



STEPS

Cincinnati Works:

Linking Jobs to the Unemployed & Moving People Out of Poverty

Poverty is expensive. The U.S. spends billions each year on services for those in poverty. At the same time, there is a shortage of qualified entry level workers.

The solution seems obvious: put people living in poverty to work.

But it's not that simple. Despite their best efforts, social service agencies have been unsuccessful in moving the unemployed into stable employment and self-sufficiency. While the government spends millions of dollars every year on "one-stop" centers for job applicants, the retention rate for entry level workers is dismal. Many workers have discovered that getting a job is the easy part. The hard part is keeping it. Employers confirm that finding reliable entry level workers is difficult and turnover is high.

The Journey to Self-Sufficiency

JOB

Readiness Training

Search

Retention

Advancement

One of the best models the American Institute for Full Employment (AIFE) has discovered is Cincinnati Works, which transitions the unemployed and people living in poverty into jobs and self-sufficiency. The proof is in the numbers: three-quarters of Cincinnati Works' trainees go to work, and one year later 84% of them are still employed.

Overcoming Barriers to Employment

Families or single parents caught in the vicious cycle of poverty and dependency on public assistance often do not have the ability to simply lift themselves out of their circumstances. Their barriers range from low job skills to language, transportation, mental health problems, and child care difficulties. Where handouts have failed, they need a hand-up.

Helping transition people out of poverty and into steady employment requires giving them job-readiness skills while at the same time addressing their individual barriers. It respects their dignity, while building them up to become responsible for themselves in the long term.



Dave Phillips, founder of Cincinnati Works speaks at a Jobs Partnership event in Washington D.C.

Follow-up Makes All the Difference

Cincinnati Works serves the unemployed and the working poor. Their initial goal is to help them land a job that pays them \$7-10 per hour with health benefits. Then Cincinnati Works strives to help them escape the plight of the working poor permanently.

The approach is thorough: Cincinnati Works provides a 30-hour Job Readiness Workshop. They link each job seeker to a team of professionals who work one-on-one with them to overcome their obstacles. A core group of 50-60 employers provide a pool of opportunities for the job seekers. Cincinnati Works knows exactly which employers require a GED or a driver's license and which will accept an employee with a misdemeanor or even a felony.

But Cincinnati Works involvement doesn't end once a person gets a job. Each new employee receives phone calls every week to monitor their progress and troubleshoot problems. Cincinnati Works staffers

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also check in at regular intervals with the supervisor. This backup system stabilizes new employees, preventing them from washing out in the important trial period. The first three weeks are precarious, and the first three months are crucial. Most employment programs stop when they place a person in a job. Cincinnati Works has found that follow-up makes all the difference.

Comprehensive Services

Cincinnati Works is unique in providing a team of professionals who systematically provide a full array of services to surround each job seeker. This team includes:

- ▶ an **Employment Coordinator** who interacts with employers;
- ▶ **Legal Experts** who can assist with various legal issues;
- ▶ a **Mental Health Expert** who can provide counseling;
- ▶ and a **Chaplain** who addresses the spiritual needs of members, encouraging responsibility, stability and resilience.

After one year, when the member is stable in their job, this team helps them enter the advancement process where they set higher goals and chart a course to attain them.

Cultivating Employers

But it's not just about the job seeker. This program also strives to provide qualified, stable employees to local employers.

When Cincinnati Works began, its early research revealed that 40 percent of their job seekers did not have a high school diploma or GED, and that half of them had some kind of criminal record, often theft or drug convictions. Almost none of them had a driver's license or access to a car. Few had computer skills. Most had a choppy work history, seldom staying as long as a year with an employer. The challenge was to find employers who had unskilled entry level openings for job seekers with unstable work histories. In

the years since, Cincinnati Works has systematically combed local businesses to find those that regularly offer unskilled entry level positions with qualifications that matched those of the applicants they were nurturing.

Reducing Turnover Costs

Cincinnati Works' retention services add up to a significant benefit for the employer. Turnover rates vary widely depending on the industry, but it can be as high as 75 percent for entry level positions. While the cost of turnover is difficult to calculate, estimates range between 30 percent of the annual wage to 150 percent. According to the research of Smarter Hiring, "the average cost of turnover is around 1.5 times the annual salary of the job."¹ So every performing employee who stays on the job is saving the employer money.

The Results are Persuasive

Cincinnati Works has an enviable track record. They train eight hundred people each year, and of these, six hundred go to work. Although Cincinnati Works trains only a little more than three percent of individuals in workforce development programs in the greater Cincinnati area, they are responsible for one third of successful job placements.

The Cincinnati Works model is not only more effective than the government workforce development program, it also costs much less. Over three years, the government one-stop spent \$18 million to train about the same number of people who succeeded in finding employment as Cincinnati Works.

In the same period of time, Cincinnati Works spent only \$2.2 million to equip its members for employment and also provided retention services to help them keep their jobs.

The Bottom Line

Cincinnati Works moves people from poverty to self-sufficiency, a one-time change that should last a lifetime. And by providing employers with workers who stay on the job, they save them money. It's a win-win program that serves both employers and employees.

