Executive Summary

This resource was created by Heartland Alliance for REDF and All Home, with the purpose of providing an overview of the research literature on employment services for people experiencing homelessness, along with program, systems, and policy recommendations to inform the planning of a new initiative to connect people experiencing homelessness to employment. The literature review revealed a number of program models and practices supported by the most rigorous research method—randomized control trials—as well as additional evidence-informed and promising program design features. Based on Heartland’s experience providing place-based program design and systems coordination efforts in communities across the country, we also offer programmatic, systems, and policy recommendations for implementation in California.

Evidence-based program models

There are a handful of fully developed employment service program models that are customized to serve people facing significant barriers to employment, including people experiencing homelessness. The models described below are those that have been rigorously evaluated and found to have significant impacts on employment outcomes using randomized control trial studies.

- **Individual Placement and Support** (IPS, or Supported Employment), which focuses on rapidly placing individuals in competitive employment with wrap-around supports;
- **Subsidized employment** (including Transitional Jobs, Employment Social Enterprise, and On-the-Job Training), which combines a wage-paid subsidized employment experience in combination with skill development and support services;
- **Sector-based training** designed for low-income workers, which provides employer-informed skills training alongside basic skills and work-readiness instruction; and
- **Housing and employment navigators**, which provide support and resources to jobseekers as they access mainstream employment services.

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1 This report builds upon a number of previous reviews of the research literature on employment and homelessness performed by former personnel of Heartland Alliance: Nathan Dunlap, Caitlin C. Schnur, and Damian Richardson.
Evidence-based clinical program components

Additionally, there are evidence-based clinical components supported by randomized control trials that can be integrated into employment programming:

- Cognitive-Behavioral Therapy, which supports behavior change by focusing on how thoughts and feelings influence behavior; and
- Motivational Interviewing, which uses supportive conversations to help individuals identify and leverage their motivations to change.

Programming and Practice Recommendations

Our analysis and recommendations assume that the proposed initiative will draw on lessons from REDF’s LA:RISE initiative in Los Angeles, and leverage the knowledge and expertise that REDF brings to the evidence-based model of Employment Social Enterprise. We describe a number of programmatic recommendations for applying the principles of other evidence-based models and practices within the framework of the LA: RISE/ESE model:

- Adapting elements and tenets of IPS in ESE programming, such as time-unlimited supports, zero-exclusion policies, and individualized job search assistance
- Building onramps to sector training programs through referral pipelines or developing partnerships with adult education providers to deliver on-site skills instruction.
- Integrating cognitive-behavioral programming with ESE work experience

There are a number of additional evidence-informed program elements and best practices that many providers find effective but which have limited rigorous research evidence. These include:

- Monetary job retention incentives and flex funds offer practical ways of supporting clients with workforce attachment and providing individualized service provision
- Incorporating trauma-informed approaches in employment services and employer engagement
- Adopting harm reduction approaches to substance use within employment service programming
- Addressing racial inequities by gathering and analyzing data on disparities in program outcomes based on race, and taking steps to redress inequities
- Generally aligning employment interventions for people experiencing homelessness with the principles of Housing First, the prevailing evidence-based approach to delivering homeless services.

This report also offers guidance toward addressing some specific questions raised by REDF and All Home for which there are not yet definitive answers from research, such as:

- Which assessment tools are valid and useful in employment services for people experiencing homelessness? Assessment tools for employment services are useful to identify the interests, strengths, skills of participants, and barriers participants face, in order to provide customizable supports and appropriate employment matching. We do not recommend the use of assessments to determine program eligibility or readiness for services which by their subjective nature, cannot account for implicit bias and may contribute to racial disparities.
- When is the best time to offer and deliver employment services? To answer this, we can rely on a principle of IPS – honoring client choices and preferences – as a determination of readiness as
opposed to relying on readiness assessment tools. Gauging interest in employment services at the time of coordinated entry is a method that has shown promise, and there are pilot projects underway that are using homeless system diversion as a potential point of referral to employment services. Both approaches require strong collaboration with continuums of care, which is addressed in detail in this report.

- Which employment program models are most effective for subpopulations experiencing homelessness? There is some evidence to indicate which types of employment interventions are most effective for subpopulations of people experiencing homelessness. Employment Social Enterprises, for example, might be well-suited for youth, individuals with criminal legal system involvement, and other individuals with less prior work experience and more barriers to employment.

**System Recommendations**

Heartland Alliance, through our place-based work in communities across the country, has developed an understanding of how increasing coordination among homeless service systems, workforce systems, and benefits systems has benefited employment initiatives aimed at serving jobseekers experiencing homelessness. Characteristics of communities in which successful systems coordination is taking place, as documented in our paper Systems Work Better Together, include shared governance, dedicated funding streams and resources, data sharing, colocation of services, and cross-system trainings. Based on these findings, and building on the systems coordination elements of LA:RISE, we recommend:

- Seeking special-purpose funding to support systems coordination efforts, through public and/or philanthropic funding streams
- Formalizing and expanding partnership with homeless continuums of care to build referral pathways from homeless services to employment services
- Convene cross-system working groups including leadership from multiple public systems and community-based providers
- Advocating for funding from WIOA and SNAP E&T to support employment services for jobseekers experiencing homelessness

**Policy Recommendations**

There are additional opportunities to advocate for jobseekers experiencing homelessness at the local, state, and federal level. Critical areas for policy advocacy include:

- Job quality and wages: Low wages and poor job quality are drivers of homelessness. It is critical to advocate for minimum wage increases, guaranteed basic income or wage subsidies, and policies that make it easier for workers to bargain collectively for better wages.
- Collateral consequences for criminal legal system involvement: Homelessness and criminal legal system involvement are closely linked, and there are hundreds of legal sanctions or restrictions that prevent people with criminal records from accessing employment in certain sectors or occupations.
- Benefit cliffs: public benefit cliffs are a serious hindrance for career attainment and advancement for low-income workers. Some states and counties have piloted policy solutions focused on addressing this particular barrier.
Introduction

This resource was created by Heartland Alliance for REDF and All Home, with the purpose of providing an overview of the research literature on employment services for people experiencing homelessness, along with program, systems, and policy recommendations to inform the planning of a new initiative to connect people experiencing homelessness to employment. Heartland Alliance recognizes that people experiencing homelessness and housing instability overwhelmingly want to work and can succeed in employment if provided with the appropriate supports. Moreover we recognize that for many people experiencing homelessness, earned income is an essential factor in exiting homelessness and remaining stably housed. This is consistent with the self-identified needs of people experiencing homelessness in California communities such as Alameda County, where 22% of people experiencing homelessness identify job loss as the primary cause of their homelessness, and an additional 13% cite other money issues. Thirty-seven percent identify employment assistance as a service that could have prevented their homelessness.

This report builds upon several prior comprehensive reviews of the research literature on employment and homelessness that Heartland Alliance has conducted over the last decade, and also includes insights and observations from Heartland’s extensive place-based technical assistance to communities across the country that have undertaken similar initiatives. The literature review focuses on program models, interventions, and practices that have been evaluated and found to have impacts using rigorous research methods, primarily randomized controlled trials (RCTs) and comparison group studies.

Our analysis and recommendations also draw from promising practices and anecdotal experiences of communities and providers working to connect homeless jobseekers to quality employment. Because research evidence on employment programming for people experiencing homelessness is limited, we have included a review of evidence on models and practices for populations facing similar barriers to employment that overlap considerably with the homeless population, such as people with prior criminal legal system involvement, low-income recipients of public benefits, and opportunity youth.

Summary of findings and recommendations

The review of recent research literature has reinforced Heartland’s findings from previous literature reviews regarding evidence-based employment models for serving jobseekers experiencing homelessness. The primary evidence-based program models that are likely to be most effective in helping people experiencing housing instability or homelessness remain the same: Individual Placement and Support (IPS, or Supported Employment), transitional/subsidized employment (including Employment Social Enterprise), and sector-based training. There is also evidence supporting the homeless employment navigator model as having significant impact, based on one randomized control trial study. In addition to the evidence-based program models, there are evidence-based practices and components that can be integrated with existing employment programming, most notably Cognitive-Behavioral Therapy and Motivational Interviewing.

Our analysis and recommendations assume that the proposed initiative will draw lessons from REDF’s LA:RISE initiative in Los Angeles, and leverage the knowledge and expertise that REDF brings to the evidence-based model of Employment Social Enterprise. We describe a number of recommendations for applying the principles of other evidence-based models and practices within the framework of the LA:RISE/ESE model, such as adopting IPS approaches like zero exclusion and individualized job
development, as well as suggestions such as integrating CBT in employment programming and building onramps to sector-based training opportunities. We also highlight a number of additional evidence-informed program practices that many providers find effective but which have limited rigorous research evidence, such as trauma-informed employment services, monetary job retention incentives, flex funds, and harm reduction practices in employment services.

In addition, we offer guidance toward addressing some specific questions raised by REDF and All Home for which there are not yet definitive answers from research, such as which assessment tools are valid and useful in employment services for people experiencing homelessness, when is the best time to offer and deliver employment services, and which employment program models are most effective for subpopulations experiencing homelessness. Finally, we draw from Heartland’s national experience in facilitating cross-system collaboration between homeless services and public workforce development systems to offer a set of system-level recommendations and suggestions for policy advocacy.

