services. Opportunity Chicago’s advising arm, the Strategic Advisers Group, imparted valuable workforce development knowledge and expertise to the collaborative, including recommendations on the selection of TJ providers. Finally, the Chicago Jobs Council, a local advocacy and workforce development policy organization responsible for facilitating the OC initiative, provided administrative support to the program across partners and providers.

TJ Delivery System and Provider Program Models

Nine organizations provided TJ services to public housing residents. Like most TJ programs, the providers shared core program components: orientation and assessment; job readiness training; case management support; subsidized placement; and unsubsidized job placement and retention services. Each provider served as the TJ employer of record for the administration of payroll to program participants. All nine providers possessed considerable experience in serving disadvantaged populations; however, staffing size and structures varied, as did training and TJ placement structures, which included scattered site, work crew and social enterprise placement models. Certain program elements and outcome measures were prescribed by contract or grant agreement, such as the number of subsidized and unsubsidized placements individual TJ providers were expected to deliver; however, individual providers were ultimately responsible for program design, implementation and day-to-day program operations.
Traditional TJ and Customized Job Training Models (2006 – 2008)

In the fall of 2006, CHA formally launched three TJ programs. Contracts lasting approximately two years were awarded to Heartland Human Care Services (HHCS), Career Advancement Network (CAN), and Jobs for Youth (JFY) under a competitive request for proposals (RFP) process. Heartland Human Care Services, a non-profit, service-based human rights organization, was the city’s largest and most experienced provider of TJ services at the time of Opportunity Chicago and remains so today. Its TJ program for CHA residents included “traditional” TJ programming elements such as job readiness training (JRT), subsidized transitional employment, case management and support services, and job placement and retention services. Career Advancement Network utilized a customized job training approach, Career Passport, to help participants address barriers to employment and to provide them job readiness training and skills in preparation for positions in the hospitality and retail sectors, as well as employment in basic office occupations. The Jobs for Youth TJ program targeted residents 17 to 24 years of age. The program combined work readiness and life-skills training with customized computer industry/occupation-specific skills training (e.g. computer/technology skills and customer service training) coordinated with a network of employer partners to prepare participants for employment.


Incorporating lessons learned during the start-up phase and building on the basic program models, PNC funding pioneered a new wave of TJ programs beginning in 2007. The main idea behind PNC’s more flexible sources of funding was to “leverage resources to do more and to do it better” and to otherwise experiment with different program models.

Two new TJ providers – both social enterprises – were awarded PNC grants in 2007: Harborquest, Inc., and North Lawndale Employment Network (NLEN). Harborquest is a non-profit alternative staffing services firm with a large, private-sector-based social enterprise arm. North Lawndale Employment Network is a community-based organization which, until it received PNC funding, served primarily ex-offenders through its social enterprise subsidiary, Sweet Beginnings, and its employability training program, U-Turn Permitted. TJ participants were employed through Sweet Beginnings, where they produced and marketed honey and honey-based body-care products while receiving soft skills training through U-Turn Permitted. Because the work was performed on site, staff members were able to closely observe participants’ work ethic and interpersonal communications skills, as well as their ability to perform assigned work tasks.

Like other social enterprise models, these programs were staff intensive because they involved extensive mentoring. In addition, they required staff with both business expertise and social services-related knowledge to ensure that the needs of both the business enterprise and of high-barriered participants were met.

Subsidized Placement Structures

**Scattered Site or Individual Placement:** Participants work in for-profit, non-profit or government sites with 1-2 workers per site.

**Work Crew:** Crews of 5-7 people work on a project, often in maintenance, janitorial, parks, and community renewal projects.

**Social Enterprise:** Participants work as employees of the product or service revenue generating arm of an organization.

*Source: National Transitional Jobs Network*
Harborquest provides a transitional jobs service through its staffing services function. The firm operates as a private-sector-based social enterprise (alternative staffing services firm) whose revenues support its core mission of providing employment opportunities for high-barrier populations that include CHA and non-CHA clients.

Here’s how the TJ program worked from July 2007 through December 2009 under the PNC grant.

The Member Advocate was central to the program’s success. He or she was responsible for guiding TJ participants through four core program phases: (1) Discovery Time, (2) Action Time, (3) Transition Time, and (4) Prime Time. The first three phases comprised job readiness training (including transitional work experience); the fourth encompassed unsubsidized job placement, retention counseling, and on-going post-placement support.

Six full-time employees staffed the project: one Project Manager, one Member Advocate, two STRIVE (see below) trainers, and two Account Executives. Harborquest served as the employer of record and, as such, provided leveraged program support through its accounting, on-site job coaching, and staffing customer services functions.

Key Program Components

**Discovery Time – STRIVE:** Job readiness training (JRT) began with Discovery Time and utilized the internationally-recognized STRIVE (Support and Training Results in Valuable Employees) training curriculum. Under STRIVE, participants engaged in highly interactive and structured training focused on personal responsibility and attitudinal behavior, and learned soft skills needed to succeed in the work place.

**Action Time/Transition Time:** The transitional work phase (Action Time) consisted of a structured work-crew model where, depending on worksite demand, upwards of 30 crew members (CHA residents and non-residents alike) gained transitional work experience. Contracted worksites included hotels, construction projects and
Literacy-Enhanced TJ Models (2008-2010)

Although PNC’s funding paved the way for an expansion of TJ programs with two new, but very different, social enterprise models, these models did not address what was becoming an increasingly prominent issue for public housing residents: low literacy levels. In December 2008, PNC selected Heartland Human Care Services to administer a 12-month pilot hybrid literacy-transitional jobs program that would blend elements of TJ with intensive literacy training. In the typical transitional job, participants work up to 30 hours a week. Under the pilot, participants worked in structured work crews for a non-profit organization 20 hours a week. Literacy classes were contextualized and offered at the worksite five days a week, two hours each day, as part of the regular work day; and participants received a regular paycheck. Heartland’s Participant Mentor and Employment Placement Coordinator provided on-site job coaching and performance review. A case manager worked with participants to help them manage barriers. It was thought that this model had the potential to “move residents with the greatest barriers to employment onto an upwardly mobile pathway.”

