

EMPLOYING OFFENDERS IN SAN FRANCISCO:

A SECTOR RESEARCH METHODOLOGY

Principal Authors

Tse Ming Tam

Blake Walters

Meryl Haydock

May 2003

All Rights Reserved. Copyright © 2003 National Economic Development and Law Center



EXECUTIVE SUMMARY

Introduction

In partnership with the San Francisco District Attorney, Terence Hallinan, and his staff, the National Economic Development and Law Center undertook this research project in the spring of 2002 in order to help guide the development of industry-specific workforce development programs that can provide good wages and/or career advancement opportunities for criminal offenders. While this research examines the experiences of ex-felons, the research, related issues, and proposed strategies discussed herein are relevant to work with other criminal offenders.

This report is a collaborative effort funded by the Annie E. Casey Foundation and spearheaded by the San Francisco District Attorney's Office (SFDA) and the National Economic Development and Law Center (NEDLC). The SFDA's Office will use this research to inform its Street to Work initiative. This new initiative is an employment-based alternative to incarceration for first-time, low-level drug dealers aged 18-30, in which successful program participants will have the felony conviction waived from their records. NEDLC guided this research based on its extensive background in workforce development and "Sector" (or industry-specific) employment strategies.

What Are Sector Employment Initiatives?

NEDLC used a Sector research methodology to collect and analyze the data presented in this report. Sector initiatives are industry-specific economic and workforce development efforts that seek to achieve win-win outcomes by building the competitiveness of a target industry while simultaneously benefiting low-income workers and job seekers. The research process, which is a major component in the development of sector initiatives, involves reviewing demographic and labor market information, as well as conducting focus groups. The data gathered are then used to choose a target industry that meets specific criteria including accessibility to the target population, demand for workers, high wages, and potential career ladders. These data also help an initiative understand and make connections in the target population and industry, which provide the basis for essential partnerships with the community, employers, and training providers. These partnerships make Sector initiatives work. The methodology described here should prove useful for Sector-based strategies and other types of employment initiatives with offenders nationwide.

Target Population

This research report aims to highlight the unique barriers to employment that criminal offenders face as well as opportunities for addressing these barriers. In examining demographic data from a sample of 171 ex-felons¹, the following profile of the target population begins to emerge:

- There is a lack of accurate data about ex-felons.
- According to the Self-Sufficiency Standard for San Francisco County², 64% of ex-felons do not earn enough to afford living alone, and only 8% earn enough to support a school-age child. On average, ex-felons' wages are well below those of other San Francisco County residents.
- The ex-felon population is about 48% African-American, with the next-largest groups being Latinos (22%) and non-Latin whites (16%).
- 25% of the ex-felons in our sample did not have a high school diploma or GED and 83% had never attended college. In contrast, only 32% of San Francisco County residents have never attended college.

Industry Information

One of the main objectives of sector research is to identify a target industry for implementing a sector employment initiative. To define industries, this research uses the Standard Industry Classification (SIC) system, which groups "Electrical Works" and "Concrete Work" under a larger industry, in this case "Special Trade Construction", which in turn is grouped under a sector, "Construction".

The ability of felons to access jobs in an industry was deemed most important in terms of the criteria for a target industry because of the legal barriers offenders face in many industries. For this reason, data on the employment histories of ex-felons were used to determine which industries were most accessible. Social Services, Eating and Drinking Places, and Special Trade Construction were the most accessible industries (based on the highest concentration of ex-felon employees). Due to the poor wages and limited career ladders in Eating and Drinking Places, Social Services and Special Trade Construction were identified as the most promising industries. Further research on the characteristics of the two potential target industries, Social Services and Special Trade Construction, resulted in the following information.

1. **High demand:** Both industries have a variety of high-demand occupations. In Special Trade Construction, Painters and Paperhangers and Electricians have the most projected openings. In Social Services, Human Service Workers and Preschool Teachers have the highest numbers of projected openings.
2. **Self-sufficiency wages:** In San Francisco County, the self-sufficiency wages most relevant to offenders were the cost of living for an adult living alone (\$10.78 per hour) and for an adult supporting one school-age child (\$17.07 per hour). Special Trade Construction generally offers much higher wages than the Social Services industry. Both have self-sufficiency level wages in some high-demand occupations, particularly for adults without children.

¹ These ex-felons were participants in programs of the San Francisco Sheriff's Office and the Northern California Service League.

