This document profiles the job placement program for ex-offenders that the Center for Employment Opportunities (CEO) in New York City has implemented successfully since 1992. The document begins by describing the program's main components, which are as follows: (1) a 1-day recruitment and orientation program; (2) a 4-day life skills course; (3) an initial session with a job developer; (4) a 2- to 3-month program consisting of day-labor on a work crew and weekly job preparation sessions and interviews; (5) placement in a job; and (6) follow-up services for approximately 6 months. The program description is accompanied by the following items: (1) a case study of three national-level agencies' collaboration in successful job placement programs for ex-offenders; (2) an overview of previous supported-work initiatives; (3) a summary of the CEO program rules that were formulated to foster participant reliability; (4) a summary of the CEO program's selling points to employers (CEO acts as a human resources department, CEO provides employees who are almost always reliable, and an entire organization is behind every employee); (5) overviews of CEO's staffing policies and finances; and (6) a discussion of keys of the CEO program's success. Seven sources of further information are listed. (MN)
Program Focus

National Institute of Justice
National Institute of Corrections
Office of Correctional Education

Successful Job Placement For Ex-Offenders:

The Center for Employment Opportunities
Successful Job Placement for Ex-Offenders: The Center for Employment Opportunities

by Peter Finn

Many offenders have difficulty finding permanent, unsubsidized, well-paid employment after release because they lack job-seeking experience, a work history, and occupational skills; furthermore, many employers refuse to hire individuals with criminal records. These circumstances seriously affect an ex-offender’s stability because unemployment is consistently associated with high recidivism rates.

Highlights

Many newly released offenders have difficulty reintegrating into society. The Center for Employment Opportunities (CEO) in New York City is one of many programs that help ex-offenders prepare for, find, and keep jobs. CEO’s program is unique because it provides day labor for participants, most of whom have been released only the previous week from boot camp. In addition to enabling the participants to earn a daily income, the work crews help the participants structure their lives and develop good work habits. The work crews also generate revenue that covers direct day-labor expenses.

The work crews are a short-term means of achieving CEO’s overall mission: placing ex-offenders in permanent, unsubsidized, full-time jobs that provide benefits and compensation above minimum wage. Distinctive features of CEO include the following:

- A set of consistently enforced rules builds on and sustains the self-discipline and self-esteem most participants have developed in boot camp; these rules also foster the reliability that employers value most in hiring CEO participants.
- The program acts as a free human resources department to employers by screening participants for suitability and by serving as an employee assistance program, offering help with such problems as substance abuse to any of the employers’ workers—not just CEO graduates.
- The program pays for half of employees’ wages for 8 weeks or more through the Federal Job Training Partnership Act if specific criteria are met.
- Program employment specialists help employers obtain any available job tax credits.

The program helps about 70 percent of its participants find full-time employment within 2 to 3 months, with most jobs paying more than minimum wage and providing fringe benefits. Staff offer ongoing services to all placed participants for at least 6 months after placement. Approximately three-fourths of participants placed are still employed at the same job after 1 month and of these about half are still working at that job after 6 months.

The Center for Employment Opportunities (CEO) in New York City attempts to overcome these barriers by providing transitional services when ex-offenders are at the most vulnerable stage of their rehabilitation—immediately after release. Most participants are newly released “boot camp” inmates, although approximately one-third are on work release, probation, or nonviolent parole status. CEO seeks to foster the discipline they have acquired while incarcerated.

The program’s most noteworthy transitional service consists of day-labor work crews to which participants are assigned 1 week after release. The work crews, designed to prepare participants for placement in a permanent job, offer several advantages:

- They provide participants with structure and activity.
- They instill good work habits.
- They enable participants to earn a daily income.
- They test participants’ readiness for placement in a permanent job.
They generate income that helps cover day-labor expenses.

The program’s work crews have much in common with the supported-work demonstrations initiated in the late 1970s. While research failed to find that these demonstrations had a lasting effect on either employment status or recidivism (see “Previous Supported-Work Initiatives”), CEO’s approach incorporates two essential features missing from most of these earlier efforts: providing intensive job placement services and providing them early.

The crews are only a means to achieving CEO’s ultimate mission: placing participants in permanent, unsubsidized, full-time jobs that provide benefits and above-minimum wages. As discussed below, CEO offers employers a number of incentives for hiring program participants, enabling the program to find jobs for as many as 70 percent of its ex-offenders.

The First Week: Recruitment, Orientation, and Life Skills

The accompanying flow chart (exhibit 1) summarizes the progression of CEO participants through the program. The text below describes each major step.

Recruitment and Orientation

When my work release counselor suggested I look into CEO, I liked the idea because the work crews would give me some money. So I went to the orientation and decided to join.—A work crew member

Most CEO participants are ex-offenders just released from New York State’s shock incarceration (or boot camp) program who are required to enroll as a condition of parole. The Parole...
Previous Supported-Work Initiatives

Government programs to bring ex-offenders into the labor market began with the passage of the Manpower Demonstration and Training Act of 1962 and the Economic Opportunity Act of 1964. These acts led to the creation of hundreds of employment and training programs for offenders and ex-offenders. However, shortcomings in the research methods used to evaluate these programs made it difficult to conclude that the efforts improved employment or reduced recidivism among ex-offenders.

