

Low-Income Longitudinal Study

Final Report

by

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EXECUTIVE SUMMARY

Project Description and Goals

The Longitudinal Study of Low-Income Individuals, sponsored by Coastal Enterprises, Inc. (CEI), looked at what happened over time to low-income individuals who were employed in companies that CEI financed between 1995 and 1999. CEI worked as an intermediary to broker job opportunities for these individuals through a mechanism that it pioneered in 1984 called an Employment Training Agreement or ETAG. As part of the loan closing, firms agreed to use CEI as a first source for entry-level positions suitable for low-income individuals, and CEI agreed to link firms to various services and training opportunities for these individuals. While CEI knew it could access jobs for low-income individuals, it did not have the capacity to track what happened to them over time.

With support from the Ford Foundation and the Community Development Finance Institutions Fund, CEI engaged Rob Hollister, Joseph Wharton Professor of Economics at Swarthmore College, to design and guide the study. The goal of the study was to monitor participants' economic and employment status over an 18-month period. Our main research question was *Does the CEI job begin an upward economic trajectory for participants?* The ETAG is based on the assumption that by creating an opportunity for people with low incomes to access quality jobs (with potential for wage increases, promotions and benefits), they would stay, advance, increase their incomes, move off of public assistance, and accumulate assets. We hoped that the study results would provide feedback as to whether our programs are on target, would inform CEI's ongoing work, and would also provide information to the employment and training field as a whole.

Methodology

The study was designed to compare changes in employee wages, assets, and job experience over an 18-month period using both interview data and administrative data from the Unemployment Insurance Program of the Maine Department of Labor (MDOL). The administrative data allowed us to balance the interview data with objective data (on earnings only) from a larger sample than the interview data. We did not have a control group but attempted to construct a comparison group using the UI data as described below.

Employee Interview Data

We conducted two waves of interviews with employees (primarily by phone), approximately 18 months apart, which allowed us to collect more in-depth data on employment history, wages and benefits, assets, and barriers to employment. Of a population of 1,979 individuals, most of whom were hired into CEI-financed firms through the ETAG from 1996 through 1999, we were able to locate and contact only 24% in the Wave 1 interviews (472 interviews) but were able to retain 81 percent in the Wave 2 interviews, for a total of 381. It is always difficult to maintain contact with a low-income population who move frequently, but we had even more of a challenge because many of the individuals had started their employment several years before the start of the study. The low response rate did not allow us to generalize findings to the population as a whole.

UI Administrative Data and Comparison Group

We obtained individual-level earnings data on approximately 869 individuals employed in the CEI job and on 616 individuals in their post-CEI job from 1996 (when MDOL's new database was in place) through the summer of 2001. This sample is larger than the interview sample and enables us to generalize earnings and employment results to a much larger portion of the participants than is possible just from the interview sample.

We also constructed a comparison group from UI data on non-participants in order to compare the earnings and employment experience of those who had access to jobs through CEI with the experience of similar workers who did not have such access. In using these records for comparisons we were limited to data on quarterly earnings, employment, and SIC code of the firm where employed; we had no demographic or other data for the non-CEI sample. Thus, we could use only a small number of variables for selecting the comparison group *and* for analyzing differences between CEI and non-CEI employees. To carry out the analysis, Rob Hollister used a complex procedure called propensity-score-matching. While preliminary estimates indicated that the CEI participants had fared better than the non-participants, subsequent refinement of the analysis indicated that these results were not reliable and, therefore, we could not draw reliable conclusions from our constructed comparison groups.

Employer Interviews

In addition to the data collected on employees, we did studies of employers' experience hiring low-income individuals to provide a partial picture of the sorts of work environments these employees experienced. The first was a study of 14 selected firms that discussed the role CEI played in brokering jobs, the ability to retain workers and reasons workers left. The second was a case study of Faithworks, a social enterprise that comprised one-third of our population and provided job opportunities for the hardest-to-employ in Lewiston. The study looked at Faithworks' ability to provide employment and work experience, given the low skills and multiple employment barriers this population faced.

Key Findings

Wage progression was better in the interview data than in the UI administrative data. In the interview data, wages showed steady progression in the starting wage from the job previous to the CEI job, to the job after the CEI job, to the current job in the interview data, whereas the UI data do not show the same rate of increase. The UI data for the pre-CEI job were incomplete and could not be compared to the interview data. For the CEI job, The UI data show a shorter median stay (3 months) than the survey group (5 months). Also, the mean earnings are less in the UI data, possibly because survey respondents had "under the table" earnings that they did not carry unemployment insurance.

Over one-third of respondents left the CEI job for a job that was not as good in terms of wages and benefits, and a number of other job quality indicators. The UI data also showed a similar pattern. Surprisingly, of the people who left the CEI job for a lower wage, almost half (46%) reported leaving the job voluntarily. Participants reported a variety of reasons for quitting that were not conclusive, although 21% said there was not enough work at the company. Employers said the most common reason employees left voluntarily was for better jobs. Employers also said that many people

just stopped showing up or didn't like working at the company. Several employers suggested that people leave their jobs without a plan, and one attributed this behavior to a lack of patience.

Half the respondents had no barriers to retention and post-employment support. Of those that did, the key problems reported were budgeting money, child care and health problems or pregnancy, (unfortunately we did not break this option down into two separate questions) and transportation.

A growing percentage of respondents were not employed from Wave 1 to Wave 2 and fewer people were looking for work. The proportion of people not employed grew from 20% in Wave 1 to 25% in Wave 2. The proportion of people not currently looking for work doubled in this interval, from 8% to 16%. The main reasons cited were illness, health problems, or a disability, going to school or staying home with children.

Health coverage increased from 68% to 76%. Participants showed an increased rate of coverage from Wave 1 to Wave 2; however, most of this increase is due to a larger percentage of people who were covered by Medicaid. The proportion of people covered by their employer remained at 36% from the first to the second interview at a time when health coverage in the state and nation was declining.

Median personal pre-tax income grew from \$10,500 in 1998 to \$15,600 in 2000. These figures are well above the poverty threshold for a one person household and approach the livable wage threshold determined by the Maine Economic Growth Council. The Council calculates the livable wage threshold to be 185% of poverty level -- \$15,385 for 1998 and \$16,269 for 2000.

Median household income rose from 137% to 168% of the poverty level for a family of three. This is still below the livable wage threshold of 185% of the poverty level and only 63% of state median income in 2000.

Home ownership rates increased from 20% for Wave 1 to 24% for Wave 2. This rate, although increasing, is very low compared with a statewide rate of 76%.

People appeared to be moving less frequently and leading more stable lives. The proportion of people moving only once or not at all increased from 71% to 80%, whereas the number of people moving more than once decreased from 16% to 10%.

The proportion of people with checking and savings accounts and money in pension accounts rose. Pension funds showed the most gain with the median amount increasing from \$1,000 to \$1,775.

Employees were far more likely to have arrived at the CEI job through contact with an agency in CEI's network of community and state-based partner organizations than in their pre and post-CEI jobs. However, the data do not show that CEI's job brokering function was the primary mechanism through which workers obtained the CEI job.

Conclusions and Use of Findings

The interview group appears to be higher quality than the population as a whole. Given that the survey shows higher earnings and job tenure than the larger UI sample, the remaining variables explored in the interview data also are likely to show more positive results than those we might observe in the 76% of the population we were unable to contact. The findings illustrate a common phenomenon -- regression to the mean. In other words, although we see some indication of the positive effects of the ETAG intervention, after time these effects subside to some degree and people's status cluster around the typical or average ("mean") experience. Without a control group, however, we do not know if similar participants would have fared even worse than the ETAG participants.

Despite the limitations of the survey data, the findings have made our staff think seriously about our program assumptions and our focus on creating access to quality job opportunities as the keystone for our theory of change. The finding that so many people left the CEI job for a job with lower wages and fewer benefits has made us reconsider the link between job quality and retention. There are many factors outside the scope of the job and the workplace that influence the length of stay at a job and peoples' decisions about where and whether to work. As a result, we have been developing new initiatives to address some of the post-employment support issues, particularly with regards to child care and through Managed Work Services, a Maine-based program which provides intense job coaching from an almost case management-type approach.

Profile of Coastal Enterprises

Coastal Enterprises, Inc. (CEI) is a nonprofit Community Development Corporation and Community Development Financial Institution (CDC/CDFI) whose mission is to create opportunities for Maine people, businesses, and communities. Founded in 1977, it is nationally recognized as a pioneer in the field of community development. CEI operates in the three broad fields of:

- Financing and technical assistance to job-generating businesses;
- Developing affordable housing and community facilities; and
- Employment and workforce development, including related services such as child care.

All of CEI's activities are aimed at creating assets for people with low incomes, while benefiting the wider economy and welfare of all Maine residents.

Since its incorporation in 1977, CEI has loaned or invested \$108 million in 1,310 ventures, leveraging another \$195 million in financing from private sources. CEI has used these funds to create or sustain some 18,150 jobs and to develop 500 units of housing and 125 child care projects. CEI has also provided technical assistance to 15,200 small businesses, and played a major role in policy research and advocacy in Maine and nationally. CEI's micro-lending activities to date have provided \$7.5 million to 500 micro-businesses at an average loan size of \$14,500, accounting for more than 1,200 jobs.

The CEI parent company has 86 staff members engaged in a wide range of mission-driven activities, including lending activities to create jobs for people and communities with low incomes, and affordable housing. Sector specific programs that have focused on workforce development include metals, wood products and telecommunication.

Description of Employment Training Agreement (ETAG)

Among its peers, CEI is well known for its Employment Training Agreement (ETAG), a mechanism designed to enhance employment opportunities for people with low incomes. The central objective of the ETAG is to link low-income workers with job opportunities in CEI-financed firms. Pioneered through a 1984 grant from the Ford Foundation, the ETAG is a component of the loan agreement requiring CEI-financed companies to seek qualified low-income applicants for entry-level jobs that are created through its financing. As part of its due diligence process, CEI screens deals based on job quality and the accessibility of entry-level jobs to people with low incomes.¹ If the firm is approved for financing, under the ETAG, the firm agrees to make CEI a first source of job candidates, usually with the goal that 50% to 75% of the new hires will be people with low incomes.

To facilitate this process, CEI works as an intermediary between the financed firm and a network of workforce development organizations providing employment and training assistance to people with low incomes, acting as a broker to link the new jobs with qualified candidates. In some cases, CEI has helped the firm to restructure jobs and to access government training resources and subsidies. CEI staff

¹ CEI uses the U.S. Department of Health and Human Services' Federal Poverty Guidelines as a measure of whether people are low-income (i.e., 100% of poverty level).

also help community and state agencies communicate more effectively with the firms, select and refer their clients more appropriately and, to a lesser extent, sustain work and social supports after employment. While many employment strategies for transitioning low-income people into work tend to focus on supply-side strategies (e.g., education, job readiness, job training), the ETAG, in contrast, uses a demand-side approach coupled with job brokering and education and training services. In theory, through the ETAG participants access a better quality job than they would otherwise. The quality of the job, in theory, results in better job retention rates for the employees and lower turnover rates for the firms.

The ETAG program is based on a series of assumptions that make up one component of CEI's theory of change and provide the basis for our study's hypotheses. These assumptions are:

- ◆ People with low incomes need help in accessing quality jobs.
- ◆ With access to quality jobs, people with low incomes are more likely to stay in these jobs, earn better incomes, become self-sufficient, accumulate assets, and achieve a decent standard of living than they would without the screening of firms, job brokering, and support services provided by CEI.

As we will see below, these assumptions provided the basis for our study's hypothesis. In addition to the ETAG, CEI has also implemented a number of special workforce demonstration projects through federal grants that provide more training resources and support services for targeted populations.

Background and Need

To date, CEI has executed close to 250 ETAGs and more than 8,000 people have been hired into CEI-financed firms with ETAGs. Through a confidential form called a "Certification Form," which is voluntarily completed by an employee at the time of hire into the ETAG firm, CEI gathers data on new employees, their new job title and starting wage, and their pre-hire income. CEI also collects data on individuals hired into ETAG firms through a second form, the "Monthly Report on Employment Activity," completed on a monthly basis by the ETAG firms. This form provides information on employee levels, individuals hired, and job titles and wages. These forms are CEI's only means to count the number of people with low incomes hired into CEI-financed firms, but it is likely that they undercount the number of low income, since disclosure is voluntary. The forms do not provide the ongoing data necessary to track hires over time to determine whether they stay in the job or leave the next day; whether, if they stay, they advance in the firm, receive promotions or raises; or, if they leave, whether they are moving on to a better job or perhaps back onto public assistance. In addition to not knowing an individual's job retention and advancement, CEI has had no means of tracking participants' access to benefits and no means of knowing if the job has improved their ability to develop and accumulate assets.

Without an ability to monitor what happens to these individuals over time, we do not know whether they are able to become self-sufficient. Although we have a great deal of anecdotal information supporting our work, we also know that people with low incomes encounter a great number of barriers in sustaining employment. Furthermore, at the scale at which we are now operating, anecdotal information is no longer adequate as a means of informing our practice and decisions, nor is it sufficient in a funding and policy environment that demands demonstration of outcomes.

Project Description and Goals

In order to address these questions, CEI, with funding from the Ford Foundation and the Community Development Finance Institution (CDFI) Fund, and with the guidance of Rob Hollister, Joseph Wharton Professor of Economics at Swarthmore College, undertook our “Low Income Longitudinal Study.” Simply put, the goal of the study was to monitor participants’ economic and employment status over a three-year period. Our main research question was:

Does the CEI job initiate an upward economic trajectory for participants?

Other related questions included:

- How does the CEI job compare to other jobs in terms of quality (in terms of wages, benefits, and some non-monetary benefits)?
- How long do people stay in the CEI job?
- Do they move on to a better job?
- How does the CEI job affect income?
- Do participants become self-sufficient?
- How does the CEI job affect asset accumulation?
- Is the job brokering work associated with the ETAG effective in terms of placing low-income people into jobs?

We hoped that the results would provide feedback as to whether our programs were on target, would inform CEI’s ongoing work, and would also provide information to the employment and training field as a whole.

We derived our hypothesis from our theory of change assumptions outlined above. We hypothesized that:

By creating an opportunity for people with low incomes to access quality jobs, they would stay in the job, advance in the company, increase their incomes, move off public assistance, and accumulate assets.

We set out to test this hypothesis in a number of ways.

Methodology

Table 1. Breakdown of the Population

Category of Hire	Number In Population	Proportion of Population
ETAG Hires 10/1997 – 12/1999	904	46%
Faithworks	673	34%
Soleras	26	1%
Project Pioneer	110	5.5%
POWER Project	118	6%
New England 800	13	.5%
Non-Low-Income	135	7%
<i>Total</i>	1,979	100%

Our population consisted of 1,979 individuals hired into CEI-financed firms from 1995 through 1999 for whom we had social security numbers. These were individuals who, at the time of hire, voluntarily filled out the Certification Form mentioned earlier. From these forms we were able to determine the person's income level. Of the population, 93% are individuals who indicated on their Certification Form that they had low incomes; however, we included 135 people who had incomes above the poverty level in order to avoid truncation bias. Almost half the population (46%) is made up of individuals who were placed through the ETAG process into a job at a CEI-financed firm between October 1, 1997 and December 30, 1999. Thirteen percent of the population consists of individuals who took part in one of a series of job training projects that CEI has run since 1995: Soleras, Project Pioneer, the POWER² Project, and New England 800.³ The remaining 34% of the population is made up of people hired by Faithworks, a social enterprise and not-for-profit business (specializing in packaging) whose mission is to provide jobs for the hardest to employ in a supportive, flexible work environment.

Data collection

We began with the administrative data collected by CEI through the Certification and Monthly Report on Employment Activity forms mentioned above. The forms provided us with contact information on individuals in addition to social security numbers and dates of birth – critical pieces of information enabling CEI to track people on a longitudinal basis. Using these data as the basis for the study, we set out to answer our questions through two methods.

First, we approached the Maine Department of Labor to see if they would allow us access to Unemployment Insurance (UI) wage data on the individuals in our population.⁴ The records would provide us with an objective and longitudinal source of data on quarterly earnings for our population

² POWER is the acronym for Promotion of Welfare and Employment Resources.

³ Soleras, Pioneer, and New England 800 projects are named for the firms for which the training was conducted. All four of the special projects were funded by the U.S. Department of Health and Human Services (HHS). Pioneer, POWER, and New England 800 projects were funded by the Office of Community Services (OCS) through the Job Opportunities for Low-Income Individuals (JOLII) program. Soleras was funded through an HHS discretionary grant.

⁴ Through the Department of Labor's Division of Labor Market Information Services.

and allow us to observe the earnings patterns of the group. In addition, because the study is not based on an experimental design, we hoped that the earnings records would provide our consultants, Rob Hollister and John Tyler, Assistant Professor of Education at Brown University, with enough data that they could use them as the basis for developing a counterfactual group, i.e., a group of people with similar earnings patterns who were not hired into CEI-financed firms. We could then gain some insight into what might have happened to the CEI participants if not for the access to a quality job provided by CEI through the ETAG. The Maine Department of Labor approved our proposal and generously granted us access to quarterly individual-level wage records on all participants from the first quarter of 1996 (when their current database was constructed) through the second quarter of 2001.

Second, we conducted two waves of in-depth telephone interviews (see Appendix I). We designed an extensive survey instrument that asked about household composition, child care, work history and current employment status, post-employment support, health coverage, education and job training, income, assets, and debt. We contracted with the Survey Research Center at the University of Southern Maine's Muskie School of Public Service to collect and input the interview data.⁵ The two interviews were conducted approximately 18 months apart (though in some cases the interval was actually closer to two years), and they typically lasted 45 minutes.

The most challenging part of this study was simply finding people. We discovered that, although we had the names, addresses, and phone numbers of participants, much of this information was several years old and, in many cases, these data were incomplete. We undertook a great deal of research to update the data and locate people. We provided the research center with up to eight possible phone numbers and addresses for each individual. A letter was sent to each person (at the most likely address) about one week before they were to be called telling them about the project and also providing them with a toll-free number in case they wanted to call in at a time that was convenient for them. As an incentive to participate, we offered a \$25 check for completing the first interview and a \$30 check for the second. In the second wave, we offered a \$50 check to those people who were especially hard to reach.

The research center called each participant at least eight times and as many as 20 times. They found that most of the numbers we had provided were either not in service or incorrect. Very few of the people they were able to contact refused to participate. In addition, the research center also conducted a dozen on-site interviews at Faithworks. Faithworks is a firm employing a group of workers that is often very transient and, because there is so much turnover at this firm, we thought we would have better success reaching people on-site.

At the end of the first interview, the interviewer asked the participant for the names and phone numbers of at least two people who would know how to reach them if they moved. Halfway between the first and second interview we called those people interviewed in Wave 1 to check in and make sure we were still able to reach them. If we were unable to reach them, we followed up with the names they gave us in order to update their contact information.

⁵ The data were inputted directly by the interviewer into a computer-assisted telephone interview (CATI) database designed using Microsoft Access.

Interview Results

Table 2. Response Rate for Wave One (July 1999 – May 2000)

Category of Hire	Number in Population	Number of Interviews	Response Rate	Proportion of Total Responses
ETAG Hires 10/1997 – 12/1999	904	306	34%	65%
Faithworks	673 ⁶	35	17.5%	7%
Soleras	26	12	46%	3%
Project Pioneer	110	28	25%	6%
POWER Project	118	24	20%	5%
New England 800	13	7	54%	1%
Non-Low-Income	135	60	44%	13%
<i>Total</i>	1,979	472	24%	100%

As the fourth column in Table 2 shows, in the first wave of interviews, which began in July 1999 and ended in May 2000, we were able to contact and interview only 24% of the people in our population. The length of time it took us to reach this response rate is as much an indication of the challenges we had locating and contacting people as the response rate itself. Because a working phone line and a consistent address are themselves indicators of economic stability, it is useful to look at the response rate of each category of hire to better understand the overall response rate and CEI's programs.

The first row of Table 2 shows that ETAG hires made up the largest category of hires. Although we were only able to reach 34% of this group, they made up the largest group of respondents. The second row of Table 2 shows the response rate of Faithworks employees. With the lowest response rate of all categories (17%), this group proved by far the most difficult to contact. This was not entirely surprising, considering the population targeted by Faithworks for employment and given the nature of the employment offered by Faithworks.

Faithworks' mission is to provide employment for the most difficult to employ – people who may have histories of mental illness, homelessness, substance abuse, or incarceration. Once hired, employees can show up to work for as many or as few hours, or as many or as few weeks, as they need or want. Many people end up working only a handful of days or very sporadically. Although Faithworks has approximately 1,000 people on its payroll,⁷ there is a core group of approximately only 40 regular workers. Thus, while the individuals in this category made up one-third of our sample, the low response rate most likely reflects the transient nature of these workers' lives in addition to the great degree of flexibility in Faithworks' approach to work.

Rows three through six of Table 2 show the response rates of participants in special job training programs organized by CEI. Originally, we hypothesized that participants in these programs, because we had direct contact with them and because they received intensive job training before being placed in a job, would be easier to find and that they would be faring better than the ETAG group. This was not uniformly the case. The response rates for the participants in these programs reflect a number of

⁶ We attempted to interview a sub-sample of 200 people from Faithworks so that data from one employer would not overwhelm our findings. As is evident from the response rate, this proved not to be an issue.

⁷ For more information on Faithworks, see CEI's case study of Faithworks, " 'Meeting Them Where They Are At' The Opportunities and Challenges of a Unique Social Enterprise" by Matissa Hollister. July 2001. See Appendix Two.

factors such as our relationship with the partner firm, how recently people had participated in the program, and the fact that participants were from targeted populations that often had many more barriers to overcome than those placed in a job through the ETAG.

Not surprisingly, the non low-income group shows one of the higher response rates.

Table 3. Response Rate for Wave Two (May 2001 - January 2002)

Category of Hire	Number of Interviews: Wave 1	Number of Interviews: Wave 2	Retention Rate
ETAG Hires 10/1997 – 12/1999	306	238	78%
Faithworks	35	28	80%
Soleras	12	11	92%
Project Pioneer	28	23	82%
POWER Project	24	20	83%
New England 800	7	7	100%
Non-Low-Income	60	54	90%
<i>Total</i>	472	381	81%

The second wave of interviews took place between May 2001 and January 2002 (see Table 3 above). In the second wave of interviews we were able to contact and interview 381 of the Wave 1 group, achieving a retention rate of 81%. Given the low response rate in Wave 1, we were very pleased to remain in contact with such a high proportion of this original group. The ETAG category had the lowest retention rate, representing the major difference between the Wave 1 and Wave 2 samples.

Demographics

Our sample is 94% white, with women representing slightly less than two-thirds and men representing slightly more than one-third of respondents.

Table 4. Marital Status

Marital Status	Wave 1	Wave 2
Married, living with spouse	33%	37%
Separated, living apart	5%	3%
Divorced	17%	20%
Widowed	1%	1%
Living together	18%	12%
Never married	26%	27%
<i>Total</i>	100%	100%

Table 4 shows that one-third of the sample were married in Wave 1; a slightly higher percentage were married in Wave 2.

Table 5. Highest Diploma Received

Highest diploma received	Wave 1	Wave 2
Elementary/Middle/Junior High School Diploma	11%	7%
Adult Basic Education Certificate	1%	1%
High School Diploma	53%	55%
GED	19%	17%
Associate's Diploma (Two-year)	6%	9%
BA or BS Diploma (Four-year)	8%	9%
Master's Degree	2%	2%
Ph.D.	0%	0%
<i>Total</i>	100%	100%

The majority of the sample had a high school education, as shown above in Table 5. The data also show that the highest grade of regular school completed was, on average, 12th grade.

In terms of household composition, the typical household was made up of three people: two adults and one child (defined as household members under 18). In Wave 1, 60% of households had children and, of those with children, 48% had children under 5. The majority of those with children under 5 (65%) had one child in this age range. In Wave 2, a slightly smaller percentage (55%) had children under 18 and a slightly smaller percentage (42%) had children under 5. Of those with children under 5 in Wave 2, 70% had one child in this age range.

Earnings experiences of CEI participants

Ideally, we would like to be able to address the issue of whether the opportunity provided through the ETAG improved the employment and earnings experience of a worker compared to what their experience would have been without the ETAG. However, absent a true random assignment design in which workers were randomly selected to be hired through an ETAG or not, we cannot be certain about the impacts of the CEI-generated employment opportunity on the work history of the individual. In the absence of such a design, we instead looked at aspects of workers' employment history prior to the CEI connection, their experience during their tenure in CEI-financed firms, and their employment experience after leaving those firms, and then tried to draw some initial, tentative conclusions.

Table 6. Tenure, Hours, and Wages

Variable	Stat	Job 1	CEI Job	Post-CEI	Curr/Rec
Tenure	mean	26.52	15.34	13.7	14.17
	std dev	40.17	16.18	21.44	22.56
	median	11	9	8	9
Hours	mean	38.76	49.03	40.71	46.18
	std dev	42.81	96.04	61.13	93.55
	median	40	40	36.83	40
Stwage	mean	7.33	7.82	8.48	8.59
	std dev	5.98	3.31	5.05	3.21
	median	6.5	7.35	7.75	8
Endwage	mean	8.27	8.86	8.96	9.33
	std dev	6.88	3.34	3.63	3.44
	median	7.14	8	8.29	9
Wgrowth	mean	.93	1.04	.65	.75
	std dev	7.56	2.18	2.06	1.28
	median	.13	.43	.25	.13
Grate	mean	.05	.07	.05	.05
	std dev	.16	.13	.16	.21
	median	.01	.03	.02	.02

The data in Table 6 show summary data on the work history of people hired by the CEI-financed firms before, during, and subsequent to their employment in the CEI-financed firms. The table does not include data for people in the non low-income category. Below are the definitions for each row:

Variable: Variable name

Stat: Type of statistic reported, i.e., mean, standard deviation, or median

Tenure: Number of months of tenure in the given job

Hours: Number of hours per week in the given job

Stwage: Starting hourly wage (*Note: none of the wage measures have been adjusted for inflation*)⁸

Endwage: Ending or most current hourly wage

Wgrowth: Growth in hourly wages over the entire job duration

Grate: Monthly wage growth rate (wgrowth/tenure)

Below are the definitions for each column:

Job 1

Job *before* the CEI job

Post-CEI Job

Summary statistics describing jobs held after the CEI job. First, the variables were averaged across all jobs an individual had after their CEI job. Then an average was taken across all individuals. The method of averaging within individuals first assures that an individual who held many post-CEI jobs has the same weight as someone who held just one post-CEI job.

⁸ Inflation rates were very low during this time period.

Current/most recent job

The current or most recent job held by each individual in the second wave of the survey. Those who are still working in their CEI job, however, are not included in this category. If the individual held two or more jobs at the time of the second interview, the job with the greater number of hours per week was chosen.

Wage growth

Perhaps most worthy of comment is the fact that both mean and median wage growth (*wgrowth*) was highest in the CEI job. Since the length of tenure in the job could affect the size of wage growth, it is of interest to look at the rate of growth of wages (*grate*), since this measure normalizes for the length of tenure in the job. Grate for the CEI job (.07) was, on average, higher than that for job 1 (.05), the post-CEI job's average (.05), and the current/most recent job (.05).

We at first were concerned that the rate of growth for the post-CEI job was not as high as in the CEI job and, indeed, was equivalent to the rate for growth in the pre-CEI job. However, we also see that the starting wage (*stwage*) for the post-CEI job was markedly higher than that for the pre-CEI job (\$8.48 vs. \$ 7.33). Indeed it was higher than the wage at the end of the job just prior to the CEI job (*endwage* job 1 = 8.27 and *stwage* post-CEI = \$8.48). Thus while the growth rate was similar pre- and post-CEI job, the start point was much higher for the post-CEI job; if you start from a higher level, it is harder to achieve equal percentage gains. This then gives us a picture of real progression through the CEI experience – a higher rate of growth while in the CEI job and steady growth from a higher level post-CEI.

While we don't have a strong counterfactual to suggest what would have happened in the absence of the CEI-financed opportunity, the pattern of these before, during, and after wage changes strongly suggest that the CEI experience improved the earnings of the workers over what they would have been, absent this opportunity.

Starting wage

Looking across the *stwage* row, we see that there is a steady progression in the starting wage from the job before CEI, to the job after CEI, to the current job. Of course, some of this progression in wages is due to generally improving macro-economic conditions over the period covered by the interview, some is due to increased age and work experience, and some is due to the fact that workers will generally switch jobs toward those with higher wages. Still this progression in wages is an encouraging sign that perhaps the opportunities provided by the ETAG agreements accelerated wage growth.

Hours

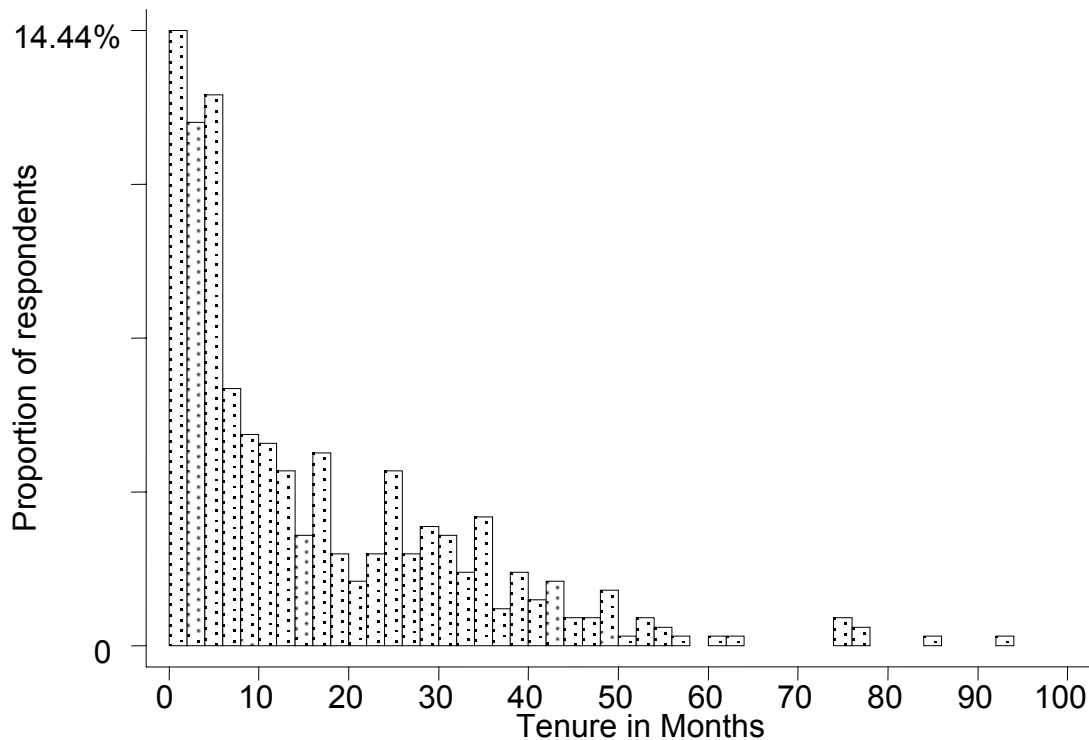
The data on hours show that mean hours worked were higher on the CEI job than on both the pre-CEI job and post-CEI jobs. The fact that the median hours worked were the same for CEI jobs and the pre-CEI and current jobs indicated that there were more extremely high hours of work for the CEI jobs than for the others (mean hours are higher relative to the median). Combining mean hours and mean wages, we find that the CEI job yielded, on average, higher earnings than the post-CEI job, though less than the current job.