Evidence-Based Program Models and Practices

There are a handful of fully developed employment service program models that are customized to serve people facing significant barriers to employment, including people experiencing homelessness. The models described below are those that have been rigorously evaluated and found to have significant impacts on employment outcomes through at least one randomized control trial study. The models for which there is significant evidence from multiple RCTs are Individualized Placement and Support (IPS, also known as Supported Employment), subsidized employment, a broad category of program types including Transitional Jobs (TJ), Employment Social Enterprise (ESE) and some forms of On-the-Job Training (OJT), and sector training programs that have been developed specifically for low-income or “disadvantaged” jobseekers. We also include one model that has been evaluated and found to have impact in a single RCT study, the Housing and Employment Navigator model. In addition to the evidence-based models, we describe two therapeutic techniques that have been found to yield significant employment impacts when integrated with employment services—Cognitive-Behavioral Interventions and Motivational Interviewing.

Individualized Placement and Support (IPS or Supported Employment)

Individual Placement and Support (IPS) is an evidenced-based model of supported employment for people with severe mental illness.11 Employment specialists, along with integrated mental health teams, play a critical role in supporting participants who want to work, find and maintain a competitive job of their choice. The foundation of the IPS model is that work is integral to mental health treatment and recovery. IPS practitioners utilize a robust fidelity scale2 to measure adherence to eight central principles, ensuring quality and standardization of this evidenced-based employment intervention.

Eight Principles of IPS:

1. Every person who wants to work is eligible for services (referred to as Zero Exclusion).
2. Services are determined by client choices and preferences.
3. Everyone should be able to access the competitive labor market at wages comparable to non-IPS peers.

2 The IPS Fidelity Scale is available in several languages. There is also an adaptation for programs working with young adults. All versions can be accessed here: https://ipsworks.org/index.php/library/.
4. There is no time limit on employment supports.
5. Employment services are closely integrated with mental health and other related services.
6. Personalized benefits counseling (i.e., Social Security, Medicaid, etc.) is provided.
7. Jobseekers pursue work as soon as they express interest rather than requirements of readiness assessments and vocational training.
8. Employment specialists develop relationships with employers based upon their client's preferences.

The IPS model has been researched extensively over the past few decades regarding its effectiveness for individuals with serious mental health conditions. In 28 randomized controlled trials, 27 have demonstrated significantly higher employment rates for the IPS intervention over the control, with an average employment rate of 55% for IPS participants compared to 25% in control group participants. Overall, this research indicates individuals with mental illness who utilize IPS find employment faster, maintain jobs for longer, and work more hours than comparable jobseekers in control groups.\(^v\)

Current research has evolved to assess effectiveness both within subgroups of people with mental illness and amongst individuals without significant behavioral health conditions. Examples of trending research include IPS interventions for individuals receiving Temporary Assistance to Needy Families (TANF) benefits\(^v\), individuals with prior justice involvement\(^vi\), and opportunity youth.\(^vii\)

As IPS was not intentionally designed for those experiencing homelessness, research at this intersection is limited but shows promise. Through a meta-analysis of four randomized control trials, researchers found that IPS improved employment outcomes for people with severe mental illness over individuals taking part in alternative vocational programming regardless of a number of demographic characteristics. Housing status was one characteristic analyzed, revealing that 103 people who had experienced homelessness in the past year experienced employment gains at least as much as their housed counterparts.\(^viii\) This meta-analysis elevated IPS as an employment intervention with potential for success for homeless individuals. Subsequent IPS programs specifically intended for individuals experiencing homelessness have also shown to increase competitive employment outcomes and homeless jobseekers express high satisfaction with the model compared to other vocational programs.\(^ix\)

A study that took place in Texas between 2012 and 2015 measured IPS effects on employment and housing attainment for veterans who identified as both homeless and justice-involved. Participants received support from either a one-week vocational program (control group) through the local Veterans Affairs (VA) hospital, or the VA program plus Individualized Placement and Support services. Six months after study completion, 55.3% of the IPS group found competitive employment compared to 24% of the control group. Significant positive outcomes were demonstrated in an analysis of the subset who identified as chronically homeless as well. No significant difference in housing status was observed at follow-up between the IPS and control groups.\(^x\)

Poremski et al. (2017) completed a randomized controlled trial of IPS for people recently housed with a scattered-site Housing First model. Thirty-four percent of individuals receiving the IPS intervention, during the period when IPS services had attained good fidelity, found competitive employment compared to 22 percent of the group receiving usual services. Adjusted odds were 2.42 times greater in the treatment group. Results were not statistically significant.\(^xi\)
Another program, *Links to Employment*, based in metro Vancouver, is a promising, in-progress quasi-experimental study designed to support individuals with multiple and complex barriers access holistic IPS supports through a primary care setting. Participants will have time-unlimited access to occupational therapists, vocational counselors, and mental health clinicians upon entry.\textsuperscript{xii} This 18-month program goes beyond prior studies on IPS and homelessness by assessing the health and social outcomes of participants in addition to economic gains. The study is expected to run through September 2022.\textsuperscript{xiii}

The above examples indicate that the IPS model should be considered as an option to assist unhoused people with mental illness find and access jobs of their choice. Unfortunately, participants that do achieve success in finding employment face incredible obstacles in maintaining those jobs. Most homeless individuals able to enter and remain in the labor market through IPS supports will not earn enough in wages alone to achieve economic self-sufficiency. Furthermore, many low-wage jobs available fall short of delivering substantial benefits or opportunities for advancement.

Employment programs using alternative frameworks, targeting those at-risk of homelessness or currently experiencing homelessness, can draw from IPS principles to inform their service delivery approach. We will provide recommendations about how an employment program can integrate these principles in later sections.

**Subsidized Employment: Transitional Jobs, Social Enterprise, and On-the-Job Training**

Subsidized employment is an umbrella category that includes multiple program types. The unifying feature of each program type is that participants’ wages are subsidized in whole or in part, either by the public sector, philanthropy, or through enterprise revenue, to assist disadvantaged workers in overcoming barriers and obtaining unsubsidized employment. These programs simultaneously address unemployment by providing benefit from a labor and demand perspective, opening opportunities for disadvantaged jobseekers, and providing a benefit to employers.\textsuperscript{xiv} The three most notable types of subsidized employment programs are Employment Social Enterprise (ESE), Transitional Jobs (TJ), and On-the-Job Training (OJT). Across all three types of employment programs individuals are being paid real wages for normal work, and that pay is being subsidized through partnership with the employer.

**Transitional Jobs**

Transitional Jobs programs are in which wage-paid subsidized employment is offered in conjunction with supportive services and skill development to help individuals with high barriers to employment successfully enter the workforce. While subsidized employment is provided on a time-limited basis, the goal is to connect graduates of the program into unsubsidized positions after the temporary term ends.

The economic benefits of transitional jobs have been documented in the long-term. Multiple rigorous RCT studies have shown that well-implemented TJ programs can deliver significant increases in earnings and employment that can in some cases persist throughout years of post-program follow-up.\textsuperscript{xv} Some

\textsuperscript{3} Links to Employment participants must be categorically considered a “Person with Persistent Multiple Barriers (PPMB)” as defined by the British Columbia Employment & Assistance Division. For more information, see: https://www2.gov.bc.ca/gov/content/governments/policies-for-government/bcea-policy-and-procedure-manual/eppe/persons-with-persistent-multiple-barriers
research suggests that diet, alcohol/tobacco use, recidivism, self-efficacy, social capital and family cohesion may improve with participation in transitional jobs programs. These health and quality of life-related indicators can be particularly important to consider for the application of this program to people who are living in poverty, especially those experiencing homelessness that are vulnerable to worsened physical and mental health outcomes as a result of their unstable living conditions.

Two large, multi-site randomized control trial demonstrations for transitional jobs have been conducted by MDRC on behalf of the US federal government in recent years, and although neither study focused on serving people experiencing homelessness, many of the findings are potentially relevant for this project:

The Enhanced Transitional Jobs Demonstration (ETJD) was sponsored by the US Department of Labor and focused on people returning to communities from incarceration and noncustodial parents. This demonstration was intended to test enhancements to the basic transitional jobs model, such as wage supplements, waivers of child support arrears, integrated occupational training, and intensive support services. Impacts were mixed across demonstration sites, however some sites did produce statistically significant impacts in employment, recidivism, and child support outcomes. Notably, among the most impactful demonstration sites was RecycleForce of Indianapolis, an employment social enterprise that has been in REDF’s portfolio. RecycleForce participants earned 54% more than the control group during the study period and 24% more during the last year of post-program follow-up, and also achieved significant reductions in recidivism. The RecycleForce findings are instructive because RecycleForce has a number of program features that Heartland Alliance also recommends for programs serving people experiencing homelessness: rapid attachment to paid employment, intensive support services, formalized mechanisms for peer support, and a degree of flexibility with regard to the length of program engagement and subsidized employment. As identified by cost-benefit analysis, RecycleForce demonstrated success in achieving program aims (reducing recidivism and reoffending), and increased earnings and receipt of other benefit among participants -- subsequently increasing capacity to pay child support payments. These benefits have produced net taxpayer savings and reduced community victimization overall.