During the 1970s, more controlled experiments of ex-offender employment programs were undertaken, especially the supported-work demonstrations implemented by the Manpower Demonstration Research Corporation (MDRC). These studies generally failed to prove that such projects improved participants’ employment or earnings or reduced their recidivism, with one exception. A 1972 study conducted by the Vera Institute of Justice, located in New York City, evaluated work crews for chronically unemployed ex-offenders and former heroin addicts. The model involved closely supervised employment on work crews consisting entirely of employees at the Wildcat Services Corporation. Wages were subsidized; participants did real work but were sheltered from the full demands of the workplace; stress was gradually increased; and counseling was available after hours if needed. Vera researchers randomly assigned ex-offenders to a test group that participated in the Wildcat program or to a control group that received no assistance. Program participation increased ex-offenders’ stability and earning capacity significantly during the 3-year followup period; however, while participants were arrested less often than the control group during the first year, by the end of the third year the difference in recidivism had evaporated. Further study is needed to determine whether the difference evaporated because recidivism among participants had increased or because recidivism among the control group had decreased.

A review of labor markets and crime risk factors found that “even after 30 years of trying, . . . no program—in-prison training, transitional assistance (both in-kind and monetary assistance), or pretrial diversion—has consistently shown itself capable (through a rigorous random assignment evaluation) of decreasing recidivism through labor market-oriented programs, inside or outside of prison.” However, the review observes that “the intuition of . . . [postrelease transitional income supplement] programs is still valid. . . . Ex-offenders with jobs commit fewer crimes than ex-offenders without jobs, and those with higher earnings commit fewer crimes than those with lower earnings.”

Supporting this intuition, a 1992 study of Project RIO—a statewide program run by the Texas Workforce Commission that provides job placement services to more than 15,000 parolees each year—found that after 1 year, 69 percent of program participants had secured employment, compared with only 36 percent of a group of parolees who did not enroll in Project RIO. Furthermore, during the year after release, 48 percent of high-risk RIO participants were rearrested, compared with 57 percent of nonparticipating high-risk parolees; 23 percent of the RIO participants were reincarcerated, compared with 38 percent of nonparticipants. Although parolees in the study were not assigned randomly to control and treatment groups, the two groups of ex-offenders studied had similar demographic characteristics and risks of reoffending.

Notes


Division also requires some parolees released from a 3-month residential substance abuse treatment program to participate. Finally, CEO accepts voluntary referrals from city probation officers and work release counselors. The program does not accept offenders who have been convicted of a violent crime or who are ineligible to work in the United States.

Program staff provide a 3-hour orientation at the Parole Division to each new group of boot camp and drug treatment graduates; probationers and work release inmates are trained at CEO's offices. Parolees are generally released on a Thursday, oriented on Friday, and begin life skills classes on Monday. The life skills classes run for 4 days (through Thursday). On Thursday afternoon students are oriented to the work crews. They meet their employment specialist on the Friday after the life skills class and start work the following Monday.

**Life Skills Course**

*I was afraid that my criminal history would prevent me from ever getting a job, but my life skills teacher trained us thoroughly about what to write on job applications and what to say to interviewers about our offenses.*—An employed program graduate

Participants spend the first of 4 days (Monday) at CEO attending an all-day job readiness class. Course work is based on a Columbia University curriculum designed especially for difficult-to-employ populations. According to Yolanda Johnson, one of the instructors, “The most important part of the course is the interview training, and the most important part of that segment is how participants can talk with job interviewers about their criminal record in a manner that diverts the conversation to what they learned in boot camp and at CEO.”

**Support Services**

*I got lots of help from CEO, not just help finding a job. The program gave me free clothing and the name of an agency that had still more clothing to give away. My life skills teacher helped me negotiate the foster care bureaucracy so I could get back custody of my children. I was even given a list of real estate agents and names of people with vacant apartments.*—An employed program graduate

On the last day of the life skills course (Thursday), the instructor discusses personal problems participants may have that could interfere with finding a job; participants fill out a form identifying these problems and discuss them in an exit interview. Life skills educators also help participants secure child care, housing, and clothing, as well as Medicaid documents, a driver’s license, and any other needed documents. Staff visit participants at their job sites within the first 90 days of employment, assessing employer and employee satisfaction.

**Work Crews**

*The crew pays me only $30 a day, but I left prison with just $100, so I really need the money. Besides, it keeps me busy and not doing things that could get me locked up again. And I know a trial period on the work crews to make sure I was really ready for private-sector work.*—An employed program graduate

On the day following the end of the life skills course (Friday), participants meet with their employment specialist, who reviews their interests and goals, barriers to employment, and other personal information needed to develop an employment plan. This information is documented in an assessment tool approved by the New York City Department of Employment. Each participant’s employment specialist then picks a day of the week when, instead of working on a crew, the participant will come to the office to pursue job leads the employment specialist has developed between meetings.

**Transition: The Fifth Day**

*The first time I met my employment specialist, he was real up front about telling me he couldn’t place me in a job right away without...*
that CEO has helped crew members find jobs.—A crew member

Work crews provide participants with short-term, low-skilled, minimum-wage, day-labor employment. In mid-1996, 40 crews with a total of more than 200 participants were operating each day in more than 25 locations in all 5 city boroughs. Crews generally operate from 9 a.m. to 5 p.m. and from 4 p.m. to midnight, with an hour off for lunch or dinner. Work crews give participants the following benefits:

- Immediate, much-needed cash—and the self-esteem that comes from not having to ask family members for day-to-day living expenses.
- Essential work habits for joining the workforce, such as getting to work on time, dressing appropriately, maintaining a positive attitude, accepting constructive criticism from a supervisor, and working 7 hours a day as a member of a team.
- An accurate sense of the demands they can expect from employers.

The crews give the program the opportunity to screen out participants who have shown repeatedly that they are not motivated or disciplined enough to succeed in the private sector. The program terminates these participants. In addition, the work crews offer their customers an array of benefits, both tangible and intangible.

