



*Using research to build
better public policy for families*

Opportunities for Strengthening Wisconsin's Workforce



Robert M. La Follette
School of Public Affairs
UNIVERSITY OF WISCONSIN-MADISON

Wisconsin Family Impact Seminars

An initiative of the Robert M. La Follette School of Public Affairs, with financial contributions from the University of Wisconsin-Madison Chancellor's Office and Phyllis M. Northway Fund

www.wisfamilyimpact.org

Opportunities for Strengthening Wisconsin's Workforce

Briefing Report for the 36th Wisconsin Family Impact Seminar

FIRST EDITION

Edited by

Heidi Normandin

*Associate Director, Wisconsin Family Impact Seminars
La Follette School of Public Affairs
University of Wisconsin–Madison*

Hilary Shager

*Director, Wisconsin Family Impact Seminars
Associate Director, La Follette School of Public Affairs
University of Wisconsin–Madison*

Lisa Hildebrand

*Sr. University Relations Specialist
La Follette School of Public Affairs
University of Wisconsin–Madison*

Kassandra Martinchek

*Project Assistant
La Follette School of Public Affairs
University of Wisconsin–Madison*

Layout & Production by

Melissa Carlson

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PURPOSE OF THE WISCONSIN FAMILY IMPACT SEMINARS

Since 1993, the Wisconsin Family Impact Seminars have provided objective, high-quality research on timely topics identified by state legislators. The seminars promote greater use of research evidence in policy decisions and encourage policymakers to view issues through the lens of family impact. The family impact lens highlights the consequences that an issue, policy, or program may have for families, so policymakers can make decisions that strengthen families for the benefit of their members and the good of society.

The award-winning Family Impact Seminars model is a series of presentations, discussion sessions, and briefing reports for state policymakers, including legislators and their aides, the Governor and gubernatorial staff, legislative service agency analysts, and state agency officials. The seminars provide neutral, nonpartisan opportunities for legislators to engage in open dialogue, foster relationships, and find common ground.

“Opportunities for Strengthening Wisconsin’s Workforce” is the 36th Wisconsin Family Impact Seminar. For additional information and resources, visit our website at www.wisfamilyimpact.org.

For information on the Wisconsin Family Impact Seminar series, contact:

Hilary Shager

Director, Wisconsin Family Impact Seminars
Associate Director, Robert M. La Follette School of Public Affairs
University of Wisconsin–Madison
1225 Observatory Drive
Madison, WI 53706
608-263-2409
hshager@lafollette.wisc.edu

Heidi Normandin

Associate Director, Wisconsin Family Impact Seminars
Sr. Outreach Specialist, Robert M. La Follette School of Public Affairs
University of Wisconsin–Madison
1225 Observatory Drive
Madison, WI 53706
608-263-2353
hjnorman@wisc.edu

PRESENTERS AT THE 36TH WISCONSIN FAMILY IMPACT SEMINAR

Tessa Conroy

Assistant Professor, Department of Agricultural and Applied Economics
University of Wisconsin–Madison
Economic Development Specialist, UW–Extension
Taylor Hall, Room 521
427 Lorch Street
Madison, WI 53706
608-265-4327
tessa.conroy@wisc.edu
<https://aae.wisc.edu/faculty/tconroy2/>

Julie Strawn

Principal Associate, Social and Economic Policy
Abt Associates
9131 East 29th Avenue
Denver, CO 80238
240-459-0357 (cell)
julie_strawn@abtassoc.com
www.abtassociates.com

Marc Pelka

Deputy Director, State Initiatives
Council of State Governments Justice Center
22 Cortland Street, 22nd Floor
New York, NY 10007
646-383-5720
mpelka@csg.org
www.csgjusticecenter.org

PREVIOUS SEMINAR TOPICS

Since 1993, the University of Wisconsin–Madison has conducted 36 Family Impact Seminars. Each Family Impact Seminar is accompanied by an in-depth briefing report that summarizes the latest research on the topic and draws implications for families and policy decisions. These reports along with audio and video of the seminar presentations are online at www.wisfamilyimpact.org. Legislators can request a complimentary copy of reports and audio CDs from recent seminars by contacting Heidi Normandin at 608-263-2353 or hjnorman@wisc.edu.

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Andy Lambert	La Follette School of Public Affairs UW–Madison
Ashleigh Grendziak	Human Development and Family Studies UW–Madison, graduate student

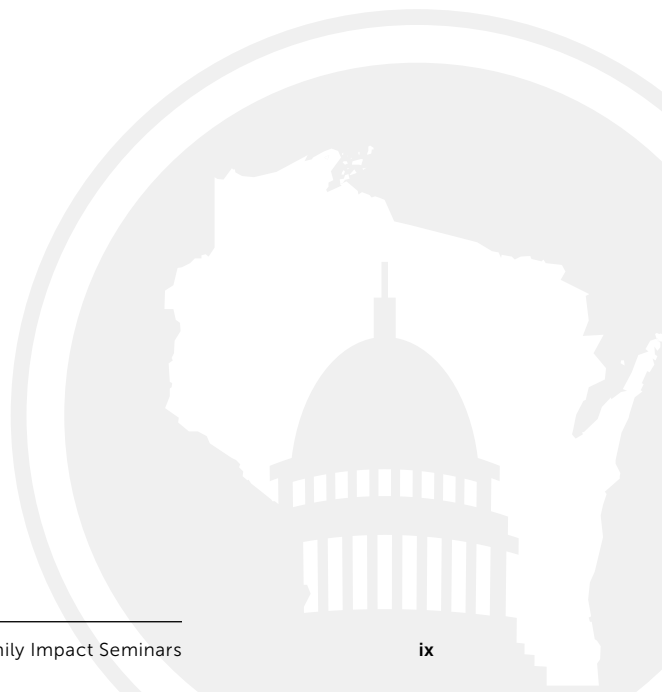
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EXECUTIVE SUMMARY

According to Department of Workforce Development estimates, as many as 46,000 Wisconsin jobs could go unfilled in 2022. Demographic trends, including the retirement of baby boomers, may be driving a good portion of this labor shortage, but that is only part of the story. Other factors, such as mismatches between where jobs are located and where people live, or the type of jobs available versus the skills of available workers, also play a role. In addition, many adults want to work, but face significant barriers to successful employment.

The current labor market presents a unique opportunity: How can Wisconsin policymakers help increase the employability of these individuals and strengthen their families, while also meeting employers' needs and strengthening the state's economy? To this end, this report first discusses the size and characteristics of Wisconsin's workforce, as well as other underlying factors affecting the labor market. The report then presents several evidence-based policy options to engage and support two populations with much to gain from participating in the labor market: low-income, low-skilled adults and people with criminal histories.

In the first chapter, **Tessa Conroy**, UW–Madison Assistant Professor of Agricultural and Applied Economics and UW–Extension Economic Community Development Specialist, sets the stage in her discussion of *Labor Market Trends in Wisconsin*. Wisconsin is expected to experience positive job growth through 2022, but will the state have workers to fill these jobs? Challenges include the retirement of baby boomers, migration patterns that do not favor Wisconsin, as well as skill and geographic mismatches between available workers and available jobs. The state has an opportunity to meet these challenges through evidence-based policy options such as using data to better align education and workforce training programs with employers' needs, providing more practical experiences to students who will be future workers, accelerating the preparation of low-skilled workers to meet current demand, and finding ways to engage and support the chronically unemployed. Policymakers might also consider proactively shaping the future labor market by encouraging entrepreneurship and the growth of high-skilled jobs, facilitating community efforts to attract residents, and strengthening policies that support working families.

Given the labor market challenges in Wisconsin, there is growing interest in what works to engage and support as many workers as possible. **Karin Martinson**, Principal Associate at Abt Associates, summarizes decades of research in the second chapter, *Evidence-Based Approaches for Improving Economic Success for Low-Income Workers*. Low-income adults often face a range of barriers to employment, including low levels of education and basic skills, child care and transportation difficulties, and substance abuse and health challenges. Rigorous evaluations and cost-benefit analyses have identified four successful approaches that can help low-income, low-skilled adults succeed in the workplace: service- and treatment-focused preparation programs, financial incentives and

work supports, employer-based training such as subsidized employment and apprenticeship, and skill-building programs such as career pathways. Successful programs tend to combine more than one approach and involve public-private partnerships. These programs have the potential to alleviate the economic and personal distress of low-income adults and their families, as well as to strengthen Wisconsin's economy.

Erica Nelson, Policy Analyst, and **Marc Pelka**, Deputy Director of State Initiatives, of the Council of State Governments Justice Center discuss *Strategies to Improve Employment Outcomes for People with Criminal Histories* in the final chapter. The successful employment of people with criminal records—including 22 percent of adults in Wisconsin—can strengthen their families, reduce recidivism, and help meet the state's workforce needs. To better address the barriers these individuals face, new programs have integrated proven recidivism-reduction approaches from the corrections field with best practices for improving job readiness from the workforce development field. A growing body of research provides guidance on ways to ensure programs are cost-effective and connect the right resources to the people who need them most. To lessen the negative effects of "collateral consequences" on an individual's employability, 31 states also have passed legislation that provides some level of criminal record "clearance." In addition, an increasing number of states have established certificates of recovery to help job seekers demonstrate progress in rehabilitation and training to employers.

In sum, although Wisconsin's current labor market could evolve into a more serious labor shortage, the state has a unique opportunity to change its course. The research presented in this report points to policy options that can move more people with barriers into the labor market, help them remain employed, and assist them in career advancement and wage growth. Workers who achieve economic success can better support their families and be productive community members. Therefore, with the use of such evidence-based strategies, state policymakers can create the conditions under which employers and workers are successfully matched, and the state economy can prosper.

LABOR MARKET TRENDS IN WISCONSIN

By Tessa Conroy, Assistant Professor, Department of Agricultural and Applied Economics, UW–Madison, and Economic Development Specialist, UW–Extension

Wisconsin is expected to experience positive job growth through 2022, but will the state have workers to fill these jobs? Challenges include the retirement of baby boomers, migration patterns that do not favor Wisconsin, as well as skill and geographic mismatches between available workers and available jobs. The state has a unique opportunity to meet these challenges by leveraging evidence-based policy options such as using data to better align education and workforce training programs with employers' needs, providing more practical experiences to students who will be future workers, accelerating the preparation of low-skilled workers to meet current demand, and finding ways to engage and support the chronically unemployed. Policymakers might also consider proactively shaping the future labor market by encouraging entrepreneurship and the growth of high-skilled jobs, facilitating community efforts to attract residents, and strengthening policies that support working families.

DOES WISCONSIN HAVE A LABOR SHORTAGE?

The Wisconsin labor market is receiving a lot of attention in the news and on Main Street,¹ and the situation that legislators are hearing about likely differs depending on who is talking. The labor market is multidimensional, and what you see depends on where you stand. Employers, on the demand side of the labor market, may struggle to find workers even after raising wages, particularly in rural areas. However, some workers may struggle to find jobs in their city, or can't take available jobs because of transportation or child care difficulties. These seemingly conflicting experiences of employers struggling to find workers and, at the same time, workers struggling to find jobs, has led to a lack of specificity in describing the labor market in Wisconsin.

Recent projections suggest that nearly all industries will have positive employment growth through 2022, which is a key component of the state's future economic performance.² As further evidence of expanding employment opportunities, in late 2017, the number of job openings in the Midwest exceeded the number of unemployed. However, new job opportunities lead to growth only if they can be filled with appropriately skilled workers. In Wisconsin, with unemployment already quite low and a large share of the workforce headed for retirement, the more pressing issue is the availability of workers to enter new jobs in the future. Understanding the supply of workers requires an understanding of changing demographics, migration patterns, skills mismatches, and spatial or geographic mismatches.

The term "labor shortage" implies that Wisconsin is facing a quantity-based problem—one that can be remedied by simply expanding the pool of workers. But, adding more workers alone is typically not a solution. As the state's economy grows, ideally, demand and supply of labor align in such a way that job openings are matched with suitably skilled workers. Additional workers must have the appropriate skills for available jobs and be located near employers, so that they can get to work. These skill- and

Recent projections suggest that nearly all Wisconsin industries will have positive employment growth through 2022.

spatial-match aspects of the labor market may look like a shortage, as both may result in unfilled job openings, but they are distinct issues with their own policy implications.

Migration (and Retirement): Does Wisconsin Have a “Brain Drain” Problem?

“Brain drain”—the idea that educated workers are leaving the state—is often cited as a concern in Wisconsin. Although any amount of out-migration will erode the pool of available workers, compared to other states, Wisconsin actually has a fairly low rate of out-migration of the college-educated, working-age population. That is, workers are not fleeing the state for other parts of the country. Instead, Wisconsin is average or better in retaining residents.

