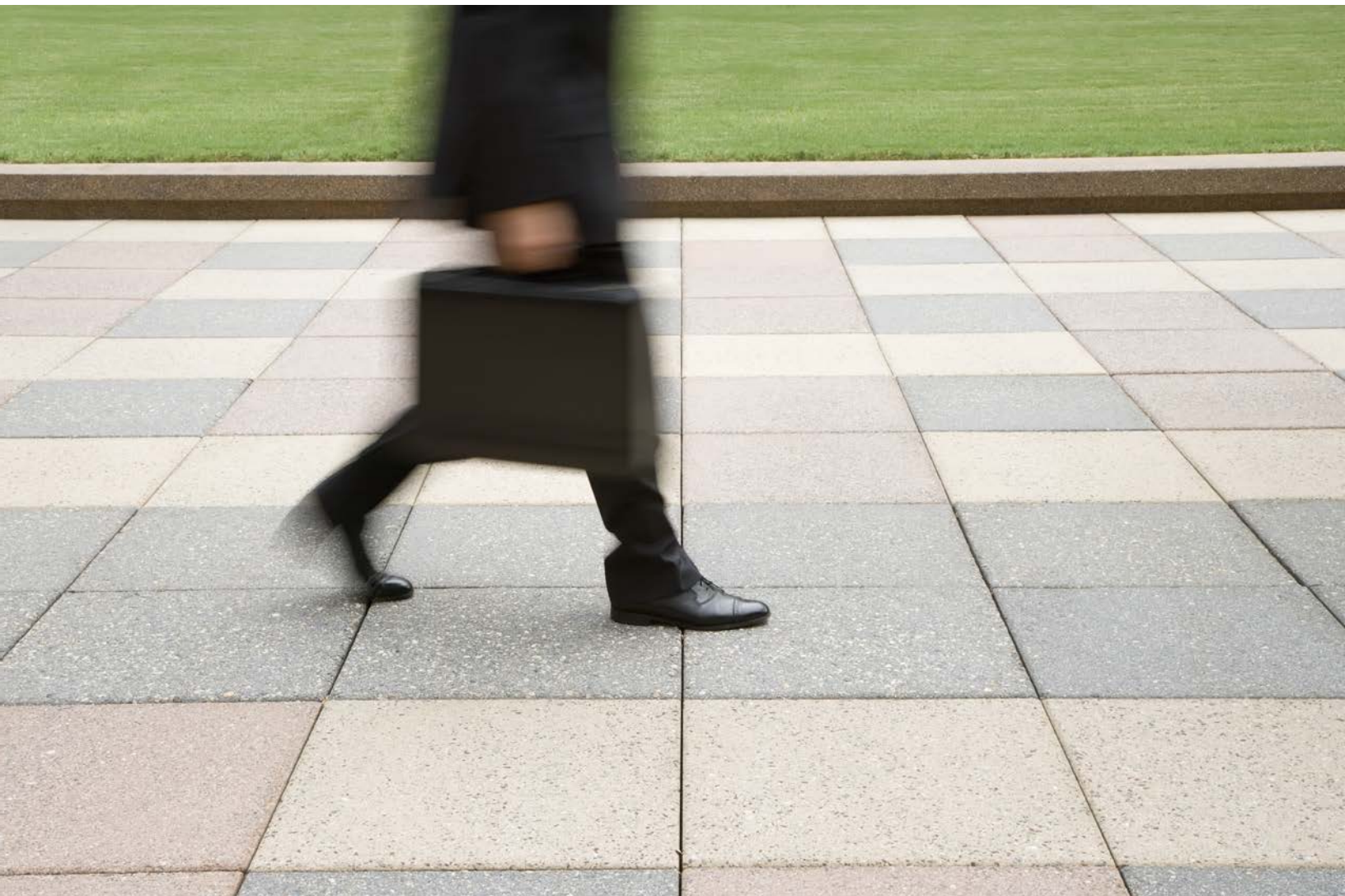




Fairfield County
Community Foundation

Back to Work

A summary of the lessons learned from the Platform to Employment program





The Challenge

In the aftermath of the financial crisis that began in 2008, all workers who lost their jobs have had a harder time finding employment.