The Subsidized Transitional Employment Demonstration (STED) was sponsored by the US Department of Health and Human Services and focused on serving recipients of Temporary Assistance for Needy Families (TANF) benefits. As with ETJD, impacts were mixed across sites, with some programs achieving improved post-program employment and earnings outcomes for the treatment group. The differences in program features among these programs and their impacts hold some relevant lessons for programs serving people experiencing homelessness. In particular, the findings from the Los Angeles demonstration site are instructive because that demonstration involved two discrete treatment groups in addition to the control group. In Los Angeles, participants randomized for treatment were placed in either “Paid Work Experience (PWE)” or “On-the-Job Training (OJT).” PWE participants were placed in subsidized positions with nonprofit or public sector employers and received a full wage subsidy for six months. OJT participants were placed with private sector employers and received fully subsidized wages for two months, after which the employer was expected to hire the individual in order to keep receiving subsidies for an additional four months. PWE participants were much more likely to actually work in subsidized employment and experienced a small increase in employment in the last year of follow-up,

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4 Although referred to as “On-the-Job Training” for the purposes of this study, this intervention differed in fundamental ways from OJT as it is funded and delivered through the WIOA system.
and evidence suggests they accessed better-quality jobs with higher wages and employer-provided health insurance. Moreover, these benefits appeared to be concentrated among participants with less prior work experience and more barriers to employment.xxii

A transitional jobs program evaluation that may be relevant for families experiencing homelessness is the New Hope project. New Hope, which operated in Milwaukee, offered low-income families with children subsidized public service jobs in conjunction with income supports, subsidized health care, and subsidized child care. In a randomized control trial, New Hope achieved statistically significant gains in employment and income for its highest-need participants—those who were unemployed at the time of enrollment and those who were receiving public benefits. In addition to the employment and earnings impacts, New Hope significantly impacted several measures of child wellbeing and academic performance. Even after eight years of follow up, children in the New Hope treatment group had greater engagement in school, employment, and career preparation compared to the control group.xxiii These findings suggest that transitional employment, particularly when coupled with robust supports like child care and health care, could have significant impacts for both parents and children in families experiencing homelessness.

**Employment Social Enterprise**

Employment Social Enterprise is a form of subsidized employment in which the jobs take place in a revenue-generating business that is typically operated by a nonprofit community-based organization. In conjunction with paid employment, participants working for social enterprise organizations receive additional supportive and wraparound services to increase viability for future continued employment. These wraparound services can provide support to overcome financial barriers to employment, like reliable transportation as well as services that contribute to overall stabilization like physical and mental health carexxiv.

Social enterprises have been used to successfully serve individuals who face multiple barriers to employment, including limited or non-existent work histories, prior criminal legal system involvement, and low educational achievement. Longitudinal and experimental evaluations of Social Enterprise to identify long-term impacts as an answer to unemployment and homelessness is limited — particularly in application to the general population as opposed to subpopulations like youth and people living with HIV/AIDS and other high-need groupsxxv. However, multiple rigorous evaluations suggest that this has been an effective method in many communities for positively impacting some dual users of both employment and other social service systems.

An evaluation of multiple social enterprises in a study conducted by Mathematica Policy Research found that after a year of participating in social enterprise employment programs, a high proportion of workers had obtained employment, stabilized their housing, and improved mental health relative to a comparison group. An estimation of net social benefit suggests that every dollar invested into ESEs returned between $1.34 and $2.23 in total benefits to societyxxvi.

Building upon the foundation of evidence provided by the Mathematica study, later research has validated the social benefit of Employment Social Enterprise. One study of a particular note is a recent comprehensive mixed quasi-experimental and randomized control trial intervention conducted in 2021 by RTI International for REDF. Using rigorous methods, the researchers determined that clients who participated in employment social enterprise programming had higher employment rates, higher wages,
and worked a greater number of hours per week, on average, than their peers in the comparison group who were not Employment Social Enterprise employees.xxvii.

Because social enterprises can exercise a greater deal of control over workplace conditions and job expectations, this intervention can be tailored according to the needs of the client and clients can be supported within a workplace with affirming and supportive practices. The positive connections established within ESE workplaces has a beneficial impact on participant confidence and experience, yielding long-term impacts as a result of positive exits to other opportunities, rather than negative program exits. There are direct beneficial outcomes of this improved experience. In the aforementioned study conducted by RTI International for REDF, researchers found positive program exits to be associated with a 25% higher likelihood of later employment.xxxviii. In addition to providing avenues for improving the participant experience, intentionally planned workplaces can be tailored according to client needs.

Moreover, because many employment social enterprises function largely as transitional jobs programs, the body of evidence supporting TJ can be broadly applied to ESEs as well; in fact, some of the most effective programs in TJ demonstration studies are ESEs. As noted above, a particularly successful example of social enterprise is RecycleForce. RecycleForce is an ESE that fulfills the dual roles of providing jobs and decreasing recidivism among formerly incarcerated individuals. RecycleForce is a high-performing program that provides employment in recycling electronics that includes both job training in electronics recycling and additional supportive services. While this program serves as a successful case study for implementing Transitional Jobs in general, it specifically demonstrates the program benefits of implementing employment social enterprise as a program model.

The Los Angeles Regional Initiative for Social Enterprise (LA:RISE) is another specific example of a social enterprise model with demonstrated success in supporting individuals facing homelessness find employment. Participants of LA:RISE receive job readiness training and support services while simultaneously gaining subsidized employment experience at a local social enterprise. LA:RISE partners then work with participants to find and maintain competitive employment. An evaluation of LA:RISE in its pilot year found that participation in the program resulted in a short-term impact on employment, and utilization of homeless services.xxxix. LA:RISE is now in its eighth iteration with 3,990 individuals having secured permanent employment or enrollment in an education program among other successes.

**On-the-Job Training**

On-the-job-training (OJT) is a subsidized employment intervention that is administratively defined under the Workforce Innovation and Opportunity Act (WIOA). As defined by the WIOA, OJT is provided by a public, private, or nonprofit organization. Occupational training is provided to the program participant in exchange for wage reimbursement provided to the employer. Aside from the subsidy, the intervention resembles regular employment and working conditions. The length of this work is “limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided”xxx.

OJT is intended to provide an opportunity for people with limited work attachment and/or underdeveloped vocational skills to build work history in pursuit of obtaining mainstream competitive employment. After the subsidized training period, ideally an employer will hire the individual independently for mainstream employment. Alternately, the accumulated work history and training will
make the client more competitive on the employment market, and job placement services can help with the job application and interview process.

Experimental evaluations of OJT are rather old, dating back to the implementation of the Job Training Partnership Act (JTPA) in the 1980s, when a large national RCT study found modest but significant impacts on earnings for low-income adults. Although rigorous evidence supporting OJT for jobseekers experiencing homelessness is lacking, it is worth considering in the context of this project because it is a strategy that is broadly funded and implemented through WIOA. Under WIOA, up to 75% of a worker’s wages can be reimbursed through OJT, and slots can be prioritized for jobseekers facing barriers to employment, including those experiencing homelessness.

**Sector-based training for low-income workers**

Sector-based (or sectoral) training is a “demand-driven” training strategy in which occupational skills training is designed in partnership with employers in industries that are expected to experience demand for workers, particularly in high-quality “middle skill” jobs that do not require a college degree and often provide trainees with employer-recognized credentials. The most common industry sectors targeted by these programs are healthcare, information technology, advanced manufacturing, transportation and logistics, and construction. Sector training programs that have been designed specifically to serve low-income jobseekers have been shown in multiple randomized control trial studies to impact several employment outcomes for jobseekers facing barriers to employment. These programs typically offer some “soft skills” or readiness training and wrap-around support services in addition to the occupational skills training.

Two major multi-site randomized control trial studies have evaluated the impacts of sector training programs designed for low-income or “disadvantaged” workers. The **Sectoral Employment Impact Study (SEIS)** conducted by Public/Private Ventures evaluated three sector training programs: the Wisconsin Regional Training Partnership, which trained participants in construction, manufacturing, and healthcare; Jewish Vocational Service – Boston, which offered training in medical billing and accounting, and Per Scholas, a New York-based program that offered computer technician training. Common features across program sites included training that integrated technical job-specific content with basic English and math skills, individualized support services such as transportation, childcare, and help with getting a driver’s license, and flexibility in service delivery to meet employer and trainee needs. Participants in the treatment group earned significantly more (about $4,500), were more likely to work, worked in jobs that paid higher wages, and were more likely to work in jobs that offered benefits, compared with the control group.

The **WorkAdvance Demonstration**, which was intended to build on the success of the SEIS, used a randomized control trial to study four sector training programs: Per Scholas, which also participated in the SEIS study, offering training in information technology; Madison Strategy Group in Tulsa, offering trainings in transportation and manufacturing; St. Nicks Alliance in New York City, offering training in environmental remediation; and Towards Employment of Northeast Ohio, offering trainings in healthcare and manufacturing. The WorkAdvance model as implemented across sites has five core elements:

- Intensive screening of program applicants (see paragraph below on program accessibility)
- Sector-appropriate pre-employment and career readiness services
• Sector-specific occupational skills training that meets employer needs and bears credentials
• Sector-specific job development and placement services
• Postemployment retention and advancement services

The impacts of WorkAdvance varied across program sites. Per Scholas, which was the most mature and well-established program site, has achieved significant long-term increases in average earnings for participants—by as much as $6,281, or nearly 20% in year 5 of follow-up. The other sites also increased earnings although the amounts were not statistically significant. Although WorkAdvance did not increase overall rates of employment relative to the control group, participants in the treatment group were significantly more likely after seven years to earn over $40,000 per year, which suggests that WorkAdvance participants are advancing in their careers over time.