Reliability and quality work. Under CEO’s close supervision, crews show up on time, work steadily, and do the job right. According to Kevin Curran, director of crew operations, “Agencies that initially resisted using the crews grew to like them because they were well supervised and dependable.”

Flexibility and control. From one day to the next, facility managers can shift crews to different locations or types of work, increase or decrease the number of crews, and discontinue them when a job has been completed.

Easy access. Agencies that have avoided needed maintenance work because of the contracting process (typically months long) can have a crew in place within a month—and often within a week.

Cost-effectiveness. Crews generally cost less than $500 per five-person crew per day, including labor, onsite supervision, and overhead.

Giving people a second chance. According to one facility manager, the crews have been a boon not only because they do good work and save money, but also because he gets personal satisfaction from giving ex-offenders a second chance.

Managing the Work Crews

Work and pay. Crew members primarily perform low-skilled tasks (such as trash pickup and painting), rather than highly skilled work that would require extensive training. Because crew members are CEO employees, the program withholds taxes and other deductibles from their paychecks. In 1997, day-crew members earned nearly $36 for a 7-hour day ($5.15 per hour minimum-wage base pay); night-crew members earned more than $40 ($5.79 per hour base pay). Crew members are paid at the end of each day to provide immediate spending money, reinforce dependability, and promote their self-esteem. Because few crew members have bank accounts, CEO has arranged for several bank branches and check-cashing establishments to honor their checks.

Supervision. There are two levels of field supervision: (1) individual onsite crew supervisors and (2) senior field supervisors, who oversee four to six individual crew supervisors. While both levels of supervisors maintain work crew discipline, crew supervisors have the primary responsibility for training crew members.

Training. When a new work crew site is established, a senior field supervisor meets with the customer’s facility manager to identify the time and place the crew should assemble, the nature of the crew’s work, and the equipment and safety gear needed for the job. The senior field supervisor gives this information to the crew supervisors, who then orient crew members to the requirements of the job.

Orienting and training the crews is a never-ending task, as new members replace those who find jobs, drop out, or are terminated. As a result, crew supervisors often team new crew members with seasoned members who can show them the ropes. Crew supervisors also match uncooperative members with stable, experienced workers who can reinforce positive work habits.

Maintaining discipline. Every crew supervisor maintains line-of-sight supervision at all times in order to enforce the rules (see “CEO’s Rules Foster Reliability”). Depending on...
CEO’s Rules Foster Reliability

Although most CEO participants come directly from the State’s 6-month shock incarceration program and are, therefore, more self-disciplined than most other ex-offenders, many still have problems managing their time, controlling their anger, and participating on teams. As a result, in order to prepare them for a successful transition to the community and the job market, CEO requires strict adherence to the program’s requirements and work schedule.

The rules are intended to instill the accountability that will make participants desirable job applicants and successful employees—CEO staff report that relia-

ability is the single most important character-

istic companies look for in their em-

ployees. The rules also give CEO staff clear guidelines for responding to participants’ attempts to avoid responsibility, such as claiming they were late because they missed the bus or the subway broke down.

- Punctuality. Participants are given two additional opportunities to complete the life-skills classes in the event that they are late or miss class. They must take the entire 4-day course over again. Paychecks are docked for workers who are not punctual in reporting to their worksites.
- Dress code. Participants are required to wear outfits appropriate for job interviews when meeting with employment specialists. Ostentatious jewelry is discouraged, and Walkmans™ and cellular phones are not allowed on CEO’s premises.
- Work crew rules. Crew supervisors complete a form at the end of each day, rating (from 1 to 4) each individual’s time on the job, punctuality, motivation, cooperation, and productivity. Crew members are discouraged from interacting with the public and are required to conduct themselves in a businesslike manner at all times.
- Disciplinary procedures. Participants who commit major violations (e.g., stealing or threatening or assaulting staff or each other) or who turn down an appropriate job offer are terminated. For less serious violations (e.g., tardiness, absence, or reporting for the work crew without appropriate gear), participants receive a verbal reprimand the first time, sign a copy of the rules the second time, and attend a disciplinary meeting the third time, which may result in termination. This three-step procedure attempts to uncover the reasons for the behavior in order to solve the problem. According to the supervisor of the employment specialists, “If it’s a problem that can be fixed, we try to keep the participant in the program.”

Typical Work Crew Assignments

- Buildings. Crews provide custodial services in court buildings, stripping and waxing floors in corridors and public areas, cleaning bathrooms, emptying trash containers, dusting office furniture, and washing walls. Crews prepare walls and trim surfaces for painting, then paint dormitories, classrooms, group homes, and administrative offices. Crews reconfigure staff offices, demolishing old walls and installing new drywall partitions.

- Highways. Crews clean up roadsides along piers and State arterial roads, as well as along highways and access roads that lead to John F. Kennedy International Airport.

- Parks. A crew routinely maintains nature trails and recreational areas, cutting back overgrowth and picking up debris. In warmer months, crew members remove graffiti from outdoor park fixtures, signs, and buildings.

- Other exterior work. Crews have assembled concrete block partitions and assisted with concrete flatwork for sidewalks, ramps, and curb cuts for handicapped access, including setting up forms, installing expansion joints, and pouring concrete. Crews also perform general groundskeeping, including...
cutting lawns, maintaining wrought iron fences, and beautifying entrances.

**Challenges**

Because looking after the work crews involves constant attention and management, staff constantly try to anticipate and solve problems. Mindy Tarlow, CEO’s executive director, says the crews are the hardest component of CEO to manage effectively.

