

# Employment Social Enterprise Evaluation

Economic Self-Sufficiency and Life Stability 18 Months After Starting Work with an Employment Social Enterprise

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# GLOSSARY

This glossary groups methodological terms used in this report into the following categories: employment social enterprise, study samples, impact study, cost-benefit study, and perceptual feedback study.

## ***Employment Social Enterprise***

**Employment social enterprise (ESE):** Businesses with an explicit social purpose—to provide paying jobs combined with training and services to people who face barriers to employment such as homelessness or a criminal record.

**Employment social enterprise (ESE) group:** Individuals who participated in this study and who worked in a transitional job and received associated training and services at an ESE. Also referred to as treatment group.

**Employment social enterprise (ESE) staff:** Permanent staff of an ESE who support ESE workers by serving as supervisors, mentors, and trainers. For this study staff assisted with recruitment, survey administration at the ESE, and locating participants for the 18-month follow-up survey.

**Employment social enterprise (ESE) worker:** Individual who faces barriers to employment and works in a transitional job at an ESE.

## ***Study Samples***

**Analytic sample:** Sample used in the impact analysis. It is based on study participants who completed an 18-month follow-up survey (i.e., the follow-up sample). A propensity score-based weighting procedure matched the employment social enterprise group and comparison groups. Respondents who did not match through this procedure were excluded from the analytic sample.

**Follow-up sample:** Individuals from the employment social enterprise group and comparison group who had taken a baseline survey and either the 18-month follow-up survey or were identified as incarcerated.

**Intake sample:** Individuals from the employment social enterprise group and comparison group who completed a baseline survey.

**Sensitivity analysis sample:** Thirty study participants were incarcerated at the time of the 18-month follow-up survey and therefore could not complete it. However, based on their incarceration, it was possible to infer some of their outcomes (i.e., not employed). The

sensitivity analysis includes both incarcerated individuals and those who completed an 18-month follow-up survey. This sensitivity sample permitted testing robustness of the impact results based on the analytic sample.

**Perceptual feedback sample:** Study participants in the employment social enterprise (ESE) group took a perceptual feedback survey about one-third of the way through the ESE program. The sample includes members of the ESE group who completed the survey. Some members of the ESE group stopped their ESE work before the survey administration and did not complete this survey and are omitted from this sample.

### ***Impact Study***

**Comparison group:** Study participants who were similar to the employment social enterprise group (ESE group) (also referred to as the treatment group) but did not work at an ESE or receive associated training and support. The study used two techniques to construct comparison groups: random assignment and propensity score matching.

**Intent-to-Treat (ITT) analysis:** Some study participants were randomized into the employment social enterprise (ESE) group (also referred to as the treatment group) but opted not to participate in the ESE. With ITT analysis, a person assigned to the treatment group retains that status even if he or she did not receive meaningful treatment. The impact analysis includes these people.

**Impact analysis:** Robust examination of the impact of employment social enterprise (ESE) participation on outcomes 18 months after intake by comparing ESE workers to others who have similar employment barriers and demographic characteristics but who did not work for an ESE. Additionally, the impact analysis controls for baseline demographic characteristics, employment status, and barriers to work.

**Propensity score-based weighting:** Statistical technique used in quasi-experimental design studies to control for selection biases and equate a treatment group and comparison group at baseline.

**Quasi-experimental design (QED):** Study design that creates treatment and control groups by means other than a randomization process. Two of the ESEs in this study involved a QED, which used propensity score-based weighting to construct comparison groups.

**Randomized control trial (RCT):** Study design that uses random assignment to sort study participants into treatment and control groups. In this study, participants randomized into the treatment group received an offer of an employment social enterprise (ESE) job and related trainings and services. Participants randomized into the control group were not offered these jobs or services. Two of the ESEs in this study involved an RCT.

**Treatment group:** Individuals who participated in this study who worked in a transitional job and received associated training and services at an employment social enterprise (ESE). Also referred to as the ESE group.

**Treatment-on-the-Treated (TOT) analysis:** Some study participants were randomized into the employment social enterprise (ESE) group (also referred to as the treatment group), but opted not to participate in the ESE. With TOT analysis, those who opted out of participating in the ESE are excluded from the impact analysis.

### ***Cost-Benefit Study***

**Cost-benefit analysis (CBA):** Study approach that monetizes the measured effects from the impact study and compares them with costs of operating an employment social enterprise.

**Return on investment (ROI):** Approach of the cost-benefit analysis that analyzes the return to each dollar spent by the employment social enterprise (ESE). After calculating the per-worker costs of operating the ESE, this approach uses the impact analysis results to calculate the benefits of ESE participation for the ESE worker, the ESE, the taxpayer, and society as a whole.

### ***Perceptual Feedback Study***

**Dimension:** Underlying factor indicated by the survey questions. In the perceptual feedback study, nine distinct dimensions captured by the survey were identified, including “general satisfaction,” “current level of preparation,” and “sense of belonging.”

**Factor analysis:** Statistical method used to identify latent factors underlying observed variables. This technique permits condensing many variables into fewer variables, which simplifies the reporting of complex data with many variables.

**Factor score:** Numeric measure that indicates how strongly a variable relates to the factor.

**Perceptual feedback:** Perspectives, feelings, and opinions individuals have about their experiences with an organization, product, or service. The organization can then use this feedback to inform and improve the decision-making and practices of that organization.

**Perceptual feedback analysis:** Examination of whether employment social enterprise (ESE) workers’ perspectives and feelings about their ESE experience were associated with their economic and life stability outcomes 18 months later.

## ACRONYM LIST

CBA	Cost-benefit analysis
ESE	Employment social enterprise
ITT	Intent-to-Treat
QED	Quasi-experimental design
RCT	Randomized control trial
ROI	Return on investment
TOT	Treatment-on-the-Treated

# EXECUTIVE SUMMARY

Employment social enterprises (ESEs) are businesses with an explicit social purpose—to provide paying jobs combined with training and services to people striving for a better future. With transitional jobs, people gain work experience and job-related skills. ESEs employ people who face barriers to work such as homelessness or a criminal record. These incidents are stigmatized, and potential employers may overlook the talents and skills of people who have faced these challenges. All ESEs strive to provide high-quality supportive, paid employment to these workers. Most ESEs provide strategic activities that may include work readiness training, career counseling, work skills training, job search assistance, and connections to permanent employment. They may provide nonvocational support, such as transportation, health care access, housing, and treatment services for mental health and substance use disorders.

REDF provides grants, loans, and capacity-building supports to ESEs. Since 1997, REDF's investments in 219 ESEs in 30 states and Washington, DC, have helped more than 70,000 people enter the workforce. The businesses that employ them generate \$1 billion in revenue, which they reinvest in their successful programs. REDF focuses on ESEs that serve adults who have faced homelessness, incarceration, and mental health or substance use disorders as well as young people or “opportunity youth” between the ages of 16 and 24 who are neither in school nor working. By developing workers’ skills and providing different supports, ESEs aim to help workers achieve sustained employment, earn more money, and improve the quality of their lives. REDF’s approach is based on evidence that having 6 months to 1 year of paid employment in a supportive work setting leads people who have faced great difficulty in finding and holding employment to retain jobs for the long term, which increases their income over time. Specifically, paid employment accompanied by wraparound supportive services for employees can bolster job skills for individuals who have barriers to employment. Enhancing these skills will expand economic opportunity by preparing people for long-term employment. Beyond economic benefits, employment and supportive services should also promote life stability for people who face significant barriers to employment. REDF partners with ESEs that serve members of different demographic groups, and ideally all demographic groups would benefit equally from ESE participation.

Prior rigorous research focused on transitional employment has contributed to a growing evidence base of its success. A meta-analysis of multiple rigorously evaluated transitional employment models concluded that these programs have benefits and can be cost-effective. For example, authors referenced the National Supported Work Demonstration, which

served recovering addicts, people who were formerly incarcerated, and young high school dropouts. It found improved labor market outcomes and reduced recidivism 19–36 months after intake.<sup>1</sup> Another study tested seven transitional job programs that served people recently released from prison or parents with low-income who were behind on child support. This random assignment study found an increase in earnings and employment and reduced recidivism 30 months after intake.<sup>2</sup>

The RTI Employment Social Enterprise Evaluation builds most closely on an evaluation of transitional employment, the Mathematica Jobs Study, which evaluated REDF-sponsored ESEs in 2015. That outcome analysis found that that ESE workers had income benefits one year after hire.<sup>3</sup> The Mathematica Jobs Study did include an impact analysis of one ESE, with similar results. Additionally, a cost-benefit analysis was conducted.

This current evaluation conducted by RTI International provides a comprehensive analysis of the impact of working in an ESE on economic self-sufficiency and life stability 18 months after intake. Analyses include four ESEs, each of which serves individuals with different kinds of employment barriers. This evaluation examines the influence of working in an ESE across all ESEs and also considers results for each ESE individually. We examined the costs and benefits of this program. Finally, we incorporated the perceptions of ESE workers into analyses of outcomes. In short, examining the effectiveness of the ESEs involved three related studies: impact, cost-benefit, and perceptual feedback.

The impact study examines the extent to which working in an ESE changes an individual's economic and life stability. It uses the most rigorous methods for creating comparison groups for each ESE, which isolate the effect of the ESE on multiple economic and life stability outcomes. This study not only examines the overall impact of the ESE but also investigates whether the benefit of working in an ESE is the same for members of different racial and ethnic and gender groups. These analyses determine whether the ESEs have the same kind of influence on different demographic groups of workers. During the 18-month follow-up period, the COVID-19 pandemic hit. Across the United States lost their jobs. This study was able to examine whether benefits of ESE employment persisted during the pandemic.

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<sup>1</sup> Dutta-Gupta, I., Grant, K., Eckel, M., & Edelman, P. (2016). *Lessons learned from 40 years of subsidized employment programs: A framework, review of models, and recommendations for helping disadvantaged workers*. Georgetown Law Center on Poverty and Inequality.

<sup>2</sup> Barden, B., Juras, R., Redcross, C., Farrell, M., & Bloom, D. (2018) *New perspectives on creating jobs: Final impacts of the next generation of subsidized employment programs*. United States Department of Labor, Employment and Training Administration.

<sup>3</sup> Rotz, D., Maxwell, N., & Dunn, A. (2015). *Economic self-sufficiency and life stability one year after starting a social enterprise job*. Mathematica Policy Research.

The cost-benefit study calculates program costs and benefits to determine the return on investment (ROI) of the ESE programs. Fully understanding the costs and benefits of an ESE requires looking at costs and benefits faced by the ESE worker, the ESE, the taxpayer, and society as a whole. This cost-benefit study includes all those factors, including the revenue to the ESE generated by the sale of goods or services of the ESE business, to addresses questions about the ROI of the costs associated with employing a worker in an ESE. For example, the ESE faces costs for activities such as job training and mentoring. Yet, if the employment intervention succeeds, and workers obtain sustainable employment and life stability, then not only the worker but also society as a whole benefits. If earning a higher income means a person no longer relies on governmental assistance, such as Temporary Assistance for Needy Families or subsidized housing, then the taxpayer benefits.

The perceptual feedback study addresses questions about whether ESE workers' perceptions of their program are associated with their later employment and life stability outcomes. Many evaluations examine data on participants' outcomes without understanding how people perceive the program. This study not only observes outcomes for ESE workers but also incorporates their perceptions into an analysis of how these perceptions relate to their exit from the program and their future economic self-sufficiency and life stability. Workers may have had different experiences with their ESE employment, drawing various conclusions about the program and whether it prepares them for the future. They may have had different levels of general satisfaction, a sense of belonging within the organization, and feelings of being prepared for the future. This report examines the link between these perceptions and subsequent outcomes

## A. Brief Summary of Social Enterprises and Their Workers

REDF works with many ESEs, four of which participated in this study. Exhibit ES-1 describes the four ESEs involved in the evaluation, including their location, target population(s), and name and industry of the ESE program. RTI and REDF agreed with the ESEs at the start of the evaluation that they would not be named in public-facing reports.

**Table ES-1. Employment Social Enterprise Characteristics**

Employment social enterprise	Location	Target population	Program name and industry
ESE 1	Oregon	Individuals experiencing homeless	Street cleaning; office administration
ESE 2	California	Individuals who have been incarcerated	Retail and office administration
ESE 3	Washington	Opportunity youth	Retail
ESE 4	Washington	Individuals experiencing homelessness; individuals with substance use disorders	Manufacturing

All these ESEs serve people who face barriers to employment, but each ESE focuses on people with different barriers. Because they serve clients with different barriers and they prepare clients for work in different occupations and industries, specific outcomes may vary across sites. Thus, analyses examined research questions across all four ESEs and for each ESE on its own. Exhibit ES-2 presents the percentage of workers in each ESE at the beginning of the study who faced different barriers.

**Table ES-2. Employment Social Enterprise Workers' Barriers to Employment, by Employment Social Enterprise**

Barrier	ESE 1 % (n = 141)	ESE 2 % (n = 211)	ESE 3 % (n = 63)	ESE 4 % (n = 172)	All % (n = 587)
Experiencing homelessness	74	76	29	38	59
Facing mental health disorder	79	59	16	61	60
Formerly incarcerated	75	92	14	47	66
Opportunity youth	3	5	100	23	2

Note: Because people could choose more than one barrier, percentages do not sum to 100%.

## B. Study Findings

### *Impact study results*

**Eighteen months after intake, the ESE group had greater economic self-sufficiency than the comparison group.** This study examined eight economic self-sufficiency outcomes including current employment, working at least 30 hours each week, and wage income. Exhibit ES-3 shows highlights of these results.

At the 18-month follow-up period, for every economic indicator, the ESE group had better outcomes than the comparison group, and these differences were statistically significant. The ESE group had a higher rate of being employed at all and a higher rate of working at least 30 hours per week. Given that many of these workers are paid by the hour, working more hours may help them earn more money. The ESE group earned \$307 more in the prior month in wages than the comparison group did.

**Table ES-3. Key Economic Self-Sufficiency Indicators 18 Months After Intake**

Employment outcome	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Currently employed	60%	49%	<b>10%</b> *
Tenure at current job (months)	6.3	4.8	<b>1</b> *
Number of months unemployed	5	8	<b>-3</b> ***
Hours worked at most recent job	33	25	<b>8</b> ***
Worked at least 30 hours per week at current or most recent job	71%	52%	<b>19%</b> ***

Note: Full results are in Appendix Table D-1. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

When the COVID-19 pandemic began, all workers in this study had completed their ESE work and training. However, for many study participants, the COVID-19 pandemic started during the 18-month follow-up period. Both ESE and comparison group members experienced job losses during this time. *Even during the pandemic, the ESE group continued to have a higher employment rate and income than the comparison group.*

Due to discrimination, women and some racial groups who have employment barriers may face even greater challenges in seeking sustained employment. This study examined whether ESE employment had the same economic benefits for women and different racial and ethnic groups. The RTI Evaluation found *ESE employment benefited members of all racial and ethnic and gender groups in the same way*. The ESE experience did not advantage one racial and ethnic group or gender group over another, and the impact of the ESE on employment and income was the same across these groups.

This study examines the impact of the ESE on other factors associated with life stability. These outcomes include having stable housing, avoiding arrests, having health insurance, having good physical and mental health, and pursuing further education. For some indicators of life stability, including stable housing and arrests, we found no statistical differences between the ESE group and comparison group. However, *ESE workers were more likely to have employer-sponsored health insurance, and they were less likely to report that their physical or emotional health limited the work* they could do compared with the comparison group. For almost every life stability outcome, ESE participation had the same impact across racial and ethnic and gender groups. That is, the ESE had the same kind of impact on each group. ESE participation had a greater health benefit for females than males in terms of their being less likely to have depression and less likely to report that health limited their work.

### ***Cost-benefit study results***

***ESE participation benefits the worker and society as a whole.*** The impact analysis showed that the ESE worker earned, on average, \$307 per month more than the comparison group member. Based on this analysis, the ROI for each dollar spent employing ESE workers was 13%. In other words, each dollar spent by the ESE created \$1.13 of benefit for society as a whole. Importantly, all stakeholders—the ESE worker, the ESE, the taxpayer, and society as a whole—experience a positive benefit to ESE employment.

### ***Perceptual feedback study results***

Feeling ***connected to ESE staff*** and ***not fearing being able to succeed in another job*** outside of the ESE were strongly associated with the short-term outcome of exiting the ESE for a positive reason (i.e., finding a job outside the ESE, being promoted within the ESE, or starting an educational program).

For longer-term outcomes 18 months after intake, feeling that ***ESE staff treated them with respect*** was associated with the likelihood that the ESE worker was employed. The ESE worker's ***general satisfaction with the ESE*** was associated with working at least 30 hours per week. ***Interacting frequently with the ESE*** predicted higher wages.

## **C. Study Methods**

The impact study is the foundation for the other two studies.

### ***Impact study methods***

A robust examination of the impact of ESE participation on outcomes 18 months after intake requires comparing ESE workers to others who have similar employment barriers and demographic characteristics but who did not work for an ESE. To work effectively with different sites, we used two methods to create the comparison group: random assignment and quasi-experimental design. In two ESEs, we used random assignment, in which study participants were assigned completely by chance into the ESE or comparison group. Two sites did not have sufficient applicants for a random assignment study so instead we used a robust technique called propensity score matching to identify members of the comparison group.

Study participants in the ESE and comparison groups completed an intake survey, which provides the baseline data, and an 18-month follow-up survey, which provides the outcome data. The outcome variables included employment, income, stable housing, physical and mental well-being, arrests, and pursuit of further education. Overall, we received follow-up information for 673 out of the 977 people who completed an intake survey. This total includes 643 who completed the survey (66%) and 30 who were incarcerated (3%). Although

those who were incarcerated could not respond directly to the survey, we know much about their life status 18 months after intake and include them in some analyses. Finally, to isolate the influence of ESE participation on these outcomes, the regression models controlled for baseline variables that could affect these outcomes. These variables include demographic characteristics, employment barriers, baseline measures of economic self-sufficiency, life stability, and education. To determine how much ESE participation influenced these outcomes, we used both effect sizes and tests of statistical significance.

### ***Cost-benefit study methods***

The cost-benefit analysis builds upon the results from the impact analysis to measure the return to each dollar spent by the ESE. First, we calculated per-worker costs of operating the ESE and then employed the impact analysis results to calculate the benefits of ESE participation for the ESE worker, the ESE, the taxpayer, and society as a whole. Each ESE provided information about operational costs for each worker, and ESE income included grants and revenue from services and products sold by the ESE. We calculated dollar benefits in five areas: income, housing, arrests, health, and ESE revenue.

Combining these costs and benefits yields information on the return on investment associated with ESE participation.

### ***Perceptual feedback study methods***

To learn whether program participants' perspectives and feelings about their ESE experience influenced their economic and life stability outcomes, we conducted the perceptual feedback study. When ESE workers were about one-third of the way through their ESE work and training, staff administered the perceptual feedback survey, which focused on the way ESE workers perceived their ESE experience and how prepared they felt for future work. Survey questions focused on topics such as general satisfaction and sense of belonging. We incorporated these responses into analyses of positive program exits and employment and life stability outcomes.

This report provides details about the RTI Evaluation's design and results. Chapter 1 introduces REDF, the four participating ESEs, some past research on transitional employment, and questions this evaluation addresses. Chapter 2 presents the methods used in each of the three studies in this evaluation: impact, cost-benefit, and perceptual feedback. Chapter 3 presents the impact study results that pertain to the effect of ESEs on economic self-sufficiency. Chapter 4 presents impact study results that pertain to the effect of ESEs on life stability. Chapter 5 presents the cost-benefit study results, and Chapter 6 reports the results from the perceptual feedback study. Chapter 7, the conclusion, synthesizes the results, presents the implications of this study for ESEs, and suggests future research that could be conducted on transitional employment.

# 1. INTRODUCTION

REDF is an intermediary that provides grants and capacity-building supports to employment social enterprises (ESEs)—mission-driven businesses focused on hiring and assisting people who face barriers to work. ESEs have two missions: a business mission and a social mission. The business mission is to deliver quality products and services and generate earned revenue to achieve financial sustainability. The social mission is to provide paid employment to build the skills and ability to navigate the workforce of people who are overcoming barriers to work like histories of incarceration or unstable housing. By developing workers' skills, ESEs aim to help workers achieve sustained employment and earnings gains and improve the quality of their lives, such as through having employer-sponsored health care. REDF focuses on adults who have faced homelessness, incarceration, mental health or substance use disorders, and young people between the ages of 16 and 24 who are neither in school nor working—sometimes referred to as “opportunity youth.” A 2017 report from the American Enterprise Institute estimated that 6.9 million prime working-age (25 to 54 years old) adults are low income (i.e., household income less than 200% of the federal poverty line), are not working, and face at least one barrier to employment (Corinth, 2017). Additionally, an estimated 4.9 million people between the ages 16 and 24 are neither in school nor working (Towns, 2019).

In 2010, REDF was awarded a Social Innovation Fund (SIF) grant from the Corporation for National and Community Service to support seven ESEs and test the efficacy of ESEs as a solution to one of the nation's most enduring and pressing challenges: chronic unemployment of individuals facing significant barriers to work. An evaluation associated with the 2010 SIF grant conducted by researchers from Mathematica Policy Research, referred to as the Mathematica Jobs Study (MJS), documented promising results. Evidence suggested that subsidized employment in an ESE improved employment outcomes 1 year later (Rotz et al., 2015). In 2015, REDF was awarded a second grant from SIF to significantly scale the number of people served by ESEs, while building the evidence of their effectiveness by conducting an evaluation with an experimental component. REDF selected RTI International as the external evaluator for the second SIF grant. This report presents the findings of that evaluation, referred to as the “RTI Employment Social Enterprise Evaluation” or “RTI Evaluation” for short.

RTI designed the evaluation to build upon the findings outlined in the 2015 MJS report. That study found encouraging growth in employment, income, housing, and job stability across seven California-based ESEs. MJS included one ESE with a small comparison group, enabling the researchers to better isolate the impact of the ESE experience for that one organization. Along with presenting the promising results of that study, the MJS researchers acknowledged several practical limitations and recommended further research with two

improvements: an experimental design and a larger sample of organizations. This evaluation was intended to answer that call, building on earlier findings with stronger evidence from randomized control trials (RCTs), where practical, and from quasi-experiment design (QED) studies where RCTs were not possible. REDF was also interested in examining the impact of ESE employment over a longer period of time (i.e., 18 months rather than 12 months). This evaluation has three components:

1. **Impact Study:** A study involving four REDF-supported ESEs, each with comparison groups of individuals who were similar to the ESE workers in terms of experiencing barriers to employment but who were not employed by the ESEs. With two ESEs incorporating an RCT<sup>4</sup> design, and two a QED design, this study estimates the impact of the ESE experience on a worker's employment, housing, and other life stability outcomes 18 months after applying to the program. The impact study seeks to answer: *"To what extent does working in an ESE affect an individual's employment and life stability? Are the benefits of ESE employment equitable to members of different racial and ethnic and gender groups?"*
2. **Cost-Benefit Analysis (CBA) Study:** ESEs often have more business expenses than traditional businesses because ESEs expend resources to support employees in areas such as job readiness training, financial literacy training, and substance use disorder counseling as workers try to overcome employment barriers and transition to unsubsidized employment. Once ESE workers secure unsubsidized jobs after they leave the ESE, they may benefit directly by earning more, and taxpayers may benefit if fewer taxpayer dollars are needed for public assistance for food and housing. The CBA study measures the expenditures for serving the ESE group and compares those with the differences in outcomes observed between the ESE group and the comparison group. The CBA study seeks to answer: *"What is the return on investment of the costs associated with employing a worker in an ESE?"*
3. **Perceptual Feedback Study:** RTI embedded a study to examine whether ESE workers' midprogram feedback is associated with their subsequent employment and other outcomes after leaving the ESE. This portion of the evaluation was funded by a grant from the Fund for Shared Insights, a national funder collaborative seeking to improve philanthropy by promoting high-quality listening and feedback in service of equity. According to the collaborative, this evaluation would be the first study to examine the potential linkage between midprogram feedback and postprogram outcomes in a large-scale, rigorous evaluation. The perceptual feedback study seeks to answer: *"Do ESE workers' perceptions about the effectiveness of ESE programs predict their later employment and other associated outcomes?"*

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<sup>4</sup> Terms used throughout this report, such as RCT, are defined in the Glossary. The particular RCT approach taken for this study is described in Chapter 2.

## A. REDF's Theory of Change

REDF's theory of change is based on a belief that paid employment accompanied by wraparound supportive services for employees is the best way to bolster job skills, expand economic opportunity by preparing them for long-term employment, and promote life stability for people with low incomes who face significant barriers to employment. As an intermediary organization supporting ESEs, REDF's model involves both direct and indirect approaches to achieving its mission. The direct approach provides ESEs access to capital as well as high-touch, customized organizational capacity building by skilled program staff. REDF's indirect approach focuses on building the infrastructure for the social enterprise field to grow by strengthening networks, engaging the public sector, cultivating promising leaders, and sharing knowledge. These activities are directed to improving the effectiveness of the ESEs, as well as the field as a whole, by helping them make informed, sustainable business decisions and improve short- and long-term beneficiary outcomes. With assistance, REDF hopes that ESE programs will grow, adapt, and thrive as sustainable businesses that continue to meet the needs of program participants. In 2016, in preparation for this evaluation, REDF specified their logic model, presented in Appendix A.

## B. Description of Employment Social Enterprises

While each ESE supported by REDF serves a target population, such as individuals who were formerly incarcerated, people experiencing homelessness, and/or opportunity youth, all ESEs aim to provide high-quality supportive employment to their workers. In addition, most provide strategic vocational activities that may include work readiness training, career counseling, hard skills training, assistance with the job search, and connections to permanent employment. They may also provide assistance in nonvocational support areas, including transportation, health care access and coverage, housing, clothing, and treatment services for mental health and substance use disorder.

Table 1.1 lists the four ESEs involved in the evaluation, including their location, target population, name and industry of the ESE program, and the number of workers served in 2018, the year the evaluation began. RTI and REDF agreed with the ESEs at the start of the evaluation that they would not be named in public-facing reports.

**Table 1.1. Employment Social Enterprise Characteristics**

<b>Employment social enterprise</b>	<b>Location</b>	<b>Target population</b>	<b>Program name and industry</b>	<b>Number of workers served in 2018</b>
ESE 1	OR	Individuals experiencing homelessness	Street cleaning; office administration	123
ESE 2	CA	Individuals who have been incarcerated	Retail and office administration	302
ESE 3	WA	Opportunity youth	Retail	63
ESE 4	WA	Individuals experiencing homelessness; Individuals with substance use disorders	Manufacturing	137

Table 1.2 lists information on demographics and barriers to employment for workers in each ESE in the evaluation. About one-third are female. At ESE 2, the majority of workers are Hispanic (54%), while at ESE 1 and ESE 4, the majority are White (65% and 66%, respectively). The largest share of ESE workers at ESE 3 are Black (44%). Given they serve opportunity youth, all ESE 3 workers are under age 25. The largest share of ESE 2 and ESE 1 workers are between 25 and 40 (64 % and 55%, respectively). ESE 4 has the most diverse age groups, with 23% under 25, 39% between 25 and 40, and 38% over 40.

With regard to barriers to employment, all ESE 3 workers in the study are opportunity youth. ESE 2 has the largest percentage of workers who have ever been incarcerated (92%). At both ESE 2 and ESE 1, about three-quarters of workers in the study have experienced homelessness in the last year. ESE 1 has the largest share of workers (79%) who have ever been treated for or felt the effects of anxiety, mood disorders, schizophrenia, or substance abuse disorder.

**Table 1.2. Demographics and Barriers to Employment for Employment Social Enterprise Workers, by Employment Social Enterprise**

Characteristic	ESE 1 % (n = 141)	ESE 2 % (n = 211)	ESE 3 % (n = 63)	ESE 4 % (n = 172)	All % (n = 587)
Female	30	31	38	38	33
<b>Race and ethnicity<sup>1</sup></b>					
Asian or Pacific Islander	0	5	10	1	3
Black	13	11	44	15	17
Hispanic	9	54	14	8	25
White	65	20	10	66	43
Multiracial	7	2	14	6	6
Other	6	8	8	3	6
<b>Age</b>					
Under 25	3	5	100	23	20
25–41	55	64	0	39	48
Over 41	43	31	0	38	33
<b>Barrier</b>					
Experiencing homelessness	74	76	29	38	59
Facing mental health disorder	79	59	16	61	60
Formerly incarcerated	75	92	14	47	66
Opportunity youth	3	5	100	23	2

<sup>1</sup>The race and ethnicity categories are mutually exclusive. Employment social enterprise workers who indicated that they were Hispanic or Latino are counted as “Hispanic,” regardless of race. The remaining categories are all non-Hispanic ethnicities. The “other” category includes American Indian or Alaska Natives, respondents who marked “other,” and the few respondents who did not mark a race.

## C. Overview of Prior Research

REDF’s previous SIF evaluation, MJS, was completed in 2015. MJS included an implementation study, a pre- and postprogram outcomes study, an impact study, and a CBA. The outcomes study had a sample size of 282 participants from seven ESEs who were followed up with a year after hire. The study found that at the time of follow-up, 51% of the participants were employed. Compared with when they started their job, housing stability increased from 15.4% to 53.2%, and average monthly wage and salary income rose from \$215.70 to \$777.30. In addition, the CBA based on the results from the outcomes study found that every dollar that was spent by the ESEs generated on average \$2.23 of benefits to society. The MJS impact study was small, involving one ESE with 138 people in the ESE group and 32 people in the comparison group. The impact study supported the conclusion in the outcomes study that social enterprise employment can improve economic self-sufficiency. Using a quasi-experimental design, the impact study found a 19-percentage-point increase in employment 1 year after hire for ESE workers as compared with the comparison group. The result was marginally statistically significant (*p*-value 0.094). The MJS researchers

noted that their study provided moderate evidence that ESE employment increased economic self-sufficiency and some indicators of life stability and that “a randomized control trial in which individuals are randomly assigned to become [E]SE workers could further increase the quality of causal evidence available on the [E]SE experience” (Rotz et al., 2015, p. xxii).

The RTI Evaluation builds most closely on MJS, but other rigorous research of transitional employment programs inform this work. Other evaluations of programs that provide transitional jobs to individuals with barriers to employment have contributed to the evidence base of such programs. Some of these studies have found an initial employment benefit for transitional workers, which diminishes over time. One evaluation of six transitional jobs programs for formerly incarcerated individuals using rigorous random assignment design found that individuals receiving transitional jobs were more likely than peers receiving only job search assistance to be employed early on, but that effects faded with time. Between the groups who did and did not receive transitional jobs, they found no difference in unsubsidized employment outcomes 2 and 4 years later (Redcross, et al., 2012). Similarly, a study of the Los Angeles Regional Initiative for Social Enterprise (LA:RISE) found that the program had a short-term, modest impact on employment, which declined over time (Geckeler, et al., 2019).

However, other studies have found benefits of transitional employment can persist over time. A meta-analysis of multiple rigorously evaluated transitional employment models concluded that these programs have benefits, which persist. For example, authors referenced the National Supported Work Demonstrations which had positive labor market effects up to 3 years past program entry (Dutta-Gupta, et al., 2016). Another random-assignment study of seven transitional employment programs targeting those recently released from prison found that the increase in employment and wages for program participants persisted 30 months after initial enrollment (Barden, et al., 2018). The RTI Evaluation examines whether benefits persist over 18 months.

Some of this work has examined life stability in addition to economic self-sufficiency, but this work tends to focus on incomes such as recidivism and stable housing. These results tend to be less robust than the economic self-sufficiency outcomes. The MJS did not find substantial effects on life stability outcomes such as stable housing or arrests 12 months after intake (Rotz, et al., 2015), nor did the LA:RISE evaluation find that the program reduced the likelihood of arrests (Geckeler, et al., 2019). However, Barden and colleagues (2018) did find a reduction in recidivism for program participants. The RTI Evaluation examines multiple life stability outcomes including stable housing, arrests, having insurance, pursuing further education, and well-being.

Several of these studies have examined whether the transitional employment programs are cost effective, that is, determining programs costs relative to other initiatives. A few studies,

including the MJS, have done a cost-benefit analysis examining costs and benefits to the worker, the organization, the taxpayer, and society as a whole. Cost-benefit analyses facilitate calculating the program's return on investment. MJS had a cost-benefit analysis, and the RTI Evaluation includes this as well.

## D. Impact Research Questions and Outcomes Measures

The cornerstone of the evaluation is an impact analysis that estimates the impact of ESE employment on employment outcomes 18 months later. Analysis also explore secondary outcomes, including income, housing stability, and recidivism. ESE 3, with its focus on opportunity youth, also aims to help workers complete high school if they have not and pursue some type of postsecondary education or training. Thus, the study also explores the impact on educational outcomes.

- **Research Question 1:** Do workers in REDF ESE programs have better economic self-sufficiency outcomes, such as employment and income, compared with the comparison group?
- **Research Question 2:** Do workers in REDF ESE programs have better life stability outcomes (e.g., housing stability, recidivism, health insurance, and physical and mental well-being) compared with the comparison group?
- **Research Question 3:** Do workers in REDF ESE programs have better educational outcomes compared with the comparison group?
- **Research Question 4:** Does the direction and magnitude of the observed treatment effects differ by ESE? If so, how?

Table 1.3 lists the key outcome measures for the impact study. The report includes additional descriptive information, such as workers' level of satisfaction with various aspects of their current job, industry of current job, and reasons for not working. Those additional measures are described when they are presented in the report. Both employed and unemployed people responded to questions about employment. Employed people described their current employment, and the unemployed described their most recent job.

**Table 1.3. Key Outcome Measures**

Outcome and measure	Description
<b>Economic self-sufficiency</b>	
Employment	
Currently employed	Worked for pay in last week
Tenure at current job	Number of months with current employer
Number of months unemployed	Number of months unemployed in last 18 months
Hours worked at most recent job	Hours per week worked at most recent job, including current job if currently employed
Worked at least 30 hours per week at most recent job	Worked at least 30 hours per week at most recent job, including current job if currently employed
Income	
Wage	Wage and salary income from work in past month
Total income	Total income in past month from work, government benefits, and other sources (e.g., friends and family)
Ratio of wage to total income	Share of income from work in past month
<b>Life stability</b>	
Housing stability	
Currently in stable housing	Currently living in stable housing
Ever in stable housing in last 18 months	Has experienced stable housing at least some point in last 18 months
Ever in temporary housing in last 18 months	Has experienced temporary housing at least some point in last 18 months
Number of months in stable housing in last 18 months	Number of months living in stable housing in last 18 months
Arrests	
Arrested in last 18 months	Arrested in last 18 months
Health insurance	
Currently has health insurance	Currently has any health insurance
Has employer-sponsored insurance	Currently has employer-sponsored health insurance
Number of months without insurance in last 18 months	Number of months without health insurance in last 18 months
Well-being	
Physical health	Current self-reported physical health on 18-month follow-up survey
Depression	Screens positive for depression at 18-month follow-up survey based on = two-item scale
Anxiety	Screens positive for anxiety at 18-month follow-up survey based on = two-item scale
Health limits work	Health condition, mental or physical, currently limits work

Outcome and measure	Description
<b>Education</b>	
Enrolled in education program in last 18 months	Enrolled in education or training program in last 18 months
Currently enrolled in education program	Currently enrolled in education or training program
Earned credential, certificate, license, or degree in last 18 months	Earned credential, license, certificate, or degree in last 18 months

## E. Evaluation Learning Committee

RTI and REDF, in planning for this evaluation, agreed to form an Evaluation Learning Committee (ELC). The aim was to create a venue where RTI, REDF, and ESE staff could learn from each other's experiences to conduct a responsive and meaningful evaluation which would minimize burden and build all members' capacity and understanding of the evaluation process and results. RTI believes that a meaningful and useful evaluation is one that engages stakeholders in the process. ELC was a vehicle for soliciting ESEs' feedback on the evaluation process. RTI would make ultimate decisions about the scope and focus of the evaluation and the reporting of results. As an external evaluator, it was critical that we retain ultimate independence. Nevertheless, RTI carefully considered all feedback provided by ELC on selected aspects of the evaluation to ensure that the evaluation was responsive while being grounded in rigorous research practices. Examples of the types of tasks ELC engaged in were providing contextual understanding of the ESE programs to RTI and REDF staff, providing feedback on proposed processes to administer and collect data, reviewing and providing feedback on the surveys used to collect data, helping interpret results to ensure that data accurately captures ESE programs and ESE worker experiences, brainstorming methods to report results in ways that ESEs may find useful, and supporting communication of results, including providing feedback on report and presentation drafts. During the first phase of ELC, 12 REDF-supported ESEs participated, with 15 ESE members total. These included two members who had previously been ESE workers and were now ESE staff. As the design for the evaluation solidified with four ESEs participating in the impact evaluation, ELC membership was adjusted to those four ESEs, but the number of participating staff from the ESEs expanded. ELC met five times during the study planning and implementation period.