This has unleashed a multiple-dimension crisis in Fairfield County, Connecticut.

Hard facts

- In today's economy, America's unemployed workers are approximately 7% less likely to find work each month during the first year of unemployment than they were prior to the financial crisis.
- Long-term unemployment rates in the United States rose to historic levels in 2010, with 45.9% of the unemployed without work for 99 weeks or more.
- In Fairfield County in 2011, 13,000—39% of the 31,000 unemployed workers—had been without a job for more than two years. When they exhausted the 99 weeks of unemployment insurance for which

they were eligible they became known as the “99-ers.”

- Each week, 80 to 100 unemployed were joining the ranks of the 99-ers.

In addition to the financial hardship the long-term unemployed face, their work skills dissolve, they experience high rates of depression and family and relationship problems, and they encounter prejudice from potential new employers.

The Response

The WorkPlace, Fairfield County's leading workforce development organization, and the regional Workforce Investment Board, sounded an alarm about long-term unemployment in early 2011.

Within a few months, The WorkPlace, with the help of the Fairfield County Community Foundation, began raising private philanthropic funds to launch an initiative named Platform to Employment, or P2E.

The long-term unemployed face financial hardship, dissolving work skills, high rates of depression, relationship problems, and prejudice from potential employers.



In the fall of 2011, The WorkPlace began recruiting the first 100 participants from almost 400 applicants. The WorkPlace recruited two additional partners: Career TEAM, LLC and Harvard Business School Club of Connecticut Community Partners (HBSCP).

The original Platform to Employment approach included three elements:

- **Participants received approximately 100 hours of training in job readiness and skill building over five weeks.**

Career TEAM developed and delivered the Career Edge curriculum. Participants learned how to identify their transferable skills, build effective networking and communication skills, and develop goals and a career action plan.

- **Career Edge training also helped rebuild participants' confidence and sense of self-worth, which plummets during long periods of unemployment.**

They received a behavioral health assessment and could receive on-site counseling from Behavioral Health Consultants. These services helped participants recover from damaging psychological issues and repair relationships strained by unemployment.

- **Participants who completed the program had a good shot at eight weeks**

- **of paid work from one of the 42 local employers recruited by The WorkPlace.**

P2E participants accepted by employers on a trial basis were employees of The WorkPlace, and employers could opt to have up to 100% of the employee's wages subsidized by The WorkPlace during the trial period.

Thus, employers could test a P2E participant without risk for eight weeks. This helped overcome any prejudice employers might hold for a long-term unemployed worker, particularly those over age 50.

To determine the economic value of the program's outcomes and test whether it could deliver positive, replicable outcomes for 99-ers, HBSCP designed and implemented an evaluation of the P2E pilot.

The P2E Participants

P2E sought participants with above average potential for re-employment. The first 100 participants differed somewhat from the general population of 99-ers in Connecticut.

The P2E participants:

- Earned slightly higher incomes prior to unemployment, with 58% earning more than \$50,000 a year in their previous

Participants who completed the Platform to Employment program had a good shot at eight weeks of paid work from one of the 42 local employers recruited by The WorkPlace.

position. Only 36% of the general 99-er population in Connecticut earned more than \$50,000.

- Were somewhat older, with 58% over age 50, as compared to 48% in the general 99-er population in Connecticut.
- Had a higher level of education, with 43% holding at least a Bachelor's degree, compared to 37% of the general 99-er population.
- Had higher salary aspirations than the general 99-er population in Connecticut. Almost 34% aspired to a salary of \$50,000 or greater, while only 25% of the general 99-er population aspired to a salary at that level.

- Had been employed in a wide range of sectors, with the most common sector being office/administrative, followed by business/financial.