**Startup difficulties.** Facility managers have to be patient in expecting good results. According to Arturo Santiago, the former first assistant commissioner of the Department of Citywide Administrative Services, who hired crews to maintain several court buildings, “You have to give the crews a chance. They can’t turn a building around in a day. Floors that haven’t been worked on for years can’t look good overnight.” Santiago reports that he was prepared to wait 2 or 3 months to see whether the crews could do the job. (See “Satisfied Work Crew Customers.”)

**Difficulties with crew members.** Crew members gripe most about the pay, and some express dislike for the menial nature of the work. Few participants quit, however, because boot camp has prepared most of them for physically strenuous chores. Women crew members—who represent about 9 percent of CEO participants—often have an added incentive to stick with the program: If they are mothers, they need a job to demonstrate that they are stable enough to win back custody of their children from foster care.
Problems with facilities. Conflicts between productivity and safety sometimes occur at worksites. For example, having different members of a crew painting simultaneously in several classrooms at Brooklyn College had to be abandoned because line-of-sight supervision was compromised. When college administrators expressed concern about ex-offenders' proximity to students, CEO first changed the crews' lunch hours to prevent their coinciding with the students' eating times, then arranged to have the crews do the painting from 4 p.m. to midnight. Another problem is that crew members are often the first to be blamed when something is stolen or missing from a facility. Crew supervisors remind facility personnel that crew members are closely supervised, making it difficult for them to engage in illegal activity on the job.

Maintaining crew size. Program staff struggle constantly to ensure that crews are not shortstaffed—15 to 20 percent of members fail to show up each day, while others find jobs or are disciplined or terminated. When Arturo Santiago found that some crews cleaning his courts were understaffed, he developed his own crew member sign-in sheets; crew supervisors fax these to him each morning and, if a crew is short, Santiago telephones Mindy Tarlow to fill the gaps.

Fielding new crews. The program can respond expeditiously to a new request for a crew if an existing crew is finishing a project and can be transferred to the new site. If an existing crew is not available, CEO must find another crew supervisor and expand its labor pool to form a crew from scratch. For example, when CEO was confronted with an unusually large number of requests for crews during the summer of 1996, Mindy Tarlow asked the Parole Division for 50 additional ex-offenders; CEO could not provide job placement services for these individuals, but it could offer them work crew employment. Kevin Curran, who supervises crew operations, maintains a core of 10 reliable supervisors who want overtime and who can fill in for other supervisors who get sick or go on vacation. Furthermore, Curran says, “Even when facing a month’s delay, customers have never said they cannot wait that long, because a month is a blink of an eye compared to the half-year contracting process the facility would otherwise have to endure.”

Union concerns. Opposition to the crews from organized labor has not been a serious problem. When concerns have been raised, facility managers have solved the problem either by informing union representatives that the crew is supplementing the union work by doing the less desirable low-skilled preparation labor or by moving CEO’s crews to a different location until the union job is done.

Job Development and Placement

My employment specialist had a job interview lined up for me almost every time I came in on my off day. And he would remind me again and again about how to act and what to say. On about my fifth interview I was hired, and I’ve been there ever since.—An employed CEO graduate

Until they have landed a full-time job, crew members return one day a week to the CEO office dressed for job interviews their employment specialists may have scheduled. If no interviews have been set up, the specialist may try to schedule one during the meeting or spend the time working with the participant on job readiness skills.
Selling the Program to Employers

Program staff and company executives who have hired CEO participants agree that CEO's most successful marketing strategy consists of three interrelated selling points:

- **CEO acts as a human resources department, screening applicants for its customers:** Employers know nothing about someone who comes in off the street, but with CEO they know each applicant's background.

- **CEO provides employees who are almost always reliable:** They will show up on time every day, ready to work.

- **An entire organization is behind every employee:** CEO is just a phone call away. If employers have a problem, CEO will solve it. CEO monitors every employee's performance for 6 months with site visits and phone calls. Employers are also reassured to learn that most participants are also under supervision by a parole officer.

Also, the program's services are free. According to Tani Mills, who runs CEO's vocational development activities, "No-cost human resource services do matter to many employers. So our employment specialists may start out by telling employers how much money they'll save by not having to place an ad in the paper or pay an employment agency." The program also offers employers other incentives.

**On-the-job training and Adult Work Experience credits.** Through the New York City Department of Employment, the program can offer wage reimbursement to employers under the Department of Labor's Job Training Partnership Act (JTPA). The on-the-job training component offers to reimburse for-profit companies half of a participant's wages for up to 8 weeks if the company qualifies under JTPA regulations, is willing to train a person, and considers the person a full-time employee with the same benefit plan its regular employees receive. The Adult Work Experience component allows CEO to reimburse nonprofit companies 100 percent of the minimum wage for providing 12 weeks of training.

**Work Opportunities Tax Credit.** For many years, this program was able to arrange tax credits for employers under the Targeted Job Tax Credit Act. This program was replaced in 1996 by the Revenue Reconciliation Act, which offers special consideration to employers if their operation and the prospective employee's residence are in a designated Empowerment Zone. The employer is eligible for a Work Opportunities Tax Credit equal to 35 percent of the first $6,000 of wages ($2,100) if the employee has worked at least 180 days. In addition, the program provides employers information and brochures outlining the benefits available under the act for businesses in Empowerment Zones.3

**Human resources services.** Although CEO has placed some participants with big corporations, according to Tani Mills, "We have found a niche with small and medium-sized companies: Large companies have their own human resource departments, so they don't need CEO so much. Also, it takes more time to develop a relationship with big companies than with smaller ones. Besides, many participants can't handle the anonymity of a big company." A senior employment specialist adds that "big companies tend to have higher standards for applicants, a longer hiring process, and greater reluctance to hire ex-offenders than smaller companies."