## F. Emergence of Global Pandemic

The evaluation launched in January 2018, with baseline data collected between January 2018 and June 2019. Follow-up data to assess outcomes were collected 18 months after the baseline data collection, between October 2019 and December 2020. On March 11, 2020, midway through follow-up data collection, the World Health Organization declared the COVID-19 outbreak a global pandemic. According to the Congressional Research Service,

the economic impacts of the pandemic “have been large and dramatic, with impact disparities between various sectors and regions. In the United States, fear of infection, social distancing, and various states’ stay-at-home orders prompted business closures and severe declines in U.S. demand for travel, accommodations, restaurants, and entertainment, among other industries. This has led to massive layoffs, furloughs, and surges in unemployment claims, with predictions for further declines in U.S. gross domestic product” (Congressional Research Service, 2020). Workers with low educational attainment, young workers, women, Black and Hispanic individuals, and part-time workers experienced especially high rates of unemployment, as did workers in service industries (Congressional Research Service, 2021). Many of those hit hardest by the recession are the very groups that ESEs serve. Table 1.4 reports unemployment rates for the three metropolitan areas in which the four ESEs in this study are located.

The economic impacts of the pandemic have the potential to affect the findings of this evaluation. All ESE workers began working with their ESE before the pandemic started, and all but one left the ESE before the pandemic hit. Thus, their ESE experience was not impacted. An analysis of dates when study participants completed the follow-up survey reveals that 57% did so in March 2020 or later. Table 1.5 shows the percentage of people who completed the 18-month follow-up survey during the pandemic. To the extent possible given the sample sizes, we examine whether the outcomes vary by whether the ESE worker completed the follow-up survey during the pandemic or before the pandemic.

**Table 1.4. Monthly Unemployment Rates in Metropolitan Areas of Employment Social Enterprises**

Metropolitan area	2018			2019			2020 (pre-pandemic)			2020 (during pandemic)		
	Min %	Max %	Mean %	Min %	Max %	Mean %	Min %	Max %	Mean %	Min %	Max %	Mean %
In Oregon	3.4	4.2	3.8	2.8	4.2	3.5	3.4	3.5	3.5	3.6	14.2	9.0
In California	2.3	3.1	2.7	2.2	3.0	2.6	2.7	2.7	2.7	3.5	12.0	7.8
In Washington	3.3	4.2	3.7	3.0	4.0	3.3	3.0	3.3	3.2	5.0	16.6	8.9

Note: The “Pre-pandemic” months of 2020 include January and February. The “during pandemic” months of 2020 include March through December.

Source: U.S. Bureau of Labor Statistics, <https://data.bls.gov/PDQWeb>.

**Table 1.5. Percentage of Workers Taking 18-Month Follow-Up Survey After Pandemic Began, by Employment Social Enterprise**

Employment social enterprise	Total number of survey takers	Pre-pandemic surveys		Pandemic surveys	
		n	%	n	%
Overall	643	278	43	364	57
ESE 1	197	83	42	114	58
ESE 2	174	49	28	125	72
ESE 3	96	78	81	18	19
ESE 4	176	68	39	108	61

## G. Structure of Report

The remainder of this report is organized into the following chapters:

- **Chapter 2** describes the design of this evaluation, including how participants were organized into treatment and comparison groups and how data were collected through a series of four surveys.
- **Chapter 3** presents results examining the impact of the ESE experience on economic self-sufficiency, including employment and income outcomes.
- **Chapter 4** presents results examining the impact of the ESE experience on life stability outcomes, including housing stability, recidivism, health insurance, and physical and mental health. It also presents results examining the impact of the ESE experience on educational outcomes.
- **Chapter 5** describes the approach taken for the CBA and presents results of those analyses.
- **Chapter 6** examines the link between ESE workers' perceptual feedback and their subsequent employment and other outcomes.

The report ends with a concluding chapter and a number of appendices which a) present the four surveys, b) give details of the methodology for the impact study, c) present appendix tables for Chapter 3, d) present appendix table for Chapter 4, and e) five details of the methodology of the CBA.

## 2. STUDY DESIGN

To conduct a rigorous evaluation of employment social enterprise (ESE) programs, we used several strategies to achieve a strong level of evidence. First, we identified and collected data for a comparison group, which permits accounting for other factors that might influence employment and life stability; the comparison group shows what happened to people who did not get the ESE experience. Then, we used statistical methods to remove any differences at baseline and ensure that the ESE and comparison groups are very similar to each other—except that only the ESE group participated in ESE. Baseline differences between ESE and comparison groups could have resulted at study intake. By collecting data over time, we could follow the ESE group’s progression starting from application to ESE through to 18 months later. Finally, we used statistical techniques to account for other factors that might influence employment and life stability over time, thus isolating the influence of ESE. Before beginning the intake process, we visited each site to conduct a 4-hour training, with an overview of the evaluation and the process for selecting people into the ESE or comparison group. During the training, we outlined the content and administration procedures for the intake, exit, and perceptual feedback surveys.

### A. Creating Employment Social Enterprise and Comparison Groups

To isolate the effect of participating in an ESE on employment and life stability, we wanted to identify a comparison group that did not receive ESE services, that was almost exactly like the ESE group, which did receive services. Numerous factors apart from ESE may affect employment and life stability outcomes. For example, people who have been homeless may find greater challenges in obtaining stable employment than those in secure housing. Thus, the comparison group should have about the same percentage of people in stable housing as in the ESE group. We used two techniques to construct comparison groups: random assignment and propensity score matching. The U.S. Department of Education’s What Works Clearinghouse recognizes both these methodological tools as strategies for conducting high-quality research (U.S. Department of Education, n.d.).

The most rigorous way to determine which participants would be in the ESE and control groups is by random assignment, in which people are assigned completely by chance into one group or the other. It is like tossing a coin to determine whether someone would get the ESE service. With random assignment, no characteristic of a study participant would influence the chances of receiving services. Two of four sites, ESE 2 and ESE 3, used random assignment, also referred to as a randomized control trial (RCT) design. When

people came to information sessions about the ESE program, they learned about the study and were invited to participate. They were told that this is a random assignment study, in which they may or may not receive ESE services depending on chance. All of them agreed to participate in the study and signed consent forms. A staff member from the ESE then logged in to an RTI website and entered the applicant's ID number as well as birth date and initials. When the ESE staff member submitted that information, the website generated a response to the ESE worker identifying the client as either "treatment" or "control." The treatment group is the ESE group, which received work and services from an ESE. In this analysis, the ESE (or treatment) group received ESE employment and supports, while the control group did not. The ESE staff member then told the applicant whether they were admitted to the program. If so, applicants could begin work with the ESE. At ESE 2, ESE workers started work the next day, and at ESE 3, they started within the next week or two.

Although ESE staff understood that a robust study design is essential to identifying the influence of the ESE on participant outcomes, denying services to an applicant simply to protect the study design was stressful for them. The ESEs using random assignment in this study had more applicants than spaces and not all who expressed interest could have been served. Even so, given that ESE staff might feel under pressure to put someone in the ESE group who had been randomly assigned to the comparison group, the random assignment tool prohibited entering the same applicant more than once to avoid such an occurrence. To validate the random assignment, every month during the intake period we combined the data from the random assignment tool with other data the ESEs sent us. We prepared a report to review with the ESEs to confirm that the people the random assignment tool identified as "treatment" (ESE group) were, in fact, receiving services, and that those identified as "comparison" were not. Because ESE staff entered the initials and birth date of applicants into the random assignment tool, they could not switch applicants' IDs to reassign them by moving them from the ESE to comparison group, or vice versa. ESE 2, one of the two random assignment sites, provided study participants who had been randomized into the comparison group a referral to another nonprofit organization in the community that offered employability workshops and job search assistance but not direct employment. ESE 3, the other random assignment site, did not refer applicants to other organizations.

Random assignment is not always possible. Two sites, ESE 1 and ESE 4, could not use random assignment because they did not have more applicants than they had ESE spaces. In other words, they accepted nearly all applicants into the ESE group. For these two sites, we used a robust technique called propensity score matching to identify members of the comparison group. Propensity score matching is a statistical technique used to match comparison group members to the ESE (or treatment) group members using observed characteristics to estimate the probability for every individual of being part of the treatment group. Here, we created the comparison group by matching those who received services with similar people who expressed interest in the ESE's programs but did not ultimately

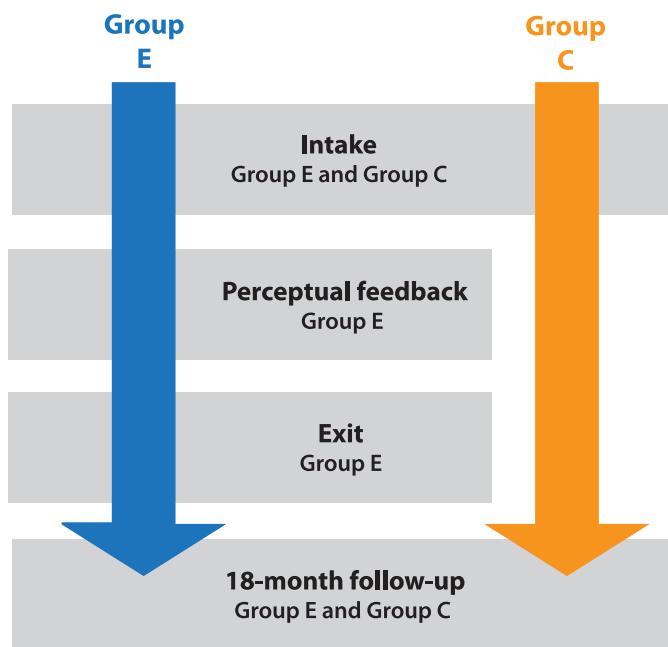
become employed with the ESE. This matching was done based on the estimated probability of selection (see Appendix C for more detail about the propensity score matching approach.)

The propensity score matching sites used slightly different approaches to recruiting study participants. ESE 4 applicants who attended a manufacturing tour or an office skills tour then had an intake meeting with ESE 4 staff. ESE 4 staff determined whether the applicant was eligible for ESE 4 services and, if so, explained the study. Those who applied to the manufacturing tour comprised the pool for the ESE group, and those who applied to the office skills group served as the pool for the comparison group. The office skills group was a training class and did not include supportive employment. ESE 4 did not have as many participants in the comparison group as needed to conduct study analyses, so staff recruited more study participants by giving presentations at other community organizations that did workforce development but were not ESEs. From this total pool of participants, we conducted propensity score matching to identify the study sample of ESE and comparison groups.

With ESE 1, the applicant attended an orientation meeting and learned about the Path to Employment program. With this program, people could participate in workshops about career mapping and planning as well as strategies for job interviews. After that, some chose to find employment in the community right away, while others joined ESE 1. After making their decision about joining ESE 1, they learned about the study. Those who then chose to enter ESE 1 were the pool for the ESE group, and about one-fourth of those who decided to find employment without ESE 1 served as the pool for the comparison group. In both ESE 1 and ESE 4, if applicants agreed to participate in the study, they completed their consent form and took the intake survey.

## B. Collecting Data Over Time

We collected survey data twice for all study participants: at the intake and 18 months later. These surveys made it possible to see whether employment and life stability had changed over time with ESE participation (for the ESE group) and absent such participation (the comparison group). Additionally, for the ESE group, we conducted two surveys to learn about their experience with the ESE (see Appendix B for complete survey instruments). About half of the study participants were experiencing the challenges brought on by the COVID-19 pandemic when they responded to the 18-month follow-up survey; we expect that the pandemic would have affected all study participants regardless of whether they had received services from an ESE. Figure 2.1 shows the data collection activities for the ESE and comparison groups.

**Figure 2.1. Data Collection Process for Treatment and Comparison Groups**

Note: "Group E" refers to the ESE group (i.e., the treatment group) and "Group C" refers to the comparison group.

### **1. *Intake Survey***

As described above, in all ESEs, as soon as participants agreed to join the study, they completed the intake survey. The web-based intake survey asked questions about their demographics, income from various sources, current employment status, employment history, perceived barriers to employment, current housing status, educational attainment, veteran status, marital status, and whether they had dependent children or had ever been arrested or incarcerated (see the full survey instrument in Appendix B). Having this information was crucial for conducting propensity score matching to ensure that the comparison group was as similar as possible to the ESE group on these varied components and this information permitted outcome analyses that account for these baseline characteristics.

## 2. *Perceptual Feedback Survey*

As we began to design this impact evaluation, leaders from the Fund for Shared Insight collaborative approached REDF and the researchers to inquire about embedding a study of perceptual feedback into the evaluation. The objective would be to examine whether program participants' perspectives, feelings, and opinions about their experience with an organization may be predictive of their subsequent postprogram outcomes. According to the collaborative, this would be the first large-scale evaluation to examine this potential linkage. REDF and the researchers enthusiastically agreed to expand the evaluation to include a perceptual feedback study.

**Perceptual feedback** refers to the perspectives, feelings, and opinions individuals have about their experiences with an organization, product, or service that are used to inform and improve the practice and decision-making of that organization.

Threlfall Consulting. (2017). *Perceptual feedback: What's it all about?* Fund for Shared Insight. <https://d35kre7me4s5s.cloudfront.net/wp-content/uploads/2017/05/18173322/Perceptual-Feedback-20170306.pdf>

As the ESE group progressed through its work with the ESE, we conducted a perceptual feedback survey to learn about the way ESE workers perceived the effectiveness of their ESE. To design this survey, we started with seven questions from the Listen4Good initiative of the Fund for Shared Insight collaborative. Since 2016, hundreds of organizations have used Listen4Good's questions to gather opinions and preferences of more than 150,000 nonprofit clients across the country. The seven questions include five close-ended questions such as "How connected do you feel to staff at [...]?" and two open-ended questions: "What is [...] good at?" and "What could [...] do better?"

To decide what kinds of questions to add, we reviewed emerging literature on perceptual feedback. Then, we developed draft constructs, or key components to measure, such as "sense of belonging" and "preparation for the future" and drafted survey questions associated with each of them. These questions asked about whether people agreed or disagreed with various statements including "I have the chance to provide feedback to [...] about activities, decisions, and policies that affect me" (sense of belonging) and "I think this job has given me the skills to succeed in a job outside of this program." (preparation for the future). We engaged REDF staff to review and revise these constructs and questions and then conducted focus groups with four ESEs: Center for Employment Opportunities, Chrysalis, Community Housing Partnership, and Juma San Francisco. While these ESEs are not included in this impact evaluation, they were part of a larger portfolio of REDF-supported ESEs. At each of these four ESEs, we conducted two focus groups with 6–12 participants and spoke with one to five staff members. Throughout this process, we revised and developed questions, which we used in subsequent focus groups. Focus groups were designed to inform us about whether participants viewed the questions as relevant and important for improving their experience as well as whether the appropriate terminology for

activities was being used. Next, we engaged the Evaluation Learning Committee with a smaller set of draft questions, focusing on those that seemed problematic or particularly relevant. Finally, we piloted the survey in two ESEs: ESE 2 and ESE 4. Based on analyses of those pilot data, we refined the final survey. The final survey had a total of 53 perception questions (see Appendix B for the perceptual feedback survey).

When ESE workers were about one-third of the way through their ESE work and training, staff administered the perceptual feedback survey. By this time, ESE workers had enough exposure to different ESE staff, work, and training to provide feedback on their experience overall. Some ESE workers had stopped working with the ESE when the perceptual feedback survey was administered so there are no survey responses from them. Out of 587 ESE workers who took the intake survey, 344 (59%) took the perceptual feedback survey. People took the perceptual feedback survey online and received a \$20 gift card after they finished it.

### **3. *Exit Survey***

When ESE workers completed their employment with the ESE, they filled out an exit survey. This survey asked questions about reasons for exiting the ESE, be they positive, neutral, or negative. Positive reasons included finding a job elsewhere or starting external training and suggested that the ESE worker was in a better position for stable employment. Negative reasons suggested the worker did not find the ESE experience helpful, as such reasons included thinking that time in the ESE would not result in finding employment. Negative reasons also included factors suggesting that the worker was not in a good position for stable employment, such as drug use or being terminated from a position. The exit survey included neutral reasons for leaving the ESE, such moving or pregnancy. If the worker left the ESE without completing an exit survey, the ESE staff member working with that person completed the survey instead.

### **4. *Eighteen-Month Follow-Up Survey***

With the 18-month follow-up survey, we asked study participants about employment status and life stability approximately 18 months after their intake into the study. So that survey respondents would have choices about mode in which they took the survey, we developed both a web-based and telephone interview survey. Respondents could take the web-based survey on their own, and for the telephone survey, an RTI staff member and respondent had a telephone call in which the staff member asked the survey questions and entered the responses directly into the survey.

Because intake occurred on a rolling basis over an 18-month period, data collection had to be staggered so that all respondents answered the questions after about the same amount of time since their intake. To get the correct timing, we created five data collection waves

highlighted in Table 2.1. Typically, each wave had a 3- to 4-month data collection window. For example, in Wave 1, we focused on data collection for the 166 people in the initial intake wave (January through March of 2018), trying to reach them for the survey from October 2019 through January 2020.

**Table 2.1. Data Collection Waves for Study Participants, by Employment Social Enterprise**

Wave	Intake months	Data collection months	ESE 1	ESE 2	ESE 3	ESE 4	Wave total
1	January–March 2018	October 2019–January 2020	33	56	33	44	166
2	April–May 2018	December 2019–March 2020	32	18	57	28	136
3	June–September 2018	February–May 2020	83	32	43	51	208
4	October–December 2018 to January 2019	May–August 2020	64	89	0	53	207
5	February–June 2019	September–December 2020	96	98	0	68	261
<b>Total</b>			<b>8</b>	<b>293</b>	<b>133</b>	<b>244</b>	<b>977</b>

Note: Because ESE 3 completed its intake before October 2018, was not included in Waves 4 or 5.

In trying to reach study participants, we used multiple modes of communication using the contact information they gave at intake. We initially sent letters reminding them of the purpose of the study and then sent texts and emails before being telephoned to be encouraged to take the survey via web or telephone. They were offered a \$100 gift card for completing the survey, regardless of which mode they chose. Each wave had scheduled data collection activities for texts, emails, and postcards. The telephone contactors noted what happened when they attempted calling (such as whether they left a message on an answering machine).

At about halfway through each data collection wave, we expanded our data collection efforts in two ways: we searched incarceration databases, and we asked ESE staff for help locating survey nonrespondents. To determine whether study respondents were incarcerated at the time of the survey, we used an online tool called VINELink, which presents incarceration status of individuals.<sup>5</sup> To search for an individual, we used first and last name and selected the state of probable residence (state of the ESE). Any matches were confirmed using the individual's birth date. If we could not find that individual, we searched neighboring states. We also searched state and county Department of Correction databases. In total, 30 study participants were incarcerated at the time of the follow-up survey.

Finally, for each ESE, we identified the list of people who had not yet responded to the survey and whom we could not find in the corrections database and asked whether the ESE

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<sup>5</sup> See <https://vinelink.com/#state-selection>.

had any additional information for them. ESE staff members were tremendously helpful in trying to locate survey nonrespondents. In some cases, they had more recent contact information, which they shared. In other cases, they contacted respondents' relatives for updated information and even contacted respondents directly to have them complete the survey.

This extensive data collection effort yielded very strong response rates. Overall, we received follow-up information for 673 out of 977 people who completed an intake survey, or a 69% response rate. This included 643 participants who completed a follow-up survey (66%), and 30 participants (3%) who did not complete a follow-up survey but were found be incarcerated at the time of the follow-up survey. By ESE, the lowest response rate was 66%, and the highest was 73% (Table 2.2). We expected to have a higher response rate from the ESE group because the people in that group had developed relationships with the ESE and might be more inclined to take the survey. Additionally, as ESE staff members helped track down nonrespondents, they may have had more recent contact information for those who had gone through their program. In fact, we achieved a 73% response rate for the ESE group and a 63% response rate for the comparison group. Despite fewer responses from the comparison group members, there was a response rate of at least 60% from each comparison group. Table 2.2 shows the final response rates, by ESE group and comparison group for each ESE.

We compared the baseline characteristics between the ESE group and the comparison group within each ESE and across all ESEs and confirmed that for the analysis of RCT sites, the different levels of attrition did not significantly change the baseline equivalence between the two treatment groups (see Appendix C).

**Table 2.2. Number of Intakes and Responses and Response Rates for 18-month Follow-Up Survey, Overall, for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

	Number of intakes			Number of responses			Response rates		
	Overall	ESE group	Com-parison	Overall	ESE group	Com-parison	Overall	ESE group	Com-parison
ESE 1	308	141	167	202	101	101	66%	72%	60%
ESE 2	293	211	82	196	147	49	67%	70%	60%
ESE 3	133	63	70	97	51	46	73%	81%	66%
ESE 4	243	172	71	178	128	50	73%	74%	70%
All employment social enterprises	977	587	390	673	427	246	69%	73%	63%

Note: "ESE group" refers to the employment social enterprise group (i.e., the treatment group). The 30 study participants identified as incarcerated are included in the number of responses. Although they did not complete a survey, their life status 18 months after intake is known and they are included in some analyses.

Only those who completed the final 18-month follow-up survey are included in the study because only they have outcome data. The propensity score matching process reduced the

sample size as only those with an appropriate match can be retained in the analysis. After the propensity score matching, the final study sample had 573 people. From intake through the creation of the analytic file, the sample size changed in this way (see Appendix C for more details):

Intake	18-month follow-up	Analytic sample
977	→ 673	→ 573

## C. Analysis Strategy

After creating the analytic file, we tested the impact of ESE participation on economic self-sufficiency, life stability, and education outcomes. Appendix C includes a full description of the methodological approach. In brief, the **outcome variables** capture employment, income, life stability, and education 18 months after the intake. The follow-up survey included all of these measures. Table 1.3 in Chapter 1 lists each outcome and definition.

**ESE group** and **comparison group** identify whether the person received treatment from the ESE group. Each ESE provided this information. Finally, to isolate the influence of ESE participation on these outcomes, the regression models controlled for **baseline variables** that could affect these outcomes. These variables include demographic characteristics, barriers to employment, baseline measures of economic self-sufficiency, life stability, and education. This information comes from the intake survey. Table C-2 in Appendix C list these variables and their definitions.

In examining the impact of ESE participation, we used two approaches to test group differences: effect size and statistical significance. With the effect size, if a statistic called Cohen's d is greater than or equal to 0.2, the effect size is notable. Statistical significance tells us how likely it is that this outcome could have occurred by chance, but the effect size tells how important the result is. Thus, discussions of results in Chapters 3 and 4 focus primarily on effect size (see Appendix C for more discussion of methods.)

### 3. IMPACT OF EMPLOYMENT SOCIAL ENTERPRISE ON ECONOMIC SELF-SUFFICIENCY AND WORK EXPERIENCES

#### Key Results

**The impact analysis showed the following outcomes:**

- For each of the eight economic self-sufficiency indicators examined in this evaluation, the employment social enterprise (ESE) group had better outcomes than the comparison group did. For example, the ESE group had higher employment rates, earned higher wages, and worked more hours per week than the comparison group.
- Examining the impact of the ESE by race and ethnicity and gender characteristics shows ***equitable benefits to ESE participation***. The ESEs did not advantage one racial and ethnic group or gender group over another, and the impact of the ESE on employment and income was the same across these groups.
- Even though both ESE and comparison group members experienced job losses during the pandemic, the ESE group still had a higher employment rate and income during the pandemic than the comparison group did.

**Descriptive comparisons of the ESE group and the comparison group found the following results:**

- Some study participants changed jobs during the study period. Of these, ***a larger share of the ESE group compared with the comparison group reported leaving a job to get a better job***—a positive job change reason.
- Of those who were unemployed at the 18-month follow-up survey, comparison group members more often cited educational and employment history barriers to work, while the ESE group more often cited past incarceration as a barrier to work.

**Descriptive analyses focused on the ESE group found the following results:**

- Comparing women with dependent children with women without dependent children and men with or without dependent children shows ***the current employment rate for women with children was about the same as other groups***. However, ***fewer women with children worked at least 30 hours per week***.
- Eighteen months after intake, people worked in a variety of industries. Overall, the most frequent industries were Repair (31%), Community (15%), Entertainment (12%), Manufacturing (12%), and Retail (9%).

Employment social enterprises (ESEs) help prepare workers for employment, both with job and industry-specific skills and with social-emotional skills needed in all workplaces. By having a good job, a person can become economically self-sufficient; that is, they have enough income to meet their basic needs, such as food, housing, utilities, health care, transportation, and dependent care. This study examines many aspects of work that contribute to economic self-sufficiency 18 months after the initial intake: employment status, hours worked, wage income, type of job held, and industry. Because the COVID-19 pandemic began during the follow-up period, we examine the influence of the pandemic on economic self-sufficiency. Then, we examine different kinds of work experiences people had, such as industries in which they worked and their job satisfaction. Finally, we looked at people who left jobs or who were unemployed to learn their reasons for leaving their jobs. People who were unemployed were asked why they were unemployed, and if they were not seeking work, why they did not. We present overall results and, in most cases, differences by each ESE and differences by demographic characteristics, when they are notable.

For outcomes pertaining to economic self-sufficiency, we conducted an impact analysis to determine the impact of ESE participation on various outcomes (e.g., employment). This analysis examined differences in ESE and comparison groups overall and within each ESE. We did not test differences comparing one ESE to the others. We conducted an impact analysis by race and ethnicity and gender overall, but not within each ESE. As described in Chapter 2, we used random assignment or propensity score matching to identify control group measures, and we assured that the ESE group and comparison group were equivalent at baseline on multiple factors including demographic characteristics, employment history, and life stability. Thus, the comparison group is as similar as possible to the ESE group—except that the latter participated in the ESE. Analytic models controlled for these baseline variables as well to best isolate the effect of ESE participation. We conducted an impact analysis for the following employment outcomes (also shown in Table 1.3 in Chapter 1):

- Current employment
- Number of months in current job
- Number of months unemployed since intake
- Number of hours worked at most recent job
- Working more than 30 hours a week<sup>6</sup>

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<sup>6</sup> Under some federal programs, working 30 hours a week is counted as full-time employment. For example, under the Affordable Care Act, the IRS defines full-time employees as having on average at least 30 hours of service per week. <https://www.irs.gov/affordable-care-act/employers/identifying-full-time-employees>.

The impact analysis on income included these outcomes (also shown in Table 1.3 in Chapter 1):

- Wages in last month
- Total income in last month
- Ratio of wage to total income in last month

As noted in Chapter 2, the impact analysis used two tests of the effect of ESE participation on outcomes: effect size and statistical significance. In the impact analysis tables, bold text indicates the differences that have an effect size with a Cohen's d that is at least 0.2 and \* indicates statistical significance of the difference. Appendix C presents more detailed information about the methodological approach.

In addition to the impact analysis, we present descriptive results showing the frequency of people who selected different survey options describing their employment and unemployment. These descriptive results include the following outcomes:

- Job satisfaction
- Job supports
- Reason for leaving job
- Industry and occupation of most recent job

Additionally, for those unemployed at the time of the survey, the analysis include these outcomes:

- Reasons for being unemployed
- Reasons for not seeking work

All these outcomes are from the 18-month follow-up survey, which is available in Appendix B.

## A. Employment Status

First, we examine the employment status of the ESE group compared with the comparison group 18 months after intake. In the survey, we asked a series of questions about employment status including whether the individual was employed at the time of the follow-up survey (referred to here as “currently employed”). We asked a series of questions about employment history over the 18 months since intake that included the days that the study participant started and ended any jobs held during that time. From those dates, we calculated the number of months respondents with jobs had worked in their current job as well as the number of months all respondents had been unemployed during this time. To learn about the number of hours per week people worked, we asked currently employed people how many hours a week they worked, and unemployed people how many hours they had worked per week in their most recent job. From that information, we calculated the percentage of people working at least 30 hours a week in their most recent job.

The analysis shows that across the board, the ESE group had better employment outcomes than the comparison group did. In each of the six employment outcomes examined in this

evaluation, the effect sizes are notable, and the differences are statistically significant.

Table 3.1a shows the overall results. When responding to the follow-up survey, 60% of the ESE group reported being currently employed, compared with 49% of the comparison group. On average, employed ESE workers had been in their current job 1 month longer than the comparison group. In terms of months unemployed, the ESE group was unemployed, on average, 3 months less than the comparison group. Data do not indicate why the ESE group had less time unemployed than the comparison group. With job skills and social-emotional skills training, the ESE group may have had longer spells of employment and less unemployment. Additionally, ESE training may have helped people become more resilient in seeking another job when one job ended.

Of those currently employed, on average, the ESE group worked 7 hours a week more than the comparison group did. For those currently unemployed, in their most recent job, the ESE group worked, on average, 8 hours a week more than the comparison group did. When considering current and most recent jobs, 71% of the ESE group worked at least 30 hours a week, while only 52% of the comparison group did. Even if the ESE group earned the same hourly rate as the comparison group, by working more hours, it would earn more.

Section 3.B reports results for the impact of the ESE on differences in income.

**Table 3.1a. Employment Outcomes, Overall Results**

Employment outcome	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Currently employed	60%	49%	<b>10%</b> *
Tenure at current job (months)	6.3	4.8	<b>1</b> *
Number of months unemployed	5	8	<b>-3</b> ***
Hours worked at most recent job	33	25	<b>8</b> ***
Worked at least 30 hours per week at current or most recent job	71%	52%	<b>19%</b> ***

Note: Full results are in Appendix Table D-1. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Next, we examined whether differences in outcomes for ESE and comparison groups occurred within each of the ESEs (see Table 3.1b). For the percentage of people currently employed, ESE 1 has the most pronounced result with a 17-percentage-point difference between the ESE group and the comparison group. ESE 3 has a negative result where the employment rate for ESE 3 participants is 9 percentage points less than it is for the comparison group. There is not a significant difference in employment rates between the ESE group and the comparison group in the other two ESEs. A similar pattern holds for

tenure in current job, where employed ESE workers at ESE 1 have been in their current job 3 months longer than the comparison group. Employed ESE workers at ESE 3 have been in their jobs, on average, 2 months less than the comparison group. On average, the ESE group at ESE 1 and ESE 4 spent 4 fewer months unemployed than the comparison groups did. The ESE groups at ESE 2 and ESE 3 experienced 2 months less of unemployment than the comparison groups did, but although these differences are smaller than that of the other two ESEs, the statistical analysis indicates that participation in these ESEs did have an impact on the duration of unemployment. Next, we focused on the current or most recent job, considering the number of hours worked. We asked currently employed respondents the number of hours they worked each week in their current job, and we asked unemployed respondents the number of hours they worked in their most recent job. Across the ESEs, everyone in the ESE groups had more work hours per week than the comparison groups did, particularly in the most recent jobs for ESE 1 and ESE 4. Finally, we examined the percentage of people in each group who worked at least 30 hours per week in their current or most recent job. For ESE 1, ESE 3, and ESE 4, a higher percentage of the ESE group worked at least 30 hours a week than the comparison group. For ESE 2, the percentage of people working at least 30 hours per week was about the same between the ESE group and the comparison group.

**Table 3.1b. Differences in Employment Outcomes for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Employment outcome	ESE 1	ESE 2	ESE 3	ESE 4
Currently employed	<b>17%</b> *	3%	-9%	7%
Tenure at current job (months)	<b>3</b> **	1	-2	<b>2</b>
Number of months unemployed	<b>-4</b> ***	<b>-2</b>	-2	<b>-4</b> **
Hours worked per week at current job	<b>9</b> ***	4	2	<b>5</b>
Hours worked per week at most recent job	<b>8</b> ***	<b>4</b>	<b>8</b> **	<b>12</b> ***
Worked at least 30 hours per week at current or most recent job	<b>21%</b> ***	-3%	<b>16%</b>	<b>31%</b> ***

Note: Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table D-1. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d > 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Having tested the main effects of ESE participation overall and within each ESE, we used interaction effects to examine whether the ESE influenced members of demographic subgroups in the same way. Ideally, the benefits of ESE participation would be equitable; that is, members of all demographic subgroups should receive the same benefits from participation. However, if we found a significant interaction effect between racial and ethnic categories and ESE participation, for example, that would suggest that members of some racial and ethnic groups do not benefit from the ESE to the extent that the other groups do.

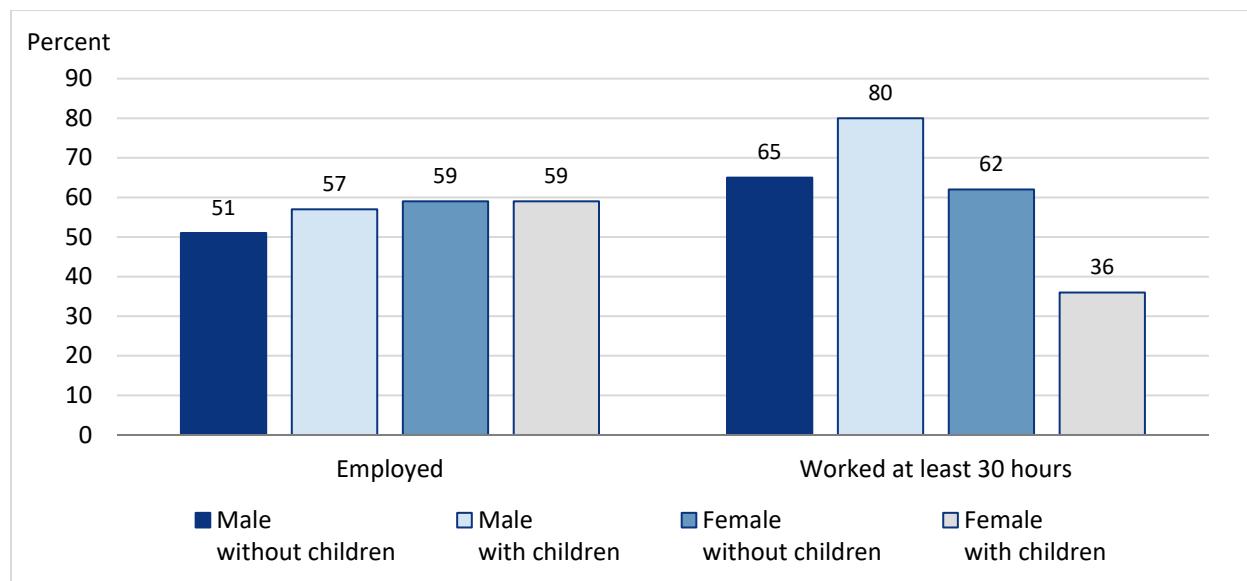
We looked for effects by race and ethnicity, comparing Black, Hispanic, Other race and ethnicity, and White respondents to all others. We also examined effects by gender. Sample size restrictions prohibited looking at race and ethnic and gender interaction effects within each ESE. We did not find significant interaction effects for employment outcomes by racial and ethnic or gender groups, which suggests that across ESEs, the benefits of participation are equitable for people in racial and ethnic and gender groups. (Appendix D has detailed results of these analyses.)