PNC funded a second literacy-enhanced TJ program in May 2009 through Association House of Chicago. The program included elements of vocational skills training. Participants undertook eight weeks (20 hours a week, four hours a day) of education and training that included basic skills courses in math and reading/writing; career planning; technology; literacy tutoring; and GED intensive study. Association House integrated literacy and workforce development to provide participants with opportunities for sector training in the technology, medical and customer service fields. Participants gained transitional work experience through a non-profit social services agency.

Although PNC’s funding paved the way for two new social enterprise models, these models did not address what was becoming an increasingly prominent issue for public housing residents: low literacy levels.

Post-Opportunity Chicago: Since Harborquest’s contract with PNC and involvement with Opportunity Chicago ended, its service model has been significantly modified, though its mission has not changed. Harborquest now recruits worker clients through Chicago-area CBOs that are members of its Civic Partners Network. These member partners provide intake and case management. Harborquest still provides STRIVE work-readiness training for those who need it, and also provides specialized food and cosmetics manufacturing training for employment through its social enterprise staffing service. Harborquest continues to serve CHA clients, but not exclusively.
The lessons learned from the preceding program years, combined with improved systems, provided opportunities for still newer program designs and further enhancements to the basic TJ model. Under the four contracts funded by CHA (June 2009 through June 2011), TJ program designs included a literacy component (pilots ran for six months), specialized skills training or a combination of both. For example, Central States SER, a non-profit social services organization, incorporated contextualized skills training (customer service) into its overall TJ programming. Central States SER’s customer service curriculum was designed for participants to pass a National Retail Federation certification test, leading to the National Professional Certification in Customer Service. TEC Services, a for-profit professional consulting services firm, focused on information technology (IT) training for TJ participants through the social enterprise arm of its business. As part of the subsidized employment experience, participants worked with assigned teams on TEC-contracted projects that included call centers, desk top support, Web application, and energy efficiency.

Employment and Employer Services, a for-profit employment placement, business and social services entity, incorporated Aztec on-line literacy training into its TJ program and kept participants engaged through program incentives, such as gift cards for completion of JRT and increased TABE scores. Heartland Human Care Services combined customized literacy with basic TJ components, incorporating many of the lessons learned from the earlier literacy-TJ pilot.14
Employment & Employer Services, Inc. (E&ES) is a Chicago-based service organization engaged in providing employment placement, business services, and social services since 1982. Its services and activities include workforce development (WIA adults, dislocated workers and youth) and social services (case management) contracted through various local government agencies. Through its business services, E&ES provides business customers recruitment and screening services to match work-ready candidates with employers’ workforce needs; customized trainings; retention services and strategies; and tax credit consultation.

Here’s how the TJ program worked from June 2009 through June 2011 under E&ES’ contract with CHA.

The program included JRT, adult basic education and literacy, subsidized and unsubsidized employment, and retention services. Five employees staffed the program: two trainers, two support persons (CHA residents), and a program director. Trainers served as job coaches and taught JRT classes. Resident staffers functioned as support specialists who handled administrative tasks and led orientation segments.

Key Program Components

**Adult Basic Education and Literacy Training:**
Participants who tested below 6th grade in reading and math on the TABE were enrolled in intensive literacy training based on the Aztec Learning System, a self-paced, interactive computer-based learning program. Aztec is customized to participants’ skill sets and targets gaps in learning. Upon program entry, participants’ average math TABE score was 4.8; reading was 4.2. On average, participants achieved grade level gains of 2.2 in math, and 1.2 in reading. Literacy and JRT training were combined and lasted one week.

**Subsidized/Transitional Work Experience:**
Participants were placed with private sector employers (primarily in the retail sector) for their subsidized transitional work experience. Job Developers worked with Chicago area employers to develop subsidized job placement opportunities matched to each participant’s skill level, experience and interest. Participants worked 25-40 hours a week (depending on the employer’s needs) for up to four months and were paid the minimum wage.

**Unsubsidized Employment and Retention Services:**
After completing subsidized employment, residents worked with a Job Developer to secure unsubsidized employment. Under the E&ES model, participants generally remained employed with the same employer from subsidized employment through unsubsidized employment. Account Executives/Job Developers maintained relationships with employers throughout unsubsidized employment, and E&ES provided employers with a resource handbook that outlined retention strategies. In addition, Account Executives and Trainers followed up regularly with participants by phone, e-mail, and through worksite visits to address challenges participants may experience in their transition to unsubsidized employment and ensure that they remained on the job.

**Bonuses/Incentives:** E&ES provided participants incentives for both training completion and job retention. Participants received $20 gift cards for completion of JRT and for increasing their TABE score by at least one grade level. In addition, participants could receive gift-card bonuses at the completion of 30-, 60-, 90-, and 180-day retention intervals in unsubsidized employment.

**Post-Opportunity Chicago:**
Employment & Employer Services’ TJ contract with CHA was renewed through June 2012. With the success of its Adult Basic Literacy Pilot, E&ES expanded the literacy portion of JRT training to two weeks in order to accommodate the needs of a larger number of program participants.
Participant Access and Case Management

Residents primarily accessed TJ programs through CHA’s case management system, known as FamilyWorks. FamilyWorks, which continues to exist, is a well-established infrastructure of six community agencies, each operating in a specific region of the city. The program offers varying levels of services to residents based on their housing status and level of need. These services include, but are not limited to: (1) helping residents prepare for and find employment to meet CHA’s work requirement, which was established in 2009; (2) providing clinical services, as necessary, to residents; (3) linking residents to supportive services in their employment, clinical, and housing goals based on an established service plan (e.g., workforce supports, transportation, child care, financial planning, and lease compliance); and (4) ensuring that CHA families are made aware of services and programs available throughout the city. As part of the case management process, FamilyWorks providers conduct an initial assessment to identify an individual resident’s particular barriers to employment and housing and then work with that person to build an action plan to overcome those challenges, including participation in and completion of employment and training programs.