Although sector training programs have been shown to have impacts for many low-income jobseekers with regard to increases in employment, wages, and access to benefits, we could find no randomized control trial studies that identified people experiencing homelessness or housing instability as a service population for sector training, and descriptions of study participants do not list housing status. However, based on the characteristics of participants in the available studies, sector training is likely to benefit some jobseekers experiencing homelessness or housing instability. For example, among participants in the WorkAdvance study, 24% of participants had previously been convicted of a crime, 37% were receiving SNAP benefits, and 40% had not worked in the previous twelve months, indicating that many participants were facing substantial barriers to employment.

Sector training may benefit some jobseekers experiencing homelessness or housing instability, but such training is likely to be inaccessible for the majority of those jobseekers based on screening and eligibility criteria. Sector training programs typically require candidates to pass basic skills tests in reading and math, as well as subject them to more subjective assessments for “readiness” and “motivation.” For example, the WorkAdvance model explicitly includes “intensive screening” as a core element of the strategy, which includes assessments for both basic skills and more subjective factors. Candidates must meet minimum test scores that range from sixth to tenth grade level in reading and math, depending on the program provider, and are also screened according to a range of criteria including timeliness for interviews, criminal records, and appropriate dress. As a result, in the majority of program sites, only about 20 percent of applicants complete the screening process. Based on those criteria it is likely that homelessness or unstable housing would disqualify a candidate from accessing training in most sector training programs.

In spite of these challenges with accessibility, it is worth considering sector training as a strategy for jobseekers experiencing homelessness, particularly in high-cost communities in California. Increases in homelessness in the US have been largely driven by economic factors; that is, increasing housing costs coupled with poverty and stagnant wages. The particularly acute housing affordability crisis in the Bay Area is likely making these factors even more important as tight, high-cost rental markets experience higher rates of homelessness. Moreover, the fact that many people experiencing homelessness are engaged in work further demonstrates that many of the jobs available to people experiencing homelessness do not offer adequate pay to attain and keep stable housing. Because sector training can help participants access higher-quality jobs with opportunities for advancement, employer-provided benefits, and positive earnings trajectories, they may be more effective at supporting long-term housing...
stability relative to interventions that focus on placements in entry-level positions for people experiencing homelessness or housing instability, at least for those who can access them.

One evidence-based model for! helping individuals improve basic academic skill levels while simultaneously gaining occupational skills may hold promise for programs seeking to make sector training more accessible for people experiencing homelessness and other serious barriers to employment. The Integrated Basic Education and Skills Training Program (I-BEST) developed by the Washington State Board for Community and Technical Colleges uses a team teaching approach in which one instructor offers basic skills instruction while the other focuses on simultaneously delivering postsecondary-level technical instruction. Students participating in I-BEST are more likely than those in comparison groups to make improvements in basic skills, earn college credits, and earn occupational certificates.

**Housing and Employment Navigator model**

Families experiencing homelessness rely on the resources of housing, workforce, and social service systems to secure employment and stable housing. While the issues these systems seek to address are interconnected, providers are oftentimes operating in silos. This creates burdensome complexities for service users. Building Changes, a Washington state nonprofit, sought to change that by developing the Housing and Employment Navigator Model. The concept of navigator models emerged in the healthcare setting in the 1990s and has since been adapted for adjacent fields.

The primary goal of the Building Bridges Model: secure and maintain employment and housing for heads of homeless families utilizing a streamlined, team-oriented case management approach. What was initially piloted with local partners in Seattle/King and Pierce Counties was scaled into a five-year research study through a federal Department of Labor Workforce Innovation Fund (WIF) grant in 2012. The Housing and Employment Navigator Model was consistently applied in three regions of the state, and included the following components:

- **Employment Navigators** – Families were referred to a Navigator by local housing providers. Navigators then worked closely with families functioning as a single point-of-contact to provide individualized support to address housing and employment challenges, connect them with resources, and essentially help them “navigate” systems.

- **Cross-System Collaboration** – Navigators convened workforce, housing, and public assistance employees together for regularly scheduled meetings to staff their common clients. Navigators also met regularly with one another for peer-sharing purposes.

- **Flexible Cash Assistance** – Navigators were able to disperse funds for clients with urgent employment-related needs such as interview clothes, hygiene products, background checks, gas money, and car repairs. Flexible funds can be difficult to acquire, so programs hoping to implement similar interventions should seek monetary support early and coordinate efforts with partners to disperse funds quickly.

An evaluation of this program, published in 2017, is the only randomized control trial of this particular model to-date. Evaluators analyzed long-term employment, housing, and public assistance outcomes for families receiving the prescribed Navigator services with comparable families who did not receive such services (control group). At the 24-month follow up, Navigator participants were significantly more likely to have found employment, a rate 9% higher than their peers in the control group.
participants also retained employment for six or more months at a rate 11% higher than the control group. Housing permanency rates were 5% higher for navigator participants over the control group but did not differ significantly. Of importance, individuals who received more frequent and consistent contact from their Navigator were more likely to see positive housing and employment outcomes. There was no substantial difference in earnings between the two study groups, and as a result little difference in the utilization and amount of public assistance benefits as well.

**Cognitive Behavioral Therapy (CBT)**

Cognitive Behavioral Therapy (CBT) integrated with employment services is an approach to supporting clients in subsidized and competitive employment opportunities that leverages therapeutic techniques to enhance program efficacy. Vocational, or work-focused CBT, is a form of mental health support that specifically addresses conflicts and stressors of the workplace by providing assistance in managing these problems through a targeted version of CBT that is specifically oriented to vocational challenges. This intervention has been implemented in conjunction with a variety of employment models, including but not limited to Individual Placement and support (IPS), and for people with, and without, disabilities.

Among people with mental health disorders, CBT integration into employment programs has been documented as a successful intervention. In one randomized control trial of CBT integration with supported employment, researchers found that the group that received the CBT intervention had more success in attaining competitive employment, maintained longer employment tenure, and worked a greater number of hours per week on average than the control group. Across this trial, CBT adapted to the employment program delivered greater benefits than the employment program alone.

In another randomized control trial that measured both mental health outcomes and employment outcomes for unemployed individuals seeking work, researchers found that integrating work-related CBT into employment assistance programs yielded significantly better mental health outcomes and led to faster attainment of competitive employment among clients. Even within programs that failed to find a significant mental health impact, work-related CBT still successfully achieves improved work outcomes. In a study of a program focused on returning employees to work, researchers failed to find a significant difference in overall mental state and number of work-related complaints, but still found faster return times to full-time work among people who had received work-based CBT.

Although CBT is often oriented toward people with diagnosed psychiatric conditions, CBT integrated with employment services has been demonstrated as successful for chronically unemployed individuals without psychiatric conditions as well. This benefit has been demonstrated for non-psychiatric, long-term unemployed individuals, classified as such based on having been unemployed for at least two years. In one study of “non-psychiatric, long-term unemployed individuals,” the group that received CBT in addition to employment services had significantly higher rates of full-time employment at the four month program follow-up, and program participants reported improved attitudes and opinions about work.

A final target population for work-oriented CBT, most relevant to this literature review, are employment programs for people experiencing homelessness that integrate CBT. Although there are limited rigorous evaluations of programs specifically oriented to people experiencing homelessness, there are two studies that demonstrate successful outcomes for this group. In one of these studies, homeless youth who received CBT integrated into IPS had significantly better employment outcomes than the
comparison group lvii. Another study that included unemployed adults experiencing homelessness found that CBT combined with vocational services as usual produced positive outcomes. Clients who received the combined vocational services and work-related, group cognitive therapy reported improved anxiety and depression symptoms, and demonstrated improved employment outcomes lviii.

As a stand-alone practice, cognitive behavioral therapy is a successful and evidence-based intervention. When combined with employment and vocational services, evidence suggests that CBT can enhance these programs, producing greater positive impacts than employment services alone. While the evidence for programs that specifically combine homeless and employment services is less robust than the general body of evidence for CBT, research does clearly demonstrate that CBT is a flexible model with a history of demonstrated success for a wide variety of populations – including those populations that are challenging to serve.

Motivational Interviewing (MI)

Motivational Interviewing is a therapeutic technique that uses open-ended questions, affirmations, and nonjudgmental reflections to help individuals overcome ambivalence toward change by drawing on their own goals and motivators. One widely accepted definition of MI comes from Miller & Rollnick (2013): “MI is a collaborative, goal-oriented style of communication with particular attention to the language of change. It is designed to strengthen personal motivation for and commitment to a specific goal by eliciting and exploring the person’s own reasons for change within an atmosphere of acceptance and compassion.” The core principles of MI are: “1) express empathy through reflective listening, 2) develop discrepancy between clients’ goals or values and their current behavior, 3) avoid argument and direct confrontation, 4) adjust to client resistance rather than opposing it directly, and 5) support self-efficacy and optimism.”