Given the costs of childcare, having dependent children may make it harder to work many hours outside the home. As women are often the primary caregivers for young children, there was a question of whether having children would negatively affect women's employment outcomes relative to those without children. In the ESE group, 35% of the females and 23% of the males had children. We calculated the employment status and hours worked each week for men and women, with and without children, in the ESE group at the 18-month follow-up period. (Note that this analysis is exploratory, and we did not statistically test these differences.) Here, the focus was just on the ESE group's current employment status and hours worked. As with analyses reported in Table 3.1a, for those currently employed, we calculated hours based on their current job; for the unemployed, we calculated hours based on their most recent job (see Figure 3.1a).

Having children does not seem to stop men or women from working. At least 50% of each group (male, female, with children, without) were employed at the time of the follow-up survey. Among females, we found no difference in employment rate for those with and without children (both are 59%). Females had slightly higher employment rates than males regardless of whether they had children. Males with children had higher employment rates than males without children (57% versus 51%). To be in this study, people had to decide to approach the ESE and sign up for the possibility of working with the ESE. Those who believed they could not work at all due to having dependents may not have approached the ESE or joined the study. Of those who chose to participate in the study, those with dependents had the same—or higher—employment rates than those without.

Examining the hours worked shows that a higher proportion of males worked at least 30 hours a week compared with females, whether or not they had children. For those without children, the male-female difference is slight. Sixty-five percent of males without children worked at least 30 hours a week compared with 62% of females. The male-female difference for those with children is greater. Eighty percent of males with children worked at least 30 hours per week compared with 36% of females with children. For women, having children may not affect their getting any job but may limit the amount of time they spend working. For men, having children may incentivize them to work more.

**Figure 3.1a. Employment Social Enterprise Group Currently Employed and Working 30+ hours per Week, by Gender and Child Status**



## B. Income

On the 18-month follow-up survey, people responded to a series of questions about the sources and amounts of their income over the past month. Sources included income from work; from governmental benefits, such as Supplemental Nutrition Assistance Program or Women, Infants, and Children program; and other income such as disability benefits, interest, or child support. We examine income from work (i.e., wage), total income, and ratio of wage to total income. That ratio shows the share of income that comes from work, and a higher ratio indicates that more of that person's income comes from work. Those who were unemployed had a wage income of \$0. Table 3.2a shows these results.

**Table 3.2a. Past Month's Income in Dollars, Overall Results**

Income characteristic	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Wage	1,233	927	<b>307 **</b>
Total income (wage + benefits)	1,488	1,276	<b>212</b>
Ratio of wage to total income	0.6	0.5	<b>0.1 ***</b>

Note: Full results are in Appendix Table D-3. Findings are presented as propensity score-weighted, regression-adjusted means. Bold difference indicates an effect size based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Overall, the ESE group had higher wages than the comparison group did. On average, the ESE group earned \$307 more than the comparison group did in the month just before taking the survey. When including all income sources (wages and benefits), the ESE group earned \$212 more in the month prior to the survey than the comparison group. The ratio of wages to total income is higher for the ESE group—a greater share of their monthly income came from their wages.

Next, we examine income results for each ESE. Table 3.2b presents the differences between the ESE group and comparison group within each ESE. Results by ESE are mixed. In ESE 1 and ESE 2, those in the ESE group had higher wages, total income, and ratio of wage to total income. In ESE 1, the results for wage and the ratio are statistically significant as well. In ESE 3, we found no statistical difference between the ESE group and comparison group on any measure. In ESE 4, we found no statistical difference in wages, but for total income, the monthly income for those in the ESE group was \$289 less than the comparison group, on average; the comparison group had higher income from governmental benefits. (Appendix D shows income from benefits). The ratio of wages to total income shows that for ESE 4 participants, wages comprise a greater share of their income.

**Table 3.2b. Difference in Past Month's Income in Dollars for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Income characteristic	ESE 1	ESE 2	ESE 3	ESE 4
Wage	\$390 *	\$505	\$108	-\$145
Total income (wage + benefits)	\$260	\$481	\$104	-\$289
Ratio of wage to total income	0.2 **	0.1	0.0	0.1

Note: Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table D-3. Findings are presented as propensity score-weighted, regression-adjusted means. Bold difference indicates an effect size based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

We conducted an interaction effects analysis to see whether ESE participation influenced income differently by race and ethnicity and gender. As with employment, we did not find significant interaction effects by ESE participation and demographic groups, which suggests that the benefits of participating in an ESE are equitable on wage income, total income, and ratio of wage to total income. That is, members of different demographic groups gained the same benefits from ESE participation (Appendix D has detailed results for these analyses.)

## C. Influence of Pandemic on Economic Self-Sufficiency

Although all members of the ESE group had experienced ESE work and training before the COVID-19 pandemic began, for some of them, the 18-month follow-up period included the pandemic. Across the United States, people lost their jobs during the pandemic, and adults with low-income jobs had higher rates of job loss than those with higher incomes. Fifty-six

percent of adults from households with incomes below \$25,000 lost employment income during the 1st year of the pandemic compared with 37% of those making between \$150,000 and \$200,000. Twenty percent of all job losses during the 1st year of the pandemic were in food preparation and serving, and 10% were in construction and extraction occupations (Carnevale, 2021). Given the effect of the pandemic on low-income workers, it is likely that it influenced study participants. Based on the date they took the 18-month follow-up survey, we determined whether they took the survey before or during the pandemic, which enabled examining whether the pandemic may have affected their employment and income outcomes (see Table 1.5 for the numbers of responses to the survey before and during the pandemic.)

We conducted an interaction effects analysis to signal whether the pandemic influenced economic self-sufficiency outcomes differently for ESE and comparison groups. No interaction effects were found for any outcome, suggesting a consistent effect of ESE programs over the course of the pandemic. Table 3.3 presents economic self-sufficiency outcomes for those who responded to the 18-month follow-up survey before the pandemic and during the pandemic. Table 3.3 includes changes to the outcomes during the pandemic and differences between ESE and comparison groups in each period.

**Table 3.3. Economic Self-Sufficiency Before and During COVID-19 Pandemic, Overall Results**

Characteristic	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
<b>Currently employed</b>			
Pre-pandemic	67.7%	56.8%	10.9%
Pandemic	52.2%	45.2%	6.9%
Pandemic difference	-15.6%	-11.6%	
<b>Wage income</b>			
Pre-pandemic	\$1,349	\$837	\$512
Pandemic	\$1,135	\$970	\$167
Pandemic difference	\$-2,134	\$131	
<b>Total income</b>			
Pre-pandemic	\$1,538	\$1,143	\$397
Pandemic	\$1,446	\$1,351	\$95
Pandemic difference	\$-93	\$209	
<b>Ratio of wage to total income</b>			
Pre-pandemic	0.7	0.5	0.2
Pandemic	0.6	0.5	0.1
Pandemic difference	-0.10	-0.01	

Note: Findings are presented as propensity score-weighted, regression-adjusted means.

The first set of rows in Table 3.3 shows that fewer people were working once the pandemic started. For both ESE and comparison groups, the rate of current employment dropped by more than 10 percentage points. The average wage income and total income decreased for the ESE group by \$214 and \$93, respectively. However, the wage and total income increased for the comparison group by \$131 and \$209, respectively. This increase may have resulted from the kinds of jobs some comparison group members kept after the pandemic started. The ratio of wage to total income decreased a little bit for the ESE group and stayed about the same for the comparison group.

Even with these losses of employment and decreases in income during the pandemic, the ESE group still had a higher employment rate and income during the pandemic than the comparison group did. During the pandemic, 52% of the ESE group were currently employed compared with 45% of the comparison group. In terms of wage income, the ESE group lost some and the comparison group gained some after the pandemic started, but the ESE group still had a higher wage income than the comparison group did (\$1,135 for the ESE group and \$968 for the comparison group). This result highlights how much greater the difference was before the pandemic started. Before the pandemic, on average, the ESE group earned \$1,349 in wages, and the comparison group earned \$837 in wages. Many of these study participants suffered in terms of their economic self-sufficiency during the pandemic, yet the ESE group continued to have a positive impact on economic self-sufficiency.

## D. Post-Employment Social Enterprise Job Satisfaction

In the 18-month follow-up survey, we asked respondents about the factors of their job with which they were satisfied. We asked employed respondents about their satisfaction with their current job, and we asked unemployed respondents about their satisfaction with their most recent job. Economic job satisfaction factors include salary, benefits, and the opportunity to move up. Other job satisfaction factors include number of hours worked, job location, ability to take 1 or 2 hours off for personal reasons, having advance notice of the work schedule, and the type of work. Survey respondents could rank how satisfied they were; we calculated the percentage of respondents who said they were “satisfied” or “very satisfied” with each job factor.

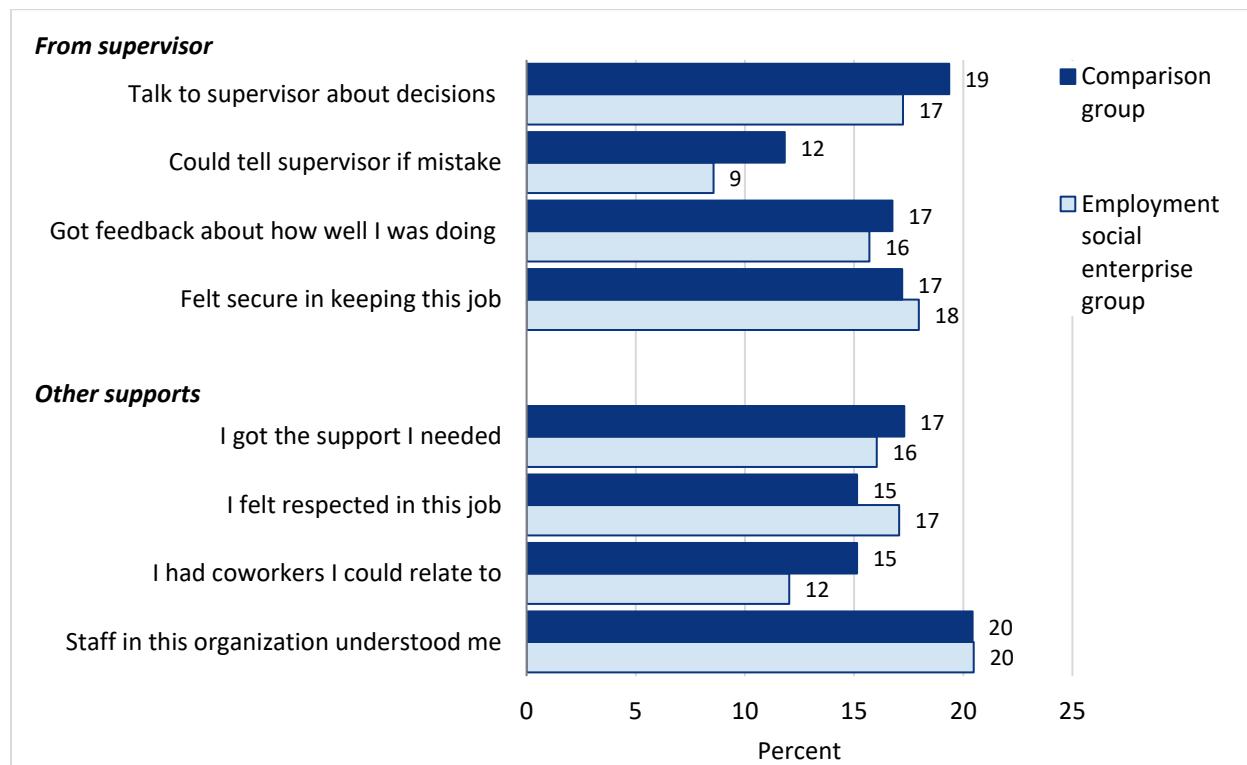
In general, 18-month follow-up survey respondents were satisfied with their current or most recent job; there was not much difference between the ESE group and the comparison group on any of the job satisfaction factors (see Appendix Table D-5). At least two-thirds of the ESE and comparison groups were satisfied for every job satisfaction component. For almost all factors concerning their current or most recent job, at least 80% of both the ESE and comparison groups were satisfied. In almost every factor, differences between the ESE and comparison group were within two percentage points of each other. The biggest differences were with opportunities to move up, where 74% of the comparison group

reported being satisfied with it compared with 69% of the ESE group, and the type of work where 83% of the comparison group were satisfied compared with 87% of the ESE group.

Then, we asked respondents on the 18-month follow-up survey about the kinds of supports they received at their current or most recent job. Many supports would have come from the supervisor, such as getting feedback about how well they were doing in the job, feeling they could tell their supervisor if they made a mistake, feeling able to talk with the supervisor about company decisions that would affect them, and feeling secure about keeping the job. Other supports focused on their coworkers and general support. These included feeling that the staff understood them, having coworkers that they could relate to, feeling respected on the job, and getting needed support. Respondents could choose their level of agreement with each statement; we calculated the percentage that chose “agree” or “strongly agree.”

Compared with their levels of satisfaction, a lower percentage of those in both the ESE and comparison groups reported having these supports at their current or most recent job. At most, about 20% agreed they had any of the supports. Figure 3.2 shows the percentage of ESE and comparison group members agreeing they had these supports in their current or most recent jobs. For the most part, the levels of agreement were about the same for each support type. Fifteen percent of the comparison group felt able to relate to coworkers, compared with 12% of the ESE group, and 17% of the ESE group felt respected in the job, compared with 15% of the comparison group.

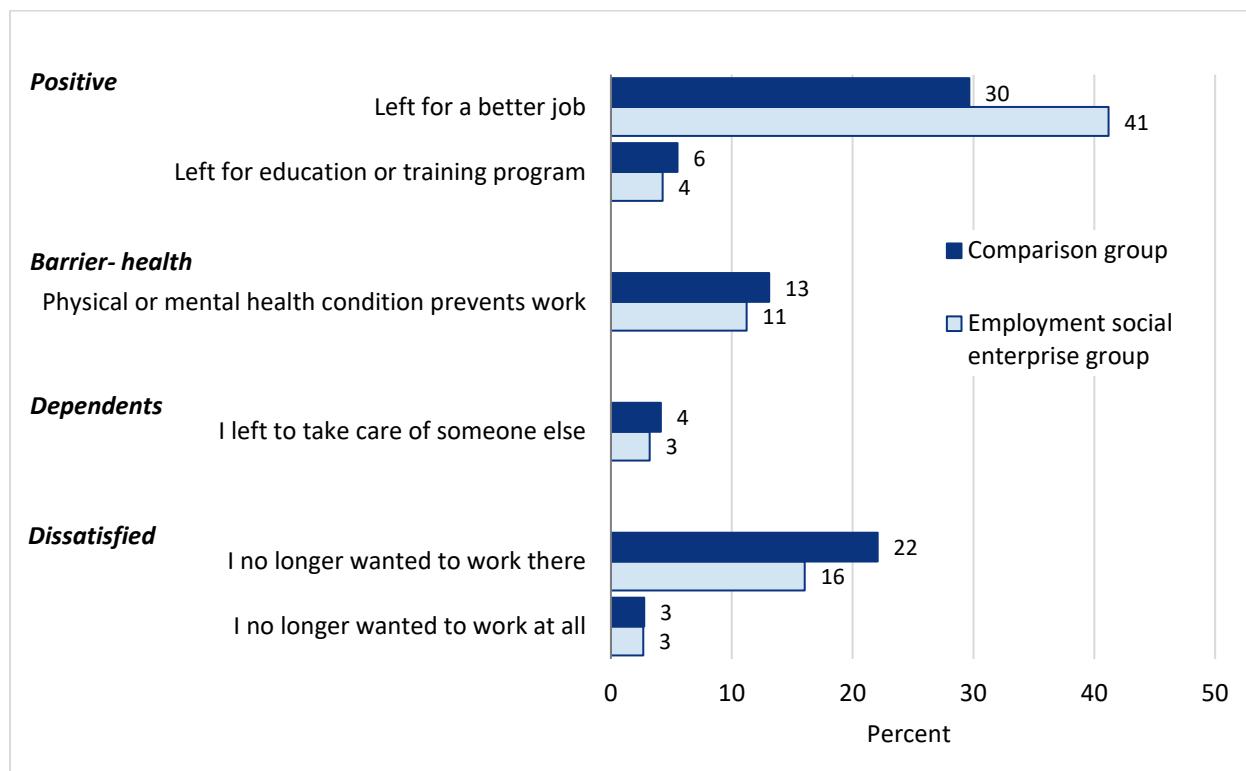
**Figure 3.2. Perceptions of Job Supports, by Employment Social Enterprise and Comparison Group**



## E. Reasons for Leaving Job

Many study participants held more than one job over 18 months. On average, members of the ESE group had 1.7 jobs, and those in the comparison group had 1.6 jobs, and these averages were about the same across ESEs. Those who had left jobs responded to survey questions about their reasons for leaving. Options included positive reasons, such as leaving for a better job or for an education or training program, physical or mental health barriers, leaving to care for someone, and not wanting to work at that job or at all. Figure 3.3 shows the frequency of reasons for leaving the job by ESE and comparison group.

**Figure 3.3. Reasons for Leaving Job, by Employment Social Enterprise and Comparison Group**



More ESE respondents than comparison group respondents said they left their job for a better job—a positive reason for leaving. Forty-one percent of the ESE group said this compared with 30% of the comparison group. A higher percentage of the comparison group reported leaving due to dissatisfaction—to not wanting to work at that job. Twenty-two percent of the comparison group left for this reason compared with 16% of the ESE group. Data do not recount the job search processes undertaken by the ESE and comparison groups. Perhaps the ESE group was more active about pursuing better jobs than the comparison group. In terms of reasons for leaving that do not directly relate to the job, such as health barriers or needing to take care of dependents, ESE and comparison groups did not differ much. Their responses were within two percentage points of each other.

We wondered whether more females than males would leave jobs so they could take care of dependents. In fact, this was not the case. In the comparison group, 4% of both females and males said they left their job for that reason, and in the ESE group, 2% of females left their job to care for another, while 4% of males did.

## F. Reasons for Not Working

At the time of the 18-month follow-up survey, 60% of the ESE group and 49% of the comparison group were employed (Table 3.1a). Some survey questions focused on experiences of unemployed people. Study participants responded to questions about why they were not working and could choose from a number of possible reasons. These reasons included the positive option of waiting for a job to begin, but most focused on barriers to work: having a criminal record, educational background, employment history, or scheduling challenges. Respondents could choose as many responses as applied. Table 3.4 presents their reasons for not working at the time of the survey.

**Table 3.4. Reasons for Not Working**

Reasons for not working	Employment social enterprise group %	Comparison group %
<b>Positive</b>		
I have been hired somewhere but not yet started work	7	5
<b>Barrier: Incarceration</b>		
I believe that I have not been hired due to my criminal record	20	14
<b>Barrier: Education</b>		
I believe that I have not been hired due to my educational background	6	10
<b>Barrier: Employment history</b>		
I cannot find a job that I am qualified for	14	20
I haven't been given a chance to show that I can work	20	19
I believe that I have not been hired due to limited work experience	15	17
I believe that I have not been hired due to my employment history	15	22
<b>Barrier: Logistics</b>		
I have not been able to find a job that fits my schedule	18	17
There are other reasons why I am not working	68	67

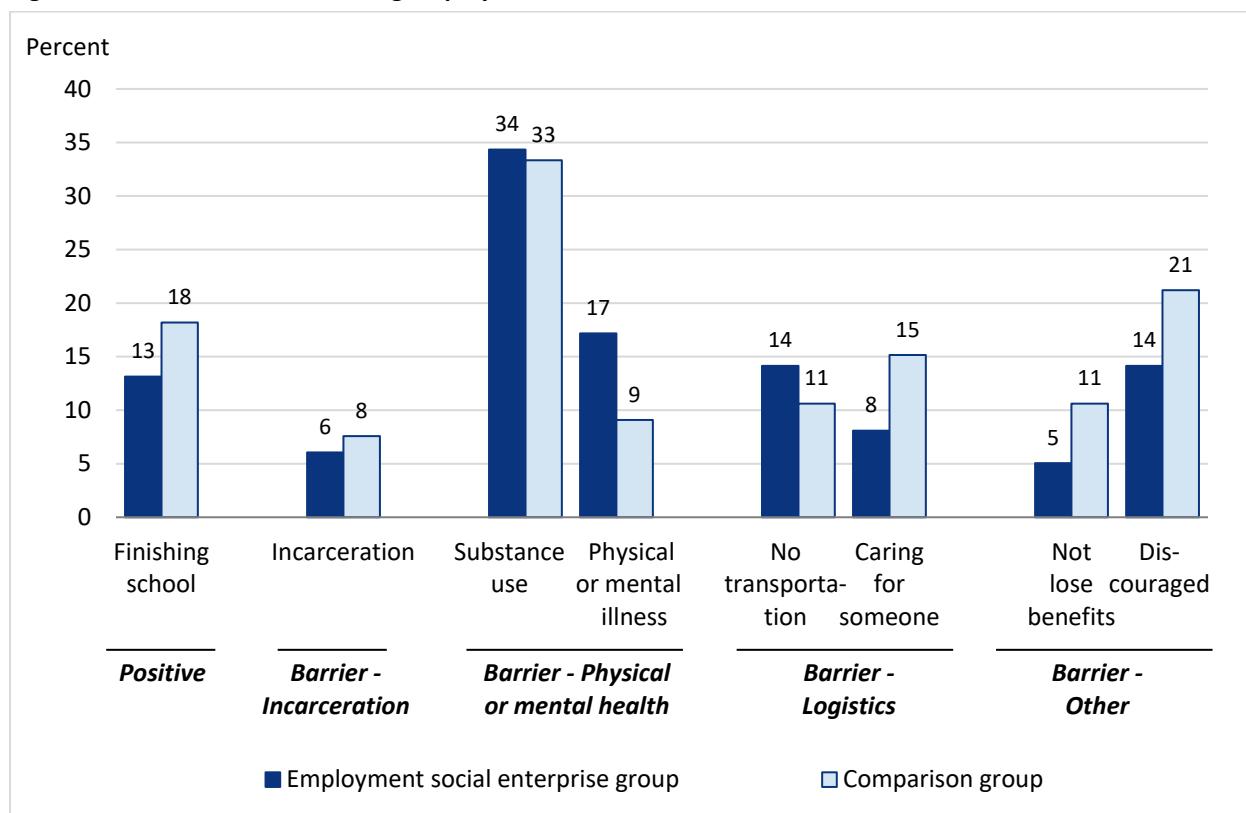
Note: Because respondents could choose multiple options, percentages do not sum to 100%.

About two-thirds of the ESE and comparison groups listed “other” reasons for not working, and it is likely that many of these “other” responses pertain to the COVID-19 pandemic. Analyses of pre-pandemic and pandemic employment (Table 3.3), show that the employment rate declined for both ESE and comparison groups after the pandemic began.

The pandemic could not be anticipated, thus in designing the survey, we did not include an option for that reason. Of the 146 people who gave “other” reasons for not working, 122 of them (73%) responded to the survey after the pandemic started.

Examining more specific reasons for not working at the point of the 18-month follow-up survey shows some unemployed respondents had found jobs which had not started yet (8% of ESE group and 5% of comparison group). In terms of barriers to employment, 20% of the unemployed ESE group reported that having a criminal record is a barrier to work compared with 14% of the comparison group. When the study started, a higher percentage of the ESE group had ever been incarcerated than the comparison group (63% versus 48%). This history may have made them more likely to face this employment barrier 18 months later. That barrier aside, on average, unemployed comparison group members reported higher frequencies of employment history barriers. Twenty-two percent of the unemployed comparison group could not find a job due to employment history, compared with 15% of the unemployed ESE group. Similarly, 20% of comparison group members could not find a job they were qualified for compared with 14% of the ESE group. Additionally, the comparison group more often cited educational barriers to work than the ESE group did (10% versus 6%). Participation in the ESE may have helped mitigate employment history and educational barriers to employment.

About two-thirds of unemployed respondents were not looking for work at the point of 18-month follow-up survey. In the survey, they could select the reasons they were not looking. Options included the positive reason of finishing an educational program as well as barriers to seeking work, which included incarceration, substance use, physical or mental illness, not having transportation, caring for someone else, not wanting to lose government benefits, and feeling discouraged. Figure 3.4 shows the frequency of these reasons for ESE and comparison groups.

**Figure 3.4. Reasons for Not Seeking Employment**

Note: Because respondents could choose multiple options, percentages do not sum to 100%.

For both ESE and comparison groups, substance use is the most frequent reason for not looking for work—about one-third gave this reason. The survey did not include other questions about using substances or feelings about substance use, so it is unclear whether people had different reasons for choosing this option. Unemployed members of the ESE group more frequently chose physical or mental illness as a reason for not seeking work. This was the second most frequent reason (17%), and for the comparison group, feeling discouraged was the second most frequent reason (21%). Perhaps those who had gone through the ESE training felt more optimistic about their employment chances.

## G. Industry and Occupation

In the 18-month follow-up survey, we asked respondents about the industry and occupation in which they worked. We analyzed data for the ESE group to see the extent to which their current or most recent job aligns with the training they received. An industry identifies the kind of work an employer does, and an occupation describes the kind of work a person does. Industry and occupation are often aligned—a cook in a restaurant would be in a food preparation occupation and industry. However, sometimes they are not aligned. A hospital is in the health care industry, but a cashier in the hospital gift shop would have a retail occupation, not health care. Therefore, the survey identified both.

The survey included the following industry categories:

- COMMUNITY Work in a social service organization including a school or hospital
- CONSTRUCTION Construction of buildings and roads or other construction activities
- DRIVING Work in a company involved with driving, warehouses, or other transportation
- ENTERTAINMENT Work in activity venues, such as restaurants and sports arenas, and other leisure activities
- MANUFACTURING Work in a factory or mill to make things like clothes, equipment, and other products
- NATURAL RESOURCES Natural resources such as oil, gas, or lumber
- OFFICE Work in an office setting
- REPAIR Repair, such as automotive repair, cleaning, or maintenance, such as landscaping
- RETAIL Sale of things in a store or gasoline station or other retail job

To see whether the jobs people held were aligned with their ESE training, we present the current or most recent industry and job of the ESE group. Table 3.5a shows the five industries ESE workers worked in the most for their current or most recent job, overall and by ESE. The ESE group worked in a variety of settings. Overall, the most frequent industries were Repair (31%), Community (15%), Entertainment (12%), Manufacturing (12%), and Retail (9%). Across ESEs, people work in different industries. Repair is the most frequent industry for ESE workers at ESE 1 and ESE 2 as well, with about one-third of them saying they worked in that industry. For ESE 2, the second most frequent industry is Retail, which aligns with the training of the ESE workers. In ESE 3, the most frequent industry is Entertainment, which includes food services. Thirty-five percent of ESE workers at ESE 3 worked in entertainment, which aligns directly with their ESE training. In ESE 4, Manufacturing is the most frequent industry, with 40% of ESE workers working in that industry. This work aligns with the training they received.

**Table 3.5a. Five Most Frequent Industries Where Employment Social Enterprise Workers Work**

Overall		ESE 1 (office administration, street cleaning)		ESE 2 (retail, office administration)		ESE 3 (food services)		ESE 4 (manufacturing)	
Industry	%	Industry	%	Industry	%	Industry	%	Industry	%
Repair	31	Repair	39	Repair	33	Entertainment	35	Manufacturing	40
Community	15	Community	30	Retail	15	Retail	16	Repair	21
Entertainment	12	Entertainment	10	Entertainment	11	Repair	14	Construction	9
Manufacturing	12	Driving	6	Driving	11	Driving	8	Retail	6
Retail	9	Construction	6	Construction	9	Community	8	Driving	6

Next, people could select their occupation, or the kind of work they did, from a set list:

- FOOD PREP Preparing or serving food
  - CLEANING Cleaning or caring for a building or grounds
  - PERSONAL CARE Providing personal care, such as beauty or childcare
  - FARMING Working in farming or forestry
  - CONSTRUCTION Working in construction
  - INSTALL/REPAIR Installing or repairing something
  - BUILDING GOODS Building a good or product using machines or tools
  - DRIVING Driving people or delivering things
  - SELLING THINGS Selling things or working at a cash register or call center
  - OFFICE WORK Working in an office in jobs like data entry, mailroom, or administrative support
  - MOVING STOCK Moving stock or other materials in a warehouse
  - PROTECTION Serving as a security officer, police officer, or fire fighter

Reviewing the five most frequent occupations shows that ESE workers did different kinds of work at the 18-month follow-up survey. Table 3.5b shows the percentage of people in each ESE working in the five most frequently named occupations. Overall, cleaning was the most frequently cited (26%), followed by moving stock (11%), building goods (11%), preparing food (9%), and installing or repairing (8%). Cleaning was the most frequent job for ESE workers at ESE 1 and ESE 2, with 35% of ESE workers at ESE 1 and 26% at ESE 2 working in cleaning or caring for buildings and grounds. At ESE 1, the second most frequent occupation was an office job, and at ESE 2, the second most frequent occupation was selling things, both of which align with ESE workers' training. For ESE 3 and ESE 4, the most frequent jobs also aligned with their training. At ESE 3, 26% worked in food preparation, and at ESE 4 27%, worked in building goods.

**Table 3.5b. Five Most Frequent Occupations of Employment Social Enterprise Workers**

Overall		ESE 1		ESE 2		ESE 3		ESE 4	
Occupation	%								
Cleaning	26	Cleaning	35	Cleaning	26	Food prep	26	Building goods	27
Moving stock	11	Office work	15	Selling things	12	Cleaning	23	Cleaning	19
Building goods	11	Personal care	10	Moving stock	12	Selling things	16	Moving stock	16
Food prep	9	Moving stock	8	Install/repair	10	Moving stock	8	Install/repair	10
Install/repair	8	Preparing food	7	Driving	9	Office work	6	Driving	7

Examining the industry and occupation of ESE workers at the 18-month follow-up survey shows some correspondence between the job-specific training they received and their employment outcome. However, the alignment is not perfect, and it is not clear why people ended up in different industries and occupations. It could be they simply took whatever job was available or whatever one had the best working conditions in terms of factors such as salary, work schedule, or location. Or, the social-emotional training provided by ESEs may have given them more general skills that helped them work in any number of jobs and settings.

## 4. IMPACT OF EMPLOYMENT SOCIAL ENTERPRISE ON LIFE STABILITY AND EDUCATION

### Key Results

- The evaluation examined impacts of employment social enterprise (ESE) participation on 12 life stability indicators measured at the 18-month follow-up period, spanning housing, arrests, health insurance, and well-being. The evaluation also examined the impact of ESE participation on three education and training outcome indicators. **Although the life stability and education results were often in the desired direction, they generally did not reach the thresholds of being both substantively and statistically significant.**
- These two findings did reach thresholds of being substantively and statistically significant: (a) **the ESE group was more likely than the comparison group to have employer-sponsored health insurance** at the 18-month follow-up period and (b) **the ESE group was less likely than the comparison group to report**, at the 18-month follow-up period, **that their emotional or physical health limits the work they can do.**
- In examining the impact of ESEs by race and ethnicity and gender on the 12 life stability indicators and three education outcome indicators, only a few differences were found. For almost all outcomes, the effect of ESE training was the same across racial and ethnic and gender groups.

In addition to employment and income, many who face barriers to employment due to personal and systemic inequalities including, but not limited to, lack of affordable housing, the unjust criminal justice system, and limited access to physical and mental health care, may struggle with other aspects of life stability. For example, living in a homeless shelter due to lack of affordable housing can complicate a person's efforts to gain and retain employment. This chapter examines the impact of employment social enterprise (ESE) employment on a number of life stability domains 18 months after initial intake: housing, arrests, health insurance, and physical and psychological well-being. This chapter also examines the impact of ESE participation on educational experiences and outcomes. Some ESEs encourage their workers to pursue education and/or training programs and courses that lead to a degree, license, certificate, or credential that can facilitate long-term employment and economic self-sufficiency. We present results comparing the overall ESE group and the overall comparison

group. The impacts of ESE participation within each ESE are also examined. Additionally, we also conducted an impact analysis by race and ethnicity and gender overall, but not within each ESE.

Consistent with the approach taken for the analyses of economic self-sufficiency reported in Chapter 3 and described in more detail in Appendix C, the analytic models for life stability and education outcomes controlled for baseline measures of these outcomes, demographic factors, and initial barriers to employment assessed at the intake survey. This approach enabled isolation of the effect of ESE employment on life stability and education. We conducted an impact analysis for the following 12 life stability indicators (also shown in Table 1.3 in Chapter 1):

### **Stable housing**

- Currently in stable housing at 18-month follow-up survey
- Ever in stable housing in last 18 months
- Ever in temporary housing in last 18 months
- Number of months in stable housing in last 18 months

### **Arrests**

- Arrested in last 18 months

### **Health insurance**

- Currently has health insurance at 18-month follow-up survey
- Currently has employer-sponsored insurance at 18-month follow-up survey
- Number of months without any health insurance in last 18 months

### **Well-being**

- Physical health at 18-month follow-up survey
- Screens positive for depression at 18-month follow-up survey<sup>7</sup>
- Screens positive for anxiety at 18-month follow-up survey
- Health limits work at 18-month follow-up survey

We conducted an impact analysis for the following three education and training outcomes (also shown in Table 1.3 in Chapter 1):

- Enrolled in education or training program in last 18 months
- Currently enrolled in education or training program
- Earned credential, certificate, license, or degree in last 18 months

As noted in Chapter 2 and Appendix C, the impact analysis used two tests of the effect of ESE participation on outcomes: effect size and statistical significance. In the impact analysis

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<sup>7</sup> The 18-month follow up survey included a widely-used survey screener for depression and anxiety (Kroenke et al., 2009). It is important to note screening positive for depression and anxiety does not equate to having a diagnosis of depression or anxiety disorder, which requires an exam by a medical doctor.

tables, bold text indicates the differences that have an effect size with a Cohen's d that is at least 0.2 and \* indicates statistical significance of the difference. All of these outcomes are from the 18-month follow-up survey, which is available in Appendix B.

## A. Housing Stability

First, we examine the impact of ESE participation on housing stability: living in an apartment or home that the ESE worker or the ESE worker's parents own or rent. The 18-month follow-up survey asked a series of questions about the person's housing. First, individuals were asked "Today, in what kind of place do you live?" and presented with 14 categories of housing. After the individual indicated the current living situation, the survey asked how long the individual had lived there. Individuals were then asked about each of the 14 categories of housing and how much time during the last 18 months was spent in that type of place (ranging from no time to more than 6 months) (see Appendix B for the follow-up survey, survey item B6). During the analysis phase we grouped the 14 categories into two overarching categories: stable (e.g., room, apartment or house that you rent; apartment or house that you own; live with parents in a place they rent or own) and unstable (e.g., emergency shelter, including hotel or motel voucher paid for by a social service or charitable organization; halfway house or three-quarter-way home for persons with criminal offenses; street, car, park, or another place outside). Using these groupings, we examined four indicators of housing stability: currently in stable housing, ever in stable housing during the last 18 months, ever in unstable housing during the last 18 months, and number of months in stable housing during the last 18 months.

The overall impact analysis did not reveal meaningful or statistically significant effects of ESE participation on housing stability (Table 4.1a). Although the ESE group was 6 percentage points more likely to currently live in stable housing 18-months after intake compared with the comparison group, the difference did not meet the thresholds for meaningful or statistically significant effects. The three other indicators of housing stability shown in Table 4.1a were also in the direction of benefiting ESE participants, but they likewise did not meet thresholds for meaningful or statistically significant effects.