FamilyWorks staff prioritized Opportunity Chicago workforce development programs, including TJ, in their referral process. Staff worked closely with TJ providers to coordinate referrals and otherwise educate residents about the program. As part of their recruitment efforts, TJ providers participated in CHA- and FamilyWorks-sponsored activities such as community meetings and service fairs where they were able to meet with residents one-on-one and distribute program marketing materials. In addition, a small number of residents learned of the TJ program by word-of-mouth recommendations from friends and family, while others found it through referrals from other community-based organizations and public agencies outside the Opportunity Chicago collaborative.

CHAs existing case management system served as residents’ primary access point to TJ services and linkage to supportive services.
Economic Context

Like other job training and placement programs, TJ programs rely on an adequate number of job vacancies being available in local labor markets so that program participants can make the transition from subsidized to unsubsidized employment. From the start, Opportunity Chicago was confronted with a turbulent job market with few economic sectors providing sustained employment growth. At the launch of the TJ programs in September 2006, unemployment in the Chicago metropolitan area stood at 4.2 percent (for the year, unemployment averaged 4.5% in the metro area; 5.3% in the city) (Figure 1).18 Thereafter, a protracted upward trend in unemployment ensued through 2010. Unemployment in the Chicago metro area averaged 10 percent in 2009 (then, the highest level in 26 years)19 and rose slightly in 2010. Meanwhile, the unemployment rate in the city of Chicago consistently exceeded the metro area averages.

As noted in the participant profile, African-American females comprised the overwhelming majority of TJ participants. In 2006, unemployment among African-American females was 16.7 percent, more than triple that of the region’s average. The jobless rate among African-American females remained persistently higher than regional jobless rates throughout the recession, and by 2009, well into the economic downturn, it soared to 18.7 percent. Thereafter, the jobless rate for African-American women continued a steep climb, reaching 23.5 percent in 2010. These combined effects—an increasingly unstable labor market, the deepest recession in more than 70 years, and the ensuing jobless recovery—seriously undermined the employment prospects of low-skilled workers.

Figure 1.
Unemployment Rates for Chicago African-American Females Compared to Regional Rates

Amidst economic uncertainty and rising unemployment rates, TJ providers were faced with the challenge of preparing low-skilled, high-barriered residents for entry into an increasingly competitive labor market. Yet, the programs exceeded Opportunity Chicago’s goal of connecting 1,000 public housing residents to jobs. This section examines aggregate program performance across providers (see Appendix B for a summary of outcomes by individual providers) based on data from two sources: (1) CHA’s SalesForce data, which includes self-reported provider program data and retention data on program placements; and (2) Illinois Department of Employment Security (IDES) data when referencing employment categories (e.g., “consistently unemployed” or “sporadically employed”) and/or discussing pre- and post-program outcomes (e.g., “before program entry” or “after program exit”). See Appendix A, Terms and Measures, for a more detailed discussion of terms and definitions used in this section.

Program participation steadily increased over the project period, and the number of participants who worked after program exit continued to climb, even in the face of the economic downturn.

In 2006, when the programs began, a small number of residents participated in TJ programs (Figure 2). However, the number of participants and placements steadily increased over time, as programs were expanded and systems were improved to better serve residents. By 2010, the number of participants served in a calendar year had climbed to 683, with 543 working after program exit, and 476 holding subsidized jobs.  

Figure 2. Annual Transitional Jobs Program Participation and Employment Outcomes

Source: Analysis of SalesForce data and IDES resident-level employment data.
Figure 2 illustrates the steady increase each year in the number of participants who found or maintained employment after program exit. This is noteworthy because in a weak economy with little or no job growth, one would expect to see just the opposite – i.e., low-skilled, less educated jobseekers being “crowded out” of the labor market by higher-skilled and/or more educated jobseekers. The finding speaks to the strengths of the TJ programs: dual customer approach, deep employer connections, experienced workforce development staff, and services tailored to meet the needs of the target population.

Overall accomplishments include:

- 1,793 individuals participated in TJ programs.
- 1,614 individuals participated in Job Readiness Training (JRT).
- 819 individuals participated either in Adult Basic Educations (ABE)/Literacy Training or Other Skills Training.
- 1,260 participants worked in subsidized jobs.
- 1,359 participants worked after program exit.

Opportunity Chicago surpassed its goal of placing 1,000 public housing residents into jobs following their TJ experience.
TJ programs generated substantial placement rates in subsidized transitional jobs.

- Seventy percent (1,260/1,793) of program participants were placed in subsidized transitional jobs, for a total of 1,823 placements (some individuals had more than one placement).
- Among those with little or no work history prior to entering the TJ program, 69 percent (991/1437) were placed in a subsidized job.\(^{22}\)
- Sixty-three percent of participants who had a subsidized job worked at least 30 hours a week.
- The average hourly placement wage paid to participants in subsidized jobs was $8.49.\(^{23}\)

The transition into unsubsidized employment was strong.

- Of the 70 percent of program participants who had a subsidized placement, 80 percent later worked in unsubsidized jobs after program exit.
- Twenty-nine percent (520) of TJ participants found unsubsidized employment after program exit, without having had a subsidized job.\(^{24}\) This finding could be attributable, in part, to participants who had work experience prior to program entry that prepared them for immediate employment in an unsubsidized job.\(^{25}\)

Retention in unsubsidized employment was promising.