For example, one shop owner with 35 employees reports, "I said I would never hire a convict. Then a CEO representative called me because one of my customers had hired a CEO participant and told the program about me. The CEO person told me that they screen these people, offer money for me to train them, and CEO and the parole board both monitor them. If there's a problem, they'll find it out and either solve it or get the person out. I don't have a human resources department to screen people, and with a newspaper ad you never know what kind of person you're getting. So I interviewed a few [participants], hired one, and it worked out fine."

In addition to filling a role as an employment agency, CEO offers Employee Assistance Program (EAP) services to any employee of a company that hires at least one CEO participant. When Edward Parrott, a senior employment specialist, called a company as part of routine postplacement followup, the owner asked about how to deal with a non-CEO employee who appeared to have a drug problem. At Parrott's suggestion, the owner told the employee to telephone Parrott or face termination. Parrott then arranged for the employee to enter a rehabilitation program, assuring him that his employer would hire him back if he successfully
completed treatment—which is exactly what happened.

**Followup**

*When I got a job, everyone at CEO said to call if I ever needed anything. I still call after 3 years.*—An employed program graduate

After placing a participant, the employment specialist telephones the employer to confirm the placement, express CEO’s pleasure to be working with the company, and reaffirm the offer of ongoing assistance. An employment specialist supervisor also calls to make sure employers know that the participants are ex-offenders, thank them, ask if they need any more workers, and tell them to contact her if they have a problem and cannot reach the employment specialist.

The program continues to monitor the employee’s performance for 6 months, including telephoning the employer, visiting the work site, and counseling the employee. The program’s computerized case-tracking system produces monthly reports that indicate when followup contacts are due in order to verify that participants are still employed, ascertain their progress, and offer any needed assistance. One company executive reported, “The employment specialist really monitors these guys. He calls the employees, and he calls me to see how things are working out. That’s very important to me. With an employment agency, they place someone and they’re out of it. Six months go by and CEO is still checking up on these guys.” The program offers job development and support services indefinitely, including help with finding new jobs for former participants who lose their jobs due to layoffs or other factors beyond their control.

**CEO Staffing**

While any program is only as good as its personnel, staff quality is particularly important at CEO because of the complexity of marketing and operating the work crews and the need to meet job development goals established by funding agencies. As the organization chart (exhibit 2) shows, in 1996 CEO employees included 36 crew supervisors and 6 senior field supervisors; 10 employment specialists and 2 supervisors; 4 life skills educators, who also provided support services; and executive and administrative staff.

Certain features of CEO’s staffing arrangements are noteworthy.

- The program is especially receptive to hiring former participants, who can be open about their background and often have a strong desire to help other ex-offenders. However, program
Employment Specialists Are Expected to Meet Performance Quotas

Every week, each employment specialist is expected to make at least 100 cold calls to potential employers, develop 5 to 10 job openings, and make 18 referrals for interviews. These efforts should result in eight placements per month. Employment specialists submit a weekly activity report to CEO's director of vocational development and to the supervising employment specialists. The report includes a record of job orders by company name, position, wage, and date. If an employment specialist is not meeting the quotas, the supervising specialist or the vocational development director works with the person to identify and solve the problem; for example, the employment specialist may need help balancing time spent counseling participants with time spent calling potential employers.

Quotas were instituted in the early 1990s when CEO's Job Training Partnership Act (JTPA) funding changed from discretionary funding to performance-based contracting. Funds under JTPA were provided to CEO up front, but, if the program did not meet specified contract milestones, a portion of the money had to be returned. As a result, quotas to ensure productivity became critical to CEO's survival. Although the funding has reverted to discretionary funding, the quotas have been kept in place for management purposes. According to one senior employment specialist, "The quotas are very effective as self-evaluation tools and for pinpointing problem areas."

participants must first work 6 to 12 months in the private sector to demonstrate their reliability and to build a work history outside CEO.

■ To minimize turnover among experienced crew supervisors, CEO rewards longevity among these staff members with extra pay.

■ Employment specialists must meet work quotas designed to stimulate productivity (see "Employment Specialists Are Expected to Meet Performance Quotas").

CEO Finances

Program revenues in Fiscal Year (FY) 1996 totaled $7.4 million and came from several sources. Work crews generate approximately 60 percent of CEO's total funding. This income supports a significant part of CEO's work crew operation. Funding for vocational development services (such as life skills training, support services, job counseling, and the youth program) comes from several sources, including the following:

■ State Division of Parole.

■ State Department of Correctional Services.

■ City Department of Probation for adult and youth programs.

■ City Department of Employment JTPA funding for the on-the-job training and Adult Work Experience placements.

With the exception of the City Department of Housing Preservation and Development, which contracts for work crews directly with CEO, agencies pay the Parole Division for the program's work crew services, and the Parole Division reimburses CEO. Under this arrangement, CEO is the Parole Division's managing agent for the crews, and CEO avoids becoming a bill collector.

The Parole Division contracts separately with CEO for job development services. The contract requires the program to enroll 1,150 ex-offenders. The program contracts with the City Department of Employment—the local distributor of Federal job training funds—to reimburse companies that provide on-the-job training and Adult Work Experience placements to program participants.

The program's income in FY 1996 included $1.8 million from Government agencies for vocational development (life skills classes and job placement services) and $5.6 million from customers who hired work crews. In 1996, CEO covered all but $416,000 of its work crew expenses with revenue from work crew customers. CEO expects the work crews to become completely self-supporting. As a result, when calculating CEO's cost to taxpayers, it is necessary to add only the unreimbursed cost of the work crews ($416,000) to the cost of vocational development activities ($1.9 million) for a total cost of $2,316,800. Based on the historical average of 766 placements, the cost per placement to the taxpayer is $3,025.