**Table 4.1a. Housing Stability, Overall Results**

Housing characteristic	Overall		
	ESE group (n = 342)	Comparison group (n = 231)	Difference
Currently in stable housing	72%	67%	6%
Ever in stable housing in last 18 months	88%	85%	3%
Ever in temporary housing in last 18 months	57%	59%	-2%
Number of months in stable housing in last 18 months	6.8	6.1	0.7

Note: Full results are in Appendix Table E-1. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Next, we examine housing stability for each ESE, and some differences were found

(Table 4.1b). ESE 1 showed consistent benefits for workers' housing stability, with a 24-percentage-point difference between the ESE group and the comparison group in currently living in stable housing. Furthermore, a greater share of ESE 1's ESE group compared with its comparison group experienced stable housing at any point during the prior 18 months, and a lower share experienced temporary housing at any point during the prior 18 months.

In addition to operating ESEs, ESE 1 operates supportive housing facilities. These findings may suggest that ESEs that provide or otherwise have access to subsidized housing for ESE works are better able to help their workers obtain stable housing. The other three ESEs aim to help ESE workers find stable housing, including referring them to other organizations that focus on this type of support, but they do not themselves provide housing.

The housing stability results for the other three ESEs were generally not positive. For ESE 2, the ESE group was 7 percentage points less likely than the comparison group to have experienced stable housing in the last 18 months. While this result was not statistically significant, it was substantively significant (i.e., met the Cohen's  $d$  threshold of effect size equal to or greater than 0.2). For ESE 3 and ESE 4, results for currently in stable housing, ever in stable housing in the last 18 months, and ever in temporary housing in the last 18 months favored comparison groups rather than ESE groups. In Chapter 3, we reported that the ESE 3 ESE group was less likely to be currently employed than the comparison group, and of those employed, there was no difference in income. With ESE 4, there was no difference in current employment status between the ESE group and the comparison group, but the ESE group had a lower monthly income than the comparison group. These economic challenges may have made it more difficult for them to have stable housing.

**Table 4.1b. Difference in Housing Stability for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Housing characteristics	ESE 1	ESE 2	ESE 3	ESE 4
Currently in stable housing	<b>24%</b> ***	-6%	<b>-17%</b>	<b>-9%</b>
Ever in stable housing in last 18 months	<b>14%</b> **	<b>-7%</b>	<b>-8%</b>	<b>-3%</b>
Ever in temporary housing in last 18 months	<b>-22%</b> ***	6%	<b>16%</b>	<b>24%</b> *
Number of months in stable housing in last 18 months	0.7	0.3	-0.5	0.8

Note: Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table E-1. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d > 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

## B. Arrests

The 18-month follow-up survey asked individuals if they had been arrested in the last 18 months and, if so, how many times they had been arrested. The overall impact analysis revealed that fewer individuals in the ESE group than in the comparison group had been arrested since the intake survey (7% compared with 9%, Table 4.2a). The analyses by ESE indicated the effect was particularly strong in ESE 1 where the ESE group was 7 percentage points less likely to have been arrested in the last 18 months than the comparison group (Table 4.2b). There was no notable difference for ESE 2, and at ESE 4, individuals in the ESE group were 2 percentage points more likely to have been arrested than those in the comparison group.

**Table 4.2a. Arrests, Overall Results**

Arrest characteristic	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Arrested in last 18 months	7%	9%	<b>-3%</b>

Note: A negative result in this table indicates that individuals in the employment social enterprise group were less likely than those in the comparison group to be arrested during the 18-month follow-up period—a positive finding. Full results are in Appendix Table E-2. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d > 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

**Table 4.2b. Difference in Arrests for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Arrest characteristic	ESE 1	ESE 2	ESE 3	ESE 4
Arrested in last 18 months	-7%	-1%	—	<b>2%</b>

— Cannot estimate due to too little variation.

Note: A negative result in this table indicates that individuals in the employment social enterprise group were less likely than those in the comparison group to be arrested during the 18-month follow-up period—a positive finding. Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table E-2. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

## C. Health Insurance

We examined the impact of ESE participation on having health insurance 18 months after intake, having employer-sponsored health insurance, and the number of months without health insurance since intake. In the 18-month follow-up survey, individuals were asked what kind of health insurance plans they were currently covered by, with the first response option being “not currently covered by health insurance” and six other response options for plans such Medicaid or Medicare or other government program, employer- or union-sponsored health plan, and insurance purchased directly from an insurer or through an insurance exchange. They were also asked, “If you did not have health insurance at some point during the last 18 months, for about how many months were you without health insurance?” Table 4.3a reports that almost all individuals in both ESE and comparison groups had insurance at the 18-month follow-up period (93% and 92%, respectively), reflecting no meaningful difference. However, a larger share of the ESE group than the comparison group (26% versus 15%) had employer-sponsored insurance at the 18-month follow-up period, a substantive and statistically significant effect.

**Table 4.3a. Health Insurance, Overall Results**

Health insurance characteristic	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Currently has health insurance	93%	92%	1%
Has employer-sponsored health insurance	26%	15%	<b>11% ***</b>
Number of months without insurance in last 18 months	0.7	0.9	-0.2

Note: Full results are in Appendix Table E-3. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

The impact of ESE participation on health insurance varied by ESE, but all outcomes were neutral or favored the ESE group (Table 4.3b). ESE participation at ESE 1 had a positive effect on currently having insurance and having employer-sponsored insurance. There were no health insurance effects for ESE 2. At ESE 3, a larger share of the ESE group than the comparison group had health insurance at the 18-month follow-up survey, and they experienced approximately 1 fewer month of being uninsured. At ESE 4, there was a 12-percentage-point difference in having employer-sponsored health insurance between the ESE group and the comparison group, favoring the ESE group.

**Table 4.3b. Difference in Health Insurance for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Health insurance characteristic	ESE 1	ESE 2	ESE 3	ESE 4
Currently has health insurance	<b>3%</b>	-1%	<b>9%</b>	—
Has employer-sponsored health insurance	<b>20% **</b>	0%	—	<b>12%</b>
Number of months without insurance in last 18 months	-0.4	0.3	<b>-0.9</b>	0.3

— Cannot estimate due to too little variation.

Note: Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table E-3. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

## D. Physical and Emotional Well-Being

In the follow-up survey, individuals were asked to rate their physical health as poor, fair, good, very good, or excellent. The survey also included four questions designed to screen individuals for depression and anxiety.<sup>8</sup> People were asked how often during the last 2 weeks they were bothered by feeling nervous, anxious, or on edge; not being able to stop or control worrying; feeling down, depressed, or hopeless; and having little interest or pleasure in doing things. Following validated scoring procedures, individuals were identified as screening positive for depression and screening positive for anxiety to categorize them for analysis. Finally, individuals were asked if they now have an emotional or other health condition that limits the amount or type of work they could do.

For the overall analyses, there was no notable effect of ESE participation on individuals' report of their physical health (Table 4.4a). However, a smaller percentage of the ESE group than the comparison group screened positive for depression (19% compared with 25%, respectively), and a smaller percentage screened positive for anxiety (17% compared with

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<sup>8</sup> The survey items are commonly used to screen individuals for potentially having depression or anxiety disorders; they are not used to diagnose for depression or anxiety which requires an exam by a medical doctor.

22%). Individuals in the comparison group were more likely than those in the ESE group to report that their emotional or physical health currently limits the work they can do (29% versus 19%)

**Table 4.4a. Physical and Psychological Well-Being, Overall Results**

Well-being characteristic	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Physical health	3.3	3.4	-0.1
Depression	19%	25%	<b>-6%</b>
Anxiety	17%	22%	<b>-6%</b>
Health limits work	19%	29%	<b>-10% **</b>

Note: Negative results for depression, anxiety, and health limits work indicate the ESE group was less likely than the comparison group to have these problems at the 18-month follow-up survey, which are positive findings. Physical health is self-reported on a 5-point scale ranging “poor” to “excellent.” Full results are in Appendix Table E-4. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen’s d => 0.2; Cox transformation is used to convert effect size to *d* metric for binary outcomes.

\**p* < .05, \*\**p* < .01, \*\*\**p* < .001.

The impact of the ESE experience on physical and emotional well-being varied by ESE (Table 4.4b). There were no notable effects observed for ESE 1. At ESE 2, the ESE group reported poorer physical health than the comparison group but was less likely to screen positive for depression or anxiety. At ESE 3, the ESE group was less likely to report that their emotional or physical health currently limits work. At ESE 4, ESE workers reported better physical health, but a greater share noted that their emotional or physical health currently limits the work they can do.

**Table 4.4b. Difference in Physical and Psychological Well-Being for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

Well-being characteristic	ESE 1	ESE 2	ESE 3	ESE 4
Physical health	-0.1	<b>-0.3</b>	-0.1	<b>0.2</b>
Depression	-1%	<b>-10%</b>	-4%	<b>-2%</b>
Anxiety	-2%	<b>-12%</b>	-2%	0%
Health limits work	-4%	-1%	<b>-2%</b>	<b>18%</b>

Note: Negative results for depression, anxiety, and health limits work indicate the employment social enterprise group was less likely than the comparison group to have these problems at the 18-month follow-up survey, which are positive findings. Physical health is self-reported on a 5-point scale ranging “poor” to “excellent.” Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table E-4. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen’s *d* => 0.2; Cox transformation is used to convert effect size to *d* metric for binary outcomes.

\**p* < .05, \*\**p* < .01, \*\*\**p* < .001.

Having tested the main effects on life stability of ESE participation overall and within each ESE, we used interaction effects to examine whether the ESE influenced members of demographic subgroups in the same way. We examined race and ethnicity and gender interactions. For the race and ethnicity interactions, we considered difference across these four groups: Black, Hispanic, White, and “other race.”<sup>9</sup> Of the 12 life stability indicators examined in this study, analyses revealed only one race and ethnicity interaction. For the outcome “health limits work,” the “other race” group had a statistically significant and negative effect, which means members of the ESE group who were “other race” were less likely to indicate that their health limited their work at the 18-month follow-up period compared with the comparison group who were “other race.” For Black, Hispanic, and White respondents, we found no differences in the effect of ESE participation on this outcome. Thus, on one of the 12 life stability indicators, ESE participants who were “other race” (i.e., not Black, Hispanic, or White) benefited in ways that the other racial and ethnic groups did not. Otherwise, the impact of ESE employment on the other 11 life stability indicators did not differ by race and ethnicity. See Appendix Table E-6 for “health limits work” results by race and ethnicity.

We considered interactions by gender for the 12 life stability indicators and two were found. Females in the ESE group were less likely to report that their health limited their work at the 18-month follow-up period compared with females in the comparison group. There was no such effect for males. Females in the ESE group were also less likely to screen positive for depression at the 18-month follow-up period compared with females from the comparison group. This effect was not found for males. See Appendix Table E-6 for “health limits work” and depression results by gender race and ethnicity.

## E. Education and Training Programs

In the 18-month follow-up survey, people were asked whether in the last 18 months they had taken any education or training programs or courses that were supposed to lead to a degree, license, or certificate. They were told to include training programs that helped them learn job skills or prepare for an occupation as well as general educational programs, such as college, regular high school, or GED courses. If they answered affirmatively, they were asked how many education or training programs they had taken in the last 18 months and to include any they were currently taking. They were then asked a few questions about each program, for up to three programs. If they had taken more than three, they were asked about the three most recent. They were asked whether they had completed the program and the name of the certificate, degree, or license they received or would receive when they

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<sup>9</sup> Due to relatively small samples sizes, we combined the following race/ethnic groups into an “other race” category: Asian, Native Hawaiian and Other Pacifica Islander, American Indian and Alaska Native, respondents who marked more than one race (e.g., White and Black), and the few who skipped the race/ethnicity question.

completed the program. If they did not know the name or could not remember it, they were asked to indicate whether it was a certificate, degree, or license.

We examined the impact of ESE participation on enrolling in an education and/or training program since intake, currently being enrolled in a program, and having earned a certificate, degree, or license since intake (Table 4.5a). For the overall education and training program analyses, the results for currently being enrolled and having earned a certificate, degree, or license were in the positive direction (i.e., the percentages were higher for the ESE group than the comparison group), but they did not reach the thresholds of being substantively or statistically significant.

**Table 4.5a. Education and Training Program Outcomes, Overall Results**

Education and training program outcomes	Overall		
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference
Enrolled in education program in last 18 months	29%	24%	5%
Currently enrolled in education program	7%	7%	0%
Earned degree, credential, or certificate in last 18 months	13%	10%	3%

Note: Full results are in Appendix Table E-5. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

There were some notable education and training program effects within ESEs (Table 4.5b).

ESE workers at ESE 2 were more likely to have enrolled in an education and training program since intake and to have earned a certificate, degree, or license since intake (Table 4.4b). For ESE 3, the comparison group was more likely to be currently enrolled in an education and training program. For ESE 4, the comparison group was more likely to have enrolled in an education and training program since intake.

**Table 4.5b. Difference in Education and Training Program Outcomes for Employment Social Enterprise and Comparison Groups, by Employment Social Enterprise**

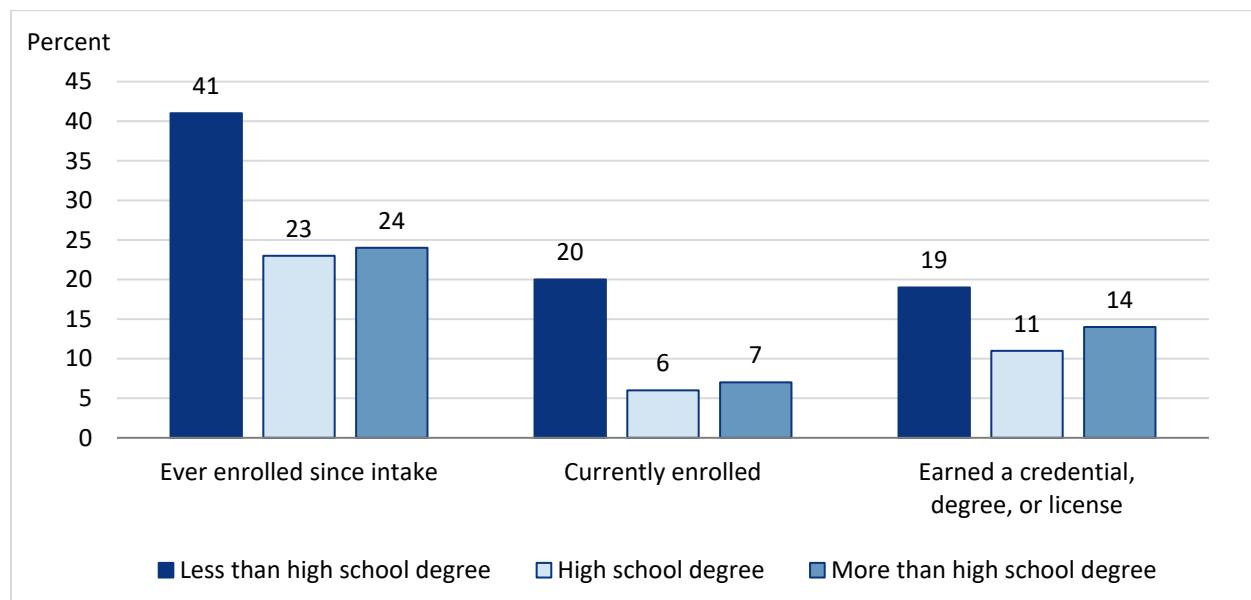
Education and training program outcomes	ESE 1	ESE 2	ESE 3	ESE 4
Enrolled in education program since intake	5%	<b>8%</b>	6%	-7%
Currently enrolled in education program	1%	0%	-11%	NA
Earned degree, credential, or certificate since intake	6%	<b>2%</b>	-3%	-2%

Note: Differences are calculated by subtracting the results for the comparison group from the results for the ESE group. Full results are in Appendix Table E-5. Findings are presented as propensity score-weighted, regression-adjusted percentages or means. Bold difference indicates an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

We had hoped to examine whether ESE workers earned certificates, degrees, or licenses, and what types, by analyzing the name of the certificates, degrees, and licenses they reported in the follow-up survey. Unfortunately, too many responses to those open-ended questions could not be reliably categorized. It was possible, however, to examine relationships between education and training experiences in the 18 months following intake by education level at intake. Figure 4.1 reports that higher percentages of ESE workers who started the ESE with less than a high school degree ever enrolled in an education and training program since intake, were currently enrolled, and had earned a certificate, degree, or license.

**Figure 4.1. Education and Training Outcomes Among Employment Social Enterprise Workers, by Education Level at Intake**



We examined whether there were race and ethnicity and gender interactions for the three education and training outcomes. We found no race and ethnicity interaction and one gender

interaction. For the outcome of having earned a degree, credential, or certificate since intake, males had a positive and statistically significant effect while females had a negative but statistically insignificant effect. This means that males in the ESE group were more likely to have earned a degree, credential, or certificate in the last 18 months compared with males in the comparison group. This effect was not found for females. See Appendix Table E-6 for “earned a degree, credential, or certificate in the last 18 months” results by gender.

## 5. COSTS AND BENEFITS OF EMPLOYMENT SOCIAL ENTERPRISE EMPLOYMENT

### Key Results

- The return on investment for each dollar spent employing employment social enterprise (ESE) workers was 13%. This indicates that each dollar spent by the ESE created \$1.13 of benefit for society as a whole. Importantly, all stakeholders—the ESE worker, the ESE, the taxpayer, and society as a whole—experience a positive benefit to ESE employment.

The evaluation results presented earlier in Chapters 3 and 4 describe the causal effect of working at an ESE. The cost-benefit analysis (CBA) described in this chapter monetizes the previously measured effects and compares them with costs of operating an ESE. If one thinks of employment at an ESE as an intervention to improve the lives of ESE workers, the CBA compares the cost of that intervention (i.e., the cost of having one more individual employed by the ESE) to the benefits of the intervention (i.e., the improved outcomes for the worker and others in society). For more details on how the evaluation was conducted or how the COVID-19 pandemic affected the results, please see Chapters 2, 3, and 4. The CBA conducted in this report updates an earlier CBA of ESEs conducted by REDF (Rotz et al., 2015). Importantly, because of differences in this evaluation compared with the previous one, this CBA cannot be directly compared with the CBA in the previous evaluation.<sup>10</sup>

This CBA assesses whether the benefits generated by an individual employed by an ESE outweigh the costs. The analysis indicates whether ESE employment is an *efficient* way to improve the outcomes of individuals who face barriers to employment, not just whether ESE employment improves their outcomes in general. The distinction between costs and benefits is somewhat arbitrary because a negative benefit (i.e., wages decreasing or an increased likelihood of being arrested) can also be considered a cost. For the purposes of this CBA, the costs are all the costs incurred by the ESE to run the business, including the social mission of supporting workers who face barriers to employment (examples of social costs include providing job training and mentoring). Benefits are all the outcomes of ESE

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<sup>10</sup> Specifically, the “outcomes analysis” in the previous CBA is not comparable to the results in the current CBA due to differences in how those outcomes were calculated in the evaluation portion of the study. The CBA in this study is more comparable to the “impact analysis” in the previous study, although it is important to note that in the previous study, the “impact analysis” only included one ESE, and it was an ESE with one of the largest benefits among the ESEs studied.

employment, which are largely positive but occasionally negative when considering some ESEs individually.

The CBA uses organization cost information provided by ESEs. Benefits included in the CBA are measured across five different domains: income, housing, arrests, health, and ESE revenue. The first four benefits are outcomes measured in the evaluation of ESE employment. Information on the last benefit, ESE revenue (i.e., the money earned by the ESE businesses), is provided by the ESEs themselves, similar to the cost information. When measuring the benefits of ESE employment, it is important to consider multiple perspectives, since different stakeholders may realize different benefits. For this CBA, we consider the perspectives of four different stakeholders: the ESE worker, the ESE, the taxpayer, and society as a whole.

Although helpful in understanding the efficiency of spending money on ESE employment, the results of any CBA should be interpreted with caution. Several assumptions are made in any CBA to generate results, and these assumptions could affect the values calculated. Additionally, it is always possible that meaningful benefits were generated by ESE employment that were not able to be captured in the evaluation (e.g., improved quality of life from stable housing, reduced rates of depression, or the benefits to the victims of crimes that were not committed). Lastly, the sources of data for the CBA—cost and revenue information from ESEs and outcome information from the evaluation—are both subject to their own possible errors, and these errors would affect the CBA as well. While the results should be interpreted with caution, every effort was made to make conservative assumptions, so one can be confident that any positive benefits measured truly exist and are not the product of analysis assumptions made. Thus, these results likely represent a lower bound on the returns to ESE employment.

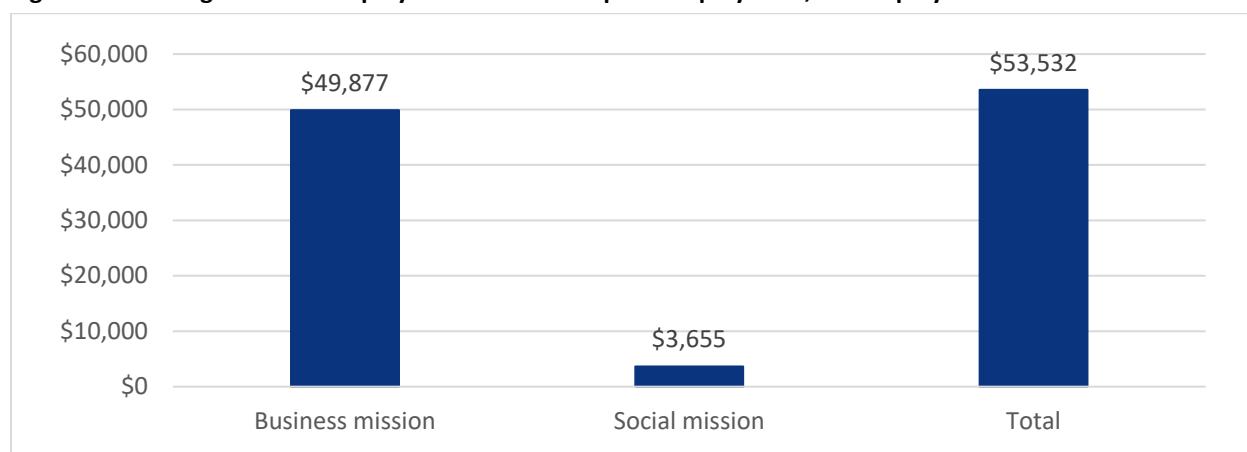
Overall, the CBA found that the return on investment (ROI) for each dollar spent employing ESE workers was 13%. This indicates that each dollar spent by the ESE created \$1.13 of benefit for society as a whole. Importantly, all stakeholders—the ESE worker, the ESE, the taxpayer, and society as a whole—experience a positive benefit to ESE employment.

The rest of this chapter provides additional details on the CBA process as well as the results. Section A provides details on the cost estimates, Section B provides details on the benefit estimates, and Section C combines the costs and benefits to calculate a benefit per dollar spent, along with an ROI. For more detailed information on how the CBA was conducted, see Appendix F.

## A. Costs of Employment Social Enterprise Employment

Figure 5.1 shows the average per-employee costs of ESE employment. The costs are divided into business costs and social costs. Business costs include costs any similar for-profit business would incur, like rent, supplies, and wages. Social costs fund activities above and beyond what a for-profit business would provide for employees. These social costs may include employee training, mentorship, and other employment supports. On average business costs were \$49,877 per-employee and social costs were \$3,655, for a total cost per employee of \$53,532. These are costs over the total duration of employment for an average employee and thus represent the average cost of employing an additional worker.

**Figure 5.1. Average Costs of Employment Social Enterprise Employment, Per Employee**



Source: Cost Capture Project and RTI Evaluation Impact Study data. For more information, see Appendix Table F-1.

Table 5.1 shows the costs separately for each ESE. The business and social costs were similar for three of the four ESEs: ESE 1, ESE 2, and ESE 3. Business costs ranged from \$9,290 to \$17,436 and social costs ranged from \$899 to \$2,818. The variation in these costs is largely due to the type of business the ESEs were operating and the range of employment supports they offered employees. The fourth ESE, ESE 4, had considerably higher costs, with business costs of \$160,893 and social costs of \$9,868. The significantly higher costs of running ESE 4 are largely due to the type of business being operated—a factory manufacturing aerospace goods. The costs associated with running that type of business (e.g., the factory, machinery, and materials) are much more expensive than the costs associated with running other types of ESE businesses (e.g., street cleaning, providing temporary staffing, retail, providing office administration staffing, staffing concessions at sports stadiums). Furthermore, the social supports that need to be provided to workers for this type of technical manufacturing work (i.e., training) are also more expensive to provide.

**Table 5.1. Per-Employee Costs of Employment Social Enterprise Employment**

Employment Social Enterprise	Per-employee costs		
	Business mission \$	Social mission \$	Total \$
ESE 1	17,436	899	18,336
ESE 2	11,890	2,818	14,708
ESE 3	9,290	1,033	10,324
ESE 4	160,893	9,868	170,760
Overall	49,877	3,655	53,532

Source: Cost Capture Project and RTI Evaluation Impact Study data. For more information, see Appendix Table F-1.

## B. Benefits of Employment Social Enterprise Employment

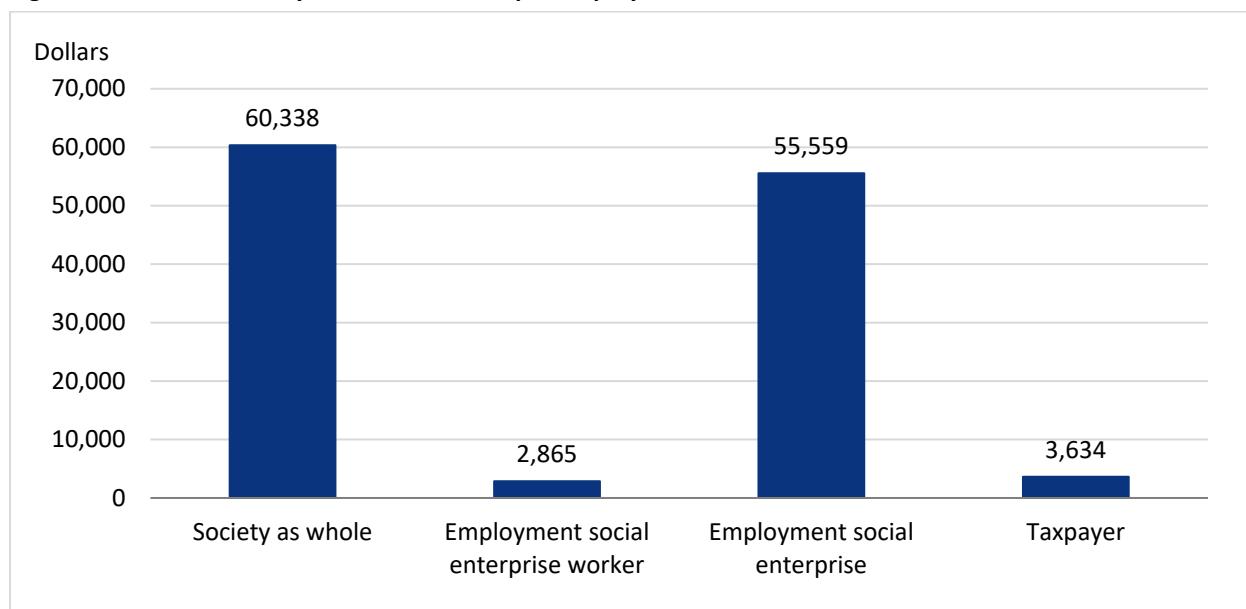
Benefits of ESE employment were considered in five different domains: income, housing, arrests, health, and ESE revenue.<sup>11</sup> Specifically,

- income included the effect on monthly wages, government benefits received, and income from other sources;
- housing included the effect on the likelihood of living in stable housing;
- arrests included the effect on the likelihood of being arrested after ESE employment;
- health included the effect on the likelihood of experiencing depression; and
- revenue included business and social revenue earned by the ESE. Business revenue is generated by the sale of goods and services and social revenue is grants and other sources of income to support the social mission of the organization.

Each benefit is monetized to capture the benefit per individual employed at the ESE and is the cumulative benefit due to the entire duration of employment at the ESE. Figure 5.2 shows the total monetary value, per employee, of the benefits across all five domains. No matter which perspective is considered—that of the ESE worker, the ESE, the taxpayer, or society as a whole—ESE employment produced a positive benefit. The benefit produced to society as a whole was \$60,338 per ESE employee. The benefit to the ESE worker was \$2,865. The benefit to the ESE was \$55,559. The benefit to the taxpayer was \$3,634, per ESE employee.

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<sup>11</sup> For additional details on how these benefits were monetized and over what time frame, see Appendix F.

**Figure 5.2. Total Monetary Value of Benefits, per Employee**

Source: RTI Evaluation Impact Study data. For more information, see Appendix Table F-4.

Table 5.2 shows the benefits across the various outcome domains examined. The total effect of ESE employment on income created a large positive benefit to the ESE worker (\$2,840). Even though the ESE worker receives less in government benefit payments and less money from other sources, the increase in wages experienced by the ESE worker more than offsets these other decreases. The taxpayer experiences a benefit (\$1,686) because the government is paying less in benefit programs, such as Temporary Assistance for Needy Families, Supplemental Nutritional Assistance Program, Women, Infants, and Children program, and unemployment insurance.

The effect of ESE employment on housing creates a small negative benefit to ESE workers (-\$562). This is because due to ESE employment, workers are more likely to be in stable housing. Stable housing (e.g., renting or owning an apartment or house) is more expensive to the worker than unstable housing (e.g., transitional housing, emergency shelters, or permanent supportive housing). The taxpayer, however, realizes a large benefit (\$2,696) to more ESE employees living in stable housing due to the cost of unstable housing to the government. The cost savings to the taxpayer due to fewer individuals in unstable housing are larger than the additional costs to ESE workers of being in stable housing, so the net benefit to society as a whole related to housing is positive (\$2,134).

The effect of ESE employment on the likelihood of arrests is a large positive benefit to the taxpayer (\$1,967). ESE employment reduced the number of individuals who were arrested, and since a proportion of arrests leads to incarceration, the taxpayer experiences a benefit of paying for fewer individuals to be incarcerated.

The effect of ESE employment on health creates a moderately sized benefit to the ESE worker (\$588). This benefit is due to the decreased rate of depression because of ESE employment. The worker experiences a benefit due to a reduction in costs related to depression, for example the costs of medical services and prescription drugs.

Lastly, ESE employment creates revenue for the ESE. Both the business and social revenue are a positive benefit to the ESE (\$55,559). The financial data reported by ESEs indicates about half of social revenue comes from local, state, and federal government sources, while the other half comes from foundations and other nongovernment sources. Given this, half the social revenue is considered a negative benefit to the taxpayer (-\$2,715) since money from the government is provided by the taxpayer. The benefit to society as a whole combines the benefit to the ESE (business and social revenue), the negative benefit to the taxpayer (half the social revenue), and the negative benefit to the foundations and other nongovernment sources providing the other half of the social revenue. Thus, the benefit to society is the business revenue, which is large and positive (\$50,129).

**Table 5.2. Monetized Benefits of Employment Social Enterprise Employment, by Domain**

Outcome	Benefit to society as a whole \$	Benefit to Employment social enterprise worker \$	Benefit to employment social enterprise \$	Benefit to taxpayer \$
Income	5,520	2,840	0	1,686
Housing	2,134	-562	0	2,696
Arrests	1,967	0	0	1,967
Health	588	588	0	0
Employment social enterprise revenue	50,129	0	55,559	-2,715
Total	60,338	2,865	55,559	3,634

Source: RTI Evaluation Impact Study data. For more information, see Appendix Table F-4.

Table 5.3 shows the overall benefits across all five domains, separately by ESE. There is a lot of variation in the benefits, due to the wide variation across ESEs in the size of the effects measured in the evaluation study and differences in ESE revenue. It is important to note that these differences in benefits do not indicate which ESE is more effective or efficient. Because while the benefits vary across ESEs, so do the costs of operating each ESE, as described in Section A. The following section (Section C) combines the costs and benefits to measure the size of the benefits produced per dollar spent.

All four ESEs had a positive benefit on society as a whole. The size of the benefit ranged from \$852 to \$167,977. These benefits varied widely due to large differences in ESE revenue, which can be seen in the variation in the benefit to the ESE.

Workers at three of the four ESEs—ESE 1, ESE 2, and ESE 3—experienced a positive benefit from working at the ESE. The benefit to the workers at these ESEs ranged from \$2,111 to \$9,113 per worker. The benefit to workers at ESE 4 was -\$4,188 per worker. This negative effect for the ESE workers at ESE 4 was due to a negative effect on income for the worker, found in the evaluation study. For more information on the results of the evaluation study, see Chapters 3 and 4.

All four ESEs positively benefited from employing ESE workers, and the size of the benefit was \$11,883 to \$179,482, per worker. The wide variation in benefits to the ESEs was driven by sizeable variation in the revenue generated at each ESE.

The benefit to the taxpayer was positive for one ESE—ESE 1 (\$15,569)—but negative for the other three ESEs (ranging from -\$11,106 to -\$6,607). These negative values to the taxpayer were due to employees of these ESEs being less likely than the comparison group to be in stable housing after ESE employment, which increased costs to the taxpayer.

**Table 5.3. Monetized Benefits of Employment Social Enterprise Employment, by Employment Social Enterprise**

Employment social enterprise	Benefit to society as a whole \$	Benefit to employment social enterprise worker \$	Benefit to employment social enterprise \$	Benefit to taxpayer \$
ESE 1	36,336	2,111	18,620	15,569
ESE 2	11,313	9,113	11,883	-6,607
ESE 3	852	3,631	12,250	-11,106
ESE 4	167,977	-4,188	179,482	-7,163

Source: RTI Evaluation Impact Study data. For more information, see Appendix Table F-4.

## C. Return on Investment and Combining Costs and Benefits

While many benefits were generated from ESE employment (Section B), there were also many costs associated with employing each ESE worker (Section A). To understand how efficient it is to invest in ESE programs, it is necessary to understand whether the benefits generated were greater than the costs. Table 5.4. shows the benefits per dollar spent on ESE employment. Again, we consider benefits separately for four different stakeholders—the ESE worker, the ESE, the taxpayer, and society as a whole. The main findings are as follows:

- The ROI for each dollar spent employing ESE workers was 13%. This indicates that each dollar spent by the ESE created \$1.13 of benefit to society.
- For each dollar spent, the ESE itself experienced a benefit of \$1.04. This indicates that ESEs generate more benefits (to their businesses) than costs and suggests that even if one does not consider all the benefits ESEs generate for the ESE worker, the taxpayer, and society as a whole, the ESE business model is a viable investment.

- The benefits to the ESE worker and taxpayer were positive (indicating both the ESE workers and taxpayer are better off from additional workers being hired into ESE employment), but the benefits were less than the cost of ESE employment. Only when one considers the benefits across all groups—the ESE worker, the ESE, the taxpayer, and society as a whole—do the benefits become greater than the costs.

**Table 5.4. Benefits per Dollar Spent and Return on Investment**

Employment social enterprise	Benefits per dollar spent to society as a whole (return on investment)	Benefits per dollar spent to employment social enterprise worker	Benefits per dollar spent to employment social enterprise	Benefits per dollar spent to taxpayer
Overall	1.13 (13%)	0.05	1.04	0.07
ESE 1	1.98 (98%)	0.12	1.02	0.85
ESE 2	0.77 (-23%)	0.62	0.81	-0.45
ESE 3	0.08 (-92%)	0.35	1.19	-1.08
ESE 4	0.98 (-2%)	-0.02	1.05	-0.04

Source: Cost Capture Project and RTI Evaluation Impact Study data. See Appendix Tables F-1 (costs) and F-4 (benefits).