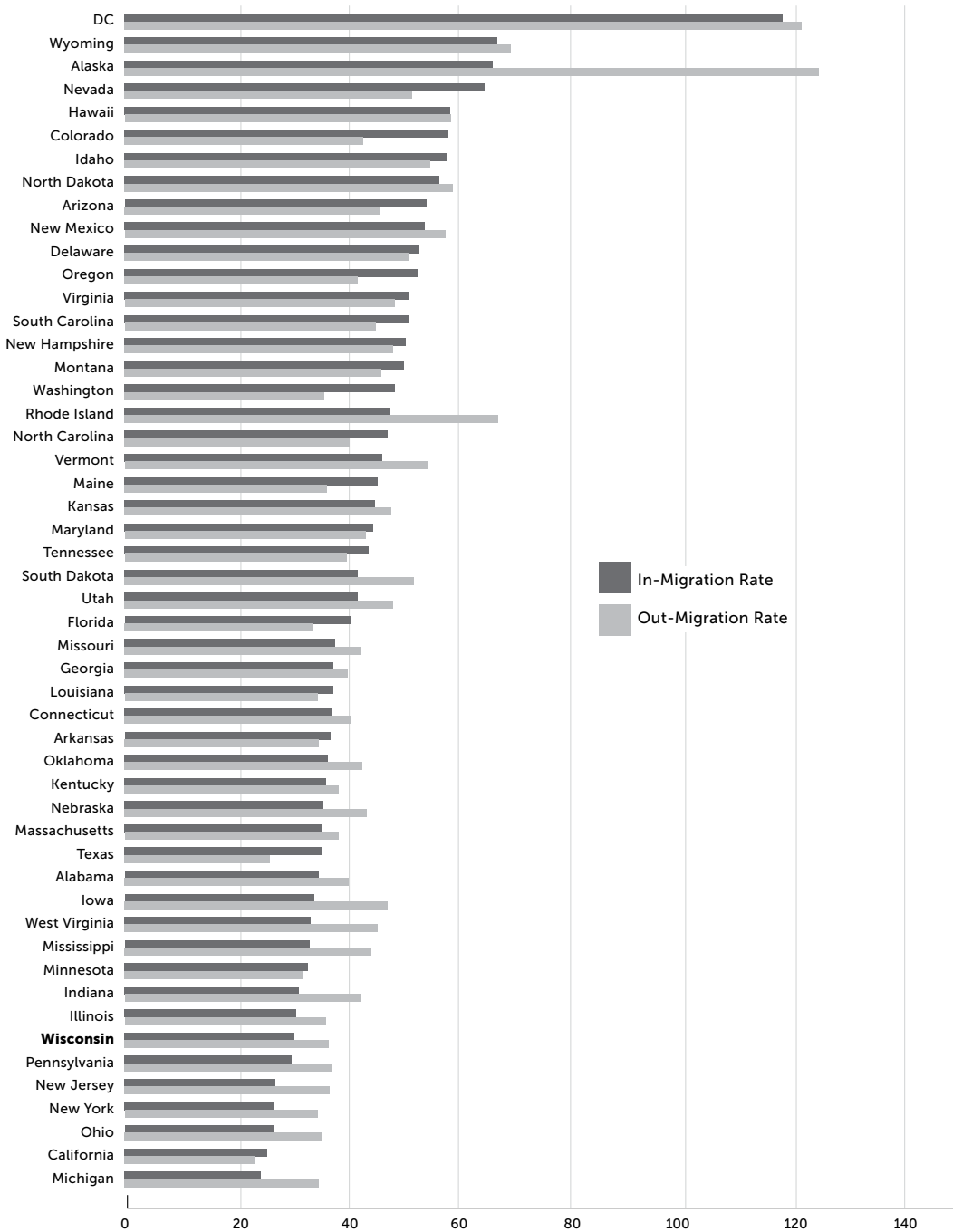
The potential weakness of the state is getting new residents to move here. In-migration to Wisconsin is quite low compared to other states, and the state does not attract enough in-migrants to offset those who leave (see Figure 1). In other words, Wisconsin suffers less from a “brain drain” problem than from a “brain gain” problem.

This follows the general rural-to-urban migration trend in the United States, in which workers are moving from rural areas to urban cities. Wisconsin, a relatively rural state, also has somewhat smaller urban centers that are unlikely to have the same pull for workers as large metro areas such as Minneapolis-St. Paul and Chicago.³ Furthermore, people have become less mobile generally across the United States; thus, while the state can expect some increases in in-migration in the coming years as the economy grows and presents new opportunities, the effects will likely be modest given the broader national urbanization trend.

Alternatively to talent lost to out-migration, the more threatening “brain drain” may be the talent and experience the state is losing as a large portion of the working population nears retirement. The Wisconsin Department of Workforce Development (DWD) projects a shortage of workers over the next decade, primarily due to the retirement of baby boomers.⁴ The state’s population is aging, with the share of retirees doubling by 2040 and the share of the working age (18-64) population shrinking.⁵ According to DWD estimates, as many as 46,000 jobs could go unfilled in 2022 as a consequence of the labor shortage. While these demographic trends may be driving a good portion of the shortage, other factors influence the state’s labor market as well.

*According to
Department
of Workforce
Development estimates,
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Wisconsin jobs could
go unfilled in 2022.*

FIGURE 1
In- and Out-Migration Rates (per 1,000 of the population)
Age 18 to 64 with a Bachelor's Degree or Higher
2011-2015
Ranked by In-Migration Rate from Highest to Lowest



Wisconsin's in-migration rate is quite low compared to other states and is not enough to offset those who leave.

Note: Data from U.S. Census Bureau, 2011-2015 American Community Survey (ACS).
 Extracted from the Integrated Public Use Microdata Series (IPUMS). Values are subject to margins of error.

What about Wages?

Economic theory indicates that prices respond to the availability of a good or service in a market. When a good or service is in short supply, prices tend to increase. Small, widespread growth in prices is characteristic of a stable and growing economy. Quickly rising prices in just one market, on the other hand, can be a sign of a shortage.

Labor markets work similarly to markets for other goods and services. If workers, who are selling their labor, are in short supply, they should be able to command a higher wage. These higher wages increase the incentive to work and pull more workers into the labor force; thus, alleviating the quantity issue, or shortage of workers. Given this definition, the wage-based evidence of a labor shortage has been modest. While employers are offering higher wages than before, some wage growth over time is expected. Additionally, from a worker's perspective, *relative* wages matter. Simply increasing wages will not be enough to attract more workers if wages in other industries are higher or growing faster. Such may be the case with manufacturing in Wisconsin. Wages have been growing in manufacturing but are growing more slowly than in some other sectors such as health care. Workers may choose to pursue jobs in those higher-wage sectors, leaving jobs in lower-paying sectors unfilled.

In combination with offering higher wages, we might also expect businesses to ask their workers to put in more hours when there is a shortage. Again, data on average weekly hours worked provides only modest evidence of a labor shortage. Average weekly hours worked increased steadily coming out of the recession and has grown to levels higher than 2007, but has remained relatively stable since 2014.

In sum, there is evidence of a "tight" labor market with only a small pool of available workers, but that could evolve into a more serious labor shortage given statewide demographic trends, such as the increasing number of retirees and net loss of educated workers. Looking at this from an economist's lens, however, there may be other factors at play besides a lack of workers. These other factors discussed next might better capture what is happening in Wisconsin.

DOES WISCONSIN HAVE A SKILLS MISMATCH PROBLEM?

In addition to the potential shortage of workers—a *quantity* issue—some places in Wisconsin may be facing a skills mismatch—a labor *quality* issue. A "skills gap" or "mismatch" occurs when, despite a high number of job seekers, employers report difficulty finding appropriately skilled workers for available positions, and, at the same time, workers report that they can't find a job despite there being unfilled positions. Based on projections through 2022, Wisconsin faces a potential skills mismatch in jobs that require advanced education, including associate's, bachelor's, and master's degrees.⁶

Too Many Low-Skill Jobs

For example, there appear to be more jobs than workers for low-skill positions requiring a high school diploma, in both urban and rural areas throughout the state. This is largely due to the industrial and occupational composition of the state. The state appears to be attractive to firms that generate growth in low-skill occupations; yet, a large share of the workforce is qualified for more skilled work. If skilled workers take positions for which they

Based on projections through 2022, Wisconsin faces a potential skills mismatch in jobs that require advanced education, including associate's, bachelor's, and master's degrees.

are over-qualified, this leads to underemployment and perhaps even unemployment of lower-skilled workers as they are crowded out.

Another explanation for unfilled entry-level job opportunities may be geographic. These jobs may be located a distance from a worker's home; i.e., the low-skilled jobs are not in the same place as job seekers, causing a geographic (or spatial) mismatch. For example, after accounting for several factors, one study found that black workers in Milwaukee commute far longer to their jobs, which suggests they are located farther from employers who are offering jobs at their skill level.⁷ Further, there is evidence of an oversupply of low-skill labor in the inner city, which has required low-skill workers, largely blacks and Latinos, to commute to the suburbs for employment. Costly or long commutes without higher wages can lead to poor employment outcomes for those living in the inner city.

Geographic mismatch also occurs in rural areas. Many large employers located in smaller communities must draw from a large geographic area to find a sufficient pool of workers. With limited public transportation, workers must shoulder all commuting costs. For higher-paying jobs, these costs may be a small factor because wages can support the expense of the commute (e.g., a reliable car, gas, time) and still make the job worthwhile. For lower-paying jobs, however, these costs represent a larger share of income and may reduce the feasibility of the daily commute as well as the incentive to take the job.

Too Few High-Skill Jobs

At the other end of the spectrum, the projected surplus of higher skilled workers is also largely due to the state's industrial and occupational composition. Wisconsin has yet to adequately attract and foster the kind of industries and businesses that offer high-level jobs for skilled workers. This high-skill surplus is also at least partly due to geographic factors. The shortage of job openings for college degree holders may partly explain the net negative migration of young educated workers in Wisconsin. Without adequate employment opportunities, those with college degrees look for jobs at their skill level in other states. These young, talented workers are attracted to "thick" labor markets, which feature a lot of employers and job opportunities, characteristic of large metro areas, as well as urban and natural amenities such as scenic terrain, making places like Denver, Colorado, a persistently popular destination.

HOW DOES AUTOMATION AFFECT THE LABOR FORCE?

The skills mismatch in Wisconsin is further complicated by the state's changing industrial profile. Manufacturing is becoming leaner, partly as a result of automation, which *reduces* labor needs. At the same time, technology can change production in a way that *increases* the need for workers in other tasks (known as a complementarity between workers and technology). As one step in the production process becomes more efficient, the other steps also must become more productive. For example, as computers are tasked with reading x-rays and medical images, there will be a greater need for surrounding tasks involving patient intake, consultation, and subsequent treatment. Therefore, while some jobs will be replaced by automation and technology, the demand for others may increase. The net effect of automation on employment, then, will depend on the relative sizes of these competing effects.

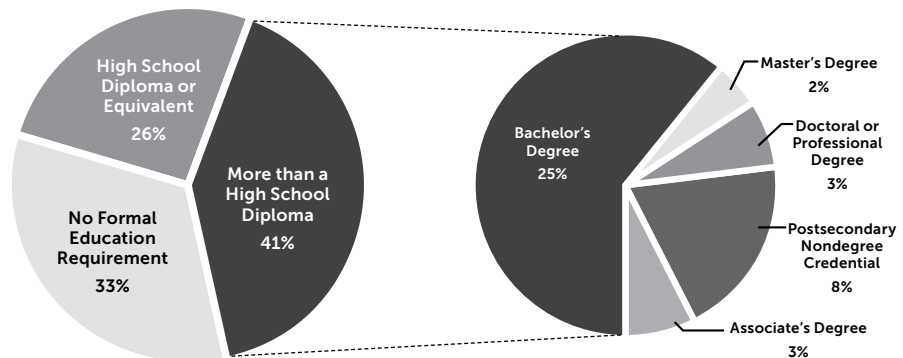
The effect of automation on employment will vary because some jobs will be replaced by technology, but the demand for related jobs may increase.

In addition to affecting the *number* of jobs available, automation and new production processes can change the *type* of jobs available, including the skills and education required for the jobs that do exist. As noted above, there are fewer jobs that require mid-level skills because they are often associated with routine tasks that can be automated. Tasks requiring a high level of mastery, analytical capability, and inductive reasoning that are characteristic of professional, managerial, and technical positions are difficult to replicate with technology.⁸ At the other end of the skill distribution, manual tasks such as those requiring situational adaptability, visual and language recognition, and interpersonal interaction are also less likely subject to automation. Most often, mid-skill workers are being replaced (substituted) by employees with higher-level engineering skills required to maintain and repair the new technologies.

The fastest-growing jobs require a high school diploma or less. These low-skilled jobs are easy for workers to transition into, which can drive down wages and may lead to growth in Wisconsin's working poor.

