Opportunity Chicago:
2006-2010

Improving Access to Employment for Public Housing Residents in Chicago

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EXECUTIVE SUMMARY

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The Partnership for New Communities

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Introduction

Opportunity Chicago (the Initiative) was a pioneering attempt to help 5,000 public housing residents prepare for and find employment over five years, improving the workforce development system along the way to create a smoother path for other low-skilled, low-income jobseekers to come. Founded in 2006 through the collaborative efforts of The Partnership for New Communities (PNC), the Chicago Housing Authority (CHA), and the Department of Family and Support Services (formerly Mayor’s Office of Workforce Development), the Initiative was launched in response to the Plan for Transformation (the Plan). Adopted by CHA in 2000, the Plan was a nationally unprecedented overhaul of Chicago’s public housing. A cornerstone of the Plan was the demolition of thousands of distressed public housing units and the construction of new mixed-income developments in their place.

The Initiative was designed as a cross-sector collaboration that strategically convened and leveraged resources. The process and structure that was developed marshaled the collective capacity of the City’s workforce development system and public housing resources. The Chicago Jobs Council (CJC), appointed to facilitate and manage the Initiative, and a Strategic Advisers Group (SAG), consisting of a range of stakeholders, collaborated to guide implementation of the Initiative’s strategic priorities.

In order to reach the goal of placing 5,000 public housing residents into employment, the Initiative established the following strategic priorities:

1. Promote the development and expansion of employment skills and training programs (including Bridge programs and transitional employment);
2. Support the continued development of employment opportunities by engaging employers in the design and implementation of sector or industry-based partnerships;
3. Advocate for public policy changes to improve the workforce development system’s capacity to help low-skilled, low-income individuals earn family-supporting incomes;
4. Expand and/or enhance the existing service delivery system to maximize employment opportunities; and
5. Evaluate and document the Initiative’s effectiveness and its replicable lessons.
The Initiative invested in and implemented a range of program offerings and strategies to foster longer-term labor market success of jobseekers residing in public housing in Chicago. There are important differences across program types; program length, entry requirements and availability varied as programs were launched (and sometimes terminated) at different times. Residents primarily accessed Opportunity Chicago in the following ways:

**FamilyWorks** (and Service Connector before that) is a voluntary comprehensive case management program independent of Opportunity Chicago and available to CHA’s resident population. In addition to case management services, FamilyWorks offers job readiness training, job placement and retention services.

**Transitional Jobs** combined skill development, supportive services, and temporary, subsidized employment placements to help residents with little or no work history transition into the labor market.

**City Colleges of Chicago (CCC) Bridge Programs** and Technical Skills Training programs included a variety of career programs with technical-occupational skills training (certificates and advanced certificates) in addition to more traditional Associate Degree programs. CCC also offered GED, ESL and Career Bridge Programs for those who needed to improve their reading and math skills while preparing to enter the workforce.

**Workforce Investment Act** (WIA) programs: Services of varying intensity were provided through a system of partners and included job search, planning, and preparation services; skills assessments, case management, career development, and job retention/advancement assistance; and technical training through the City Colleges of Chicago and other WIA-certified training providers.

**Industry Skills Training** targeted specific high-demand industries and sectors, which initially included: transportation/warehousing/logistics (TWL), healthcare, manufacturing, information technology, and retail and hospitality.

**Contextualized Literacy Programs** targeted CHA’s working-age residents with reading levels between the 4th and 9th grades, offering literacy services contextualized to targeted sectors and occupations, with supportive services and established linkages to employers resulting in direct employment placements.