More than one-quarter of CEO's FY 1996 expenses ($7.4 million) were allocated to participants' wages and expenses (such as subway tokens and workboots). Support services—including vehicles, classroom space, and staff salaries for job counseling and training—accounted for about 60 percent of program costs. The balance of the expenses (less than 13 percent) was incurred by program administration, legal counsel, and bookkeeping functions.
Promising Signs of Success

"That's the good thing about coming here. They really help you."—A participant talking to a newcomer in the CEO waiting room

The primary goal of CEO is to reintegrate ex-offenders into the community by helping them find employment in unsubsidized, permanent jobs that pay more than minimum wage and offer growth potential and benefits. Between 1992 and 1996, the program placed an average of 766 participants in permanent jobs each year, for an average annual placement rate of approximately 70 percent. The remaining 30 percent dropped out of the program at different stages:

- Five percent of all program participants failed to show up for the first day of program activities.
- Fifteen percent dropped out of life skills classes.
- Five percent never showed up for the first day of crew work.
- Five percent were terminated for failing to follow work crew rules.

According to executive director Mindy Tarlow, the first 30 days are the critical time for sticking with the program; after participants are working with an employment specialist, they tend to remain with the program until they find a job.

At a time when the minimum wage was $4.25 an hour, the average hourly wage for CEO participants who were placed between 1992 and 1996 ranged from $4.25 to $20. In 1996, their average wage was nearly 50 percent higher than the minimum wage, representing almost $4,000 in earned income above the minimum wage over the course of the year. Nearly two-thirds of the jobs provided full benefits.

In 1996, approximately 75 percent of placed participants were still on the same job after 1 month, 60 percent were still employed after 3 months, and 38 percent after 6 months. Many remain much longer. For example, among 12 participants one local business had hired over a 3-year period. "more worked out than didn't," according to the owner. "One stayed 2 1/2 years, two for 1 1/2 years, a couple for 1 year." The most common reason for becoming unemployed is drug relapse, despite CEO's availability to refer any employed former participant to treatment.

The success of CEO's work crews has inspired the agency to adapt their principles to a program encouraging young offenders to stay in school (see "Young Probationers' Program").

Young Probationers' Program

Until 1995, the City Department of Employment funded CEO to run a school-to-work program for young adults. When funding was terminated, CEO refinanced the program through the Department of Probation. The program helps probationers between the ages of 15 1/2 and 18 resolve academic and personal difficulties that interfere with staying in school.

The young probationers' program offers a 7-week life skills course, individual counseling (provided by CEO staff) and tutoring (provided by volunteers), advocates in the schools for students in disciplinary difficulties, assistance to parents through home visits or lunchtime meetings, and part-time paid summer internships. To motivate school attendance, after the probationers complete the life skills course, employment specialists help students find part-time jobs after school or on weekends; they are allowed to keep these jobs only if they remain in school. According to Alba Rivera, director of the youth program, "These youngsters need a place where they feel accepted and are cared about—like a second home—and where someone is always available to them."

Fifty students were enrolled in the youth program as of mid-1996. School attendance had risen from 49 percent to 81 percent for most of the 27 students who remained active in the program.
Keys to Program Success

According to Christopher Stone, the executive director of the Vera Institute of Justice who supervised CEO's spinoff as an independent organization (see "CEO's Origins"), "Any postprison agency responsible for reducing recidivism can set up work crews in conjunction with vocational development services." However, there are several keys to the success of a program like CEO:

- A local criminal justice system agency—preferably a division of parole or probation—must become a program partner to ensure an adequate supply of participants. These agencies are likely to find the guarantee of immediate, paid work for all their referrals extremely attractive, especially when alternative job programs cannot promise quick employment; fail to provide the structure, discipline, and followup that help offenders secure above-minimum-wage work; and may require participants to apply for welfare.

- Times of fiscal crisis can work to the advantage of a program like CEO, because governments may be more willing to take cost-cutting measures—such as releasing inmates early with assurances of appropriate supervision.

- Engaging participants in day labor is essential to keeping them motivated and out of trouble. Income from the work crews also supports day-labor operations. However, being able to establish work crews may depend on the political will of government partners and local community representatives (see "How CEO Finds Work Crew Customers").

- Hiring competent operations staff, such as crew supervisors and senior field supervisors, is critical. Local...
How CEO Finds Work Crew Customers

Competitive bids. The program has secured some customers through a competitive bidding process. In 1981, the City Department of Housing Preservation and Development (HPD) issued a request for proposals to rehabilitate low-income housing seized in tax foreclosures. CEO was one of the successful bidders, becoming HPD’s principal contractor for crew operations. In 1995, CEO responded to another HPD request for proposals seeking supported-work contractors. As one of three successful bidders, CEO won a 3-year contract to provide four work crews.

State Government support. When New York State established its shock incarceration program in the late 1980s to relieve prison crowding and reduce the need for new prison construction, it needed a way to provide released “shockers” with immediate employment, because holding a job was a requirement for release. The Parole Division expected to use CEO’s work crews for this purpose because the program could guarantee paying jobs for participants right away. However, when CEO lost its major contract with HPD, the number of crews needed fell sharply (from nearly 50 to 5), leaving the Parole Division in the lurch. As a result, the director of the Parole Division and the Governor’s representatives met with the heads of other State agencies to seek support for CEO’s work crews. It took 4 years for CEO to build back up to more than 40 crews.