The ROI varies significantly across the ESEs due to wide variation in the benefits generated and the costs incurred at each ESE. The ROI for ESE 1 is large (98%), indicating that for each dollar spent at ESE 1, almost double that (\$1.98) of benefit is created for society as a whole. The ROI for ESE 4 is virtually zero, indicating the costs to run the ESE 4 ESE are approximately equal to the benefits generated. The costs of running ESE 2 and ESE 3 exceed the benefits generated, indicating they have a negative ROI. The low or negative ROIs for some ESEs are due to these organizations having smaller measured positive effects in the evaluation study, and sometimes having measured effects that are negative. For example, when an ESE has a negative benefit (e.g., ESE workers earned less 18 months after ESE employment than the comparison group, or workers were more likely to be arrested, relative to the comparison group), this reduces the total benefit of working at that ESE. When the total benefit is lower than the cost, the ROI is negative. For more details on the magnitude of the benefits, which were calculated as part of the evaluation study, see Chapters 3 and 4.

## 6. PERCEPTUAL FEEDBACK STUDY RESULTS

### Key Findings

- Employment social enterprise (ESE) workers' perceptions and feedback about their ESE, gathered when they were about one-third of the way through the program, were associated with their short- and longer-term outcomes. Feeling ***connected to ESE staff*** and ***not fearing being able to succeed in another job*** outside of the ESE were strongly associated with the short-term outcome of exiting the ESE for a positive reason (i.e., finding a job outside the ESE, being promoted within the ESE, or starting an educational program).
- For the longer-term outcomes, feeling that ***ESE staff treated them with respect*** increased the likelihood that the ESE worker was employed 18 months after intake. The ESE worker's ***general satisfaction with the ESE*** was associated with them working at least 30 hour per week at the follow-up period. ***Interacting frequently with the ESE*** was associated with higher wages 18 months after intake.

The perceptual feedback portion of the RTI Evaluation seeks to understand whether workers' perceptions of their experiences in the ESE were associated with their later outcomes. This part of the evaluation examined the relationships between ESE workers' perceptual feedback and short- and long-term outcomes. For the short-term outcome, we examined the links between perceptual feedback and the reason the ESE worker exited the ESE. These perceptions may signal how likely workers are to leave the ESE because they were hired at a competitive job. For example, after 2 months at an ESE, Jamal might report feeling ready to work with others, and 2 months later, he may obtain a job outside the ESE. On the other hand, after 2 months at an ESE, Luke might not feel ready to work with others, and 2 months later, he may drop out of the ESE without having secured a job elsewhere.

For the short-term outcomes, the exit survey gathered information about why the worker exited the ESE. The exit survey asked the worker the main reason for exiting the ESE. In consultation with REDF, RTI grouped the reasons into "positive exits," "neutral exits," and "negative exits" and then examined whether workers' perceptual feedback was associated with them experiencing a positive exit. Positive exit was defined as finding a job outside the ESE, being promoted within the ESE, or starting an educational program.

For the long-term outcomes, we examined the relationship between ESE workers' perceptual feedback and three key economic self-sufficiency outcomes measured via the 18-month follow-up survey: (a) whether they were currently employed, (b) whether they were

working at least 30 hours per week at their current or most recent job, and (c) their current wages.

The analyses presented in this chapter necessarily rely on ESE workers having taken the perceptual feedback survey. ESE staff administered the survey to ESE workers when they were about one-third of the way through the intended length of the program, which was between 4 and 8 weeks depending on the ESE. About 41% of ESE workers left the ESE before taking the perceptual feedback survey. Table 6.1 presents information on demographics and barriers to employment faced by the group of ESE workers who were included in the perceptual feedback analyses (because they completed a perceptual feedback survey) and the group who were not included in the analysis (because they did not complete a perceptual feedback survey). Compared to the total treatment intake sample, those who completed the perceptual feedback survey were more likely to be female or White, and less likely to be Hispanic, ages 25–40, or to have been incarcerated. It is important to note that the results presented in this chapter pertain only to ESE workers who stayed in the ESE long enough to complete the perceptual feedback survey.

**Table 6.1. Characteristics of Treatment Intake Sample Versus Perceptual Feedback Analytic Sample**

Characteristic	Total treatment intake sample % (n = 587)	Included in perceptual feedback analytic sample % (n = 344)	Excluded from perceptual feedback analytic sample % (n = 243)
<b>Female</b>	33	37*	28
<b>Age</b>			
Under 25	20	22	16
25–40	48	43*	54
Over 40	33	35	29
<b>Education level</b>			
No high school	27	25	28
High school or equivalent	42	42	40
Some college study	32	33	32
<b>Race and ethnicity</b>			
Black	17	16	17
Hispanic	25	17*	37
White	43	51*	32
<b>Barrier</b>			
Experiencing homelessness	59	58	61
Facing mental health disorder	60	63	55
Formerly incarcerated	66	61*	74
Opportunity Youth	20	22	16

\* Significantly different from intake sample ( $p < .05$ ).

## A. Perceptual Feedback Dimensions

To develop perceptual feedback survey, we worked with the Fund for Shared Insight and the Evaluation Learning Committee, and ESEs. As described in Chapter 2, the perceptual feedback survey started with seven questions recommended by the Listen4Good initiative of the Fund for Shared Insight collaborative, including five close-ended questions and two open-ended questions.<sup>12</sup> We added questions after reviewing emerging literature on perceptual feedback, drafting constructs and survey questions, conducting focus groups with workers at four ESEs to get their feedback on the draft constructs and questions, asking the Evaluation Learning Committee for feedback, and then piloting the perceptual feedback

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<sup>12</sup> The perceptual feedback survey included two open-ended questions: “What is [name of ESE] good at?” and “What could [name of ESE] do better?” Each ESE received responses from their workers, but these analyses do not include those responses.

survey at two ESEs. The finalized survey contained 53 total questions (see the perceptual feedback survey in Appendix B).

We used factor analysis to identify whether different survey questions measured the same dimension of a workers' perceptions. When they did, we combined them into one dimension. For example, "I feel physically safe on the job" and "I feel emotionally safe at the job" can be combined into one safety dimension for analysis. Having far fewer dimensions simplifies the analysis, discussion of results, and use of the results to think about how to improve programs. Using this technique, we distilled 33 survey questions into nine dimensions. The five close-ended Listen4Good questions are considered an additional five dimensions (Table 6.2). Fifteen of the 53 survey questions are omitted in the analyses because they were open-ended items,<sup>13</sup> had categorical response options that did not lend themselves to the factor analysis or to examination of associations with the outcomes,<sup>14</sup> or the factor analyses revealed they did not add uniquely to the dimensions.<sup>15</sup>

**Table 6.2. Perceptual Feedback Dimensions**

Dimensions	n of items	Mean (SD)	Response range	Reliability
Staff treats me with respect <sup>1</sup>	1	4.78 (.54)	1–5	—
Program meeting needs <sup>1</sup>	1	4.30 (.86)	1–5	—
Connected to staff <sup>1</sup>	1	3.93 (1.00)	1–5	—
Frequency in interacting with program <sup>1</sup>	1	5.69 (.87)	1–6	—
Likely to recommend <sup>1</sup>	1	9.10 (1.68)	0–10	—
General satisfaction	9	4.25 (.68)		0.95
Sense of belonging	8	4.18 (.07)		0.90
Preparation for future career	4	4.18 (.75)	1–5	0.91
Current level of preparation	3	4.37 (.62)		0.87
Resiliency and support	3	4.25 (.67)		0.82
Safety	2	4.34 (.72)		—
Importance of following rules	2	4.24 (.70)		—
Struggle	1	3.99 (1.01)	1–5	—
Fear for other job	1	2.23 (1.29)		—

— Not applicable because dimension involves fewer than three questions.

<sup>1</sup>This dimension comes from a single Listen4Good survey question.

Note: See Appendix Table G-1 for the survey question included in each dimension, and for dimensions with more than one items, the factor loading statistics for those items.

<sup>13</sup> See the two open-ended questions listed in footnote 1 and presented as questions numbered 52 and 53 in the perceptual feedback survey in Appendix B.

<sup>14</sup> See questions numbered 45 and 46 on the perceptual feedback survey in Appendix B.

<sup>15</sup> See the following questions on the perceptual feedback survey in Appendix B: 2, 8, 9, 23, 29, 30, 38, 39, 41, 42, and 44.

## B. Perceptual Feedback Associations with Positive Exit from the Employment Social Enterprise

Table 6.3 reports that 63% of ESE workers who completed a perceptual feedback survey exited the ESE for a positive reason. (A smaller percentage of ESE workers, 36%, who did not complete a perceptual feedback survey exited the ESE for a positive reason, data not shown in table).

**Table 6.3. Percentage of Employment Social Enterprise Workers in Perceptual Feedback Analytic Sample, by Exit Type**

Exit reasons	%
<b>Positive exit</b>	
Found a job or became employed elsewhere	
Promoted to a higher level or permanent position in current organization	63%
Started external school or training	
<b>Neutral exit</b>	
Moved	
Took ill	15%
Had to deal with pregnancy or childcare issues	
Decided didn't want a job	
Other - explain reason	
<b>Negative exit</b>	
Didn't like working at current organization	
Had family issues	
Had transportation or logistical problems	
Had personal problems	21%
Didn't think working at current organization would help me find a job	
Was incarcerated or jailed	
Used drugs	
Terminated from position	
<b>Unknown</b>	
Total	100%

To examine the relationship between perceptions and a positive exit, we employed logistic regression with program-fixed effects. Logistic regression is appropriate when the outcome is a yes or no measure. In this case, the outcome is whether people had a positive exit or not. The logistic regression analysis permits examining the association between perceptual feedback dimensions and the likelihood of having a positive exit. Analyses controlled for factors that might influence the likelihood of having a positive exit, including race and ethnicity, sex, age, and barriers to employment (see Table C-2 in Appendix C for the

variables include in the logic regression). Controlling for these other factors better isolates the association of perceptions and a positive exit.

First, we examined how each of the 14 perceptual feedback dimensions is associated with a positive exit. The logistic regression model included one dimension at a time and controlled for the other factors noted above. This step highlighted the individual association of each dimension with having a positive exit. The analysis revealed nine notable associations (i.e., effect size of .20 or above) and statistically significant (Table 6.4).

**Table 6.4. Perceptual Feedback Dimensions Associated with Positive Exit**

Dimension	Effect size	Statistical significance
Staff treats me with respect	0.16	
Program meeting needs	<b>0.24</b>	*
Connected to staff	<b>0.21</b>	**
Frequency in interacting with program	-0.16	
Likely to recommend	0.05	
General satisfaction	<b>0.33</b>	**
Sense of belonging	<b>0.28</b>	*
Preparation for future career	<b>0.29</b>	**
Current level of preparation	<b>0.30</b>	*
Resiliency and support	<b>0.30</b>	*
Safety	<b>0.21</b>	*
Importance of following rules	0.10	
Struggle	-0.05	
Fear for other job	<b>-0.24</b>	***

Note: Bold results indicate an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

After looking at each dimension in turn, we combined all the dimensions in one logistic regression model, controlling for factors such as race and ethnicity, sex, age, and barriers to employment. In this analysis, the goal was not to compare all the dimensions with each other, but to see which best explains a positive exit. While the logistic regression models taking each dimension in turn identified many dimensions as having important associations with a positive exit, some dimensions are closely associated with each other and might play very similar roles in their relationship to a positive exit (see Appendix Table G-2 for a correlations matrix). For example, workers who felt more prepared for the current work also tended to report a higher level of preparation for future career. Both dimensions (i.e., current level of preparation and preparation for future career) were associated with a positive exit. Therefore, to simplify the explanations of these associations, we need only one of these

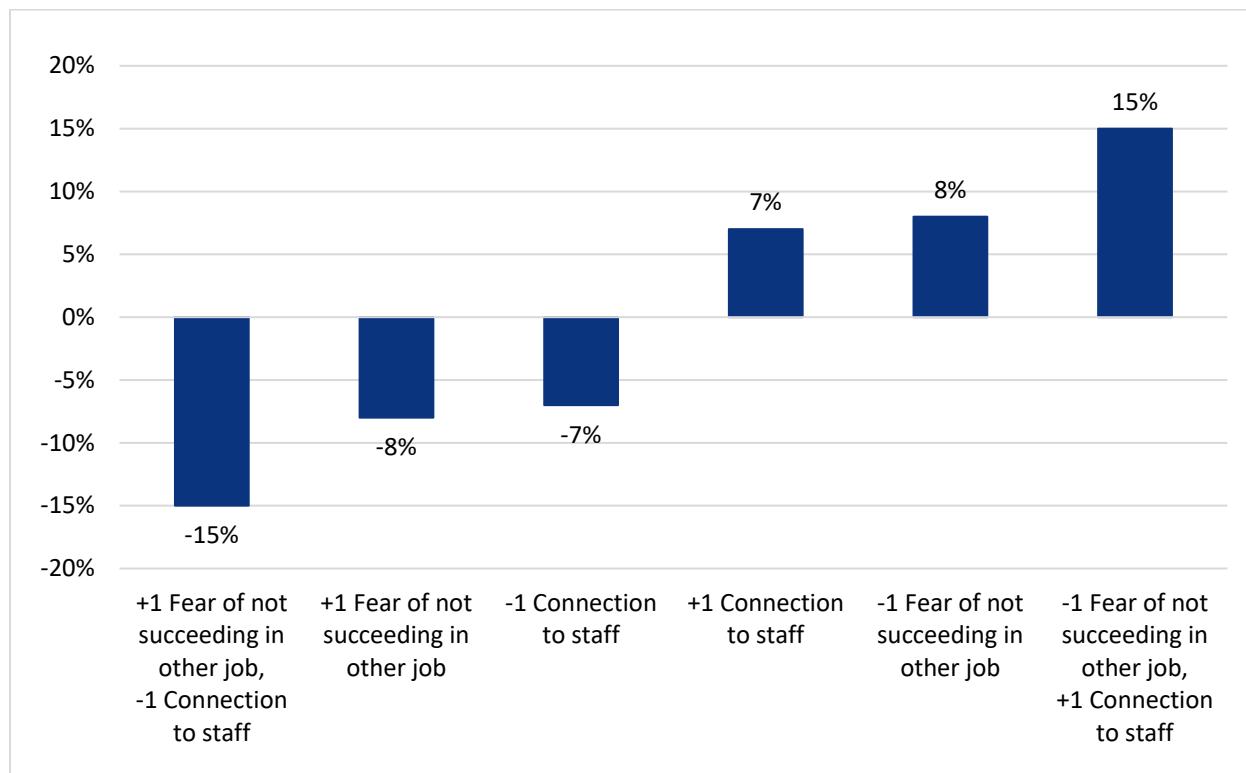
dimensions. We used a stepwise technique embedded in the logistic regression model to select the dimensions with the greatest influence on positive exit.<sup>16</sup> The selection procedure accounted for the significance of the estimated association between individual dimensions and a positive exit and the correlation between the dimensions. It only selected dimensions most essential in the model, which provided a simplified understanding of these relationships that ESEs can use to consider how to better support workers on these dimensions. They may decide to allocate resources in a way that addresses the most influential kinds of perceptions.

In combining the perceptual feedback dimensions into one analysis, we found that a positive **connection to staff** and a low **fear of not being successful in other jobs** had the strongest relationships to experiencing a positive exit. Once both these dimensions were included in the model, adding the other dimensions did not contribute to the overall patterns and conclusion. In other words, they do not help to further explain the likelihood of a positive exit.

Figure 6.1 demonstrates how a 1-point change on the **connection** to staff and **fear** of not being successful in other jobs influences changes in the likelihood of leaving the ESE for a positive reason. If **connection** to staff increases by 1-point, that would increase the likelihood of a positive exit from an ESE by 7%. Alternatively, if **connection** to staff perception decreases by 1-point, that would decrease the likelihood of a positive exit by 7%. Since **fear** of not being successful in other jobs is a negative sentiment, increasing this dimension is associated with a decrease in the likelihood of positive exit. For example, if the **fear** of not being successful in a future job increases by one point, the likelihood of a positive exit decreases by 8%. Alternatively, a one-point reduction in **fear** of not being successful in another job increases the likelihood of a positive exit by 8%. When combined, these dimensions have a greater influence on the likelihood of a positive exit. A 1-point reduction in **fear** of not being successful in another job coupled with a 1-point increase in **connectedness** to staff yields an overall 15% increase in the likelihood of a positive exit.

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<sup>16</sup> Stepwise procedure is an automated statistical approach of identifying the most essential variables for a regression model. It starts with no dimensions in the model and then tests the addition of each dimension using a prechosen model fit criterion. The criterion is based on F statistics which take into account sample size, number of variables, and coefficient and standard error of the estimated association. Variables whose inclusion give the statistically significant improvement of the model fit are retained in the model, and those that give no significant contribution to the model are removed from the model.

**Figure 6.1. Changes in Likelihood of Positive Exit from the Employment Social Enterprise**

## C. Perceptual Feedback Associations with Economic Self-Sufficiency at 18-Month Follow-Up

Next, we examined the relationships between the perceptual feedback domains and each of three key economic self-sufficiency outcomes at the 18-month follow-up: currently enrolled, working at least 30 hours per week at current or most recent job, and current monthly wages. We examined each dimension in turn for each economic outcome, and models controlled for factors that might influence these outcomes, including race and ethnicity, sex, age, and barriers to employment.

Table 6.5 reports the association of each dimension with these economic outcomes. The ESE staff treated me with respect, was associated with being employed at the 18-month follow-up period at a substantively meaningful and statistically significant level. Five dimensions were associated with working at least 30 hours per week: general satisfaction with ESE, sense of belonging at the ESE, preparation for the future, current level of preparation, and resiliency and support. Frequency in interacting with program was associated with wage income. Although it did not quite reach the threshold of a .20 effect size, the effect was positive and statistically significant.

**Table 6.5. Perceptual Feedback Dimensions Associated with Three 18-Month Follow-Up Self-Sufficiency Outcomes**

Dimension	Currently employed		Working at least 30 hours per week		Wages	
	Effect size	Statistical significance	Effect size	Statistical significance	Effect size	Statistical significance
Staff treats me with respect	<b>0.34</b>	*	0.01		0.09	
Program meeting needs	0.08		0.13		0.04	
Connected to staff	0.12		0.13		0.00	
Frequency in interacting with program	0.14		0.07		0.17	*
Likely to recommend	0.01		0.08		0.00	
General satisfaction	0.02		<b>0.40</b>	***	0.08	
Sense of belonging	0.04		<b>0.33</b>	*	0.02	
Preparation for future career	0.04		<b>0.29</b>	*	0.03	
Current level of preparation	0.06		<b>0.36</b>	*	0.14	
Resiliency and support	0.05		<b>0.40</b>	**	0.17	
Safety	0.13		0.13		0.13	
Importance of following rules	0.01		0.16		0.07	
Struggle	0.14		0.07		0.06	
Fear for succeeding in other job	0.06		0.10		0.09	

Note: Bold results indicate an effect based on Cohen's  $d \geq 0.2$ ; Cox transformation is used to convert effect size to  $d$  metric for binary outcomes \* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

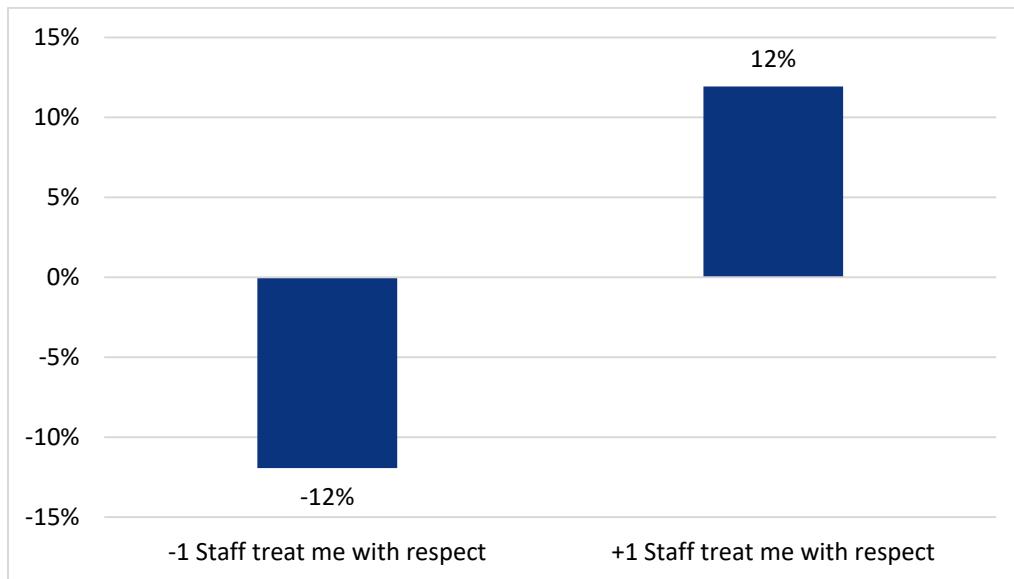
For current employment and wages, only one dimension was strongly associated with the outcome. Multiple dimensions were associated with working at least 30 hours per week. Here, we used a stepwise technique in the logistic regression that incorporated all the perceptual feedback dimensions to identify the dimension that best explained that outcome. The results indicated that **general satisfaction with the ESE** was most strongly associated whether the ESE worker was working 30 hours or more per weeks at the 18-month follow-up.

Next, for each economic outcome, we depict how a 1-point change in its associated dimension affects the outcome.

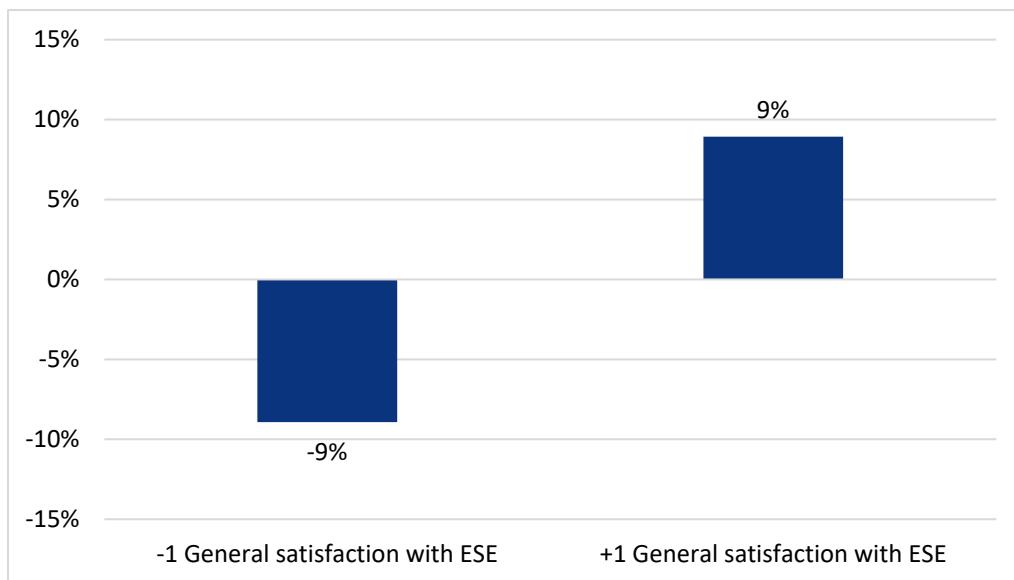
- Figure 6.2 shows the relationship between staff treats me with respect and current employment.

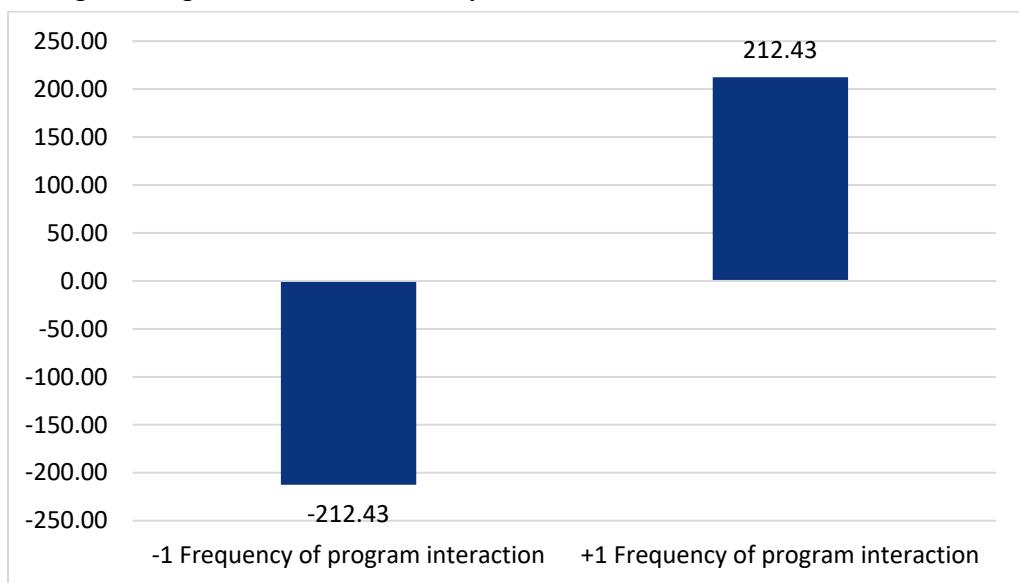
- Figure 6.3 shows relationship between general satisfaction and working at least 30 hours per week.
- Figure 6.4 shows relationship between frequency of program interaction and wages.

**Figure 6.2. Changes in Likelihood of Being Employed at 18-Month Follow-Up**



**Figure 6.3. Changes in Likelihood of Working 30 Hours Per Week at Current or Most Recent Job at 18-Month Follow-Up**



**Figure 6.4. Changes in Wages at 18-Month Follow-Up**

## D. Perceptual Feedback Associations with Economic Self-Sufficiency After Accounting for Positive Program Exit

The final set of analyses considered whether positive exit from the ESE was associated with the three key economic outcomes, and if so, whether perceptual feedback dimensions still had explanatory power once models controlled for program exit. Results reveal that exiting the ESE for a positive reason was associated with each of the economic outcomes. Having a positive exit increased the likelihood of being employed 18 months later by 25%, and it increased the likelihood of working at least 30 hours per week by 23% (data not shown). A positive exit increased wages at the 18-month follow-up period an average of \$640.

Even when controlling for whether the ESE had a positive exit, perceptual feedback dimensions continued to explain the longer-term outcomes. Results from these analyses reveal that a 1-point change on the staff treats me with respect scale was associated with a 12% increase in the likelihood of being employed (data not reported). A 1-point increase on resilience and support scales was associated with a 12% increase in the likelihood of working at least 30 hours per week at the 18-month follow-up period, after controlling for a positive exit. A 1-point change on frequency of program interaction scale was associated with an average of \$240 more in wages, controlling for a positive exit.

## 7. CONCLUSION

Many Americans face profound challenges in obtaining gainful employment. There is an immense need for programs to assist them in getting jobs and a more secure life.

Employment social enterprises (ESEs) provide paid jobs and training to people who face barriers to employment such as homelessness, mental health problems, or past incarceration. By giving people work experience coupled with wraparound support services, ESEs prepare them to secure and keep jobs beyond the ESE environment. Having steady work can help a person stabilize his or her life by obtaining secure housing, avoiding arrest, and having a greater sense of well-being. ESE employment and training may help people become more aware of and able to pursue educational opportunities to further enhance their skills.

REDF supports ESEs through grants and capacity-building initiatives with a focus on ESEs that serve adults who have faced homelessness, incarceration, or mental health or substance use disorders as well as “opportunity youth” who are between the ages of 16 and 24 and neither working nor in school. Since 1997, REDF has invested in 219 ESEs in 30 states and Washington, DC.

Some prior evaluations have indicated that transitional employment can help people overcome barriers to getting a job. A meta-analysis of rigorously evaluated transitional employment models concluded that these programs can benefit those who work with them (Dutta-Gupta et al., 2016). REDF staff want to ensure that the ESEs they support are effective in preparing people for work, and they regularly observe ESE earnings and employment data. To conduct a more formal evaluation, REDF worked with Mathematica Policy Research, who examined economic self-sufficiency and life stability 1 year after starting a social enterprise job, referred to as the Mathematica Jobs Study (MJS) (Rotz et al., 2015). The MJS was an outcome study of seven ESEs with a quasi-experimental impact analysis of one ESE and included a cost-benefit analysis as well.

Subsequently in 2016, REDF began work with RTI International to develop and conduct a comprehensive study of economic self-sufficiency and life stability 18 months after intake. This study involved conducting an impact analysis on four ESEs, using a blend of random assignment and quasi-experimental approaches. The RTI Evaluation incorporated an extensive list of eight indicators of economic self-sufficiency, twelve indicators of life stability, and three indicators of education. In addition to determining outcomes overall and by each ESE, this impact study determined whether the ESEs influenced members of different racial and ethnic and gender groups the same way. Because the COVID-19 pandemic occurred during this study period, we also analyzed whether the benefits of ESE work were sustained during this time. This impact study informed a cost-benefit study.

Finally, the perceptual feedback study included the direct perspectives of ESE workers by surveying them about their perceptions of the ESE and sense of preparedness for the future.

### ***Impact study***

Eighteen months after intake, the ESE group had achieved greater economic self-sufficiency than the comparison group did. A higher percentage of the ESE group was employed at the time of the 18-month follow-up survey, and the ESE group was more likely to be working at least 30 hours per week. These analyses suggest that the ESE group had attained more resiliency than it otherwise would have. Over 18 months, ESE workers experienced fewer months of unemployment. When they did change jobs, they were more likely to do so in pursuit of a better job. Even during the pandemic, although their employment rates declined, the positive influence of ESE participation continued relative to the comparison group. Additionally, both before and during the pandemic, the ESE group had earned more wage income in the month before the survey, and the wage income was a greater share of the total income. These benefits of working in an ESE on economic outcomes were consistent across males, females, Blacks, Hispanics, Whites, and other racial and ethnic groups.

With life stability outcomes, in some cases, results did not reach statistical thresholds of being substantively or significantly different. Even so, the overall pattern of results looked better for the ESE group. Results for having employer-sponsored health insurance and being less likely to report that physical or mental health limited the ability to work showed that the ESE had a moderate effect. Because the RTI Evaluation examined the effect of the ESE on different demographic subgroups, we can conclude that the ESE had the same kind of influence on almost every life stability outcome across racial and ethnic and gender groups.

Results from the RTI Evaluation are consistent with—or stronger than—findings of other studies of transitional employment. The MJS outcomes study found a 33-percentage-point increase in employment 1 year after intake, but the outcomes study did not include a comparison group. The small impact study (with one ESE involving a comparison group of 32 individuals) found only a marginally statistically significant result. The MJS outcomes study found an increase in income, but the more rigorous impact study did not. The RTI Evaluation findings about life stability outcomes are consistent with results from the MJS, which did not find substantial effects on many life stability outcomes such as stable housing or arrest rates (Rotz et al., 2015). Another study of transitional work found that those in transitional jobs were more likely to be employed early on, but the effects faded over time (Redcross et al., 2012). A study of the Los Angeles Regional Initiative for Social Enterprise (LA:RISE) program in California found that it had a short-term modest impact on employment, which faded. Additionally, this study did not find that the program had an impact on earnings or reduced arrests, convictions, or incarcerations (Geckeler et al., (2019)). That evaluation focused on the pilot phase of the program, and perhaps as it became more established, the program had a greater benefit. The RTI Evaluation found results for employment and income that persisted for 18 months—even during a national pandemic.

The RTI Evaluation employed methods to ensure that these results were robust and they isolated the effect of the ESE by using rigorous methods to select the comparison group, actively recruiting respondents to the follow-up survey, and incorporating multiple baseline measures as controls.

### ***Cost-benefit study***

A cost-benefit analysis examined the business and social mission costs of ESE employment per employee and the benefits that ESE employment produced in terms of the ESE worker, the ESE, the taxpayer, and society as a whole. These benefits were measured in the areas of income, housing, arrests, health, and ESE revenue. We made every effort to use conservative assumptions in this analysis to ensure that any positive benefits truly exist and do not result from our assumptions. Overall, analyses showed a return on investment of 13%; that is, every dollar spent by the ESE created \$1.13 for society. All stakeholders—the ESE worker, the ESE, the taxpayer, and society as a whole—experience a positive benefit to ESE employment.

This cost-benefit analysis was based on the results from the impact analysis, and findings are consistent with other rigorous cost-benefit analyses of transitional employment. A meta-analysis of evaluations of transitional employment referenced four sites that were socially cost effective (Dutta-Gupta et al., 2016). The LA:RISE study reported cost effectiveness but did not calculate an ROI (Geckeler et al., 2019).

The MJS found a greater return on investment than the RTI Evaluation did, but the cost-benefit analysis in the MJS was based on the outcomes analysis and not on the more conservative impact analysis approach. Therefore, these return on investment calculations are not directly comparable.

### ***Perceptual feedback study***

About two-thirds of the way through their employment, we surveyed ESE workers to learn about their perceptions of their ESE experience and sense of the future. In fact, *feeling connected to ESE staff and fearing not being able to succeed in another job* were strongly associated with having a positive exit from the ESE (e.g., finding a job). Subsequently, perceptions about *general satisfaction, feeling that ESE staff treated them with respect, and interacting frequently with the ESE* were all associated with different economic self-sufficiency measures 18 months after intake. With this information, ESE staff can make efforts to foster these kinds of perceptions.

### ***Implications for ESEs***

Throughout the study, ESE staff acted as partners, recruiting study participants and gathering intake, perceptual feedback, and exit data as well as helping locate those who had not initially responded to the 18-month follow-up survey. Throughout the data collection period and much of the analysis period, RTI study leads routinely met with staff from each ESE to share progress and plan next steps of the study. Staff in each ESE participating in the study received the full report and individual results from the impact analysis, perceptual feedback study, and cost-benefit analysis. Some study results did differ by ESE. As the analyses progressed, RTI and REDF hosted multiple sense-making sessions with staff from each of these ESEs. In these sessions, RTI presented study findings, responded to ESE staff questions, and facilitated discussions among staff about what the findings meant for the ESE. Thus, ESEs can use their specific study results to enhance their program. Future studies should examine whether and how these ESEs used these evaluation results to enhance their programs.

### ***Future research***

The RTI Evaluation found benefits to ESE participation, particularly in terms of economic self-sufficiency. These results could have been even stronger if the COVID-19 pandemic had not occurred. Even so, ESE participation seemed to insulate some workers during this profound challenge. Future research could examine the resources ESE workers had and the choices they made during this time.

Consistent with other longitudinal studies, in the RTI Evaluation, not all those who initially participated in the intake then participated in subsequent surveys. In particular, this population of transitional workers may move or otherwise change contact information frequently. Some in the ESE group left before taking the perceptual feedback survey, and not all ESE and comparison group members completed the 18-month follow-up survey. Even so, the RTI Evaluation data did include outcomes for 69% of the initial respondents. Future research should strive to understand more fully what happens to those who are less likely to participate in the follow-up.

This study examined the impacts of four ESEs, each of which provided different kinds of employment and training to those with various employment barriers. Given the differences in training and the barriers the workers faced, it is not surprising that results across ESEs are not identical. Studying different ESEs or a bigger sample might yield different results. Future research could examine the benefits of services and work for those facing specific kinds of barriers and those facing multiple barriers.

However, overall, findings pertaining to economic self-sufficiency were consistent across all ESEs and are consistent with past evaluations of ESEs. More generally, additional research could better elucidate the process by which ESE participation benefits workers. Within each

ESE, people may have had different kinds of jobs and used different supports. Without that data, this study could not link specific supports to economic or life stability outcomes. The perceptual feedback survey highlights ESE workers' thoughts and feelings about their ESE experience but not the specific job or services they received. With that information, ESEs could better tailor supports and services to their workers.