Originally developed to help support behavior change related to substance use, MI has been evaluated by over 200 published RCTs and is recognized by SAMHSA as an evidence-based practice for alcohol use, drug use, and retention in treatment lix. MI has been evaluated in the context of employment services by a handful of RCT studies and found to have significant impacts. One study tested the impacts of providing MI training to counselors in a vocational rehabilitation program. Clients of the counselors who were trained in MI demonstrated increased engagement in vocational services relative to clients of counselors who did not receive the training lix. Another evaluation that involved two discrete RCT studies compared employment programs enhanced with MI against the employment services alone. In both studies, treatment group members experienced increased motivation, program participation, employment, and employment retention compared with their respective control groups lx. There is also some evidence to suggest that MI can enhance outcomes for IPS participants when integrated with that model lx.


Because employment social enterprise is an established evidence-based employment model for people experiencing homelessness and housing instability, and because ESE is REDF’s longstanding program model of choice and its area of expertise, it is both likely and appropriate that the intervention designed for the Bay Area project will build upon the capacities, competencies, findings, and impacts of LA:RISE.
and focus on coordinating services among ESEs in the Bay Area and building partnerships with local WIOA systems. To supplement this program model, we recommend exploring the ways in which elements of other evidence-based models and practices can be applied within the LA:RISE model.

**Programming and practice recommendations**

**Consider incorporating elements of IPS:** Given the consistent impacts of the IPS model across a range of populations, we recommend fully exploring how the tenets and practices of IPS can be used to enhance the LA:RISE program model. Several IPS model features would be compatible with the ESE structure of an LA:RISE-like implementation. These include:

- **Zero exclusion:** There are a number of reasons for an employment program intended for people experiencing homelessness and housing instability to adopt a policy of zero exclusion from employment services. Research indicates that employment social enterprises and similar transitional jobs programs are most beneficial for jobseekers facing more barriers to employment, so eliminating or minimizing the ways in which candidates are screened out of programming based on the barriers they face will help maximize program impact. In addition, there are serious racial equity implications associated with using subjective assessments to determine access to programming—it is possible that screening candidates out of programming based on barriers to employment or assessments for “readiness” could result in fewer candidates of color accessing programming and exacerbate racial inequities in employment outcomes. Some ways to operationalize a zero-exclusion policy for employment programming include:
  - Using assessment tools only to determine service needs rather than program eligibility. In other words, use assessments to screen candidates into programming rather than screen them out.
  - Offer readiness services and other supports concurrently with employment services. If an individual has significant service needs such as mental health services or soft skills training, they can be offered while the individual is also enrolled in employment programming as opposed to making them a prerequisite.
  - Assess and evaluate program practices and policies to determine which ones could result in exclusion from programming. This could include looking at all program eligibility requirements, assessment tools, intake processes, and paperwork, as well as program policies such as expulsions for absences, tardiness, behavioral problems, or substance use (see recommendation on applying harm reduction principles in employment programming).
  - Understand how an individual’s experience of trauma can affect program participation or workplace success. What appears to be a lack of motivation or an attitude problem is quite likely a lack of confidence or a response to trauma (see recommendation on applying trauma-informed principles in employment programming).

- **Robust, time-unlimited supports:** Offering supportive services to participants beyond the period of subsidized employment may impact unsubsidized job retention better than traditional retention services. IPS programs offer supports to participants in competitive employment for as long as the worker finds them necessary. In longitudinal studies of subsidized employment programs, a common pattern is seen time and again in which work participation is high during the subsidy period (when supports are offered) and then fall off after program exit (when
supports are no longer offered). It is clear that many workers can successfully participate in work for as long as supports are available, so extending those supports into the phase of competitive employment could be the key to achieving long-term labor force attachment. Moreover, supports should be robust and based on individual jobseeker needs, such as assistance with childcare, transportation, attaining documents necessary for work, legal aid, physical and mental health care, and substance use treatment, in addition to housing interventions.

- **Worker preferences/systemic job development:** IPS programs conduct job development and deliver other services according to the preferences of participants rather than the judgements of program staff; for example, seeking out specific employers or sectors based on a jobseeker’s interests as opposed to the sectors or employers with which the program already has a relationship or those that are most likely to result in a placement. This approach is particularly useful in job search assistance for competitive unsubsidized employment placements, but can also be applied in some ways to social enterprise employment. Although employment social enterprises are limited regarding the options they can offer participants in subsidized employment type and sector, there are ways in which this focus on individual choice can inform ESE programming as well as the kinds of unsubsidized opportunities that are accessed by participants. A single social enterprise can offer choices from a very limited set of job types, however a network of ESEs such as was coordinated by LA RISE could offer program candidates a choice from among the range of work experiences available across the network.

- **Rapid job search:** IPS focuses on connecting participants to competitive employment as rapidly as possible, without lengthy training requirements or other prerequisites. Many employment social enterprises likewise prioritize rapid placement in subsidized employment. There is research evidence to support the practice of getting ESE participants working and earning income as rapidly as possible—in the ETJD study, there was a direct correlation between the speed at which a participant was placed in subsidized employment and overall rates of work participation and program engagement\textsuperscript{lxv}. The flexible and controlled nature of social enterprise employment makes it ideal for connecting participants to earned income rapidly and offering preparation and readiness programming concurrently with employment as opposed to requiring it up-front. Because people experiencing chronic unemployment and homelessness have an immediate need for income to meet basic needs, it is important to get them earning as quickly as possible without mandating up-front training or other delays.

**Build onramps to sector training:** As noted in this document, sector training that is designed specifically for low-income workers has demonstrated impacts for participants related to increased earnings over time and employment within the training sector. However such training is inaccessible to the majority of jobseekers who apply, based on basic skills testing requirements and subjective assessments related to factors like personal presentation and “motivation.” Social enterprises present a promising venue to deliver contextualized basic skills instruction and other preparation to increase the likelihood that participants can access sector training. Specifically, programs could:

- **Develop partnerships with local sector training programs to discuss building a referral pipeline to sector training.** This could include asking sector training partners to share detailed information about how to meet eligibility criteria, offer feedback on individual applicants and allowing for re-
application for participants who have been screened out, and negotiating terms for easier access to training for ESE participants.

- **Develop partnerships with adult basic education providers to deliver basic skills instruction in the ESE workplace.** This could include ABE partners developing custom, contextualized curriculum modules using materials and examples from the ESE employment experience.

- **Ensure that individual plans for ESE participants include goals associated with sector training eligibility.** This could include setting goals for improving basic skills test scores and coaching for participants on meeting criteria related to “motivation” and “readiness.”

**Enhance the navigation function for better connections to mainstream employment services:** LA RISE, though its partnership with local WIOA agencies, does provide some navigation services to clients as they transition from ESEs to mainstream employment and training services. However, there may be some additional navigation functions and practices that can be adopted from the Housing and Employment Navigator model developed in Seattle by Building Changes. Specifically, consider creating a dedicated staff role focused on supporting system navigation and ensuring that participants have access to necessary services across a range of service providers.

**Integrate cognitive-behavioral programming:** As described above, cognitive-behavioral interventions embedded within employment programming have demonstrated significant impacts for both mental health and employment outcomes. Transitional jobs and Employment Social Enterprise programs possess particular opportunities for fully integrating CBT delivery and principles with the work experience. Because of the degree of control that ESE programs have to shape participants’ workflows, it would be relatively easy to carve out portions of on-site time for CBT delivery, along with work readiness coursework, connections to support services, and other programmatic activities. In addition, within the ESE model frontline work supervisors could be trained in CBT principles, which would allow them to reinforce and model CBT skills as part of their supervision roles.

One example of this kind of CBT integration is found in the READI (Rapid Employment and Development Initiative) Chicago program model. READI Chicago, a program of Heartland Alliance, is a community violence intervention focused on Chicagoans who are at extremely high risk of engaging in gun violence that combines work-crew transitional jobs with support services and a cognitive-behavioral intervention. Program candidates, who are typically not seeking or interested in services, are offered access to paid employment on the condition that they also participate in CBT groups (participants are compensated for the time they spend in CBT in addition to their wages). The CBT group activities are integrated into the workday, with participants spending the first hour of each day in CBT group before being dispatched to their transitional job. READI Chicago is being evaluated by a randomized control trial study, and although final impact findings are not yet public, the program has already demonstrated that combining CBT with access to low-barrier transitional work is effective in engaging individuals who would not otherwise participate in a mental health intervention.

**Create opportunities for peer networking and support:** Low-income jobseekers typically have very few contacts to help them with their job search. Employment and training programs are in prime positions to expand and improve such networks, which can help individuals find jobs that aren’t publicly advertised, leverage connections to secure employment, and gain insider information about a job’s quality. Job Clubs are one widely used method of peer-based networking and support for unemployed groups with some evidence of increased employment. In job clubs, participants meet regularly to
network and offer one another feedback, support, and accountability on a range of job search topics. Peer-to-peer support also shows promise for improving employment stability and job satisfaction\textsuperscript{lviii}. RecycleForce, one of the more successful programs in the Enhanced Transitional Jobs Demonstration, utilizes peer mentors as part of its employment service model. These on-staff mentors supervise participants, and teach and model job-related skills. Peer mentors check-in with participants individually and through facilitated group sessions centered on relevant themes\textsuperscript{lix}.