Now the American Institute for Full Employment is fostering this same process in several cities. Interested parties should contact Cincinnati Works for more information.

For more information contact:

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The American Institute for Full Employment thanks Allan "Bunky" Craigmiles for his outstanding service and oversight of the institute's Community Outreach projects, and wishes him the best in his well deserved retirement. Bunky will continue to volunteer his time at the Institute so those needing to contact him can still find him here.



Cincinnati Works Members

¹ *www.smarterhiring.com DWP Resource Solutions is the organization that produced this research.*



My Journey to Self-Sufficiency

By Shirley A. Smith

In 1977 I had plans to go to college but a week before graduation I eloped with my high school boyfriend. My husband and I separated a few years later and I was left to raise two small daughters and a younger brother on my own. The house went into foreclosure. The water was turned off and I received a disconnect notice for the electricity. I felt like a failure; my self-esteem hit rock-bottom and I was so worried about the future that I began having panic attacks.

I applied for public assistance and the children and I moved from our house to a cramped two-bedroom apartment. I busied myself with volunteer work at school and in the community. I also began writing. Writing proved therapeutic for me and helped with my panic attacks.

The years seemed to slip away. By 1996 I was in my mid-thirties with children in high school. I'd spent more than a decade on public assistance and with the new welfare reforms I was now expected to go out and get a job. I was nervous; with little work history and no special skills it had been easy to convince myself that I had nothing to offer an employer.

Of several sanctioned job readiness programs, Cincinnati Works impressed me as a program I could benefit from. I went down to the Cincinnati Works office to sign up for the next two-week workshop. The welcoming atmosphere in the office put me immediately at ease and I looked forward to starting the program.

I arrived early for the first day of the two-week workshop. The curriculum was very informative. There was a lot about the working world I was not aware of and I even gained new perspectives into the information I was already familiar with.

I now felt better prepared to re-enter the workforce thanks to the small, dedicated Cincinnati Works staff. It was apparent to me that they truly cared about the people they were helping and believed in their success.

Following an eight-week job search, I was hired by Fifth Third Bank to work in the File Room. This was my first job in more than a decade and I was apprehensive but grateful for the opportunity and determined to be the best employee possible.

It was important to me that my job performance reflect favorably on Cincinnati Works. I arrived early for work each day. I worked hard to meet quotas and when I completed a task always found more to do.

During my nearly three years with Fifth Third Bank I never missed a day of work. When I felt ready to move on to another position, I met with Beth Smith, President of Cincinnati Works, and was offered the opportunity to join the staff as an Employment Support Specialist. I happily accepted. Working with the Cincinnati Works professionals to provide members with the same support and confidence that I had been given was like a dream come true.

In the fall of 2001, I enrolled in an evening adult education class at the University of Cincinnati. On the morning of November 27, I followed my usual routine and left my apartment at around 7:00 am to catch the bus for work. I was in the crosswalk when a driver ran the red light and struck me. My leg was so badly broken that it had to be amputated above the knee.

During one of their first visits to me in the hospital, Cincinnati Works' Founders Dave and Liane Phillips assured me that I still had a place at Cincinnati Works. My

life was now filled with uncertainty and change, but I was thankful for the constancy of Cincinnati Works' support.

I returned to work seven months after my accident as the new Advancement Resources Specialist. I am currently enrolled in the Distance Learning Program at Raymond Walters College with an eye to eventually obtaining a degree in Library Science or History.

When I look back on my personal journey, I am grateful to the Cincinnati Works staff for their continued support and belief in me. Cincinnati Works has proven a fulfilling and empowering experience for me.

I owe a debt of gratitude to the founders Dave and Liane Phillips, for helming a humanistic program devoted to belief in the resiliency of the human spirit.



Replicating Success: Planting the CW Model in Houston, D.C., Cleveland

With nearly ten years of success, the Cincinnati Works model has been fine-tuned such that its founders, Dave and Liane Phillips, believe it can now be transplanted in other cities. The American Institute for Full Employment agrees, and has been helping to sow seeds in several cities.

To help other cities implement the Cincinnati Works model, Barbara Elliott is finishing a manual that distills the practices and procedures of Cincinnati Works. This book will serve as the how-to kit for others who want to emulate the successful program.



Debbie Gordon, now a Jobs Partnership administrator was a graduate of their first class and coordinated the D.C. kickoff.

In Houston, Texas a core group of business leaders have formed The Working Connection. The Houston team has convened advisors with a wide range of entrepreneurial backgrounds including: job placement, nonprofit management, law, and philanthropy. Houston's Working Connection will move toward full operation later in 2006.

Jobs Partnership in Washington D.C., under the leadership of Pastor Stephen Tucker, recently held a kick-off for their program. Yvonne Tufts Jeans is planning a similar launch in Cleveland, Ohio in conjunction with ShoreBank Enterprise this spring. Other cities are under consideration.



THE INSTITUTE MISSION:

Our mission is full employment – universal access to jobs with career potential for all who can work, especially those who are receiving public assistance as a substitute for the opportunities and rewards of paid work.

CONSULTING:

The Institute offers consulting to any state that wishes to implement a Full Employment Program. Consulting services include: program design, training workshops, and establishment of performance criteria.

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