Tenure

Looking at the row entitled *tenure*, we see that the mean length of time on the CEI job was greater than the mean for post-CEI jobs and the most recent job. The participants spent an average of about a year and a quarter on the CEI job. The figures on median tenure are useful because, by comparison to the mean, they tell us about the “typical” length of tenure (they are less influenced by extreme values). While the median stay in the pre-CEI job was two months longer than in the CEI job, the median in the post-CEI job was slightly shorter.

The following figure gives us a picture of the distribution of the lengths of tenure on CEI jobs.

Figure 1. Proportion of respondents by length of stay in CEI job



We can see from Figure 1 that while the median stay was nine months, there have been some cases of very long tenure in the CEI jobs. Of the total sample of 381 workers in the two surveys, at the time of the second interview 28% of individuals reported the CEI job as their current/most recent job (21% were still working at the CEI job and the other 7% were not working).

The lack of a counterfactual makes it hard to come to firm conclusions regarding these data. We can say that these data suggest that the CEI-financed employment opportunities probably improved the growth in earnings and the length of job stay of the workers who were hired under the ETAG agreements.

Why did people leave the CEI job?

As mentioned previously, when comparing starting wages for the CEI job and post-CEI jobs, the data show a positive progression. However, when we compare the CEI job with *the single job subsequent to the CEI job*, the data show that, for those respondents who had left the CEI job, more than one-third (37%) left for a job that had a lower starting wage than their ending wage at the CEI job. Indeed, we see this trend illustrated in Table 6 as well (*endwage* CEI job = \$8.86 and *stmwage* Post-CEI = \$8.48). We looked at other benefits to see if perhaps people were giving up better wages for a job that was of better quality according to other indicators. However, when considering a number of other factors, including health coverage, the CEI job still appeared to be of better quality than the subsequent job.

Table 7. Medical Insurance

Medical Insurance	Job Before CEI	CEI Job	Job After CEI
Available but not using it ⁹	14%	27%	24%
Available and using it	27%	47%	24%
Not available	59%	26%	52%
<i>Total</i>	100%	100%	100%

Table 7 shows that medical insurance was available to 74% of employees while in the CEI job, as opposed to 41% in the job before the CEI job and 48% in the job after the CEI job. Row two shows that, in the CEI job, people were at least 20% more likely to be covered than they were before and after the CEI job. Row three shows that the jobs people held prior and subsequent to the CEI job were at least twice as likely to *not* offer medical coverage as the CEI job.

Table 8. Promotions Received

Did you receive any promotions while working for this employer?	Job Before CEI	CEI Job	Job After CEI
Yes	17%	23%	14%
No	83%	77%	86%
<i>Total</i>	100%	100%	100%

Table 8 shows that the CEI job also offered a greater chance of advancement through promotion. People had a 6% better chance of being promoted in the CEI job than in their previous job and a 9% better chance than in their subsequent job.

After considering these findings, we wondered: *If the CEI job appears better in terms of wages, benefits, and advancement than the subsequent job, why did people leave the CEI job?* In the second wave of interviews, we added three questions to help us gain some understanding of why people moved on from the CEI job. Responses to the first of these questions are below in Table 9.

⁹ The primary reason for not using available health insurance was lack of tenure at the firm, which results in lack of eligibility for coverage.

Table 9. Quit, Laid Off, or Fired

Did you quit this job, were you laid off, or were you fired?	Wave 2
Quit	46%
On temporary leave	1%
Company closed or moved	2%
Laid off	11%
Fired	9%
Temporary job ended	3%
DK	1%
NA	5%
Still at the CEI job	22%
<i>Total</i>	100%

Table 9 shows the surprising result that almost half (46%) of the people who left the CEI job left voluntarily. In a second question, we asked participants why they quit, but the wide range of responses is not conclusive. (Almost one-third of respondents answered “Other reason” for why they left.)

In interviews with employers conducted between July and October 2001 as part of an exploratory qualitative study of 14 firms and their experiences with the ETAG,¹⁰ employers reported that the most common reason for leaving voluntarily was for better jobs. (In contrast, only 14% of interview respondents who left the CEI job voluntarily said they left for another job.) Employers also said, however, that many people just stopped showing up or didn’t like working at the company. Several employers suggested that many people leave their jobs without a plan. One employer attributes this behavior to a lack of patience:

Patience. Some people just don't stick it out long enough. If you look at resumes of people who have had eight jobs in eight years, they don't give it enough chance. And patience is also adjusting to the work environment that you decided you would work with, the company's management style, and philosophies. Some people just get a little too testy. Yet people will leave, and come back in a year because they left too quickly. And those are people who leave without a plan. I don't like my wage, etc.

The short tenure reported at the CEI and subsequent jobs has an effect not only on people’s wage progression and their ability to acquire new skills, but also more immediately on their eligibility for health coverage, since most employees do not qualify for coverage before six months of employment at a firm. In the third question, we asked people why they were fired or laid off. More than a third of the respondents (36%) again answered “Other reason.” The remaining responses to this question were again inconclusive, though 21% said there was not enough work at the company.

¹⁰ A complementary component of the Longitudinal Study, the “Firm Study,” conducted by Matissa and Rob Hollister, was completed in May 2002 and looks more closely at the firms’ experiences hiring people with low incomes. See Appendix 3.

Barriers to retention and post-employment support

In an effort to better understand the issues that make it difficult for people to stay in a job (as opposed to the reasons why people leave a job), we asked them about problems they faced at work and problems they faced outside of work once they had started a new job. In answer to both questions, approximately 50% of respondents said they did not have any problems. On an encouraging note, 60% of people in Wave 2 said they had no problems or incidents at work that made them dislike their job, up from 52% in Wave 1. A total of 36% of respondents cited problems with their co-workers or boss as problems in Wave 1, though this proportion decreased to 25% in Wave 2.

The problems outside of work that people cited were varied, but some notable findings did emerge. A surprising number of people in both waves, 83 individuals in Wave 1 (18% of respondents) and 61 individuals in Wave 2 (16% of respondents) reported they had problems budgeting money. Health problems or pregnancy (regrettably, we did not break this option down into two separate questions) made work difficult for 16% of respondents in Wave 2 (up from 11% in Wave 1). Problems with child care made work difficult for 12% of respondents in Wave 2 (down from 15% in Wave 1). Transportation was cited as a problem by 11% of Wave 2 respondents (and 10% of Wave 1 respondents).

We also asked specifically about how child care problems had affected people's work. Of the respondents with children in care, almost a third (27% in Wave 1 and 29% in Wave 2) said that a problem with child care had caused them to be late for work, school, or a training program. However, only 5% of this group said that a problem with child care had caused them to quit or be fired from a job, or to quit school.

Employment status

Table 10. Current Employment Status*

Current Employment Status	Wave 1	Wave 2
Employed part-time	21%	17%
Employed full-time	54%	53%
Self-employed	3%	4%
Doing temporary work	3%	2%
Doing seasonal work	2%	3%
Laid off, waiting for call back	1%	1%
Not employed ¹¹	20%	25%

* Percentages do not add to 100 because each option was asked as an individual question. For example, someone could be self-employed and doing seasonal work.

Table 10 presents some unexpected and somewhat discouraging findings. Row 7 shows that one-fifth of participants interviewed in Wave 1 were not employed. This proportion rose to one-quarter of participants in Wave 2. The five-percentage point increase in people who were not employed is particularly remarkable given that the second wave of interviews took place between May 2001 and January 2002. While we may have been seeing early signs of the economy slowing down, generally

¹¹It is important here to distinguish between “not employed” and “unemployed”. The “Not employed” category includes people who are not working, and either looking or not looking for work. In contrast, “unemployed” refers to people who are jobless, but who are available for work and are actively seeking jobs. The unemployment rate is unemployment as a percentage of the labor force. We were unable to calculate an unemployment rate from the study.

speaking, there was still a relatively tight labor market in Maine.¹² We have looked at those who were not employed in Wave 2, but our analysis has not shed light on any distinguishing characteristics of this group.

Of those people with jobs, 87% of people in Wave 1 and 89% of people in Wave 2 held one job. In both waves, respondents reported working an average of 40 hours per week.

Table 11. Currently Seeking Employment

[If laid off or waiting for call back. . .] Are you currently looking for work?	Wave 1	Wave 2
Yes	13%	10%
No	8%	16%
<i>Total</i>	21%	26%

As Table 11 illustrates, the data also show an increase in the proportion of people not looking for work. Surprisingly, that proportion doubled in the 18-month to two-year interval from Wave 1 to Wave 2, from 8% to 16%. Table 12 shows the reasons people gave for not seeking employment.

Table 12. Main Reason for Not Seeking Employment

[If not employed and not seeking employment. . .] What is the main reason you are not looking for work?	Wave 1	Wave 2
Going to school	17%	18%
Illness/health problem/disability	27%	35%
Need/want to stay home with children	23%	17%
Caring for special needs child or dependent adult	6%	9%
Pregnant/just had a baby	6%	3%
Spouse or family member do not want you to work	0%	0%
Dealing with a substance abuse problem	0%	0%
Retired	4%	1%
Need training	2%	3%
Other	15%	14%
<i>Total</i>	100%	100%

Table 12 shows that most people cited illness, health, or disability as the main reason for not looking for work. This proportion actually increased by eight percentage points, from 27% to 35%, from the first to the second interview. Almost a quarter of people in the first wave (23%) said they needed or wanted to stay home with their children, although this proportion decreased by six percentage points from Wave 1 to Wave 2. On a positive note, another of the main reasons people cited for not looking for work was that they were going to school.

¹² <http://www.state.me.us/spo/economics/economics/employment.php> shows that the unemployment rate for 2001 was 4%, up slightly from 3.5% in 2000, but still lower than the 4.1% rate in 1999. Our data cannot be directly compared to unemployment data (because it does not include people opting not to look for work), but these figures do give us a sense of the labor market at the time.

Health coverage

Table 13. Health Coverage

Do you have health insurance coverage, including coverage from Medicaid and Medicare?	Wave 1	Wave 2
Yes	68%	76%
No	32%	24%
<i>Total</i>	100%	100%

The findings from our questions regarding health coverage show mixed results. Table 13 shows an increase in the rate of coverage, from 68% to 76%. However, in Table 14 (below) we see that much of this increase is likely due to the larger proportion of people who were covered by Medicaid in Wave 2 (from 19% to 25%). During the intervening period between Wave 1 and Wave 2, Maine’s Department of Human Services (DHS) expanded Maine’s Medicaid coverage by lowering the eligibility threshold for families and, at the same time, making a concerted effort to enroll people in the expanded program. It seems likely that the increase in Medicaid coverage is, at least in part, due to this effort.

Table 14. Source of Health Coverage

Source of health coverage	Wave 1	Wave 2
Not covered	32%	24%
Employer	36%	36%
Spouse or partner	7%	8%
Medicaid	19%	25%
Medicare	1%	2%
Other	5%	5%
<i>Total</i>	100%	100%

Table 14 shows that the proportion of people covered by their employer remained exactly the same from Wave 1 to Wave 2. At a time when employer coverage was declining,¹³ these results are actually encouraging for the fact that the proportion of people covered by their employer did not decrease. Yet, despite the increase in Medicaid coverage, the data still show that almost 100 of the 381 people interviewed in Wave 2 did not have any type of health coverage. Of those people who were employed, but did not have coverage, virtually all said they were not eligible for coverage because they were either employed part-time or had not been employed at the firm long enough to receive benefits.

How did people find the CEI job?

In order to assess the effectiveness of our job brokering work, we were also interested in knowing how people found the CEI job. Our role in this process, though perhaps critical, is very indirect, which makes measuring our impact particularly difficult. Often people do not know that CEI has played a role in helping them access a job because we typically work with the firm and the social service provider – not directly with the person hired. Our direct work with participants in the Soleras, Project Pioneer, POWER Project, and New England 800 job training programs is an exception.

¹³ “At Risk: Small Business Health Coverage in Maine.” Christopher St. John, Joseph Ditre, Lisa Pohlmann. Maine Center for Economic Policy. August 2000, p. 5.

Table 15. How did you find the CEI Job?¹⁴

How did you find your job at the CEI firm?	Wave 1
Job ad in newspaper	22%
Sign in window of business	2%
Referral through job training program (such as the Workforce Development or Career Centers, ASPIRE, ETI, or Maine Centers for Women, Work, and Community)	15%
Referral through employment agency/temp agency	13%
Through friend or relative	32%
Walk-in	10%
Something else	6%
DK	0%
NA	0%
<i>Total</i>	100%

Table 15 shows that nearly one-third of the respondents (32%) found their CEI job through a friend or relative. Another 22% found the job through a newspaper ad. We asked people if they had been hired through a special job training program and listed some of CEI's main partners in our job brokering work (row 3), in an attempt to identify, for people placed through the ETAG, the social service organizations in our network with which they had direct contact. However, only 15% of those interviewed responded positively to this option.

Unfortunately, the results from the study do not allow us to draw any definitive conclusions with regard to this question. The extensive list of partner organizations with which we work makes it difficult to identify in a survey each particular organization or program through which a participant may have been hired, and often the participant is not aware of or able to identify the program, let alone its relationship to the job at the CEI-financed firm. In addition, in some cases people had been hired into the CEI firm as many as five years prior to the interview and their recollection of how they found the job may not have been clear.

When we asked some specific questions about the CEI job as compared to the previous and subsequent jobs, we did see some tentative indication that CEI's job brokering had a positive effect.

Table 16. Part of a Special Program?

Was that job part of a special program or some other employment program?	Job Before CEI	CEI Job	Job After CEI
Yes	8%	24%	6%
No	92%	76%	93%
Don't Know	0%	0%	1%
<i>Total</i>	100%	100%	100%

Table 16 shows that the CEI job is three times more likely than the previous job and four times more likely than the subsequent job to be part of a special employment program. This finding indicates that people are probably far more likely to have arrived at the CEI job through contact with an agency in

¹⁴We asked this question only in Wave 1.

our network of community and state-based partner organizations. However, these results still cannot tell us that CEI's job brokering was the primary mechanism through which workers obtained the CEI job.

Changes in income

We asked people about their income in the past month. The proportion of people reporting personal income from employment increased by only half a percentage point from the first to the second interview, from 38% to 38.5%. Median income increased by 17%, from \$1,200 to \$1,400 per month, from 1998 to 2000. Only 8% of people in Wave 1 and 9% of people in Wave 2 reported income from self-employment. The median amount earned from self-employment in the past month dropped from \$550 to \$300.

The data on unearned income show personal income from TANF reported by 9% of those interviewed in the first wave versus 7% in the second. This is probably not surprising, given that states were trying to move people off TANF. The fact that these numbers did not decrease more during this period of time may be due to Maine's liberal welfare-to-work policies.¹⁵ People reported median income from TANF as decreasing slightly, from \$387 to \$367 per month. Income from Food Stamps, reported by 18% of Wave 1 respondents and 17% of Wave 2 respondents, remained virtually the same at \$160 per month.

Table 17. Personal Income: 1998 and 2000¹⁶

Total Personal Pre-Tax Income	1998	2000
Mean	\$13,577	\$16,986
Median	\$10,500	\$15,600

Table 17 shows that personal income levels for 1998 and 2000 were above the poverty threshold set by the U.S. Department of Health and Human Services (HHS) for those years (\$8,316 for a family of one in 1998¹⁷ and \$8,794 for a family of one in 2000¹⁸), but well below Maine's per capita personal income in 1998 (\$23,404) and in 2000 (\$25,380).¹⁹ However median personal income grew an impressive 48% from 1998 to 2000. The data show that the respondents' income approached the livable wage threshold determined by the Maine Economic Growth Council. The Council considers the livable wage threshold to be 185% of poverty level -- \$15,385 for 1998 and \$16,269 for 2000.²⁰ In 2000, the respondents' average earnings surpassed livable wage by more than \$700.

¹⁵ For example, Maine's Parents as Scholars Program allows TANF recipients to maintain eligibility while enrolled in degree programs.

¹⁶ Personal income figures have not been adjusted for inflation, however inflation was very low during this time period.

¹⁷ <http://www.census.gov/hhes/poverty/threshld/thresh98.html>

¹⁸ <http://www.census.gov/hhes/poverty/threshld/thresh00.html>

¹⁹ http://www.state.me.us/spo/economics/economics/personal_income.php

²⁰ Ninth Report of the Maine Economic Growth Council, Prepared by the Maine Development Foundation, Measures of Growth 2003, p.7 or <http://www.mdf.org/megc/measures/megc2003.pdf>

Table 18. Household Income: 1998 and 2000

Total Household Pre-Tax Income	1998	2000
Mean	\$23,724	\$27,864
Median	\$18,000	\$23,300

The household income figures shown in Table 18 are difficult to interpret. Although we have data on the number of people in the household, it is very difficult to determine how many people are actually dependent on this income. However, since the typical household in our survey has three people (two adults and one child), we can draw some rough comparisons with the federal poverty guidelines for a family of three: \$13,120 in 1998²¹ and \$13,861 in 2000²². Although the respondents show household income above the poverty line, the 2000 figures represent only 63% of median household income figures for Maine for roughly the same time period. (According to the 2000 Census, 1999 median household income in Maine was \$37,240.)²³ Thus, while the respondents appear to be moving farther out of poverty, they are still very much at risk: in 1998 household income represents 137% of poverty level and 2000 income represents 168% of poverty level – again, well below the 185% determined to be the livable wage threshold.

Changes in debt

In terms of debt we see a mix of results. Credit card debt increased 11 percentage points, from 47% to 58%. The median amount owed on these accounts also increased, from \$1,500 to \$1,800. At the same time, the proportion of people with phone bills past due decreased from 31% to 25% and people with bills owed for more than one month decreased from 12% to 7%.

More than a third of the respondents said they owed money for medical bills. This amount did decrease slightly from Wave 1 to Wave 2, from 38% to 36.5%; however, the median amount owed increased from \$500 to \$600.

Changes in assets

Table 19. Housing Status

Current Housing Situation	Wave 1	Wave 2
Own your own home	20%	24%
Own your own mobile home	7%	8%
Rent your home or apartment	53%	55%
Live with family/friends and do not pay rent	10%	6%
Live with family or friends and pay part of rent or mortgage payment	9%	6%
Live in some other arrangement	1%	1%
Live in a group shelter	0%	0%
Homeless and living on the street	0%	0%
<i>Total</i>	100%	100%

²¹ <http://www.census.gov/hhes/poverty/threshld/thresh98.html>

²² <http://www.census.gov/hhes/poverty/threshld/thresh00.html>

²³ <http://quickfacts.census.gov/qfd/states/23000.html>

Maine’s homeownership rate in 1999 was 77.4% and in 2001 was 75.5%.²⁴ These figures represent some of the highest rates in the country. On one hand, the data in Table 19 are discouraging because, at 20% in Wave 1 and 24% in Wave 2, CEI job holders show such a low level of homeownership compared to the state’s overall rate. On the other hand, the four percentage point increase from the first to the second interview is very encouraging, especially since the state’s rate fell by close to two percentage points in roughly the same time period. On a more basic level, the data also show us that CEI is indeed targeting those people in need of assets.

In addition to an increase in the rate of homeownership, Table 19 also shows a decrease in people living with family and friends (and either paying rent or not). We also see a slight increase in the proportion of people owning mobile homes and renting a home or apartment. Also encouraging are the data showing the proportion of people living in public housing decreased from 14% to 9.5%. Those living in Section 8 housing also decreased very slightly – from 12% to 11%.

Table 20. Moving Frequency

How many times have you moved in the past two years?	Wave 1	Wave 2
0	49%	57%
1	22%	23%
2	13%	10%
3	8%	5%
4	3%	2%
5	3%	2%
6	2%	1%
<i>Total</i>	100%	100%

Table 20 shows that people appear to be moving less frequently at the time of the second interview as compared with the first. The proportion of people moving only once or not at all increased from 71% to 80%, and the proportion of people moving decreased from 16% to 10%. These findings indicate that people’s lives may be moving towards stability. This suggestion is reinforced by findings regarding whether people had ever applied for a mortgage. Again, the results are encouraging. The proportion of respondents that had ever applied for a mortgage increased from 30% to 34% while the proportion of those who had had their application accepted rose from 26% to 31%.

We also asked about car ownership. The rate of car ownership increased from 76% to 80%, as did people’s estimates of what their vehicles would sell for at the time. In Wave 2 the median estimate was \$5,000, up from \$3,000 in Wave 1. Although the increase in the estimated value of the vehicles is important, it is worth noting that over the past several years the market has been flooded with used cars, because it has been possible to purchase a new car with virtually no down payment and obtain financing with virtually no interest. In addition, any vehicle’s value depreciates rapidly. As a result of these factors, we cannot consider car ownership a very strong indicator of asset accumulation (though it may certainly affect an individual’s ability to commute to a job).

²⁴ <http://www.census.gov/hhes/www/housing/hvs/annual01/ann01t13.html>

Financial assets

We see a rise in the proportion of people with checking and savings accounts, especially personal checking accounts (36% to 42%) and joint savings accounts (21% to 25%). However, more notably, the median amounts in all joint accounts remained at zero. In personal accounts, the median amount in checking accounts actually decreased from \$200 to \$150, while the median amount in savings increased just slightly from \$50 to \$60.

The most interesting finding in this area is the change in the proportion of people with money in 401Ks, 403Bs, and other pension accounts through work. In Wave 1, 17% of respondents reported having savings in these accounts, but in Wave 2 that increased to 27%. The median amount in these accounts increased from \$1,000 to \$1,775 during this time. Unfortunately, it is quite possible that the savings in these accounts are now worth considerably less than they were in 2000; however, the increase in the proportion of people putting money into these accounts is certainly a notable change. It may indicate that people are accessing more quality jobs at firms that offer such a plan, that this group is becoming more educated about these types of plans as a way to save money, or that more people are simply employed (though other data do not support this possibility).

Unemployment Insurance (UI) Wage Data

Initially, we sought to obtain earnings records data from the Maine Department of Labor (MDOL) primarily to follow workers' experience with respect to earnings and employment beyond the period of the second (18-month) interview. CEI asked MDOL for access to the UI earnings records data – to be used in a strictly confidential form in which no individual would be identified. They generously granted us access to quarterly individual level wage records on all participants from 1996 (when they began using their current database) through the summer of 2001.

We also decided that if it were possible to obtain UI records for other non-CEI workers in Maine, we would attempt to construct a *comparison group*. Such a set of data would permit us to compare the earnings and employment experience of those who had had access to jobs through CEI with the experience of similar workers who had not had such access. The MDOL agreed to work with us and provide samples of UI records drawn according to parameters that we identified.

To carry out the comparison group analysis, Ty Wilde and Rob Hollister used a complex procedure called propensity-score-matching. In this procedure, CEI participants were arranged into cohorts according to their date of hire into the CEI firm and then matched to non-participants based on their quarterly earnings *prior* to the date of the CEI cohort and on the SIC code of the job held at that date. Once the “matched comparison” sample was selected, he estimated the difference in earnings, employment, and SIC sector of employment between the CEI and the non-CEI sample, using the data for the period *after* the CEI cohort date for both groups.

We knew from the outset that our ability to create a “good” comparison group from the UI data was likely to be extremely limited. This is because we had very few variables that we could use to “match” non-CEI observations in the UI data to the CEI participants employees. All we had were their

quarterly earnings history and the sector their employer was in²⁵; for the non-CEI observations we had no information on education, family status, age, race, gender, etc. The “typical matching” situation would have many more measures available on which to match. Particularly with the sophisticated and complex propensity-score-matching method we tried, the quality of the match is likely to be sharply limited when there are only a small number of matching variables.

In some preliminary matches using the propensity-score method for a limited set of UI data, it appeared that the CEI participants did have a significantly better earnings history in the CEI and post-CEI period. However, as we had more UI data and tried to “refine” the estimates, the outcomes proved to be very sensitive to small adjustments in assumptions we had to make in constructing the propensity-score match; the outcomes were not “robust” under slight variations in procedures. Therefore, we concluded we could make no strong statements on the basis of these data as to whether the CEI experience improved subsequent earnings histories of participants. Note that this is *not* to say that these data indicate that the CEI experience did *not* have a positive impact; rather, the conclusion is that we cannot say one way or the other whether they did have a positive impact.

That we were not able to get a good comparison group is not totally surprising, as we had recognized from the beginning that “constructed comparison groups” of the sort we proposed do not, in general, provide reliable counterfactuals. The bulk of the literature to date in which such non-experimental impact estimators have been compared to experimental estimators has not been encouraging about reliability of the non-experimental impact estimators.²⁶ Despite this knowledge, we decided it was worthwhile to pursue this option because we lacked any better alternatives for determining what would have happened to our sample without the CEI intervention of the ETAG.

Although we were unable to develop a reliable counterfactual with the UI wage records, they still provided us with a valuable set of wage records on our sample. From our original population of 1800 participants, we found matches for 869 on the CEI job and 616 in the post-CEI job.²⁷ This sample of people with UI records is *larger* than the sample for which we obtained wage data through the interviews (381). The UI results therefore give us a far more complete picture of the wage history and progression of participants than the wage data we obtained over the phone. They enable us to generalize earnings and employment results to a much larger portion of the participants than is possible just from the interview sample. However, we were not able to get complete Pre-CEI job records because UI data were not available before 1996.

²⁵ We could infer whether employed or not during a quarter only by whether they had any reported earnings or not.

²⁶ LaLonde, Robert J. 1986. “Evaluating the Econometric Evaluations of Training Programs with Experimental Data.” *American Economic Review* 76(4): 604-620; Fraker, Thomas, and Rebecca Maynard. 1987. “The Adequacy of Comparison Group Designs for Evaluations of Employment-Related Programs.” *Journal of Human Resources* 22(2); Friedlander, Daniel and Philip K. Robins. 1995. “Evaluating Program Evaluations: New Evidence on Commonly Used Non-experimental Methods.” *American Economic Review* 85(4): 923-937 Dehejia, Rajeev H., and Sadek Wahba. 1999. “Causal Effects in Non-experimental Studies: Reevaluating the Evaluation of Training Programs.” *Journal of the American Statistical Association* 94(448): 1053-1062; Bloom, H., C. Michalopoulos and C. Hill. *Can Propensity Score Methods Match the Findings from a Random Assignment Evaluation of Mandatory Welfare-to-Work Programs?* MDRC 2001.

²⁷ Participants that did not appear in the UI records may still be employed. The records do not include self-employed workers and those working out of state or in jobs not required to pay unemployment insurance such as nonprofit religious, charitable and educational organizations.

Table 21. Tenure and Wages: UI Quarterly Earnings Data 1996-2001 – Entire Sample

Variable	Stat	CEI Job	Post-CEI Job
<i>Tenure</i>	mean	5.25	4.53
	std dev	4.6	4.50
	median	3	3
	obs	869	616
<i>Stwage</i>	mean	2243.56	2235.98
	std dev	1787.64	1842.05
	median	1936	1813
	obs	869	616
<i>Endwage</i>	mean	2481.85	2300.49
	std dev	2236.11	1989.85
	median	1944	1822.20
	obs	869	616
<i>Wgrowth</i>	mean	238.29	64.51
	std dev	1470.92	1278.61
	median	0	0
	obs	869	616
<i>Grate</i>	mean	9.02	30.66
	std dev	601.65	831.30
	median	0	0
	obs	869	616

Table 21 shows the quarterly earnings of those individuals for whom we were able to identify wage records from Unemployment Insurance data. These data include those individuals for whom we have interview data but they also capture the bulk of those individuals whom we were not able to contact by phone.

The definitions for each row are the same as previously listed on page 9 (in reference to Table 6); however, we have also included the number of observations (obs). Definitions for the columns are also the same as those in Table 6, with the exception of the Post-CEI column, which shows data on variables that were *averaged across all jobs an individual had after their CEI job*. In contrast, the Post-CEI Job column in Table 21 shows summary statistics on the *single job subsequent to the CEI job*. Also, it is important to note that the table shows quarterly earnings, as opposed to the hourly wages shown in Table 6. As with Table 6, people in the non low-income category are excluded from the data.

Table 22. Tenure and Wages: UI Quarterly Earnings Data 1996-2001 – Interview Subsample

Variable	Stat	CEI Job	Post-CEI Job
<i>Tenure</i>	mean	5.88	4.92
	std dev	4.59	4.71
	median	5	3
	obs	296	211
<i>Stwage</i>	mean	2541.28	2575.22
	std dev	1752.50	1921.84
	median	2456	2214
	obs	296	211
<i>Endwage</i>	mean	2826.92	2690.54
	std dev	2199.91	2068.75
	median	2590.19	2442
	obs	296	211
<i>Wgrowth</i>	mean	285.63	115.31
	std dev	1524.18	1395.69
	median	0	0
	obs	296	211
<i>Grate</i>	mean	33.49	63.68
	std dev	673.94	814.53
	median	0	0
	obs	296	211

Table 22 shows quarterly earnings for the sub-sample of individuals that we interviewed. Definitions of columns and rows are the same as those for Table 21.

Comparison of the data in Tables 21 and 22 brings to light some notable distinctions between the larger UI sample and the survey group sample and sheds light on the interview data. First, comparing tenure in the two groups, we note that the survey group shows a longer stay (five months) in the CEI job than the larger group, which shows a three-month stay in both the CEI and post-CEI job.

Second, while the interview data in Table 6 show the median wage growth rate (*grate*) as being highest in the CEI job, the UI data do not show the same rate of increase. The UI data on the wage growth rate are very skewed for both groups, showing that most people experienced no wage growth (as shown by the median), but with some outliers clearly experiencing significant growth (as shown by the mean) and some others likely experiencing a loss in wages. Indeed, the average quarterly *grate* for both groups shows significant increases, from \$9.02 to \$30.66 for the overall group and from \$33.49 to \$63.68 for the survey group.