Almost all unsubsidized placements were retained for at least 30 days; 62 percent were retained for at least one year (Table 1).\(^{26}\) Overall, however, the percentage of retained unsubsidized employment placements diminished over time, suggesting the need for post-placement retention services over longer periods of time. Once these interventions are in place, close tracking and follow-up (after a year or so) will be necessary to better understand why some residents remain employed and others do not, and to better assess the effects of long-term retention on residents’ potential for job advancement and earnings progression.

<table>
<thead>
<tr>
<th>Retention Milestones</th>
<th>% Unsubsidized Employment Placements</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 days</td>
<td>91%</td>
</tr>
<tr>
<td>60 days</td>
<td>81%</td>
</tr>
<tr>
<td>90 days</td>
<td>75%</td>
</tr>
<tr>
<td>6 months</td>
<td>67%</td>
</tr>
<tr>
<td>1 year</td>
<td>62%</td>
</tr>
</tbody>
</table>

Table 1.
Retention of Unsubsidized Placements, 2006-2010

Source: Analysis of SalesForce data.

Note: Percentages are calculated based on the number of placements that had begun in time to be eligible for each category (e.g., a start date on or before December 1, 2010 for the 30-day retention milestone).
Employment and earnings are two key measures of program success and, in this regard, TJ programs achieved moderate success. Below we examine changes in TJ participant labor market outcomes by comparing pre- and post-program employment and earnings. For this section, participants’ work histories are drawn from Illinois Department of Employment Security (IDES) data for the period Q1 2004 through Q2 2011 looking at the eight quarters before program entry and after program exit. The dataset includes employer, industry and earnings information on a quarterly basis.

**TJ programs successfully targeted residents with little or no work history.**

- Between 2006 and midway through 2011, 80 percent of TJ participants were either consistently unemployed or sporadically employed in the eight quarters prior to program entry, while the remaining 20 percent were mostly or consistently employed (Figure 3).
- Fifty-six percent of participants who were consistently unemployed before entering a TJ program strengthened their attachment to the labor market following program exit—i.e., they moved from consistently unemployed to sporadically, mostly, or consistently employed.
- Thirty-six percent of participants who were sporadically employed prior to program entry became mostly or consistently employed after program exit.

**Figure 3.**
Participant Employment Status before Program Entry

- Consistently unemployed: 35%
- Sporadically employed: 45%
- Mostly employed: 15%
- Consistently employed: 5%

Source: Analysis of IDES resident-level employment history and earnings data.
A majority of all TJ participants increased both the number of quarters they worked and their quarterly earnings after program exit.

- Fifty-two percent of TJ participants saw an increase in the percentage of quarters they worked after exiting TJ programs, as compared to before program entry (Figure 4A).

- Fifty-seven percent of TJ participants had post-program average quarterly earnings that exceeded their pre-program earnings levels, while 16 percent saw no change in earnings, and 27 percent experienced a decrease in earnings (Figure 4B).27

- Average quarterly earnings of participants who worked before entering the program were $1,737. Following program exit, average quarterly earnings of employed TJ participants rose to $2,385, an increase of 37 percent.28

- Most participants who found a job after program exit did so in the same quarter in which they exited the program.

Figure 4A.
Change in Percentage of Quarters Worked between Program Entry and Program Exit

Figure 4B.
Change in Average Quarterly Earnings between Program Entry and Program Exit

Source: Analysis of IDES resident-level employment history and earnings data.
Participants’ employment was strong in Opportunity Chicago target sectors, which are among the region’s high-demand sectors.

Following program exit, TJ participants’ employment was largely concentrated in three of five industry sectors targeted by Opportunity Chicago as part of its sector strategy: Health Care and Social Assistance (27%), Retail Trade (15%), and Accommodation and Food Services (12%) (Figure 5). Combined, the three sectors accounted for 54 percent of all jobs held by TJ participants after exiting TJ programs. These sectors continue to rank among the Chicago region’s high-demand sectors: #1, Health Care and Social Assistance; #2, Retail Trade; and #4, Accommodation and Food Services.29 Within Health Care and Social Assistance, Social Assistance accounted for the larger share (74%) of jobs. As for Accommodation and Food Services, Food Services and Drinking Places accounted for 83 percent of jobs. Two other OC target sectors (Manufacturing and Information Technology) accounted for less than two percent each of jobs held by TJ participants after program exit.

Although not an OC target sector, Administrative and Support Services accounted for the second highest percentage of jobs (15%) held by TJ participants after program exit. This sector ranks sixth among the region’s top ten employing sectors. Of participants jobs that fall into this broader industry sector, 42 percent were in the Employment Services sector (including Temporary Help Services); 22 percent were in Investigation and Security Services (including Security Guards and Patrol Services); and 13 percent were in Services to Buildings and Dwellings (including Janitorial Services).
In terms of earnings levels, Professional, Scientific, and Technical Services; Educational Services; and Transportation and Warehousing were the highest paying industry sectors. However, only a small percentage of participants’ jobs (less than 5% each) were concentrated in these sectors. Industries with the highest share of jobs held by participants tended to be low-paying industries that present opportunities and challenges: on one hand, these low-wage industries have low barriers to entry, and, therefore, provide many TJ participants with opportunities for entry-level and, potentially, career-path employment options; on the other hand, like many industries that employ low-skilled workers, these industries tend to have high turnover and few benefits at the entry level. These findings are not surprising, given residents’ education and skill levels, and would likely be true for many first-time job holders with similar backgrounds.

In summary, there is evidence of improvements in labor market outcomes for public housing residents, but also continuing challenges for residents as they make the transition from subsidized to unsubsidized employment. The analysis in this section suggests that work history prior to entering TJ was the strongest predictor of a participant’s success following program exit. Participants with the most consistent work histories before entering the program had the most consistent employment records after exiting the program. Notably, however, residents who were only marginally attached to the labor market gained valuable work experience in transitional employment—work experience that they might not otherwise have enjoyed, but for participation in the TJ programs.  