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**Major Observations and Findings**

- 6,743 public housing residents participated in a range of Opportunity Chicago programs.
- 5,185 residents worked after exit, surpassing the Initiative goal of placing 5,000 residents into employment in 5 years.
- 77 percent of program participants gained employment.
- The number of participants who worked increased in every year of the program despite the economic downturn.
- 23 percent of those who worked after exit had not worked in the two years prior to engagement in the Initiative.
- 54 percent of residents retained employment for two or more years.
- Systems changes are still in progress, but early indications point toward:
  - Greater local collaboration among workforce systems actors;
  - Better integration and ‘mainstreaming’ of public housing residents into existing citywide efforts; and
  - An opportunity to influence important systems reorganization currently under way, including the reconfiguration of three workforce boards into a single entity, the recalibration of the Plan for Transformation and the reinvention of City Colleges.
Initiative Structure

Opportunity Chicago was collaborative by design, with PNC, CHA and CJC at the coordinating center. Staffing of the Initiative was lean; neither PNC nor CJC had more than two individuals assigned to the Initiative at any one time. Housed at The Partnership for New Communities and facilitated by the Chicago Jobs Council, the Initiative’s partners convened a Strategic Advisers Group (SAG) to develop comprehensive, career-focused workforce development strategies for CHA residents. The SAG’s role was advisory – to provide expertise and knowledge of best practices, to review Initiative plans and activities, to provide other resources as appropriate, and to advocate for public policy and systems change.

Target Population and Participant Profile

The Initiative exclusively focused on residents living in CHA developments as of October 1999, when the Plan for Transformation began. Residents’ participation in Opportunity Chicago programs, including those directly funded by CHA, was voluntary, and residents primarily accessed services through a case manager affiliated with one of the teams of FamilyWorks (initially Service Connector) contractors located throughout the city.

Financing

The Initiative’s goal was to secure sufficient funding to start the Initiative, with an explicit understanding that Opportunity Chicago would be time limited and terminate after a set period of time (originally three years, then extended to five). The original plan was to identify and/or raise $23 million. These funds would be pooled and aligned with public and more restrictive funds. Opportunity Chicago ultimately raised and expended more than $27 million from a combination of public and private sources, the majority of which was spent on program costs.
Systems Integration and Change

Opportunity Chicago’s goal was to identify employment barriers within the system and to reduce those barriers by creating processes that would result in a smoother and more streamlined path to employment for CHA residents. The Initiative identified the following systems issues: 1) inadequate systems for communicating information about service and employment opportunities, 2) organizational silos, 3) service fragmentation and duplication, 4) job placement services not well tailored to the needs of public housing residents, 5) difficulty accessing services, and 6) systems policies that result in disincentives for residents to seek and maintain employment.

Management Information System

CHA invested considerable resources in the development and maintenance of a database for use by all CHA contractors, including those involved in Opportunity Chicago. The database was a basic case management referral system not originally designed for workforce development purposes. Over time, CHA significantly revamped the system to 1) integrate a consistent assessment tool, 2) define indicators that would be used consistently across all providers, 3) integrate PNC-funded projects, and 4) track workforce outcomes. By the end of the Initiative, the system was greatly improved and CHA had implemented a performance-based contract system that required vendors to report outcomes into the new system. CHA also invested in dedicated data staff to review and mine the data on a regular basis.

Resident-Level Outcomes

Opportunity Chicago was launched at an inauspicious time amidst economic uncertainty and employment instability, followed by a recession that pummeled economic activity and employment. As the ranks of unemployed Chicagoans increased over the life of the Initiative, CHA residents were forced to compete with larger numbers of jobseekers, who often had better qualifications, more consistent work records, and fewer barriers to employment. As a result, Opportunity Chicago’s challenge was to increase programmatic capacity in order to, first, reach participation goals, and second, to develop programs that would assist CHA residents entering an increasingly competitive job market. In response to those challenges, Opportunity Chicago developed a range of program offerings to meet the diverse needs of the target population. Between 2006 and 2010, the Initiative, combined with CHA direct funding, awarded grants to a variety of providers to educate, train and place CHA residents into employment. Outcomes for residents include the following:

1. Across the six Initiative-funded program types, 6,743 CHA residents participated in at least one program. Seventy-seven (77) percent of participants worked after leaving a program, though the employment rate among participants varied by program type. Those who received assistance finding a job through case management had the highest employment rate, and contextualized literacy participants – the smallest and newest of the program types – had the lowest placement rate. Note that each program served a different target population and had a different design, which makes it difficult to compare placement rates between programs.
2. The number of program participants who worked increased in every year. This is especially notable since it is likely that better prepared jobseekers secured employment earlier in the program period, while jobseekers with more barriers to employment were being placed in jobs toward the end of the Initiative at the peak of the economic downturn.