Third, in studying the starting and ending wage data (*stwage* and *endwage*), we see that the survey group had higher starting and ending wages than the overall group. In addition, the overall group does not show the wage progression that we see in the survey group. Furthermore, the wage progression evident in the survey group does not show up when we consider median starting wages and ending wages, as opposed to the mean, in the CEI and post-CEI job, indicating that there are a large range of wages and that they are skewed upward by some positive outliers which bring up the average wage.

Fourth, if we assume that quarterly earnings are consistent throughout the year, and multiply the quarterly mean ending wages for the post-CEI job by four, we can get an estimate of annual earnings. We see that the survey sample then shows estimated annual earnings of \$10,760 as compared with

estimated annual earnings of \$9,200 for the larger sample. The estimated earnings for the survey group are significantly less than those reported in the interviews, probably because respondents had additional, “under-the-table” earnings that did not carry the benefit of unemployment insurance.

Finally, we see a similar pattern in the UI data that we saw in the interview data. In both the sub-sample and the larger group we see people moving from the CEI job into a job with lower earnings. For both groups, median starting wage *and ending wage* in the post-CEI job was lower than the starting wage in the CEI job.

What do these earnings data tell us? Primarily that the survey group is a higher quality group than the population we are trying to understand. Their starting wage is almost \$300 higher than that of the overall group and they stay in the CEI job two months longer. We now know that the survey data paint a more positive picture than we are likely to have found if we had been able to interview our entire population.

Conclusions and Use of the Findings

What have we learned from the findings?

Regarding the interview data, the UI earnings data have more recently shed light on these findings by helping to place them in context relative to our larger population. They indicate that the economic status of this group is not a reliable representation of the larger population; their outcomes for earnings and tenure are more positive than what we see in the overall population of people hired into ETAG firms. Given that the survey group shows higher earnings and longer tenure in the UI data, it is also likely that the remaining variables explored in the interview data also show more positive results than those we might observe in the 76% of the population that we were unable to contact.

While these findings are, admittedly, somewhat discouraging, we are reminded by Rob Hollister that they illustrate a common phenomenon – regression to the mean. In other words, although we do see some indication of the positive effects of the ETAG intervention (as is certainly evident in some of the interview data), after time these effects subside to some degree and people’s status returns to aggregate and to cluster around the typical or average (“mean”) experience.

We must also remember, however, that without a control group we are unable to say what would have happened to our population without the ETAG intervention. Though the results do not necessarily illustrate a clearly glowing picture for the ETAG, it is very possible that similar participants who did not have the ETAG opportunity may have fared worse than the ETAG participants. Without a counterfactual, we simply do not know.

This study has driven home to us how critical the control group is. While we have lots of rich data from our interviews with participants, these data still only represent 24% of the population we were trying to reach. Thus, while there remains a good amount of data that are as yet unanalyzed, we have determined that it is probably not worth pursuing further analysis of the survey data, as they cannot be generalized to the larger sample. While the UI data do give us far more observations and allow us to generalize about earnings and tenure, they still do not tell us what would have happened to this group (or a similar group) without the ETAG intervention. Our efforts to create such a counterfactual using UI data did not prove reliable.

In the future, we may again try to obtain earnings records from the Maine Department of Labor to track the progress and wage outcomes for TO program participants. On the other hand, we have learned that it is a resource-consuming effort to track participants on a large scale on our own and that it would take an enormous effort to yield results that can be generalized to the entire population.

However, while the interview response rate and results have been somewhat surprising and discouraging, we have still learned a great deal from this endeavor. On a very basic level, this study has driven home to us the realization that we are seeing a very complex picture, and it has made us reconsider our assumptions. Our assumption that people with low incomes need help accessing quality jobs is one that we perhaps need to revisit, given the proportion of respondents that found their job at the CEI-financed firm through a friend or relative or through a newspaper ad. We are also forced to reconsider the link between a quality job and retention, given the proportion of people who left their CEI job voluntarily and the observation in both the interview and UI data that people left the CEI job for a job offering lower wages.

The findings regarding the problems people had once they had taken a job and why people were not looking for work point to issues we have heard about before – health problems, problems with child care and, to a lesser extent, transportation. However, there are still many other (quite varied) responses to these questions. We still do not understand how the CEI job affects the individual's subsequent job and general trajectory, especially if people are leaving voluntarily.

Moreover, the findings have made our staff think seriously about the extent that a quality job can lift people out of poverty and improve their standard of living. The findings have also forced us to reconsider our expectations regarding asset building. It is likely that two years is not enough time to adequately measure the impact in this area. In addition, we have been re-thinking what it means to “create opportunity”, a catch phrase often used by CEI and the broader community development field to describe its mission. To this end, we have begun to take a broader approach to workforce development, with a renewed focus on issues of worker support such as child care and job coaching.

For example, we have recently started a new program, Managed Work Services (MWS), a program that started in Maine and has been replicated in New York City and St. Louis. This program places people with multiple barriers to employment in transitional, private sector jobs and coaches them on the job. The goal is for these individuals to gain sufficient experience and work habits so they can apply for and successfully transition into competitive, unsubsidized positions with a high probability of remaining employed on an ongoing basis. We have a three-year start-up grant to implement the model. MDRC in New York City has been interested in doing a random assignment study of the program. This type of study would have a control group or counterfactual and would answer the kinds of impact questions that our Longitudinal Study was unable to do.

ATTACHMENT 1: Baseline survey Instruments

Preliminary Info for Interviewers

Labels from CEI will have the following info:

participant name
 participant number
 address
 CEI company
 date of hire
 social security number (if we have it)
 date of birth (if we have it)
 phone number

Introduction/Script

mention letter sent by USM
 length of interview and \$25 payment
 would they be willing to participate?

For special projects people mention Soleras, Pioneer, or POWER (ETI)

Date of Interview

___ ___ ___ ___ 19 ___ ___
 month day year

Interview start time: ___ ___ : ___ ___ am pm

Interview end time: ___ ___ : ___ ___ am pm

Identity Verification

First, I'd like to make sure I have your name down correctly. According to our records, your name is (name on contact sheet). Is that correct?

interviewer: spell name if necessary, and record any name change on contact sheet.

Yes, name is correct

No, name not correct

I'd also like to confirm that we have your correct address.

interviewer: read full address. spell any names, if necessary, and record any address change on contact sheet.

Yes, address is correct

No, address not correct

And to confirm that I'm speaking with the right person, please tell me your social security

number.

_____ - _____ - _____

And your date of birth?

___/___/_____

Household Composition

How many people currently live in your household? Please include yourself in the total.

_____ Total in household

Probe: We are talking here about adults and children who stay with you most of the time and who you think of as part of your household.

IF ANSWER IS 1, GO TO “WORK HISTORY”, P. 4

Including yourself, how many of those people are 18 years old or older? Please include all of the people who stay with you most of the time.

_____ Total adults

And how many are under 18?

_____ Total children (IF 0, GO TO “WORK HISTORY & PRESENT JOB”, PG. 4)

IWer: IF ANSWERS IN TWO & THREE DO NOT ADD UP TO TOTAL IN ONE, ASK WHY AND REVISE IF NECESSARY

IF R HAS NO CHILDREN, GO TO “WORK HISTORY” (pg. 4)

How many of the children are age 5 or younger?

_____ children

Child Care

In the past month or more, has anyone besides you regularly taken care of your children at least once a week, like a relative, sitter, child care center, or family day care home?

Yes

No—GO TO “WORK HISTORY”, PG. 4

IWer: IF PARTNER, SPOUSE OR OTHER PARENT CARE FOR KIDS, ANSWER IS YES;

IF NO, GO TO “WORK HISTORY”, PG. 4

During a typical week, how many hours altogether are your children in child care? Please include time they spend in all the various child care arrangements (whether paid or not) but do **not** include any time they spend in school during the regular school day. Your best estimate is fine.

_____ hours

IWer: ANSWER SHOULD INCLUDE TIME IN CARE OF RELATIVES (GRANDPARENTS, FOR EXAMPLE) AND TIME IN PRE-SCHOOL PROGRAMS

How much do you *usually* pay out-of-pocket for child care for all your children? Please include payments that someone might reimburse you for later.

\$ _____

Is that
per day?
per week?
bi-weekly?
monthly?
don't know

What type of child care arrangement(s) or facilities do you use for your children?

IWer: CHECK ALL THAT APPLY

Do you use formal programs such as:

Head Start?
A child care center?
An after school program?
Another school-based program?
Other formal program?

Do you use home care that is:

provided by someone who is a household or family member?
provided by someone who is NOT a household or family member?

IWer: IF CARE IS PROVIDED IN R's HOME BY SOMEONE OUTSIDE HH OR FAMILY, CHECK 2ND OPTION ABOVE

Does a local agency, the state, your employer, or anyone else pay for all or part of your child care costs ?

IWER: IF R SAYS "YES", ASK: all or part?

Yes – all

Yes – part

No—GO TO "WORK HISTORY", PG. 4

IF YES, ASK:

I'd like to read you a list of people or programs who sometimes pay or help people pay for child care. Please tell me which of these people or programs currently pay for all or some of your child care costs. . .

Iwer: CHECK ALL THAT APPLY

People and Programs	Yes	No
your child's other parent		
a family member or relative		
a friend		
an employer		
a discount or scholarship program from a child care provider		
HeadStart Program		
voucher program		
Title XX slots		
ASPIRE		

Work History and Present Job Status

The next questions are about your current employment situation and jobs that you have had in the past. I want to remind you that your answers are entirely confidential.

What is your current employment situation? Are you:

interviewer: check all that apply (for example, if someone is laid off and doing temp work or self-employed and doing seasonal work)

employed part-time

employed full-time

self-employed

doing temporary work

doing seasonal work

laid off, waiting for call back

not employed

If employed. . .

How many jobs do you currently have (counting self-employment as one job) ?

_____ current jobs

interviewer: self-employment at several different jobs counts as one job

Including overtime, how many total hours per week do you usually work (on all your jobs)?

_____ hours per week

SKIP TO GRID, PAGE 5

IF NOT EMPLOYED OR LAID OFF, WAITING FOR CALL BACK:

Are you currently looking for work?

Yes

No—GO TO “IF NOT EMPLOYED AND NOT SEEKING”, BELOW

IF YES:

Have you looked for work in the past 12 months?

Yes

No—GO TO “IF NOT EMPLOYED AND NOT SEEKING”, BELOW

IF YES:

Have you looked for work in the past 4 weeks?

Yes—GO TO GRID, BOTTOM OF THIS PAGE

No

IF NOT EMPLOYED AND NOT SEEKING EMPLOYMENT:

What is the main reason you aren't currently looking for work? PROMPT IF NECESSARY: Is it because you...

are going to school

have an illness/ health problem /disability

need/want to stay home with children

need to care for special needs child or dependent adult

are pregnant/just had baby

have a spouse or family members who do not want you to work

are dealing with a substance abuse problem

are retired

need training

other _____

IWer: CHECK ONLY ONE ANSWER

----- **GRID** -----

Now I'd like to ask you some questions about your work history, starting with the job you had before you began your job at **CEI COMPANY**. These questions are about *paid* jobs you have had. Please include any self-employment or any odd jobs (like paid baby sitting jobs or lawn care) that you may have done on a regular basis. Also include any military service.

interviewer:

- Each column refers to an EMPLOYER.
- List temporary agencies as the employer, when applicable.
- Temporary jobs that became permanent should be listed as two separate entries for two separate employers.

- *For concurrent jobs:* If R had more than one concurrent employer *before* CEI COMPANY, ask about employer where R worked most hours (if hours were same for both employers, then ask about employer where R made most money). If R had more than one concurrent employer *after* CEI COMPANY, ask about all employers (whether currently employed or not).
- *For seasonal jobs:* count beginning of first season as start date and end of last season as end date.
- Count all employers in past year, regardless of when R began working for employer.
- If respondent has had a job(s) since the CEI employer but not in the past year, record most recent employer. If respondent had more than one job after CEI but not in the past year, record job that ended most recently. If respondent held two jobs that ended at the same time, record the job where R worked most hours.

Let's begin with the job you had before you worked at **CEI COMPANY** . . .

Questions	Employer before CEI Company	CEI Company	Employer(s) after CEI Company IN THE PAST YEAR (OR Most Recent Employer)
What was the name of your employer? Record Employer name(s)	_____ _____ EMPLOYER 01	_____ _____ EMPLOYER 02	_____ _____ EMPLOYER 03
What kind of company is (EMPLOYER)? What (do/did) they make or do?	_____ _____	_____ _____	_____ _____
What (do/did) you do there – what (is/was) your job?	_____ _____	_____ _____	_____ _____
Was this job in Maine?	Yes _____ No _____ RF _____ DK _____	Yes _____ No _____ RF _____ DK _____	Yes _____ No _____ RF _____ DK _____
What month and year did you start this job?	Start: ____/____	Start: ____/____	Start: ____/____
What month and year did you end this job?	End: ____/____ Still working: ____ CONT. NEXT PAGE	End: ____/____ Still working: ____ CONT. NEXT PAGE	End: ____/____ Still working: ____ CONT. NEXT PAGE

(Is this/Was that) job part of a vocational education, work-study, or apprenticeship or on-the-job training program?	Yes No	Yes No	Yes No
Was that job part of a special program such as the Workforce Development or Career Centers, ASPIRE, EIT, Maine Centers for Women, Work and Community or some other employment program?	Yes No	Yes No	Yes No
Would you say this job is/was one where you have work throughout the year, is it temporary, or seasonal, or are there frequent layoffs?	___ Throughout year ___ Seasonal ___ Frequent layoffs ___ Temporary ___ Other	___ Throughout year ___ Seasonal ___ Frequent layoffs ___ Temporary ___ Other	___ Throughout year ___ Seasonal ___ Frequent layoffs ___ Temporary ___ Other
(Now/just before you left), including overtime, how many hours per week (do/did) you work on this job at (EMPLOYER NAME) (NOTE: IF MORE THAN 60 HOURS, VERIFY ANSWER IS HOURS PER <u>WEEK</u>).	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH
What were your wages when you started this job? Please include tips, commissions, piece work, and regular overtime pay.	\$ _____.	\$ _____.	\$ _____.
Is/Was that . . .	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year
Is/Was that before or after taxes?	Before After CONT. NEXT PAGE	Before After CONT. NEXT PAGE	Before After CONT. NEXT PAGE
What were your wages when you ended this job?	\$ _____.	\$ _____.	\$ _____.
Is/Was that . . .	Per hour Per week Every 2 weeks Twice a month	Per hour Per week Every 2 weeks Twice a month	Per hour Per week Every 2 weeks Twice a month

	Per month Per unit Per year	Per month Per unit Per year	Per month Per unit Per year
interviewer, confirm: Is/Was that before or after taxes?	Before After GO TO CEI JOB	Before After GO TO OTHER JOBS	Before After

Now I'd like to ask you some questions about those particular jobs: the job you had before you began working at CEI COMPANY, your job at CEI COMPANY, and your current job at (CURRENT EMPLOYER). Again, let's start with the job you had before your job at CEI COMPANY. . .

interviewer:

- Employer before CEI company should be same as recorded above.
- **If R had more than one concurrent employer after CEI COMPANY, ask about employer where R works/worked most hours (if hours are same for both employers, then ask about employer where R makes/made most money).**

Questions	Employer before CEI Company	CEI Company	Employer after CEI Company IN THE PAST YEAR (OR Most Recent Employer)
How did you <u>usually</u> travel from home to (this/that) job?	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other
How long did it usually take you to get there?	____hours ____minutes CONT. NEXT PAGE	____hours ____minutes CONT. NEXT PAGE	____hours ____minutes CONT. NEXT PAGE

<p>Which of the following best describes your usual weekly work schedule at your job during (PRIOR MONTH/LAST MONTH WORKED) Did you work a. . .?</p>	<p>Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other</p>	<p>Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other</p>	<p>Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other</p>
<p>(Did/does) the number of hours you work(ed) from week to week change. . .</p>	<p>A lot A fair amount A little Hardly at all Not at all RF DK</p>	<p>A lot A fair amount A little Hardly at all Not at all RF DK</p>	<p>A lot A fair amount A little Hardly at all Not at all RF DK</p>
<p>Which of the following benefits were/are available to you at this/that job?</p> <p>interviewer: If benefit was available, ask. . . Did/Do you take this BENEFIT? If yes, check line on right of option</p> <p>interviewer: read off each benefit and check all that apply</p>	<p><input type="checkbox"/> Medical insurance__ <input type="checkbox"/> Dental insurance__ <input type="checkbox"/> Paid vacation days__ <input type="checkbox"/> Paid sick days__ <input type="checkbox"/> Pension plan or other retirement benefits__ <input type="checkbox"/> child care assistance__ <input type="checkbox"/> Flexible hours or flex-time__ <input type="checkbox"/> Transportation assistance__ <input type="checkbox"/> Support for education/training__ CONT. NEXT PAGE</p>	<p><input type="checkbox"/> Medical insurance__ <input type="checkbox"/> Dental insurance__ <input type="checkbox"/> Paid vacation days__ <input type="checkbox"/> Paid sick days __ <input type="checkbox"/> Pension plan or other retirement benefits__ <input type="checkbox"/> child care assistance__ <input type="checkbox"/> Flexible hours or flex-time__ <input type="checkbox"/> Transportation assistance__ <input type="checkbox"/> Support for education/training__ CONT. NEXT PAGE</p>	<p><input type="checkbox"/> Medical insurance__ <input type="checkbox"/> Dental insurance__ <input type="checkbox"/> Paid vacation days__ <input type="checkbox"/> Paid sick days __ <input type="checkbox"/> Pension plan or other retirement benefits__ <input type="checkbox"/> child care assistance__ <input type="checkbox"/> Flexible hours or flex-time__ <input type="checkbox"/> Transportation assistance__ <input type="checkbox"/> Support for education/training__ CONT. NEXT PAGE</p>

<p>Please tell me which of the following (are/were) available to you in this job?</p> <p>interviewer: read off each option and check all that apply</p> <p>If R does not have children, do not check last option</p>	<p><input type="checkbox"/> Opportunities for advancement</p> <p><input type="checkbox"/> Regular raises</p> <p><input type="checkbox"/> Desired number of hours per week of work</p> <p><input type="checkbox"/> Desired shift</p> <p><input type="checkbox"/> On-the-job training</p> <p><input type="checkbox"/> Low risk of job loss</p> <p><input type="checkbox"/> Low risk of layoff</p> <p><input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work)</p> <p><input type="checkbox"/> Union contract</p> <p><input type="checkbox"/> Convenient transportation</p> <p><input type="checkbox"/> Child care nearby</p>	<p><input type="checkbox"/> Opportunities for advancement</p> <p><input type="checkbox"/> Regular raises</p> <p><input type="checkbox"/> Desired number of hours per week of work</p> <p><input type="checkbox"/> Desired shift</p> <p><input type="checkbox"/> On-the-job training</p> <p><input type="checkbox"/> Low risk of job loss</p> <p><input type="checkbox"/> Low risk of layoff</p> <p><input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work)</p> <p><input type="checkbox"/> Union contract</p> <p><input type="checkbox"/> Convenient transportation</p> <p><input type="checkbox"/> Child care nearby</p>	<p><input type="checkbox"/> Opportunities for advancement</p> <p><input type="checkbox"/> Regular raises</p> <p><input type="checkbox"/> Desired number of hours per week of work</p> <p><input type="checkbox"/> Desired shift</p> <p><input type="checkbox"/> On-the-job training</p> <p><input type="checkbox"/> Low risk of job loss</p> <p><input type="checkbox"/> Low risk of layoff</p> <p><input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work)</p> <p><input type="checkbox"/> Union contract</p> <p><input type="checkbox"/> Convenient transportation</p> <p><input type="checkbox"/> Child care nearby</p>
<p>Would you say you have more, less, or the same level of education as others who have the same job as you?</p>	<p>More</p> <p>Less</p> <p>Same</p>	<p>More</p> <p>Less</p> <p>Same</p>	<p>More</p> <p>Less</p> <p>Same</p>
<p>Did your job title change while you worked for (EMPLOYER)?</p>	<p>Yes</p> <p>No</p>	<p>Yes</p> <p>No</p>	<p>Yes</p> <p>No</p>
<p>Did you receive any promotions (after a probationary period) while working for (EMPLOYER)?</p>	<p>Yes</p> <p>No GO TO CEI JOB</p>	<p>Yes</p> <p>No GO TO OTHER JOB</p>	<p>Yes</p> <p>No</p>

THE FOLLOWING QUESTION REFERS TO R'S CURRENT OR PREVIOUS JOB:

Taking everything into account—pay, fringe benefits, working conditions, kind of work, etc.—when most people think of average jobs they think of jobs like retail sales clerk, carpenters, or payroll clerk. Let's give an average job a rating of 100. Compared to an average job like one of these, I would like you to rate your own job (your last job). If you think your own job is twice as good as an average job, for example, give your job 200. If you think your job is half as good as an average job, give it a 50. You can give any number you like. Considering everything, if an average job is rated 100, how would you rate your job (your last job)?

_____ (ENTER 998 FOR DON'T KNOW)

How did you find your job at (CEI COMPANY) – was it through a want ad, a referral, or something else?

want ad in newspaper

sign in window of business

referral through job training program (such as the Workforce Development or Career Centers, ASPIRE, ETI or Maine Centers for Women, Work, and Community)

referral through employment agency/temp agency

through a friend or relative

walk-in

something else

If CEI job is not current or last job, ask. . .

How did you find your job at (COMPANY where currently or last employed)? Was it through a want ad, a referral, or something else?

want ad in newspaper

sign in window of business

referral through job training program (such as the Workforce Development or Career Centers, ASPIRE, ETI or Maine Centers for Women, Work, and Community)

referral through employment agency/temp agency

through a friend or relative

walk-in

something else

interviewer: this question should refer to employer in column three in above grid

Suppose that next month you were unemployed and someone offered you a full-time job with full employer paid medical benefits. What is the lowest wage per hour or salary that the employer could offer and still get you to take the job?

\$____.____ per hour or \$____.____ per week

Minimum wage

Would not take job at all

And now suppose that next month you were unemployed and someone offered you a full-time job without full employer paid medical benefits. What is the lowest wage per hour or salary that the employer could offer and still get you to take the job?

\$____.____ per hour or \$____.____ per week

Minimum wage

Would not take job at all

Post-Employment Support/Job Retention

When people start a new job they sometimes have problems getting used to the people, the work, or the schedule. (Have there been/Were there) any problems or incidents at work that (make/made) you unhappy with or dislike your job at *(CEI COMPANY)?*

Yes

No—GO TO “PROBLEMS OUTSIDE OF WORK”, BELOW

IF YES:

What happened to make you unhappy or dislike your job at *(CEI COMPANY)?*

(IWER: RECORD Y OR N FOR EACH ITEM) ONLY READ IF NECESSARY;

problems with co-workers

ASK IF ANYTHING ELSE

problems with boss

advancement too slow

job different from expected/didn't use best skills

didn't like the work

schedule not flexible enough/inconvenient hours

benefits/salary not good enough

dislike rules

unsafe/unpleasant working conditions

discrimination/sexual harassment

other

Now I'd like to ask you about any problems outside of work that (made/make) working at *(CEI COMPANY)* difficult. Does/do/did . . . make working at *(CEI COMPANY)* difficult? (IWER: RECORD Y OR N FOR EACH ITEM)

problems with child care

other problems with children

problems with transportation

pregnancy or a health problem

problems caring for a dependent adult

lack of support, or resistance from friends or relatives

physical abuse by friends or relatives

problems with budgeting money

problems with housing

returning to school or training

other problems

IF R HAS CHILDREN IN CHILD CARE:

While you worked at *(CEI COMPANY)*, did a problem with child care cause you to . . .

not look for work or not participate in a school or training program

turn down a job you were offered

be late for work, school or a training program

quit or be fired from a job or to quit school

none of the above

Have you ever received any services or counseling (through a caseworker, local agency or community program, or the state) to help you with arrangements or problems you may have had after you took a job at *CEI COMPANY*?

Yes

No—GO TO “IF YES OR NO”, BELOW

IF YES:

I'm going to read you a short list of services you might have received from the state or from a local or community program. Please tell me which have been the most important or most helpful to you (in keeping your job at CEI COMPANY?).

Iwer: CHECK ALL THAT APPLY

Was it help with. . .

- finding or paying for transitional child care
- finding or paying for care for special needs child or adult
- finding or paying for transportation
- finding or paying for housing
- finding or paying for job-related expenses such as work clothes, tools, or other supplies
- finding or paying for medical care
- managing health insurance claims
- budgeting or managing money
- resolving a conflict at work (with your boss or co-workers)
- other

If yes or no. . .

Sometimes people find they need help or outside support to help them adjust to a new job.

Was there any kind of assistance that you did not get that might have helped you adjust to your new job at CEI COMPANY, such as...?

IWer: CHECK ALL THAT APPLY

- finding or paying for transitional child care
- finding or paying for care for special needs child or adult
- finding or paying for transportation
- finding or paying for housing
- finding or paying for job-related expenses such as work clothes, tools, or other supplies
- finding or paying for medical care
- managing health insurance coverage
- budgeting or managing money
- resolving a conflict at work (with your boss or co-workers)
- other
- none

Health Insurance

Do you have health insurance coverage, including coverage from Medicaid and Medicare?

yes

no

if no and R is employed, go to “Does your employer provide. . .?”, below;

if no and R is unemployed, go to “Do your children. . .?”, below

IF YES, ASK:

Is your health insurance through...

your employer

Medicaid

Medicare

other

Do you pay all, part, or none of the cost of this health insurance?

All

Part

None

if R has child(ren), go to “Do your children have hlth insurance coverage?”, below;

if R does not have children, go to “Education and Job Training”, P. 15

Does your employer provide health insurance coverage?

yes

no

if no and R has child(ren), go to “Do your children have health insurance coverage?”;

if no and R does not have children, go to Education and Job Training

if yes, ask. . .

What is the main reason you do not take this coverage?

too expensive

other

if R does not have children, go to Education and Job Training

if R has children. . .

Do(es) your child(ren) have health insurance coverage?

yes

no

if yes, ask:

Is this insurance through...

an employer-provided plan (could be other adult's employer)

Cubcare

Medicaid or Expanded Medicaid

other

Education and Job Training

What is the highest grade or year of regular school that you have already completed?

What is the highest diploma you have received?

Elementary/middle/junior high school diploma

ABE or adult basic education certificate (pre-GED)

High school diploma

GED certificate

Prompt: Confirm if HS diploma OR GED

AA or associates diploma or degree (two-year)

BA or BS or college diploma (four-year)

Master's degree

Ph.D

What other types of certificates have you received?

ESL or English as a Second Language certificate

Nursing degree (LPN or RN)

Business certificate or degree

Secretarial certificate or degree

Certified nurse's aid

Certified child care provider

Registered apprenticeship

Registered pre-apprenticeship

other vocational/technical/trade diploma, certificate, or degree

other

none

Now I would like to ask you about courses and job training programs you may have participated in. Let's begin with courses. . .

If R does not have a high school diploma or GED:

At any time since you started your job at CEI COMPANY, have you attended any . . .

(IWer: CHECK ALL THAT APPLY)

Adult Basic Education (ABE) classes

GED classes

classes to prepare for a regular high school diploma

ESL classes

If R has a HS diploma or GED but doesn't have a college or more advanced degree:

At any time since you started your job at CEI COMPANY, have you completed any courses for which you received college credit, other than for vocational or technical college? This

would include courses at community, 2-year, and 4-year colleges, but not vocational or technical colleges.

Yes

No

At any time since you started your job at CEI COMPANY, have you completed any courses for academic credit towards a vocational, technical, trade diploma, certificate or degree?

Yes

No

Have you ever participated in any formal job training programs, either in a classroom, a workshop, an apprenticeship program (or pre-apprenticeship program), on-the-job training, or other employer-provided training?

Please include any training you might have received through the military, but do not include training you might have received from an employer as an orientation to a new job.

Yes

No—GO TO “INDIVIDUAL & HH INCOME”, PG 17

If yes:

I'd like to focus on the two most recent programs you have participated in. Beginning with the most recent training program you attended. . .

Question	Most recent training program	Second most recent training program
Please tell me the name of the job training program. RECORD PROGRAM NAMES	<hr/> Program #01 Name	<hr/> Program #02Name
When did you start (this/that) (training program/PROGRAM)?	start: __ __ / __ __ month year	start: __ __ / __ __ month year
And when did you stop going to (this/that) (program/PROGRAM)?	end: __ __ / __ __ month year Still in program ____	end: __ __ / __ __ month year Still in program ____
What type of program is/was it? (Is/was) it classroom or shop training, on-the-job training, or both classroom <u>and</u> on-the-job?	Classroom/shop On-the-job both	Classroom/shop On-the-job both
Question	Most recent training program	Second most recent training program
(Is/Was) (this/that) training provided by the Workforce Development or Career Centers, ASPIRE, ETI or some other special training program?	Yes No Don't know	Yes No Don't know
Did/Will you receive a	Yes	Yes

certificate or degree from that program?	No	No
Did you complete that program? (If still in this program skip to last question in grid.)	Yes No—GO TO LAST Q	Yes No—GO TO LAST Q
Did you get a job as a result of that program?	Yes No	Yes No
Is there another job training program to ask about?	Yes No	

Individual and Household Income

The next section is about the different ways you may make money and try to make ends meet. I'm going to read you a list that includes all kinds of ways people make money. I'll ask you about how much money, if any, you received from each of these sources during the past month. Then I'll ask you if anyone else in your household received income from these sources in the past month. Please count each source of income only once. If you get child support payments, for example, we don't want to count that same money if you also receive money from an ex-spouse. Please remember that all of your answers are strictly confidential. The amounts reported should be before taxes.

In LAST MONTH, did you receive income from. . .	Yes/No	If yes, ask . . . How much?	Did anyone else in your HH receive income from . . . in the past month? (Yes/No)
Employment or working for others			
Self-employment or working for yourself			
Doing occasional work or odd jobs for other people (laundry, sewing, child care)			
Selling things that you make			
TANF			
Food stamps			
WIC			
Veteran's benefits			
In LAST MONTH, did you receive income from. . .	Yes/No	If yes, ask . . . How much?	Did anyone else in your HH receive income from . . . in the past month? (Yes/No)
Supplemental Security Income (SSI)			
General Assistance Prompt: (cash or vouchers from your town or community to help you pay for			

food, utilities, rent, etc.)			
Child support payments, either court-ordered or through an informal arrangement with the other parent			
Alimony payments			
Money from a husband/wife/ex-spouse who is not currently in HH			
Social Security, including disability benefits			
Any other retirement, pension, or disability benefits, public or private			
Money for care of foster child (children)			
Rental income or payments from roomers or boarders			
Money from friends or family			
Money from boyfriend/girlfriend/ partner			
Money from gambling			
Investment income			

If other members of household have income listed above, ask. . .