² The Self-Sufficiency Standard is based on a calculation of the wage that a particular size and type of family in a specific geographic region must earn to cover basics such as food, shelter, clothing, healthcare, childcare and transportation. Source: Wider Opportunities for Women, California Self-Sufficiency Standard, San Francisco County, November 2000.

3. **Educational requirements:** Many high-demand occupations in each industry require on-the-job training, rather than a college degree. Special Trade Construction is particularly open to people without degrees.
4. **Mobility:** Special Trade Construction has excellent career ladders. In Social Services, an employee in a job requiring short-term training may have a more difficult time moving up without going back to school for a Bachelor's degree.

Focus Group Findings

During the next step of the research, more detailed qualitative information about the target population and about each industry was gathered through a series of focus groups with 20 San Francisco ex-felons working in the potential target industries and representatives of 12 employers from the industries. Findings from the qualitative examination of the two industries are briefly summarized on the following pages.

Ex-Offenders

Focus groups with members of the target population who had employment experience in Social Services or Special Trade Construction revealed the following.

- In Social Services, ex-felons generally like their jobs, but find the pay too low and the work stressful. They earn approximately half what Construction workers earn. Most would prefer to find jobs in other industries, but they were concerned that their records would preclude them from these opportunities.
- Most of the ex-felons in Special Trade Construction plan to stay in the industry. They like their jobs and their wages, with the main downsides being the industry's seasonal changes in demand for workers and the difficulty in getting enough union job assignments.
- Ex-felons find that their criminal records do not generally cause problems in either industry. However, in Social Services ex-felons must remain "clean" for a while before they can access many jobs.
- Primary challenges to finding and maintaining employment include meeting parole/probation requirements, finding safe transportation, dealing with substance abuse issues, and lack of support services. Childcare and discrimination do not present challenges to most ex-felons in these industries.
- Both industries provide good benefits and access to training. Participants see potential for advancement, particularly with the help of mentors in the industry.
- Participants in the Construction group had access to subsidized training through unions and were interested in participating in order to advance. Social Services participants would be interested in affordable training with a hands-on focus, if it would lead to a better job.
- Participants in the Social Services industry looked for up to six months after life skills training/rehabilitation to find jobs. In the Trades, the search was more likely to last one to four months after leaving prison.

- In both industries, personal networks were the preferred way to find employment, followed by unions and community-based organizations in the Construction industry and classifieds/job listings in the Social Services industry.

Social Services Employers

A focus group with Social Services employers revealed the following.

- Social Services employers generally do not discriminate against ex-felons, particularly if the applicant has been out of prison for a while. Occupations that had legal or contractual restrictions about hiring ex-felons were the exception.
- Work experience and dedication to the organization's client population are generally more important than training and educational requirements. Employers also look for the ability to show up on time.
- Entry-level jobs pay \$8-\$15 per hour and provide benefits after one to six months. Most organizations do not have internal advancement systems, but they do work with employees to access training.
- Social Services employers recruit primarily through online and newspaper postings, as well as through referrals from job training programs (including their own programs).
- Many ex-felons feel pressure to find a job soon after release, making quick placement important for the success of an employment program.

Special Trade Construction Employers

A focus group with Special Trade Construction employers revealed the following.

- Occupations in all the trades are open to ex-felons, and these employers do not ask about criminal history.
- Once a worker has met the basic requirements of the union (which includes a GED), he or she automatically has access to good wages, benefits, and advancement training.
- The hiring process may be slow, and the time between entering the union and finding regular work can also be significant. Construction work is seasonal, with November to March being slow.
- The employers interviewed recruit from the unions and non-profit or public job training and referral programs.
- Entry-level jobs pay \$14-\$17 per hour. After finishing apprenticeship programs, construction workers can earn \$35-\$42 per hour.
- Poor attitude and substance abuse are the primary reasons employers reject job applicants. All employers interviewed conduct drug screening as part of the hiring process.

Recommendations

The recommendations and possible sector strategies identified here were developed on the basis of the research findings outlined above. A more detailed implementation strategy remains to be developed by a group of local stakeholders including employers from the target industry.

In the Special Trade Construction industry, offenders are most in need of assistance to ensure yearlong employment, while employers need thoroughly trained employees, particularly in some of the higher-skilled trades. In the Social Services industry, offenders need help moving up career ladders and finding jobs with higher wages. Employers in the Social Services industry need employees who are experienced and dedicated to their work. The following recommendations and strategies build on these fundamental needs.