3. A majority of the participants who were served by the Initiative (68 percent) were either consistently unemployed or sporadically employed at program entry (meaning they had worked none or less than half of possible quarters in the two years before program entry). Of those who were consistently unemployed, nearly 50 percent saw improvement in their employment status after exiting an Initiative-funded program, an impressive achievement given the economic downturn.

4. Overall, 49 percent of participants who were placed in employment saw an increase in the percentage of quarters they worked, and 23 percent saw a decrease in the percentage of quarters worked. The average number of days retained among all placements was 232 days, or about 7.5 months. More than half of placements (54 percent) were retained for two or more years as of the end of the Initiative; some placements may still be ongoing.

5. While 59 percent of participants saw an increase in quarterly earnings between entry into and exit from a program, overall individual earnings remain low at about $10,752 annually.

6. Employment was largely concentrated in three industry sectors targeted by the Initiative at the outset: Health Care and Social Assistance (31 percent), Retail Trade (13 percent), and Accommodation and Food Services (10 percent). These three sectors combined account for more than 50 percent of all placements. They tend to have low entry barriers, but also tend to pay low wages.

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Findings and Lessons Learned

Opportunity Chicago brought together key workforce leaders to tackle the problem of limited or spotty workforce attachment by public housing residents. The Initiative contended with a difficult local economy that magnified the challenges of working with a population characterized by high numbers of chronically unemployed residents and residents with challenges such as low literacy skills. In spite of these challenges, the Initiative demonstrated success on a number of employment outcomes, and it provides important lessons regarding Initiative management, workforce partnerships, employer engagement, and workforce systems alignment and change.

Lessons about Managing Partnerships

» Abandon individual silos and agendas and work together on a single goal and collective approach. The Plan for Transformation was a visible and clear rallying point to organize partners and stakeholders, and the absence of a workforce strategy provided the agenda to develop a collective approach and concrete objective (to place 5,000 public housing residents into jobs in five years).
Secure a reputable convener and facilitator. PNC served as a credible intermediary and convener that was seen as “savvy at organizing” and brought individuals and organizations together that had not collaborated on a large scale previously. As facilitator, CJC engaged and helped align the partners and brought a level of credibility on workforce development issues, which, “helped PNC and the Initiative turn the corner from planning to implementation.”

Build a strong collaborative with relationships across stakeholders. The Strategic Advisers Group (SAG) brought workforce development expertise to the Initiative on a range of issues and influenced its strategy. Though some SAG members transitioned in and out, a core group of stakeholders remained consistently focused and engaged through the Initiative period, allowing for continuity and cohesive decision making.

Secure commitments of leadership. “Decentralized leadership” was integral to Opportunity Chicago’s basic operating and management structure, with no one agency seen as in charge. This organic, less formalized structure – i.e., no one agency as the leader – appeared to serve members well as the Initiative unfolded over time, and ultimately achieved many of its goals. Further, respected and consistent leadership, especially at CHA, was essential.

Integrate and align restricted and flexible funds to support innovative program models. The Initiative faced few obstacles meeting its funding goal and was able to pool and align flexible with less flexible funding to test ideas. Stakeholders agreed this was a collective learning process in which Initiative partners did not always know what would work, but flexible dollars allowed for experimentation that would not have been possible absent a blending of funding. For example, flexible funding was used to test Transitional Jobs as a strategy for the hardest-to-serve residents. This model is explored in more depth in a companion report, The Promise and Challenge of Transitional Jobs: Opportunity Chicago’s Transitional Jobs Experience.