Good performance. Creating satisfied customers is another way CEO has gained (and kept) contracts. A good track record can be used to secure additional work, and customers who initially agree to experiment with crews renew or expand their contracts. Crews often come to be considered a permanent supplement to a customer’s maintenance operation.

market demand for individuals with the proper blend of skills and personality can hamper a program’s ability to recruit and retain them. The program must also hire detail-oriented administrative staff (see “CEO’s Communications Hub: The Data Department”). According to Mindy Tarlow, “Organizations tend to rely on only one or two compulsive people for this work, but that’s not a good idea when you’re deploying work crews and tracking hundreds of participants—things can fall apart quickly when these staff get sick, go on vacation, become overworked, or begin to resent other administrative staff who are not so conscientious.”

The program must incorporate and enforce structure and discipline. The program should enroll ex-offenders who have already developed some self-discipline, building on this habit until the participants respond to incentives for staying straight: immediate daily income, the prospect of a permanent job, and the rewards of full-time employment with fringe benefits. According to Christopher Stone, “Any regime in the department of corrections with a disciplined system can be an appropriate source of participants, including therapeutic community graduates and work release inmates—two populations CEO has successfully placed.”

Tarlow recommends that new programs begin by establishing an administrative structure, putting a referral mechanism and an orientation process in place, and soliciting work crew funding—all before establishing job development and preemployment training services. “Getting permanent jobs is the program’s goal,” she notes, “but the work crew component is essential to getting there, and it is the most difficult component to get going and keep afloat.” A new program should begin small in order to learn how to handle the daily work crew payroll. “A daily payroll for 10 crew members is not a problem, but paying 200 participants at numerous locations 250 days a year takes planning and development.” Tarlow concludes, “It is absolutely critical to have a sound financial administrative structure and a strong financial officer.”

To help ensure a consistent level of crew employment, CEO now tries to negotiate a verbal 2-year commitment from every crew employer. CEO also tries not to have too many crews working for only one customer and not to rely on one source of participants; diversification is the key to minimizing peaks and valleys, both in work demand and in available labor to meet the demand.

Finally, all such programs need to incorporate an evaluation plan that tracks how long participants remain employed and whether they are less likely to commit new offenses than ex-offenders who do not participate in the program. These outcome data can be
CEO’s Communications Hub: The Data Department

Crew operations require constant adjustment due to changes in scheduling, attendance, and assignments. As a result, the atmosphere in CEO’s data department resembles a war room, with computers, telephones, and fax machines in constant use. Staff respond to minor—and occasionally major—crises all day long. The data department performs three principal functions, described below.

Preparing the day’s payroll. Crew supervisors call in (or fax) their attendance lists to the data department before 10 a.m. every day. Data department staff confirm site attendance and hours worked, then enter this information by participant ID number into CEO’s integrated computer system, which digitally transfers it to the payroll department for processing. The payroll manager monitors the automatic check-printing system, which addresses and sorts each participant’s pay by site. Payroll staff then bundle the checks for distribution to all of CEO’s crew sites before the day’s closing. (Night shift crews get paid the following day.)

Scheduling the crews. Every afternoon, the data department fields phone calls from participants seeking assignment to a work crew for the following day. The computer system identifies vacant slots from the morning’s payroll processing and indicates each site’s exact scheduling needs. In this way, the data department can distribute participants evenly across CEO’s many work crews, ensuring that each crew generally operates at maximum capacity. Data department staff offer precise travel instructions to new participants (or to other participants when a work location changes). When CEO’s evening crews are undersupported, data department staff offer overtime to fill the shortages until more participants are enrolled.

Supervising equipment. Most of CEO’s customers manage and store their own equipment and supplies in the facilities where crews work. Customers quickly recognized that if they maintained control of the materials and supplies for the crews, they could maximize the crews’ flexibility and responsiveness to the changing demands of their facilities. The program does, however, manage and warehouse tools, equipment, and supplies for the four itinerant crews that provide services to New York City’s Department of Housing Preservation and Development (HPD). Each afternoon, data department staff use CEO’s automated inventory system to prepare shipping documents based on the needs reported by the HPD supervisors. These documents are faxed to the CEO warehouse; the next morning, warehouse staff pull and deliver these orders to supervisors.

crucial to persuading funding sources to continue to support the program, as well as for identifying areas of program operation that need improvement.

CEO had the advantage of the Vera Institute’s support in becoming established, and it became independent only after achieving a sound structure and secure funding. Even so, Vera faced most of the same financial hurdles that organizations in other jurisdictions would have to overcome in starting such a program, such as gaining government support and paying work crew customers. Although the Vera Institute learned how to proceed largely by trial and error, other jurisdictions that wish to replicate the program have the advantage of learning from CEO’s experience.
About This Study
This document was written by Peter Finn, senior research associate at Abt Associates Inc. The findings and conclusions of the research reported here are those of the author and do not necessarily reflect the official position or policies of the U.S. Department of Justice.

On the cover: A CEO employment specialist [right] visits an employed Center graduate to offer congratulations on his successful transition to full-time, unsubsidized work.

All photos by Harvey Wang, Photo\Film\Video.

Notes

2. Strictly speaking, employers who take advantage of the wage reimbursement under the Job Training Partnership Act and the Work Opportunities Tax Credit do receive subsidies. However, most employers who hire CEO participants do not avail themselves of these programs, and those that do usually use them only temporarily.

3. The Empowerment Zone and Enterprise Community program is designed to rebuild communities in inner cities and rural areas. It includes block grants and tax benefits to stimulate the creation of new jobs and to revitalize economically distressed areas.