**Consider flexible funding disbursements:** Individuals attempting labor market attachment while simultaneously experiencing housing insecurity will experience an array of financial obstacles that could disrupt any efforts at stable employment. Lack of transportation access can prevent a new employee from getting to work on time. Upfront costs of work-related attire and hygiene products could prevent an individual from making their next rental payment. To allow for the greatest chances of success, flexible funding assistance should be available to program participants as time-sensitive needs arise. Field experts, practitioners, and individuals with lived experience of homelessness agree that distributing such individualized support is both practical and advantageous\textsuperscript{lxix}. Doing so without administrative obstacles reduces barriers and fills in the gaps of siloed benefits programs\textsuperscript{lxix}. Also, as noted above, the availability for flexible funds is a core component of the evidence-based Housing and Employment Navigator model.

**Provide retention supports for unsubsidized employment, and consider monetary incentives:** Retaining employment is just as important as attaining employment. Yet many employment service providers claim that helping their clients maintain attachment to the labor force is more challenging than helping them get a job. Much of the rigorous research on retention and advancement strategies has been performed with TANF recipients, and results are mixed. For example, one of the largest multi-site RCT studies of retention and advancement programs found that only three of 12 sites focused on low-income single parents had significant impacts on employment or earnings\textsuperscript{lxix}. Although achieving long-term attachment and advancement in the labor force is a challenge, it remains critical. The experiences of program providers suggest that for people experiencing homelessness, effective employment retention strategies include offering customized, time-unlimited support services (see recommendation above related to incorporating IPS principles\textsuperscript{lxvii}), offering supports to address all aspects of employment that can affect work performance, productivity, attendance, and attitude toward employment, such as motivation challenges and workforce ambivalence\textsuperscript{lxiv}.

Offering monetary incentives for employment retention looks particularly promising and is more well-supported by the research than many other approaches. Many experimental studies have found that financial incentives improved employment outcomes for unemployed recipients of welfare benefits\textsuperscript{lxv}. For people experiencing homelessness, financial incentives have been effective in supporting a wide variety of positive outcomes, including reduced substance use, continued engagement in health and social services, and adoption of general positive lifestyle changes among people experiencing homelessness\textsuperscript{lxvi}. This holds true for employment services: adults who were unemployed and dealing with substance use disorders had significantly better retention in employment and workforce programs when offered financial incentives. One study found that at the end of a one-year study, 77% of clients who were offered financial incentives remained engaged with workforce programs, compared with 9% of participants who did not receive financial incentives\textsuperscript{lxvii}.

**Incorporate harm reduction approaches to substance use:** Incorporating harm reduction principles in workforce/housing programs that seek to impact substance use in participants is an evidence-based approach. We recommend that programs are designed with consideration for harm reduction practices
when seeking to address substance use in addition to housing stability and employment outcomes. A number of programs have been evaluated that offered housing and employment services while mandating abstinence from substance use. These abstinence-contingent programs have produced mixed results. Across multiple studies of employment outcomes of abstinent-contingent programs, researchers found that in some circumstances, monetary incentives provided for sober work participation was a successful program model. However, three of the five most rigorous evaluations found no statistically significant result, and of the models that did find a significant result, none demonstrated long-term impact after program end when incentives ceased. Another program combined abstinence contingent housing with subsidized employment and cognitive behavioral therapy. Evaluators found that the treatment group did not demonstrate significant gains in long-term housing or employment. Furthermore, while abstinence from drugs and alcohol during program participation was associated with improved substance use outcomes, the impact did not extend after financial incentives ceased.

The failure of abstinent-contingent housing to consistently achieve significantly improved long-term effects on housing stability may relate to the high barriers enacted by these programs. However, this does not mean that substance use outcomes are an inappropriate goal for combined vocational/housing programs; rather, this suggests that sobriety may be a more appropriate outcome for measurement, rather than program requirement. In the aforementioned study, researchers found that abstinence was a predictor of housing stability. Therefore, programs that provide the conditions for sobriety that utilize harm reduction principles, in combination with best-practice housing and workforce practices, may deliver successes across all three domains.

Implementing harm reduction approaches within workforce development programming is not common, and may be met with some resistance among employment service providers. Some practical ways in which employment services can adopt harm reduction approaches include:

- Do not mandate abstinence from substance use as a condition of program enrollment or perform drug tests as part of program intake processes.
- To the extent that a particular industry sector, occupation, or employer requires drug testing, give participants the necessary time and information to prepare for the eventual testing. The experiences of program providers tell us that many participants can comply with testing on their own if given enough time to prepare.
- For participants with substance use disorder who are unable to meaningfully participate in programming due to substance use, offer connections to treatment along with an offer to reenroll them in programming once their substance use has been addressed.

Use assessment tools to identify service needs and explore career interests: Assessment tools have a variety of valuable uses in employment services, such as identifying barriers in order to provide customized support services, identify the career interests and strengths of jobseekers, or measure the hard skills necessary to succeed in specific occupations or industry sectors. However we do not recommend using assessment tools to determine eligibility for employment programming or readiness to engage in job search.

Assessment tools are frequently used in the field of homeless services to prioritize clients for limited housing opportunities, most notably the Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT). However, as a standardized assessment, the VI-SPDAT has been criticized for being biased on the grounds of age and gender, as well as perpetuating structural racism. Concerns persist
about tools that have received less widespread use and attention, that share characteristics of this tool. A number of the assessments that are used to prioritize housing interventions factor employment and earned income into their measures\textsuperscript{xxxiii}, but we found no employment-related assessment tools that are designed or intended for jobseekers experiencing homelessness, or that have been tested or validated for jobseekers experiencing homelessness.

Career exploration tools can be useful in helping job developers provide individualized job search assistance when used in conjunction with one-on-one conversations with jobseekers about their employment preferences and interests (see section above on systemic job development). One such tool is My Next Move, which was developed for the US Department of Labor Employment and Training Administration, and is aligned with the O*Net database of occupation descriptions.

Assessments designed to identify and inventory barriers to employment can be useful for the purpose of identifying service needs and delivering appropriate employment-related support services. One such tool is the Online Work Readiness Assessment, which was developed primarily for TANF recipients and is available for free through the Department of Health & Human Services Administration for Children & Families Office of Family Assistance. Although work readiness assessments can be valuable in determining the type and intensity of employment interventions a jobseeker should receive\textsuperscript{xxxv}, there is limited evidence to support the use of assessment tools and processes to determine client readiness for employment and housing interventions or to predict success in competitive employment. In keeping with the principles of evidence-based models such as IPS and Housing First, we do not recommend using assessment tools to determine eligibility for employment services—we recommend that access to programming, including job search, should be determined by the individual’s desire and self-identified readiness as opposed to an assessment tool.

In order for employment service providers to identify and address behaviors or performance issues that should be resolved to maximize success in competitive employment, the best method is probably Situational Assessment, which has been defined as “the evaluation of general skills and behavior important to any occupation in a simulated or real life setting\textsuperscript{xxxvi}.” Situational Assessment has largely been evaluated in the disability field among individuals in psychiatric rehabilitation, where it has been found to be a better predictor of employment outcomes than other forms of assessment\textsuperscript{xxxvii}. The concept of Situational Assessment should be familiar to providers of Transitional Jobs and Employment Social Enterprise services. ESEs in particular are ideal venues for observing and assessing an individual’s performance in a real work setting, and all ESEs and TJ programs do this with varying degrees of formality.

**Build awareness of how trauma impacts employment, and educate employers:** Homelessness brings with it a range of acute and chronic traumatic experiences, so employment programs serving people experiencing homelessness or who have experienced homelessness should adopt a trauma-informed approach to employment services. The experience of trauma has well-documented impacts on employment success—people who have experienced multiple traumatic events face more challenges in securing and maintaining employment, and have far worse employment outcomes than people who have experienced less trauma\textsuperscript{xxxviii}. Many of the ways in which people respond to the experience of trauma, such as irritability, aggression, withdrawal, and difficulty concentrating could be misinterpreted by employers or employment program providers as a bad attitude or lack of motivation. Although there are no specific trauma-informed practices in employment that have been evaluated in experimental studies, many employment program providers practice trauma awareness and train their staff in
trauma-informed care, and some guidance is emerging on how to apply trauma-informed principles in employment services. In addition to applying trauma-informed principles in the employment service environment, program providers, advocates, and other stakeholders should work to educate and inform employer partners about how workers’ experience of trauma affects workplace performance and turnover, and advocate for management practices and policies that more effectively respond to worker trauma and avoid re-traumatization.

**Center racial equity in program design:** As is the case in communities across the county, homelessness and poverty in California communities reflect deep racial inequities. For example, according to the Alameda County point-in-time homeless count, Black people made up 43% of people experiencing homelessness while comprising 10% of the overall population\textsuperscript{xxxiii}. Black and Indigenous people in Alameda County experience homelessness at a rate four times higher than the general population\textsuperscript{xxxix}. Access to employment opportunities are similarly inequitable, with Black and Indigenous people experiencing the lowest rates of employment and highest rates of joblessness of all racial groups in the Bay Area\textsuperscript{xc}. Because of these entrenched inequities, any employment initiative designed to serve people experiencing homelessness should have explicit objectives and strategies to measure and address racial inequities in program access and outcomes. Some specific ways to address racial inequities when designing and implementing an employment initiative include:

- Disaggregate program outcomes data by race, analyze gaps, and set goals for reducing gaps
- Minimize or eliminate decision points that exclude individuals from employment services or connections to jobs (see section on zero exclusion above)
- Include people with lived experience of homelessness and poverty in program design and planning decisions

**Align employment interventions with the Housing First approach to homeless services:** Housing First is a housing intervention paradigm in which housing is offered without preconditions, rules, or requirements beyond those included in a traditional lease. Under this approach, households experiencing homelessness are provided with housing to stabilize their lives. In addition to housing, clients are offered (but not required to accept) engagement with supportive services\textsuperscript{xci}. This model has been adopted by the Department of Housing and Urban Development and is considered a best-practice model. Taken together, the program and practice recommendations in this section reflect an approach to employment services that align with the precepts and practices of Housing First, such as eliminating preconditions to entering employment services, delivering support services and preparation concurrently with employment services, and using individuals’ self-identified preference for employment services as a determination of readiness.