Because jobs requiring high and low skill levels are more difficult to automate, they are growing in a process called "job polarization"⁹ (see Figure 2). The U.S. Bureau of Labor Statistics reports that the 10 fastest growing jobs, both nationally and in the tri-state area of Illinois, Indiana, and Wisconsin, require a high school diploma or less.¹⁰ Job polarization also raises interesting wage questions. Many high-skilled jobs require a college or even graduate degree. When companies demand more workers at this level, there can be a 4- to 10-year lag time to build a supply of workers.¹¹ The low supply of high-skilled workers has kept their wages relatively high. Low-skilled jobs are relatively easy for workers to transition into, which can drive down wages; however, persistently low pay could lead to significant growth in Wisconsin's working poor.

FIGURE 2
Wisconsin Occupational Education Forecasts 2014-2024



Note: Based on Long-Term Occupational Employment Projections from the Wisconsin Department of Workforce Development, excluding suppressed values.

WHAT ARE POLICY OPTIONS FOR ADDRESSING WORKFORCE ISSUES?

The goal of any good workforce policy is to match the skills of workers with the needs of employers. Historically, employers provided a large share of employee training. They provided apprenticeships, on-the-job training, and internships; thus, cultivating a labor pool with the skills they needed. Now, with rapid technological advancement and globalization making it difficult to forecast their future labor needs, employers have less incentive to

provide in-house training. Companies are reluctant to invest in training because they might not see a return on their investment if workers take their new skills to competitors. As a result, the task of training workers is increasingly falling on various organizations in the public sector, with uneven results.

Strategies to Match the Skills of Workers with the Needs of Industry

The federal Workforce Innovation and Opportunity Act (WIOA) requires states to develop a streamlined workforce development plan. The plan should help job seekers find employment, education, training, and support services, and employers find the workers they need. With WIOA as a backdrop, the Federal Reserve Bank of Chicago and the Center for Governmental Studies at Northern Illinois University have put forth several effective, evidence-based workforce development policy options, which are summarized below.

- **Use data to better align workforce and education programs with employers' needs.** States can analyze regional clusters of firms in related industries and use other data tools to design policy initiatives that better align workforce and education programs with employers' needs and high-growth industries. The Engineering Technology Program Collaboration used this approach to identify the shortage of workers with engineering skills in northeast Wisconsin.
- **Provide more practical work experiences for students.** States can expose students to a professional environment sooner. Some examples include apprenticeship-style workforce opportunities for high school students, mentorship programs with local small business owners, and using schools as business incubators to expose students to entrepreneurial experiences.
- **Accelerate the preparation of low-skill adult workers.** States can combine programs that provide basic skills and technical/professional training. Low-skilled workers often have other barriers to their productivity, including inadequate child care or unreliable transportation, which need to be addressed. (See Karin Martinson's chapter in this report for a discussion about programs for low-skilled workers.) These workers also could benefit from entrepreneurship and small business development opportunities.
- **Address the chronically unemployed.** States can connect workers who face barriers to employment, including people who are homeless or who have criminal records, with programs like transitional jobs to move them into the workforce. (See Marc Pelka's chapter in this report for more information on programs for people with criminal records.) This may require providing social services such as access to mental health care or recovery treatment and support.

The Engineering Technology Program Collaboration used data to identify and address the shortage of workers with engineering skills in northeast Wisconsin.

Following the Employer's Lead

The skills that employers will require in the future will vary. Many companies will prioritize critical-thinking and problem-solving skills, as well as the ability to exhibit entrepreneurial behavior and be an effective team member. Often workers will be expected to have versatile soft skills and learn the specific technical skills required of the job. Wisconsin's educational system must be flexible enough to provide a quality workforce that satisfies both ends of the skills spectrum.

States have an opportunity to adjust the current higher education system to better prepare future workers for success in an evolving economy. This is similar to the early 20th century, when states responded to the increasingly industrialized economy by requiring universal

A growing body of evidence indicates that younger, smaller companies are driving positive net job creation in Wisconsin.

high school education. Now, education investment could be central to a long-term strategy for skills that will be required to support and work alongside new technologies.

Shaping the Future Labor Force

While meeting the needs of current employers, policy levers also can be used to proactively shift the industrial makeup of Wisconsin. A growing body of evidence indicates that younger, smaller companies are driving positive net job creation in Wisconsin.¹² Policies could be enacted that support entrepreneurs to produce more business startups and expand industries that require highly skilled employees.

- States such as California have encouraged “economic gardening” programs that focus on supporting young, high-growth-potential companies by connecting them with strategic market information and encouraging the development of critical infrastructure.¹³
- Tax incentives or loan guarantee programs that encourage financing for new businesses could be targeted to new and young businesses with demonstrated potential.
- There may be opportunities to redirect incentives historically used to recruit out-of-state businesses toward Wisconsin’s entrepreneurs who are just getting started.

Raising awareness of these types of programs and making them easily accessible is important, because business owners may miss opportunities due to lack of knowledge about them or simply because the time requirements are burdensome.

Attracting Workers and Their Families

Although data suggest that people in the United States are becoming less mobile, there are opportunities to attract workers to Wisconsin. The historical pattern of “people following jobs” has shifted to “jobs following people.” Why is this happening? First, we are shifting from larger manufacturers as a primary source of employment to a more service-oriented economy. Many of these services are aimed at meeting the needs of households, and when the population of a place increases, these businesses move in or start up. Second, people are increasingly focused on quality of life and are willing to give up some income to live in a preferable location.

Many communities are pursuing a strategy broadly defined as “place making.” In an effort to improve the quality of life, communities are making investments in natural amenities, roadway conditions including benches, sidewalks, and landscaping, as well as key public services such as fire protection and safety. Some also have enhanced their cultural facilities (e.g., libraries), events (e.g., concerts), and, most importantly, their schools. The end goal is to make the community as attractive as possible to future residents and entrepreneurs.

Supporting Working Families

There are also several ways for states to support parents in the workforce. A growing body of evidence suggests that working parents, especially mothers of young children, are largely affected by child care availability. Women are still responsible for the majority of child, spousal, and elder care, putting extra strain on their work day. Low-income and single-parent households are among the most vulnerable to these challenges. Without available, affordable, and reliable child care, it is difficult for parents to accommodate the demands of conventional employment, which often features limited, if any, schedule flexibility and few opportunities to work from home. When young mothers have access to care, they are more likely to stay in the workforce while raising their children. Effectively, this also supports

employers who risk losing highly trained and experienced workers to the demands of child rearing. If working parents are able to stay employed, businesses save on recruitment and training costs. Thus, the interests of both workers and employers are represented in child care policy.

KEY TAKEAWAYS AND NEXT STEPS

This chapter highlighted some labor market challenges for policymakers to address.

- There aren't enough younger workers to replace the growing population of retiring workers.
- Although few workers are leaving the state (out-migration), even fewer are moving to the state (in-migration). Wisconsin has a brain gain problem.
- The state is experiencing job polarization. The jobs that are growing are at the low end of the skills spectrum (those that require a high school diploma or less) and at the high end (those that require an associate's or bachelor's degree, or higher).
- Middle-skill jobs that handle routine tasks are decreasing due to automation and technology. This has had a ripple effect on the number and type of jobs that are available. It has led to a growth in jobs that support the automated processes, which offsets some (but not all) of the initial job loss. It also has led to an increasing overall demand for higher-skilled workers to manage the technological advancements.
- Despite the high growth of jobs requiring a bachelor's degree or higher, Wisconsin has too many high-skilled workers for the number of jobs. This could be one reason these workers leave the state—to find employment that matches their skill level. This trend is expected to continue, which may lead to continued out-migration of young, talented workers.
- Low-skilled jobs are growing extremely fast; however, there are not enough appropriately skilled workers to fill them. This skills mismatch is partly due to workers not living where the jobs are located (a geographic mismatch). One concern with the growth of low-skilled jobs is that it could lead to a growth in the number of working poor in Wisconsin, because these jobs often do not provide the wages and benefits that support a higher quality of life.

There are several strategies for addressing the worker shortage and geographic and skills mismatches, some of which were described above.

- With the federal Workforce Innovation and Opportunity Act (WIOA) as a backdrop, there are several strategies Wisconsin can use to match the skills of workers with the needs of employers.
- As job growth in the state continues to cluster at the high and low end of the skills distribution, it is worth considering what a desirable mix of future job offerings looks like and how it can be achieved. In particular, the use of data for workforce planning, alternative and accelerated training programs, and the higher education system can offer the training and resources that benefit high-skilled workers.

- Another state-level strategy is to be more forward-looking and shape future industry growth, rather than solely respond to the demands of current employers. For example, promising policy options include supporting entrepreneurial start-ups and focusing on efforts that increase high-skill positions.
- At the local level, some communities have pursued a “place making” strategy to improve the quality of life and attract residents and entrepreneurs. At the state level, investing in infrastructure and education could make Wisconsin communities more appealing. Further, hosting workshops and funding grant programs for communities pursuing such initiatives could help build desirable living destinations for families.
- States can also attract and retain working families by enacting policies that facilitate parents’ successful participation in the workforce, such as available, affordable, and reliable child care.

Although Wisconsin’s current labor market and future trends could evolve into a more serious labor shortage, the state has a unique opportunity to leverage rigorous policy research and proactively change its course. For example, now, as employers need qualified workers, they may be more open to training under-skilled workers or hiring people they would not otherwise consider (e.g., people with criminal records, the chronically unemployed). Successful approaches for working with these populations, to help them move into higher-paying, family-supporting jobs, are addressed in the following chapters in this report. Using such evidence-based strategies, state policymakers can create the conditions under which employers and workers are successfully matched, and the state economy can prosper.¹⁴

Tessa Conroy is an Assistant Professor in the Department of Agricultural and Applied Economics at the University of Wisconsin–Madison and an Economic Development Specialist with UW–Extension. Her research focuses on Wisconsin’s economic development and labor market, entrepreneurship, and business climate. As an Extension specialist, she has produced reports, briefs, and fact sheets on Wisconsin’s economy, job creation, and the education pipeline. During her graduate studies, she served as a policy research assistant with both the Congressional Research Service and Center for Economic and Policy Research in Washington, D.C. Conroy earned her Ph.D. in Economics from Colorado State University.

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EVIDENCE-BASED APPROACHES FOR IMPROVING ECONOMIC SUCCESS FOR LOW-INCOME WORKERS

By Karin Martinson, Principal Associate, Social and Economic Policy, Abt Associates

Given the labor market challenges in Wisconsin, there is growing interest in what works to engage and support as many workers as possible. Low-income adults often face a range of barriers to employment, including low levels of education and basic skills, child care and transportation difficulties, and substance abuse and health challenges. Rigorous evaluations and cost-benefit analyses have identified four successful approaches that can help low-income, low-skilled adults succeed: service- and treatment-focused preparation programs, financial incentives and work supports, employer-based training such as subsidized employment and apprenticeship, and skill-building programs such as career pathways. Successful programs tend to combine more than one approach and involve public-private partnerships. These programs have the potential to alleviate the economic and personal distress of low-income adults and their families, as well as to strengthen Wisconsin's economy.

WHAT BARRIERS DO LOW-INCOME INDIVIDUALS FACE IN THE LABOR MARKET?

Over the past four decades, a substantial amount of research has focused on how to (1) move low-income individuals and those on welfare or at risk of dependency into the labor market, (2) help them remain employed, and (3) assist them in career advancement and wage growth. Through this research, we have developed a knowledge base about strategies that are effective in achieving these goals and those that are not. Given the challenges some Wisconsin employers face in finding labor, particularly skilled labor, there is a growing interest in what works to engage and support as many potential workers as possible. Such programs and approaches can not only alleviate the economic and personal distress of these individuals and strengthen their families, but also have the potential to help Wisconsin's economy.

A range of factors affect the ability of low-income individuals to achieve success in the labor market. First, a range of personal barriers can make it difficult for low-income individuals to find or keep jobs without intervention or support. Many low-income individuals, including those receiving cash assistance through the Temporary Assistance to Needy Families (TANF) program, have at least one barrier to employment, and some have multiple barriers, including health issues and disability, substance abuse, criminal records, domestic violence, or other crises that cause them to be unable to find or keep jobs.¹ Studies have shown that in about one-quarter of families with incomes less than 200 percent of the poverty level, neither parent worked in the past year or one parent worked only part of the year; in about one-third of these cases, a parent's disability limited work.²

Second, there are many people who work, but they do not work consistently enough or at jobs that pay enough to support a family. Low retention can be due to the nature of low-paying or entry-level jobs, which often have limited benefits, unpredictable hours,

In about one-quarter of families with incomes less than 200% of the poverty level, neither parent worked in the past year or one parent worked part year; in about one-third of these families, a parent's disability limited work.

Karin Martinson

and few opportunities for advancement.³ High rates of worker absenteeism—often associated with child care, health, and transportation problems—can lead to workers leaving or getting fired from jobs that may lack adequate paid leave policies.⁴ Low-income single mothers in particular have high rates of turnover, even after accounting for their lower education levels, and the frequency of turnover rises with the number of children they have.⁵ State studies of employed former welfare recipients found that between 15 percent and 40 percent of parents report they have left a job or are not working because of child care problems.⁶ Some workers cannot find reliable, convenient child care because they work nonstandard hours.