There is evidence of improvements in labor market outcomes for public housing residents, but also continuing challenges for residents as they make the transition from subsidized to unsubsidized employment.
Lessons Learned

Opportunity Chicago formally ended December 31, 2010. However, important lessons have emerged from its experiment with transitional jobs programs—lessons that a broader audience of policymakers, service providers, and other stakeholders can draw upon in the future as they consider workforce development programs best suited to address the needs of hard-to-employ populations and those of employers. Among these lessons are:

**Workforce Development System**

**Partnerships matter.** Funders (public and private sector) and public agency partners bring an array of resources that can support workforce development programming and improve participant outcomes. However, the degree of coordination and integration needed to develop and administer a large-scale workforce development program requires a more ambitious strategy than simply “getting people into jobs.” In the case of Opportunity Chicago, the TJ programs were embedded within the larger CHA Plan for Transformation. PNC, as a funding collaborative of business and civic leaders for community revitalization, convened stakeholders to ensure that the workforce development system received the resources and oversight necessary to strengthen provider capacity and to support the development of programs that meet the needs of public housing residents.

**Flexibility.** Alignment of workforce development and social services programming can lead to better service delivery. TJ programs should have a focused labor market orientation that simultaneously recognizes the barriers to employment faced by hard-to-serve populations. This requires that providers within the system are attentive to particular barriers that might pose obstacles to successful transitions into employment for the target population. At the system level, there should be programmatic flexibility in the integration of assessment, case management, and job training and job development services so that these services meet client needs as they arise. In other words, the needs of individual clients are diverse and may change over the course of the program, which underscores the importance of flexibility so that the system and its various components remain responsive to the needs of clients.
Because providers need to proactively modify program offerings to meet the particular needs of the client population and to experiment with new approaches to service delivery, flexibility needs to be built into the system and its funding streams. This means that contracts cannot be overly prescribed to the point that they restrict providers’ ability to adjust to the changing needs of participants. In the case of Opportunity Chicago, PNC was able to marshal resources and to direct them to areas where client needs had been identified but service offerings were limited. Compared to traditional workforce development funders, PNC was both nimble and responsive to participant needs, which allowed the piloting of new TJ programs to address needs as they emerged.

Communication across the system. Communication is key to ensuring that different components of the system (workforce development providers and social services agencies) work together seamlessly and efficiently. The shift to better alignment of workforce development and social services requires that the expectations and roles of all system actors be clearly defined at the outset to promote greater operating efficiencies at the program level. But realizing these efficiencies requires ongoing communication between system actors so that funding, program development and service delivery remain responsive to client needs as they arise. An effective communication strategy requires data collection and outcome tracking. The use of an integrated database, for example, can help ascertain participant needs in real time, provide the basis for assessing program performance, and promote accountability for achieving satisfactory participant outcomes. Opportunity Chicago, as a funding and workforce development collaborative, provided a venue where stakeholders met to identify challenges, exchange information, discuss service delivery improvements, and propose plans to address systemic problems.

Expectations and roles of all system actors must be clearly defined at the outset to promote greater operating efficiencies at the program level.
Measuring program success. Quantitative measures (e.g., number of placements and days retained in employment) are an important gauge of a program’s success. However, it is also important to consider qualitative indicators, such as empowering public housing residents to become independent from support systems, and assisting them in making choices about employment and career paths. Though intangible and somewhat difficult to measure, participation in the TJ programs resulted in a variety of important impacts as gleaned by providers, including: (a) helping residents overcome barriers to economic self-sufficiency; (b) complying with new lease requirements; (c) improving literacy levels and preparing residents to enter education and training programs; (d) raising residents’ “financial literacy,” which reinforces family economic security; (e) improving residents’ self-esteem and preparing parents to be better role models for their children; and (f) providing residents with the resources to improve their housing options.

Providers

TJ programs embody the dual customer approach to workforce development. These programs combine social services and subsidized and unsubsidized employment for the benefit of both participants and their employers. TJ programs embody the dual customer approach to workforce development. These programs combine social services and subsidized and unsubsidized employment for the benefit of both participants and their employers. In a TJ program, subsidized employment is designed as a pathway into unsubsidized jobs. Jobseekers first participate in a sheltered labor market comprised of subsidized jobs where they develop skills, work experience, and the confidence to transition into unsubsidized employment. Because subsidized work is designed to be a transitional phase, and because transitions to unsubsidized work can in some cases be difficult for participants, it is important for providers to start the placement process early to accommodate participants for whom this transition might be especially hard. In addition, providers must remain attentive to the needs of employers since employer satisfaction will impact the number of participants they hire from the program. Assessing employer satisfaction through surveys and other tools can be a key resource for informing program design.

TJ programs are a mechanism for assisting participants who face multiple barriers to employment. However, providers face a dilemma: they must design programs that meet the particular needs of hard-to-employ populations while at the same time integrating
them into broader workforce development programs with other jobseekers. This “mainstreaming” of TJ participants is an effort to avoid undermining the employability of participants by focusing on their job readiness and employment prospects as opposed to any barriers to employment they may face.

Preparing participants for sustainable transitions into unsubsidized employment requires that various barriers to employment be reduced. Evaluations of workforce development programs have already identified inadequate childcare, lack of transportation, substance abuse, and mental health issues as important obstacles to employment, and the FamilyWorks program has helped CHA residents in overcoming these obstacles. This evaluation has found that low literacy levels are a particularly important barrier to employment for public housing residents. It is difficult for jobseekers with low literacy levels to succeed in TJ programs, much less in a competitive labor market. For these participants, TJ program models should incorporate literacy components into overall programming. Several Opportunity Chicago TJ programs integrated literacy programming into their TJ models, which had the effect of raising literacy scores of those who had low reading and numeracy comprehension.
The transition from long-term unemployment to long-term careers is rarely a linear process, and jobseekers may contend with spells of unemployment before securing stable employment.