**What services, for whom, and when? Matching individuals with employment interventions**

**When to engage prospective participants in employment services:** There is little evidence to indicate the point in time at which offering employment services to people experiencing homelessness or housing instability is most effective in terms of service uptake, retention, or long-term employment success. However, based on the experiences of Los Angeles, San Francisco, Chicago, and elsewhere, the strategy of offering employment services at the point of coordinated entry in the homeless service system shows promise. In communities that have included questions about the desire for employment services in coordinated entry assessments (see system recommendations below), a majority of people seeking a housing intervention have indicated that they also wanted employment services. For example, in Chicago about 60% of people who were asked in coordinated entry assessments about their interest
in employment services indicated that they wanted help with finding a job. For many people experiencing a housing crisis, earned income is an important and necessary factor in averting homelessness or exiting homelessness more quickly, so demand for employment services may be elevated at the beginning of a housing crisis. People seeking a housing intervention who are placed in homeless system diversion programs may be particularly interested in employment services as part of their strategy to respond to their housing crisis given that they will not receive a housing intervention. There are currently pilot projects underway in both Los Angeles and San Francisco that are using Problem Solving (California’s term for homeless system diversion) as a potential point of referral to employment services.

One response to this question comes from the IPS model, which uses individual choice as the sole determinant of when a person can access employment programming—an individual’s stated preferences and self-determined readiness for programming serves as the catalyst for connection to employment services. This is one way to operationalize the principle of “zero exclusion” and avoid the subjectivity of readiness assessments or other eligibility criteria. This approach to employment services is also aligned with the “Housing First” approach to homeless services, in which an individual’s readiness for housing is determined by “consumer choice” as opposed to the judgments of case managers or other professionals. In practice this approach would require close partnership with the local homeless Continuum of Care service providers in order to ensure that the option of receiving help with employment is presented to an individual at multiple points throughout their engagement with the homeless service system, in order to remind them that they can access employment help whenever they consider themselves ready.

**Matching types of employment services based on jobseeker characteristics:** There is some evidence to indicate which types of employment interventions are most effective for subpopulations of people experiencing homelessness. The strongest evidence involves people experiencing mental illness, for whom the IPS model has been extensively evaluated and reliably shown to have significant impacts; this may also suggest that IPS as a preferable model for participants in permanent supportive housing. There are some other indicators in the research literature which, along with the experiences of providers, can help guide the decision of matching employment intervention with service population. A number of studies have shown that transitional jobs programs (including ESEs) impact recidivism and justice involvement among people who have been incarcerated, a population which overlaps broadly with people experiencing homelessness. TJ has likewise been effective for TANF households, a finding that may have implications for families experiencing homelessness as well as households participating in Rapid Rehousing programming. As noted above, the Los Angeles implementation of the Subsidized Transitional Employment Demonstration (STED), which served TANF recipients, found that transitional subsidized employment placements in public sector or nonprofit workplaces were more beneficial for participants who has less prior work experience and more barriers to employment, compared to placements in private sector businesses. This finding may indicate that ESEs should focus on recruiting and employing higher-need participants in order to maximize their impact.

Based on the limited available evidence, we can make some inferences in order to offer the following suggestions for matching employment program models with prospective participants based on subpopulation characteristics and housing intervention types. These suggestions are by no means definitive, and are very likely subject to change as more research is performed and new evidence emerges.
Employment intervention by jobseeker characteristics

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<tr>
<th>Population</th>
<th>Employment Intervention</th>
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<tr>
<td>Families</td>
<td>TJ</td>
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<tr>
<td>People with mental illness</td>
<td>IPS</td>
</tr>
<tr>
<td>Youth</td>
<td>TJ; ESE</td>
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<tr>
<td>People with criminal legal system involvement</td>
<td>TJ; ESE</td>
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<tr>
<td>People with recent work experience</td>
<td>OJT; TJ in private sector placements; sector training; mainstream employment services (WIOA)</td>
</tr>
<tr>
<td>Chronically homeless</td>
<td>IPS; employment interventions in conjunction with Housing First placement in permanent housing</td>
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Employment intervention by housing intervention

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<thead>
<tr>
<th>Housing Intervention</th>
<th>Employment Intervention</th>
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<tbody>
<tr>
<td>Permanent Supportive Housing</td>
<td>IPS</td>
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<tr>
<td>Rapid Rehousing</td>
<td>TJ; ESE; IPS</td>
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<tr>
<td>Diversion</td>
<td>Insufficient evidence, but many likely would benefit from mainstream services (WIOA, SNAP E&amp;T) or sector training</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>Insufficient evidence, but likely TJ, ESE, or IPS based on acuity and characteristics such as criminal legal system involvement</td>
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System recommendations

**Best Practices in Systems Collaboration**

Although there is a considerable amount of academic research literature on public systems collaboration (or “collaborative public management”) generally, we were unable to find any academic research or analysis dealing specifically with collaboration between homeless services and workforce development systems, or public systems collaboration specifically intended to benefit jobseekers experiencing homelessness. Recognizing this lack of information on best practices for collaboration between homeless services and workforce development systems, Heartland Alliance extensively interviewed stakeholders in ten cities from across the US in order to assess the current state of cross-systems collaboration efforts and identify the practices and community characteristics that correspond with successful collaboration efforts. The findings from those interviews served as the basis for Heartland’s 2018 paper *Systems Work Better Together: Strengthening Public Workforce & Homeless Systems Collaboration*.

The need for collaboration between homeless services and workforce development systems is widely acknowledged by stakeholders in both fields, as neither system on its own possesses the resources, knowledge, and infrastructure to identify, engage, and effectively serve people experiencing homelessness who want help in accessing employment. Common barriers to systems collaboration include a lack of incentives and accountability mechanisms, a lack of shared data and knowledge...
between systems, and a lack of buy-in among system leadership and staff for the idea that employment outcomes for people experiencing homelessness should be a system priority.

Heartland’s analysis of interview responses yielded a number of recommendations for communities looking to enhance collaboration between homeless service and workforce development systems:

- **Shared governance:** At the most basic level, shared governance across systems involves having homeless Continuum of Care leadership and other homeless system stakeholders sit on local Workforce Development Boards, and vice-versa. This is an excellent first step towards aligning objectives and efforts across systems. At a more advanced level, homeless and workforce systems can engage in **combined state planning** under the Workforce Innovation and Opportunity Act (WIOA) in order to codify strategies to improve access to employment services for people experiencing homelessness and hold systems accountable for their outcomes.

- **Dedicated resources:** Many of the communities in which systems collaboration is functioning well have some kind of dedicated funding stream to support coordination efforts. Funding can come from philanthropy, repurposed public funding, or directly from systems through options such as Governor’s discretionary WIOA funds. Dedicated funding serves as an incentive for systems to enter into collaborative partnerships and supports staff time or staff positions responsible for coordination activities.

- **Gathering and sharing data across systems:** Public data on the characteristics and outcomes of jobseekers experiencing homelessness and housing instability are often incomplete and/or inaccessible. Homeless system coordinated intake assessments often ask about employment or sources of income, but rarely ask about individuals’ need for employment help. Likewise, workforce systems rarely gather reliable data on the housing status or housing needs of the jobseekers they serve. Gathering accurate data about the needs and outcomes of system users, and developing data sharing agreements across systems allows both systems to better understand the service needs of jobseekers experiencing homelessness.

- **Cross-system trainings:** In order to address a lack of buy-in among system workers and leadership, we recommend delivering joint trainings to stakeholders from both systems, focused on the research evidence supporting the value of employment for people experiencing homelessness and describing the evidence-based models and practices that can help people experiencing homelessness access and succeed in work. **Pre- and post-training survey research** has demonstrated that such trainings can impact the degree to which trainees believe that employment is valuable and accessible to people experiencing homelessness.

**Recommendations for systems collaboration**

The LA:RISE program model built robust connections between ESEs and the local WIOA system, as well as some connections with the local homeless CoC focused on increasing system co-enrollment and improving jobseekers’ access to housing interventions. We recommend some strategies to further enhance these system collaboration efforts by strengthening and formalizing collaboration with the homeless service system and acting as a cross-system intermediary to support direct collaboration between the WIOA and CoC systems. We also offer some recommendations to leverage public funding for programming and systems work through WIOA and SNAP E&T.
Seek out dedicated funding for homeless-workforce systems collaboration: As noted above, communities with successful systems collaboration efforts have more often than not had a dedicated source of funding to support systems collaboration efforts. This funding could be repurposed funds that were originally earmarked for another purpose, as was the case in Houston and Santa Clara County, or special-purpose funding for addressing homelessness, as is the case with Los Angeles County’s Measure H funds. Philanthropy can also be leveraged to provide seed funding for systems collaboration, as was the case in Detroit and Cuyahoga County, as well as all of Heartland Alliance’s Pathways Forward grantee communities. This dedicated funding can be used to provide an incentive for siloed systems to begin collaborating, support the creation of new dedicated staff positions to facilitate collaboration, and support ongoing cross-system trainings.