Finally, in an increasingly global and competitive labor market, many workers lack the skills to meet U.S. businesses' workforce needs. Indeed, over the past 30 years, individuals with a high school education or less experienced stagnating wages and high unemployment, while those with postsecondary credentials experienced economic gains.^{7, 8}

Many low-income, low-skilled adults face barriers to completing training for skilled jobs including lack of basic academic skills, work and family responsibilities, few economic resources to cover tuition, and previous negative school experiences.

Middle-skill jobs, which generally require education beyond high school but not a four-year degree, make up a large share of the U.S. labor market, and approximately 20 percent of projected job openings are expected to be in middle-skill occupations with earnings greater than \$30,000. While these “good jobs” are available, employers in key industries often cannot find sufficiently trained workers to fill them.⁹ Skill upgrades through occupational training appear critical to fill these jobs; however, many low-income, low-skilled adults face considerable barriers to completing the necessary training for skilled jobs including lack of adequate basic academic skills, work and family responsibilities, few economic resources to cover tuition, and previous negative experiences in school.^{10, 11}

In sum, low-income adults face a range of barriers in the labor market. The good news is that research has identified effective approaches for engaging and supporting these workers.

WHAT PROGRAMS AND APPROACHES HELP LOW-INCOME, LOW-SKILLED WORKERS SUCCEED IN THE LABOR MARKET?

An extensive body of rigorous research points to four overarching approaches that can help low-income, low-skilled workers succeed in the labor market.¹²

A. Service- and treatment-focused employment preparation

Aimed at people with significant barriers to employment (the “hard to employ”), this approach focuses on strategies that provide targeted services and/or treatment services (e.g., substance abuse treatment, mental health services, domestic violence assistance, supports for physical and/or learning disabilities), in combination with employment services. These strategies address underlying barriers and focus on improving employability by conducting assessments, defining service plans, and providing or arranging for services and treatment. Some programs take a “treat first” approach, by reducing the barriers to the point that an individual can take advantage of more employment-oriented activities, while others integrate employment and treatment options in some fashion.

For example, there is evidence that some specific treatment approaches improve employment outcomes for those with mental health issues such as depression, anxiety, and other conditions. These approaches include improving access to and quality of mental health care and integrating employment interventions with mental health treatment.^{13, 14}

What Works: IPS and WeCare

The Individual Placement and Support model has produced positive economic effects for people with mental illness¹⁵ and is being implemented in many states, including Wisconsin. IPS provides rapid placement in unsubsidized jobs selected to match the participants' preferences, and a team of specialists provide a range of supports. Because of its success for those with mental health issues, IPS also is being tested for people in methadone maintenance, people in the justice system with mental illness, youth transitioning to adulthood, and those receiving or applying for Social Security Disability Insurance.

The Wellness, Comprehensive Assessment, Rehabilitation, and Employment (WeCare) program in New York City is another example of this approach. The program provides employment-focused services to cash assistance recipients who have physical and mental challenges. One pillar of the model is comprehensive assistance that includes a medical examination and interview that incorporates the participants' psychological histories, case management, and customized services planning – all linked to specialized employment services that accommodate participants' limitations.¹⁶

B. Financial incentives to stay employed and work supports

Even when they find jobs, low-income workers can face challenges in making ends meet and remaining in the labor market in part because of the nature (e.g., unpredictable hours) and wages of some low-skill jobs. To address these challenges, many states have created or expanded financial incentives and rewards that provide greater economic stability for low-wage workers and their families. Some policies are designed to encourage work through financial incentives, such as tax credits and wage supplements, while others are designed to provide support for basic needs for low-income families while they are working, such as the Supplemental Nutrition Assistance Program (SNAP), child care subsidies, and Medicaid. Importantly for employers, these incentives and supports can also promote job retention, thereby reducing the costs associated with high job turnover.¹⁷

The Earned Income Tax Credit (EITC). Evaluations generally support the view that financial incentives that reward work can raise employment rates and earnings among low-wage workers. The clearest example of a financial incentive program is the Earned Income Tax Credit (EITC), which provides a roughly 40 percent earnings subsidy to low-income working parents up to about \$10,000 of earned income. In addition, 26 states including Wisconsin have implemented their own earned income credits to supplement the federal program.¹⁸ Research shows that the federal EITC has had large, positive impacts

Financial incentives (e.g., EITC) and work supports (e.g., child care assistance) can promote job retention, thereby reducing employers' costs associated with high job turnover.

Research shows that the federal EITC has had large, positive impacts on the net incomes of low-income families who work and dramatic improvements in well-being among their children.

on the net incomes of low-income families who work and dramatic improvements in well-being among children in those families.^{19, 20} In 2015, approximately 394,000 Wisconsin workers claimed an average of \$2,194 from the federal EITC and 253,000 workers claimed an average of \$394 from the state EITC.²¹

Other Earnings Supplements. Other programs provide earnings supplements to welfare recipients after they leave cash assistance and work full-time. Studies of such programs, including TANF earnings disregards (where individuals maintain part of their cash benefit when they return to work) and other types of supplements offered outside of TANF, found that these models can encourage work and increase income.²² However, the effects on welfare use varied with the structure of the earnings supplement. Families that had to leave welfare to receive the program's earnings supplement reduced their use of welfare. Families that had to remain on welfare to receive the earnings supplement increased their use of welfare above what it would have been. The effects of the programs diminished over time, in part because the programs ended, and in part because the early employment effects did not lead to lasting wage gains. Combining earnings supplements with employment services produced larger effects than supplements alone.

What Works: New Hope

The New Hope pilot program operated between 1994 and 1998 in Milwaukee. In addition to providing an earnings supplement, the program offered guaranteed health benefits, child care, and community service jobs. The program was available to a wider range of low-income parents than just welfare recipients. A rigorous evaluation showed New Hope increased employment, income, and parents' well-being over an eight-year period. Adults in the program were more likely to work as a result of participating, and the combination of earnings supplements and the EITC resulted in higher incomes. New Hope affected children's environments by increasing parents' use of center-based child care, led youth to spend more time in structured, supervised out-of-school activities, and had positive effects on children's academic performance and test scores.²³

Other Work Support Programs. Low participation rates in existing work support programs such as SNAP and Medicaid may exacerbate the poor economic well-being of low-income individuals. Workers may not be aware of programs or how to access them, and must navigate a complex and fragmented system with varying eligibility criteria and program rules administered by multiple bureaucracies in different locations. Workers may also decline participation because of stigma associated with the welfare system or inability to access programs due to work schedules. In some cases, limited public funding limits program participation.

As a result, several states have undertaken comprehensive efforts to connect workers with multiple work supports at a single point of access other than welfare offices, and have created centralized websites that provide information and eligibility screening for multiple programs.

Research to Watch: Work Support Strategies

Work Support Strategies (WSS) is a multiyear, multistate, foundation-funded initiative to help low-income families get and keep the package of work supports for which they are eligible.²⁴ States selected to participate include Colorado, Idaho, Illinois, North Carolina, Rhode Island, and South Carolina. Through grants, expert technical assistance, and peer learning, the initiative will help these states reform and align the systems delivering work support programs intended to increase families' well-being and stability, particularly SNAP, Medicaid, the Children's Health Insurance Program, and child care assistance.

C. Employer-based training

With an emphasis on building worker skills that increase employment and earnings, these approaches typically include technical skills training for a particular job or occupation, often within a supportive environment for learning work behaviors and other "soft" skills that low-income individuals may lack. Employers may receive a subsidy for providing training, and work in coordination with public programs and funding sources.

Subsidized Employment

Subsidized employment, also known as transitional employment (especially in the nonprofit or public sector) and on-the-job training (in the workforce development system), is one type of employer-based training. Employers receive subsidies—usually public funds—to provide jobs, training, and support for a specified time period. Participants receive a paycheck from the employer (in part paid by the subsidy), pay taxes, and qualify for the EITC, while typically receiving supports and training beyond what standard employees receive.

Research has shown that subsidized employment programs have a wide range of potential benefits. For example, several rigorously evaluated programs dramatically improved employment and earnings while the jobs were in place, but the evidence is mixed as to whether they produce lasting improvements in participants' labor market outcomes.²⁶ Some programs have had positive effects on other important outcomes such as decreased family public benefit receipt, improved school outcomes among workers' children, increased workers' school completion, decreased criminal justice system involvement among workers and their children, improved psychological well-being, and reduced longer-term poverty. All of the studies involving a cost-benefit analysis suggest the programs were cost-effective²⁷ (see Figure 1).

Based on current evidence, subsidized employment programs with longer-lasting interventions and complementary supports may be particularly likely to improve employment and earnings. Other promising key components appear to be strong employer engagement, wraparound services, and longer-term post-placement retention services.²⁸

Some subsidized employment programs have had positive effects on other outcomes such as decreased family public benefit receipt, improved school outcomes among children, and decreased criminal justice involvement among workers and their children.

FIGURE 1
Cost-Benefit Analyses of Rigorously Evaluated Subsidized Employment Programs

PROGRAM	TARGET POPULATION	COST-BENEFIT ANALYSIS RESULTS
Aid to Families with Dependent Children (AFDC) Homemaker-Home Health Aide (HHHA) Demonstration	AFDC recipients, primarily single mothers	Counting the value of the work itself, social benefits outweighed costs in 6 out of 7 demonstration states.
Center for Employment Opportunities (CEO)	Formerly incarcerated	Cost-effective for taxpayers, victims, and participants primarily due to reduced criminal justice system expenditures.
National Supported Work Demonstration	Multi-year AFDC mothers; recovering addicts; formerly incarcerated; young high school dropouts	Social benefits far outweighed social costs for mothers participating in welfare. Smaller net benefits for recent drug treatment participants. Cost-benefit results were unclear for the formerly incarcerated, and negative for the youth-dropout group.
New Hope for Families and Children-Milwaukee	Low-income people seeking full-time work	Highly cost-effective, largely due to improved behavior among boys.
On-the-Job Training (OJT) in Job Training Partnership Act (JTPA)	Welfare participants; young people not in school; young males arrested since age 16	Cost-effective for adults, but not for youth.
Structured Training and Employment Transitional Services (STETS) Demonstration	Youth with intellectual disabilities, ages 18-24	Socially cost-effective for targeted participants within 4.5 years of enrollment.
Transitional Employment Training Demonstration (TETD)	Supplemental Security Income (SSI) recipients with intellectual disabilities, ages 18-40	As a result of higher net incomes among participants and savings from reduced public outlays, cost-effective from a social standpoint.

Note: Adapted from Dutta-Gupta, I., Grant, K., Eckel, M. & Edelman, P. (2016). *Lessons learned from 40 years of subsidized employment programs: A framework, review of models, and recommendations for helping disadvantaged workers*. Washington, DC: Georgetown Center on Poverty and Inequality.

The Wisconsin Department of Children and Families offers subsidized employment programs (e.g., Transform Milwaukee, Transitional Jobs, and Trial Employment Match Program) in some counties.

State Highlight: Washington

While many subsidized programs are operated at the local level, several statewide programs also exist. For example, Washington's Community Jobs program has served 25,000 TANF recipients with significant barriers to employment since its inception in 1997.^{29,30} The program, which places participants in six-month, 20-hour per week paid positions and includes 10 to 20 hours of individualized barrier management and skill development, is operated by more than 20 community-based organizations. Participants enroll in additional activities including education, job readiness training, job skills enhancement, life skills training, or community service.

Apprenticeship

Another type of employer-based training of growing interest in the United States is apprenticeship—learning under expert trainers that culminates in an industry-recognized occupational credential. Unlike learning in most career and technical education programs, apprenticeship learning takes place primarily at work sites, where participants provide value for the employer and receive training to achieve occupational mastery. Apprenticeship programs typically last two to six years, with the training provided primarily by the employer, although training providers are sometimes involved. Training is based on occupational standards that document the skill, education, and knowledge required to achieve an apprenticeship credential. Unlike most training programs, apprenticeships require states to make an up-front marketing investment to attract employers, but have the potential to yield a long-term flow of private training that involves little government funding.

Apprenticeships offer several potential advantages for building skills and helping workers enter rewarding careers.³² They allow workers to earn wages and produce value while gaining proficiency in an occupation. Apprenticeships typically emphasize learning by doing and applying skills over a classroom-based and theoretical approach, and align training content with employer demand. In addition, apprenticeships involve low opportunity and out-of-pocket costs for workers and low financial costs to government, because much of the training is delivered at work sites and is funded by employers. Workers can potentially earn more as apprentices than they would have in the absence of an apprenticeship. Apprenticeships may also benefit employers by reducing turnover, improving the process of selecting workers to fit well in the organization, ensuring permanent workers have the requisite skills, and lowering the costs of finding well-qualified workers.

Apprenticeship plays a major role in preparing workers for careers in Austria, Germany, Switzerland, Australia, Canada, and England. At any time, about 3 percent to 4 percent of the workforces in these countries take part in an apprenticeship. In contrast, U.S.