Does the income received by other members of your household help to support you or your children?

Yes

No

Refused

Don't Know

Including all of the income sources we just talked about, during **1998**, what was your total *personal* income before taxes and other deductions? Your best estimate is fine.

\$ _____, _____

does not know

refuses

interviewer: try to get exact amount (estimated, if necessary). Use probe below to help R estimate.

PROMPT: Would you say it was. . .
 less than \$3,000
 between \$3,000 and \$6,000
 between \$6,000 and \$9,000
 between \$9,000 and \$12,000
 between \$12,000 and \$15,000
 between \$15,000 and \$18,000, or
 more than \$18,000?

Including all the income sources we just talked about, during **1998**, what was the total income of all members of your household before taxes and other deductions? Please include your own income *and* that of all members of your household who lived with you, and any other sources of income you may have. Your best estimate is fine.

\$ __ __ __, __ __ __
 does not know
 refuses

interviewer: try to get exact amount (estimated, if necessary). Use probe below to help R estimate.

PROMPT: Would you say that it was. . .
 less than \$3,000
 between \$3,000 and \$6,000
 between \$6,000 and \$9,000
 between \$9,000 and \$12,000
 between \$12,000 and \$15,000
 between \$15,000 and \$18,000, or
 more than \$18,000?

Have you ever filed an income tax return?

Yes

No

if no, skip to Housing and Assets section, below

If yes. . .

The federal government has a special rule that allows parents who make less than about \$25,000 a year to pay lower taxes. It used to be called the Earned Income Tax Credit or EITC (and is now called the Earned Income Credit or EIC). Do you know about EITC (or the EIC)?

Yes

No—GO TO “HOUSING AND ASSETS”, BELOW

Have you ever received the EITC (EIC)?

Yes

No—GO TO “HOUSING AND ASSETS”, BELOW

Don't know/not sure/can't remember—GO TO “HOUSING AND ASSETS”, BELOW

How did you get the EITC (EIC)? Was it included in your paycheck, or did you receive it as one check after you filed your tax return?

Paycheck—GO TO “HOW DID YOU USE THE MONEY”, BELOW

tax return

other

Did you know that the EITC (EIC) can be paid to you throughout the year, in each of your paychecks, instead of receiving as one check after you file your tax return?

Yes

No

How did you use the money you got from the EITC or EIC?

Housing and Assets

Now I have some questions about your housing situation.

Currently (do/are) you. . .

own your own home PROMPT: Is it a mobile home?

own your own mobile home

rent your home or apartment

live with family or friends and not pay rent

live with family and friends and pay part of the rent or mortgage payment

live in some other arrangement

live in group shelter

homeless and living on the street

If own a home. . .

On average, how much do you pay each month for your mortgage payment? (What is your

monthly required payment?)

\$ _____

What was the value of your house when you bought it?

\$ _____

How much do you think your home would sell for now?

\$ _____

Go to utilities question (“On average, how much additional money. . .?”), below)

If rent. . .

On average, how much do you pay each month for rent? (What is your monthly rent?)

PROBE: Your best estimate is fine. (For those who don't pay anything, enter 0)

\$ _____

refused

don't know

**interviewer: count payment from spouses or partners together;
do not include utilities if paid separately**

Does your rent payment include utilities?

yes

some

no

Do you live in public housing?

yes

no

Do you get help with your rent from the Section 8 program?

yes

no

If utilities not included in rent, or if R owns own home:

On average, how much additional money do you pay each month for utilities and services?

Please include all your payments for gas, oil, electricity, water, telephone, sewage, and trash services. Do not include cable TV.

\$ _____

How many times have you moved in the past two years?

interviewer: If R has not moved, enter 0

_____ number of moves

Next I'll ask you about things (besides your home) that you may own and things that you may owe money on. Let's start with some things you may own.

Do you own a working car or another motor vehicle (including a motorcycle)?

yes

no

**interviewer: do not include a vehicle that is leased;
if no, go to “Do you own any rental property. . .”, below**

If yes. . .

How many working cars or motor vehicles do you own?

___ number of vehicles

How much do you think all your vehicles would sell for now? (in total)

\$ _____

Do you own any rental property or real estate?

interviewer: if homeowner, ADD “other than your home?”

yes

no

if no, go to “Do you own a business?”, below

If yes. . .

How much do you think all the property would sell for now? (in total)

\$ _____

Do you own a business?

yes

no

If no, go to “Do you have a personal or joint checking account. . .”, p. 23

If yes. . .

How much do you think your business assets are worth? By business assets, I mean things like buildings, vehicles, equipment, inventory, materials, supplies, bank accounts, etc.

\$ _____

How many full-time employees are on your payroll this month?

___ full-time employees

interviewer: do not include R (or other owners?)

How many part-time employees are on your payroll this month?

___ part-time employees

Do you have a personal or joint checking account in a bank, savings and loan, or credit union?

No/Neither

Personal

Joint

Both

Refused

If no or refused, go to “Do you have a personal or joint savings account. . .?”, below

How much money do you have in your checking account(s) in total?

Personal: \$ _____

Joint: \$ _____

Refused

interviewer: IF ZERO BALANCE RECORD 0; IF NO ACCOUNT RECORD NA

Do you have a personal or joint savings account in a bank, savings and loan, or credit union?

No/Neither

Personal

Joint

Both

Refused

If no or refused, go to “other types of savings. . .”, below

How much money do you have in your saving(s) account(s) in total?

Personal: \$ _____

Joint: \$ _____

Refused

interviewer: IF ZERO BALANCE RECORD 0; IF NO ACCOUNT RECORD NA.

Now I'd like to ask you about some other types of savings. When you answer, please only include accounts that are in your name or any joint accounts.

Do you have savings. . .

IF YES, ASK: How much do you have in that account?

	yes (skip to last column)	n o	don't know	re- fused	How much do you have in that account?
in money market accounts?					
in U.S. savings bonds?					
in certificates of deposit (CDs)?					
in special educational accounts for your children/the children?					
in 401Ks, 403bs, or other pension accounts through work?					

	yes (skip to last column)	n o	don't know	re- fused	How much do you have in that account?
in retirement accounts like IRAs?					
in stocks, bonds, or mutual funds?					
with friends or family members who are keeping money safe for you?					
saved at home?					
in Christmas club or vacation accounts?					
in other kinds of savings?					

Now we'll turn to some questions about debts or things that people often owe money on. I want to remind you that these too, will be kept in strict confidence.

If R does not own home, other real estate, or vehicle, skip to "We want to count a bill or loan. . ."

If R owns home or real estate. . .

About how much, if anything, do you owe on:

Home (mortgage) loans \$ _____

IF NO OUTSTANDING MORTGAGE, RECORD 0

Home improvement or equity loans? \$ _____

IF NO OUTSTANDING LOAN, RECORD 0

If R owns *or leases* vehicle(s). . .

Car or other vehicle loans? \$ _____

IF NO OUTSTANDING LOAN, RECORD 0

Besides mortgages and cars, I also want to ask you about some other things that many people owe money on.

We want to count a bill or loan only once. If you've already told me about money owed on a car, for example, please don't include that money here.

Do you owe money on. . .?	yes (skip to last column)	no	don't know	refused	How much do you owe?
credit cards or charge accounts					
installment loans for major purchases like furniture or appliances					
any educational or school loans					
debt consolidation loans or bills owed to collection agencies					
business loans from banks or credit unions					
business loans from friends or relatives					
loans for property besides your home					
Do you owe money on. . .?	yes (skip to last column)	no	don't know	refused	How much do you owe?
personal loans from banks or credit					

unions					
personal loans from friends or relatives					
medical bills					
rent payments that are past-due (prior to this month)					
phone bills that are past-due (prior to this month)					
utility bills that are past-due (prior to this month)					
bills for record and book clubs that are past-due					
other bills owed for more than one month					

Have you ever applied for a mortgage?

yes

no

If yes. . .

Was your application accepted?

yes

no

Demographics

Interviewer: code sex, ask if not obvious

Male

Female

How would you describe yourself in terms of race?

Black/African American

White/Caucasian

Hispanic/Latino/Latina

Asian/Asian American

Native American

Other

Are you currently:

married and living with your spouse

separated or living apart from your spouse

divorced

widowed

living together unmarried

never married, and not living together unmarried

Future Contact Form

Thank you very much for taking the time to be interviewed.

Because we will want to contact you again in 18 months for a follow-up interview, I'd like to get some information from you that will help us locate you in case you have moved. Please give me the names, addresses, and telephone numbers of two people (relatives or friends)

who usually know how to find you. Please be assured that we will only contact these people if we cannot locate you or reach you directly.

interviewer: --probe for parents, grandparents, and people living at different addresses
 --probe for full names, including middle initials
 --probe for nicknames
 --probe for spouses' names (if applicable)

Contact 1:

Full Name

Nickname

Street Address Apt.#

City State Zip

() _____

Area Code Phone Number

How is (PERSON) related to you?
 (friend, neighbor, grandmother, etc.)

Contact 2:

Full Name

Nickname

Street Address Apt.#

City State Zip

() _____

Area Code Phone Number

How is (PERSON) related to you?
 (friend, neighbor, grandmother, etc.)

Interviewer Observations

Interviewer: Please rate the following qualities of the respondent, the interviewing situation, and the data.

The respondent (was/had):

able to understand

questions easily	.... 1 2 3 4 5 6 7	hardly able to understand
able to recall information and experiences easily or accurately	.... 1 2 3 4 5 6 7	not able to remember things well or accurately
interested in the interview	.... 1 2 3 4 5 6 7	not interested in the interview
cooperative	.... 1 2 3 4 5 6 7	uncooperative
no English language problem	.... 1 2 3 4 5 6 7	spoke English with great difficulty
interviewed without interruption	.... 1 2 3 4 5 6 7	interrupted often

Please rate your opinion about the overall quality of the data:

high 1 2 3 4 5 6 7 low

CEI'S LOW-INCOME LONGITUDINAL STUDY SECOND ROUND INTERVIEW

Preliminary Info for Interviewers

INTRODUCTION

Say you are calling "on behalf of CEI" to interview them for the study on job quality in Maine.

Mention flyer sent out notifying them of next interview.

Thank them for taking part in the first round and ask if they'd be willing to participate in the second interview.

The interview will take about 45 minutes and is very similar to the first interview.

For participating, they will receive a check for \$30 in the mail in the next 2-3 weeks.

Before beginning, remind them that they do not have to answer any questions they are not comfortable answering, but that all of their answers will be kept confidential.

IF RESPONDENT SAYS THEY WERE NOT PAID FOR FIRST INTERVIEW. . .

Take down the person's name, current address, and phone number and the date of the first interview. This information should be given to Tracie Pooley at CEI. She will check our records and send out another check if we find the person has not been paid or that the check was never cashed.

Date of Interview

___ ___ ___ ___ 19___ ___
month day year

Interview start time: ___ ___: ___ ___ am pm

Interview end time: ___ ___: ___ ___ am pm

Identity Verification

First, I'd like to make sure I have your name down correctly. According to our records, your name is (name on contact sheet). Is that correct?

interviewer: spell name if necessary, and record any name change on contact sheet.

Yes, name is correct

No, name not correct

I'd also like to confirm that we have your correct address so that we can send you a check for your time.

interviewer: read full address. spell any names, if necessary, and record any address change on contact sheet.

Yes, address is correct

No, address not correct

And to confirm that I'm speaking with the right person, please tell me your social security number.

____-____-____

And your date of birth?

____/____/____

Household Composition

How many people currently live in your household? Please include yourself in the total.

_____ Total in household

Probe: We are talking here about adults and children who stay with you most of the time and who you think of as part of your household.

IF ANSWER IS 1, GO TO “WORK HISTORY”, P. 6

Including yourself, how many of those people are 18 years old or older? Please include all of the people who stay with you most of the time.

_____ Total adults

And how many are under 18?

_____ Total children (IF 0, GO TO “WORK HISTORY & PRESENT JOB”, PG. 6)

IWer: IF ANSWERS IN TWO & THREE DO NOT ADD UP TO TOTAL IN ONE, ASK WHY AND REVISE IF NECESSARY

IF R HAS NO CHILDREN, GO TO “WORK HISTORY” (pg. 6)

How many of the children are age 5 or younger?

_____ children

Child Care

In the past month or more, has anyone besides you regularly taken care of your children at least once a week, like a relative, sitter, child care center, or family day care home?

Yes

No—GO TO “WORK HISTORY”, PG. 6

IWer: IF PARTNER, SPOUSE OR OTHER PARENT CARE FOR KIDS, ANSWER IS YES; IF NO, GO TO “WORK HISTORY”, PG. 6

During a typical week, how many hours altogether are your children in child care? Please include time they spend in all the various child care arrangements (whether paid or not) but do **not** include any time they spend in school during the regular school day. Your best estimate is fine.

_____ hours

IWer: ANSWER SHOULD INCLUDE TIME IN CARE OF RELATIVES (GRANDPARENTS, FOR EXAMPLE) AND TIME IN PRE-SCHOOL PROGRAMS

How much do you *usually* pay out-of-pocket for child care for all your children? Please include payments that someone might reimburse you for later.

\$ _____

Is that

per day?

per week?

bi-weekly?

monthly?

don't know

What type of child care arrangement(s) or facilities do you use for your children?

IWer: CHECK ALL THAT APPLY

Do you use formal programs such as:

Head Start?

A child care center?

An after school program?

Another school-based program?

Other formal program?

Do you use home care that is:

provided by someone who is a household or family member?

provided by someone who is NOT a household or family member?

IWer: IF CARE IS PROVIDED IN R's HOME BY SOMEONE OUTSIDE HH OR FAMILY, CHECK 2ND OPTION ABOVE

Does a local agency, the state, your employer, or anyone else pay for all or part of your child

care costs ?

IWER: IF R SAYS “YES”, ASK: all or part?

Yes – all

Yes – part

No—GO TO “WORK HISTORY”, PG. 6

IF YES, ASK:

I'd like to read you a list of people or programs who sometimes pay or help people pay for child care. Please tell me which of these people or programs currently pay for all or some of your child care costs. . .

Iwer: CHECK ALL THAT APPLY

People and Programs	Yes	No
your child's other parent		
a family member or relative		
a friend		
an employer		
a discount or scholarship program from a child care provider		
HeadStart Program		
voucher program		
Title XX slots		
ASPIRE		

Work History and Present Job Status

The next questions are about your current employment situation and jobs that you have had in the past. I want to remind you that your answers are entirely confidential.

What is your current employment situation? Are you:

interviewer: check all that apply (for example, if someone is laid off and doing temp work or self-employed and doing seasonal work)

employed part-time

employed full-time

self-employed

doing temporary work

doing seasonal work

laid off, waiting for call back

not employed

If employed. . .

How many jobs do you currently have (counting self-employment as one job) ?

_____ current jobs

interviewer: self-employment at several different jobs counts as one job

Including overtime, how many total hours per week do you usually work (on all your jobs)?

_____hours per week

SKIP TO GRID, PAGE 7

IF NOT EMPLOYED OR LAID OFF, WAITING FOR CALL BACK:

Are you currently looking for work?

Yes

No—GO TO “IF NOT EMPLOYED AND NOT SEEKING”, BELOW

IF YES:

Have you looked for work in the past 12 months?

Yes

No—GO TO “IF NOT EMPLOYED AND NOT SEEKING”, BELOW

IF YES:

Have you looked for work in the past 4 weeks?

Yes—GO TO GRID, BOTTOM OF THIS PAGE

No

IF NOT EMPLOYED AND NOT SEEKING EMPLOYMENT:

What is the main reason you aren't currently looking for work? PROMPT IF NECESSARY: Is it because you...

are going to school

have an illness/ health problem /disability

need/want to stay home with children

need to care for special needs child or dependent adult
 are pregnant/just had baby
 have a spouse or family members who do not want you to work
 are dealing with a substance abuse problem
 are retired
 need training
 other _____

IWer: CHECK ONLY ONE ANSWER

----- **GRID** -----

Now I'd like to ask you some questions about the jobs you have had since we first interviewed you in (MONTH/YEAR). These questions are about *paid* jobs you have had since then. Please include any self-employment or any odd jobs (like paid baby sitting jobs or lawn care) that you may have done on a regular basis. Also include any military service.

interviewer:

- Each column refers to an EMPLOYER.
- List *temporary agencies* as the employer, when applicable.
- *Temporary jobs that became permanent* should be listed as two separate entries for two separate employers.
- *For seasonal jobs:* count beginning of first season as start date and end of last season as end date.
- Record **all employers** since last interview.
- If respondent was *still working more than one job when last interviewed*, ask about both/all jobs they were still working, using skip patterns in first column.

According to our records, when we interviewed you in (MONTH/YEAR), you were still working at (FIRST COMPANY THEY WERE STILL WORKING AT). Let's begin these questions with that job. . .

Questions	Employer when last interviewed (First job they were still working)	Next Employer (OR Second job they were still working)	Next Employer (OR Third job they were still working)
What was the name of your employer? Record Employer name(s)	IMPORT DATA FROM FIRST INTERVIEW	_____ _____ _____	_____ _____ _____
What kind of company is (EMPLOYER)? What (do/did) they make or do?	SKIP	_____ _____ _____	_____ _____ _____
What (do/did) you do there – what (is/was) your job?	SKIP	_____ _____ _____	_____ _____ _____
Was this job in Maine?	SKIP	Yes _____	Yes _____

		No _____ RF _____ DK _____	No _____ RF _____ DK _____
What month and year did you start this job?	SKIP	Start: ____/____	Start: ____/____
What month and year did you end this job?	End: ____/____ Still working: ____ CONT. NEXT PAGE	End: ____/____ Still working: ____ CONT. NEXT PAGE	End: ____/____ Still working: ____ CONT. NEXT PAGE
(Is this/Was that) job part of a vocational education, work-study, or apprenticeship or on-the-job training program?	SKIP	Yes No	Yes No
Was that job part of a special program such as the Workforce Development or Career Centers, ASPIRE, ETI, Maine Centers for Women, Work and Community or some other employment program?	SKIP	Yes No	Yes No
Would you say this job is/was one where you have work throughout the year, is it temporary, or seasonal, or are there frequent layoffs?	____ Throughout year ____ Seasonal ____ Frequent layoffs ____ Temporary ____ Other	____ Throughout year ____ Seasonal ____ Frequent layoffs ____ Temporary ____ Other	____ Throughout year ____ Seasonal ____ Frequent layoffs ____ Temporary ____ Other
(Now/just before you left), including overtime, how many hours per week (do/did) you work on this job at (EMPLOYER NAME) (NOTE: IF MORE THAN 60 HOURS, VERIFY ANSWER IS HOURS PER <u>WEEK</u>).	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH	_____ HRS/WEEK IF VARIES, AVE. # FOR LAST/PAST MONTH

What were your wages when you started this job? Please include tips, commissions, piece work, and regular overtime pay.	SKIP	\$ _____	\$ _____
Is/Was that. . .	SKIP	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year
Is/Was that before or after taxes?	SKIP	Before After CONT. NEXT PAGE	Before After CONT. NEXT PAGE
What were your wages when you ended this job? (IF STILL WORKING, ASK FOR CURRENT WAGES)	\$ _____	\$ _____	\$ _____
Is/Was that. . .	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year	Per hour Per week Every 2 weeks Twice a month Per month Per unit Per year
interviewer, confirm: Is/Was that before or after taxes?	Before After GO TO NEXT JOB	Before After GO TO NEXT JOB	Before After GO TO NEXT JOB

If R *has had new job(s)* since last interview. . .

Now I'd like to ask you some additional questions about the job(s) you were still working when we last interviewed you and about your current job at (CURRENT EMPLOYER).

If R *has not had a new job* since last interview. . .

Now I'd like to ask you some additional questions about the job(s) you were still working when we last interviewed you.

interviewer:

- Ask about all jobs R was still working when last interviewed (may be more than two).
- If R has not had a new job since the last interview, (i.e. they were working for their current or most recent employer when they were last interviewed), skip "Current or most recent employer" column.

Questions	Employer when last interviewed	Employer when last interviewed	Current or most recent employer
-----------	--------------------------------	--------------------------------	---------------------------------

	(First job they were still working)	(Second job they were still working)	
How did you <u>usually</u> travel from home to (this/that) job?	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other	Drive self Ride in friend's or relative's car Walk or bicycle Bus Combination of car and public transportation Van or bus provided by the employer Work at home Other
How long did it usually take you to get there?	____hours ____minutes	____hours ____minutes	____hours ____minutes
Which of the following best describes your usual weekly work schedule at your job during (PRIOR MONTH/LAST MONTH WORKED) Did you work a. . . ?	Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other	Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other	Regular daytime shift Regular evening shift Regular night shift Rotating shift (one that changes regularly from days to evenings to nights) Split shift (one consisting of two distinct periods each day) Irregular schedule (one that changes from day to day) Other
(Did/does) the number of hours you work(ed) from week to week change. . .	A lot A fair amount A little Hardly at all Not at all RF DK	A lot A fair amount A little Hardly at all Not at all RF DK	A lot A fair amount A little Hardly at all Not at all RF DK
Which of the following benefits were/are available to you at this/that job? interviewer: If benefit was available, ask. . . Did/Do you take this BENEFIT? If yes, check line on right of option interviewer: read off each benefit and check	____Medical insurance____ ____Dental insurance____ ____Paid vacation days____ ____Paid sick days____ ____Pension plan or other retirement benefits____ ____child care assistance____ CONT. NEXT PAGE ____Flexible hours or flex-time____ ____Transportation assistance____ ____Support for education/training____	____Medical insurance____ ____Dental insurance____ ____Paid vacation days____ ____Paid sick days____ ____Pension plan or other retirement benefits____ ____child care assistance____ CONT. NEXT PAGE ____Flexible hours or flex-time____ ____Transportation assistance____ ____Support for education/training____	____Medical insurance____ ____Dental insurance____ ____Paid vacation days____ ____Paid sick days____ ____Pension plan or other retirement benefits____ ____child care assistance____ CONT. NEXT PAGE ____Flexible hours or flex-time____ ____Transportation assistance____ ____Support for education/training____

all that apply			
Please tell me which of the following (are/were) available to you in this job? interviewer: read off each option and check all that apply If R does not have children, do not check last option	<input type="checkbox"/> Opportunities for advancement <input type="checkbox"/> Regular raises <input type="checkbox"/> Desired number of hours per week of work <input type="checkbox"/> Desired shift <input type="checkbox"/> On-the-job training <input type="checkbox"/> Low risk of job loss <input type="checkbox"/> Low risk of layoff <input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work) <input type="checkbox"/> Union contract <input type="checkbox"/> Convenient transportation <input type="checkbox"/> Child care nearby	<input type="checkbox"/> Opportunities for advancement <input type="checkbox"/> Regular raises <input type="checkbox"/> Desired number of hours per week of work <input type="checkbox"/> Desired shift <input type="checkbox"/> On-the-job training <input type="checkbox"/> Low risk of job loss <input type="checkbox"/> Low risk of layoff <input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work) <input type="checkbox"/> Union contract <input type="checkbox"/> Convenient transportation <input type="checkbox"/> Child care nearby	<input type="checkbox"/> Opportunities for advancement <input type="checkbox"/> Regular raises <input type="checkbox"/> Desired number of hours per week of work <input type="checkbox"/> Desired shift <input type="checkbox"/> On-the-job training <input type="checkbox"/> Low risk of job loss <input type="checkbox"/> Low risk of layoff <input type="checkbox"/> Variety of tasks (so that there is not much repetition of tasks/work) <input type="checkbox"/> Union contract <input type="checkbox"/> Convenient transportation <input type="checkbox"/> Child care nearby
Would you say you have more, less, or the same level of education as others who have the same job as you?	More Less Same	More Less Same	More Less Same
Has your job title changed/Did your job title change while you worked for (EMPLOYER)?	Yes No	Yes No	Yes No
Have you received/Did you receive any promotions (after a probationary period) while working for (EMPLOYER)?	Yes No GO TO NEXT JOB	Yes No GO TO NEXT JOB	Yes No

THE FOLLOWING QUESTION REFERS TO R'S CURRENT OR MOST RECENT JOB:

Taking everything into account—pay, fringe benefits, working conditions, kind of work, etc.—when most people think of average jobs they think of jobs like retail sales clerk, carpenters, or payroll clerk. Let's give an average job a rating of 100. Compared to an average job like one of these, I would like you to rate your own job (your last job). If you think your own job is twice as good as an average job, for example, give your job 200. If you think your job is half as good as an average job, give it a 50. You can give any number you like. Considering everything, if an average job is rated 100, how would you rate your most recent job?

_____ (ENTER 998 FOR DON'T KNOW)

DELETE THIS QUESTION:

How did you find your job at (CEI COMPANY) – was it through a want ad, a referral, or something else?

want ad in newspaper
 sign in window of business
 referral through job training program (such as the Workforce Development or Career Centers, ASPIRE, ETI or Maine Centers for Women, Work, and Community)
 referral through employment agency/temp agency
 through a friend or relative
 walk-in
 something else

ADD THE FOLLOWING INSTRUCTIONS AND THREE QUESTIONS:

IF R IS STILL WORKING AT THE CEI JOB, SKIP TO:

“Suppose that next month you were unemployed and someone offered you a full-time job. . .” **** (p. 14)**

IF R IS NOT STILL WORKING AT THE CEI JOB, ADD:

Now I'd like to return for a moment to the job you had working at (CEI COMPANY) and ask you a few more questions about that job.

C63. Can you tell me. . .Did you quit this job, were you laid off, or were you fired?

PROBE: Did you leave yourself or were you asked to leave?

QUIT

ON TEMPORARY LEAVE

COMPANY CLOSED OR MOVEDGO TO “How did you find your job at (COMPANY where currently or last employed)?”*** (p.14)**

LAI D OFF. (GO TO C65)

FIRED.(GO TO C65)

TEMPORARY JOB ENDED. GO TO “How did you find your job at (COMPANY where currently or last employed)?” *** (p.14)**

C64. Why did you (quit/go on temporary leave from) that job?

PROBE: Were there other reasons?

CIRCLE ALL THAT APPLY:

JOB ISSUES

DID NOT LIKE WORK OR WORKING CONDITIONS TOO STRESSFUL

DID NOT LIKE SCHEDULE OR SHIFT

WANTED TO WORK MORE HOURS

BENEFITS NOT GOOD ENOUGH

SALARY NOT GOOD ENOUGH

PROBLEMS WITH BOSS

HEALTH OR PERSONAL ISSUES

MATERNITY LEAVE OR PREGNANCY
 SAMPLE MEMBER'S OTHER HEALTH PROBLEM
 OTHER FAMILY MEMBER'S HEALTH PROBLEM

CHILD ISSUES

CHILD CARE PROBLEM
 WANTED TO SPEND MORE TIME WITH CHILDREN

LOCATION ISSUES

TRANSPORTATION PROBLEM
 WANTED TO WORK CLOSER TO HOME
 RESPONDENT MOVED

OTHER ISSUES

TOOK ANOTHER JOB
 RETURNED TO SCHOOL OR TRAINING
 OTHER (SPECIFY) _____

GO TO: "How did you find your job at (COMPANY where currently or last employed)?"* (p.14)

C65. Why were you (fired/laid-off) from that job? What reasons were you given by your employer?

PROBE: (Are/Were) there other reasons?

CIRCLE ALL THAT APPLY:

PROBLEMS MISSING WORK OR LATENESS
 INAPPROPRIATE CONDUCT
 COULD NOT PERFORM JOB
 PROBLEMS WITH CO-WORKERS
 PROBLEMS WITH BOSS
 NOT ENOUGH WORK AT COMPANY
 NOT GIVEN A REASON
 OTHER (SPECIFY) _____

***If R has had new job(s) since last interview, ask. . .**

How did you find your job at (COMPANY where currently or last employed)? Was it through a want ad, a referral, or something else?
 want ad in newspaper

sign in window of business

referral through job training program (such as the Workforce Development or Career

Centers, ASPIRE, ETI or Maine Centers for Women, Work, and Community)

referral through employment agency/temp agency

through a friend or relative

walk-in

something else

******Suppose that next month you were unemployed and someone offered you a full-time job with full employer paid medical benefits. What is the lowest wage per hour or salary that the employer could offer and still get you to take the job?

\$____.____ per hour or \$____.____ per week

Minimum wage

Would not take job at all

And now suppose that next month you were unemployed and someone offered you a full-time job without full employer paid medical benefits. What is the lowest wage per hour or salary that the employer could offer and still get you to take the job?

\$____.____ per hour or \$____.____ per week

Minimum wage

Would not take job at all

Post-Employment Support/Job Retention

When people start a new job they sometimes have problems getting used to the people, the work, or the schedule. (Have there been/Were there) any problems or incidents at work that (make/made) you unhappy with or dislike your job at (*CURRENT OR MOST RECENT JOB*)?

Yes

No—GO TO “PROBLEMS OUTSIDE OF WORK”, BELOW

IF YES:

What happened to make you unhappy or dislike your job at (*CURRENT OR MOST RECENT JOB*)?

(IWER: RECORD Y OR N FOR EACH ITEM)

ONLY READ IF NECESSARY;
ASK IF ANYTHING ELSE

problems with co-workers

problems with boss

advancement too slow

job different from expected/didn't use best skills

didn't like the work

schedule not flexible enough/inconvenient hours

benefits/salary not good enough

dislike rules

unsafe/unpleasant working conditions

discrimination/sexual harassment

other

Now I'd like to ask you about any problems outside of work that (made/make) working at (*CURRENT OR MOST RECENT JOB*) difficult. Does/do/did . . . make working at (*CURRENT OR MOST RECENT JOB*) difficult? (IWER: RECORD Y OR N FOR EACH ITEM)

problems with child care

other problems with children

problems with transportation

pregnancy or a health problem

problems caring for a dependent adult

lack of support, or resistance from friends or relatives

physical abuse by friends or relatives

problems with budgeting money

problems with housing

returning to school or training

other problems

IF R HAS CHILDREN IN CHILD CARE:

While you worked at (*CURRENT OR MOST RECENT JOB*), did a problem with child care cause you to . . .

not look for work or not participate in a school or training program

turn down a job you were offered

be late for work, school or a training program

quit or be fired from a job or to quit school

none of the above

Have you ever received any services or counseling (through a caseworker, local agency or community program, or the state) to help you with arrangements or problems you may have had after you took a job at (*CURRENT OR MOST RECENT JOB*)?