Secretary of Housing and Urban Development designates urban Empowerment Zones and Enterprise Communities, and the Secretary of Agriculture designates them in rural areas.

The National Institute of Justice is a component of the Office of Justice Programs, which also includes the Bureau of Justice Assistance, the Bureau of Justice Statistics, the Office of Juvenile Justice and Delinquency Prevention, and the Office for Victims of Crime.

The National Institute of Corrections is a component of the Federal Bureau of Prisons.

The Office of Correctional Education is a division of the Office of Vocational and Adult Education, U.S. Department of Education.

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Selected NIJ Publications in Corrections and Related Fields

Listed below are some NIJ publications related to the issues discussed in this Program Focus. These publications can be obtained free from the NIJ Web page (http://www.ojp.usdoj.gov/nij) or from the National Criminal Justice Reference Service (NCJRS): telephone 800–851–3420, e-mail askncjrs@ncjrs.org, or write to NCJRS, Box 6000, Rockville, MD 20849–6000.

Please note that when free publications are out of stock, they are available as photocopies for a minimal fee or through interlibrary loan. Call NCJRS for more information.

Bourque, Blair B., Mei Han, and Sarah M. Hill, An Inventory of Aftercare Provisions for 52 Boot Camp Programs, Research Report, 1996, NCJ 157104.

Finn, Peter, The Orange County, Florida, Jail Educational and Vocational Programs, Program Focus, 1997, NCJ 166820.

McGillis, Daniel, Beacons of Hope: New York City’s School-Based Community Centers, Program Focus, 1996, NCJ 157667.


Sexton, George E., Work in American Prisons: Joint Ventures with the Private Sector, Program Focus, 1996, NCJ 156215.


Sources for Further Information

The program staff of the Center for Employment Opportunities are available to provide technical assistance and consultation. For further information, contact:

Mindy Tarlow
Executive Director
Center for Employment Opportunities
32 Broadway
New York, NY 10004
Telephone: 212-422-4850
Fax: 212-422-4855

The National Institute of Justice (NIJ) is the principal research, evaluation, and development agency of the U.S. Department of Justice. For information about the NIJ’s efforts in corrections, program development, and corporate partnership development, contact:

Marilyn C. Moses
Program Manager
National Institute of Justice
810 Seventh Street N.W., Room 7114
Washington, DC 20531
Telephone: 202-514-6205
Fax: 202-307-6256

The National Institute of Justice established the National Criminal Justice Reference Service (NCJRS) in 1972 to serve as a national and international clearinghouse for the exchange of criminal justice information. For more information about topical searches, bibliographies, custom searches, and other available services, contact:

NCJRS
P.O. Box 6000
Rockville, MD 20849-6000
Telephone: 800-851-3420 (8:30 a.m. to 7 p.m. Eastern time, Monday through Friday)
For specific criminal justice questions or requests via Internet, e-mail: askncjrs@ncjrs.org

The Office of Correctional Education (OCE) within the U.S. Department of Education was created by Congress in 1991 to provide technical assistance, grant funding, and research data to the corrections and correctional education fields. To speak with a program specialist or be placed on OCE’s mailing list to receive grant announcements, OCE’s quarterly newsletter, and other publications, contact:

Richard Smith
Director
Office of Correctional Education
U.S. Department of Education
600 Independence Avenue S.W.
MES 4529
Washington, DC 20202–7242
Telephone: 202–205–5621
Fax: 202–401–2615

The National Institute of Corrections (NIC) Information Center is a national clearinghouse for collecting and disseminating information on all aspects of adult corrections. Most of the NIC Information Center’s collection of more than 14,000 titles is oriented to the corrections practitioner. For more information, contact:

NIC Information Center
1860 Industrial Circle, Suite A
Longmont, CO 80501
Telephone: 800–877–1461
Fax: 303–682–0558
http://www.bop.gov/nicpg/nicinfo.html

The National Institute of Corrections’ Office of Correctional Job Training and Placement (OCJTP) was created in March 1995 to:

- Provide training to develop staff competencies in working with offenders and ex-offenders.
- Provide technical assistance to State and local training and employment agencies.

For more information, contact:

John Moore
Coordinator
Office of Correctional Job Training and Placement
National Institute of Corrections
320 First Street N.W.
Washington, DC 20534
Telephone: 800–995–6423 ext. 147 or 202–307–3361 ext. 147
http://www.bop.gov/nicpg/nicmain.html

The Correctional Education Association (CEA) is affiliated with the American Correctional Association as an international professional organization serving education program needs within the field of corrections. Membership includes teachers, librarians, counselors, and other education professionals. Members receive a quarterly journal and newsletter, an annual directory, and a yearbook. Annual conferences are held in each of CEA’s nine regions and many of its State chapters. One of the regions hosts an international conference with workshops on successful instructional strategies. Contact:

Alice Tracy
Assistant Director
Correctional Education Association
4380 Forbes Boulevard
Lanham, MD 20706
Telephone: 301–918–1915
Fax: 301–918–1846
For the most up-to-date program information, see the agency Web pages:

National Institute of Justice: http://www.ojp.usdoj.gov/nij
National Institute of Corrections: http://www.bop.gov/nicpg/nicmain.html
Office of Correctional Education: http://www.ed.gov/offices/OVAE/OCE

JUSTINFO — the online newsletter of the National Criminal Justice Reference Service

Important news from the Office of National Drug Control Policy and the Office of Justice Programs — National Institute of Justice • Office of Juvenile Justice and Delinquency Prevention • Office for Victims of Crime • Bureau of Justice Statistics • Bureau of Justice Assistance

★ Grants and solicitations — Where, when, and how to apply
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