Apprenticeships involve low opportunity and out-of-pocket costs for workers and low financial costs for government, because much of the employer-funded training is delivered at work sites.

apprenticeships in the civilian sector make up only 0.2 percent of workers.³³ Several factors have limited the growth of apprenticeship in the United States. One limiting factor is informational. Employers may not know about the availability and benefits of operating a program. Lack of funding for marketing and for financing the academic training linked to apprenticeship are two additional factors.

A study of 10 states estimated returns to apprentices of about \$60,000 over nine years and returns to taxpayers of \$28 for each dollar spent.

Research on the impacts of existing U.S. apprenticeship programs suggests a high return on investment for workers and taxpayers. For example, one study showed gains of \$59,000 for apprentices and almost \$12,000 for taxpayers within the first 2½ years after completion; lifetime benefits totaled \$332,000 for workers and \$87,000 for taxpayers.³⁴ These net gains were greater than those for participants in community college professional-technical programs. A recent study of 10 states estimated returns to apprentices of about \$60,000 over nine years and returns to taxpayers of \$28 for each dollar spent.³⁵

Research to Watch: Apprenticeships

In an effort to encourage the growth of apprenticeships, the U.S. Department of Labor provided grants in September 2015 of more than \$175 million over five years to 46 public-private partnerships to develop and implement apprenticeships. Two Wisconsin grantees—the Milwaukee Area Workforce Investment Board and Wisconsin Department of Workforce Development—offer apprenticeships in information technology, manufacturing, health care, and construction.

D. Skill-building through training and education

Another approach to improve the retention and advancement of low-wage workers is to increase their skill levels. A significant body of research shows that higher education levels are associated with increased earnings and lower unemployment rates. However, as outlined above, many low-income adults face barriers to training, such as postsecondary institutions that are not prepared to serve non-traditional students, including low-income adults. Research shows that while some job training programs produced small, favorable earnings impacts, many showed no evidence of impact.^{36, 37}

Career Pathways

The career pathways approach is a promising strategy to improve postsecondary education and training for low-income and low-skilled adults, and deliver larger and longer-lasting results than previous strategies. These programs seek to incorporate workforce development innovations (for example, targeting industry sectors) that potentially result in deeper labor market knowledge and stronger employer relationships. Thus, this approach creates a better match between training and in-demand skills than previous job-training efforts.³⁸

Career pathways programs create manageable training steps that lead to successively higher credentials and employment opportunities in growing occupations. The programs are designed to allow entries, exits, and re-entries at each step, depending on a worker's skill level and prior training, employment prospects, and changing personal situation.

To effectively engage and retain participants, and to facilitate learning, career pathways programs include four additional elements: (1) comprehensive assessment, (2) integration of basic and occupational skills training, (3) academic and non-academic supports, and (4) strategies for connecting participants to employers. Programs vary in terms of emphasis placed on each core component, although all are comprehensive in order to address the needs of non-traditional students.³⁹

Career pathways programs create a better match between training and in-demand skills than previous job training efforts.

Research to Watch: Career Pathways

Substantial research on career pathways is in progress, with encouraging early results. Several studies have shown strong employment impacts for programs focused on a sectoral approach, including the Sectoral Employment Impact Study and the WorkAdvance program.^{40, 41} An evaluation of Project Quest, which provides supports to help people complete training at community colleges, found earnings gains over six years.⁴² In addition, an evaluation of nine promising career pathways programs funded by the U.S. Department of Health and Human Services is underway, with Madison College as one site. Early results (available for only two sites) found the programs significantly increased the receipt of training and credentials, and the study is tracking whether this ultimately translates into sustained economic benefits.^{43, 44}

KEY TAKEAWAYS AND NEXT STEPS

In Wisconsin and other states that are experiencing a potential labor shortage, particularly in high-skill, high-demand occupations, policymakers have the opportunity to alleviate some of the problem by engaging and supporting current and potential workers. This chapter highlighted some challenges faced by low-income, low-skilled workers to entering, staying in, and advancing in the labor market.

- Some workers have significant and multiple barriers to employment, including health issues and disability, substance abuse, criminal records, domestic violence, limited education, or other crises that cause them to be unable to find or keep jobs.
- Jobs that require some level of postsecondary education or training are even more difficult for low-income, low-skilled adults to obtain, with many facing considerable barriers to completing even short-term training for entry-level jobs.
- Many people work, but they do not work consistently enough or at jobs that pay enough to support a family. Low retention can be due to the nature of jobs that are typically low-paying or entry-level, with limited benefits, unpredictable hours, and few opportunities for advancement. High rates of worker absenteeism, often associated with child care, health, and transportation problems, as well as limited paid leave policies, can lead to job loss.
- Low-income single mothers in particular have high rates of turnover, even after accounting for their lower educational levels, and the frequency of turnover rises with the number of children that they have.

As legislators and other state policymakers consider which programs and approaches to support and invest in, research supports several key takeaways.

- Successful programs tend to combine elements from several approaches and provide a relatively comprehensive range of services. For example, numerous programs mix approaches such as combining skill development with subsidized jobs and linking access to work supports.
- Because of the comprehensive nature of successful programs, many involve multiple public- and private-sector partnerships. Stakeholders include workforce development agencies, community colleges, TANF agencies, community-based organizations, and employers. The programs often receive public-sector support from several funding streams, but with strong private-sector involvement.
- Given the nature of low-wage work with limited opportunity for advancement, strategies to support those who work consistently but earn little, and strategies to provide skills upgrades, either at a job site or through other institutions, are important.
- Given the growth of middle-skilled jobs and shortage of skilled workers in some sectors, skill development continues to be a critical employment strategy, with efforts involving apprenticeship and a career pathway approach showing promise.
- Addressing the needs of people facing substantial challenges to work such as mental health and substance abuse are likely to require a significant investment and comprehensive services.

These approaches can not only meet Wisconsin's labor force needs, but they can also promote financial well-being for low-income people and their families.

Karin Martinson is a Principal Associate at Abt Associates with 30 years of experience evaluating a wide range of employment strategies for low-income families, including postsecondary education, apprenticeship and employer-based strategies, income support, welfare-to-work programs, and child support policies. She leads Abt's work for the U.S. Department of Labor and previously worked on welfare reform for the U.S. Department of Health and Human Services. Prior to this position, she was a Senior Research Associate for the Urban Institute. Martinson has a Master's Degree in Public Policy from the University of California at Berkeley.

Karin Martinson was unable to present at the Family Impact Seminar on January 31, 2018. We are grateful that her colleague Julie Strawn was able to participate in her place.

Julie Strawn is a Principal Associate at Abt Associates with more than 25 years of experience developing and analyzing policies and programs to help low-income adults gain the skills and credentials needed to advance to better jobs. She focuses on the Pathways for Advancing Careers and Education (PACE) project, a rigorous evaluation considered to be the first large-scale national assessment of career pathways. Prior to joining Abt, Strawn was a Senior Fellow at the Center for Law and Social Policy where, among other projects, she designed and led the Shifting Gears initiative. The initiative provided technical assistance and peer learning opportunities to six Midwest states

(including Wisconsin) from 2007-2012 to scale up and sustain innovation in adult education, workforce development, and postsecondary education. She also has worked for the National Governors' Association, the U.S. Department of Health and Human Services, and the U.S. House of Representatives. Strawn holds a Master's Degree in Public Affairs from the Woodrow Wilson School of Public and International Affairs at Princeton University.

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STRATEGIES TO IMPROVE EMPLOYMENT OUTCOMES FOR PEOPLE WITH CRIMINAL HISTORIES

By Erica Nelson, Policy Analyst, Council of State Governments Justice Center
and
Marc Pelka, Deputy Director of State Initiatives, Council of State Governments Justice Center

The successful employment of people with criminal records—including 22 percent of adults in Wisconsin—strengthens their families, reduces recidivism, and helps meet the state’s workforce needs. To better address the barriers these individuals face, new programs have integrated proven recidivism-reduction approaches from the corrections field with best practices for improving job readiness from the workforce development field. A growing body of research provides guidance on ways to ensure programs are cost-effective and connect the right resources with the people who need them most. To lessen the negative effects of “collateral consequences” on an individual’s employability, 31 states have passed legislation that provides some level of criminal record “clearance.” In addition, an increasing number of states have established certificates of recovery to help job seekers demonstrate progress in rehabilitation and training to employers.

WHAT IS THE CONNECTION BETWEEN PEOPLE WITH CRIMINAL HISTORIES AND WISCONSIN’S WORKFORCE?

As Wisconsin policymakers and employers look for ways to strengthen and expand the state’s workforce, it is important to identify ways to help people with criminal histories find and keep employment, and to support the employers who hire them. The number of potential workers in this group is large, as the vast majority of people who are in jails and prisons nationwide will eventually return to the community.¹ In Wisconsin, nearly 8,900 people were released from state prisons in 2016—an average of 740 people per month,² and according to recent estimates, 22 percent of Wisconsin adults have a criminal record.³

Further, policymakers as well as corrections, reentry, and workforce development administrators and practitioners across the country have made it a priority to ensure that people returning to the community from incarceration do not commit new crimes.^{4, 5, 6} Federal, state, and local government officials view employment as critical to successful reentry and have emphasized the need for people released from prison and jail to receive services that help them pursue employment. Indeed, when asked about their post-release plans, incarcerated people typically say that getting a job is crucial to their ability to stay crime-free.⁷

WHAT ROLE DOES EMPLOYMENT PLAY IN SUCCESSFUL REENTRY?

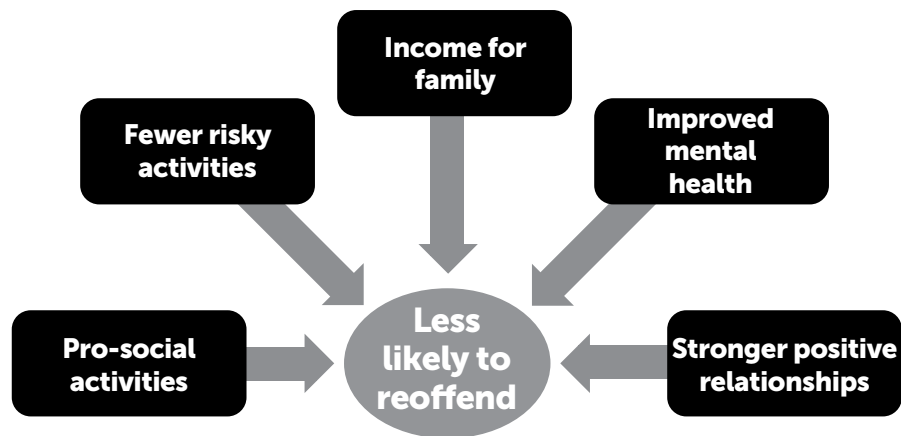
Employment can make a strong contribution to recidivism-reduction efforts because it refocuses people’s time and efforts on prosocial activities, making them less likely to engage in risky behaviors and associate with people who do.

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In Wisconsin, nearly 8,900 people were released from state prisons in 2016—an average of 740 people per month.

Having a job also enables people to contribute income to their families, which can generate more personal support, stronger positive relationships, enhanced self-esteem, and improved mental health, especially when someone has stable employment with earnings above minimum wage (see Figure 1).⁸ For these reasons, employment often is seen as a gateway to becoming and remaining a law-abiding and contributing community member. Employment also has important societal benefits, including reduced strain on social service resources, contributions to the tax base, and safer, more stable communities.

FIGURE 1
Five Benefits of Employment That Play an Important Role in Successful Reentry



When people returning to the community from incarceration seek work, many face barriers, such as unmet behavioral health needs and housing instability, that make it difficult to obtain and keep employment. This population also may have work-related characteristics (e.g., a low level of performance and satisfaction on the job) that correlate with characteristics associated with criminal behavior (e.g., antisocial behavior and attitudes), placing them at higher risk of committing a crime. Various studies suggest that to reduce criminal behavior and recidivism, employment service providers and corrections professionals must address people's antisocial attitudes and beliefs associated with crime, many of which also affect someone's ability to succeed in the workplace.⁹ For employment service providers to help lower people's risk of recidivism, people must be motivated to change their behavior.¹⁰ In other words, a more prosocial lifestyle is integral to a person's success in employment and other programs.

Studies suggest that antisocial attitudes and beliefs associated with crime—many of which also affect a person's ability to succeed in the workplace—must be addressed.

HOW CAN POLICYMAKERS AND PRACTITIONERS EFFECTIVELY TARGET SERVICES TO IMPROVE EMPLOYMENT OUTCOMES AND LOWER RECIDIVISM?

Given limited financial and staffing resources, policymakers and criminal justice practitioners are looking for effective ways to deliver the right services to the right people at various points in the reentry planning process. One strategy involves integrating proven recidivism-reduction approaches from the corrections field with best practices for improving job readiness from the workforce development field.