Yes

No—GO TO “IF YES OR NO”, BELOW

IF YES:

I’m going to read you a short list of services you might have received from the state or from a local or community program. Please tell me which have been the most important or most helpful to you (in keeping your job at *CURRENT OR MOST RECENT JOB*)?

Iwer: CHECK ALL THAT APPLY

Was it help with. . .

finding or paying for transitional child care

finding or paying for care for special needs child or adult

finding or paying for transportation

finding or paying for housing

finding or paying for job-related expenses such as work clothes, tools, or other supplies

finding or paying for medical care

managing health insurance claims

budgeting or managing money

resolving a conflict at work (with your boss or co-workers)

other

If yes or no. . .

Sometimes people find they need help or outside support to help them adjust to a new job.

Was there any kind of assistance that you did not get that might have helped you adjust to your new job at (*CURRENT OR MOST RECENT JOB*), such as...?

IWer: CHECK ALL THAT APPLY

finding or paying for transitional child care

finding or paying for care for special needs child or adult

finding or paying for transportation

finding or paying for housing

finding or paying for job-related expenses such as work clothes, tools, or other supplies

finding or paying for medical care

managing health insurance coverage

budgeting or managing money

resolving a conflict at work (with your boss or co-workers)

other

none

Health Insurance

Do you have health insurance coverage, including coverage from Medicaid and Medicare?

yes

no

if no and R is employed, go to “Does your employer provide. . .?”, below;

if no and R is unemployed, go to “Do your children. . .?”, below

IF YES, ASK:

Is your health insurance through...

your employer

Medicaid

Medicare

other

Do you pay all, part, or none of the cost of this health insurance?

All

Part

None

if R has child(ren), go to “Do your children have hlth insurance coverage?”, below;

if R does not have children, go to “Education and Job Training”, P. 18

Does your employer provide health insurance coverage?

yes

no

if no and R has child(ren), go to “Do your children have health insurance coverage?”;

if no and R does not have children, go to Education and Job Training

if yes, ask. . .

What is the main reason you do not take this coverage?

too expensive

other

if R does not have children, go to Education and Job Training

if R has children. . .

Do(es) your child(ren) have health insurance coverage?

yes

no

if yes, ask:

Is this insurance through...

an employer-provided plan (could be other adult's employer)

Cubcare

Medicaid or Expanded Medicaid

other

Education and Job Training

What is the highest grade or year of regular school that you have already completed?

What is the highest diploma you have received?

Elementary/middle/junior high school diploma

ABE or adult basic education certificate (pre-GED)

High school diploma

GED certificate

Prompt: Confirm if HS diploma OR GED

AA or associates diploma or degree (two-year)

BA or BS or college diploma (four-year)

Master's degree

Ph.D

What other types of certificates have you received?

ESL or English as a Second Language certificate

Nursing degree (LPN or RN)

Business certificate or degree

Secretarial certificate or degree

Certified nurse's aid

Certified child care provider

Registered apprenticeship

Registered pre-apprenticeship

other vocational/technical/trade diploma, certificate, or degree

other

none

Now I would like to ask you about courses and job training programs you may have participated in. Let's begin with courses. . .

If R does not have a high school diploma or GED:

At any time since your last interview, have you attended any . . .

(I/We: CHECK ALL THAT APPLY)

Adult Basic Education (ABE) classes

GED classes

classes to prepare for a regular high school diploma

ESL classes

If R has a HS diploma or GED but doesn't have a college or more advanced degree:

At any time since you were last interviewed, have you completed any courses for which you received college credit, other than for vocational or technical college? This would include courses at community, 2-year, and 4-year colleges, but not vocational or technical colleges.

Yes

No

At any time since you were last interviewed, have you completed any courses for academic

credit towards a vocational, technical, trade diploma, certificate or degree?

Yes

No

Since you were last interviewed, have you participated in any formal job training programs, either in a classroom, a workshop, an apprenticeship program (or pre-apprenticeship program), on-the-job training, or other employer-provided training?

Please include any training you might have received through the military, but do not include training you might have received from an employer as an orientation to a new job.

Yes

No—GO TO “INDIVIDUAL & HH INCOME”, PG 22

If yes:

I'd like to focus on the two most recent programs you have participated in. Beginning with the most recent training program you attended. . .

Question	Most recent training program	Second most recent training program
Please tell me the name of the job training program. RECORD PROGRAM NAMES	<hr/> Program #01 Name	<hr/> Program #02Name
When did you start (this/that) (training program/PROGRAM)?	start: __ __/ __ __ month year	start: __ __/ __ __ month year
And when did you stop going to (this/that) (program/PROGRAM)?	end: __ __/ __ __ month year Still in program ____	end: __ __/ __ __ month year Still in program ____
What type of program is/was it? (Is/was) it classroom or shop training, on-the-job training, or both classroom <u>and</u> on-the-job?	Classroom/shop On-the-job both	Classroom/shop On-the-job both
(Is/Was) (this/that) training provided by the Workforce Development or Career Centers, ASPIRE, ETI or some other special training program?	Yes No Don't know	Yes No Don't know
Did/Will you receive a certificate or degree from that program?	Yes No	Yes No
Did you complete that program? (If still in this program skip to last question in grid.)	Yes No—GO TO LAST Q	Yes No—GO TO LAST Q
Did you get a job as a result of that program?	Yes No	Yes No
Is there another job training program to ask about?	Yes No	

Individual and Household Income

The next section is about the different ways you may make money and try to make ends meet. I'm going to read you a list that includes all kinds of ways people make money. I'll ask you about how much money, if any, you received from each of these sources during the past month. Then I'll ask you if anyone else in your household received income from these sources in the past month. Please count each source of income only once. If you get child support payments, for example, we don't want to count that same money if you also receive money from an ex-spouse. Please remember that all of your answers are strictly confidential. The amounts reported should be before taxes.

In LAST MONTH, did you receive income from. . .	Yes/No	If yes, ask . . . How much?	Did anyone else in your HH receive income from . . . in the past month? (Yes/No)
Employment or working for others			
Self-employment or working for yourself			
Doing occasional work or odd jobs for other people (laundry, sewing, child care)			
Selling things that you make			
TANF			
Food stamps			
WIC			
Veteran's benefits			
Supplemental Security Income (SSI)			
General Assistance Prompt: (cash or vouchers from your town or community to help you pay for food, utilities, rent, etc.)			
Child support payments, either court-ordered or through an informal arrangement with the other parent			

Alimony payments			
Money from a husband/wife/ex-spouse who is not currently in HH			
Social Security, including disability benefits			
Any other retirement, pension, or disability benefits, public or private			
Money for care of foster child (children)			
Rental income or payments from roomers or boarders			
Money from friends or family			
Money from boyfriend/girlfriend/ partner			
Money from gambling			
Investment income			

If other members of household have income listed above, ask. . .

Does the income received by other members of your household help to support you or your children?

Yes

No

Refused

Don't Know

Including all of the income sources we just talked about, during **2000**, what was your total *personal* income before taxes and other deductions? Your best estimate is fine.

\$ _ _ _ , _ _ _

does not know

refuses

interviewer: try to get exact amount (estimated, if necessary). Use probe below to help R estimate.

PROMPT: Would you say it was. . .

less than \$3,000

between \$3,000 and \$6,000

between \$6,000 and \$9,000

between \$9,000 and \$12,000

between \$12,000 and \$15,000

between \$15,000 and \$18,000, or

more than \$18,000?

Including all the income sources we just talked about, during **2000**, what was the total income of all members of your household before taxes and other deductions? Please include your own income *and* that of all members of your household who lived with you, and any other sources of income you may have. Your best estimate is fine.

\$ _ _ _ , _ _ _

does not know

refuses

interviewer: try to get exact amount (estimated, if necessary). Use probe below to help R estimate.

PROMPT: Would you say that it was. . .

less than \$3,000

between \$3,000 and \$6,000

between \$6,000 and \$9,000

between \$9,000 and \$12,000

between \$12,000 and \$15,000

between \$15,000 and \$18,000, or

more than \$18,000?

Have you ever filed an income tax return?

Yes

No

if no, skip to Housing and Assets section, below

If yes. . .

The federal government has a special rule that allows parents who make less than about \$25,000 a year to pay lower taxes. It used to be called the Earned Income Tax Credit or EITC (and is now called the Earned Income Credit or EIC). Do you know about EITC (or the EIC)?

Yes

No—GO TO “HOUSING AND ASSETS”, BELOW

Have you ever received the EITC (EIC)?

Yes

No—GO TO “HOUSING AND ASSETS”, BELOW

Don't know/not sure/can't remember—GO TO “HOUSING AND ASSETS”, BELOW

How did you get the EITC (EIC)? Was it included in your paycheck, or did you receive it as one check after you filed your tax return?

Paycheck—GO TO “HOW DID YOU USE THE MONEY”, BELOW

tax return

other

Did you know that the EITC (EIC) can be paid to you throughout the year, in each of your paychecks, instead of receiving as one check after you file your tax return?

Yes

No

How did you use the money you got from the EITC or EIC?

Housing and Assets

Now I have some questions about your housing situation.

Currently (do/are) you. . .

- own your own home PROMPT: Is it a mobile home?
- own your own mobile home
- rent your home or apartment
- live with family or friends and not pay rent
- live with family and friends and pay part of the rent or mortgage payment
- live in some other arrangement
- live in group shelter
- homeless and living on the street

If own a home. . .

On average, how much do you pay each month for your mortgage payment? (What is your monthly required payment?)

\$ _____

What was the value of your house when you bought it?

\$ _____

How much do you think your home would sell for now?

\$ _____

Go to utilities question (“On average, how much additional money. . .?”), below)

If rent. . .

On average, how much do you pay each month for rent? (What is your monthly rent?)

PROBE: Your best estimate is fine. (For those who don't pay anything, enter 0)

\$ _____.____

refused

don't know

**interviewer: count payment from spouses or partners together;
do not include utilities if paid separately**

Does your rent payment include utilities?

yes

some

no

Do you live in public housing?

yes

no

Do you get help with your rent from the Section 8 program?

yes
no

If utilities not included in rent, or if R owns own home:

On average, how much additional money do you pay each month for utilities and services? Please include all your payments for gas, oil, electricity, water, telephone, sewage, and trash services. Do not include cable TV.

\$ _____

How many times have you moved in the past two years?

interviewer: If R has not moved, enter 0

_____ number of moves

Next I'll ask you about things (besides your home) that you may own and things that you may owe money on. Let's start with some things you may own.

Do you own a working car or another motor vehicle (including a motorcycle)?

yes
no

interviewer: do not include a vehicle that is leased;

if no, go to "Do you own any rental property. . .", below

If yes. . .

How many working cars or motor vehicles do you own?

___ number of vehicles

How much do you think all your vehicles would sell for now? (in total)

\$ _____

Do you own any rental property or real estate?

interviewer: if homeowner, ADD "other than your home?"

yes
no

if no, go to "Do you own a business?", below

If yes. . .

How much do you think all the property would sell for now? (in total)

\$ _____

Do you own a business?

yes
no

If no, go to “Do you have a personal or joint checking account. . .”, below

If yes. . .

How much do you think your business assets are worth? By business assets, I mean things like buildings, vehicles, equipment, inventory, materials, supplies, bank accounts, etc.

\$ _____

How many full-time employees are on your payroll this month?

_____ full-time employees

interviewer: do not include R (or other owners?)

How many part-time employees are on your payroll this month?

_____ part-time employees

Do you have a personal or joint checking account in a bank, savings and loan, or credit union?

No/Neither

Personal

Joint

Both

Refused

If no or refused, go to “Do you have a personal or joint savings account. . .?”, below

How much money do you have in your checking account(s) in total?

Personal: \$ _____

Joint: \$ _____

Refused

interviewer: IF ZERO BALANCE RECORD 0; IF NO ACCOUNT RECORD NA

Do you have a personal or joint savings account in a bank, savings and loan, or credit union?

No/Neither

Personal

Joint

Both

Refused

If no or refused, go to “other types of savings. . .”, below

How much money do you have in your saving(s) account(s) in total?

Personal: \$ _____

Joint: \$ _____

Refused

interviewer: IF ZERO BALANCE RECORD 0; IF NO ACCOUNT RECORD NA.

Now I'd like to ask you about some other types of savings. When you answer, please only include accounts that are in your name or any joint accounts.

Do you have savings. . .

IF YES, ASK: How much do you have in that account?

	yes (skip to last column)	n o	don't know	re-fused	How much do you have in that account?
in money market accounts?					
in U.S. savings bonds?					
in certificates of deposit (CDs)?					
in special educational accounts for your children/the children?					
in 401Ks, 403bs, or other pension accounts through work?					
	yes (skip to last column)	n o	don't know	re-fused	How much do you have in that account?
in retirement accounts like IRAs?					
in stocks, bonds, or mutual funds?					
with friends or family members who are keeping money safe for you?					
saved at home?					
in Christmas club or vacation accounts?					
in other kinds of savings?					

Now we'll turn to some questions about debts or things that people often owe money on. I want to remind you that these too, will be kept in strict confidence.

If R does not own home, other real estate, or vehicle, skip to "We want to count a bill or loan. . ."

If R owns home or real estate. . .

About how much, if anything, do you owe on:

Home (mortgage) loans \$ _____

IF NO OUTSTANDING MORTGAGE, RECORD 0

Home improvement or equity loans? \$ _____

IF NO OUTSTANDING LOAN, RECORD 0

If R owns or leases vehicle(s). . .

Car or other vehicle loans? \$ _____

IF NO OUTSTANDING LOAN, RECORD 0

Besides mortgages and cars, I also want to ask you about some other things that many people owe money on.

We want to count a bill or loan only once. If you've already told me about money owed on a car, for example, please don't include that money here.

Do you owe money on. . .?	yes (skip to	no	don't	refused	How much do
---------------------------	--------------	----	-------	---------	-------------

	last column)		know		you owe?
credit cards or charge accounts					
installment loans for major purchases like furniture or appliances					
any educational or school loans					
debt consolidation loans or bills owed to collection agencies					
business loans from banks or credit unions					
business loans from friends or relatives					
loans for property besides your home					
Do you owe money on. . .?	yes (skip to last column	no	don't know	refused	How much do you owe?
personal loans from banks or credit unions					
personal loans from friends or relatives					
medical bills					
rent payments that are past-due (prior to this month)					
phone bills that are past-due (prior to this month)					
utility bills that are past-due (prior to this month)					
bills for record and book clubs that are past-due					
other bills owed for more than one month					

Have you ever applied for a mortgage?

yes

no

If yes. . .

Was your application accepted?

yes

no

Demographics

Interviewer: code sex, ask if not obvious

Male

Female

How would you describe yourself in terms of race?

Black/African American

White/Caucasian

Hispanic/Latino/Latina

Asian/Asian American

Native American

Other

Are you currently:

married and living with your spouse

separated or living apart from your spouse

divorced

widowed

living together unmarried

never married, and not living together unmarried

Future Contact Form

If R provided contact information in last interview. . .

Thank you very much for taking the time to be interviewed.

There is a chance we may want to contact you again in 18 months for a third interview. I'd like to confirm some information from your last interview, when you told us who we might contact to help us locate you in case you have moved.

Can we still locate you through. . .? .?

Interviewer: read and make any necessary changes to contact info.

Please be assured that we will only contact these people if we cannot locate you or reach you directly.

If R did not provide contact information in last interview. . .

Thank you very much for taking the time to be interviewed.

There is a chance we may want to contact you again in 18 months for a third interview. I'd like to get some information from you that will help us locate you in case you have moved.

Can you tell me the names, addresses, and telephone numbers of two people (relatives or friends) who usually know how to find you? Please be assured that we will only contact these people if we cannot locate you or reach you directly.

interviewer: --probe for parents, grandparents, and people living at different addresses
 --probe for full names, including middle initials
 --probe for nicknames
 --probe for spouses' names (if applicable)

Contact 1:

Full Name

Nickname

Street Address

Apt.#

City

State

Zip

() _____

Area Code

Phone Number

How is (PERSON) related to you?

(friend, neighbor, grandmother, etc.)

Contact 2:

Full Name

Nickname

Street Address

Apt.#

City

State

Zip

()

Area Code

Phone Number

How is (PERSON) related to you?
(friend, neighbor, grandmother, etc.)

Interviewer Observations

Interviewer: Please rate the following qualities of the respondent, the interviewing situation, and the data.

The respondent (was/had):

able to understand questions easily 1 2 3 4 5 6 7 hardly able to understand

able to recall information and experiences easily or accurately 1 2 3 4 5 6 7 not able to remember things well or accurately

interested in the interview 1 2 3 4 5 6 7 not interested in the interview

cooperative 1 2 3 4 5 6 7 uncooperative

no English language problem 1 2 3 4 5 6 7 spoke English with great difficulty

interviewed without interruption 1 2 3 4 5 6 7 interrupted often

Please rate your opinion about the overall quality of the data:

high 1 2 3 4 5 6 7 low

ATTACHMENT 2: A Case Study of Faithworks

“Meeting Them Where They Are At”
The Opportunities and Challenges of a Unique Social Enterprise
A Case Study of Faithworks
Lewiston, ME

Funded by Coastal Enterprises, Inc.
Wiscasset, ME

Matissa Hollister
Malcolm Wiener Center for Social Policy
John F. Kennedy School of Government
July 24, 2001

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Executive Summary

Faithworks is a unique organization providing support and employment opportunities to a large number of individuals in Lewiston, Maine. In the past the city of Lewiston was a booming center of textile manufacturing, but in recent years many of the traditional forms of employment have disappeared from the city and it has faced a period of economic hardship. These hardships are most pronounced in two downtown census tracts, in which residents have had extraordinarily high poverty rates and low educational attainment levels.

Faithworks emerged as part of a broader effort by a local church to address some of the issues in these neighborhoods. The centerpiece of this church's work had been a food program, serving meals in an effort to form relationships with local residents. The director of this program was contacted by a business that needed help completing a contract. The success of this effort led to the founding of Faithworks, a non-profit business that contracts for jobs with other companies in order to provide employment opportunities and support to area residents. Faithworks has since developed into a million-dollar company providing assistance to hundreds of local residents.

Unique aspects of Faithworks include:

- the use of a piece-rate compensation system
- hiring anybody who walks in the door
- allowing workers to come and go as they please
- few structured rules or requirements are placed upon the workers
- a wide variety of services are offered, including educational classes, life skills classes, and individualized assistance

Interviews with Faithworks employees revealed that the organization has made a positive impact on the lives of numerous area residents. Their success in helping these residents stems mainly from Faithworks' open employment policy and their supportive atmosphere. The open employment policy, hiring "anyone who walks in the door", has provided opportunities for many individuals who have had difficulty finding decent work in the mainstream labor market. Barriers to work include: low educational attainment, poor work histories, criminal records, substance abuse, disabilities, and lack of transportation. In addition to hiring these individuals, Faithworks provides a unique and supportive atmosphere that helps them continue to work despite the many difficulties in their lives. The flexible work hours is probably the most important aspect of Faithworks in this respect, but Faithworks also strives to provide an accommodating, supportive, and positive atmosphere for its workers.

Faithworks had a positive impact on the lives of its employees in a number of ways. Most employees were able to make more money at Faithworks than at previous jobs, and they used this extra money in a variety of both meaningful and frivolous ways. Probably more important, though, was that Faithworks helped them change their outlook on life. Faithworks has been able to recognize productive possibilities in many individuals who are usually overlooked by the traditional labor market. Several employees gained a new sense of self-respect and were able to turn towards pursuing larger life goals.

Like all organizations, though, Faithworks also faces a number of challenges. Probably the largest challenge for Faithworks is that it attempts to achieve its social mission through a competitive business model. This model allows for many of Faithworks' most unique and successful elements, but it also imposes its own demands. The need to run a competitive business often pulls against Faithworks' mission to serve the "unemployable." The business demands for growth and efficiency mean that Faithworks has lost some of its small, intimate atmosphere and it

is facing an increasing need to hire some skilled workers. In addition, the specific types of contracts that support Faithworks (one-time jobs that have not yet been mechanized) fit well into the piecework system but also make it very difficult to set a predictable piece rate for the workers and to provide work consistently throughout the year.

Faithworks is also facing a challenge in clarifying and structuring its social goals for the organization. This challenge first emerged from the question of whether Faithworks should be providing transitional or permanent employment opportunities. There is, of course, no single answer to this question. Faithworks serves a diversity of people with a diversity of needs. The organization also provides a variety of job opportunities within the business with varying quality as long-term job prospects. Important questions include: how many jobs (and of what quality) can Faithworks provide? What kinds of other job opportunities exist within Lewiston? How many people should Faithworks serve? Do employees need stronger supports and structure in order to move on to better job opportunities? And, should Faithworks play an active role in developing outside job opportunities? It is hoped that breaking down these questions and components of the issue will provide a framework upon which the priorities, trade-offs, and decisions that have to be made can become better understood.

Background on the Case Study

This case study was funded by Coastal Enterprises, Inc. (CEI), a nonprofit organization dedicated to improving the lives of disadvantaged Maine residents. The project came out of a larger study by CEI to assess the impact of its efforts to promote employment opportunities for these Maine residents. The focus of this report, therefore, is primarily on the unique model that Faithworks uses to pursue the goal of employment opportunities and career development for disadvantaged workers. The purpose of the study was to provide an account of this model, how it addresses the unique needs of the workers, as well as the tensions and difficulties that arise from this approach. There are many other fascinating and important sides of Faithworks, in particular the financial intricacies of the business, yet these facets are only covered in this report as they relate to the employment and social goals of the organization.

Study Details

Over the course of the last five months I conducted 31 individual interviews with people involved in Faithworks. These interviews included eight board members, the executive director, two service providers, five supervisors, and fifteen regular employees of Faithworks. When selecting the employees, I wanted to ensure that I spoke to people with a range of experiences at Faithworks. Rather than rely on the easiest or most enthusiastic people to interview, I used a random selection process to choose potential interviewees. The Faithworks staff provided me with a list of workers receiving paychecks during a particularly busy week of work in November, which they divided into four broad ranges of paycheck size for that week. I then randomly selected a group of workers from each of these paycheck sizes to interview. This process ensured that I would interview workers ranging from dedicated, productive workers to people who only showed up for a few hours a week. Overall I selected 24 people to interview, 15 of whom I was able to contact and agreed to the interview. While a few of the higher paycheck workers either refused to be interviewed or were not able to schedule a time, most of the people on my list that I did not interview were individuals who came from the lower paycheck groups. This fact is hardly surprising, since some of these workers may have just been passing through temporarily (the office staff was not familiar several names from this group)¹. In addition, I conducted a portion of the interviews during January and February when work was quite slow at Faithworks and many of these lower paycheck workers were not on the list being called into work. I was able to provide a \$30 incentive to be interviewed, which did aid the process considerably. In order to maintain anonymity and confidentiality as promised to the employees, throughout this report I will refrain from attributing any quotes to specific individuals and in general I refrain from even labeling the quote according to the individual's role (board member, employee, etc).

Lewiston, Maine

Faithworks is located in Lewiston, Maine, a city of approximately 35,000 residents. Located along the Androscoggin River, the harnessing of water power made Lewiston a central location for mills and factories, particularly wool and cotton mills, throughout the 19th century and 20th centuries. Yankee, Irish, and French Canadians quickly populated the town and filled the jobs at the mills.

¹ I did in fact anticipate this problem and therefore oversampled the lower paycheck groups as a way to partially address the situation.

Soon after World War I, though, Lewiston began to face some difficulties. Changing technologies in the textile industry, competition from southern mills, and the decline in the importance of waterpower all put new pressures on the mill economy. The Central Maine Power Company briefly breathed life back into the mills, but starting in the 1950s the mills began closing their doors. A number of the mills were converted into shoe factories ("shoe shops"), but in recent decades many of these shoe shops have also been closing down².

The impact of this economic decline can be seen clearly in results of the 1990 U.S. Census. Residents in the two census tracts closest to the old mills had some of the highest poverty rates in the state.

Income, Poverty and Employment Data 1990

	Tract 201	Tract 204	Lewiston	Maine	USA
Median household income	9,167	14,422	24,051	27,854	30,056
Percent people below poverty	47.3	34.2	13.9	10.8	13.1
Employment rate ¹	46.3	45.4	59.4	60.0	60.3
Unemployment rate ²	16.1	19.3	7.5	6.5	6.2

¹Residents over 16 years old who are employed/ total population over 16

Source: 1990 U.S. Census

²Those seeking work/(those seeking work + employed)

Well over a third of all residents in these two census tracts had income below poverty levels in 1989, median household income was about half the state median income, and unemployment rates were about triple the state average.

In addition, the legacy of the mills can be seen in educational attainment levels in the area. Historically the booming factories and mills provided job opportunities to Lewiston residents without requiring high levels of education. These circumstances seem to have had a long-term impact on the educational aspirations of the city residents. According to the 1990 Census, the educational attainment in the area continues to lag well behind state and national averages. Less than fifty percent of the residents in the two census tracts even have a high school degree, and an extremely small percentage have a college degree or more. These low educational levels do not bode well for the future of these residents, as many of the better job opportunities in today's economy require high levels of education.

Educational Attainment of Residents Over 25 Years of Age

Educational Attainment	Tract 201	Tract 204	Lewiston	Maine	USA
High school graduate or higher	38.1	47.2	63.7	78.8	75.2
Bachelor's degree or higher	1.4	3.3	9.3	18.8	20.3

Source: 1990 U.S. Census

Over the last few years the City of Lewiston has undertaken a number of efforts to address this difficult economic situation. There have been numerous efforts to find new uses for the mostly vacant mill buildings. In addition, Lewiston applied for and was designated an Enterprise Community under the USDA Rural Empowerment Zone and Enterprise Community Program. Faithworks plays a central role in the Enterprise Community program.

² Source of Lewiston history: <http://www.megalink.net/~joel/lewiston/industry.html>

The History of Faithworks

"It's an idea that basically no right thinking person can find objection to."

In 1985 Father Bill Baxter retired from his position in Washington, DC and moved to Maine. He continued to work with the Episcopal diocese of Maine as a senior consultant and he was soon asked to consult on the issue of Trinity Episcopal Church in Lewiston. Trinity Church is located in downtown Lewiston, in one of the struggling census tracts mentioned above.

"The parish had, like many formerly affluent and successful churches that used to minister to middle-class supervisors at the mills and so on, had died, or was dying very fast. Maybe 40 people would come in, but they were terrified of the neighborhood, wouldn't come in late in the evenings"

Father Baxter's role was to help decide whether or not the church should be shut down.

As he began to work with the church, he couldn't help but notice the problems facing the residents in the surrounding neighborhood. At his initiative, Trinity Church started several programs in an effort to discover and address the needs of the local residents. The largest of these efforts was a program to provide free meals to needy families. The small food service soon grew into a program serving meals several times a week and drawing on volunteers, food and monetary donations throughout the region and country. Rather than satisfy themselves with these efforts, though, the Trinity volunteers had a larger vision.

"The main thrust of our program had to do with serving meals in order to become acquainted with the people in the neighborhood. That's important to say, we didn't feed people because they were hungry, we didn't feed people for any other reason other than trying to get to know them...we turned it into kind of a restaurant, that is, they didn't get in line and go down with trays and get food slopped onto the trays. We set up tables and we waited on them. But all those who waited were volunteers, were trained, we trained them, to really treat the people with respect and ask questions, combine what we could learn from every comment."

The Trinity volunteers also developed a policy of minimal rules. It was hoped that instead the families would develop and enforce an implicit code of behavior.

"they would be the ones who would hold the structure together by saying to somebody at a table who was getting loud, hey, we don't do that here. Now, we wouldn't say that, they would say that, that's what the idea was, that we would be a community in that sense."

For eight years, from 1988 to 1996, the meals were the central focus of Trinity Church's Urban Ministry program. In 1996, Father Bill received a call from the president of a local company. This company was working with an out-of-state firm that had taken on a larger project than they could handle. The local company had agreed to help the firm in completing the order, which involved a relatively simple task of sealing samples into plastic newspaper bags.

"They called us because by that time we had a reputation of knowing the neighborhood better than anybody else, of knowing more people in the neighborhood better than anybody. So [the company] came to us and said we'd

like to put this into a cottage industry, put these sleeves, plastic sleeves, brochure sealed by some of the local people, put it in homes."

Father Bill suggested that instead of doing the work at home they could turn the basement of the church into a little workshop. They developed a piecework system where anyone who completed a case was paid a certain amount of money. With this piecework system in place, they allowed the people doing the work to come and go as they pleased, working as they were so inspired. Soon the program was so successful that they had to move some of their operations up into the church itself, with boxes piled up into the rafters.

" and the morale was incredible, I mean you don't know what happened. This was the first time that many people could really have a Christmas. And there it was in front of our eyes."

As Father Bill and the other members of the Urban Ministry observed this process, they began to realize the important role that work and income might play in these people's lives.

"It was clear to me that, something that people have known for years, for centuries actually: give them economic security, a more secure economic situation, then anxieties will drop, they make better decisions, and they felt better."

This experience of success, and the logistical difficulties of running this operation out of the church, led Father Bill and others involved in the Urban Ministry program to create a new organization and board of directors to pursue these types of projects. They were eventually able to procure space at the Hill Mill, one of the unused mill buildings, at a very reasonable rate. Faithworks was officially founded as a non-profit business under the supervision of Trinity Church.

The Faithworks board faced several difficulties in their initial years. Many of the board members did not have business expertise. They faced a rather difficult learning curve and several times the organization was on the brink of collapse. Over the course of the years, they developed these skills and brought in new members with business expertise. A crucial step for the organization was hiring Paul Rubin as the executive director. His abilities in both the social and business aspects of the organization brought Faithworks through its early rocky years.

A second difficulty that emerged early in the history of Faithworks was the unevenness and the seasonal nature of the work.

"Our business is seasonal, we didn't know this, we thought it would go on year-round. But most of the stuff that we're doing is for Christmas. So starting in June things begin to build up, and build up, and build up, until by the first week in December we're going crazy with business. And then we experienced a drop-off, sometimes the drop-off is so acute that there's no work."

The board and staff of Faithworks has worked hard over the years to address this problem, and they have been able to provide much more continuous work than in the past. The issue of uneven work, however, continues to be a central problem for the organization and its workers, as will be discussed later in the report.

Current Description of Faithworks

"It started as a church thing, where it didn't really matter if you were qualified, you just sort of pitched in and did something. Try to get it going and here we are. This year we're probably going to gross a million dollars and I don't know if we have any clear idea as to how we got there."

In the first quarter of the year 2000, Faithworks did more business than they did in all of 1999. During the course of the year, over 1000 people received at least one paycheck from the organization. In addition, one of the original missions of Faithworks was to be a source of funds to support Trinity Church's Urban Ministry program. This past fall they were finally able to realize that dream and pass on a small portion of their revenues to the church.