The Results

In six months, the P2E program placed 68 of the 100 original participants into new permanent, salaried positions.*

Nine participants did not complete the full program. Six of these left the program after turning down two or more job offers or interviews with P2E employers. The remaining three participants dropped out



Comparison of P2E participants to CT's general 99-ers		
	P2E Participants	General 99-ers
Prior salary >\$50K/year	58%	36%
Age 50+	58%	48%
Bachelor's degree or more	43%	37%
Seeking salary >\$50K/year	37%	24%

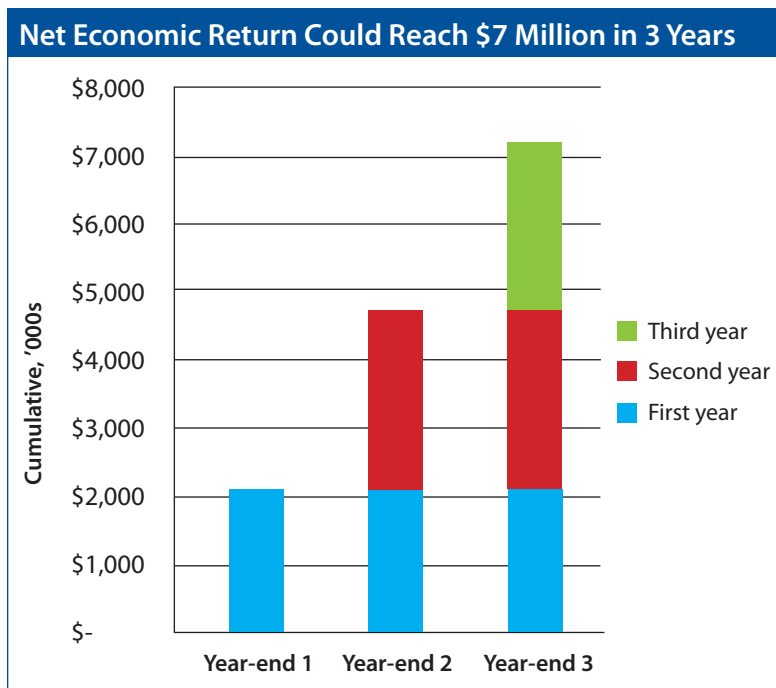
for reasons such as relocation, or commitments that prevented full participation.

The 68 successfully placed into permanent employment represented 75% of the 91 participants who completed the program.

Cost effectiveness

- Participants reported an average income in their new jobs of \$33,800 per year.
- The cost of the program for the six-month evaluation period was \$609,000, or \$8,956 per placement made.
- These results led to a calculated economic return (participant annualized earnings/cost per placement) of 3.78 per placement in the first year.
- Assuming continued earnings annualized at the same level, it is estimated the economic return could reach \$7 million in three years for this pilot group.
- In terms of costs versus benefits, the break-even point for this program was 18

In six months, the P2E program placed 68 of the 100 original participants into new permanent, salaried positions.



placements, making it a very cost-effective model.

*At the end of the pilot period, 73 out of the 100 participants had been placed into employment. The 73 placed represents 80% of the 91 who completed the program.

Lessons Learned

Beyond these very promising results, HBSCT-CP's evaluation highlighted some important lessons from the pilot.

What worked well

- **The risk-free trial employment period for employers, and their cost savings in recruiting and hiring, were the most important factors for employers overcoming prejudice in hiring the long-term unemployed.**

While many employers were enticed by the wage subsidy offered during the trial period, this was less important relative to the factors mentioned above. In fact, *half of the employers in the program did not take the wage subsidy.*

- **Survey responses from participants showed they placed great value on the peer support they received from members of their cohort.**

P2E participants went through the program in groups of 20. These small cohorts bonded as they progressed through the program and moved into employment.

Their fellow participants became an important source of support and encouragement, and contributed to continued participation in the program and to success in the program.

- **Participants placed a high value on the behavioral health assessments and counseling for dealing with multiple psychological hurdles.**

For many, getting back to work meant coming to terms with a future that was going to be different than the one they had envisioned.

It might mean working in a different industry or starting at a lower rung on the salary ladder.

Participants often needed help restoring order in personal lives that were disrupted by unemployment, and many faced anxiety or depression that made a job search nearly impossible.

- **The Career Edge curriculum was highly effective in helping participants rediscover their skills and strengths, and learning how they might apply those skills to new industries or positions.**

- **Employers recognized significant benefits from the program, too.**

P2E provided employers with a low-cost recruiting alternative that reduced or eliminated the need for temporary employees, advertising, and extensive resume review and interviewing.