A body of rigorous research that includes randomized controlled trials, quasi-experimental design studies, and meta-analyses, decisively shows that proper implementation of risk-need-responsivity (RNR) principles can reduce the risk of recidivism.¹¹ These principles provide evidence-based guidance on who should be prioritized to receive interventions and help determine what needs should be addressed to reduce reoffending and increase public safety.¹² For employment providers serving people with criminal histories, the use of RNR principles provides a cost-effective way to ensure that resources are focused on people who need services most and are not misspent on people who are likely to succeed with little or no interventions.

Validated, objective risk and needs assessments are essential for effective implementation of the RNR principles (see Figure 2). The extent to which information from these assessments can be appropriately shared by corrections officials with workforce development professionals and other reentry or community-based service providers, will improve the process of matching people to appropriate services and reduce the burden of conducting multiple screenings.

The use of RNR principles provides a cost-effective way to ensure resources are focused on people who need services most and not on people likely to succeed with little or no interventions.

FIGURE 2

Assessments Conducted by Corrections and Workforce Development Professionals

Risk/Needs Assessment: A comprehensive examination and evaluation of both dynamic (changeable) and static (historical and/or demographic) criminogenic factors that predict risk of recidivism.

Job-Readiness Assessments and Screenings: Typically, a structured series of questions that collects consistent, useful information from potential program participants. Job-readiness assessments commonly ask questions about a person's history of employment, education and certification accomplishments, attitude toward work, general motivation, and resilience when disappointment occurs.

Key considerations for each RNR principle are discussed below.

- *Risk Principle. Match the intensity of a person's interventions to their level of risk for criminal activity.* Research shows that prioritizing supervision and services for people assessed as being at a moderate or high risk of committing a future crime can lead to a significant reduction in recidivism among this group. Conversely, intensive interventions for people who are at a low risk of recidivism may actually

For people with risk factors that have the greatest effect on reoffending, cognitive behavioral interventions may be needed to reduce their likelihood of reoffending and prepare them for the workplace.

be harmful and may contribute to increasing the person's likelihood of engaging in criminal behavior.

- *Need Principle. Target criminogenic needs—the factors that contribute to the likelihood of new criminal activity.* Understanding risk of future criminal behavior allows service providers to tailor employment services and recidivism-reduction interventions to individual needs. For people with antisocial thinking, behaviors, personality patterns, and peers—the criminogenic risk factors that have the greatest effect on reoffending—cognitive behavioral interventions may be needed to reduce their likelihood of reoffending and prepare them for the workplace.
- *Responsivity Principle. Account for a person's individual abilities, learning style, and motivation, as well as their cultural, ethnic, racial, and gender characteristics when designing interventions.* Learning disabilities and mental, physical, or substance use disorders may also need to be addressed before corrections or employment interventions can be successful.

WHAT ARE EFFECTIVE COMPONENTS OF PROGRAMS DESIGNED TO IMPROVE EMPLOYMENT OUTCOMES?

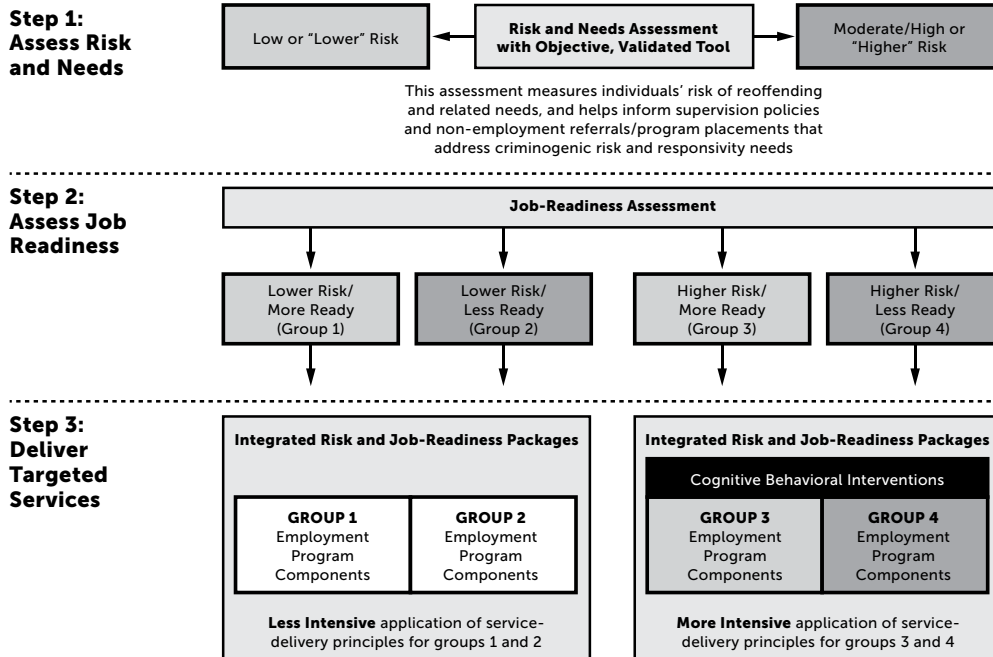
Although people with criminal records share many of the same challenges as the “hard-to-employ” population—people who are chronically unemployed, have low educational attainment, or little work experience—they have additional barriers to employment that must be addressed. Employment programs for this population generally aim to achieve two broad goals: promote job readiness, and help people find and retain employment. Many workforce development services for improving the employment outcomes of people with criminal histories are available. For people who are less job ready, services include education and training, soft/cognitive-skill development, transitional job placements, and non-skill-related interventions (e.g., mental health and substance-use treatment, and assistance with logistical challenges such as housing and transportation). For people who are more job ready, services include unsubsidized employment, job development and coaching, retention and advancement services (such as continuing education and training), and financial work incentives. In most circumstances, multiple program components must be used to meet people's complex needs as they change over time.

HOW CAN BEST PRACTICES FROM THE CORRECTIONS, REENTRY, AND WORKFORCE DEVELOPMENT FIELDS BE INTEGRATED TO REDUCE RECIDIVISM AND IMPROVE JOB READINESS?

The Integrated Reentry and Employment Strategies (IRES) framework is based on RNR principles and incorporates best practices from the corrections, reentry, and workforce development fields. The framework introduces a resource-allocation and service-matching tool (see Figure 3), with the aim of improving outcomes for people with criminal histories. Policymakers, as well as corrections, reentry, and workforce development administrators, can use the tool to better determine whether resources are being used effectively. Practitioners can use it to help ensure that people who have criminal histories are connected to the most appropriate interventions based on their assessed risk to reoffend and associated needs, including readiness for work, thus reducing their chances of reincarceration.

FIGURE 3

Integrated Reentry and Employment Strategy (IRES) Framework



People released from prison or jail, or who are starting probation or parole, complete the criminogenic risk/needs assessment and job-readiness assessment/screening and are placed into one of four groups: lower reoffending risk/less job ready, lower reoffending risk/more job ready, higher reoffending risk/less job ready, and higher reoffending risk/more job ready. By grouping people this way, they can be connected to the most appropriate combination and intensity of interventions, supervision, and employment services. Line-level staff can individualize plans to meet the diverse needs of people within each group.

In sum, this tool is meant to help jurisdictions better define the needs of their population, target services accordingly, and leverage their collective resources through multisystem collaboration, cross-training, and planning. Service providers can make better use of existing employment resources in the community to reduce recidivism and risk factors that affect employability.

HOW IS RESEARCH ABOUT PROMOTING JOB READINESS AND REDUCING RECIDIVISM BEING PUT INTO PRACTICE ACROSS THE COUNTRY?

Applying the Integrated Reentry and Employment Strategy (IRES) Framework in Milwaukee County, Wisconsin

In early 2015, The Council of State Governments (CSG) Justice Center and the U.S. Department of Justice’s (DOJ) Bureau of Justice Assistance selected Milwaukee County as one of two sites (the other is Palm Beach County, Florida) to apply the IRES Framework on a systems level. Supported by DOJ and the Annie E. Casey Foundation, and with guidance

In 2015, Milwaukee County was selected as one of two sites to apply the IRES framework on a systems level.

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from the U.S. Department of Labor, the CSG Justice Center began working with the pilot sites to operationalize cross-systems coordination among corrections, reentry, and workforce agencies, including community-based agencies at a level rarely seen in the field.¹⁴

The Wisconsin Department of Corrections (DOC) and Milwaukee County's local workforce investment board, Employ Milwaukee, collaborate on the project. Milwaukee County, to which the highest proportion of people released from prison return, was chosen due to the partners' committed leadership and the agencies' mature infrastructure, as well as the strong presence of community-based agencies providing workforce services. The project is guided by a steering committee that includes stakeholders from the corrections, reentry, and workforce development fields and is led by an executive committee, which includes Lieutenant Governor Rebecca Kleefisch, Senator Lena Taylor, Representative Rob Hutton, Mayor Tom Barrett, Wisconsin Department of Corrections Secretary Jon Litscher, and Wisconsin Department of Workforce Development Secretary Ray Allen.¹⁵

CSG Justice Center staff worked with stakeholders to map what programming and services were available pre- and post-release and how people in the DOC system were connected to them. Next, CSG Justice Center staff began discussing with state and local leaders the capacity to provide reentry and employment services to people while incarcerated in four prisons as well as after release, and how these services could be better coordinated. In-prison programming included Thinking for a Change and Cognitive Behavioral Interventions for Offenders Seeking Employment. These evidence-based interventions address needs related to a person's likelihood of reoffending and the ability to manage high-risk situations involved in obtaining and maintaining employment. The capacity for providing this programming across the four prisons varied.

More than 25 community-based agencies were providing workforce services in Milwaukee County, and DOC lacked a systematic process for using assessment information to refer people to the most appropriate post-release services. Although DOC staff administered risk and needs assessments, and made referrals to evidence-based cognitive programming (pre-release) based on assessment results, community-based workforce agencies lacked access to information related to the assessment results or about program completion.¹⁶

In the project's second year, CSG Justice Center staff began assisting the partners with system-wide improvements to address these findings. An innovative aspect of the partnership is the level of access and information sharing. Employ Milwaukee now conducts job-readiness assessments inside four DOC prisons and has access to risk- and needs-assessment results along with the types of programming a person receives pre-release. This information guides the development of an employment plan with recommendations for post-release services. Moreover, DOC is developing a policy to establish consistency in how the results of standardized assessments are used to make referrals to employment services and programs across institutions. It also is expanding staff training and managing workload so there is more capacity to deliver these programs.

Later this year, CSG Justice Center staff will conduct a process evaluation of the pilot site to examine the extent to which the pilot's efforts have brought about improvements in their systems.

Thinking for a Change and Cognitive Behavioral Interventions for Offenders Seeking Employment are evidence-based interventions that address a person's likelihood of reoffending and ability to manage high-risk situations involved in obtaining and maintaining employment.

Delivering life skills education and providing transitional employment—Center for Employment Opportunities

The Center for Employment Opportunities (CEO), headquartered in New York City with offices around the country, operates a transitional job program that offers employment services to people returning to the community after incarceration.¹⁷ All participants enroll in a five-day life skills class, which emphasizes interactive and role-playing exercises that teach the basic expectations for behavior and performance on the job.¹⁸ During the life skills class, other barriers to employment, such as obtaining proper identification, are addressed.

Participants are then placed in a transitional job—CEO-run work crews that “provide maintenance, janitorial and grounds-keeping services to both public institutions and private companies”—for an average of nine weeks.¹⁹ During that time, CEO subsidizes paychecks and serves as the employer of record, and the participant continues to receive soft-skill development services from their supervisor and job coach.²⁰ CEO staff regularly assess participants’ job readiness by using “Passports to Success”—checklists that reflect job-readiness factors, such as the ability to cooperate with a supervisor, demonstrated effort at work, and punctuality. The site supervisor completes these checklists each day. When participants are deemed job ready, they begin working with one of CEO’s job developers to find full-time, unsubsidized employment. CEO then provides the participant with one year of financial incentives for meeting “work retention milestones” and job-retention services.²¹

In the year following enrollment, CEO’s New York City-based transitional job program reduced participants’ recidivism by 16 percent to 22 percent compared to similar people who received limited services. Impacts were greater for people who were at a higher risk of recidivism. A cost-benefit analysis of CEO also showed that the financial benefits of the program outweighed the costs for taxpayers, victims, and participants.²² CEO’s approach provides a structured environment, allowing participants to learn and practice prosocial attitudes and behaviors that affect recidivism and employment outcomes.

Engaging job developers and employing coaching strategies to place people with criminal histories in jobs—Safer Foundation’s Pivotal Staffing

In 2005, the Safer Foundation (Safer) in Chicago began running Pivotal Staffing, LLC—an alternative staffing agency that provides placement services for adults and youth with criminal histories using job skills development and coaching strategies.²³ Safer also provides job-readiness programs, support services, and employment and retention services.²⁴

Employers using Safer receive pre-screened candidates who are ready to work on an ongoing or single project basis. Candidates tend to specialize in “light industrial and entry-level positions” and include laborers, forklift operators, shipping and receiving clerks, janitors, cleaning staff, and more. Safer, like CEO, serves as the employer of record, and handles tax and unemployment insurance responsibilities rather than the organization for which the program participant is working.²⁵

CEO’s New York City-based transitional job program reduced participant recidivism by 16 percent to 22 percent.