1. **Make soft skills and other training more attractive.** In both industries, it is important to have soft skills such as the ability to show up consistently, a good attitude about work, and communications skills. Ex-felons wanted training to be very practical (preferably hands-on) and in a single location. Due to the need to find placements quickly (see the following recommendation), initial training should be short-term, with a focus on job search skills. Training (particularly GED and basic skills for those who don't have these) should be a required part of an employment program in order to encourage participation. Preferably, an employment program should either pay participants a stipend or be free-of-charge and offer transportation assistance, food, and other incentives.
2. **Place participants quickly.** Some ex-felons may be under pressure from transitional services to find a job quickly after release. Others may simply lose patience with the job search, and go back to the easy money available through a criminal lifestyle. An employment program might partner with a temporary employment agency, operate an in-house job placement agency, or set up a sheltered work environment (although moving employees from such programs into mainstream work is challenging and would need special attention). Internships could be another way for offenders to learn while being employed, and would fit with offenders' wish for training to be hands-on.
3. **Match felons with mentors.** Ex-felons in both industries said that mentors, both in and outside their industries, were vital to helping them understand their work and maintain legitimate work during "rough periods". In Social Services, ex-felons said that mentors in the industry would help them identify career paths and training opportunities as well as potential jobs.
4. **Advocate for ex-felons with drug courts and probation/parole officers.** Although employers in the focus groups didn't mention any problems, ex-felons in both focus groups cited difficulties scheduling appointments around training and work. An employment program could focus on working with drug courts and probation/parole officers to address these issues. If that failed, the program could work with employers to help them understand the difficulties. It may be that employers are more open to working around required appointments than ex-felons believe them to be.
5. **Address substance abuse issues.** Employers and ex-felons in both industries mentioned substance abuse as a major barrier to finding and retaining employment. Participants should be screened carefully for substance abuse, and those with substance abuse problems should be required to undergo intensive and ongoing treatment and supervision if they are to move successfully into long-term, stable employment.

6. **Provide flexible transportation supports.** Ex-felons in both groups identified transportation as a barrier to training and employment. In the Construction group, public transportation was not an option due to off-hours schedules and distant workplaces. In Social Services, some participants found the public transportation system dangerous during the hours they traveled. A flexible assistance program offering a range of resources – gas cards, assistance obtaining a driver's license, a centralized database of local residents interested in carpooling or in trading car repair for other services, etc. – could be developed. Other possible strategies to explore include accessing car ownership programs where available, expansion of the car/commute share programs and creation of vanpools from the residential areas to central (and safer) locations on the public transit line.

In addition to the general recommendations listed above, there are two additional recommendations that relate specifically to the Social Services industry.

1. **Work to raise wages by helping incumbent workers advance into higher-paying jobs and researching and educating organizations about incentive programs they are eligible for.** Ex-felons working in the Social Services industry have difficulty surviving on their salaries. In order to retain offenders in the industry, it will be necessary to help them access upgrade training (possibly including getting a Bachelor's degree) and the kinds of experience they need for higher-paying work. Additionally, the program could help raise wages by educating non-profit employers about incentive programs for hiring ex-offenders they may be able to benefit from.
2. **Improve the connection between offenders and job announcements/openings.** Ex-felons in the Social Services group reported spending up to six months looking for work. Employers in this industry use online postings and classifieds and some referrals through job training and placement agencies, while ex-felons say they are most able to find jobs through personal networks. An employment program will need to teach ex-offenders to respond more effectively to job announcements posted online and in newspapers. The program should also advertise itself to employers as a source of workers, and it may be able to work with offenders to improve resume-writing skills.

Next Steps

While these recommendations suggest a range of strategies that could be implemented independently by employers and public and private programs working to employ criminal offenders, a true Sector initiative requires strong partnerships between the stakeholders and commitment to the targeted population and industry. Five critical next steps must be taken in order to create a Sector initiative based on this research:

1. Select a target industry.
2. Identify a lead agency to spearhead the initiative.
3. Convene an Implementation Committee responsible for working with the lead agency to plan, design, develop resources for, implement, monitor and assess the initiative.
4. Prioritize which strategies to focus on during the first year of implementation.

5. Develop an outline of the program design and a projected budget.
6. Secure resources to support the implementation phase.