**Participants**

For many TJ participants, the road to living-wage jobs will be a long one. TJ programs have been effective in placing participants in subsidized jobs where qualifications tend to be modest. Moving beyond this stratum of the labor market, however, will require participants to upgrade their skills and improve their qualifications. This will involve maintaining a consistent employment record, and acquiring additional education and training.

The transition from long-term unemployment to long-term careers is rarely a linear process, and jobseekers may contend with spells of unemployment before securing stable employment. Workforce development providers can be important resources throughout this process by helping jobseekers identify new employment opportunities. Ultimately, however, participants will be responsible for seeking out resources and opportunities, and for acquiring the qualifications needed for them to move into their preferred occupations.

**Employers**

Transitional jobs programs offer tangible benefits to employers in the form of subsidized job placements and work-ready jobseekers who are prepared for unsubsidized positions. Employers who hire TJ participants into subsidized placements have a special responsibility to the program by virtue of the no-cost labor they receive. Employers must ensure that participants are hired to fill open positions requiring actual work—not “make work”—since the TJ model is based on enhancing participants’ work experience and skills while they hold subsidized employment.

The number of employers that participate in the local public workforce development system remains relatively small, and this has the effect of restricting the employment opportunities available to segments of the region’s workforce. Employers should explore whether their recruitment needs could be better met by an increased engagement with the public sector workforce development system. Employer engagement is not limited to hiring. Active employer engagement includes providing feedback to workforce development providers, policymakers and others involved in the workforce development system. A responsive workforce development system requires that decision makers understand employer needs, as well as areas for programmatic improvement. Therefore, employers are a key resource for the continuous improvement of the system.
CONCLUSION

The Opportunity Chicago experience has demonstrated that transitional jobs programs can be a key strategy for improving the employment prospects of public housing residents. The evidence suggests that strong institutional supports are necessary for these programs to be effective. In addition, as demonstrated here, strategically targeted investments and integrated public-private resources can maximize the impact of TJ programs. Finally, the evidence from Chicago makes clear that well-defined goals and focused priorities are essential to achieving measurable results.
Appendix A: Methodology

Analysis of Quantitative Data

The evaluation team relied on two primary data sources for our quantitative analysis.

1. **Chicago Housing Authority (CHA) SalesForce data:** Nine organizations provided TJ services to CHA residents from September 2006 through June 2011. The evaluation team aggregated and analyzed data across the nine organizations based on self-reported program data from CHA’s SalesForce management information system (MIS), including participant and placement information. Base population files containing demographic data were obtained from CHA’s Yardi database. SalesForce data for program participation and placements between 2006 and 2010 were provided by CHA between April and July 2011.

2. **Illinois Department of Employment Security (IDES) data:**IDES, the agency that administers the state’s Unemployment Insurance, Employment Services, and Labor Market Information programs, provided employment and earnings data to CHA for quarters 2004 through 2011Q2. CHA matched the data to its resident population and passed the resident-matched file to the evaluation team on April 29, 2011, and an additional two quarters of data on January 25, 2012. The evaluation team used the IDES data to analyze Opportunity Chicago (OC) participants’ employment history and earnings in the two years before they entered a TJ program and after they exited the program, using the data showing number of quarters worked and quarterly earnings.

Analysis of Qualitative Data

The evaluation team conducted qualitative research between October 2007 and June 2010 and relied on the following data sources:

1. **Site Visits and Interviews with TJ Program Administrators and Staff:** The evaluation team conducted site visits and/or phone interviews with TJ provider organizations and reviewed program materials. Site visits and interviews were designed to gather information about providers’ operations, and to better understand implementation challenges and successes.

2. **Key Informant Interviews:** The evaluation team conducted interviews with program funders, public agency partners, and other OC stakeholders and key informants to gain their perspectives on TJ as a workforce development strategy, its effectiveness and potential for achieving the initiative’s broader goals.
3. **Employer Interviews:** The evaluation team conducted two sets of employer interviews that informed our case study analysis. In May 2010, the evaluation team conducted telephone interviews with eight employers, all with experience hiring both subsidized and unsubsidized jobseekers through TJ. In addition to the 2010 employer interviews, we relied upon employer data collected through employer interviews conducted by the evaluation team in the fall of 2007. The 2007 interviews included six employers that had hired program participants for subsidized transitional jobs, only. These interviews were conducted at the employers’ place of business. For both sets of interviews, we used semi-structured discussion guides to inquire about a range of topics, including employers’ motivation for participating in TJ, recruitment and hiring issues, the role of the subsidy, perceptions about the quality of jobseekers recruited through TJ, and the challenges and benefits associated with participation in TJ programs. Each employer participated in one interview only.\(^1\)

4. **Review of Program Documents and National Best Practices:** The evaluation team reviewed relevant program documents (i.e., background materials, program contracts, progress reports, etc.) and TJ literature and published studies.  

**Evaluation Terms and Measures**

The case study utilizes key terms that are defined below:

**After-program exit** refers to the period between program exit and June 2011, the cutoff point for the IDES data analysis.

**Before-program entry** refers to the period eight quarters prior to program entry.

**Employment Change Measures.** Both before-program and after-program measures were recorded for those participants who had completed a program. For purposes of analyzing the IDES data and examining participants’ employment and earnings patterns before program entry and after program completion, the evaluation team created four employment status categories representing a spectrum of the percentage of quarters residents worked. The four employment status categories used in this report are defined below.\(^2\)

- **Consistently unemployed** are those who worked zero quarters before and/or after participating in a program.
- **Sporadically employed** are those who worked between 1 and 49 percent of all possible quarters before and/or after participating in a program.
- **Mostly employed** are those who worked between 50 and 99 percent of all possible quarters before and/or after participating in a program.
- **Consistently employed** are those who worked all possible quarters before and/or after participating in a program.