Erica Nelson &
Marc Pelka

***Developing hard skills through hands-on education while preparing for reentry
– Michigan Department of Corrections’ Vocational Village***

Launched in late 2016 by the Michigan Department of Corrections (DOC), Vocational Village offers hands-on education that leads to industry-recognized certifications in carpentry, manufacturing, plumbing, electrical construction, welding, and automotive repair for people who are assessed as having vocational or educational needs and a higher risk of reoffending.

People who are incarcerated are given an opportunity to participate in employment training during the day and attend programming at night to address needs related to substance use, domestic violence, and violence prevention, as well as cognitive behavioral therapy to address antisocial behavior and attitudes. Vocational Village also includes key elements of a prosocial environment that can affect recidivism and employment outcomes: participants are housed together, their days are filled with structured activities, they are separated from antisocial peers, and they are given peer mentorship opportunities.

According to Michigan DOC staff, Vocational Village participants have had far fewer reported misconduct violations than the general prison population. Michigan DOC staff also report that as of September 2017, 16 of the 51 program participants who were discharged to parole supervision had secured employment prior to release, and 38 of the 51 were employed.

HOW DOES HAVING A CRIMINAL RECORD AFFECT JOB SEEKERS, AND WHAT POLICIES ARE STATES ENACTING TO MITIGATE “COLLATERAL CONSEQUENCES”?

Collateral Consequences

Roughly 70 million adults in the United States—or one in three adults—have a criminal record. Additionally, more than 1 million youth are adjudicated and acquire juvenile court records each year. For both adults and juveniles, criminal records can have long-lasting “collateral consequences” that may hinder attempts to gain occupational licenses, the right to vote, custody, housing, public benefits, eligibility for school loans, scholarships, and employment.²⁷ Collateral consequences are legal and regulatory sanctions and restrictions that result from not only felony convictions, but also from less serious sentences such as a misdemeanor conviction, a sentence that involves community supervision, or an arrest.²⁸

Criminal records serve a variety of purposes, many of which are safety-related, such as notifying law enforcement if a person in custody has outstanding warrants or a history of violence. However, because criminal records tend to remain “on the books” long after discharge from prison, jail, or supervision, they also can create barriers for people seeking employment.²⁹ In a 2012 survey of private, nonprofit, and public sectors employers, 87 percent reported that they conduct criminal background checks on job candidates.³⁰ Advancements in information technology and an increase in the number of criminal records databases at the federal, state, and local levels make it easier than ever to access a person’s criminal record.³¹ Because a criminal record may lower a person’s likelihood of

In a survey of private, nonprofit, and public sector employers, 87% reported they conduct criminal background checks on job candidates.

obtaining employment regardless of their competency (i.e., education, skills, and training), employers may be screening out potentially qualified employees and exacerbating the labor shortage.

Recognizing the negative effects of collateral consequences on a person's chances of successful reentry, states are enacting "criminal record clearance" policies.³² Such policies limit access to a person's criminal record, often with the goal of improving employability and other outcomes for the affected person. Between 2009 and 2014, at least 31 states (Wisconsin was not one) and the District of Columbia enacted policies to expand the clearance of criminal records.³³ Steps states have taken include: extending clearance to additional classes of offenses, reducing the waiting period before a person with a record is eligible for clearance, and making record clearance automatic or presumptive following completion of a sentence or other requirements.³⁴

State policymakers interested in reviewing collateral consequences and record clearance policies in their states can access two online resources: the **National Inventory of Collateral Consequences of Conviction** (NICCC) and the **Clean Slate Clearinghouse**.

The **NICCC** was established to provide a list of collateral consequences at the federal and state levels, as well as for the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. For people interested in identifying penalties and disabilities triggered by a criminal record for a certain offense, the NICCC is a valuable resource.³⁵ The CSG Justice Center administers the website.

In 2017, the CSG Justice Center launched the **Clean Slate Clearinghouse**. The website provides summaries of record clearance policies and statutes in all 50 states and territories, contact information for free or low-cost legal service providers that assist with record clearance, and a variety of resources for policymakers looking to learn about and expand record clearance in their jurisdiction. The intended audience includes people with criminal records, legal professionals, and policymakers.³⁶

Certificates of Recovery

An alternative to clearing a criminal record is enabling people with records to demonstrate progress in rehabilitation and job training since their conviction. This progress is affirmed when a state or local agency issues a certificate of recovery—also called certificates of reentry, relief, achievement, or employability—to people who have met certain rehabilitation and training standards. The objective of the certificates is to provide third parties—such as potential employers, landlords, and occupational licensing boards—a broader context and understanding about the person that extends beyond the existence of a criminal record.³⁷

Between 2009 and 2014, at least nine states (Wisconsin was not one) and the District of Columbia began issuing certificates of recovery.³⁸ In Ohio, state leaders used a two-step process to establish certificates. First, in 2011, legislation (HB 86) was enacted to permit people in prison to apply to the corrections department for a Certificate of Achievement and Employability up to one year prior to release. Requirements include completing at least one vocational program and at least one cognitive behavioral program while incarcerated. The certificate entitles a person applying for occupational licensing to receive individualized consideration from a state licensing agency, provided the occupation relates to the vocational training the person received while incarcerated.

Between 2009 and 2014, at least 31 states enacted policies to expand the clearance of criminal records.

For certificates to be successful, it is necessary to increase employers' understanding of their purpose and what they represent concerning a person's progress in rehabilitation.

The following year, Ohio state leaders enacted legislation (SB 337) establishing a Certificate of Qualification for Employment (CQE), which is accessible to a larger population with criminal records, not only those who apply for a Certificate of Achievement and Employability while in prison. CQEs are court-issued and shield the person from blanket restrictions on working or being licensed in particular fields. This enables certificate holders to receive individualized consideration by the employer or the occupational licensing board.³⁹

After states authorize certificates of employment, their use and impact depend on several factors, such as the extent to which outreach efforts target people who are eligible for certificates and whether guidance is provided about the application process (which often involves processing paperwork from various state and local agencies, obtaining letters of support, and providing proof of sobriety). In three states that issue certificates—Illinois, New York, and North Carolina—local lawyers, largely from legal aid, have provided intensive outreach and guidance to people eligible for certificates. For certificates to be successful, outreach to employers is also necessary to increase their understanding of the certificates' purpose and what they represent concerning a person's progress in rehabilitation.⁴⁰

KEY TAKEAWAYS AND NEXT STEPS

There are several options for state policymakers to help promote job readiness and reduce recidivism among people with criminal records.

Encourage partnerships between corrections/reentry and workforce development fields

- Apply evidence-based tools like the Integrated Reentry and Employment Strategies framework to match people with the most appropriate combination of services based on their assessed risk of reoffending and readiness to work.
- Facilitate dialogue between corrections and workforce development professionals to share expertise and strategies for reducing the risk of reoffending and connect people who have historically struggled to find employment with the workforce.
- Promote data sharing across corrections, reentry, and workforce development agencies to reduce the burden of conducting multiple screenings and reduce the duplication of services.

Leverage funding to increase access to services

- Develop guidance for leveraging Workforce Innovation Opportunity Act (WIOA) funding to build programming capacity—including promoting the use of American Job Centers for the reentry population, partnering corrections agencies with workforce investment boards to leverage correctional education funds, and allocating funds for special initiatives or services focused on serving people with criminal records. The CSG Justice Center's brief, "[The Workforce Innovation and Opportunity Act: What Corrections and Reentry Agencies Need to Know](#)," outlines ways that states can use WIOA funding to serve people with criminal histories.⁴¹
- Support state and local agencies applying for discretionary reentry grant program funding from the U.S. Departments of Justice, Education, and Labor.

Reduce policy barriers to employment

- Consider enacting “fair chance” hiring policies to promote the removal or delay, when appropriate, of criminal records from consideration in hiring decisions and occupational licensing. Policymakers seeking to minimize the consideration of criminal records in hiring decisions have done so through a variety of legislative solutions, such as fair hiring initiatives or “ban the box” policies,⁴² record sealing and expungement, hiring incentives, and others. To date, 30 states and more than 150 cities and counties have passed “ban the box” policies, and 9 of those states’ statutes apply to both public and private employers.
- Access the [Clean Slate Clearinghouse](#) to receive up-to-date information on record clearance and mitigation, compare Wisconsin’s record clearance policies to those of other states, and learn about best practices.

Develop public/private partnerships

- Help businesses improve their practices for hiring people with criminal records and access resources and incentives, such as providing practical guidance on how to implement fair hiring policies, bonding programs that protect businesses from financial liability, and tax incentives for hiring people with criminal records.
- Increase eligibility for people with criminal records to obtain certificates of recovery to help reduce the stigma associated with having a criminal record.
- Develop partnerships with particular business sectors to align employment training offered in prisons, jails, and the community with employers’ needs.
- Help employers identify qualified candidates by establishing partnerships between workforce and correction systems and local providers with strong job training programs.
- Convene business leaders as well as government and private sector representatives to discuss increasing job opportunities for people with criminal records.

In sum, employment can make a strong contribution to recidivism-reduction efforts. Stable employment enables people to generate income for their families and themselves while engaging in more prosocial and less risky behavior, building and strengthening personal relationships, and improving mental health—all of which, especially when earnings exceed the minimum wage, correlate with a reduction in recidivism.⁴³ When people with criminal histories are working, society benefits, too, as a result of reductions in the use of social services and an increased tax base. Evidence-based strategies—such as those presented in this chapter that focus the right resources on the right people at the right time—can improve employment outcomes for people with criminal histories and help strengthen the state’s labor force.

Erica Nelson is a Policy Analyst at the Council of State Governments (CSG) Justice Center, where she oversees two national demonstration sites focused on improving collaborations between corrections, reentry, and workforce development. Prior to joining the CSG Justice Center, she worked more than a decade in corrections and workforce development with the Montgomery County (Maryland) Department of Correction and Rehabilitation, Baltimore County Department of Corrections, and Community College of Baltimore County. Nelson earned her Master’s Degree in Public Administration from the University of Baltimore.

Marc Pelka serves as Deputy Director of State Initiatives at the Council of State Governments (CSG) Justice Center. He helps lead efforts to enact justice reinvestment legislation to contain states' corrections costs and lower recidivism, with a particular emphasis in several states on engaging victims of crime and their advocates. Before joining the CSG Justice Center, he served on the communications and policy staff in the Connecticut House of Representatives, which included serving as a policy aide to the Speaker of the House. Pelka earned his Master in Public Policy Degree in Criminal Justice Policy from the John F. Kennedy School of Government at Harvard University.

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Duran, L., Plotkin, M., Potter, P., & Rosen, H. (2013, September). Integrated reentry and employment strategies: Reducing recidivism and promoting job readiness. New York, NY: Council of State Governments Justice Center.

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- ³ Akhter, S., Neighly, M. & Nelson, E. (2016, May) *The Integrated Reentry and Employment Strategies pilot project: Findings and recommendations*. Presentation to the Integrated Reentry and Employment Strategies (IRES) pilot project steering committee in Milwaukee, WI.
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- ¹³ Ibid.
- ¹⁴ National Reentry Resource Center. (2016, May). *Executive summary: Increasing job readiness and reducing recidivism among people returning to Milwaukee County, Wisconsin, from prison*. New York, NY: Council of State Governments Justice Center. Retrieved from <https://csgjusticecenter.org/wp-content/uploads/2016/06/Executive-Summary-Milwaukee-IRES.pdf>
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²¹ Center for Employment Opportunities. (n.d.). *Post-placement services* (Web page). Retrieved from <https://ce-works.org/services/post-placement-services/>

²² Redcross, C., Millenky, M., Rudd, T. & Levshin, V. (2012). *More than a job: Final results from the evaluation of the Center for Employment Opportunities (CEO) transitional jobs program* (OPRE Report 2011-18). Washington, DC: Office of Planning Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

²³ *Job developers*, who also are referred to as business specialists in the employment field, identify job opportunities for people seeking employment and work with employers to fill job vacancies. *Job coaches* prepare people for employment by providing career advice and assistance with job acquisition strategies such as resume development, interviewing skills practice, and job application completion.

²⁴ Safer Foundation. (n.d.) *Orientation, intake, and retention* (Web page). Retrieved from <http://www.saferfoundation.org/services-programs/orientation-intake-and-retention>

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³¹ Subramanian, R., Moreno, R. & Gebreselassie, S. (2014). *Relief in sight? States rethink the collateral consequences of criminal conviction, 2009–2014*. New York, NY: Vera Institute of Justice.

³² There is no single definition for the clearance of criminal records, and many terms are used interchangeably. *Sealing* and *expungement* are common terms used in states; *vacate*, *dismiss*, *set aside*, *shield*, and *annul* also are used.