In many ways the structure of Faithworks today is remarkably similar to the small enterprise started in the church several years ago. Several crucial elements of Faithworks have been retained.

- The organization continues to focus on business contracts that involve relatively simple manual work that is amenable to their piece-rate payment system. These tasks include sealing, mailings, simple assembly, and shrink wrapping.
- Faithworks has maintained an open employment policy, in that they hire anyone who applies for a job, and they try to accommodate any special needs of their workers.
- Workers are allowed to basically come and go as they please. They can take breaks when they wish and come in and leave at basically any hour of the day. In addition, employees may work sporadically for a few days or months at a time, and they will continue to be welcomed back to Faithworks as long as there is work for them to do.
- Faithworks continues to have very tolerant and non-rigid work policies. Similar to the Urban Ministry food program, there are few explicit rules at Faithworks. One of the only requirements is that the workers show up sober and substance-free on the day they wish to work.

In addition to continuing these policies, particularly in the last year Faithworks has been able to expand support for its workers through several new education and social service programs. The main source of these new services has been two externally-funded programs which have been housed at Faithworks. The first is an on-site educational program sponsored by the Workplace Learning Partnership Project. Several manufacturing firms, including Faithworks, were selected for this initiative. At each site a project coordinator has assembled an employee advisory board to identify the educational needs of the workforce and choose classes which are appropriate for those needs. At Faithworks this program has led to classes in basic computing, keyboarding, GED, basic skill upgrades, and communications.

The second program is a resource coordinator position funded by Empower Lewiston, the Enterprise Community organization in Lewiston. The primary goal of this resource coordinator position is to address the needs of all residents in the two identified census tracts, but the physical location of Faithworks in this neighborhood and its connection to many disadvantaged residents made it an ideal location to house the resource coordinator. The resource coordinator has worked with a number of Faithworks employees to address their individual problems. Part of her role has been as liaison to area social service agencies, providing employees and local residents with

information about available services and helping them access these services. In addition, she has coordinated a number of classes in budgeting, nutrition, and other life skills.

In addition to these programs, Faithworks offers an Individual Development Account program in conjunction with CEI, helping employees save money for schooling, the purchase of a home, or starting a new business. Plans are also in the works for an affordable housing program and many other types of services.

Who is Faithworks Serving and How?

"I can't wait to get up and go to work"

The interviews with Faithworks' employees, board members, and others provided substantial evidence that the organization provides opportunities for a range of disadvantaged individuals in the area. Several elements of the Faithworks model were crucial in providing these opportunities. I have grouped these factors into three broad areas: providing jobs for everyone, accommodating and addressing workers' needs so they can keep their jobs, and improving workers' prospects for the future.

Providing Jobs

"They might be, I suppose if you wanted to be unkind you would say they're the kinds of people that other people would not want to take on"

"I walked in and I asked for an application and that was it. You didn't have any job interview or anything like that. I get really nervous about job interviews."

Faithworks hires "anyone who comes in through the door." The piecework system at Faithworks means that the organization generally pays people based upon their productivity. Unlike other organizations, therefore, they don't have to worry as much about screening workers based upon their expected effort or employability. In the end, though, productivity does still play an important role for Faithworks, as will be discussed later in the report. Their open employment policy, therefore, is more of a reflection of Faithworks' dedication to its social mission.

The interviews showed that this open employment policy had its intended effect. Numerous people had "blemishes" in their records that would have made it difficult for them to find work with other employers. These problems included:

-Low educational attainment. I asked each of the workers and supervisors I interviewed about their educational background. The results are shown in the table below.

Education Level	Workers	Supervisors	Total
Less than High School	2	2	4
GED	4	1	5
High School Degree	8	2	10
Some College	1		1

In general, the education level of Faithworks workers reflected the low educational attainment of the local residents. Only one interviewee had done any higher education, and he never completed his program. Two of the interviewees had done some sort of vocational training but they have not been able to follow through and obtain jobs in those fields. In addition, two of the interviewees with less than a high school education had at one time been certified as practicing nurses. Both of them had had to leave nursing for one reason or another, and now face a situation where a high school degree is required in order for them to be re-certified and return to that profession.

As the mill and other factories have continued to close in Lewiston, the job opportunities for these workers without higher degrees have become increasingly limited. One interviewee clearly recognized this situation:

"What kind of jobs could Faithworks maybe help people move into? I would think you would need education. I don't know if, how you get higher up from here without that...I don't know how the whole thing works, I just know that without education you're not going anywhere"

-Poor work history. During the interviews I asked each worker about his or her previous work history. While the work histories varied greatly, several different types of issues emerged which would make it difficult for these workers to apply for a conventional job.

One common problem was an extended period of unemployment. Several women had stopped working when they had children. When their children had grown up and they decided to return to work, sometimes 20 or more years later, they found it difficult to find a job. One woman had worked before as a cashier and then left the labor force for ten years.

"I had applied over an area around my house, the stores at the mall nearby, and I applied at a couple supermarkets, and I applied at a lot of places. And not any place even gave me a look-at...it took me a couple of years to find a job. I was really depressed."

Very few of the people I interviewed had any substantial work history. Previous jobs included: washing dishes, volunteer work, seasonal work, housekeeping, cleaning floors, supermarkets, cashier, shoe shops, babysitting, bartender, nursing, fast food restaurants, and telemarketing. Very few people had worked at any one job for an extended period of time.

*"I had mostly done minimum wage dishwashing jobs. I kept those for maybe a couple weeks at a time. I wasn't very employable when I first came. *How come?* I just didn't care about work. I was basically bumming around, living off friends and stuff. I hadn't worked in a really long time, didn't have any skills."*

While this person was probably the most extreme example of a poor work history, very few of the people I interviewed had work experiences that would make look them particularly reliable on a job application. The exceptions to this rule were a couple of the supervisors who were hired directly into supervisory positions, someone who had been a bartender for many years, and a woman who had worked at a shoe shop for nine years.

- Criminal records. I did not specifically ask the interviewees about possible criminal records and therefore no one specifically mentioned this problem. At the same time, many of the board

members, staff, and supervisors mentioned criminal records as a barrier to work for many of the Faithworks employees. Faithworks hires anyone despite their criminal record, provides the flexibility, as will be discussed later, to meet with various court appointments and requirements, and also continues to offer employment to an individual who is arrested when they return from jail. This policy of open employment not only provides job opportunities to people who otherwise might face difficulties, but it also allows them to be seen in a more positive and productive light.

"You'll probably at some point see them on the six o'clock news for doing something really stupid. But you look at them in a different light because you actually get to work with them and find out that they have kids too, they're just trying to get by just like everybody else. I guess that's what I like about this place, it kind of breaks down the difference between what everybody else thinks of the criminal population and brings them back to being human I guess."

- **Substance abuse.** Substance abuse is another problem that was rarely admitted but often mentioned by others. Two interviewees did mention past or current problems with substance abuse. While a potential employer may not recognize that an applicant has a substance abuse problem, substance abuse can create behavioral and attendance problems which make it difficult to build up a strong work history. Faithwork's policy only requires that workers be sober and substance free when they come to work. They recognize that some of the wages they pay may go towards the purchase of these substances, but they believe that it is more important to develop stability of employment in an individual's life in the hopes that this stability will provide a more solid foundation from which the individual can leave his or her habit behind.

- **Disabilities.** Faithworks hires workers regardless of any disabilities they may have. They make efforts to accommodate physical disabilities by building different height tables and other accommodations. They also ensure that everyone, no matter how slow they are, is paid the minimum wage.

- **Lack of transportation.** Faithworks also provides jobs in an area that is convenient to residents of these depressed census tracts. Most of the employees I interviewed lived in the area surrounding the mill. Seven of the fifteen employees I interviewed did not have a car, and at least three did not have a driver's license. This lack of transportation, therefore, severely limited their field of possible job opportunities.

Accommodating and Addressing Worker Needs

The open employment policy means that Faithworks provides a job to anyone who wants one. In many cases, though, there is a reason why the people they hire are not working in the traditional labor market. Simply providing a job is not enough. Faithworks therefore accommodates and supports its workers in an effort to provide a barrier-free environment for work.

- **Flexibility.**

" I can't really think of any other job where you can come in when you want to and still have a job the next day. So I think that appeals to a lot of people."

The most important aspect of this effort to accommodate workers is Faithworks' flexible attitude towards work hours. The piecework system means workers are paid based upon their productivity, and therefore the number of hours and the level of work effort within any particular hour is not as important. In general Faithworks relies on its large pool of workers to complete a job rather than specific individuals. Any individual worker, therefore, can basically come and go as he or she pleases over the course of the day and weeks.

Every employee that I interviewed mentioned this flexibility as something that they liked or was important to them. In general, the employees appreciated their ability to control their own work schedule:

"You take a break when you want to take a break. If I get frustrated on something I go outside and smoke a cigarette. If not I can just work right through the morning."

This flexibility not only gives workers a sense of control over their own lives, but for many of them it is a near necessity.

"Life is chaotic for the average employee and there are court dates and DHS dates and there are numerous appointments at various times during the day they need to go to and that is all there is to it. And so they will lose their job or use up all their time that is allotted for that"

Many people I interviewed talked about their ability to go to medical or personal appointments. Two groups of workers, though, were particularly in need of the flexible hours: mothers and families with health problems.

Most of the mothers I interviewed discussed the importance of the flexible hours in their ability to work at Faithworks. Several women would come into work after they put their children on the school bus and would leave when school let out. Some women talked about losing other jobs when their babysitter fell through or their child was sick and they were unable to come to work. The flexible hours therefore were a crucial factor in allowing these women to continue working, and they appreciated Faithwork's support of their families through this policy:

"So, I had to leave early because I had a teacher's meeting. And I mean, that's really important stuff. Life isn't just your job, life is your, life is what you do outside of your job. But I think in today's world everything has gotten away from family life and your kids, and everything else, and your job has become your most important thing. And I think that's wrong. I think there are far too many companies that make your job more important than your life, and that's not right. I guess this is probably one of the only venues you have that you can walk into somebody's office and say, well, I've got a teacher's meeting with my kid's teacher and I've got to leave three hours early and have them say yes, no problem. Or at least feel like, not even nervous about asking."

A second group that benefited greatly from the flexible hours was composed of families with serious health problems. Seven of the twenty employees I interviewed (workers and supervisors) had family health issues. Four employees had chronic illnesses or a history of a physical disability, while three employees mentioned children with serious health problems or special needs. These health problems made it very difficult for these employees to keep a consistent schedule and hold regular jobs. One woman told a story of being hospitalized for three

days. The first day she was hospitalized she called her employer and informed them that she would not be in for the rest of the week. When she returned to work she was fired for no call, no show. She returned later with a telephone bill documenting her call, and she was told she should have called each day she was not working.

- **Variety of work.** Another aspect of Faithworks that a surprising number of interviewees mentioned was the variety of work. While some workers found the tasks at Faithworks to be generally simple and boring, others appreciated the fact that each task was different and provided much more variety than jobs they had previously held. One woman talked about her son who also worked at Faithworks:

"It's the only job he's kept. He's not a steady worker like my other boy. But here, he worked every day they needed him. *How come?* I think his attention span is short, so the variety of jobs. If he does anything for too long he gets bored with it. Once he gets good at it then he gets bored. He has to be challenged all the time. He works better if there's a challenge."

- **A supportive atmosphere.**

"If someone needs to stand, we'll build a table that they can stand at. Someone needs to sit, they can sit. If they want to work at home, we can find a job that they can do at home. Again, we accommodate whatever their needs are."

"They don't rag on you all the time, I don't know it's different, I don't know how to explain it. Like you can take a break if you want to take a break. If you get frustrated you can just walk up and go. And if you're having a hard time they're not screaming and hollering at you, they're trying to help you."

"They treat you with respect."

In addition to the formal structures at Faithworks, there is an effort to create a general sense of community and understanding. These efforts manifest themselves in a number of ways. First of all, as the first quote suggests, Faithworks staff members work to accommodate the individual needs of their employees. In addition to providing a flexible work schedule, they also adapt their physical environment as needed. The Faithworks philosophy also accommodates individuals in their social and emotional needs by tolerating behaviors that would result in dismissal at other firms. A misbehaving employee might be spoken with or suspended for a few days, but he or she would eventually be welcomed back to work. The employees like this low-stress atmosphere and it allows them to freely vent their frustrations. Some of the employees I interviewed, though, thought that Faithworks was too tolerant:

"It's not that they don't know that they shouldn't do it, it's that they're allowed to do it"

Overall, though, the employees felt that these policies created a more supportive and laid-back environment, although with somewhat explosive situations at times.

The Faithworks staff members also go beyond these formal policies to create a positive atmosphere on the production floor.

" And if you're doing a good job they'll let you know that you are, and that's different from most places."

"There is one day when a guy really screwed up a whole bunch of books. And it took him all day to fix it and they kept on asking him if he wanted any help. No, no, no. But after lunch they just started helping him.. You know a couple of the supervisors. Because that really impressed me. Take some time out of their day to help him make a little bit of money, that was nice."

In addition to this general atmosphere of tolerance and support, there were also several stories about Paul Rubin helping individual workers with problems, making phone calls to landlords and providing cash advances for emergencies.

- **Use of services.** Ten of the twenty employees that I interviewed had used at least one of the services offered by Faithworks. The computer classes were probably the most popular and well-known services at Faithworks. In addition, three of the interviewees were building up Individual Development Accounts and most of the supervisors I interviewed had taken the communications class, which they found very useful. Three people I interviewed had received personal assistance from the Resource Coordinator, including help with school applications and funding, finding a counselor, and finding a doctor.

Those who had used the services in general found them very useful. One might wonder, though, why more workers did not use them. Some people felt that they didn't need the services, for instance several people said that the computer classes were too basic for them. For other people I interviewed, the difficulty was timing. Some people wanted the classes in the morning, others in the afternoon, and inevitably someone was going to be dissatisfied. Several people pointed out the difficulty of offering the classes during work hours. For many who work at Faithworks, the immediate need to make money outweighs the opportunity to improve their future. There were also a number of workers who had not bothered to find out about the classes or who felt that they were not in a position to be able to take classes at the time.

"I'm kind of at a place right now where I'm just, my plate's pretty full"

- **Summary: encompassing the whole individual.** It is important to recognize that the strength of Faithworks is not just its attempt to provide each of these individual aspects or services for its employees. The most important aspect of Faithworks is its attempt to address the needs of the whole individual through a range of structures, services and attitudes which allow these individuals to work on their own terms and within their own life situations.

"I don't know of any company, nonprofit, for-profit, that provides to one group of individuals education, training, employment, childcare, transportation, housing, a very flexible environment, health care, no one else is doing that. And it's the only way that you're going to reach the population that is not being served at this point. You need to have a comprehensive program that's going to encompass all of their needs.³"

³ Childcare is an area of concern to Faithworks, but as of yet there is no formal program. Faithworks does not provide transportation, but its proximity, as mentioned above, does address transportation needs. Finally, Faithworks does offer a health insurance program, but currently only a handful of the supervisory staff are using the plan because of the high cost and the unstable work schedules of the floor workers. Faithworks is currently working to address this situation.

Improving Prospects for the Future

"It gives me an incentive to get up and do something. Instead of going to work and working for minimum wage."

The previous sections have documented how Faithworks is able to provide employment to a wide range of disadvantaged workers and create support systems that allow these employees to continue to work. The ultimate goal of Faithworks, however, goes beyond simply employment to a broader goal of "enhancing the lives" of local residents. It is hoped that the employment and services Faithworks provides will be a vehicle for improving the future prospects of the employees. This improvement might come from the services provided at Faithworks, from providing a well-paying job, or on a more abstract level from changes in the self-image and goals of the people who come to work at Faithworks.

- Higher wages.

"This is the best piecework job I've ever had"

Faithworks holds the promise of higher earnings for many workers. The extent to which these higher wages were a reality depended upon the person. I asked each person I interviewed about the highest wage they had received before coming to Faithworks as well as their estimation of how much they usually made an hour through the piecework system. The previous hourly wages ranged from \$5.50 an hour to about \$9.00, with the average being about \$7.00. Asking out how much someone makes at Faithworks is a difficult task because of the nature of the piecework system. For many of the people I interviewed, they estimated their average wage at Faithworks to be about eight to ten dollars an hour. A handful of people consistently made over ten dollars an hour and two people I interviewed estimated their wages to be much lower, around five to seven dollars an hour. One person in particular that I interviewed was very frustrated with his inability to make the good wages everyone else seemed to be making. Several other people I interviewed spoke of friends or relatives who had tried Faithworks and left relatively quickly because "piecework was not for them." Many of these disappointed people were men. It seems that a number of women had an advantage at Faithworks because they had grown up working in the shoe shops and were well acquainted with piecework systems.

For a number of people, though, Faithworks did in fact provide a much better paying job than any other opportunity they had available. The higher pay had helped a number of people catch up on their bills, start saving money, or simply make their life a little more pleasant.

"I spoil my grandson rotten"

"Sometimes it's being able to take [my son], doing special things with him"

"Pay bills and go Christmas shopping"

"I've actually been able to get my finances in order, things I've neglected for a lot of years."

- Learning a new work ethic. Part of the goals of the board members at Faithworks was to help disadvantaged people in the area learn better work skills and become more work oriented.

Several board members pointed to the welfare system as an example of a program that worked against these values. It is somewhat difficult to assess these kinds of changes in values of workers with a single interview, and yet there were a few hints that Faithworks was moving some people in this direction. As one employee commented:

"If you want to make money it's the place to go. If you want to work and earn your money, it all depends upon how hard you work. You can work anywhere for minimum wage and you can work really hard and you're still making minimum wage. But you work over here it just depends upon how you want to work."

- **Recognizing productivity in all workers, building self-respect.**

"It offers employment and self-respect to an awful lot of people who were formally non-employable. And for whatever reasons they have come here and found both work, income, and self-respect. And I think this is a wonderful thing."

"I think we've learned that some people have got talent which has never been recognized before."

"It hasn't helped me decide what I want to do, because I already knew what I wanted to do. But it has helped me to feel better about myself. Because now I'm making my own money. So, it has lifted my spirits a lot because before I was really depressed"

"And when Paul came up and asked me to work at the inspection table I was like wow, I was so excited. I said I can't believe that the big boss came to me and asked me if I wanted to work on that table."

"I think I feel a little bit more confident about, that I'm actually a productive citizen again."

Perhaps the most rewarding aspect of Faithworks is that for some workers it gives them an opportunity to gain a new sense of their abilities and a new level of self-respect. The accommodation of their specific needs and situations allows these workers to actually hold the job, and the fairly priced piecework rates shows proper respect and appreciation for their efforts.

- **Becoming a supervisor.** Probably the ultimate boost in self-respect for a Faithworks employee is being promoted to a supervisor position. This opportunity is quite limited, there are only a few supervisors for a large number of employees and a good number of the supervisors were hired straight into their positions from outside of the organization. Yet the very few workers who were promoted from within the organization realized that Faithworks was providing them with a rare opportunity. These supervisors were very similar to other workers in terms of a poor work history and low educational attainment, which might have led other employers to hesitate to hire them at all, let alone promote them to supervisory positions.

"I guess I felt that at least this is more of an opportunity than I've probably had all my life to be something more than just a menial laborer. I mean I don't really have any specific skills, I never went to college, so I guess I feel like this is kind of, this is one of the better opportunities that I've ever had. To be in the position that I am in, and at least if I don't stay here I'm going to at least leave here with

something more than I've left every other job: some supervisory skills that I probably wouldn't have gotten anywhere else."

- **Forming and realizing goals.**

"One of the definitions of a person that is important to me is somebody who has a history: a past, and a future which forms in the present. And, as far as I'm concerned, one of the characteristics of poverty is that you can't have a future, you cannot guarantee anything. Because you're living reactively. So you don't know what your future is going to be. But if you have a regular place where you can earn money, and can count on it, then you can begin to have hope. And within that hope you can imagine the possibilities. And so you begin to have a future."

It was the hope of several members of the Faithworks board that providing opportunities to Faithworks employees would not only allow them to deal with their current situations, but also in the process it would allow them to form and realize new goals for the future. Again it was difficult, interviewing employees at only one point in time, to assess the extent to which this transformation actually happens at Faithworks. Ideally one would want to follow a person over time as they work with Faithworks.

I did ask the interviewees about their goals for the future. Their answers ranged considerably. A number of the people I interviewed did not have specific goals, many were still in a reactive situation.

"Do you have any particular goals in your life? No, I don't look that far ahead because I don't want a downfall. I'm one of those people that's a day-to-day person"

"What are your goals? Oh my, just to survive. No more and no less. It's been a rough ride."

Those people who did have goals ranged from relatively simple aspirations, to larger but still realistic goals, to fantasies: get a driver's license and a car, raise their kids well, own a computer, work from home, get a high school degree, get a college degree, be bill free, go to school to become a nurse, own a house, own their own business, be a rich and famous rap star.

It was difficult to assess the extent to which Faithworks helped to form these goals. Many of the people who had more concrete plans and ideas said that they had always had those goals. Faithworks did, however, play a central role for some of these people in helping them reach toward these goals.

"It hasn't changed my goals but it's changed my situation. It's improved my situation better in order to achieve my goals. I can definitely get to a point of having my own business by coming here. That's probably going to happen. If I hadn't come here it may not have happened because I could've gotten stuck in some job and not thought about it as much."

"I started thinking more of stuff that I want to do rather than stuff that I can't do"

Summary

This section of the report has attempted to highlight aspects of Faithworks that seem crucial in their ability to enhance the lives of area residents. A first important step in the Faithworks model is that they hire anybody who wants a job. Then they provide an encompassing set of supports and services in an attempt to both help the individual deal with his or her current situation and to help him or her work toward a dream for the future.

So far in this report I have focused primarily on the positive aspects of Faithworks. I do not mean to say that this section is unrealistic. The quotes demonstrate that the positive impact that Faithworks has had on people's lives is quite real, and I felt it was important to identify the potential factors contributing to these positive effects. Nevertheless, I also feel it is important to point out that Faithworks did not transform the life of every individual that I interviewed. Some people simply saw Faithworks as another job, and others had genuine complaints and frustrations with the organization. Even the frustrated individuals, though, also gave some positive feedback.

The next few sections of the report turn to some larger issues and difficulties facing Faithworks as an organization. These sections are not meant to criticize the organization, but instead to highlight some of the tensions and difficulties that seem inherent in running this type of operation. The board and directors of Faithworks are aware of many of these issues and are making a concerted effort to address them.

The "Double Bottom Line"

Although Faithworks is a unique model, it does seem to fall into an emerging new category of organizations called Social Enterprises. A general definition of a Social Enterprise is a competitive business owned and run for a social purpose. These enterprises all share a common difficulty in that they face a "double bottom line"; they constantly have to balance their business and social needs.

Faithworks faces additional tensions with this double bottom line because it is a Social Enterprise with a focus on providing employment opportunities. Some definitions of Social Enterprises are quite broad and may include for-profit businesses with a social conscience and organizations such as community credit unions. Faithworks falls within a more narrowly defined set of Social Enterprises that specifically use a business to provide employment opportunities for disadvantaged workers. These employment-oriented Social Enterprises face an even stronger tension between their business and social needs because the employees themselves are the social goal. A community credit union can achieve its social goals by hiring highly qualified workers, imposing strict business standards, and striving for efficiency. The quality of their product determines their social success. For an employment-oriented Social Enterprise, though, providing employment to disadvantaged individuals often means sacrificing efficiency. The business' actual products (sealed plastic bags, books with ribbons) are irrelevant to the social mission, and yet they are crucial to its survival. The tensions between these two halves are therefore quite powerful.

Seeing the Two Sides

Most of the Faithworks board members recognized this tension of the "double bottom line." In fact most of the board members made reference to the "business side" and the "social side" of the organization.

"So there's a balance, a tension constantly between the need for revenue and the human need to minister to people where they are and their needs, and their family's needs."

"My concern has always been for the economic side of this business and the fact that it's wonderful that we do the things we do, but that if you can't support it financially it'll die."

One interesting side point to note is that most of the employees I interviewed only saw the business side of the organization. While the supervisors often discussed the social mission of the organization, only one of the floor workers I spoke with talked extensively about the social side of the organization. I asked the employees during the interviews to describe the organization, and most people focused on the business aspects: how much money you could make, the piecework system, the types of jobs. Three people vaguely referred to the social mission, describing Faithworks as a place that "provides jobs for people that need work" or "giving people an opportunity to make money." I pressed a little bit further by asking if they saw Faithworks as different from other employers. At this point most people would point to the flexible hours or the supportive work environment, but a few people still saw no differences.

Perhaps this one-sided vision of Faithworks by the employees was a good sign, in that they are being helped in a way that is comfortable and non-stigmatizing. In fact, during the period of this study an article appeared in the local newspaper which highlighted some of the social aspects of the organization. Several of the people I interviewed were resentful of the article, saying that it made it sound like you only work at Faithworks if you're lazy, on drugs, or a real loser.

The Demands and Challenges of the Business Side

The business and social sides are obviously closely intertwined within Faithworks in that it is in the interest of everyone working at Faithworks to have the business be strong and viable. On the other hand, these two sides of the organization can pull in different directions, and often the business side takes priority. Faithworks may be able to ignore some social issues for a while without too many consequences, but business issues often pose real and immediate threats to the very existence of the organization. In addition, Faithworks started from a strong background of social projects but with little business expertise. They quickly found themselves in some serious business difficulties and they have spent a considerable amount of time learning to navigate the business world.

"Back in 1997 and 1998 we would have directors meetings, the only thing we would do is go over how much money we had in hand, how much money we had coming in, where our liabilities were, where we were going to get the money. Literally, that's what we spent our board meetings worrying about."

The business issues for Faithworks are not just about maintaining a viable business, but about growing the business. Partly as an effort to achieve their social mission of providing consistent jobs, Faithworks has grown rapidly since its start and plans to continue strong growth. This desire to grow, though, puts even more focus on the numbers.

"You need money, you need more money to get bigger, the bigger you get the more money you need."

This focus on the business and growth, while achieving some aspects of the social mission, also had some consequences that seemed to pull the organization away from its social goals.

"The whole drive for, you know the whole capitalism piece, you get sucked up into it. You get caught up in this: well, we've got to make the numbers work, we have to go after these jobs, and before you know it I'd hear Paul say we're going to get this contract or that and we weren't talking about people anymore, their particular situations anymore. Not that he doesn't care."

- **The loss of "smallness."** Faithworks is facing a problem that is common and probably inevitable for any organization that grows: the loss of a small, intimate atmosphere. Several people looked back fondly to a previous time in Faithwork's history when a small atmosphere and personalized attention was possible.

"When they first started, it was a really pure, how do I explain it? They really did work with people exactly where they were, there was a lot more one-on-one with Father Bill, you know it was very much kind of a beginning grass roots. You know he'd talk about conversations that he'd had or overheard and just got real direct contact."

"I think that one of the offshoots of our growth is that we're losing, to a certain extent, we're losing the subjective side of helping people. We're not losing the objective side, because they have more courses, more this, more that, available to them, these fringe benefits. So we're not shorting them there. But in terms of people coming in and really feeling that everything is, you know, this is really friendly...And I think it is almost entirely a product of the growth."

As Faithworks has grown larger, it also seems to have reached a point where informal structures and rules do not work as well. There are a number of misunderstandings between the workers and the staff about how and why things happen within the organization. There is a need for more formalized structures and rules, but the idea of rules goes against the Faithworks philosophy of working with individuals and not imposing rigid structures upon them. Therefore, while growth allows Faithworks achieve certain social and business goals, it may require compromising on certain issues and a change in the atmosphere of the organization.

- **Demands on the director's time.**

"I think the way that translates is that Paul really is walking around with too much on his platter."

Part of Paul Rubin's success at Faithworks has been his abilities on both the business and social sides of the organization. As Faithworks has been growing over the years, his role in both sides of the organization have expanded and in the process he has become overburdened. This overloading of Paul's time contributes to, but is not the central cause of, the loss of the small intimate atmosphere.

"See for a while we used to come here, like when we first got here, Paul would have little speeches and stuff like that in the morning. He would talk about what work was coming in all that kind of stuff, and he doesn't do that anymore. Or it's very rare, he doesn't do it as often as he used to. It used to be almost like every morning. It just doesn't seem to go that way. So it's losing things as it gets a

little bigger. It's losing a little bit of closeness with the people as it grows larger, and I would think that is something that they would have to pay attention to."

The board of directors has recognized this situation and they are working to develop new positions to take some of the demands away from Paul Rubin.

- The need to hire more skilled workers.

"As we've grown, we've gotten involved with some heavy hitters for customers and big orders, you know, 10 million of these, seven million of those. And we're finding that you cannot satisfy those orders by just taking people off the street. You need people that are "good" at what they do, you have to have sort of a core of reliable, dependable, productive workers. Because otherwise we can't hope to get out 7 million of these in the next four weeks. Now that's at odds with our model. We created the model to take anybody who comes in off the street and put them to work. The pressures of growing have driven us into more and more reliance on the hard core of more productive workers. And you know we would like to say, well, keep on getting business and keep taking the people off the street, but it doesn't work that way."

The business side of Faithworks has pushed them into a situation where they need a certain level of skill and continuity of at least a portion of their workers. In some cases Faithworks has taken on more complicated jobs, such as shrink-wrapping, which requires people trained and skilled enough to run the machine. Overall, though, Faithworks has managed to keep most of its work simple. The demand for more productive workers comes mainly from their need to fulfill large contracts with quality work in a timely fashion. In order to do this, they need at least some workers who will come into work regularly, who work at a fast speed, who are able to adapt easily to the changing jobs, who communicate well with the supervisors, and who generally understand how the business works. The workers who come from "off the street" often do not have these qualities:

"A lot of the disadvantaged people their quality is not as good, their production is not as high, their attitudes are a lot worse."

The most extreme example of this difficulty is the workers who produce at such a low level that their wages must be subsidized to reach minimum wage. In these cases the business not only gets behind on its contract, but it actually loses money.

Many members of the board and staff recognize this problem, but it doesn't appear that a complete plan has been developed to address this issue. The current system seems to rely on slightly more skilled workers and an effort to "work in" the more disadvantaged workers as best as they can. In addition, they have begun to develop a system of "levels", classes of workers with different expectations regarding their work and different benefits available to them from the company. However there doesn't seem to be a clear description of how a worker might move from one level to another, whether these levels will be primarily filled by promoting from within, and how many workers they expect or desire at each level. A more explicit plan might recognize the need for more skilled workers but also ensure that the organization continues to work with more disadvantaged individuals as well.