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## APPENDIX A: REDF LOGIC MODEL

Inputs		Outputs / Activities			Outcomes / Impact		
REDF	SOCIAL ENTERPRISES	Participants	Activities	Direct Products	Short	Medium	Long
		WHO WE REACH	WHAT WE DO	WHAT WE CREATE	Employment	Employment	Employment Social Enterprises
<b>Direct Strategy</b>	<b>Business Side</b>	Employment Social Enterprises	REDF	Employment Social Enterprise Business Growth	- Positive placements and turnover increased	- Participants are employed at 1.5 year mark	- Earned revenue increases
- Smart grantmaking decisions in who we fund	- Market-tested business model	- Leaders	- Capital Delivery	- Negative turnover minimized	- Participants have maintained consistent employment since leaving ESE	- Business expands	
- Skilled Portfolio Team staff	- Strong adherence to program	- Staff	- Business Development TA	- New business lines created	- Financial stability: Earning wages to support their lives	- Retention and program completion percentage improves	
- Apply the best evidence and methods from the field	- High quality and fidelity of implementation	- Low income	- Employee Support Program	- New ESPs created	- Long-term stable housing was maintained throughout SE experience	- Impact is demonstrated through evaluation	
- Broad geographic presence	- Full dosage and program completion for all participants	- Low educational attainment	Creation and Optimization TA	- Existing ESPs improve	- Positive attitudes and attachment towards work were maintained throughout SE experience		
<b>Indirect Strategy</b>	<b>Social Side</b>	- Opportunity youth	- Misc. Advisory Services	- People employed	- No recidivism		
- Strong employer and funder networks	- Strong adherence to program	- Chronically homeless		- High confidence in executive and staff decision making			
- Leverage talent and funnel into field	- Unplanned additions and modifications, incorporating feedback from Evaluation Learning Committee	- Formerly incarcerated					
- Share knowledge with the field		- Mental health illness					
- Other social capital							
<b>Assumptions</b>							
<ul style="list-style-type: none"> <li>Funding levels from REDF, organizational capacity, program models, and target population characteristics vary across social enterprises</li> <li>Technical assistance by REDF is customized to the social enterprises' needs and interests</li> <li>Local stakeholders, norms, values, and policies strongly affect program delivery and effectiveness</li> </ul>				<b>Post-Program Environment</b> <ul style="list-style-type: none"> <li>Local norms and values can impact participant motivation and success</li> <li>Post-ESE success is affected by industry and occupation, access to post-ESE supports, and job market conditions</li> </ul>			

## APPENDIX B: SURVEY INSTRUMENTS

## Intake Survey

<b>1. SECTION A. GENERAL INFORMATION</b>			
2. Name:	3. Client ID Number:	4. Date of Birth:	
5._____	6. Intake Date:	7. Intake Completed By:	
<b>8. SECTION B. DEMOGRAPHICS</b>			
9. B1. What is your gender?			
10. <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Transgender Male to Female <input type="checkbox"/> Transgender Female to Male			
11. <input type="checkbox"/> Other <input type="checkbox"/> Refused			
12. B1a. [If Other]: Please specify _____			
13. B2. What is your ethnicity?			
14. <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Non-Hispanic or Latino <input type="checkbox"/> Refused			
B3. What is your race? (Check all that apply):			
<input type="checkbox"/> American Indian or Alaska Native	<input type="checkbox"/> Asian	<input type="checkbox"/> Other; if other, please specify: _____	
<input type="checkbox"/> Black or African American	<input type="checkbox"/> White		
<input type="checkbox"/> Native Hawaiian or Other Pacific Islander	<input type="checkbox"/> Refused		
B4. What language do you speak best?			
<input type="checkbox"/> English <input type="checkbox"/> Spanish <input type="checkbox"/> Other			
B4a. [If Other]: Please specify: _____			
B5. [If B4 is Spanish or Other]: With regard to the English language, how well do you....			
A. Understand it when it is spoken to you? <input type="checkbox"/> Very well <input type="checkbox"/> Well <input type="checkbox"/> Not well <input type="checkbox"/> Not at all			
B. Speak it? <input type="checkbox"/> Very well <input type="checkbox"/> Well <input type="checkbox"/> Not well <input type="checkbox"/> Not at all			
C. Read it? <input type="checkbox"/> Very well <input type="checkbox"/> Well <input type="checkbox"/> Not well <input type="checkbox"/> Not at all			
D. Write it? <input type="checkbox"/> Very well <input type="checkbox"/> Well <input type="checkbox"/> Not well <input type="checkbox"/> Not at all			
<b>SECTION C. VETERAN STATUS</b>			
C1. Are you a U.S. military veteran?			
<input type="checkbox"/> Yes, was on active duty in the past	<input type="checkbox"/> Yes, was in training for reserves or National Guard	<input type="checkbox"/> No	<input type="checkbox"/> Refused
<b>SECTION D. HOUSEHOLD</b>			
D1. What is your marital status?			
<input type="checkbox"/> Married <input type="checkbox"/> In a domestic relationship <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Single			
D2. Are you under 25? <input type="checkbox"/> Yes <input type="checkbox"/> No			
D3. [If yes to D2]: Do you live with a parent or other adult relative? <input type="checkbox"/> Yes <input type="checkbox"/> No			
D4. Are any people dependent on you for financial support, day-to-day care, or both? <input type="checkbox"/> yes <input type="checkbox"/> no			
D5. [If yes to D4]: How many people are dependent on you? _____ (number)			
D6. [If D4>0]: Among the people who depend on you for financial support, day-to-day care, or both:			
D7. How many live with you (at least 3 nights/week on average)? _____ (number)			
D8. [If D7>0]: Of those who live with you, how many are 18 years old or younger? _____ (number)			
D9. [If D7>0]: Of those who live with you, how many are under 5 years old? _____ (number)			
<b>SECTION E. INCOME &amp; ASSISTANCE</b>			

Now we're going to ask you some questions about your income and any assistance you may have received in the past or are currently receiving. In order to understand whether the job training or any related supports are helpful overall, we want to know whether your income and assistance change over time. Your individual answers will never be revealed. Please answer to the best of your ability.

E1. Think about all the people who live with you in your housing unit. What is the size of your household? Count yourself as 1 person.

\_\_\_\_\_ (number)

E2. Refer to the chart below. Based on the number of people in your household, is your total **household** income level in the last year  200% or below FPL (top row)  Greater than 200% of FPL (bottom row)

15. Family of	16. 1	17. 2	18. 3	19. 4	20. 5	21. 6	22. 7	23. 8
24. 20 0% or below FPL	25. \$0 -23,540	26. \$0 -31,860	27. \$0 -40,180	28. \$0 -48,500	29. \$0 -56,820	30. \$0 -65,140	31. \$0 -73,460	32. \$0 -81,780
33. Greater than 200% of FPL	34. \$2 3,540+	35. \$3 1,860+	36. \$4 0,180+	37. \$4 8,500+	38. \$5 6,820+	39. \$6 5,140+	40. \$7 3,460+	41. \$8 1,780+

E3. Now think about how much **you** personally earn. What is your best guess of your own total take-home pay in the month prior to arriving at the SE and/or receiving training or services from [the ESE]? If you held more than one job, include total earnings for all jobs. Take-home pay is the amount in your paycheck (plus tips or commissions) after any deductions.

*Please consider only money earned through formal employment where you received a paycheck from an employer. Do not include money earned from informal jobs like selling items at a flea market or online, or providing services for others like babysitting, hair styling, or yard work for cash. If you held more than one job, include your total earnings for all jobs during the past month. Please do not include money you may be earning as a stipend as part of your current involvement with [the ESE].*

\$ \_\_\_\_\_

- Don't know  
 Refused

E4. Did you receive the Earned Income Tax Credit (EITC) last year?

- Yes     No     I don't know     Refused

E5. [If E4 is Yes]: What is your best guess of the amount you received?

E6. Before coming in for services at this organization, did you receive any benefits or income from the following sources **in the prior month**? If so, please list the amount you received **per month**. [NOTE: For Farestart and CCC, respondents should consider the month prior to beginning the Adult Culinary Program or the Path to Employment, respectively.]

E6a. Food Stamp or SNAP benefits, such as CalFresh or Basic Food Program?

- No     Yes (Amount per month) \_\_\_\_\_

E6b. Welfare programs such as TANF, General Assistance or GA, CalWORKS, or WorkFirst?  No     Yes (Amount per month) \_\_\_\_\_

E6c. SSI, SSDI, or other disability benefits?  No     Yes (Amount per month) \_\_\_\_\_

E6d. Social Security or pension benefits?  No     Yes (Amount per month) \_\_\_\_\_

E6e. Unemployment Insurance benefits or UI?  No     Yes (Amount per month) \_\_\_\_\_

E6f. WIC benefits?  No     Yes (Amount per month) \_\_\_\_\_

E6g. Worker's Compensation benefits?  No  Yes (Amount per month) \_\_\_\_\_

E6h. Housing subsidies (e.g., Section 8, Housing Choice Voucher (HCV), or public housing)  No  Yes

E6i. Alimony or child support?  No  Yes (Amount per month) \_\_\_\_\_

E6j. Interest and/or dividends?  No  Yes (Amount per month) \_\_\_\_\_

E6k. Any other income sources? (SPECIFY)

E7. Do you get assistance from friends or family with any of the following things?

E7a. Place to live?  Yes  No

E7b. Rent support?  Yes  No

E7c. Food, or money for food?  Yes  No

E7d. Help paying bills?  Yes  No

E7e. Transportation?  Yes  No

## 42. SECTION F. EDUCATION

43. F1. Are you currently enrolled in school?  Yes  No  Refused

44. F2. [If F1 is Yes]: What education program are you enrolled in?

45. Please do not include any training program you may be enrolled in through [the ESE] (e.g., Adult Culinary Program at Farestart).

46.  High School  GED preparation program  Certification program  Other training program

47.  Associate's degree  Bachelor's degree  Other (please specify) \_\_\_\_\_

48. F3. What is the highest level of school that you completed or the highest diploma or degree you received?

49.  Less than 9<sup>th</sup> grade  Some high school (no diploma)  High school diploma  GED

50.  Attended trade school, college, or university; no certificate or degree received

51.  Certificate from a college or trade school for completion of a program prior to a associate/bachelor's degree

52.  Associate's degree  Bachelor's degree  Graduate degree  Other \_\_\_\_\_

## 53. SECTION G. CURRENT & PREVIOUS EMPLOYMENT

54. G1. Immediately prior to arriving at [the ESE] and/or receiving training or services from [the ESE], were you employed in either full or part-time work? Please consider only formal employment for which you were receiving a paycheck from the employer.

55.  Yes  No  Refused

56. [If G1 is Yes, skip to G4]

57. G2. [If No or Refused to G1]: People say that they are not working for many reasons. The following are some of the reasons people sometimes give for not working. Please select the reasons you were not currently working. Mark all that apply.

58.  I was recently released from prison.

59.  I have issues with substance use (alcohol, drugs) that prevent me from working.

60.  I have a physical or mental condition prevents me from working.

61.  I cannot find a job that I am qualified for.

62.  I do not have reliable transportation to and from work.

63.  I am caring for someone else.

64.  I am waiting to finish school or a training program.

65.  I do not want to lose benefits such as disability, worker's compensation, or Medicaid.

66.  I have been discouraged by previous attempts to work.

67.  I haven't been given a chance to show that I can work.

68.  There are other reasons why I am not working.

69.	<input type="checkbox"/> DON'T KNOW/REFUSED
70.	
71.	G3. <b>[If No or Refused to G1]:</b> Have you <u>ever</u> worked at a job for pay? Include formal jobs, either part-time or full-time, for which you earned a paycheck from an employer.
72.	<input type="checkbox"/> Yes
73.	<input type="checkbox"/> No
74.	<input type="checkbox"/> DON'T KNOW/REFUSED
75.	G4. <b>[If Yes to G1 or Yes to G3]:</b> Think of your most recent formal job (i.e., job for which you earned a paycheck from an employer). When did you START working at that job? When did you STOP working at that job? Your best guess is fine.
76.	<input type="checkbox"/> Start month <input type="checkbox"/> Start year
77.	<input type="checkbox"/> End month <input type="checkbox"/> End year <input type="checkbox"/> Currently working
78.	G5. How many hours per week, including regular overtime hours did you usually work at this job?
79.	(RANGE 0-100)
80.	
81.	G6. What was the hourly wage at this job?
82.	G7. What is the longest time (in months) you have worked continuously for the same employer for at least 20 hours per week? Please consider only jobs where you received a paycheck from an employer.
83.	<input type="checkbox"/> < 1 month
84.	<input type="checkbox"/> 1 to 5 months
85.	<input type="checkbox"/> 6 to 12 months
86.	<input type="checkbox"/> More than a year
87.	<input type="checkbox"/> DON'T KNOW/REFUSED
88.	G8. Sometimes people work at informal jobs. This may include activities like selling items at a flea market or online, or providing services for others like babysitting, hair styling, or yard work for cash. Immediately prior to arriving at [the ESE and/or receiving training or services from the SE, were you working for pay in an <u>informal</u> job?
89.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused
90.	<b>SECTION H. CRIMINAL INVOLVEMENT</b>
91.	H1. Have you ever been arrested? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused
92.	<b>[If No to H1, skip to Section I.]</b>
93.	H2. <b>[If yes to H1]:</b> How many times have you been arrested?
94.	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> If more than 5, how many? _____
95.	H3. Have you ever been convicted of a crime? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused
96.	H4. Have you ever been to or spent time in jail or prison? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused
97.	H5. <b>[If Yes to H4]:</b> What is the total time you have been incarcerated (in years)? _____
98.	H6. <b>[If Yes to H4]:</b> Are you currently on probation or parole?
99.	<input type="checkbox"/> Yes
100.	<input type="checkbox"/> No
101.	<input type="checkbox"/> DON'T KNOW/REFUSED

**102. SECTION I. HOUSING**

103. I1. Please select the response that most accurately describes your current housing situation:
- 104.
105. a. Emergency shelter, including hotel or motel voucher paid for by a social service or charitable organization
106. b. Transitional housing for homeless persons
107. c. Permanent supportive housing for formerly homeless persons
108. d. Hospital or treatment facility (e.g., rehabilitation or detox)
109. g. In jail, prison or juvenile detention facility
110. h. Half-way house or three-quarter-way home for persons with criminal offenses
111. i. Room, apartment or house that I rent
112. j. Apartment or house that I own
113. k. Live with my parents in a place that they rent or own
114. l. Doubling up in a friend's or family member's room, apartment or house.
115. m. Hotel or motel paid for without emergency shelter voucher.
116. n. Foster care home or foster care group home
117. o. Group home or other supervised residential care facility
118. p. In the street, a car, park, other place outside
119. q. Other (SPECIFY)
- 120.**
121. I2. Was your housing temporary at some point in the past...
122.  Week?  Month?  6 months?  Year?  Refused  No
123. Please mark all that apply.
124. *For reference, temporary housing includes (from the list above):*
125. a. Emergency shelter, including hotel or motel voucher paid for by a social service or charitable organization
126. b. Transitional housing for homeless persons
127. d. Hospital or treatment facility (e.g., rehabilitation or detox)
128. g. In jail, prison or juvenile detention facility
129. h. Half-way house or three-quarter-way home for persons with criminal offenses
130. i. Doubling up in a friend's or family member's room, apartment or house.
131. m. Hotel or motel paid for without emergency shelter voucher.
132. n. Group home or other supervised residential care facility
133. p. In the street, a car, park, other place outside

**134. SECTION J. HEALTH & HEALTHCARE**

135. J1. What kind of health insurance plans are you currently covered by? Please mark all that apply.
136.  Not currently covered by health insurance
137.  Medicaid/Medicare or other government program (e.g., Medi-Cal, Washington Medicaid, or Oregon Health Plan)
138.  Employer or union sponsored health plan
139.  Military health care
140.  Insurance purchased directly from an insurer or through an insurance exchange (e.g., Covered California, Oregon HealthCare.gov, Washington Health Plan Finder)
141.  Some other kind of health insurance
142.  Don't know
- 143.
144. J2. In general would you say your physical health is...
145.  Excellent
146.  Very good
147.  Good
148.  Fair
149.  Poor

J3. Over the past 2 weeks have you been bothered by these problems?	Not at all	Several days	More than half the days	Nearly every day
Feeling nervous, anxious, or on edge	0	1	2	3
Not being able to stop or control worrying	0	1	2	3
Feeling down, depressed, or hopeless	0	1	2	3
Little interest or pleasure in doing things	0	1	2	3
<b>150.</b>				
151. J4. Do you have, or have you ever had, a mental health illness or mental health disability that has limited or may limit the amount or type of work you could perform?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused			
153. J5. Have you been treated for or felt the effects of an anxiety disorder?				
154. <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused				
155. (including obsessive compulsive disorder, severe panic attacks, post-traumatic stress disorder)				
156. J6. Have you been treated for or felt the effects of a mood disorder?				
157. <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused				
158. (including major depression, bipolar disorder, dysthymia, or seasonal affective disorder)				
159. J7. Have you been treated for or felt the effects of a schizophrenic disorder?				
160. <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused				
161. (including schizophrenia, personality disorder, or dissociative disorder)				
162. J8. Have you been treated for or felt the effects of a substance abuse disorder?				
163. <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Refused				
164. (including alcohol, amphetamines, narcotics, or other substances)				
165. J9. Please tell me if the following statements are very much like you, mostly like you, somewhat like you, not much like you or not like you at all.				
166.				
167. a. I have overcome setbacks to conquer an important challenge				
168. b. New ideas and projects sometimes distract me from previous ones				
169. c. My interests change from year to year				
170. d. Setbacks don't discourage me				
171. e. I have been obsessed with a certain idea or project for a short time but later lost interest				
172. f. I am a hard worker				
173. g. I often set a goal but later choose to pursue a different one				
174. h. I have difficulty maintaining my focus on projects that take more than a few months to complete				
175. i. I finish whatever I begin				
176. j. I have achieved a goal that took years of work				
177. k. I become interested in new pursuits every few months				
178. l. I am diligent				

**179. SECTION K. CONTACT INFORMATION**

**180.** [We would like to contact you again in the future to see how you are doing and update our information. This information is completely voluntary and you may choose not to answer specific questions.]

**181. We would like to start by collecting information about how we might contact you. What is your address?**

182. Street Address 1 (*Include apartment number*)

183. Street Address 2

184. City

185. State

186. Zip

187.

**188. Are there any other names people call you?**

189.  Yes

190.  No

191.  DON'T KNOW/REFUSED

192.

**193. Please tell me those names.**

194. ALTERNATIVE NAMES

195.

**196. Please provide me your telephone number, area code first and email address, if you have one.**

197. TELEPHONE NUMBER

198. E-MAIL ADDRESS

199.

**200. Do you have another phone number or e-mail address?**

201.  Yes

202.  No

203.  DON'T KNOW/REFUSED

204.

**205. What is the other phone number and e-mail address?**

206. SECOND PHONE NUMBER

207. E-MAIL ADDRESS

208.

**209. Do you have a social media account (Facebook, Twitter, LinkedIn, Instagram)?**

210.  Yes

211.  No

212.  DON'T KNOW/REFUSED

213.

**214. In the event that your address or phone number change, may we send a private message to your social media account?**

215.  Yes

216.  No

217.

**218. [If yes]: What is the name associated with that account?**

219. Facebook \_\_\_\_\_

220. Twitter handle\_\_\_\_\_

221.

**222. We would like to collect information about how we may contact you. Are your benefit checks or other mail sent to the address you just provided?**

223.  Yes

224.  No

225.  DON'T KNOW/REFUSED

226.

**227. Where are your benefit checks or other mail sent?**

228. Street Address 1 (*Include apartment number*)

229. Street Address 2

230. City

231. State

232.	Zip
233.	
234.	<b>In case we have trouble reaching you, could you also provide us with the names, addresses, and phone numbers of <u>three close relatives or friends</u> who are not living with you and are likely to know your location in the future. For example, the individuals could be your mother, father, brother, sister, aunt, uncle, or close friend. Do you have any individuals for whom you can provide contact information?</b>
235.	<input type="checkbox"/> Yes
236.	<input type="checkbox"/> No
237.	
238.	<b>** DO THIS FOR THREE CONTACTS **</b>
239.	<b>What is the name and address of your first contact person?</b>
240.	First Name
241.	Middle Initial
242.	Last Name
243.	Street Address 1 ( <i>Include apartment number</i> )
244.	Street Address 2
245.	City
246.	State
247.	Zip
248.	
249.	<b>Please give me their telephone number, area code first and email address if they have one.</b>
250.	TELEPHONE NUMBER
251.	E-MAIL ADDRESS (STRING 70)
252.	
253.	<b>Do you have another phone number or e-mail address for this person?</b>
254.	<input type="checkbox"/> Yes.
255.	<input type="checkbox"/> No
256.	<input type="checkbox"/> DON'T KNOW/REFUSED
257.	
258.	<b>What is the other phone number and e-mail address?</b>
259.	SECOND PHONE NUMBER
260.	E-MAIL ADDRESS (STRING 70)
261.	
262.	<b>How are they related to you, if at all?</b>
263.	<input type="checkbox"/> Spouse/partner ..... 1
264.	<input type="checkbox"/> Mother ..... 2
265.	<input type="checkbox"/> Father ..... 3
266.	<input type="checkbox"/> Son or daughter ..... 4
267.	<input type="checkbox"/> Grandparent ..... 5
268.	<input type="checkbox"/> Brother/sister ..... 6
269.	<input type="checkbox"/> Aunt/uncle ..... 7
270.	<input type="checkbox"/> Other relative ..... 8
271.	<input type="checkbox"/> Not related ..... 9
272.	<input type="checkbox"/> Staff at residence ..... 10
273.	
274.	<b>Thank you very much for your time. We appreciate your help.</b>

## Perceptual Feedback Survey

We would like your feedback about your experience with the [Name of Program]. This is an opportunity for you to **honestly tell us how we are doing as an organization and how we might do better.**

Your responses to this survey will be **anonymous**. Nothing you say in this survey will affect your ability to participate in the [Name of Program] services in any way.

**Thank you** for your feedback!

Please write your client ID (ask staff for help): \_\_\_\_\_

Rate each of the following statements using the following scale. Circle one rating for each item.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
1. The staff at this organization understand me.	1	2	3	4	5
2. There's at least one staff member at this organization who knows what it is like to stand in my shoes.	1	2	3	4	5
3. [Name of Program] staff really try to understand how we feel about things as organizational employees.	1	2	3	4	5
4. My field supervisor recognizes my potential.	1	2	3	4	5
5. I have the chance to provide feedback to [the Name of Program] about activities, decisions, and policies that affect me.	1	2	3	4	5
6. [Name of Program] staff go above and beyond for me and my coworkers.	1	2	3	4	5
7. I feel like I can take advantage of everything I need from [the Name of Program].	1	2	3	4	5
8. I have co-workers I can relate to at [the Name of Program].	1	2	3	4	5
9. I have a support system that I think will last after I leave [the Name of Program].	1	2	3	4	5
10. I have to work really hard to succeed in this organization.	1	2	3	4	5
11. I know what I need to do to advance up the career ladder.	1	2	3	4	5
12. I feel physically safe on the job.	1	2	3	4	5
13. I feel emotionally safe at [the Name of Program].	1	2	3	4	5
14. If I don't follow procedures, I know that it will disappoint [Name of Program] staff and field staff.	1	2	3	4	5

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
15. If I don't follow procedures, I will be disappointed in myself.	1	2	3	4	5
16. I will get out what I put into this opportunity.	1	2	3	4	5
17. At [the Name of Program], we learn a lot every day through our job experience.	1	2	3	4	5
18. I feel respected in this job.	1	2	3	4	5
19. I know other people who have similar experiences to me that have been successful here.	1	2	3	4	5
20. I think the program has given me the skills to succeed in a job outside of this program.	1	2	3	4	5
21. I feel prepared and ready to provide good customer service.	1	2	3	4	5
22. I feel prepared and ready to work with co-workers.	1	2	3	4	5
23. I feel prepared and ready to work with supervisors.	1	2	3	4	5
24. I think [the Name of Program] will prepare me for a stable job before the end of my time here.	1	2	3	4	5
25. By the time I'm done, I feel that [the Name of Program] will have given me the skills and tools I need to succeed at another job.	1	2	3	4	5
26. I feel ready to train my co-workers.	1	2	3	4	5
27. I feel like [the Name of Program] is giving me the skills and tools I need to be successful in future jobs.	1	2	3	4	5
28. I feel that [the Name of Program] is preparing me for what I want to do next.	1	2	3	4	5
29. I plan to stay for the full length of the program.	1	2	3	4	5
30. I'm fearful that I won't be able to succeed in another job outside of [the Name of Program].	1	2	3	4	5
31. I feel like I can tell my field supervisor or [Name of Program] staff if I made a mistake.	1	2	3	4	5
32. If I have a life setback, I feel that I have the tools to overcome it.	1	2	3	4	5
33. I feel like I have the resources (social supports, tools) to cope with unexpected or stressful life events that may interrupt my work life.	1	2	3	4	5
34. I feel that there's dignity in work, regardless of the type of work.	1	2	3	4	5
35. My experience working at [the Name of Program] increases my sense of ability and self-esteem.	1	2	3	4	5

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
36. Because of my experiences at [the Name of Program], I feel more in control of my life.	1	2	3	4	5
37. Because of [the Name of Program], I feel like I can handle life better.	1	2	3	4	5
38. At [the Name of Program], I am learning how to make my life more stable.	1	2	3	4	5
39. [The Name of Program] has given the tools I need to tackle challenges on my own.	1	2	3	4	5
40. I have a chance to prove myself.	1	2	3	4	5
41. I have been trained to handle any type of discrimination or hostility directed to me at work.	1	2	3	4	5
42. If I run into problems at [the Name of Program], I still have someone here who would listen to me and help me.	1	2	3	4	5
43. There is at least one person that I can speak with outside of [the Name of Program] if I have a problem.	1	2	3	4	5
44. Even after I leave, I will feel welcome at [the Name of Program].	1	2	3	4	5

*Please respond to the following questions.*

45. I'm nervous that I won't be able to succeed after this because:

Circle all that apply:

- a) I won't have a case manager there to support me through ideas and problems.
  - b) New supervisors won't be as supportive
  - c) I'll make mistakes or the wrong decisions
  - d) My new employer won't accept me based on previous things I've done
  - e) I am not nervous
  - f) Other – please specify
-

46. Some people do not finish the program. If this were to happen to you, what do you think would most likely be the cause?

Circle all that apply:

- a) Absolutely certain that I will finish
  - b) To accept a job
  - c) Go to school or get other training
  - d) Lack of interest
  - e) Lack of skills
  - f) Moving to a different area
  - g) Childcare
  - h) Family/home issues other than childcare
  - i) Transportation/logistical issues
  - j) Problem with the law
  - k) Conflict with supervisors or other staff
  - l) Conflict with other employees
  - m) Substance use
  - n) Mental health challenges
  - o) Physical health challenges
  - p) For another reason - please specify
- 

47. How often do [Name of Program] staff treat you with respect?	Never	Rarely	Sometimes	Mostly	Always
	1	2	3	4	5

48. Overall, how well has [the Name of Program] met your needs?	Not well at all	A little bit	Fairly well	Very well	Extremely well
	1	2	3	4	5

49. How likely is it that you would recommend [the Name of Program] to a friend or family member who finds self in a similar situation?	Not likely at all								Extremely Likely		
	0	1	2	3	4	5	6	7	8	9	10

50. How connected do you feel to staff at [the Name of Program]?	Not at all	A little bit	Somewhat	Very	Extremely
	1	2	3	4	5

51. How often do you interact with [the Name of Program]?	Everyday	A few times a week	A few times a month	Once a month	Once every few months	Less often than that
	6	5	4	3	2	1

52. What is [the Name of Program good] at?

53. What could [the Name of Program] do better?

## Exit Survey

Client Last Name: \_\_\_\_\_

Date of Exit (mm/dd/yyyy) \_\_\_\_\_

Name of Person Completing Exit Form: \_\_\_\_\_

### A. REASON FOR EXIT

A1. What was the main reason that you are exiting the social enterprise? Please tell me the one response that best describes why you left.

- Found a job/became employed elsewhere
- Promoted to a higher level position/permanent position in my current organization
- Moved
- Started external school/training
- Didn't like working at my current organization
- Illness
- Pregnancy or childcare issues
- Other family issues
- Transportation/logistical problems
- Personal problems
- Didn't think working at my current organization would help me find a job
- Decided I didn't want a job
- Incarcerated/jail
- Drug use
- Terminated from position (please specify reason): \_\_\_\_\_

- Other (please specify): \_\_\_\_\_
- Refused
- Unknown

A2. Have you already found another job?

- Yes
- No (Skip to Section C)
- Refused

### B. NEXT JOB

B1. What is the name of your next employer? \_\_\_\_\_

B2. What is your next position/job description? \_\_\_\_\_

B3. Where is your next job located? (Please select a state below and type in the city)

City\_\_\_\_\_

State\_\_\_\_\_

B4. What is the starting hourly wage at your next job? (Please type as XX.XX) \_\_\_\_\_

B5. How many hours per week are you expecting to work? (Please type out the number)

\_\_\_\_\_

**C.** We will contact you again to ask you to complete one more survey. You will receive a \$50 gift card for completing that future survey.

What is the best phone number to call you? \_\_\_\_\_

What is your email address? \_\_\_\_\_

Please provide the name and phone number of at least one person who can help us contact you if we have trouble reaching you.

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

Name: \_\_\_\_\_

Email \_\_\_\_\_

Phone Number: \_\_\_\_\_

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email \_\_\_\_\_

## Eighteen-Month Follow-Up Survey

### Section 1. Employment

The first set of questions asks about your current employment.

**A1. In the last week, did you work at a job for pay? Please include any part-time and full-time jobs. Please consider only formal employment for which you were receiving a paycheck from the employer.**

YES .....	1 [GO TO A3]
NO .....	0 [GO TO A2A]
DON'T KNOW .....	d [GO TO A2A]
REFUSED .....	r [GO TO A2A]

[If A1 is NO, DON'T KNOW or REFUSED, go to question A2a. Else go to A3.]

**A2a. In the last week, did you apply for any jobs?**

YES .....	1 [GO TO A2C]
NO .....	0 [GO TO A2B]
DON'T KNOW.....	d [GO TO A2C]
REFUSED.....	r [GO TO A2C]

**A2B. There are many reasons why someone may not be seeking work. Please select the reasons you are not currently seeking employment. Mark all that apply.**

- I have issues with substance use (alcohol, drugs) that prevent me from working.
- I have a physical or mental illness prevents me from working.
- I do not have reliable transportation to and from work.
- I am caring for someone else.
- I am waiting to finish school or a training program.
- I was not available because I was incarcerated.
- I do not want to lose benefits such as disability, worker's compensation, or Medicaid.
- I have been discouraged by past attempts to work.
- There are other reasons why I am not working.
- DON'T KNOW/REFUSED

**A2C. People say that they are not working for many reasons. The following are some of the reasons people sometimes give for not working. Please select the reasons you are not currently working. Mark all that apply.**

- I have been hired somewhere but not yet started work.
- I cannot find a job that I am qualified for.
- I have not been able to find a job that fits my schedule.
- I haven't been given a chance to show that I can work.
- I believe that I have not been hired due to my criminal record.
- I believe that I have not been hired due to my educational background.
- I believe that I have not been hired due to limited work experience.
- I believe that I have not been hired due to my employment history.
- There are other reasons why I am not working.
- DON'T KNOW/REFUSED

*[IF ANSWERED A2 (not currently working), COMPLETE A3a – A13a;*

*IF ANSWERED YES to A1 (currently working), COMPLETE A3 – A14]*  
*[This set of questions is for people who are not currently working.]*

**A3a. Have you worked at any job since MM/YYYY [Fill in date of Intake Survey]?**

As a reminder, this is when you first arrived at [SOCIAL ENTERPRISE] and completed the Intake Survey and received the \$20 Target gift card.

- |                  |                      |
|------------------|----------------------|
| YES .....        | 1 [GO TO A4a]        |
| NO .....         | 0 [GO TO Section 2]  |
| DON'T KNOW ..... | d [GO TO Section 2]  |
| REFUSED .....    | r [GO TO Section 2.] |

**For the next series of questions, please think about the job you *most recently* worked. Only consider jobs for which you earned a paycheck from an employer. These can include work for an employment agency or work as an independent contractor for a company like Uber. Remember that we will not share this information with any employer or other organization.**

**A4a. What was the name of the place where you worked?**

\_\_\_\_\_ (Open response)

**A4b. What kinds of things did the company you worked for make, do, or sell?**

Open response \_\_\_\_\_

**A4c. Was the company in the \_\_\_ industry?**

- Construction (such as making buildings or roads)
- Manufacturing (such as working in a factory or mill to make things like clothes, equipment and other products)
- Retail (such as in a store or gasoline station)
- Transportation and warehousing (such as driving company, warehouse)
- Education and Health Services (such as a school or hospital)
- Leisure and Hospitality (Such as a restaurant or sports arena)
- Maintenance, repair or cleaning (such as automotive repair, landscaping, cleaning)
- Natural resources (such as an oil, gas, or lumber company)
- Other \_\_\_\_\_

**A5a. What kind of work did you do at [EMPLOYER NAME, from 4a]?**

Open response \_\_\_\_\_

**A5b. Did your job involve \_\_\_\_?**

- Preparing or serving food?
- Cleaning or caring for a building or grounds?
- Providing in personal care, such as hair stylist or childcare?
- Working in farming or forestry?
- Working in construction?
- Installing or repairing something?
- Building a good or product, using machines or tools?
- Driving people or delivering things?
- Selling things, including working at a cash register or in a call center
- Working in an office in jobs like data entry, mail clerk, or other administrative support
- Moving stock or other materials in a warehouse
- Other

**A6a. About when did you start working at this [EMPLOYER NAME from 4a]? (Your best guess is fine)**

START DATE: MM| /YYYY [Set up all month/year variables as dropdown.]

MONTH YEAR

DON'T KNOW ..... d

REFUSED ..... r

**A7a. About how many hours per week, did you usually work on this job? .Include overtime pay.**

HOURS PER WEEK \_\_\_\_\_

DON'T KNOW ..... d

REFUSED ..... r

**A8a. What city was the job in?**

(Open text).

**A9a What state was that job in?**

[(dropdown)]

**A10a. How did you find this job at [EMPLOYER NAME from 4a]? How did you hear about it?**

SELECT ALL THAT APPLY

You were promoted at the same organization.....0

You heard about it/found it through [ [ORGANIZATION] ..... 1

You heard about it/find it yourself or through a friend or family member.....2

You heard about it/find it through the union.....3

You heard about it/find it through another organization ..... 4

OTHER [Specify].....5

DON'T KNOW ..... d

REFUSED ..... r

**A11a. How satisfied were you with this job? For each of the following, please rate how satisfied you were about it. Were you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?**

MARK ONE FOR EACH ROW

- a. Your salary (the amount of money you made) ..... 1 2 3 4 d r
- b. The benefits you received (like paid sick leave or health insurance) ..... 1 2 3 4 d r
- c. The type of work you did ..... 1 2 3 4 d r
- d. The number of hours you worked ..... 1 2 3 4 d r
- e. Where the job was based ..... 1 2 3 4 d r
- f. The opportunities for you to move up in the company ..... 1 2 3 4 d r
- g. The ability to take an hour or two off to take care of personal or family matters ..... 1 2 3 4 d r
- h. Having advance notice of the work schedule ..... 1 2 3 4 d r

**A12a. What kinds of support did you receive at this job? Please note whether you agree or disagree with each statement. Do you Strongly Disagree, Disagree, Agree, or Strongly Agree?**  
[MARK ONE FOR EACH ROW]

- a. You felt secure in keeping the job ..... 1 2 3 4 d r
- b. You got feedback about how well you are/were doing the job ..... 1 2 3 4 d r
- c. You felt you can tell your supervisor if you make a mistake ..... 1 2 3 4 d r
- c. You got the support you need/needed ..... 1 2 3 4 d r
- d. You felt the staff at this organization understand you ..... 1 2 3 4 d r
- e. You felt you could talk to supervisor about activities and decisions that affect you ..... 1 2 3 4 d r
- f. You had co-workers you could relate to ..... 1 2 3 4 d r
- g. You felt respected in this job ..... 1 2 3 4 d r

**A13a. What was your hourly wage at [EMPLOYER NAME from 4a]? Please include tips, commissions, and overtime pay, if applicable. Your best guess is fine.**

\$ | | | . | | | HOURLY WAGE

- DON'T KNOW ..... d
- REFUSED ..... r

[After A13a, go to A15 to get other past job information.]