\(^1\) While lessons were gleaned from these interviews, we do not purport to draw definitive conclusions about employers’ engagement with TJ programs, given the small number of employer interviews.

\(^2\) This dichotomy expands upon the three employment status buckets originally used by Opportunity Chicago (i.e., consistently unemployed, sporadically employed, and consistently employed). The evaluation team thought it important to differentiate between someone who worked less than half of the time (i.e., sporadically employed) and someone who worked more than half of the time (i.e., mostly employed), especially given the dire economic conditions present during most of the Initiative that limited employment opportunities for CHA residents.
Enrollees are individuals who had an orientation start date or any program activity between 2006 and 2010.

Percent change in earnings examines the extent of before- versus after-program change in earnings. Note: earnings figures do not account for inflation or changes in the minimum wage.

Percent change in quarters worked measures the extent of before- versus after-program change in the percent of quarters worked.

Placements are those with a subsidized or unsubsidized job placement, as recorded in the Salesforce database. Subsidized placements are temporary job placements for which the program covers all or a portion of participants’ wages, benefits, supervision and training. Unsubsidized placements are jobs secured by participants (with or without program assistance) after exiting an Opportunity Chicago program. For the purposes of this report, subsidized placements are discussed in the context of program participation and unsubsidized placements are only discussed in the context of job retention. Any discussion of unsubsidized employment after exit uses IDES data.

Program exit is defined by the last end date a participant had for a particular program segment or phase, such as training or a subsidized placement, as determined by Salesforce data.

Program participant means any person who enrolled in job readiness training (JRT), ABE/literacy training, other skills training, and/or had a subsidized job placement.

Worked after exit means a person worked in at least one quarter in either the quarter of exit or any subsequent quarters through June 30, 2011, as determined from the IDES data provided to CHA and passed to the evaluation team.
## Summary of Individual Provider Outcomes

<table>
<thead>
<tr>
<th>Provider</th>
<th># Participants¹</th>
<th># JRT Participants</th>
<th># ABE/Literacy Training Participants</th>
<th># Other Skills Training Participants</th>
<th># Participants with subsidized placements</th>
<th># Participants who worked after exit (IDES)</th>
<th># Participants who worked after exit (IDES) with a subsidized placement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Association House</td>
<td>81</td>
<td>NA</td>
<td>58</td>
<td>3</td>
<td>28</td>
<td>43</td>
<td>18</td>
</tr>
<tr>
<td>Career Advancement Network</td>
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<td>51</td>
<td>NA</td>
<td>NA</td>
<td>11</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td>Central States SER</td>
<td>118</td>
<td>118</td>
<td>111</td>
<td>117</td>
<td>95</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>Employment &amp; Employer Services</td>
<td>230</td>
<td>224</td>
<td>101</td>
<td>10</td>
<td>158</td>
<td>120</td>
<td>100</td>
</tr>
<tr>
<td>Harborquest</td>
<td>247</td>
<td>241</td>
<td>NA</td>
<td>NA</td>
<td>205</td>
<td>202</td>
<td>174</td>
</tr>
<tr>
<td>Heartland (aggregated)</td>
<td>948</td>
<td>865</td>
<td>126</td>
<td>183</td>
<td>789</td>
<td>780</td>
<td>658</td>
</tr>
<tr>
<td>Heartland Enhanced Literacy</td>
<td>48</td>
<td>48</td>
<td>37</td>
<td>4</td>
<td>25</td>
<td>38</td>
<td>22</td>
</tr>
<tr>
<td>Jobs for Youth</td>
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<td>NA</td>
<td>NA</td>
<td>NA</td>
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</tr>
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<td>North Lawndale Employment Network</td>
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<td>49</td>
<td>NA</td>
<td>NA</td>
<td>26</td>
<td>30</td>
<td>22</td>
</tr>
<tr>
<td>TEC Services Consulting</td>
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<td>6</td>
<td>86</td>
<td>28</td>
<td>54</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1793</strong></td>
<td><strong>1614</strong></td>
<td><strong>422</strong></td>
<td><strong>397</strong></td>
<td><strong>1260</strong></td>
<td><strong>1359</strong></td>
<td><strong>1003</strong></td>
</tr>
</tbody>
</table>

Source: Analysis of Salesforce and IDES resident-level employment data.

¹NA means not all TJ programs offered the same or all training components; nor were all training components required in every case.

²The table presents summary data on program participation and employment outcomes by individual TJ provider programs. It is not intended to draw comparisons between providers, given the range and diversity of programming, as well as differing deliverable requirements for each program.

³The table shows unique individuals for each column. Some individuals participated in more than one program or had more than one placement, either in the same program multiple times and/or in different programs. As a result, rows do not always sum to totals.

⁴Participants are those individuals who participated in one or more of the following program segments beyond orientation: JRT, Other Skills Training, ABE/Literacy training, and/or had a subsidized placement. This measure is intended to capture the TJ population with more significant engagement in the programs beyond orientation.

⁵These provider contracts ended June 2011. The tables excludes outcomes data beyond the study period (Q1 2006-Q2 2011). Heartland aggregated data is for multiple TJ contracts.

⁶As noted earlier, although featured by Opportunity Chicago as a transitional jobs program, CHA’s contract described Jobs for Youth as a customized job training/on-the-job training program. Therefore, common data elements associated with a typical TJ program, such as subsidized work, are not captured in outcomes data for this provider.