- The seasonal nature of the work. Faithworks relies on contracts with other companies for their work, and they are looking for certain types of simple tasks that have not yet been mechanized. So far, much of the market for these types of services has been in light manufacturing and

advertising work that tends to occur primarily in the period leading up to the Christmas season. The months of January, February, and March have been slow periods since the founding of the organization. Even during other months, the unreliability of the contracting companies to provide supplies and the need to take on large jobs to expand the company often results in fluctuating needs for workers across certain days and weeks.

Meanwhile, Faithworks holds a special tax status as a religious non-profit organization and they are exempt from paying unemployment insurance. These tax exemptions contribute to the organization's ability to pay higher wages to their workers, but it also means that when work slows down employees lose their source of income (it is of course questionable how many employees would actually qualify for unemployment insurance if it were available). Several board members felt it was better for the organization not to have unemployment insurance anyway because it might undermine the work ethic they are trying to instill.

"Given the ups and downs would it have been better to be paying the unemployment insurance so that basically you'd be employing people year-round? That's a good question but we're also, rightly or wrongly, we're also very concerned about diminishing the work ethic we're trying to develop."

The unsteady nature of the work was by far the greatest complaint by the employees about the organization, particularly because many of the interviews took place during this slow period.

"I like to work but I just like a schedule. I've been looking [for other jobs]"

"Consistency is easier to manage, even if it's less money, consistent pay."

"On one level in my mind I understand you can't really tell what's coming in, there's a last-minute thing. But still you look forward to working and then it falls flat."

"Well, probably the not having work is a major issue. If we don't have work then we're not providing a service to anybody. And no matter how good you pay people for five or six months, if they're inexperienced at having a job and inexperienced with money, and inexperienced with a lot of things, they're not going to be experienced enough to save money for when there is no work."

"If we give a new applicant a job for one day, and they see people working but they're not working the next day, they're going to feel like they lost their job."

In addition to the hardships that the unsteady work places upon the employees, the seasonal nature of the work also causes huge stress and tension within the organization. Faithworks does not close during these slow periods, but rather maintains a slow trickle of work. The difficult issue is deciding which handful of employees get to work. This issue is highly emotionally charged for the employees, it is a matter of their livelihood, and they often don't see the issue in a rational manner. Countless employees told me almost the exact same story: "you know what makes me furious? It makes me really mad when they tell me that there is no work, but then I drive by or come in and I see that there are some people working" (composite story). Each person can't understand why he or she isn't the one to be picked each day for work. I asked several employees how they would deal with the situation of deciding who should get to work

during these slow periods. Their answers showed a tension between their understanding that it is a difficult situation and their focus on themselves and their right to be outraged.

"When work is slow, who should get the job? geez, that's a hard thing. I don't know, I guess most people would say the people who have been here the longest, I guess. I don't know. I guess that would be the fairest thing to do, but I don't know. That's hard thing. I say the people who are fastest, because I'm faster. Yeah that's got to be a hard call for them."

" I understand that they want the reliability and they're trying to be fair to everyone. And I'm not in that position. Now as far as my point of view, if it was me I'm going to get the job... I've seen people who haven't even been here a year, when they're telling me there's no work for me, but I see some of these people working on a regular basis it's like: what's going on here? I understand that maybe that guy is faster than me but it's still, it's insulting."

This situation is exacerbated by the fact that very few people seem to understand the system under which work is allocated. In the past, the system was quite simple; whoever showed up at the door first got the work. During this last year, though, Faithworks changed this system partly in response to its need for skilled workers. In December the supervisors and directors met and created a list of workers primarily based upon their reliability, productivity, and attitude, taking into consideration that some people could only work a limited number of hours a week but that they did so consistently. This list of workers was given priority for work during the slow period.

This new selection process created two new issues. The first issue was that very few people were clearly told or understood this new system. Each person I interviewed instead had in his or her own mind what he considered to be a fair system. Most people felt that seniority was the fairest system, while some felt that speed should be prioritized and others simply wanted a return to first-come first-served. Since this new system was not based on any one of these criteria, each person was able to tell me a story of a horrible injustice, as they saw people who had less seniority or who were slower (but perhaps more reliable) getting work before them.

The new selection process also touches once again on the tension of needing to hire better workers. By relying on the criteria of reliability, productivity, and attitude, this "A" list would include many of the most employable workers at Faithworks, people who could potentially find work with other employers. Meanwhile, the unreliable and less productive workers are the ones left to find other work. Faithworks therefore once again faces a tension between ensuring the future of the organization and achieving its current social goals.

The Faithworks board of directors is very aware of this problem of uneven work. As was mentioned earlier in the report. They have expended considerable effort in trying to smooth out the work throughout the year. However, they have not yet been able to achieve their goal.

If Faithworks is able to achieve its goal of consistent work, they may face a new problem. As one person commented, "once we get the consistency of work settled, our doors will be bulging with people wanting work." To date, Faithworks has made no effort to screen workers as they come in to assure that they are reaching their "target population." They have simply assumed that their location in the struggling census tracts and their open door policy would ensure that they reached the needy in the neighborhood. To date their assumptions seem to be correct. As Faithworks continues to improve its working conditions, though, their jobs are

looking better and better compared to other options in the region. Recently a number of workers on strike from Bath Iron Works came to work at Faithworks, and a few of them actually considered staying at Faithworks instead of returning to their jobs. Their skills allowed them to make quite a bit of money and they appreciated the flexibility. This event caused quite a range of feelings among the people I interviewed. While this situation may aid the organization in hiring needed skilled workers, they may find themselves overwhelmed by applicants with no real barrier to work. They may need to turn to some sort of process to ensure that they continue to hire the "unemployable" as well the higher skilled workers.

- The ups and downs of the piecework system

Probably the most unique aspect of Faithworks is its use of a piece-rate compensation system. The traditional stereotype of a piece-rate system is one of exploitation and low wages. On farms, in factories, and even in the shoe shops in Lewiston piece-rate wages have often been seen as a system used to drive workers to exhaustion in exchange for poverty wages. Faithworks has taken this often-negative model of work and turned it into a new opportunity to improve the lives of local residents.

The piece-rate system is a central and indispensable aspect of Faithworks. As mentioned before, the piece-rate system helps Faithworks achieve its goals of hiring all workers and providing flexibility in work hours. Workers are mostly paid by their productivity, and so they don't have to worry as much about monitoring workers to ensure effort or regulating their hours. In addition, Faithworks' quite generous piecework rates provide a positive work incentive for the employees. Many of the people I interviewed mentioned this aspect of the piecework system:

"I tell them that you can make money but you've really got to work for it. I mean you can't just sit around and do nothing and expect to get paid money. It's good if you're fast and bust it out."

Despite these positive aspects of the piecework system, it is important to recognize that adopting Faithwork's system also brings certain challenges. Faithworks runs its business by contracting with other companies to undertake specific projects. These projects are often jobs that are unusual or sporadic so that the contracting company has no incentive to develop capacity for the work in-house. The jobs at Faithworks, therefore, are quite varied and constantly changing. As with any company, Faithworks is faced with the often-difficult task of pricing these contracts. In addition to pricing these contracts to the outside buyer, though, they also have to set a piece rate for each job. This task is very difficult and often Faithworks does not announce the final piece rate for the job until after it has been completed. This difficulty in setting the prices caused quite a bit of resentment, suspicion, and frustration among the workers I interviewed. They were annoyed that they didn't know how much they were going to make until after they had worked. If someone gave an estimate of the rate ahead of time, they were furious when the final rate was lower and were suspicious of manipulation or even foul play.

"I mean any piecework job that you know they have certain quotas already set before you start working on it. And you know what is expected of you to make six dollars an hour, or you have to have a base that gives somebody the incentive to do it."

On the other hand, knowing the price of a job ahead of time also causes problems because the jobs are not always evenly priced. The employees find out the rate on some of the projects that continue for a long time or that are done repeatedly. Certain jobs become known as

good or bad jobs if they pay unusually high or low. Employees resent when they are not selected for the good job and, according to several people I interviewed, some people simply leave for the day if they are not assigned the job they want.

- **Summary.** The fact that Faithworks is a competitive business provides many advantages. In particular, the organization is perfect example of the politically popular private social service organization. Instead of using government money, Faithworks is able to rely primarily upon revenues earned within the competitive market to sustain its own operations. This market-based position, however, also comes with a price. The business needs of the organization can pull the organization in new, unexpected, and sometimes-problematic directions.

Long-term versus Transitional Roles

Early on in this study, an issue emerged which seemed to be a central concern about Faithworks: was the program a transitional or permanent service to its workers? The traditional social service model is a transitional and temporary one. A job-training program usually provides training for a certain amount of time and then is expected to move the trainees into the mainstream labor market. Faithworks in many ways emerged in reaction to that type of program, recognizing that a short-term approach was not going to address the needs of many of the people they were trying to help. At the same time, the program was still envisioned to be a transitional program, a stepping-stone to mainstream work.

"When we first started out the model was: we take people off the street, we put them to work, and then they go on. You know, we trained them. These people don't have work habits, they don't have this, they don't have that, we're going to give them that. We'll give them experience here on the job and our ideal is realized when they leave us and mainstream into the workplace."

Many of the people I interviewed, though, recognized that as Faithworks has evolved it has begun to move away from this transitional model. Faithworks was becoming a much more long term service than many people had imagined.

"We may have started out with the stated goal of being a transitional institution, but that's not the way it's working out."

The reaction to this situation ranged from disapproval, to discomfort, to happy acceptance of this new direction. A clear consensus did not emerge regarding the proper course of action.

It appears to me, now, that part of the lack of consensus about this issue comes from the fact that Faithworks is a much more complex organization than a simple job training program. It has a wider diversity of people and a wider diversity of opportunities. It is quite reasonable, therefore, for Faithworks to have multiple goals.

In addition, trying to talk about an overall goal mixes issues about who Faithworks should be serving with what kinds of opportunities it should be providing. In this section, therefore, I hope to provide a framework for breaking these various aspects apart and then considering how they interrelate. I will look first at the types of populations Faithworks may serve, and then at the types of opportunities Faithworks may provide within the organization. Finally, I will consider the possibility and/or need to move people out of the organization. My goal is not to evaluate and choose the best options, but rather to lay out a framework in which the various possibilities and trade-offs may be more clearly recognized.

Serving Multiple Populations

A typical job-training program has a well-defined target population, a specific group of individuals who qualify for its services. Faithworks, on the other hand, works with a wide range of people and issues. Its ability to work with this diverse population is one of the organization's greatest strengths, and yet the diversity of needs and circumstances can pull the organization in numerous directions. To date, Faithworks' main approach to dealing with this diversity has been to work individually with each person and "meet them where they are at." As the organization has grown, though, its ability to provide this individualized attention has diminished somewhat. More problematic is the fact that this focus on the individual can mask the reality that at times choosing to help one set of individuals in one way may mean that other individuals are not as well served. It may be helpful, therefore, to look more broadly at groups of individuals, how their needs may best be served, and trade-offs that may occur in helping one group versus another. I am not advocating that Faithworks should abandon the individualized approach or that they should decide to serve only one group of people. However it seems important to recognize that the organization is already making decisions that implicitly favor some groups over others. I believe it is important, therefore, to make these decisions more explicit and to set overall goals and priorities to make sure that these decisions are consistent with the desired mission of the organization. For the rest of this section I provide my own rough grouping of Faithworks employees as demonstration of how this process might work.

- **Workers with very low productivity.** Workers with very low productivity levels provide a special challenge to Faithworks as a business. As mentioned earlier, extremely low productivity workers are in fact subsidized to attain minimum wage and therefore the business can only support a limited number of these workers. An additional consideration with this group of workers, perhaps forming subgroups, is whether they are simply slow at piecework and might be successful in other types of work or whether they have a handicap or barrier that would limit them in any work. These workers may also vary in their attitudes and reliability.

- **Workers with highly unstable work hours.** Many workers at Faithworks cycle in and out of the organization and may work very sporadic hours throughout a week. They may have serious issues in their lives, substance abuse problems, or simply a poor work ethic. They may actually be quite productive workers when they appear, but cannot be relied upon to come every day. This group may be further separated into individuals who seem to have some promise for improvement if given an opportunity and those who seem more permanently caught in their situations.

- **Workers with stable work and reasonable (or better) productivity, but other barriers.** There are a small but substantial number of people who have become regular and steady workers at Faithworks. For some of these people, Faithworks is the only place where they are able to achieve this position. The flexible work hours are often the key to their situation. For members of the previous group, the flexibility at Faithworks means that they can have wildly fluctuating hours and still have an opportunity to work. For this current group of employees, though, the flexible hours mean that they won't be fired if they are hospitalized for their chronic health problems one week or if their child suddenly becomes ill. In addition, the flexibility means many mothers can set their own hours around school schedules and the occasional teacher's meeting. Overall, though, these employees treat their work at Faithworks as a regular job, although perhaps part-time, with regular hours.

“I make sure that I am here every day. I don't want them to think that we're goof off people. I keep in my mind that, yeah they are very flexible, you can come and leave any time that you want. But on my mind I keep it, this is a job I'm going to be at every single day.”

This group of workers would probably also include older women such as those who used to work in the shoe shops. These women are often old enough to receive Social Security, and Faithworks serves as a source of additional income and provides them with a meaningful activity in their lives.

- **Workers who have developed to the point where they could probably succeed in the mainstream labor market.** Several of the other steady and productive workers at Faithworks are people who do not face too many barriers to traditional work. This group of people may have started at Faithworks with specific issues or barriers that they have been able to get under control.

- **Workers with no visible barriers.** It is often assumed that anyone who works at Faithworks has some sort of barrier to regular employment. This is not always the case, the most extreme example being the strikers from Bath Iron Works. Other people simply come because they heard you could make decent money. As mentioned before, this group of people may apply to Faithworks in increasing numbers as the organization improves the quality of its jobs. Finally, this group may include individuals, including supervisors, who are actively recruited into the organization to fulfill the need for skilled workers.

This grouping of workers, although probably incomplete, demonstrates the wide range of individuals present at Faithworks. While Faithworks has already shown that it is possible to help such a diverse group of people, it is also true that the organization cannot be everything for everybody. Certain groups will end up getting priority, either explicitly or implicitly. Deciding on these priorities may be one of the most difficult tasks facing the organization. During my interviews I heard a wide range of possible criteria for setting priorities including the need to maintain those who will never be able to support themselves, giving priority to those who Faithworks has the most potential to help, providing opportunities for those with the fewest options in the mainstream labor market, and the need to recognize the priorities as dictated by the business side of the model. Choosing which priorities to follow and which groups to focus on doesn't necessarily mean that Faithworks should stop helping members of the other groups or that they need to start screening their applicants. Recognizing these priorities, though, would help in structuring the types of opportunities that the organization provides to its employees.

Opportunities within the organization

Perhaps the most important aspect of the social enterprise model is its reliance on a business model to provide employment positions for the social mission. In one way this reliance on the business model provides a greater range of positions and opportunities than other types of programs. The social enterprise is not simply a uniform training program, but rather offers a range of positions and opportunities for employees. At the same time, as discussed earlier, the business needs often dictate the types of opportunities that are available. The purpose of this section of the report, therefore, is to look at the different types of positions that are currently created within Faithworks. The next section will consider whether or not these positions should be transitional or permanent.

In many ways there is a natural mapping between the types of individuals working at Faithworks listed above and the types of opportunities provided at Faithworks that I am about to

list. At the same time, separating these two concepts and looking at how they are mapped onto each other allows us to understand more clearly how the current structure works, how different types of people might move through system, the trade-offs in helping different groups, how the opportunities are structured, and alternatives that are possible within the system.

I also believe it is important to recognize that the structure of these positions is not completely dictated by the business side of the organization. Not only is there considerable room for alternatives within the business requirements, but the business itself can be adapted to the social needs of the organization. The specific structure of Faithworks as a piecework operation, after all, was originally adopted because it fit well with the social needs of the organization and not just because it was a great business idea. The future of Faithworks is equally adaptable to the needs of the social mission. We should therefore not only be asking how much the future growth of the business will affect the types of positions Faithworks can use for its social mission, but also how Faithworks' social mission can inform decisions about future growth. With these possibilities in mind, the remainder of this section provides my rough assessment of positions at Faithworks.

- **Temporary positions.** Even if Faithworks manages to smooth out much of the fluctuation in workloads over the year, it seems quite likely that they will continue to need at least some employees on a very temporary basis. If a large contract comes in they may need to have a reserve of people on which they can call to help out in these situations. In fact this ability to handle sudden surges in demand may be an important tool in gaining contracts. Therefore, while Faithworks' effort to build up continuous work may be critical, it is also important to recognize that this class of positions may always exist, although perhaps at a smaller size (one could argue that currently a majority of positions at Faithworks fall into this category).

These positions do pose a challenge to Faithworks' social mission. Even if much of this work could be done by people who would be sporadic workers anyway, involuntary rather than voluntary unemployment can cause a lot of tensions, as documented earlier in the paper.

Several employees I interviewed suggested that this situation could be ameliorated partially by making the temporary nature of the employment very clear, and even billing it as an opportunity to improve one's situation and make use of the services.

“Well, I think that when we advertise certain jobs, I think that we should be very straight forward with these people saying, well, we'll have the work for a couple of months but after that there's a good possibility that we won't have work. That would mitigate a lot of the problems that we just went over. You know, they would actually know, they would expect it to end. They would say okay this job is done and now what? They would have an idea. So you have a month to work and set yourself up for another job.”

- **Steady floor production positions.** If the contracts do become more continuous and regularly scheduled throughout the year, then an increasing number of positions available at Faithworks may become steady positions doing the bulk of production work for the contracts. Simply because these positions are available on a more steady basis, though, doesn't mean that they have to be turned into full time or permanent positions. The steady nature of these positions simply means that Faithworks will be able to rely on a certain number of positions always being available and they may allocate these positions as they see fit. Some of these positions could be turned into permanent employment for a single worker, while on the other extreme some of these positions could be allocated to more sporadic workers, figuring for instance that 100 sporadic

workers will naturally create a rather consistent equivalent to 20 full time workers (purely hypothetical numbers).

- **Specialized positions.** In addition to the general production workers, the business side of Faithworks requires certain more specialized and skilled positions. These positions may include: inspectors, running the shrink wrap machine, other more skilled tasks, shipping and receiving, etc. Some of these skills may be found within the organization while others may require outside hiring. The size of this group and the particular types of skills needed depends somewhat on the types of contracts involved.

- **Supervisors.** The top positions in the organization are the supervisory positions and other management positions. In terms of structuring opportunity, a key question is the extent to which supervisors could be promoted from within versus hired from outside the organization.

Should there be a transitional element?

As the types of workers and the types of positions within Faithworks mapped together, the answer to the question of transitional versus permanent employment may become clearer. In evaluating this issue, two questions seem to be good starting points: how good are Faithworks jobs and what other opportunities exist outside of Faithworks to transition into?

- **The quality of Faithworks jobs.** In assessing the quality of jobs at Faithworks, it is important to consider each type of job separately. This point may seem quite obvious, but even within my own interviews I failed to make that distinction. When people spoke about an individual staying permanently at Faithworks, it was not clear in exactly what capacity they pictured that person working.

There seems to be a general consensus that the supervisor positions are high quality jobs that offer quite promising opportunities for individuals to work at Faithworks permanently. Other people I interviewed, though, discussed problems with the general production work positions as long-term employment options. The first complaint, of course, was the unsteady nature of many of the current positions. Even if more steady production positions were created, though, employees I interviewed pointed out some difficulties with these basic production positions as long-term job options. While Faithworks' highly paid piecework system provides good incentives to work and terrific short-term opportunities, a piecework system does not really allow for increasing wages over time. A worker may improve his or her speed and efficiency over time to some extent, but it is also taxing work. Several employees I interviewed pointed to aspects of this problem and the need for workers to move on to better jobs.

"I mean they may be doing really well with piecework but, I don't know, I don't just see it is being that fair that they should have to continue to work at that ridiculous pace all the time to make ends meet."

"I wouldn't like to see anyone get stuck working here. Because like, you can't prosper here, you just have to do the work they have here every day, and there's no up. Not really. You can become a supervisor, that's up, but that's hard to do."

A key point in evaluating the value of providing long-term job opportunities to Faithworks employees, therefore, is to consider which types of positions provide good and bad long-term opportunities, and which people and how many people will have the opportunity to reach the more promising positions within the organization.

- **The quality of jobs available in Lewiston.** Even if these jobs at Faithworks are not perfect, though, they may be better than other options available in Lewiston for these employees. There seems to be some support for this view. It is also important to recognize that the extent of outside opportunities varies by the individual. Their own work histories, education levels, and life situations may limit the opportunities available to them. For instance, several of the people I interviewed advocated long-term job opportunities for mothers who relied on the flexibility at Faithworks that would be hard to find at any other position.

I asked each employee I interviewed what kinds of jobs might be out there for Faithworks employees, what kinds of jobs they might apply for if they had to leave Faithworks. While opinions regarding the local labor market varied, the overall picture was not a particularly positive one.

"There ain't much, there's not much. Honest to God there is nothing."

"Most of the jobs that are advertised in Lewiston are factories. And most of them are closing down. That's about all really I know. I think if this place wasn't here a lot of people would just be unemployed. There's a lot of places out here that don't pay a lot more than minimum wage: restaurants, even factories. It's a pretty economically depressed area."

"Most of the jobs today in this area are computer skills, more high-tech things or stuff that you really have to have education or be able to take courses in. Other than working in Wal-Mart, or grocery stores, or fast food restaurants."

Many of the jobs interviewees listed involved working in food service or as a cashier. Telemarketing was probably the most promising and widely known job option, but several people had a real dislike for the work.

"There are telemarketers, which, I'm sorry, I would probably stab myself in the eye before I had to do that."

Another popular option was Labor Ready, a temporary help agency next door to Faithworks which pays people on the day that they work. Several people from Faithworks turned to Labor Ready during the slow period because it was somewhat more stable, but it was often very physically demanding.

"They had me shoveling roofs. I'm 40 years old, please. I'm afraid of heights...They put me right on the edge...Monday they sent me to a potato farm in New Hampshire. With no facilities, they were all frozen, they told me to go in the back of the building. It was so cold, and by the time I left my back hurt so much..."

A few of the workers I interviewed seemed to have connections to better jobs, mainly factory jobs that offered benefits, steady work, and starting pay between eight and ten dollars an hour. Many of these better-paying jobs, though, required rotating or second shifts.

This analysis of the quality of jobs within and outside the organization is not necessarily a novel concept. In fact, one would hope that each individual working at Faithworks would be able to make this assessment and decide for his or herself whether the better opportunities lie within or outside of the organization. There may be some difficulties that arise, though, from relying on each individual to make this decision.

- **How many positions are available?** There is little doubt that the supervisor positions at Faithworks are pretty good jobs. At the time of this study, though, there were only seven supervisor positions at Faithworks, and several of them were hired from outside of the organization. Beyond the supervisors, there may be an expanding group of specialized and steady floor production positions available. It is unclear, though, how many of these types of positions will be created. It seems quite possible, therefore, that while many individuals might decide that they would like to stay at the organization, Faithworks may not be able to provide opportunities for all of these individuals. As Faithworks improves the quality of their jobs by providing benefits and smoothing out the work schedule, the desire to stay in these positions may become even stronger.

Looking at traditional social service agencies, one of the reasons why these programs only offer transitional services is that this policy allows them to serve a much larger number of people. The model at the other end of the extreme, providing long-term employment to all individuals (more of a traditional business model), would concentrate resources on a much smaller group of individuals, with opportunities to help new people only coming out of natural turnover (which itself depends on the quality of the jobs) and growth. A final factor, therefore, is the number of disadvantaged individuals in the Lewiston area that Faithworks might serve. It is possible that the natural turnover and growth in the organization will in itself provide an adequate number of opportunities to serve this population. If this is not the case, though, the decision to provide long-term employment to one individual may also mean a decision to not to provide opportunities to others.

- **Are people getting stuck?** A second concern is whether people are staying at Faithworks even when it would be better for them to move into the traditional labor market. Faithworks provides a very supportive atmosphere and good wages. While it might make sense for an individual to move on from Faithworks, the process may be more difficult than it first appears. First of all, while some people recognize the fact that there may not be a prospect of a career for them within Faithworks, the good money that they are earning from the piecework may distract them from other long-term goals.

"Would you say that Faithworks has changed your goals at all? A little bit. It's kind of stopped them for a second, for a little bit. You know I was planning to go to college but I came to work and I figured I would wait before I started."

In addition, some workers may become attached to the comfortable atmosphere at Faithworks and the friends they have made.

"Everyone's getting stuck here, they've worked here since it's opened and they don't want to work anywhere else, this is where they want to be, and that's not so good."

"Like any of us, at any given site, we form connections with our co-workers. And it's no different at Faithworks. So maybe someone had issues where they couldn't get mainstream work, couldn't get a traditional job or a normal job."

They come to Faithworks thinking that maybe they can earn some money and maybe get back into the workplace. But all of a sudden now there's a whole group of them that are friends, just like any other workplace."

"It's very difficult for them to take that next step, to take that risk."

Finally, even if an individual decides she is ready to leave, she might not know how to proceed. She may not know about specific job opportunities, or she may not have the skills to navigate the hiring and initial employment process, even if she has the actual skills to perform the work.

"We had two people at Faithworks that went to [an employer] to see if they could work. And I knew these two people personally, they were tremendously hard workers, showed up 6:30, 6:00 in the morning. Did what they were told, asked the appropriate questions, did all the things right. They went to the other site and they weren't even considered for interviews.... These two people didn't get the job because they weren't dressed appropriately, they didn't interview well, I think those were the two big reasons. "

Faithworks has already made considerable efforts to support the transition of workers to other jobs or career paths. Originally the process was a rather informal one. The staff at Faithworks tried to help individuals develop and pursue their goals as part of their daily interaction in the workplace. Today more formal efforts have been established through the services offered at the organization. In addition to the general education and life skills courses, the education and resource coordinators are beginning to address this issue specifically through efforts such as coaching on interview skills and referrals to job centers.

To date, though, most of these efforts have been on a very individual basis. There is a huge value in working with people individually and it is a program that should be maintained and expanded. The problem with this system, though, is that these efforts often go unnoticed. It is possible that hundreds of people have left Faithworks and moved on to a better life, but many of the people who work at Faithworks don't seem to notice. Very few of the employees I interviewed described Faithworks as the place where you can realize your dreams. Many of them just see it as a place where they can earn money. As a result many of them don't have clear goals for the future or ideas of good jobs to strive towards. It seems, therefore, that there might be a role within Faithworks for a more formal training program as an option for the employees. A training program with a clear job at the end, even if it only served a small number of people, might help people visualize more clearly possibilities for the future and understand the opportunities Faithworks might provide.

- **Should Faithworks be actively developing job opportunities?** A final question is whether Faithworks could take a more active role in identifying and developing outside job opportunities for its employees. Faithworks might use some of its business connections to find permanent positions for its employees at contracting companies. In general the actual work skills that Faithworks employees gain are rather limited by the simple manual nature of the work. The workers do, however, gain exposure to the products and processes of a number of local companies and may in that extent have some skills that might be valuable to these firms. Two employees I interviewed brought up this possibility.

"A lot of places are really hard to get into because you don't know the right people. So people [management at Faithworks] in their kind of position might

have more power than somebody just coming off the street and asking for a job. A lot of places don't even look at you."

"Like [company A], I mean we get a lot of work from there. But do they hire people off the streets? Or even with [company B]. I think if we had some kind of program that we worked people into being able to go to say [company B] and get a full-time job, that would be good...If we showed, if we have some kind of relationship with them to say: hey, I really have someone who's looking for full-time employment. Can I send them over or are you interested in hiring on? So that we're moving people on to better, something that can be guaranteed I would have to say."

This type idea was also incorporated into a larger grant proposal by an outside individual which to date has not been funded.

Summary

The question of whether or not Faithworks should be providing transitional or permanent jobs is not a question with a single answer. The business model itself obviously requires a certain number of permanent employees. In addition, certain employees seem to be in situations where it may be unfair to expect them to move into the mainstream labor market. At the same time, it should be recognized that providing these types of permanent positions might involve trade-offs and the prioritizing of some groups over others. In the end, Faithworks may want to look ways in which it can actively promote quality job opportunities both within and outside of the organization.

Conclusions

Faithworks is a unique and promising model to serve some of the "hardest to serve" populations. Their open employment policy, flexible hours, and supportive atmosphere have helped them make a positive impact upon the lives of many area residents. Yet this unique model also comes with its own difficulties and tensions. Using the model of a competitive business means that the pressures to survive in the marketplace are often pulling against the social mission. In addition, the types of contracts that work well for the organization, simple tasks amenable to a piece-rate system, are also the cause of the problem of unsteady work.

These difficulties do not mean at all that Faithworks is not a successful organization. All organizations face difficulties of one sort or another and part of the interest in looking at Faithworks is the opportunity to see what kinds of issues arise with this very unusual model. Many of these issues are being addressed by the organization, or are being accepted by the organization as inevitable tensions that they must learn to live with. As some of these issues are solved, new ones will inevitably arise.

At the same time, Faithworks may be at a central point in its development. This past year marks the first time the organization was able to create some surplus money. After many years of scrambling to keep their business together they seem to have finally reached a point where they can take a moment to stand back, survey their current situation, and plan for the future. The goals of the social mission can now be assessed with equal importance to the business needs. As the organization assesses its situation and plans for future growth, I am confident that they will find ways to both move into the future and yet stay true to their original visions.

Further Research

Faithworks is a fascinating organization that deserves future attention and study. In addition to continuing to document the progress of the organization, numerous other areas of investigation would be warranted. It is my understanding that the Harvard Business School is developing a case study of Faithworks, a project that would be a useful compliment to the social focus of this report. In addition, I see two ways in which research on the social side of Faithworks could be expanded. The first approach would be to conduct a study that follows a number of the Faithworks employees over time, documenting the progress of these individuals and how Faithworks may have an impact upon their lives. A second approach would be to situate Faithworks within the growing field of social enterprises, conducting a series of comparative case studies of organizations that share the dual social and business goals. Both of these studies would provide greater insight into the Faithworks model and ways in which this model could be improved and expanded.

ATTACHMENT 3: Firm Study Final Report

**Coastal Enterprises, Inc.
Low-Income Longitudinal Study:
Firm Study Report**

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May 10, 2002

Introduction

This is a study of a small number of firms that were financed, in part, by Coastal Enterprises, Inc. (CEI). We interviewed key personnel of the firms regarding various aspects of their human resource procedures and policies over recent years, e.g., hiring, firing, and compensation. In particular we sought their views with respect to their interactions with CEI as part of their Employment Training Agreement (ETAG) and how these may have affected their human resource processes.