[For those who answered Yes to A1 – currently working]

**A3. Are you currently working at [SOCIAL ENTERPRISE]?**

- YES ..... 1
- NO ..... 0
- DON'T KNOW ..... d
- REFUSED ..... r

**A4. In the last week, did you have more than one job for which you earned a paycheck from an employer? Please count work for an employment agency or work as an independent contractor for a company like Uber as one job.**

- YES ..... 1
- NO ..... 0
- DON'T KNOW ..... d
- REFUSED ..... r

*[IF RESPONDENTS ANSWERED YES FOR A4, THEN ANSWER A5a THROUGH A14.]*

**For this next series of questions, please think about the job for which you worked the most hours in the last week. Remember that we will not share your answers with your current employer or anyone else.**

**A5a. What is the name of the place where you worked the most in the last week?**  
**(Open response)**

---

**A5b. What kinds of things does the company you work for make, do, or sell?**

---

**A5c. Is the company in the \_\_\_ industry?**

- Construction (such as making buildings or roads)
- Manufacturing (such as working in a factory or mill to make things like clothes, equipment and other products)
- Retail (such as in a store or gasoline station)
- Transportation and warehousing (such as driving company, warehouse)
- Education and Health Services (such as a school or hospital)
- Leisure and Hospitality (Such as a restaurant or sports arena)
- Maintenance, repair or cleaning (such as automotive repair, landscaping, cleaning)
- Natural resources (such as an oil, gas, or lumber company)
- Other \_\_\_\_\_

**A6a. What kind of work did you do at this company? \_**  
**Open response** \_\_\_\_\_

**A6b. Did your job involve \_\_\_?**

- Preparing or serving food?
- Cleaning or caring for a building or grounds?
- Providing in personal care, such as hair stylist or childcare?
- Working in farming or forestry?
- Working in construction?
- Installing or repairing something?
- Building a good or product, using machines or tools?
- Driving people or delivering things?
- Selling things, including working at a cash register or in a call center
- Working in an office in jobs like data entry, mail clerk, or other administrative support
- Moving stock or other materials in a warehouse
- Other \_\_\_\_\_

**A7. About when did you start working at [EMPLOYER NAME in 5a]? Your best guess if fine.**

START DATE: | | | / | | | |

MONTH YEAR

DON'T KNOW ..... d

REFUSED ..... r

**A8. How many hours per week, including regular overtime hours do you usually work on this job?**

..... HOURS PER WEEK \_\_\_\_\_

DON'T KNOW ..... d

REFUSED ..... r

**A9. What city is the job in?**

(Open text) \_\_\_\_\_.

**A10. What state is that job in?**

{(dropdown)}

**A11. How did you find this job at [EMPLOYER NAME in 5a]? How did you hear about it?**

SELECT ALL THAT APPLY

You were promoted at the same organization..... 0

You heard about it/find it yourself or through a friend or family member..... 1

You heard about it/find it through [ORGANIZATION] ..... 2

You heard about it/find it through the union ..... 3

You heard about it/find it through another organization ..... 4

OTHER [Specify] ..... 5

DON'T KNOW ..... d

REFUSED ..... r

**A12. How satisfied are you with this job? Please rate how satisfied you are with each of the following. Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?**

MARK ONE FOR EACH ROW

a. Your salary (the amount of money you make) ..... 1 2 3 4 d r

b. The benefits you receive (like paid sick leave or health insurance) ..... 1 2 3 4 d r

c. The type of work you do ..... 1 2 3 4 d r

d. The number of hours you work ..... 1 2 3 4 d r

e. Where the job is based ..... 1 2 3 4 d r

f. The opportunities for you to move up in the company ..... 1 2 3 4 d r

g. The ability to take an hour or two off to take care of personal or family matters ..... 1 2 3 4 d r

h. Having advance notice of the work schedule ..... 1 2 3 4 d r

**A13. What kind of support do you get on this job? Please say how much you agree or disagree with each statement. Do you Strongly Disagree, Disagree, Agree, or Strongly Agree? [MARK ONE FOR EACH ROW]**

a. You feel secure in keeping the job ..... 1 2 3 4 d r

b. You get feedback about how well you are/were doing the job ..... 1 2 3 4 d r

c. You feel you can tell your supervisor if you make a mistake. ..... 1 2 3 4 d r

c. You get the support you need/needed ..... 1 2 3 4 d r

d. You feel the staff at this organization understand you. ..... 1 2 3 4 d r

e. You feel you can talk to supervisor about activities and decisions that affect you ..... 1 2 3 4 d r

f. You have co-workers you could relate to ..... 1 2 3 4 d r

g. You feel respected in this job ..... 1 2 3 4 d r

**A14. What is your hourly wage at this job? Please include tips, commissions, and overtime pay, if applicable. Your best guess is fine.**

\$ | | | . | | | HOURLY WAGE

DON'T KNOW ..... d

REFUSED ..... r

#### **EMPLOYMENT HISTORY JOB LOOP**

**[REPEAT A15 THROUGH A25 for 4 most recent jobs in addition to current or most recent]**

Now, please let us know about other jobs you have had in the past 18 months. As a reminder, 18 months ago was in MONTH/YEAR.

*[If answer to A1 was NO or REFUSED AND answer to A3a was NO or REFUSED skip to SECTION 2. ELSE, go to A15]*

**A15. Other than the job you just described [NAME OF EMPLOYER 1, 5a] , how many other jobs did you have IN THE PAST 18 MONTHS? Please include other jobs which you have now. Count work for an employment agency or working as an independent contractor for a company like Uber as a job.**

NUMBER OF JOBS \_\_\_\_\_

IF 0 ..... 1 GO TO SECTION 2.

IF 1 OR MORE ..... 2 GO TO A15

If no response GO TO SECTION 2.

**[LOOP THROUGH QUESTIONS A16 THROUGH A25 FOR EACH JOB (UP TO 4 TIMES)**

*Go through the loop the number of times respondent gave in A15 (Maximum 4)*

*[It will help respondents if with each loop, we identify the name of the employer. And when circling through the loop, periodically refer to the current employer. ]*

*INTERVIEWER: IF THE CLIENT HELD MORE THAN FOUR ADDITIONAL JOBS, ONLY ENTER THE FOUR MOST RECENT JOBS IN THIS GRID.]*

**First loop:**

Other than [NAME OF EMPLOYER 1, 5a] please describe another job you currently have or your most recent job. What was the name of the place that you worked?

---

**Second loop:**

Other than [NAME OF EMPLOYER FIRST LOOP] please describe your most recent job.  
What was the name of the place that you worked?

---

**Third loop:**

Other than [NAME OF EMPLOYER SECOND LOOP] please describe your most recent job.  
What was the name of the place that you worked?

**Fourth loop:**

Other than [NAME OF THIRD LOOP ] please describe your most recent job.  
What was the name of the place that you worked?

---

**A16. About when did you start working at [EMPLOYER NAME Loop]? Your best guess is fine.**

START DATE: MM| /YYYY  
MONTH YEAR  
DON'T KNOW ..... d  
REFUSED ..... r

**A17. How many hours per week, including regular overtime hours do/did you usually work on this job? .....**

HOURS PER WEEK \_\_\_\_\_  
DON'T KNOW ..... d  
REFUSED ..... r

**A18. What is your hourly wage at this [EMPLOYER NAME LOOP] ? Please include tips, commissions, and overtime pay, if applicable. Your best guess is fine.**

\$ | | | . | | | HOURLY WAGE  
DON'T KNOW ..... d  
REFUSED ..... r

**A19 What city was the job in?**

Open text \_\_\_\_\_.

**A20 What state was that job in?**

(dropdown)]

**A21. How did you find this job at [EMPLOYER NAME LOOP]? How did you hear about it?**

SELECT ALL THAT APPLY

You were promoted to a different job at the same organization.....	0
You heard about it/find it yourself or through a friend or family member.....	1
You heard about it/find it through [ORGANIZATION] .....	2
You heard about it/find it through a union....	3
You heard about it/find it through another organization .....	4
OTHER [Specify].....	5
DON'T KNOW .....	d
REFUSED .....	r

**A22a . Are you still working at this job?**

Yes.....1  
No .....2

[If A22a = No, then ask A22B. If yes, end loop here.]

**A22b. About when did you stop working at [EMPLOYER NAME LOOP]  
Your best guess is fine.**

**STOPPED WORKING DATE:**

||| / |||||  
 MONTH YEAR  
 DON'T KNOW ..... d  
 REFUSED ..... r

**A23. If you are not working at this job now, why are you no longer working there?**

- a. You chose to leave the job. GO TO A24
- b. The job ended. SKIP TO BEGINNING OF JOB LOOP (A15)]
- c. OTHER [SPECIFY] GO TO A24
- d. REFUSED SKIP TO BEGINNING OF JOB LOOP (A15).

[If answer to A23 is A, answer A24]

**A24. If you chose to leave your job at [EMPLOYER LOOP], please check all the reasons that apply:**

- a. You have (or had) a physical or mental condition (such as illness) that prevented you from working.
- b. You left for a better job.
- c. You left to attend an education or training program.
- d. You left to take care of someone else (such as a child, family member).
- e. You no longer wanted to work there.
- f. You no longer wanted to work at all.
- g. OTHER [SPECIFY]

[If respondent selects B, E, or F in A24, answer A25]

**A25. What were the 3 most important reasons for leaving the job at [EMPLOYER X]:**

- a. Dissatisfied with wages
- b. Dissatisfied with amount of hours or shifts
- c. Needed more flexible hours
- d. Dissatisfied with commute
- e. Dissatisfied with benefits (like vacation, paid sick leave, health insurance)
- f. Did not like the type of work
- g. Dissatisfied with boss or supervisor
- h. Did not have enough advancement opportunities
- i. Did not like co-workers
- j. OTHER [Specify]

INTERVIEWER: FOR COMPARISON GROUP AFTER COMPLETING JOB LOOP UP TO 4 TIMES, GO TO A27.

INTERVIEWER: FOR TREATMENT GROUP AFTER COMPLETING THE JOB LOOP UP TO 4 TIMES, GO TO A26.]

**A26. Is [EMPLOYER LAST LOOP ] the very first job you had after leaving [SOCIAL ENTERPRISE] in [EXIT DATE] –**

- |                  |   |
|------------------|---|
| YES .....        | 1 SKIP TO A27   |
| NO .....         | 0 RETURN TO A16 FOR FINAL<br>JOB LOOP, clarifying that the respondent should give information about the first job you had after leaving SE. . |
| DON'T KNOW ..... | d Go to A27   |
| REFUSED .....    | r Go to A27   |

[Have separate questions for T and C: A27C and A28C are for the Comparison group.]  
 A27T and A28T are for the Treatment group.

**A27C. Over the past 18 months, has there been a time when you were out of work – or not earning a paycheck from any employer?**

YES .....	1
NO .....	0
DON'T KNOW .....	d
REFUSED .....	r

[If A27c = Yes, then ask A28C]]

**A28. Over the past 18 months, about how many months were you out of work?**

---

A27T. Since you left [SOCIAL ENTERPRISE], at [EXIT DATE] has there been a time when you were out of work – or not earning a paycheck from any employer?

YES .....	1
NO .....	0
DON'T KNOW .....	d
REFUSED .....	r

[If A27T = Yes, then ask A28T]

A28. Since [EXIT DATE] about how many months were you out of work?

---

## Section 2. Life Stability

**B1. Now think about how much you personally earn. What is your best guess of your own total take-home pay in the last month? If you held more than one job, include total earnings for all jobs. Take-home pay is the amount in your paycheck (plus tips or commissions) after any deductions. Please consider only money earned through formal employment where you received a paycheck from an employer. Do not include money earned from informal jobs like selling items at a flea market or online, or helping someone with babysitting, hair styling, or yard work for cash. If you held more than one job, include your total earnings for all jobs during the past month.**

\$ | | | , | | | . | | | TOTAL MONTHLY EARNINGS  
DON'T KNOW ..... d  
REFUSED ..... r

**B2. We are interested in learning about the benefits and income you received last month. If you received any benefits last month, please share the amount you received per month.**  
PLEASE MARK whether you received each benefit last month.

[ If they received a benefit last month, ask how much they received.]

### RECEIVED LAST MONTH

YES; NO; DON'T KNOW; REFUSED; TOTAL AMOUNT PER MONTH

- a. Food Stamp or SNAP benefits? ..... 1 0 d r \$ \_\_\_\_\_
- b. Welfare programs such as TANF, General Assistance or GA, CAL Works, or Safety Net?  
..... 1 0 d r \$ \_\_\_\_\_
- c. SSI, SSDI, or other disability benefits? ..... 1 0 d r \$ \_\_\_\_\_
- d. Social Security or pension benefits? ..... 1 0 d r \$ \_\_\_\_\_
- e. Unemployment insurance benefits or UI? ..... 1 0 d r \$ \_\_\_\_\_
- f. WIC benefits? ..... 1 0 d r \$ \_\_\_\_\_

g. Housing subsidies (e.g., Section 8, Housing Choice Voucher (HCV), or public housing)? ..... 1 0 d r \$ \_\_\_\_\_

h. Alimony or child support? ..... 1 0 d r \$ \_\_\_\_\_

i. Interest and/or dividends? ..... 1 0 d r \$ \_\_\_\_\_

j. Any other income sources? (SPECIFY) ..... 1 0 d r \$ \_\_\_\_\_

**The next questions are about your health, your living situation, and your experience with the criminal justice system. Remember that we will not share this with your employer or anyone else.**

**B3. In general, would you say your physical health is...**

MARK ONE ONLY

Excellent, .....	1
Very good, .....	2
Good, .....	3
Fair, or .....	4
Poor? .....	5
DON'T KNOW .....	d
REFUSED .....	r

**B4. Over the past 2 weeks how much have you been bothered by any of these problems. : not at all, several days, more than half the days, nearly every day?**

MARK ONE FOR EACH ROW

- a. feeling nervous, anxious, or on edge? ..... 1 2 3 4 d r
- b. not being able to stop or control worrying? ..... 1 2 3 4 d r
- c. feeling down, depressed, or hopeless? ..... 1 2 3 4 d r
- d. little interest or pleasure in doing things? ..... 1 2 3 4 d r

**B5. Do you now have an emotional or other health condition that limits the amount or type of work you could do?**

YES .....	1
NO .....	0
DON'T KNOW .....	d
REFUSED .....	r

**B6. Today, in what kind of place do you live? (Choose 1 option)**

- a. Emergency shelter, including hotel or motel voucher paid for by a social service or charitable organization ..... 1 0 d r
- b. Transitional housing for homeless persons ..... 1 0 d r
- c. Permanent supportive housing for formerly homeless persons ..... 1 0 d r
- d. Hospital or treatment facility (including rehabilitation or detox ..... 1 0 d r
- e. Jail, prison or juvenile detention facility ..... 1 0 d r
- f. Half-way house or three-quarter-way home for persons with criminal offenses ..... 1 0 d r
- g. Room, apartment or house that you rent ..... 1 0 d r
- h. Apartment or house that you own ..... 1 0 d r
- i. Live with my parents in a place that they rent or own.....1 0 d r
- j. Live in a friends or family member's room, apartment or house.....1 0 d r
- k. Hotel or motel that you, a friend, or family member paid for because you did not have a fixed, regular nighttime residence) ..... 1 0 d r
- l. Foster care home or foster care group home ..... 1 0 d r
- n. Street, car, park, or another place outside ..... 1 0 d r
- o. Other (SPECIFY) ..... 1 0 d r

B6b. About how long have you lived there?

- a. LESS THAN 1 WEEK
- b. UP TO 2 WEEKS;
- c. UP TO 1 MONTH;
- d. UP TO 3 MONTHS;
- e. UP TO 6 MONTHS;
- f. MORE THAN 6 MONTHS;
- g. DON'T KNOW;
- h. REFUSED

B6B Over the past 18 months, about how much time did you spend staying in the following places?

NO TIME; UP TO 1 WEEK; UP TO 1 MONTH; UP TO 6 MONTHS, MORE THAN 6 MONTHS DON'T KNOW; REFUSED

- a. Emergency shelter, including hotel or motel voucher paid for by a social service or charitable organization ..... n, w, 1m, 6m, +6m d r
- b. Transitional housing for homeless persons ..... n, w, 1m, 6m, +6m d r
- c. Permanent supportive housing for formerly homeless persons ..... n, w, 1m, 6m, +6m d r
- d. Hospital or treatment facility (including rehabilitation or detox) ..... n, w, 1m, 6m, +6m d r
- e. Jail, prison or juvenile detention facility ..... n, w, 1m, 6m, +6m d r
- f. Half-way house or three-quarter-way home for persons with criminal offenses ... n, w, 1m, 6m, +6m d r
- g. Room, apartment or house that you rent ..... n, w, 1m, 6m, +6m d r
- h. Apartment or house that you own ..... n, w, 1m, 6m, +6m d r
- i. Live with my parents in a place that they rent or own..... n, w, 1m, 6m, +6m d r
- j. Live in a friends or family member's room, apartment or house..... n, w, 1m, 6m, +6m d r
- k. Hotel or motel that you, a friend, or family member paid for because you did not have a fixed, regular nighttime residence) ..... n, w, 1m, 6m, +6m d r
- l. Foster care home or foster care group home ..... n, w, 1m, 6m, +6m d r
- n. Street, car, park, or another place outside ..... n, w, 1m, 6m, +6m d r
- o. Other (SPECIFY) ..... n, w, 1m, 6m, +6m d r

### Section 3. Arrests

**C1. Have you been arrested in the past 18 months?**

- |                  |   |
|------------------|---|
| YES .....        | 1 |
| NO .....         | 0 |
| DON'T KNOW ..... | d |
| REFUSED .....    | r |

[If C1 = YES, then answer C2. Else go to Section 4]

**C2. How many times have you been arrested in the past 18 months?**

- ||| NUMBER OF ARRESTS
- |                  |   |
|------------------|---|
| DON'T KNOW ..... | d |
| REFUSED .....    | r |

## Section 4. Facilitating Factors

**These questions are about other programs or courses you may have taken and your thoughts about them and work life in general.**

**D1. In the last 18 months, have you taken any education or training programs or courses that were supposed to lead to a degree, license or certificate?**

Please include training programs that helped you learn job skills or prepare for an occupation, as well as general educational programs, such as college, regular high school, or GED courses.

YES .....	1
NO .....	0
DON'T KNOW .....	d
REFUSED .....	r

{If D1 is No, Don't Know, or Refused, skip to D7.

If D1 is Yes, answer D2 and following.}

**D2. In the last 18 months , how many different education and training programs have you taken? Include any you are currently taking.**

||| NUMBER OF EDUCATION AND TRAINING PROGRAMS

0 .....	0 GO TO D7
DON'T KNOW .....	d GO TO D7
REFUSED .....	r GO TO D7

**Please share information about these programs. If you took more than 3 programs, please share the 3 most recent ones.**

**Loop 1**

**D3A. What is the name of the most recent program you took?**

---

**Loop 2**

D3B. Other than [PROGRAM 1], what is the name of a recent program you took?

---

**Loop 3**

D3C. Other than [PROGRAM 1 and PROGRAM 2], what is the name of a recent program you took?

---

**D4. Did you complete [PROGRAM X]?**

YES .....	1
TAKING IT NOW .....	2
NO .....	0
DON'T KNOW .....	d
REFUSED .....	r

[If D4 is Yes, go to D5A.

If D4 is Taking it now or No go to D5B.

If D4 is Don't know, Refused, check to see if respondent needs to go through Facilitating Factors loop again, and if not go to D7},

**D5a. What is the name of the certificate, degree, or license you received when you finished this program?**

NAME OF CERTIFICATE [Go to D6]  
 DON'T KNOW ..... d  
 REFUSED ..... r

**D5b. What is the name of the certificate, degree, or license you will receive if you finish this program?**

NAME OF CERTIFICATE [Go to D6]  
 DON'T KNOW ..... d  
 REFUSED ..... r

**[If D5 a or b is "don't know" or "refused" go to D7.]**

**D6. Is that a certificate, a license, or degree? .....(MARK ONE ONLY)**

CERTIFICATE ..... 1  
 LICENSE ..... 2  
 DEGREE ..... 3  
 OTHER..... 4  
 DON'T KNOW ..... d  
 REFUSED ..... r

\*\* End of training (facilitating factors) loop.;

**D7. For you personally, how important are the following qualities in a job:**

**very important, important, neither important nor unimportant, not very important, not important at all.**

**How important is ...**

**MARK ONE FOR EACH ROW**

- a. ...job security? ..... 1 2 3 4 5 d r
- b. ...high income? ..... 1 2 3 4 5 d r
- c. ...good opportunities for advancement? ..... 1 2 3 4 5 d r
- d. ...interesting work? ..... 1 2 3 4 5 d r
- e. ...ability to work on your own? ..... 1 2 3 4 5 d r
- f. ...feeling that the job helps other people? ..... 1 2 3 4 5 d r
- g. ...feeling the jo is useful to society? ..... 1 2 3 4 5 d r
- h. ...being able to decide their times or days of work? ..... 1 2 3 4 5 d r

**D8. What do you think you think you might be doing in 5 years? Please answer YES if you think you might be doing the activity, NO if you don't think you will, and maybe if you think you might be doing it. Do you think you will...**

**MARK ONE FOR EACH ROW**

**YES; NO; MAYBE; DON'T KNOW; REFUSED**

- a. Have continued your education or undertaken more job training? ..... 1 0 2 d r
- b. Own or rent your own home or apartment? ..... 1 0 2 d r

c. Have a career? .....	1 0 2 d r
d. Be in good mental health? .....	1 0 2 d r
e. Be in good physical health? .....	1 0 2 d r
f. Be economically self-sufficient? .....	1 0 2 d r
g. Rarely drink alcohol and use drugs? .....	1 0 2 d r
h. Participating in illegal activity? .....	1 0 2 d r
i. Other (SPECIFY) .....	1 0 2 d r

## Section 5. Demographics

This is the final section of the survey.

**E1. What kind of health insurance plans are you currently covered by? Please mark all that apply.**

- Not currently covered by health insurance
- Medicaid/Medicare or other government program (e.g., Medi-Cal, Washington Medicaid, or Oregon Health Plan)
- Employer or union sponsored health plan
- Military health care
- Insurance purchased directly from an insurer or through an insurance exchange (e.g., Covered California, Oregon HealthCare.gov, Washington Health Plan Finder)
- Some other kind of health insurance
- Don't know

**E2. Think back over the past 18 months. What kinds of health insurance have you had during that period? Please mark all that apply.**

- a. Not covered by health insurance at some point during last 18 months.
- b. Medicaid/Medicare or other government program (e.g., Medi-Cal, Washington Medicaid, or Oregon Health Plan)
- c. Employer or union sponsored health plan
- d. Military health care
- e. Insurance purchased directly from an insurer or through an insurance exchange (e.g., Covered California, Oregon HealthCare.gov, Washington Health Plan Finder)
- f. Some other kind of health insurance
- g. Don't know

{If E2 is A or G, then ask E3. Else go to E4.}

**E3. If you did not have health insurance at some point during the last 18 months, for about how many months were you without health insurance?**

E4. Are any people dependent on you for financial support, day-to-day care, or both?

yes       no

[If E4 is Yes, go to E5. Else go to conclusion/incentive page.]

E5. [If yes to E4]: How many people are dependent on you?

\_\_\_\_\_ (number)

E6. Among the people who depend on you for financial support, day-to-day care, or both:  
How many live with you at least 3 nights/week?

\_\_\_\_\_ (number)

[If E6 is greater than 0, go to question E7. Else go to conclusion/incentive page.]  
E7 Of those [E6] individuals who live with you, how many are 18 years old or younger?

\_\_\_\_\_ (number)

E8. Of those [E6] individuals who live with you, how many are under 5 years old?  
\_\_\_\_\_ (number)

## CONCLUSION

Thank you for taking this survey. We will mail you a Visa gift card of \$100 for your time. Please give us the best address to mail this gift card. Please allow up to 3 weeks for delivery.

Name

Street Address

Apartment

City

State

Zip

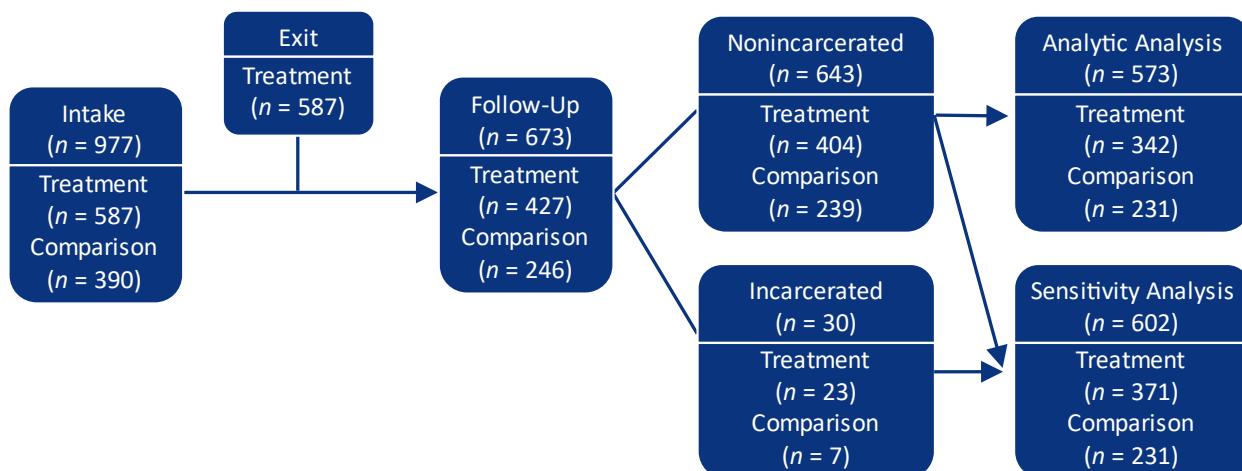
# APPENDIX C: METHODOLOGY OF IMPACT STUDY

This appendix provides a detailed explanation of the methods employed in the impact study. It describes the sample and the baseline sample characteristics, the measures used in the analysis, and analytic strategies.

## Sample

Study participants at four employment social enterprises (ESEs), ESE 1, ESE 2, ESE 3, and ESE 4, form the sample for the impact study. Members of the ESE and comparison groups completed surveys at different times. Figure C-1 shows the path for how individuals entered into each sample used in the impact study.

**Figure C-1. Derivation of the Samples for the Impact Study**



The sample included in each key set of analyses are those who participated in a study site and took both intake and 18-month follow-up surveys. From January 2018 to June 2019, a total of 977 individuals took an intake survey (**intake sample**). Of those, 587 were assigned to the ESE group, and 390 were assigned to the comparison group. (See Chapter 2 for more information about selection into the ESE or comparison group at each site.) Eighteen months after intake, we attempted to follow up with all of those individuals to get data about their current economic and life stability statuses. We succeeded in gathering data for 673 of them (**follow-up sample**), including 30 who were incarcerated at the time.

In the first set of impact analyses, we excluded the incarcerated people who did not complete a full survey, using a propensity score-based weighting procedure to match ESE

and comparison groups assigned at the quasi-experimental design (QED) sites (i.e., ESE 1 and ESE 4). Respondents that did not match through this procedure excluded, which led to a reduced **analytic sample** of 573 individuals.

Because 30 members of the intake sample were incarcerated, we conducted a parallel analysis by including them to check the robustness of the findings. We conducted a parallel analysis to the first one with a similar propensity score-based weighting matching approach for the QED sites that included the 30 incarcerated cases. Although they did not complete the follow-up survey, because they were incarcerated, we could infer that they were unemployed, had no wage income, and had been arrested. After including people who were incarcerated, 602 cases ended up in the sensitivity analysis (**sensitivity analysis sample**). The impact analysis relies on the analytic sample, in which people completed the survey. The sensitivity analysis sample permitted examining whether including incarcerated people would affect the results. Results from analyses using the impact analysis sample and from the sensitivity analysis sample were found to be very similar, suggesting the robustness of the findings from the impact analysis sample (see Appendix H).

Table C-1 shows the baseline characteristics of the intake, follow-up, and analytic samples. Compared with the intake sample, the analytic sample had a larger proportion of female and multiracial individuals and a smaller proportion of people whose primary language is Spanish. The analytic sample, compared with the intake sample, had a larger proportion of individuals who were separated or divorced at intake, and they had fewer dependents. The analytic sample had a lower proportion of individuals who, at baseline, had been incarcerated, experienced homelessness, or had a mental illness or substance use disorder, and they had fewer arrests. At baseline, the analytic sample, compared with the intake sample, worked fewer average hours per week at the most recent job and were less likely to work at least 30 hours per week at the most recent job. The analytic sample was more likely to have health insurance at baseline. In terms of their highest level of education at baseline, a smaller portion of the analytic sample compared with the intake sample had a high school diploma or equivalent, and a larger proportion had more than a high school education.

**Table C-1. Baseline Sample Characteristics for Intake, Follow-Up, and Analytic Samples (Proportions and Means/(Standard Deviations))**

Characteristic	Intake sample all (n = 977)	Follow-up sample all (n = 673)	Analytic sample all (n = 573)
<b>Demographic characteristic</b>			
Female	0.34	0.39*	0.40*
Race and ethnicity			
Asian	0.03	0.03	0.03
Black	0.19	0.17*	0.17
Hispanic	0.23	0.22	0.22
White	0.41	0.42	0.40
Multiracial	0.06	0.08*	0.08*
Other	0.08	0.08	0.10
Age			
Age under 25	0.22	0.22	0.24
25 <= Age < 41	0.43	0.44	0.42
Age => 41	0.35	0.34	0.34
Primary language			
English	0.96	0.97*	0.97
Spanish	0.02	0.01*	0.01*
Marital status			
Married	0.05	0.06	0.05
In a domestic relationship	0.03	0.03	0.02
Separated or divorced	0.15	0.16	0.17*
Single	0.75	0.74	0.74
Number of dependents	0.44 (1.04)	0.41 (1.00)	0.38* (.04)
Military veteran			
Nonveteran	0.94	0.94	0.94
On active duty in the past	0.05	0.05	0.05
In training for reserves or National Guard	0.01	0.00	0.01

Characteristic	Intake sample all (n = 977)	Follow-up sample all (n = 673)	Analytic sample all (n = 573)
<b>Barrier</b>			
Opportunity youth	0.22	0.22	0.24
Education – no high school diploma <sup>1</sup>	0.10	0.09	0.08
Formerly incarcerated	0.63	0.59*	0.55*
Experiencing homelessness	0.59	0.56*	0.57*
Facing mental health disorder	0.57	0.58	0.57
Number of barriers	2.10 (1.19)	2.03* (1.2)	2.00* (.05)
<b>Baseline employment</b>			
Employment			
Ever employed	0.87	0.88	0.86
Currently employed	0.08	0.07	0.08
Tenure at recent job (days)	16.30 (53.52)	16.93* (60.29)	17.12 (2.68)
Hours worked at most recent job	30.72 (17.87)	30.48 (17.43)	29.37* (.73)
Worked at least 30 hours per week at most recent job	0.66	0.64	0.62*
Monthly income			
Wage	214.44 (524.71)	219.7 (518.81)	211.18 (21.36)
Benefits	305.37 (404.56)	325.06* (434)	318.89 (17.90)
Income	519.81 (728.56)	544.76 (752.09)	530.07 (31.08)
Ratio of wage to total income	0.21 (0.36)	0.21 (0.36)	.20 (.01)
<b>Baseline life stability</b>			
Residential stability			
Current housing stability	0.33	0.36*	0.35
Ever in temporary housing	0.68	0.66*	0.67
Recidivism			
Number of arrests	3.31 (2.53)	3.11* (2.54)	2.95* (.11)
Insurance			
Health insurance	0.94	0.96*	0.96*
Employer-sponsored insurance	0.02	0.02	0.02
Government-sponsored insurance	0.81	0.81	0.81

Characteristic	Intake sample all (n = 977)	Follow-up sample all (n = 673)	Analytic sample all (n = 573)
<b>Well-being</b>			
Physical health	3.53 (1.06)	3.51 (1.06)	3.53 (.04)
Psychological distress	0.63 (0.92)	0.65 (0.93)	.65 (.04)
Depression	0.16	0.15	0.16
Anxiety	0.21	0.22	0.22
<b>Baseline education</b>			
Educational attainment			
No high school diploma (or equivalent)	0.28	0.28	0.28
High school diploma (or equivalent)	0.40	0.38*	0.37*
More than high school diploma	0.32	0.35*	0.35*
Education enrollment			
Current enrollment in education or training programs or courses	0.16	0.16	0.18*

<sup>1</sup>When RTI was first designing this evaluation, REDF considered “education” to be a barrier and defined it as being 25 years or older, without at high school diploma or equivalent, and not enrolled in an education program and not working. This barrier, and its inclusion in the “number of barriers,” were included in the propensity score matching process. However, REDF has since clarified they do not consider this barrier in their programming and therefore we have not included it prominently in this report.

\* Significant difference compared with intake sample at  $p < .05$ .

## Impact Analysis Measures

The final impact analysis employs three major types of variables:

1. **Outcome variables** capture economic self-sufficiency (employment and income) life stability (stable housing, arrests, and well-being), and education 18 months after intake. These measures come from information provided in the follow-up survey.
2. **Control variables** are used in regression analysis to account for other factors that might influence outcomes. They include demographic characteristics, barriers, baseline measures of employment, life stability, and self-sufficiency. They are constructed from information obtained in the baseline survey at intake.
3. The **treatment indicator** identifies the treatment status based on information provided by each ESE.

Table C-2 describes the outcome and control variables used in this study, noting whether they were collected at baseline, follow-up, or both. To handle missing values and to ensure a consistent sample for the impact analysis with different outcomes, we conducted multiple

imputation of all key outcome and control variables using PROC MI in SAS 9.4. The imputation procedure took into account potential interdependency within ESEs by including three out of four dummy indicators of ESE membership as well.