⁷Instances where a participant enrolled in multiple TJ programs and the placement could not be attributable to a particular program. The table likely under-represents the number of participants who worked after exit for each TJ provider. This is because the IDES data does not allow us to determine which provider is responsible for participant employment for those participants who enrolled in more than one TJ program operated by different TJ providers. While these 120 records are excluded from the provider-level employment counts, they are included in the overall count of TJ participants who worked after exit.
1. Melissa Young, “Transitional Jobs: A Proven & Practical Subsidized Employment Program for TANF Recipients with Serious Barriers to Employment.” National Transitional Jobs Network (PowerPoint presentation, no date), www.heartlandalliance.org/ntjn/. These TJ programs target hard-to-employ population groups that include TANF recipients, the formerly incarcerated, refugees, immigrants, and the homeless.

2. See the companion report, Opportunity Chicago 2006-2010: Improving Access to Employment for Chicago Housing Authority’s Residents, for a detailed assessment of the broader initiative and final outcomes.

3. Opportunity Chicago officially ended December 31, 2010. However, several TJ contracts continued through June 2011 and placements were made beyond the sunset date.

4. Transitional Jobs and Contextualized Literacy were two featured components of Opportunity Chicago’s intensive employment services strategy targeted to this group.


6. Ibid.

7. Math and reading scores are based on results from TABE tests administered by FamilyWorks case management and/or TJ program providers. TABE tests are not required and scores are only available for approximately 40 percent of program participants. In addition, many individuals enrolled in TJ more than once and may have taken the TABE multiple times. For these reasons, caution should be exercised when interpreting these data.

8. Opportunity Chicago Resource Analysis and Budget Breakdown, 2006-2010; and Provider Grant and Contract Award Documents. The $10.6 million figure represents the monetary commitment collaborative funding partners made to TJ and budgeted through 2010, not actual expenditures. Updated budget amounts and additional grant or contract awards may not be included. The figure excludes resources leveraged through the Chicago Housing Authority’s FamilyWorks case management program. According to the National Transitional Jobs Network, TJ program costs can range from just over $7,000 per participant for a three-month program to $24,000 per participant for a 12-month program (National Transitional Jobs Network, “Frequently Asked Questions: Transitional Jobs Program Strategy & TANF Emergency Fund,” September 14, 2009. Website: http://www.heartlandalliance.org.

9. In some cases, the same provider received funding from more than one collaborative partner.

10. During roughly the same period (2007-2008), PNC funded the transitional jobs component (managed by Heartland) of the Chicago Family Case Management Demonstration for hard to house CHA residents. The Demonstration was a collaboration between Heartland Alliance, the Chicago Housing Authority (CHA), Housing Choice Partners, and the Urban Institute. Heartland Alliance offered strengths-based, family-focused case management and referrals and coordinated with CHA relocation service providers and case managers in new mixed-income developments. The Urban Institute engaged in continuous evaluation and released its final report, An Overview of the Chicago Family Case Management Demonstration, December 1, 2010. See www.heartlandalliance.org and www.urban.org.
Although categorized as a transitional jobs program under the Opportunity Chicago umbrella, CHA's contract described Jobs for Youth as a customized job training/on-the-job training program. Therefore, traditional TJ elements associated with a typical TJ program may not apply to this provider.

This was the first TJ-Literacy pilot that PNC funded with Heartland. The second (described in the next section) was funded in 2009 and lasted six months.


The literacy component of the program ran for six months, and Heartland's cohort was a 12-week cohort.

The FamilyWorks case management program replaced the previous referral-based program (known as Service Connector) in April 2008. Prior to April 2008, TJ participants accessed the TJ program through their engagement with the Service Connector program.


The FamilyWorks case management program replaced the previous referral-based program (known as Service Connector) in April 2008. Prior to April 2008, TJ participants accessed the TJ program through their engagement with the Service Connector program.

Unemployment rates and information cited in this section are based on publicly available labor market data from the Illinois Department of Employment Security, Local Area Unemployment Statistics (IDES LAUS), http://lmi.ides.state.il.us/laus (accessed April through September 2011). From this point forward and unless specified otherwise, unemployment figures cited in this section represent annual averages recorded by IDES. Unless specified, references are to the Chicago Metropolitan Area, which includes the following eight counties: Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry and Will.

In 1983, the unemployment rate in the Chicago metro area averaged 11.6 percent.

Starting hourly wage data from SalesForce was available for only 780 subsidized placements (about 50% missing).

This number (520) represents the number of individuals who worked after program exit. These individuals participated in training but did not have a subsidized placement, as not all participants progressed in linear fashion through all phases of the TJ programs. Nor were we able to determine from the data whether the programs helped these participants find the jobs or whether they quit the program and found jobs on their own.

Although not the target population, a small percentage (20%) of participants had work experience prior to entering TJ programs: 15 percent were “mostly employed” and five percent were “consistently employed.”
For purposes of this analysis, participants without a job end date are counted as still employed. Salesforce data is used here to calculate retention for unsubsidized employment because IDES data does not provide an exact start and end date of a particular job. Instead, it only indicates whether someone was employed with a certain employer in a given quarter.

We were unable to discern from the data reasons for the decline in earnings. The economic downturn may have been a contributing factor.

Earnings calculations exclude those who did not work and those who earned less than $100 in a quarter.

Illinois Department of Employment Security, Local Employment Dynamics, average quarterly employment for Chicago metro area industry sectors, 2009Q4 through 2010Q3. Note: Health Care, not Social Assistance, was the Opportunity Chicago target sector.

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The Illinois Department of Commerce and Economic Opportunity
Jobs for the Future
The John D. and Catherine T. MacArthur Foundation
The Joyce Foundation
Living Cities
The Lloyd A. Fry Foundation
McCormick Foundation
National Fund for Workforce Solutions
Peoples Gas
Polk Bros. Foundation
State of Illinois
State Street Foundation-State Street Global Advisors
U.S. Department of Housing and Urban Development
U.S. Department of Labor
Click here to view the full Opportunity Chicago evaluation report, or visit the Chicago Jobs Council website for more information: http://cjc.net/opportunity-chicago.