Formalize partnership with the homeless service system: Based on the experiences of Los Angeles County, Detroit, Houston, and several other communities, establishing strong, formal partnerships with local public homeless service systems can benefit employment initiatives in a number of ways, such as providing access to a pipeline of program candidates, sharing data on participant characteristics and needs, leveraging additional support services and case management capacity, boosting co-enrollment in CoC and WIOA services, and concurrently addressing housing needs and employment needs. In the case of LA RISE, robust partnerships with the WIOA system are a core component of the model whereas CoC partnerships appear to be less robust and focused primarily on connecting jobseekers to housing interventions. Additional ways to build, strengthen, and leverage homeless system partnership include:

- **Integrate questions about employment service needs in coordinated entry assessments:** Coordinated entry assessments used by homeless CoCs often ask about an individual’s employment status or source of income, but typically do not ask about individuals’ needs, desires, or preferences regarding employment services. A handful of cities and counties including Chicago, Detroit, Los Angeles, and Cuyahoga County have either inserted questions about employment service into their coordinated entry assessments or are working toward doing so. There are many reasons to ask about employment service needs in coordinated entry, such as bolstering the case for expanded employment service for the population and gathering data about employment needs in Homeless Management Information Systems (HMIS). In Chicago, for example, over 60% of people seeking a housing intervention said they wanted employment services as well when asked during coordinated entry assessments.

- **Build referral pathways from homeless system access points to employment programming:** Ideally, once an individual indicates in coordinated entry that they are interested in employment help, referral mechanisms would be in place to rapidly connect that individual to appropriate employment services that are matched to their needs and preferences. Several examples exist of community efforts to create this type of referral pathway. Currently, stakeholders in LA County, San Francisco, and Cuyahoga County are all working on developing or piloting coordinated referral pathways from homeless system entry points to employment service providers. The most fully developed example existed in Houston, which developed and implemented a system of triage in which coordinated entry assessments were used to assign people seeking a housing intervention with one of three forms of income support based on acuity of need—mainstream (WIOA) services, Supported Employment, or SSI/SSDI Outreach, Access, and Recovery (SOAR) services to access benefits.
**Act as an intermediary to support systems collaboration:** Given the strength of partnerships with the WIOA system in the LA RISE model, the strengthening of partnerships with the homeless service system may also help establish better coordination across public systems. In interviews with system leaders and stakeholders from across the country, Heartland Alliance found that philanthropic organizations and community-based organizations often played important roles in catalyzing public systems to engage in coordinating activities. REDF and All Home can leverage the investment, visibility, and momentum generated by this new initiative to move local public systems toward greater collaboration. For example, as part of the planned initiative, REDF and All Home could **convene a working group** that includes public sector leaders as well as program providers, individuals from impacted communities, and other stakeholders, and set an agenda that includes broad systems collaboration on behalf of the jobseekers who will be served by the initiative. By facilitating cross-system communication and engagement, REDF and All Home can support the planning and implementation of other systems collaboration activities such as colocation of services, cross-system trainings, and establishing data sharing agreements.

**Encourage workforce boards to prioritize jobseekers experiencing homelessness and invest in evidence-based strategies:** WIOA is intended to prioritize services for jobseekers facing barriers to employment, and explicitly names people experiencing homelessness as a priority population. Moreover, WIOA allows workforce boards to dedicate funding to evidence-based employment models, notably transitional jobs programming, which can be effective in connecting people experiencing homelessness to work. WIOA allows local workforce boards to use up to 10% of adult and dislocated worker funds for TJ, and states can apply for waivers to increase that percentage. Because state and local workforce boards have discretion in how resources are allocated, it is important to ensure that they are aware of their options and obligations regarding evidence-based services for people experiencing homelessness.

**Explore funding opportunities through SNAP (CalFresh) Employment & Training match funds:** The Supplemental Nutrition Assistance Program (SNAP, known in California as CalFresh) Employment & Training (E&T) presents an opportunity for employment service providers to access federal matching funds at a 50% reimbursement rate for qualifying services offered to SNAP/CalFresh enrollees. Third party employment service providers can partner with CalFresh E&T to receive reimbursements for qualifying services that are paid for using non-federal funding sources (social enterprise revenue is allowable for use as match funds). The process for claiming the reimbursements can be administratively burdensome but for an organization with the capacity to manage the administrative processes it represents a technically uncapped source of federal funding for employment services. This program can be a good match for programs serving jobseekers experiencing homelessness since virtually all people experiencing homelessness are SNAP eligible. There are existing examples of programs drawing down SNAP E&T funds in California; for example, as of December 2019, Alameda County had nine employment service agencies set up as third-party employment service providers for CalFresh E&T, indicating that the county has the necessary policies and infrastructure in place to manage the E&T reimbursement process.

**Policy Recommendations**

Heartland Alliance recognizes that homelessness is fundamentally a structural problem as opposed to a product of individual challenges or personal shortcomings. As such, in the absence of policy solutions and structural changes, even the most effective programmatic interventions can only impact
homelessness at the margins. Any investments or initiatives intended to address homelessness should include an advocacy agenda focused on the root causes of homelessness, particularly structural problems in our housing and labor markets. Policy advocacy for increasing affordable housing and enhancing homeless services is beyond the scope of this paper; however there are a number of policy issues that relate directly to the efficacy of earned income and employment as a means to meaningfully address homelessness and housing instability:

**Advocate for job quality and family-sustaining wages:** Getting just any job is not enough to guarantee that someone can become and remain stably housed, particularly in high-cost rental markets like much of California. It is important first to acknowledge that many people experiencing homelessness already work, they just don’t earn enough to meet their housing needs. Nationally, about 53% percent of sheltered people experiencing homelessness have some formal labor market earnings, as do about 40% of the unsheltered population\(^{xcvi}\). Across California, wages for entry-level jobs fall far short of housing costs. For example, in Alameda County, a worker would need to earn $45.65 per hour in order to afford the average rental unit, more than three times the City of Oakland’s $14.14 per hour minimum wage and far more than local average wages for entry-level positions such as retail workers, home health aides, and childcare workers\(^{xcv}\). Housing unaffordability and low wages are essentially two sides of the same coin driving increases in homelessness. Employment program providers can use some strategies to address the misalignment of housing costs and wages at the margins, such as seeking out partnerships with employers in sectors with higher average wages, or connecting jobseekers to sector training programs that can increase earnings over time, however this is primarily a policy failure in need of policy solutions. In conjunction with more affordable housing units and housing subsidies, addressing wage stagnation among low-income workers is critical to ending homelessness. This includes advocating for local and federal minimum wage increases, guaranteed basic income or wage subsidies, and policies that make it easier for workers to bargain collectively for better wages.

**Address the collateral consequences of criminal legal system involvement:** Homelessness and criminal legal system involvement are closely linked. People experiencing homelessness are 11 times more likely to be arrested than people who are housed, largely due to policies that criminalize homelessness\(^{xcviii}\). In Alameda County, 30% of people experiencing homelessness report interactions with the criminal legal system in the prior year\(^{xcix}\). Overall system involvement is certainly higher; for example, in Los Angeles 70% of unsheltered have experienced some kind of involvement with the criminal legal system\(^{c}\). As a result, prior criminal legal system involvement is a significant barrier to employment for many people experiencing homelessness. Even though California has enacted the Fair Chance Act, “ban the box” legislation that limits employers’ ability to ask about prior convictions during the hiring process\(^{ci}\), there are still wide-ranging and varied “collateral consequences” on the books in California, which are enduring prohibitions that prevent people with prior criminal legal system involvement from accessing employment in certain sectors or occupations. In California there are currently 535 such consequences that affect one’s ability to work or volunteer in the state\(^{cii}\). In order to ensure that people experiencing homelessness have access to work, it is imperative to address the barriers to work that come with criminal legal system involvement.

**Address benefits cliffs:** The experiences of service providers in both homeless services and workforce development indicate that many low-income individuals deliberately avoid increasing their earned income for fear of losing benefits such as nutrition assistance, Medicaid, children’s health insurance, childcare subsidies, and housing subsidies. That fear is not at all unfounded—“benefits cliffs,” in which a
small increase in earned income can trigger sudden, unexpected loss of benefits, leaving the worker and their household worse off, are a very real phenomenon affecting all types of public benefits recipients. Benefits cliffs function as a serious barrier to career advancement for low income workers, with some workers turning down raises, promotions, or trainings that would result in increased income. A number of states and communities have piloted policy responses to mitigate benefits cliffs. Some options include:

- Increase earned income disregards, asset limits, and income limits
- Taper benefits more slowly as income increases
- Cash transfers to offset benefits loss
- Asset building services
- Refundable tax credits such as state-level Earned Income Tax Credits

In addition to these policy solutions, a few organizations have created calculators to help low-income workers and service providers to better anticipate and plan for benefits loss as a result of increased earned income, for example the Federal Reserve Bank of Atlanta’s Career Ladder and Financial Forecaster (CLIFF), The National Center for Children and Poverty’s Family Resource Simulator, and the Urban Institute’s Net Income Change Calculator.

References