This study is part of CEI's Low-Income Longitudinal Study Project, funded by the Ford Foundation. That project seeks to monitor the status of people with low incomes and public assistance recipients who CEI has helped placed in jobs through their financing and targeted opportunities programs. The project is collecting earnings data on 2,000 employees placed in CEI-financed companies to determine changes in income. In addition, personal interviews were conducted with 475 participants after placement in CEI firms to determine household income, assets, quality of employment, support services, and self-sufficiency from public assistance. These results will be compared with the participants' characteristics, the types of programs they participated in, and the types of firms in which they were placed. CEI will use the results in its strategic planning and future programming and will disseminate the results to the public.

This study of fourteen firms helps to provide a partial picture of the sorts of work environments these employees experienced. It also yields employer perceptions of how onerous or beneficial the execution of the ETAGs has been. Obtaining general information on the changing context in which the firms operated may also help to understand why they respond to the ETAG requirements and the help provided by CEI staff as part of the ETAG process.

The timing of the study presented both challenges and opportunities. The interviews were conducted at the tail end of a prolonged period of extremely tight labor markets. A handful of the firms were beginning to see a slackening of their labor pools while others continued to have difficulties finding people to hire. Conducting the interviews during this period provided some insights into how firms respond to changes in the labor market and how changes in the economy affect different industries at different times. On the other hand, the timing of the interviews also posed some difficulties. Many of the firms had done very little hiring over the last year, either because of the slowing economy or because of the tight labor market, making it difficult to talk about their hiring processes. In addition, the experience of these firms with the ETAG process occurred mostly during the tight labor market period. The ETAG process was rather difficult to implement during this period, since even the social service agencies had very few individuals to place into jobs. This study, therefore, reflects the ETAG under its most challenging conditions.

The interviews

Between July and October of 2001 fourteen organizations were interviewed for this study. The interviews were conducted with a person in the company who was familiar with CEI and involved in the human resource functions of the organization. Typical positions of the interviewees included: president, director of human resources, general manager, and business manager. The interviews were semi-structured, with a fixed set of topics and questions, but questions were generally open-ended and allowed the interviewees to speak about their experiences. The interviews lasted between 45 and 90 minutes. The organizations were selected to represent a range of industries: two high-tech manufacturing

firms, three more general manufacturing companies, a telecommunications refurbishing and installation company, two biotechnology firms, an automotive towing and repair company, a health care and group home provider, a childcare center, a telephone call center, a boat building and repair company, and a publisher. Most of the companies were very small. Only three companies had over 50 employees: a high tech manufacturer (55 employees), the call center (100), and the health care provider (208 within the division).

This report is structured around the format of the interview itself. The table of contents below gives a sense of the topics and the page numbers where they can be found:

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Current state of the firm

We asked the interviewees to briefly tell us how their firm was doing. Categorizing these answers into three groups, five firms said that they were doing fine, four firms said they were doing quite well or expanding, and five firms reported some sort of difficulties or contraction.

Given that the interviews were spread over a period of several months, we thought perhaps the range in responses might be related to the period at which they were interviewed. Upon closer analysis, however, that did not seem to be the case. If there was any pattern to the responses, it seemed to be more tied to the industry of the organization. The five firms reporting difficulties or contractions included the two high tech manufacturing companies that were feeling the impact of the nationwide decline in technology industries. Both of these firms had felt this effect as early as the year before and thought that things might be picking up again soon. One of the biotechnology firms had also felt the impact of the declining economy. This firm makes kits that test for environmental hazards, for instance at new construction sites. They felt that discretionary funds for new projects at companies had decreased, reducing the need for their products. They had also been hurt by the federal government's relaxation of environmental standards. The problems of the childcare center were less directly related to the economy. As a non-profit organization providing high quality childcare, they were in need of grants to subsidize their operations and so far have been unable to find funding sources. The firm was also somewhat affected by the economy because as the unemployment rate has gone up the need for childcare has declined. Finally, the boat yard reported problems that had little to do with their ability to find enough business. Instead they reported difficulties in finding enough reliable and skilled workers to keep their business running.

The organizations reporting doing particularly well did not follow any distinct pattern or reason for success. These companies included the call center, the other biotechnology center, a manufacturer of automotive parts, and a manufacturer of custom windows.

Job structure, mobility, and shifts

In each interview we asked the respondent to break down the positions in their organization into three groups: unskilled, semi-skilled, and skilled. The unskilled positions were defined as jobs that required little or no previous experience, skill, or education. Semi-skilled positions required some previous experience or moderate amounts of education or specialized skill. Finally, skilled positions were described as jobs that required more significant training, specialized skills, experience, certification, or education.

The structure of jobs in these organizations varied widely. A handful of the organizations had no or very few unskilled positions. These firms included the biotech firms and the publishing company. These companies generally relied on highly educated workers with specialized skills and experience. Another distinction between the companies was the extent to which there was mobility between the positions. Some of the organizations had very distinct breaks between the different levels of workers. For instance the towing and auto repair company had unskilled office positions but then the next level of workers were mechanics and wrecker drivers who needed specific experience and licenses. Similarly, the childcare center had unskilled assistant teacher positions but required all lead teachers to have a college degree. One of the biotech companies had a semi-skilled position of animal care technician but then required a college degree in biology or immunology for all other

positions. Many of the other firms we interviewed, though, allowed for considerable mobility. A number of these companies were manufacturing firms that made rather specialized products. They relied heavily on promotion from within because knowledge of their particular production process was more important than outside education or skills.

In this section we also asked about the shift structure of these positions. Almost all of the firms had a single daytime shift. Most of them allowed for some flexibility in the exact time of the shift. The exceptions were the health care provider and call center, which had shifts around the clock, and one of the high tech companies that had an evening shift.

Recruitment and hiring

Changes in the labor pool

We asked each respondent whether the labor pool currently available to their firm had changed compared to three years ago and compared to six months ago. This question proved to be somewhat difficult because of the timing of the interviews right at the beginning of a recession. Overall, though, the respondents spoke of a very tight labor pool over the last several years that was just beginning to loosen up. The experience with the loosening labor pool varied considerably, with some companies receiving an increased number of applicants as early as March, some companies anticipating an increase in applicants as their local competitors have recently had layoffs, and some companies not yet seeing a loosening of the labor market.

We asked the respondents whether they had changed their recruiting and hiring practices when the labor market was very tight. A small number of companies did not change their practices much at all, but most of the companies reported expanding their recruitment methods, including some approaches that they had never tried before: they ran ads for a longer period of time, went to job fairs, put ads in newspapers throughout the state and as far away as Boston, posted ads on the web, and ran ads on the radio. In addition, two companies reported lowering their hiring criteria. The call center usually puts a lot of qualifiers in their newspaper ads because otherwise they get overwhelmed with applicants. During the tight labor market, however, they removed many of those qualifiers. Meanwhile, one of the hi-tech firms was trying to expand rapidly during the tight economy. They felt that they probably were less picky about who they hired in order to get the number of people they needed.

Recruitment methods

We asked about the firms' most effective recruitment method. Generally word of mouth and newspaper ads were the most popular recruitment methods. A handful of the companies also listed CEI as one of their more effective recruiting tools.

Drug tests and criminal record checks

Only one company, the towing and repair company, conducts drug tests of their applicants and workers. The wrecker drivers are required to do the tests in order to drive across state lines. The towing and repair company also does a driving record test of anyone who will drive vehicles. Three companies do criminal record checks: the childcare center, the health care provider, and the high tech firm (in order to bond their inventory workers).

Challenges in recruitment

We asked the respondents about their biggest challenges in recruiting applicants. These responses varied considerably. Some people cited difficulties just finding anybody at all in this tight labor market. Others spoke about finding people with the right attitude and fit for their company. The evaluation and screening process was difficult and time consuming for one company. Another company has difficulties keeping the people they hire. The childcare company had difficulty attracting good applicants because they can't be as competitive in pay. Finally, a few of the manufacturing companies cited difficulties in finding young people who are interested in pursuing a career in the trades.

It seems like now the next generation coming out of high school and not going onto college, there's some stigma about going into the trades. And I don't understand it, but all of the media hype of the kid sitting in the cubicle drinking a Mountain Dew coming up with an idea and selling it for a million dollars. You'll never get that here. You'll get a raise and you'll get a little more, and a little more, and a little more. But that quantum leap will never happen here. So I think that has a lot to do with it. The fact that the technology industry is so alluring to a kid that it's almost impossible. The average age of a woodworker is 47 years old now...there's just nobody coming up the ranks.

Hiring criteria

While the companies varied considerably in the positions they were looking to fill and the skills they required, there was a remarkable amount of agreement in the types of workers they were looking for. Attitude and a willingness to learn were prominent factors for almost every company, particularly for the less skilled positions. Similarly, many people cited reliability, interpersonal skills, competence, independence, flexibility, intelligence, honesty, and integrity.

As the old saying goes, we look to see if the lights are on and if so we help them learn what we do.

We really try to pay attention for people who are sharp, their eyes are lit, you know there's someone home inside. Those are crude terms, but you can tell if people are eager and looking.

I find it very difficult to hire employees who can think and walk at the same time. I place a premium on that. If you can't think on your own I don't want you working on your own behind my back.

The two human services companies, childcare and healthcare, also emphasized warm, caring personalities and good role modeling. Of course, skills also play an important role for some positions, and manual dexterity is important for a number of jobs requiring manual tasks. Only one firm, however, actually tests the skills of its applicants.

Attracting new employees

The respondents were asked whether they had made any changes in their organization in order to attract new employees. Seven of the companies said they had made no significant changes in order to attract new employees. Four companies increased their pay. Increasing pay did have some ramifications because they had to raise the pay of all other workers and one firm cited raising their product price as a result. Six companies spoke about improving their benefit structure, partially with an eye towards making their firms more attractive to applicants. Finally, two organizations improved their working conditions, one adding a new support person and the other creating a compressed workweek.

CEI's role in recruitment and hiring

Eight of the fourteen companies said that CEI has played a role in their recruitment and hiring functions. The other six companies spoke about sending job postings to CEI but without a significant result. The extremely tight labor market was a major issue in these cases. Positions with any specific skill requirements were particularly difficult to fill under these conditions.

Has CEI played a role in your recruitment and hiring functions? They have and they haven't. They've tried desperately hard and they have not had any more luck than we have, to be quite honest. The pool that they are drawing from is smaller than probably the pool we are drawing from.

Ever since I came down here, there has been virtually no unemployment in the county. Which means that the people who you get sent from state agencies or private groups, there is something funny about them....So I don't fault CEI's programs and what they are doing. I think there has been an unreal employment situation around here.

Four of the companies did cite CEI's role, but in a limited capacity. They had perhaps hired a few people through CEI channels.

As a component of our contract with CEI we are obligated to let them know when we have openings and we try to be consistent with that. And not always, but on occasion, they have fielded people that we have hired.

The remaining four companies made extensive use of CEI contacts as part of their recruitment and hiring functions.

CEI is kind of a pooling source. They've been a centralized location for tapping multiple state and local agencies for hiring people off of government assistance or displaced workers. It's simplified it a lot, by going to them it's like knocking on, you know the equivalent of going to half a dozen places...And again they pay special attention, they've taken care and attention to listen to what we are looking for. They bring quality people to us to interview. So they cut down our work. And they take the time to get to know us and know our style and what we are looking for.

Money spent on recruitment

Most respondents found it difficult to give a completely accurate number for the dollar amount spent on recruitment and hiring. The range was generally \$500 to \$5,000 dollars. They were asked to break down the numbers by type of position, but very few were able to do that. In general the cost per hire was more expensive for the more skilled employees, but the firms often had more openings among the less skilled workers. These numbers also usually reflect just direct costs, putting the ad in the paper, etc. One company estimated another \$20,000 to \$40,000 worth of staff time was spent recruiting, interviewing and hiring.

Retention and turnover

Worker's barriers to employment

The respondents were asked what they perceive to be the current labor pool's greatest barriers to retaining employment. Responses included: attitude ("they just butt heads"), people get burnt out or aren't really interested in the work, transportation, drinking and drug problems, lack of patience, and childcare. Attitudes are probably the most common answer.

Every employer will tell you the same thing: that there's an attitude problem out there, that they expect to be given everything.

Patience. Some people just don't stick it out long enough. If you look at resumes of people who have had 8 jobs in 8 years, they don't give it enough chance. And patience is also adjusting to the work environment that you decided you would work with, the company's management style, philosophies. Some people just get a little too testy. Yet people will leave, and come back in a year because they left too quick. And those are people who leave without a plan. I don't like my wage, etc.

Finally, the workers at the call center had specific barriers because of the time schedule of the company. Many of the single mothers working there have difficulties with after-hours childcare.

Voluntary turnover

The firms were asked what percentage of the people they hired over the past year had left voluntarily. The question proved somewhat difficult to answer, particularly because many of the organizations were so small that they had done very little hiring over the past year, especially given the contracting economy. A number of the companies that had done significant hiring in the last year had quite high rates of voluntary quits, ranging from 6% to 60%. Other organizations were much more stable, losing only a few people if any from their entire labor force. Most of the quits, therefore, do seem to be among recent hires.

The employers reported that the most common reason for leaving voluntarily was for better jobs, while other people just stopped showing up or didn't like working at the company.

Layoffs and discharges

Only two companies had significant layoffs. One was the call center, which laid off seasonal workers, and the other was reductions by one of the high tech firms. The other companies that reported struggling recently had reduced their labor force more by attrition than layoffs.

Discharges were not nearly as common as leaving voluntarily. Several companies had no discharges at all, while many others had discharged just one or two people over the last year. Only a few companies had significant discharges. The most common reasons for discharges were job competency and absenteeism.

Exit interviews

Only four companies regularly conduct exit interviews to determine why employees are leaving. Many of the other companies, though, are quite small and usually are aware of the reasons for departure.

Challenges in retaining employees

Several companies said that they didn't really have a problem in retaining employees. These companies were often small firms that allowed for a lot of personal attention and interaction:

We haven't had any problems, probably part of the fact that we're so small, communication is pretty good, problems don't fester.

We've never lost an employee we wanted to retain.

I don't know. I mean those that come in and enjoy it, they stay. Nobody has ever left for more money, or better benefits, or a better work environment. So it's just a question of whether they've got their personal life in shape when they arrive they stay. If they don't I don't think it matters where they go, because they bring themselves with them.

Other companies cited difficulty in maintaining a competitive salary and benefits package. Smaller companies in particular felt that they were unable to compete with larger companies in terms of affordable health care and other benefit deals. Finally, some companies cited the need to just keep their workers happy and provide them with opportunities to grow.

Retention strategies

Very few firms had formal retention programs in place. Most of them do have informal ways, though, that they try to keep their employees happy. They include improving benefits, periodic pay raises, creating a pleasant work environment, opportunities for mobility, and being flexible to people's needs.

Informal, we try to make this a pleasant work environment. We have a pretty firm "no jerk" policy here and that seems to work for us. Because most of the places you

work in your life you don't remember what you did but you remember the people you did it with. And the places that you didn't like you don't remember what you did but you remember that you worked with assholes, and that's what makes the difference.

Our approach is that if it's something that we would personally want we get it, we try to treat employees like we would want to be treated.

Low income hires

Extent of low income hires

Basically every firm interviewed had hired someone who was low income in the last three years. Several firms were able to ascertain this information from the forms the new hires fill out for CEI, although several other companies do not look at those forms before sending them in to CEI. Besides the forms, they were able to identify low-income hires because they were referred from a social service agency or just from getting to know them and "through the grapevine."

Contacts with social service agencies

Five firms reported having very little contact with social service agencies. The rest of the firms interviewed reported at least some significant contact with agencies. The most commonly mentioned organizations were Catholic Charities, ASPIRE, ETI, Voc Rehab, and Women, Work and Community. Other organizations mentioned were: Adult Ed, Department of Human Services, Pine Tree Society, Adult Retraining Resource Center, Community Economic Development office (CED), Southern Maine Agency on Aging, Churches, Technical colleges, Job Services (Department of Labor), and the Department of Unemployment. Seven of the firms reported hiring someone from one of these sources.

The experience with these agencies was mixed. Of those who had any contact with the agencies, four reported very little contact and/or a general inability of these agencies to provide suitable applicants. One firm was pretty negative about the experience:

The people are very well meaning, but they've been unable to follow up adequately with the people they brought in. Once the people were hired, they weren't given enough support.

Another organization found that it took some time for the agencies to learn about what it was looking for.

I think we're all on the same page now. I think for a while there was a little communication issue about what exactly we were looking for here for a while. *What was wrong with the people they were referring?* I guess not inclined to the manufacturing environment. For a while we were getting people who couldn't do the work, stand up for a long time, climb ladders to get stock. There is no point referring people here because it just doesn't work. That was the only real issue we had for a while. We've had a number of I think very positive successes.

Finally, three organizations had very positive things to say about their contacts with social service organizations.

They are very supportive. They are so good at providing support in certain cases in situations where we otherwise would have had to let them go.

We also asked them how their link with CEI has affected their relationship with these agencies. In almost all of the cases, CEI was the source of these relationships. In addition to making the connection, CEI also played a key role in improving the quality of these relationships.

Like I said hooking us with the right people. Not just the employees but the right people within the state agencies. Not only that but as they are sending people our way they will inform us about the agency, what they do, any benefits they can provide, any incentives to help you hire. Not only do they try to get us the recruit, the people we are looking for, but also the background, and they will usually connect us with people who are pretty decent within the organization.

Experience with low income hires

The experience these employers had with low income hires varied greatly. A few of the people we interviewed insisted that they saw very little difference between the low-income hires and other workers. Some of these people generally hired from low-income pools anyway and therefore hiring low-income workers was not a particularly unusual experience. Others simply didn't see a difference in the workers.

Three of the employers had only hired a few low-income workers. For the most part they reported success with these hires and an ability to work around any issues that had come up. Three other employers felt that their low-income employees did at times have extra barriers, lower skills, or attendance issues but were not particularly negative about the experience. In fact, only one company we interviewed had particularly negative things to say about hiring low-income workers.

Over the long term of the company we've had a few success stories, 3 success stories. But in the wake of 15 hires total, 10-12 of them didn't work out...Either they stopped coming or we asked them to leave...Even the people who were successes remain the people with the most personnel problems. There's a very strong distinction between them and the other workers in their interactions and reasons why they can't come to work...We tightened up some of the employee policies, created a handbook when we had never had one before. We basically had to create policies to deal with this population, created rules about personal time, phone use, appropriate dress.

Another firm also reported quite high turnover for their low-income employees, but overall was positive about the experience. It seems that the firm's commitment to the idea of helping low-income workers allowed them to look beyond the difficulties to the successes.

And I will be honest with you, of the people that come out of that process we probably keep only 25 or 35%, it's not an easy process. It has also been a challenge for the existing workforce... But those who do gain the self-esteem and succeed are more likely to stay longer than other employees.

Finally, three firms were quite positive about their experiences in hiring and retaining low-income workers.

It's gone so well, it's hard to pull out something negative. Just the fact that when you consider that you're going to lay off something like 20 people and you're not picking [to lay off] the welfare-to-work moms and you're not picking the refugees that says something to me. So you've got to figure, who are the better workers?

Barriers to work

As we mentioned before, a small number of the employers we interviewed insisted that their low-income employees were no different than their other employees in terms of the problems they brought to their work. Many of the people we interviewed, though, pointed to problems or barriers to work that they felt were particularly prevalent in the low-income population. The most common barriers were reliable transportation and childcare. Several people also mentioned work ethic, patience, and knowledge of professional conduct.

The personal piece, how they interact with coworkers. Some of the people have either been homemakers or have had no work at all and have never been in a work environment and all they remember is from school, and so it's more of a school interaction than it is adult work interactions. So there are things that we do have to point out to them regarding expectations or norms.

One difficulty has been that patience thing, to stick around long enough to put their effort into it and see the pay-out. People who have only been here three months and they want to work on a new machine, hear other people get paid more. Yes, it's possible but stick with it. Sometimes with the low-income people they've tended to bounce around more than other people. And that may not be their fault. They've been involved in seasonal jobs or the industry that they've been in.

Other barriers listed included: the money to buy personal auto mechanic tools, exposure to abuse, drugs and alcohol, reliable health, lower skills, language barriers, and being a single mother.

Changing perceptions

Only three people we interviewed said that their experiences had changed their organization's perception of low-income workers. Two people said that the experience has made them much more positive about hiring low-income workers. One person said that the experience had affected them negatively and that their firm no longer pursues low-income hires.

Although many firms reported that their perception of low-income hires had not changed greatly, it is clear that CEI's ETAG agreement had a significant effect upon the firms' hiring practices. Eight of the companies reported that their firm was more likely to hire a low-income applicant than they were before they entered into the agreement. Only one firm reported being less likely to hire a low-income applicant. At first these findings might seem contradictory in that people did not change their perceptions but they did change their behavior. The most likely explanation, though, is that while people may not have held negative perceptions of low-income workers, they were not going out of their way

to hire low-income workers. The ETAG agreement, therefore, may have led them to be more active in hiring low-income workers even though their perceptions had not changed.

Training

Basic training

Six of the organizations we interviewed reported that over the past year they have had to provide training in basic skills to new employees. The table below shows the distribution of companies by the percentage of workers needing this training:

Has training in basic skills been required for:	
More than 75% of new hires	1
51-75% of new hires	1
26-50% of new hires	3
10-25% of new hires	1
less than 10% of new hires	0

The skills taught included basic math, using a ruler, technical reading and writing, hygiene, grammar and spelling, and interpersonal skills.

General training

Most of the companies, especially since they are quite small, offer informal on-the-job training. The larger call center and the health care companies do have formal internal training systems. Three of the companies have had formal training arranged through CEI. Some of the companies have semi-formal training programs such as lists of skills new hires have to be taught and checked off on. Finally, a majority of the companies have some sort of reimbursement program for conferences and classes appropriate for their company.

CEI's role

Six firms reported that CEI had played a role in their training functions. In one case CEI gave an initial grant to set up the training program. Another company participated in a JOLI program, and CEI helped four companies apply for state funding for training. Finally, one firm reported that CEI had helped put them in touch with state agencies and individuals who could help plan training.

Training dollars

Again it was very difficult to get the firms we interviewed to give an accurate amount spent on training, especially since so much of it was informal training. In fact only 6 people were able to give any number at all, estimating a total costs of anywhere from \$1,200 to \$30,000 annually. Another person estimated that approximately 30% of a new hire's income for the year is really training costs. In other words, in the first year the employee's work is only worth 70% of the wages paid to him or her. The remaining 30% is wages paid to the

employee when they are training and not necessarily creating immediate value for the company.

High Performance Characteristics

In this section we asked the firms about a number of ways in which employees might play a role in directing their own work or be part of the decision making process. First we asked about a number of "high performance" work characteristics. We tried to get a sense of the extent to which they had formally adopted these practices versus implementing aspects of them informally.

Does your firm use any of the following practices?			
	Yes, formally	Yes, informally	No
Open book management	1	7	3
Self-managed teams	3	2	6
Cross Training	8	1	2
Job rotation	2	1	8
Total Quality Management	2	4	5

Other feedback mechanisms

Many of the firms we interviewed were small firms with very informal feedback mechanisms. "Our door is always open" was a common response. Almost all of them have some sort of regular meetings (see below). One firm offers a \$100 bonus for a good money saving idea.

Meetings

Almost everyone we interviewed held some sort of regular meeting that involved all the staff members. Many of these meetings, however, were centered on more informational topics rather than opportunities for employee input. Safety meetings were very common, as well as meetings updating the employees on current and future work. We asked the firms how often changes occur in the workplace as a result of these meetings. The results are below:

Frequently	3
Occasionally	3
Rarely	4
Never	0

Continuous Learning

How does the organization support continuous learning and/or pursue professional development for non-professional, non-management employees? Many people had a hard time answering this question, but with some prompting they spoke about tuition reimbursement plans, training opportunities, and opportunities to move up within the company. Eight of the firms currently offer tuition reimbursement programs.

Work scheduling

We also asked about a number of work scheduling options. The most commonly used option is flexible time, although the level of flexibility varied. For one company flextime meant that you could show up at 8:30 am instead of 8:00 am. Other firms allowed flexibility in certain cases, allowing workers with particular issues to set their own specific work hours. Finally, a number of firms allow workers to pretty much set their own hours as long as the work gets done.

	Yes	No
Flextime	10	2
Compressed work week	6	4
Job sharing	0	12
Telecommuting	2	10

Experience with CEI's ETAG and workforce development department

The initial impressions and how they have changed

The initial impressions the firms had of the ETAG agreement varied quite widely, as did their feelings today about their experiences. Rather than trying to categorize them, we found their individual stories quite interesting and worth summarizing briefly. Below are some of the responses:

- initially thought it would be really helpful for recruiting but they haven't gotten as many people as they expected (two firms)
- didn't really have an initial impression, it's been pleasant and helpful
- was skeptical that it would really work and now is very positive about the experience
- expected more human resources help than they received, disappointed with low income hires
- thought it was quite reasonable and workable but would be a challenge to find appropriately skilled people, turned out to be right
- two firms initially thought it wasn't going to be too burdensome and might be helpful, impression hasn't changed
- initially was worried about the bureaucracy and having to carry the "deadwood" of low-income hires, turned out to be a very positive experience
- initially was scared of the agreement because it was so formal and demanding, but CEI has turned out to be quite reasonable. "They operate in the real world"
- initially thought it was a pretty good idea, but has been disappointed a bit in the quality of people they've hired and the inability to find people for their training program
- initially seemed like a good program, a fair trade off for the loan agreement. They haven't created as many jobs as expected (they haven't hired as many people as

anticipated in the agreement), but in the cases where they have had job openings they found that the process of getting applicants via the network of agencies was slower than they expected.

CEI roles and services

In this section of the interview we had a checklist of roles and services CEI might have played or provided to the firm. The results are below (note that three respondents did not fill out this checklist).

Has your relationship with CEI played a role in your firm:	
Increasing wages	3
Increasing current benefits	4
Offering new benefits	3
Changing your recruiting methods	4
Accessing new pools of labor	10
Accessing wage subsidies	7
Determining whom you hire	2
Helping you retain employees	3
Helping you advance employees	4
Improving your relationship with social service organizations	9
Changing job structures	3
Altering management practices	3

What services has your firm received from CEI (besides financing)?	
Job referrals from agencies	8
Human resources advice	4
Governor's Training Initiative funding	3
Quality Center Program funding	2
Information/advice on Targeted Jobs Tax Credit	6
Information/advice on EITC	3
Grant money for other purposes	1
Links to potential training providers	6
Bureau of Labor Standards audit	1
Advice on retaining/working with low-income employees	3

Overall experience with CEI

For the most part, the firms we interviewed had a positive experience with CEI. CEI received many compliments on the people at the organization, their pleasant personalities, their flexibility, and their ability to follow up on tasks.

CEI is our good neighbor, they are always there.

CEI is just so good about keeping me and my company informed about things that I just never would have known about.

They've been great, very easy to work with, supportive, flexible.

Very pleasant, they are nice people to work with.

Only three firms we spoke to had any types of complaints about their dealings with CEI. Two firms felt like they had been lost for a while in the shuffle between different program officers. They felt like they had extremely good service from one person but then were rarely contacted by another program officer when their case was passed on. One of these firms did point out, though, that perhaps it was because it had been a number of years since their loan and it was possible they had passed out of the period of concentrated help. The third organization with complaints was a nonprofit organization. It seems like the programs and services offered to CEI firms are more oriented towards for-profit companies. In particular this organization needs help finding grants, and CEI has been unable to help it in this capacity.

Future plans

Finally, we asked each organization whether they would consider turning to CEI in the future for financial and/or human resources help. All but two of the organizations said they would seek both financial and human resource services from CEI in the future if they found themselves in need of it. The non-profit organization discussed above said they would not seek service from CEI, and one of the more highly skilled firms felt like it wasn't worth their while to increase the scope of their human resources involvement.

Conclusions

Overall, most of the firms we interviewed were positive about their experiences with CEI. They found the organization and its staff helpful, realistic, and dedicated, and no one felt that the ETAG process was too onerous. Most importantly, of course, there were several very inspiring success stories. What about the other firms, though, that weren't quite the same blazing successes? Looking back over the interviews, it seems like the organizations we spoke to could be categorized into four groups.

At one extreme are the organizations that relied primarily on highly skilled and educated workers. These firms tended to have few positions appropriate for low-income workers, and in one case may also have had higher expectations for their workers, which made it difficult to accommodate the needs of the few low-income individuals they hired. In some cases these organizations might benefit from assistance in recognizing ways in which they could create positions more accommodating to low-income hires. An important issue in these situations, though, would be the extent to which there is room for upward mobility within the organization for these new positions.

At the other end of the spectrum are organizations that were already hiring low-income workers and therefore did not really have to change their practices much under the ETAG agreement. Perhaps in these cases CEI's main contribution is on the financial side, providing loans to organizations that might have had difficulties with traditional banks. These lending practices in themselves would help maintain and expand the jobs available to low-income workers. CEI might also play an important role in improving the quality of work in these organizations.

In between these two extremes are the organizations that do not require highly skilled workers, and yet have not traditionally been hiring at the bottom of the labor market either. It is in this middle area that many of CEI's greatest success stories seem to have emerged. Yet there are also a handful of firms in this middle category that cited more modest achievements. One factor that may explain the difference is the level of commitment by the employer. Several of CEI's real success stories seemed to involve employers who were particularly receptive to the ideas underlying CEI's ETAG agreement and were willing to put the time and effort into the process to make it work. These employers probably would not have pursued these goals on their own, and so CEI played a critical role in providing a system through which these goals could be achieved. On the other hand at least one employer was originally skeptical and was won over by his experiences with low-income hires, so a pre-existing good attitude is not always required.

A second factor may have once again been skill requirements, even within this middle skill category. Several of the firms we interviewed were looking for individuals with particular skills or interests. While these job requirements were not insurmountable for a low-income individual to achieve, they did make finding appropriate candidates more difficult, particularly once again with the tight labor market. Examples of these jobs included wrecker driver, carpenter, and boat builder. Training programs are an obvious solution to this problem, although in one case CEI helped to set up a training program and found it difficult to even recruit trainees for the program. There is a sense by the employers that few people are interested in pursuing careers in the trades these days.

A final factor is geographical location and/or timing. A few of the greatest successes may have occurred in locations where the labor market was a little more slack or earlier in the 1990s before the extremely low unemployment rate.

Our work to date with CEI suggests that they are already aware of a number of these issues and considerations. Their staff often takes into consideration issues such as skill requirements and job quality when selecting organizations for the ETAG process. We hope, therefore, that this information and feedback from the firms will help them to continue to refine their work and continue to improve the lives of low-income individuals in Maine.