Learn from mistakes and make corrections. Initiative partners demonstrated an adaptability that became integral to Opportunity Chicago’s progress. Partners were willing to accept when pilot efforts were not working, to exit pilots that were failing, and to change direction for improved outcomes.

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Lessons about Aligning Supply and Demand

» Targeting a single population provides advantages and challenges. An advantage of targeting a single population was that it allowed for funding of, and experimentation with, innovative programs in a somewhat controlled environment of hard-to-serve individuals. Given the lack of evaluation research on services for public housing residents, stakeholders believed the Initiative would contribute important lessons to the field — lessons that ultimately could be transferred to the larger workforce development system. However, employer engagement proved difficult. As the Initiative matured, providers eventually employed a “mainstreaming” approach so that residents would be viewed the same as the general service population. Partnerships were established with existing city workforce sector centers and with other providers focused on workforce training for targeted industries, which better positioned the Initiative to realize greater scale, efficiency and sustainability.

» Consider “hooks” and incentives to increase program participation. As part of its Moving to Work Agreement with HUD, CHA in 2009 implemented a work requirement policy. The policy mandates that all adults aged 18 to 61 living in traditional public housing developments be employed, or engaged in activities that will lead to work, for at least 20 hours per week. The requirement provided a greater “incentive” for residents to engage in workforce development activities, as well as an important framework to focus efforts on all jobseekers, not only those most motivated and eager to work.

» Case management and wrap-around supports are essential program elements. Case management support was seen as an fundamental part of the Initiative’s offerings, and it had a significant bearing on residents’ ability to succeed in the job market. However, some public housing residents had far more serious barriers to work, such as mental and physical health issues, than case management could address in the short term.
Lessons around Data Collection and Usage

Agree at the outset on how data will be collected, stored, and analyzed. Opportunity Chicago struggled with how and what types of data should be collected, stored, and analyzed. Over time, SAG members began to identify problems with the data being reported, and the evaluation activities brought data issues to light, leading to some improvements. These generated a better understanding about how to use data and allowed for the gathering and tracking of data through a single system. For example, when CHA implemented FamilyWorks, it began to incorporate workforce development outcomes in all vendor contracts and tied pay to performance.

Lessons about Replicability

Opportunity Chicago did not try to create a new or parallel workforce system, but rather sought to better equip the existing system to support public housing residents. In considering the question of how to replicate this Initiative, issues to consider are:

- **Moving to Work** (MTW) designation is essential, but is not available to all public housing authorities (PHAs). Having a funding collaborative in place to support housing authority programs is a benefit, but a MTW designation is extremely helpful to a housing agency looking to duplicate the Initiative. Chicago “would not have been able to do the kinds of programming it did without MTW – the money would not have been available.”

- An ability to leverage and align resources is critical to maximize impact. An accessible, flexible stream of funding is important, regardless of the actual funding source. Certain ‘experimental’ programs may not have been prioritized absent this type of funding.

- Recruit leadership with the ability to shift (sometimes ineffective) public funds. The Initiative had champions at many levels and was universally thought of as “necessary in Chicago,” given the Plan for Transformation goals. Mayor Richard M. Daley was a key champion for the Plan and marshaled City resources to support this priority. In early 2012 Mayor Rahm Emanuel announced a recalibration of the Plan for Transformation to reimagine the Plan for the future.
As the Initiative concluded, important indicators of systems change had emerged.

**Lessons about Workforce Systems Change**

As the Initiative concluded, important indicators of systems change had emerged. While the scale of these early changes is modest, they represent steps in a new direction. Over the longer term, the extent of the gains will depend on how local system actors incorporate the lessons from Opportunity Chicago into their long-term systems reform agenda. Key indicators of change to date include:

» There is greater collaboration across a range of partners who did not work together historically. Key informants agreed that the Initiative has resulted in unprecedented levels of collaboration among city agencies, and this collaboration has resulted in greater access to City workforce services, including WIA and City Colleges, for CHA residents. For CHA as an institution, participation in Opportunity Chicago is seen as having advanced CHA’s “connectedness” with other systems and system actors: the agency is “no longer isolated, and others look at CHA differently and have learned to trust the agency.”