³³ The jurisdictions that enacted policy providing record clearance between 2009 and 2014 are Alabama, Arkansas, California, Colorado, Delaware, District of Columbia, Georgia, Hawaii, Illinois, Indiana, Iowa, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, and Wyoming.

³⁴ Subramanian, R., Moreno, R. & Gebreselassie, S. (2014). *Relief in sight? States rethink the collateral consequences of criminal conviction, 2009–2014*. New York, NY: Vera Institute of Justice.

³⁵ Ibid.

³⁶ Clean Slate Clearinghouse. (n.d.). *About the Clean Slate Clearinghouse* (Web page). Retrieved from <https://cleanslateclearinghouse.org/about/>

³⁷ Ibid.

³⁸ The jurisdictions that enacted policy authorizing certificates of recovery between 2009 and 2014 are Arkansas, Connecticut, District of Columbia, Georgia, Illinois, North Carolina, Ohio, Rhode Island, Tennessee, and Vermont.

³⁹ Ohio Justice and Policy Center. (n.d.) *Certificates of Qualification for Employment: Smart relief from criminal-record-based job barriers* (brief). Cincinnati: OH, author. Retrieved from <http://ohiojpc.org/wp-content/uploads/2015/07/CQE1pg.pdf>.

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⁴¹ National Reentry Resource Center. (2017, May). *The Workforce Innovation and Opportunity Act: What corrections and reentry agencies need to know*. New York, NY: Council of State Governments Justice Center.

⁴² *Ban the box* policies refer to the point during the applicant review process when an employer can ask about a criminal record. Enacted to remove the question from the initial job application, the policies vary depending on the employer (public versus private employers or contractors) and when an employer can ask about a person's criminal record (during the interview or after a conditional offer is made). Ban the box policies are not used to determine whether a criminal record should be considered in hiring decisions.

⁴³ Graffam, J., Shinkfield, A., Lavelle, B. & McPherson, W. (2004). Variables affecting successful reintegration as perceived by offenders and professionals. *Journal of Offender Rehabilitation*, 40(1/2), 147–171.

GLOSSARY

Apprenticeship: A training model in which individuals work for an employer and earn a salary, while receiving job-related academic instruction (frequently provided by community colleges) and on-the-job training under close professional mentorship that leads to occupational mastery and an industry-recognized credential. Unlike on-the-job training, apprentices learn skills in formal classes and apply their learning at the workplace to gain occupational mastery. Unlike internships, registered apprentices remain with the firm for four to six years and youth apprentices for one to two years.

Automation: The process by which work previously completed by people is carried out by computers or machines. People in routine occupations, whether white- or blue-collar, are most at risk of their jobs being eliminated due to automation. Automation tends to increase demand for other workers to complete related tasks that have not been automated, or may create different kinds of jobs that tend to require a higher level of skill (e.g., programming or repairing automated machinery). This is referred to as complementarity.

Ban the Box Policies: Policies that prohibit questions about a person's criminal history on applications. These policies vary in terms of which employers are affected (public vs. private employers or contractors) and when an employer can ask about a person's criminal record (during the interview or after a conditional offer is made). Ban the box policies are not used to determine whether a criminal record should be considered in hiring decisions.

Brain Drain: The movement of highly skilled, educated workers out of a nation, state, or region.

Brain Gain: The movement of highly skilled, educated workers into a nation, state, or region.

Career Pathways: Programs that provide postsecondary education, training, and support in a series of manageable steps that lead to successively higher credentials and employment opportunities in growing occupations. Programs include four core elements: (1) comprehensive assessment, (2) integration of basic and occupational skills training, (3) academic and nonacademic supports, and (4) strategies for connecting participants to employers. People can enter, exit, and re-enter the pathway at any stage depending on their prior training, job prospects, and personal situation.

Certificate of Recovery: A mechanism offered in a growing number of states to reduce the lasting barriers (i.e., collateral consequences) that a criminal history creates for job seekers. They offer employers assurance that an ex-offender has made progress on rehabilitation and may protect employers from negligent hiring claims. Also known as certificates of relief, reentry, achievement, or employability.

Collateral Consequences: Legal and regulatory sanctions and restrictions that prohibit or hinder attempts by people with criminal records to obtain occupational licenses, the right to vote, custody, housing, public benefits, eligibility for school loans, and employment. They most frequently affect people convicted of a crime; however, in some states an arrest may also trigger collateral consequences.

Criminal Record: Legal documentation of a person's contact(s) with law enforcement agencies. A criminal record may include, but is not limited to, detailed or summary information concerning all arrests, misdemeanor and felony convictions, sentences, and community supervision violations. It also may include information on dropped charges, case dismissals, and not guilty verdicts.

Criminal Record Clearance: The act of removing a person's criminal history information from easy public access, most often with the goal of improving employment and other outcomes. States vary in the types of records eligible for clearance (e.g., non-conviction arrests, misdemeanor or felony convictions, juvenile records), the waiting period, and the process required to obtain a clearance (e.g., automatic or requires a petition to be filed).

Criminogenic factors: Risk factors, such as antisocial thinking, behaviors, personality patterns, and peers, that contribute to a person's likelihood of engaging in criminal behavior.

Geographic mismatch: A situation in which appropriately skilled workers reside a distance from where jobs are available. May also refer to the specific situation in which minority or low-skilled workers live in the inner city and available jobs are located in the suburbs.

High-skill jobs: Occupations that typically require a bachelor's degree or higher and include professional, technical, and managerial positions.

Job Polarization: A labor market situation in which there are increasing opportunities in both high-skill, high-wage occupations and low-skill, low-wage occupations, coupled with decreasing opportunities in middle-wage, middle-skill occupations.

Labor market: The place where employers find workers, people find employment, and wages are negotiated. Labor markets can have a smaller, local scope or larger, national or international scope.

Labor shortage: A condition in which employers believe there is an insufficient number of qualified candidates to fill open positions at the wages they are offering.

Low-skill jobs: Occupations that have no formal education requirement such as food service, custodial, personal care, and construction jobs.

Middle-skill jobs: White-collar (e.g., clerical, administrative, sales) and blue-collar (e.g., production, craft, repair, operative) occupations that require at least a high school diploma but not a four-year college degree.

Prosocial Activities: Activities that reflect an individual's thinking about the welfare of others and/or the benefit to the community. In the context of this report, they are chiefly related to law-abiding behaviors and positive social relationships.

Recidivism: When an offender commits a new crime or violates the conditions of their supervision. Different jurisdictions have different definitions of what qualifies as recidivism, ranging from a new arrest, conviction, or prison sentence to re-incarceration due to a technical violation of the conditions of release.

Reentry: The process of transitioning from prison or jail back to the community.

Risk-Need-Responsivity Principles: Evidence-based principles that, when used in combination, reduce recidivism. Risk principle: focus supervision and services on the people most likely to commit crimes. Need principle: identify and address the individual's greatest characteristics or circumstances that can lead to recidivism. Responsivity principle: tailor interactions and services to an individual's ability to learn and acquire new attitudes and skills, such as motivation to change.

Skills mismatch: A labor market situation in which the attributes (e.g., skills) of job seekers do not match the attributes that employers require for their open positions. A skills mismatch often results in vacant positions remaining open longer and job seekers searching longer for work.

Spatial mismatch: See *geographic mismatch*.

Subsidized employment: Programs that provide jobs to people who cannot find jobs in the regular labor market and use public funds to pay all or some of their wages. Workers gain skills and earn income, while employers face a reduced risk and lower costs related to hiring a worker.

Workforce Innovation and Opportunity Act (WIOA): Signed into federal law in July 2014, the Act aims to help job seekers more effectively access employment, education, training, and support services and to better match employers with skilled workers.

THE FAMILY IMPACT GUIDE FOR POLICYMAKERS

Viewing Policies Through the Family Impact Lens



- Most policymakers would not think of passing a bill without asking, “What’s the economic impact?”
- This guide encourages policymakers to ask, “What is the impact of this policy on families?” “Would involving families result in more effective and efficient policies?”

When economic questions arise, economists are routinely consulted for economic data and forecasts. When family questions arise, policymakers can turn to family scientists for data and forecasts to make evidence-informed decisions. The Family Impact Seminars developed this guide to highlight the importance of family impact and to bring the family impact lens to policy decisions.

WHY FAMILY IMPACT IS IMPORTANT TO POLICYMAKERS

Families are the most humane and economical way known for raising the next generation. Families financially support their members, and care for those who cannot always care for themselves—the elderly, frail, ill, and disabled. Yet families can be harmed by stressful conditions—the inability to find a job, afford health insurance, secure quality child care, and send their kids to good schools. Innovative policymakers use research evidence to invest in family policies and programs that work, and to cut those that don’t. Keeping the family foundation strong today pays off tomorrow. Families are a cornerstone for raising responsible children who become caring, committed contributors in a strong democracy, and competent workers in a sound economy.¹

In polls, state legislative leaders endorsed families as a sure-fire vote winner.² Except for two weeks, family-oriented words appeared every week Congress was in session for over a decade; these mentions of *family* cut across gender and political party.³ The symbol of *family* appeals to common values that rise above politics and hold the potential to provide common ground. However, family considerations are not systematically addressed in the normal routines of policymaking.

HOW THE FAMILY IMPACT LENS HAS BENEFITED POLICY DECISIONS

- In one Midwestern state, using the family impact lens revealed differences in program eligibility depending upon marital status. For example, seniors were less likely to be eligible for the state’s prescription drug program if they were married than if they were unmarried but living together.
- In a rigorous cost-benefit analysis of 571 criminal justice programs, those most cost-beneficial in reducing future crime were targeted at juveniles. Of these, the five most cost-beneficial rehabilitation programs and the single most cost-beneficial prevention program were family-focused approaches.⁴
- For youth substance use prevention, programs that changed family dynamics were found to be, on average, over nine times more effective than programs that focused only on youth.⁵

QUESTIONS POLICYMAKERS CAN ASK TO BRING THE FAMILY IMPACT LENS TO POLICY DECISIONS:

- How are families affected by the issue?
- In what ways, if any, do families contribute to the issue?
- Would involving families result in more effective policies and programs?



HOW POLICYMAKERS CAN EXAMINE FAMILY IMPACTS OF POLICY DECISIONS

Nearly all policy decisions have some effect on family life. Some decisions affect families directly (e.g., child support or long-term care), and some indirectly (e.g., corrections or jobs). The family impact discussion starters below can help policymakers figure out what those family impacts are and how family considerations can be taken into account, particularly as policies are being developed.

FAMILY IMPACT DISCUSSION STARTERS

How will the policy, program, or practice:

- support rather than substitute for family members' responsibilities to one another?
- reinforce family members' commitment to each other and to the stability of the family unit?
- recognize the power and persistence of family ties, and promote healthy couple, marital, and parental relationships?
- acknowledge and respect the diversity of family life (e.g., different cultural, ethnic, racial, and religious backgrounds; various geographic locations and socioeconomic statuses; families with members who have special needs; and families at different stages of the life cycle)?
- engage and work in partnership with families?

ASK FOR A FULL FAMILY IMPACT ANALYSIS

Some issues warrant a full family impact analysis to more deeply examine the intended and unintended consequences of policies on family well-being. To conduct an analysis, use the expertise of (1) family scientists who understand families and (2) policy analysts who understand the specifics of the issue.

- Family scientists in your state can be found at <http://www.familyimpactseminars.org>
- Policy analysts can be found on your staff, in the legislature's nonpartisan service agencies, at university policy schools, etc.

APPLY THE RESULTS

Viewing issues through the family impact lens rarely results in overwhelming support for or opposition to a policy or program. Instead, it can identify how specific family types and particular family functions are affected. These results raise considerations that policymakers can use to make policy decisions that strengthen the many contributions families make for the benefit of their members and the good of society.

Additional Resources

Several family impact tools and procedures are available on the Wisconsin Family Impact Seminars website at <http://www.wisfamilyimpact.org>.

- ¹ Bogenschneider, K., & Corbett, T. J. (2010). Family policy: Becoming a field of inquiry and subfield of social policy [Family policy decade review]. *Journal of Marriage and Family*, 72, 783-803.
- ² State Legislative Leaders Foundation. (1995). *State legislative leaders: Keys to effective legislation for children and families*. Centerville, MA: Author.
- ³ Strach, P. (2007). *All in the family: The private roots of American public policy*. Stanford, CA: Stanford University Press.
- ⁴ Aos, S., Miller, M., & Drake, E. (2006). *Evidenced-based public policy options to reduce future prison construction, criminal justice costs, and crime rates*. Olympia: WA State Inst. for Public Policy.
- ⁵ Kumpfer, K. L. (1993, September). *Strengthening America's families: Promising parenting strategies for delinquency prevention—User's guide* (U.S. Department of Justice Publication No. NCJ140781). Washington, DC: Office of Juvenile Justice and Delinquency Prevention.

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Robert M. La Follette
School of Public Affairs
UNIVERSITY OF WISCONSIN-MADISON