Survey responses showed 70% of participating employers reported P2E candidates had contributed to the growth of their organization.

Several small and nonprofit employers found they were able to hire a higher caliber candidate than they would typically be able to recruit.

Employers reported 50% of candidates hired required only some or moderate training, and 2½ months after the completion of the trial period, 78% of hired P2E candidates received an excellent or very good rating from their employers.

Improvements Made Along the Way

- **It became clear from experience with the first cohort that participants needed to be encouraged to take ownership for their own success.**



"I was really impressed with the quality of my colleague cohort members. They were just like me, unemployed. It was good to have them as a very positive mirror for myself."

P2E participant

Employer Benefits	Participant Benefits
Cost savings in recruiting	Support, encouragement from fellow participants
Reduced need for temp workers	Behavioral health assessments
Wage subsidy	Counseling for multiple psychological hurdles
For some, higher caliber candidates than they could recruit	Help for restoring order in their lives
Candidates needed little or moderate training	Rediscovered job skills and strengths

As new cohorts began in the program, staff members were careful to articulate clear participant expectations, roles and responsibilities.

- **The first cohorts that entered the program completed classes first, then began their job search. When the search for an eight-week placement dragged on longer than anticipated, the positive momentum and learning from classes were eroded.**

To prevent this, later cohorts conducted their job searches while they were completing classes. This shift also allowed the classroom to become a source of real-time job search support.

- **The program evaluation helped The WorkPlace recognize that participants were not going to address all of their financial challenges through re-employment.**

Data from cohorts 2 through 5 showed that the average net family income was down as much as 150% and net worth was down as much as 57%.

Participants were often living doubled up with family members; had to give up cars, homes and other assets; and had accumulated significant debt.

To help participants begin recovering from the financial devastation of unemployment, additional funding was secured from Citi Community Development to add a financial education and coaching component for cohorts 6 and 7.

The Housing Development Fund, a non-profit with extensive experience in delivering financial counseling to families, was added as a program partner to deliver this added program component.

Still to Learn and Test

The average wage earned by participants (\$33,800) was half of their former wages.

These starting salaries were 8% below the per capita income in Connecticut and

30% below the per capita income in Fairfield County for 2006-2010, which were peak earning years.

While this finding does not overshadow the impressive placement rate or economic return of the program, it does suggest that participants will have more work to do to regain their former economic status.

In general, the employed will have an easier time finding new employment than the unemployed. Furthermore, 50% of P2E employers surveyed reported that they believed it was highly likely that P2E participants would be promoted and have an opportunity to earn a greater salary.

Nonetheless, longer term evaluation will be needed to see if the P2E placements do, in fact, lead to upward financial and career mobility over time.

The finding also suggests the potential value of alumni support focused on continued skill building, network building, and financial coaching.

Longer-term evaluation will also be needed to uncover the full economic return from the program. At the time they enrolled in the program, 59 out of 100 participants in the pilot used government assistance at an estimated cost of \$311 per person per month.

The evaluation did not track participants long enough to find out the degree to which candidates are able to discontinue these publicly funded benefits as they recover financially.

The HBSCP study also suggests that unemployment insurance costs could be decreased by implementing the P2E intervention earlier in the unemployment cycle.

An early intervention approach may also diminish the financial and psychological toll on the unemployed, thereby dramatically increasing the return on investment.



“My job search was going nowhere fast until I got into P2E.”

P2E participant

“I learned the newest job-hunting skills in P2E. After 30 years working at the same bank, my job-hunting skills were ancient. P2E helped me get my confidence back.”

P2E participant

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About the Fairfield County Community Foundation

We advance the growth of community and regional philanthropy to improve the quality of life for all throughout Fairfield County.

Individuals, families, corporations and organizations can establish charitable funds, or contribute to existing funds focused on specific areas of need or communities in Fairfield County.

The Foundation provides philanthropic advisory services, brings to the table community leaders to tackle critical community issues, and leads regional initiatives.

It is in compliance with the Council on Foundations' 41 national standards for community foundations.

The Foundation has awarded over \$151 million in grants to nonprofits in Fairfield County and beyond.

Please visit www.fccfoundation.org.