» There is greater attention to the unique needs of public housing residents. Overall, the Initiative has helped elevate public housing residents as a priority population in the delivery of workforce development services.

» Greater alignment and collaboration exists with the Chicago Workforce Investment Council (CWIC). Most Initiative stakeholders agree that the creation and expansion of the CWIC model was influenced by Opportunity Chicago lessons, including its Human Capital Strategy. Lessons learned from the Initiative’s Contextualized Literacy and TJ-Literacy programs influenced thinking about the need for stronger literacy-workforce integration, including CWIC’s Literacy to Work initiative.
Life after Opportunity Chicago

Opportunity Chicago formally ended at the end of 2010, and PNC concluded in April 2012, as planned. However, while both the Initiative and PNC have been brought to a close, important ongoing work for Initiative partners remains. This includes deepening the early systems alignment, continuing to advance a workforce agenda that prioritizes the needs of the hardest to employ, and building upon opportunities that were not fully – or could not be – maximized during the Initiative’s tenure. CHA will continue to invest in FamilyWorks and direct programs, and the recalibration of the Plan for Transformation provides an opportunity to reimagine programs and strategies to support families. Given the slow economic recovery, CHA residents and other disadvantaged workers will likely compete with larger numbers of jobseekers and incumbent workers. Thus, the need is even greater for the types of focused strategies and supports implemented by the Initiative.

» Continue to push for systems integration. At the writing of this report, Cook County’s three workforce boards, including Chicago’s, were in the process of reconfiguring to become one county-wide board. It is anticipated that the new entity would continue to advance a workforce development agenda that embraces the lessons from Opportunity Chicago and specifically integrates strategies for working with jobseekers who are typically considered hardest to serve, including public housing families.

» Reinvention of CCC provides opportunities going forward. CCC’s role as a strong workforce partner was seen as “unfulfilled,” and generally did not live up to other Initiative members’ and partners’ expectations. CCC currently is “reinventing” itself with the goal of remaking the institution and restructuring programs and services to ensure better educational and employment outcomes for all enrollees. Reinvention presents an opportunity to look at ways that CCC might position itself as a workforce leader to better serve and target programs to hard-to-serve population groups, including public housing residents.

» Many residents are not suitable candidates for WIA-funded programs; given emphasis on meeting outcome targets, providers may be reluctant to work with the hardest-to-serve. Some Initiative partners worry that absent the Initiative’s singular focus on public housing residents, no system will validate and support a continued focus on residents’ workforce needs. And, although DFSS is generally better aligned to serve public housing residents, political and leadership changes as a result of a new City administration have triggered uncertainty about whether improvements will be institutionalized. Federal funding cuts and questions about the future of WIA further exacerbate these concerns.
While both Opportunity Chicago and The Partnership for New Communities have been brought to a close, important ongoing work for Initiative partners remains.
In accordance with CHA’s FY2011 Admissions and Continued Occupancy Policy (ACOP), every applicant, resident and adult authorized family member of a public housing unit, age 18 up to age 54, is required to be engaged, 20 hours a week, on a regular basis, unless the resident or adult authorized family member of the household is exempt or approved for Safe Harbor. Any member of the applicant or resident’s household, who is 17 years of age and not attending school full-time, will be subject to the CHA Work Requirement. Applicants from the public housing wait lists are not eligible for Safe Harbor. Applicants, residents, and adult authorized family members of the household may meet the work requirement through any combination of employment, attendance at an accredited school, educational institution, training program, job readiness, GED or literacy program, internship, or work experience opportunity. The original work requirement instituted in 2009 was 15 hours a week. Source: CHA.

A demonstration program of the U.S. Department of Housing and Urban Development (HUD), Moving to Work provides public housing authorities the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient; and increase housing choices for low-income families. Source: HUD.
Click here to view the full report, and visit the Chicago Jobs Council website for more information: http://cjc.net/opportunity-chicago/