**Table C-2. Outcome and Control Variables**

Variable	Description	Collection Points
<b>Economic self-sufficiency (outcome)</b>		
<b>Employment</b>		
Ever employed	0/1 binary measure, with 1 indicating ever employed (prior to intake)	Baseline
Currently employed	0/1 binary measure, with 1 indicating currently employed	Baseline, Follow-up
Tenure at recent job	Number of months at most recent job	Baseline, Follow-up
Hours worked at most recent job	Hours per week at most recent job	Baseline, Follow-up
Worked at least 30 hours per week at most recent job	0/1 binary measure, with 1 indicating worked at least 30 hours per week at most recent job	Baseline, Follow-up
<b>Monthly income</b>		
Wage	Wage and salary income from work in past month	Baseline, Follow-up
Benefits	Monthly income from other sources (e.g., government subsidies, family, friends) in past month	Baseline, Follow-up
Income	Monthly income from employment; monthly income from all sources in past month	Baseline, Follow-up
Ratio of wage to total income	Ratio of wage to total income	Baseline, Follow-up
<b>Life stability outcomes (outcome)</b>		
<b>Residential stability</b>		
Current housing stability	0/1 binary measure, with 1 indicating stable housing at data collection	Baseline, Follow-up
Ever in temporary housing	0/1 binary measure, with 1 indicating ever in temporary housing (in a year for baseline; in 18 months for follow-up)	Baseline, Follow-up
Ever in stable housing	0/1 binary measure, with 1 indicating ever in stable housing	Follow-up
Duration of housing stability	Months of stable housing in last 18 months	Follow-up
<b>Recidivism</b>		
Incarceration	0/1 binary measure, with 1 indicating ever incarcerated	Baseline
Arrests	Number of arrests (ever at baseline, in last 18 months for follow-up)	Baseline, Follow-up

Variable	Description	Collection Points
<b>Insurance</b>		
Health insurance	0/1 binary measure, with 1 indicating any active health insurance enrollment	Baseline, Follow-up
Employer-sponsored insurance	0/1 binary measure, with 1 indicating active employer-sponsored insurance enrollment	Baseline, Follow-up
Government-sponsored insurance	0/1 binary measure, with 1 indicating active government-sponsored insurance enrollment	Baseline, Follow-up
Duration of no health insurance	Months without health insurance during last 18 months	Follow-up
<b>Well-being</b>		
Physical health	5-point scale, 1 = poor, 2 = fair, 3 = good, 4 = very good, 5 = excellent	Baseline, Follow-up
Depression	0/1 binary measure, with 1 indicating potential depression	Baseline, Follow-up
Anxiety	0/1 binary measure, with 1 indicating potential anxiety	Baseline, Follow-up
Limited work due to health condition	0/1 binary measure, with 1 indicating emotional or other health condition limits the amount of work that can be done	Follow-up
<b>Education outcomes (outcome)</b>		
Ever enrolled in education or training programs or courses	0/1 binary measure, with 1 indicating enrolled in education and training programs or courses in past 18 months	Follow-up
Current enrollment in education or training programs or courses	0/1 binary measure, with 1 indicating currently enrolled in education or training programs or courses	Baseline, Follow-up
Achievement	0/1 binary measure, with 1 indicating achieved any credentials, certificates, licenses, or degrees	Follow-up
<b>Demographic Characteristics and barriers (control)</b>		
<b>Demographic</b>		
Gender		Baseline
Race and ethnicity		Baseline
Age		Baseline
Marital status		Baseline
Number of dependents		Baseline
Veteran status		Baseline
Educational attainment		Baseline

Variable	Description	Collection Points
<b>Barrier</b>		
Education– no high school diploma <sup>1</sup>		Baseline
Experiencing homelessness		Baseline
Facing mental health disorder		Baseline
Opportunity youth		Baseline
Formerly incarcerated		Baseline
Number of barriers		Baseline

<sup>1</sup>When RTI was first designing this evaluation, REDF considered “education” to be a barrier and defined it as being 25 years or older, without at high school diploma or equivalent, and not enrolled in an education program and not working. This barrier, and its inclusion in the “number of barriers,” were included in the propensity score matching process. However, REDF has since clarified they do not consider this barrier in their programming and therefore we have not included it prominently in this report.

## Analytic Methods

We used both descriptive and causal inference-based methods to understand the outcomes and impacts associated with ESE employment. This section outlines the methods used in each analysis.

### ***Descriptive Analysis***

Before estimating statistical models, we used simple averages and frequency distributions to describe the prevalence of each outcome. We also broke down the frequencies by ESE and by select demographic characteristics to provide a deeper understanding of which ESE or subpopulation might find the most improvement with ESE employment.

### ***Impact Analysis***

We evaluated the impact of REDF ESE programs by comparing 18-month follow-up outcomes between individuals who were and were not assigned to receive ESE employment; that is, the ESE group and the comparison group. We conducted four sets of analyses to estimate the program impact (a) in each randomized control trial (RCT) site, (b) in each QED site, (c) across all sites, and/(d) by selected moderators.

### ***Program Impact Within Randomized Control Trial Sites***

Two of the four ESEs employed random assignment to select ESE and comparison groups. We conducted both an Intent-to-Treat analysis and Treatment-on the-Treated analysis of the impact of participating in each of these sites (i.e., ESE 2 and ESE 3).

### *Intent-to-Treat analysis*

We used a random assignment procedure to ensure comparability between the ESE and comparison groups and we expected to generate unbiased estimates of program effects. Even with random assignment, the ESE and comparison groups could differ due to chance factors. Therefore, we first tested baseline equivalence within each RCT site using a single-level bivariate regression analysis. As shown in Table C-3, at ESE 3, there was no statistically significant difference between the ESE group and comparison group in demographic characteristics, barriers, baseline employment, baseline life stability, and baseline education. At ESE 2, the only significant between-group difference was in participants' baseline education. Compared with those who were assigned to the comparison group, the ESE group was less likely to have an education level above high school.

**Table C-3. Baseline Equivalence for Studies of Randomized Control Trial Sites (Proportions and Means/Standard Deviations)**

Characteristic	ESE 2		ESE 3	
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Employment social enterprise group (n = 50)	Comparison group (n = 46)
<b>Demographic characteristic</b>				
Female	0.41	0.25	0.40	0.46
Race and ethnicity				
Asian or Pacific Islander	0.03	0.05	0.12	0.09
Black	0.10	0.05	0.44	0.5
Hispanic	0.50	0.57	0.12	0.13
White	0.22	0.25	0.10	0.02
Multiracial	0.04	0.02	0.16	0.11
Other	0.11	0.05	0.06	0.15
Missing data	0.00	0.02	0.00	0.00
Age				
Age under 25	0.05	0.09	1	1
25 <= Age <41	0.62	0.64	0	0
Age => 41	0.35	0.27	0	0
Primary language				
English	0.95	0.98	0.96	0.87
Spanish	0.02	0	0	0.02
Marital status				
Married	0.08	0.02	0.02	0
In a domestic relationship	0.04	0.02	0.02	0
Separated or divorced	0.16	0.2	0	0
Single	0.71	0.73	0.96	1

Characteristic	ESE 2		ESE 3	
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Employment social enterprise group (n = 50)	Comparison group (n = 46)
Number of dependents	0.45 (1.06)	0.73 (1.58)	0.24 (0.72)	0.15 (0.47)
Military veteran				
Nonveteran	0.97	1	1	1
On active duty in past	0.02	0	0	0
In training for reserves or National Guard	0.01	0	0	0
Barrier				
Opportunity youth	0.03	0.09	1	0.98
Education – no high school diploma <sup>1</sup>	0.19	0.07	0	0
Formerly incarcerated	0.93	0.86	0.12	0.17
Experiencing homelessness	0.79	0.8	0.24	0.33
Facing mental health disorder	0.67	0.66	0.16	0.26
Number of barriers	2.62 (0.98)	2.48 (1.15)	1.52 (0.81)	1.74 (1.1)
Baseline employment				
Employment				
Ever employed	0.89	0.98	0.52	0.52
Currently employed	0.02	0	0.08	0.11
Tenure at recent job	16.66 (29.76)	13.53 (21.19)	3.41 (8.81)	6.24 (22.72)
Worked at least 30 hours per week at most recent job	0.65	0.75	0.08	0.22
Monthly income				
Wage	152.39 (446.66)	162.39 (551.62)	82.12 (240.29)	90.89 (365.05)
Benefits	302.93 (303.17)	312.14 (345.8)	188.99 (430.88)	141.11 (296.52)
Income	455.32 (561.78)	474.52 (733.1)	271.11 (580.47)	232 (476.36)
Ratio of wage to total income	0.15 (0.3)	0.14 (0.3)	0.25 (0.42)	0.28 (0.45)
Baseline life stability				
Residential stability				
Current housing stability	0.18	0.23	0.74	0.78
Ever in temporary housing	0.84	0.89	0.26	0.35
Recidivism				
Incarceration	0.98	0.98	0.12	0.09
Number of arrests	4.72 (1.6)	4.89 (1.53)	0.36 (0.92)	0.39 (0.93)
Insurance				
Health insurance	0.97	0.98	0.96	0.93
Employer-sponsored insurance	0	0.05	0.02	0
Government-sponsored insurance	0.94	0.93	0.66	0.59

Characteristic	ESE 2		ESE 3	
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Employment social enterprise group (n = 50)	Comparison group (n = 46)
<b>Well-being</b>				
Physical health	3.65 (1.02)	3.84 (1.06)	4.18 (0.92)	4.15 (0.89)
Psychological distress	0.73 (1.01)	0.48 (0.82)	0.38 (0.75)	0.24 (0.57)
Depression	0.19	0.11	0.12	0.04
Anxiety	0.28	0.14	0.1	0.02
<b>Baseline education</b>				
Educational attainment				
No high school diploma (or equivalent)	0.30*	0.14 *	0.76	0.89
High school diploma (or equivalent)	0.42	0.39	0.18	0.07
More than high school diploma	0.28 *	0.48 *	0.06	0.04
Education enrollment				
Current enrollment in education or training programs or courses	0.04	0.05	0.78	0.91

<sup>1</sup>When RTI was first designing this evaluation, REDF considered “education” to be a barrier and defined it as being 25 years or older, without a high school diploma or equivalent, and not enrolled in an education program and not working. This barrier, and its inclusion in the “number of barriers,” were included in the propensity score matching process. However, REDF has since clarified it does not consider this barrier in its programming; therefore, we have not included it prominently in this report.

Note: Significant difference between the employment social enterprise and comparison conditions as measured by a two-tailed *t*-test or chi-square statistics at \**p* < .05, \*\**p* < .01, \*\*\**p* < .001. Estimates are unweighted.

We employed a single-level regression analysis to estimate each continuous outcome of interest *Y* within each RCT site:

$$Y = \beta_0 + \beta_1 Treat + \beta_2 \mathbf{X} + e, \quad e \sim N(0, \delta) \quad (1)$$

Here *Treat* indicates whether the individual is in the ESE group. To improve precision in estimation and to remove bias associated with potential differential attrition, we controlled for a vector of preprogram covariates  $\mathbf{X}$ , such as gender, race and ethnicity, age, barriers, educational attainment, and corresponding baseline measure. Therefore  $\beta_0$  estimates the average outcome of the comparison condition and  $\beta_1$  examines adjusted comparison-ESE group difference in the outcome, hence estimated treatment effect. For a binary outcome, we changed the left side of the equation to a logit function

$$\log \left[ \frac{\varphi}{1-\varphi} \right] = \beta_0 + \beta_1 Treat + \beta_2 \mathbf{X} + e, \quad e \sim N(0, \delta) \quad (2)$$

where  $\varphi$  refers to the probability of exhibiting the corresponding outcome.

### *Treatment-on-the-Treated analysis*

Given that some who were selected into the ESE group at ESE 2<sup>17</sup> opted out and did not work with or receive services from ESE 2, we performed a Treatment-on-the-Treated analysis, including in the ESE condition only those who did receive this treatment by working with the ESE. We employed similar outcome models specified in equations 1 and 2. (We used a propensity score–based weighting approach to achieve baseline equivalence (see explanation of the procedure below). Results from the two sets of analyses were found to be very similar, suggesting the robustness of the findings from the Intent-to-Treat analysis (see Appendix H).

### **Program Impact Within Quasi-Experimental Design Sites**

In the studies of QED sites, since the assignment to the ESE condition was not random, we applied an inverse probability of treatment weighting (Robins, 2003; Robins et al., 2000) strategy to achieve baseline equivalence. For each site, we used a binary logistic regression model to estimate an individual's propensity of receiving the program intervention as  $\theta = pr(Z = 1 | \mathbf{X})$ , where  $\mathbf{X}$  is a vector of pretreatment variables that capture each participants' demographics, barriers, baseline employment, baseline life stability, and baseline education. The variables were selected based primarily on those used in the Mathematica Jobs Study report (2015) and other studies of subsidized employment (see Redcross et al., 2012). The propensity score–based weight  $WT$  was then calculated as the ratio of the average probability of receiving the intervention to the estimated propensity, that is,  $pr(Z = 1)/\theta$ . By assigning a weight to each individual who was found to have counterfactual information under an alternative treatment condition, this approach aims to equate the pretreatment composition of the weighted ESE and comparison groups.

Table C-4 examines the baseline equivalence before and after we applied the propensity score weight ( $WT$ ). We compared between-group differences in the estimated logits probability of being assigned to the ESE condition (i.e., logit score) and in each measure of demographic characteristics, barriers, baseline employment, baseline life stability, and baseline education ( $n = 51$ ). For ESE 1, before weighting, there was a significant between-group difference in the logit score, and 6 out of 51 baseline characteristics had statistically significant differences (12% bias); after weighting, balance was achieved in the logit score and in 50 out of 51 pretreatment measures with only 2% bias remaining. In ESE 4, before weighting, the ESE and comparison groups significantly differed in the logit score and in seven baseline measures (14% bias); after weighting, balance was achieved in the logit score and in 48 out of 51 measures with 6% bias remaining. Therefore, the weighting strategy effectively reduced between-group differences in observed pretreatment characteristics.

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<sup>17</sup> ESE 3, the other RCT site, did not have anyone randomized into the treatment site and then opt out of the ESE.

We assumed that every individual would have two sets of potential outcomes associated with the two alternative conditions, that is, ESE ( $Z = 1$ ) and comparison ( $Z = 0$ ). To avoid extrapolation, we excluded individuals who did not have counterparts in an alternative ESE group and reduced the sample from 197 to 184 for ESE 1 and from 176 to 119 for ESE 4. With the reduced analytic sample, we conducted weighted analysis by applying the estimated propensity score weights ( $WT$ ) to equations 1 and 2. To further reduce bias and improve precision, we controlled for the corresponding pretest score and unbalanced pretreatment measures as  $\mathbf{X}$  in each analysis.

**Table C-4. Baseline Equivalence for Studies of Quasi-Experimental Design Sites, With and Without Weighting**

Characteristic	ESE 1				ESE 4			
	Before weighting		After weighting		Before weighting		After weighting	
	Employment social enterprise group (n = 98)	Comparison group (n = 99)	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Employment social enterprise group (n = 126)	Comparison group (n = 50)	Employment social enterprise group (n = 76)	Comparison group (n = 43)
<b>Logit scores (logit probability of treatment membership)</b>	0.32*** (0.89)	-0.31*** (0.73)	-.20 (.870)	-.09 (.69)	2.29*** (1.68)	-.81*** (2.19)	0.41 (1.11)	0.81 (1.49)
<b>Demographic characteristic</b>								
Female	0.35	0.37	0.34	0.35	0.40 *	0.60 *	0.38**	0.68**
Race and ethnicity								
Asian	0	0.01	0	0.01	0.01	0.02	0.01	0.01
Black	0.07	0.15	0.09	0.17	0.15	0.12	0.12	0.17
Hispanic	0.1	0.1	0.10	0.10	0.06	0.04	0.04	0.03
White	0.67	0.56	0.66	0.56	0.66	0.52	0.69*	0.50*
Multiracial	0.08	0.07	0.07	0.08	0.09	0.12	0.06*	0.18*
Other	0.07	0.11	0.08	0.09	0.03 **	0.16 **	0.08	0.08
Missing data	0	0	0	0	0	0.02	0	0.02
Age								
Age under 25	0.02	0.06	0.03	0.06	0.22	0.1	0.36	0.21
25 <= age <41	0.55	0.46	0.51	0.48	0.38	0.38	0.30	0.35
Age => 41	0.43	0.47	0.46	0.46	0.4	0.52	0.34	0.43
Primary language								
English	1	1	1	1	0.98	1	0.97	1.00
Spanish	0	0	0	0	0	0	0	0.00
Marital status								
Married	0.04	0.01	0	0.01	0.1	0.14	0.10	0.11
In a domestic relationship	0.01	0.04	0.01	0.04	0.01	0.02	0.01	0.04
Separated or divorced	0.18	0.27	0.23	0.25	0.13	0.24	0.14	0.20
Single	0.72	0.65	0.71	0.66	0.75 *	0.6 *	0.75	0.64

Characteristic	ESE 1				ESE 4			
	Before weighting		After weighting		Before weighting		After weighting	
	Employment social enterprise group (n = 98)	Comparison group (n = 99)	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Employment social enterprise group (n = 126)	Comparison group (n = 50)	Employment social enterprise group (n = 76)	Comparison group (n = 43)
Number of dependents	0.28 ** (0.83)	0.18 ** (0.56)	0.21 (.08)	.19 (.06)	0.49 (1)	0.78 (1.28)	0.49 (.12)	.57 (.16)
Military veteran								
Nonveteran	0.95	0.88	0.95	0.87	0.9	0.88	0.93	0.91
On active duty in past	0.04 *	0.12 *	0.04*	0.13*	0.1	0.1	0.07	0.07
In training for reserves or National Guard	0.01	0	0.01	0	0	0.02	0	0.01
<b>Barrier</b>								
Opportunity youth	0.02	0.06	0.03	0.06	0.22	0.1	0.36	0.21
Education – no high school diploma <sup>1</sup>	0.07	0.05	0.05	0.08	0.06	0.04	0.03	0.04
Formerly incarcerated	0.76 **	0.55 **	58.25	0.64	0.42	0.3	0.17	0.21
Experiencing homelessness	0.73	0.65	0.71	0.71	0.33	0.32	0.20	0.28
Facing mental health disorder	0.84 **	0.57 **	0.72	0.64	0.63	0.52	0.46	0.52
Number of barriers	2.42 (1.1)	1.87 (1.38)	2.13 (.14)	2.12 (.13)	1.65 (1.15)	1.28 (1.05)	1.22 (.10)	1.27 (.15)
<b>Baseline employment</b>								
Employment								
Ever employed	0.98	0.97	0.98	0.97	0.9	0.9	0.90	0.84
Currently employed	0.14	0.13	0.10	0.15	0.05	0.08	0.07	0.07
Tenure at recent job	15.31 (24.05)	14.68 (22.89)	14.35 (2.31)	14.82 (2.29)	20.4 (55.45)	49.25 (188.15)	22.84 (7.61)	50.48 (31.53)
Worked at least 30 hours per week at most recent job	0.77	0.77	0.80	0.75	0.71	0.7	0.57	0.49

Characteristic	ESE 1				ESE 4			
	Before weighting		After weighting		Before weighting		After weighting	
	Employment social enterprise group (n = 98)	Comparison group (n = 99)	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Employment social enterprise group (n = 126)	Comparison group (n = 50)	Employment social enterprise group (n = 76)	Comparison group (n = 43)
<b>Monthly income</b>								
Wage	303.3 (644.99)	162.01 (387.78)	248.52 (63.82)	198.77 (42.66)	318.96 (587.86)	408.12 (623.51)	337.40 (68.97)	344.89 (88.67)
Benefits	336.88 (388.21)	317.19 (276.19)	310.66 (38.90)	322.28 (28.14)	371.48 ** (590.49)	656.7 ** (661.87)	429.85 (81.91)	490.34 (83.50)
Income	640.17 (827.64)	479.2 (558.52)	559.18 (83.40)	521.05 (58.99)	690.43 ** (942.11)	1064.82 ** (942.21)	767.25 (124.95)	835.23 (119.89)
Ratio of wage to total income	0.18 (0.33)	0.12 (0.25)	.15 (.03)	.15 (.03)	0.29 (0.41)	0.32 (0.39)	.26 (.04)	.30 (.06)
<b>Baseline life stability</b>								
Residential stability								
Current housing stability	0.1	0.04	0.07	0.03	0.62	0.64	0.61	0.62
Ever in temporary housing	0.86 *	0.96 *	0.95	0.93	0.37	0.34	0.25	0.29
Recidivism								
Incarceration	0.81	0.79	0.79	0.79	0.45	0.3	0.18	0.23
Number of arrests	4.32 (2.26)	3.82 (2.42)	3.93 (.26)	4.01 (.24)	1.84 * (2.2)	1.08 * (1.84)	.59 (.13)	.73 (.24)
Insurance								
Health insurance	0.98	1	0.99	1	0.9	0.92	0.90	0.92
Employer-sponsored insurance	0	0	0	0	0.06	0.1	0.07	0.05
Government-sponsored insurance	0.91	0.91	0.93	0.88	0.63	0.66	0.68	0.68
Well-being								
Physical health	3.29 (0.95)	3.37 (0.98)	3.35 (.10)	3.33 (.10)	3.13 (1.03)	3.06 (1.11)	3.11 (.11)	3.05 (.18)
Psychological distress	0.64 (0.9)	0.72 (0.97)	.70 (.10)	.71 (.10)	0.82 (1)	0.82 (1.06)	.78 (.12)	.94 (.17)
Depression	0.16	0.19	0.19	0.20	0.16	0.18	0.16	0.22
Anxiety	0.23	0.22	0.24	0.22	0.25	0.34	0.30	0.34

Characteristic	ESE 1				ESE 4			
	Before weighting		After weighting		Before weighting		After weighting	
	Employment social enterprise group (n = 98)	Comparison group (n = 99)	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Employment social enterprise group (n = 126)	Comparison group (n = 50)	Employment social enterprise group (n = 76)	Comparison group (n = 43)
<b>Baseline education</b>								
Educational attainment								
No high school diploma (or equivalent)	0.11	0.11	0.10	0.13	0.13	0.14	0.11	0.12
High school diploma (or equivalent)	0.41	0.51	0.46	0.47	0.44	0.32	0.47	0.44
More than high school diploma	0.48	0.38	0.43	0.40	0.43	0.54	0.42	0.43
Education enrollment								
Current enrollment in education or training programs or courses	0.02 **	0.03 **	0.03	0.03	0.06 **	0.16 **	0.05	0.16

<sup>1</sup>When RTI was first designing this evaluation, REDF considered “education” to be a barrier and defined it as being 25 years or older, without a high school diploma or equivalent, and not enrolled in an education program and not working. This barrier, and its inclusion in the “number of barriers,” were included in the propensity score matching process. However, REDF has since clarified it does not consider this barrier in its programming; therefore, we have not included it prominently in this report.

Note: Significant difference between the employment social enterprise and comparison conditions as measured by a two-tailed *t*-test or chi-square statistics at \**p* < .05, \*\**p* < .01, \*\*\**p* < .001. Estimates are unweighted.

## Program Impact Across All Sites

To examine the overall program effects, we pooled all sites and ran a fixed-effect model by including three of the four dummy indicators of sites  $\mathbf{S}$  into equations 1 and 2. This continuous outcome is an example:

$$Y = \beta_0 + \beta_1 Treat + \beta_2 \mathbf{X} + \beta_3 \mathbf{S} + e, \quad e \sim N(0, \delta) \quad (3)$$

We applied the propensity score weight obtained above to those who participated in the QED studies and applied a weight of 1 to those who participated in the RCT studies. Hence  $\beta_1$  is expected to provide an estimate of overall program effects across all sites.

## Moderated Program Impact

To determine whether the ESE had similar effects on all groups of respondents, we conducted a series of moderation analyses. First, we examined whether the program impact differed between those who responded to the survey before the Covid pandemic and those who responded to the survey during the pandemic. Additionally, we examined whether the program impact differed by race/ethnicity and by gender. We used dummy indicators defined by each moderator (i.e., pandemic cohorts, race and ethnicity, or gender) to link multiple submodels (i.e., equation 1, 2, or 3). Taking an analysis of pre-pandemic and during pandemic cohorts as an example,

$$Y = PreC (\beta_0 + \beta_1 Treat) + DurC (\beta_2 + \beta_3 Treat) + \beta_4 \mathbf{X} + e, \quad e \sim N(0, \delta) \quad (4)$$

for the RCT sites, no weight was needed (i.e., a weight of 1). For the QED sites, the estimated propensity score weight  $WT$  was applied. Hence  $\beta_1$  and  $\beta_3$  is expected to provide an unbiased estimate of the program effect before and during the pandemic, respectively. Through contrasting  $\beta_1$  and  $\beta_3$ , we examined whether the program effects differed between subgroups.

## APPENDIX D: APPENDIX TABLES FOR ECONOMIC SELF-SUFFICIENCY

**Table D-1. Employment Outcomes, Overall and by Employment Social Enterprise**

Employment outcome	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Currently employed	60%	49%	10%	0.26 *		73%	56%	17%	0.45 *	
Tenure at current job (months)	6.3	4.8	1	0.21 *		8.1	5.3	3	0.38 **	
Number of months unemployed	4.8	8.1	-3	0.50 ***		2.5	6.9	-4	0.66 ***	
Hours worked at most recent job	33	25	8	0.45 ***		39	31	8	0.45 ***	
Worked at least 30 hours per week at most recent job	71%	52%	19%	0.50 ***		86%	65%	21%	0.71 ***	
Employment outcome	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Currently employed	44%	41%	3%	0.06		58%	67%	-9%	0.24	
Tenure at current job (months)	5.1	3.8	1	0.19		3.5	5.7	-2	0.30	
Number of months unemployed	7.0	8.6	-2	0.23		5.4	7.2	-2	0.28	
Hours worked at most recent job	30	26	4	0.22		26	18	8	0.42 **	
Worked at least 30 hours per week at most recent job	63%	66%	-3%	0.08		42%	26%	16%	0.45	
Employment outcome	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Currently employed	56%	50%	7%	0.16						
Tenure at current job (months)	6.9	5.2	2	0.24						
Number of months unemployed	5.2	8.9	-4	0.55 **						
Hours worked at most recent job	33	21	12	0.65 ***						
Worked at least 30 hours per week at most recent job	75%	44%	31%	0.81 ***						

Note: Cohen's d is reported for all effect sizes; Cox transformation is used to convert effect size to *d* metric for binary outcomes.

Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

\*  $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

**Table D-2. Employment Outcomes: Descriptive Results by Demographic Subgroup**

Employment outcome	Black		Hispanic		White		Other race	
	Employment social enterprise group (n = 53)	Comparison group (n = 46)	Employment social enterprise group (n = 84)	Comparison group (n = 41)	Employment social enterprise group (n = 141)	Comparison group (n = 88)	Employment social enterprise group (n = 64)	Comparison group (n = 56)
Currently employed	45%	40%	57%	40%	63%	49%	66%	66%
Tenure at current job (months)	5	4	7	4	6	4	8	7
Number of months unemployed	7	10	5	9	5	8	3	6
Hours worked at most recent job	26	22	23	15	34	23	36	29
Worked at least 30 hours per week at most recent job	54%	53%	68%	63%	74%	48%	82%	57%
Employment outcome	Female		Male					
	Employment social enterprise group (n = 137)	Comparison group (n = 93)	Employment social enterprise group (n = 205)	Comparison group (n = 138)				
Currently employed	62%	53%	58%	47%				
Tenure at current job (months)	6	5	7	5				
Number of months unemployed	5	8	5	8				
Hours worked at most recent job	31	23	34	26				
Worked at least 30 hours per week at most recent job	70%	49%	71%	57%				

Note: Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

**Table D-3. Past Month's Income, Overall and by Employment Social Enterprise**

Income characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Wage	\$1,233	\$927	\$307	0.25	**	\$1,449	\$1,060	\$390	0.31	*
Benefits	\$254	\$348	\$-95	0.16	*	\$217	\$335	\$-118	0.20	
Total income (wage + benefits)	\$1,488	\$1,276	\$212	0.16		\$1,659	\$1,399	\$260	0.20	
Ratio of wage to total income	0.6	0.5	0.1	0.32	***	0.7	0.5	0.2	0.40	**
Income characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Wage	\$1,197	\$691	\$505	0.41		\$815	\$707	\$108	0.09	
Benefits	\$394	\$415	\$-21	0.04		\$46	\$40	\$6	0.01	
Total income (wage + benefits)	\$1,590	\$1,108	\$481	0.37		\$857	\$753	\$104	0.08	
Ratio of wage to total income	0.5	0.4	0.1	0.23		0.6	0.6	0.0	0.0	0.00
Income characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Wage	\$1,066	\$1,211	\$-145	0.12						
Benefits	\$303	\$430	\$-127	0.22						
Total income (wage + benefits)	\$1,378	\$1,667	\$-289	0.22						
Ratio of wage to total income	0.6	0.4	0.1	0.28						

Note: Cohen's d is reported for all effect sizes. Cox transformation is used to convert effect size to *d* metric for binary outcomes.

Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

\**p* < .05, \*\**p* < .01, \*\*\**p* < .001.

**Table D-4. Past Month's Income: Descriptive Results by Demographic Subgroup**

Income characteristic	Black		Hispanic		White		Other race	
	Employment social enterprise group	Comparison group						
Wage	\$908	\$622	\$1,206	\$815	\$1,151	\$990	\$1,718	\$1,137
Benefits	\$366	\$314	\$182	\$392	\$269	\$428	\$222	\$222
Total income (wage + benefits)	\$1,283	\$959	\$1,394	\$1,183	\$1,404	\$1,409	\$1,954	\$1,384
Ratio of wage to total income	0.5	0.3	0.6	0.5	0.6	0.4	0.6	0.7

Income characteristic	Female		Male	
	Employment social enterprise group	Comparison group	Employment social enterprise group	Comparison group
Wage	\$1,079	\$909	\$1,333	\$907
Benefits	\$253	\$492	\$249	\$253
Total income (wage + benefits)	\$1,354	\$1,406	\$1,161	\$1,568
Ratio of wage to total income	0.6	0.5	0.6	0.5

Note: Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

**Table D-5. Job satisfaction**

Reasons for job satisfaction	Employment social enterprise group	Comparison group
<b>Economic reasons</b>		
My salary (the amount of money I made)	81%	82%
The benefits I received (like paid sick leave or health insurance)	69%	68%
The opportunities for me to move up in the company	69%	74%
<b>Other reasons</b>		
The number of hours I worked	83%	84%
Where the job was based	88%	90%
The ability to take an hour or two off to take care of personal or family matters	82%	84%
Having advance notice of the work schedule	87%	86%
The type of work I did	87%	83%

# APPENDIX E: APPENDIX TABLES FOR LIFE STABILITY AND EDUCATION

**Table E-1. Housing Stability, Overall and by Employment Social Enterprise**

Housing characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Currently in stable housing	72%	67%	6%	0.16		81%	57%	24%	0.71 ***	
Ever in stable housing	88%	85%	3%	0.16		90%	76%	14%	0.66 **	
Ever in temporary housing	57%	59%	-2%	0.04		53%	75%	-22%	0.59 ***	
Number of months in stable housing	6.8	6.1	0.7	0.15		7.1	6.4	0.7	0.15	
Housing characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Currently in stable housing	40%	46%	-6%	0.14		32%	49%	-17%	0.43	
Ever in stable housing	68%	75%	-7%	0.22		81%	89%	-8%	0.40	
Ever in temporary housing	77%	71%	6%	0.18		53%	38%	16%	0.39	
Number of months in stable housing	5.2	4.9	0.3	0.06		5.9	6.4	-0.5	0.09	
Housing characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Currently in stable housing	87%	96%	-9%	0.77						
Ever in stable housing	97%	100%	-3%	1.16						
Ever in temporary housing	44%	20%	24%	0.70 *						
Number of months in stable housing	8.6	7.9	0.8	0.15						

Note: Cohen's d is reported for all effect sizes. Cox transformation is used to convert effect size to *d* metric for binary outcomes.

Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

\**p* < .05, \*\**p* < .01, \*\*\**p* < .001.

**Table E-2. Arrests, Overall and by Employment Social Enterprise**

Recidivism characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Arrested in last 18 months	7%	9%	-3%	0.23		3%	10%	-7%	0.80	
Recidivism characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Arrested in last 18 months	30%	31%	-1%	0.01		—	—	—	—	—
Recidivism characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Arrested in last 18 months	3%	1%	2%	0.69						

— Cannot estimate due to too little variation.

Note: Cohen's d is reported for all effect sizes. ox transformation is used to convert effect size to *d* metric for binary outcomes. Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

**Table E-3. Health Insurance, Overall and by Employment Social Enterprise**

Insurance characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 230)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Currently has health insurance	93%	92%	1%	0.06		94%	91%	3%	0.26	
Has employer-sponsored insurance	26%	15%	11%	0.42	***	45%	25%	20%	0.54	**
Number of months without insurance in last 18 months	0.7	0.9	-0.2	0.05		0.3	0.7	-0.4	0.12	
Insurance characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Currently has health insurance	94%	95%	-1%	0.08		83%	75%	9%	0.32	
Has employer-sponsored insurance	12%	12%	0%	0.00		—	—	—	—	—
Number of months without insurance in last 18 months	0.6	0.3	0.3	0.11		1.8	2.6	-0.9	0.26	
Insurance characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 42)	Difference	Effect size	Significance					
Currently has health insurance	—	—	—	—	—					
Has employer-sponsored insurance	29%	18%	12%	0.40						
Number of months without insurance in last 18 months	0.7	0.5	0.3	0.09						

— Cannot estimate due to too little variation.

Note: Cohen's d is reported for all effect sizes. Cox transformation is used to convert effect size to d metric for binary outcomes. Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

\*p &lt; .05, \*\*p &lt; .01, \*\*\*p &lt; .001.

**Table E-4. Physical and Mental Health Overall and by Employment Social Enterprise**

Well-being characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Physical health	3.3	3.4	-0.1	0.06		3.2	3.3	-0.1	0.10	
Depression	19%	25%	-6%	0.21		20%	20%	-1%	0.03	
Anxiety	17%	22%	-6%	0.22		17%	19%	-2%	0.08	
Health limits work	19%	29%	-10%	0.32 **		23%	27%	-4%	0.13	
Well-being characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Physical health	3.2	3.5	-0.3	0.24		3.8	3.9	-0.1	0.13	
Depression	19%	29%	-10%	0.32		17%	21%	-4%	0.14	
Anxiety	21%	33%	-12%	0.38		13%	16%	-2%	0.11	
Health limits work	28%	29%	-1%	0.04		1%	3%	-2%	0.47	
Well-being characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Physical health	3.2	3.0	0.2	0.20						
Depression	17%	19%	-2%	0.08						
Anxiety	15%	15%	0%	0.02						
Health limits work	28%	46%	-18%	0.47						

Note: Physical health is self-reported on a 5-point scale ranging “poor” to “excellent.” Cohen's d is reported for all effect sizes. Cox transformation is used to convert effect size to  $d$  metric for binary outcomes.

Findings are presented as propensity score-weighted, regression-adjusted percentages.

\* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

**Table E-5. Education and Training Programs, Overall and by Employment Social Enterprise**

Education characteristic	Overall					ESE 1				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 86)	Comparison group (n = 98)	Difference	Effect size	Significance
Ever enrolled in education program	29%	24%	5%	0.14		34%	29%	5%	0.15	
Currently enrolled in education program	7%	7%	0%	0.02		7%	6%	1%	0.09	
Earned credential	13%	10%	3%	0.18		29%	23%	6%	0.20	
Education characteristic	ESE 2					ESE 3				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 50)	Comparison group (n = 46)	Difference	Effect size	Significance
Ever enrolled in education program	16%	8%	8%	0.46		57%	52%	6%	0.14	
Currently enrolled in education program	5%	5%	0%	0.02		22%	34%	-11%	0.35	
Earned credential	4%	1%	2%	0.60		21%	24%	-3%	0.10	
Education characteristic	ESE 4									
	Employment social enterprise group (n = 76)	Comparison group (n = 43)	Difference	Effect size	Significance					
Ever enrolled in education program	18%	25%	-7%	24%						
Currently enrolled in education program	—	—	—	—	—					
Earned credential	10%	12%	-2%	15%						

— Cannot estimate due to too little variation.

Note: Cohen's d is reported for all effect sizes. Cox transformation is used to convert effect size to d metric for binary outcomes. Findings are presented as propensity score-weighted, regression-adjusted percentages.

**Table E-6. Life Stability Outcomes: Descriptive Results by Demographic Subgroup**

Life stability outcome	Black		Hispanic		White		Other race	
	Employment social enterprise group (n = 53)	Comparison group (n = 46)	Employment social enterprise group (n = 84)	Comparison group (n = 41)	Employment social enterprise group (n = 141)	Comparison group (n = 88)	Employment social enterprise group (n = 64)	Comparison group (n = 56)
Health limits work	25%	18%	20%	21%	21%	31%	11%	45%
<hr/>								
Life stability outcome	Female		Male					
	Employment social enterprise group (n = 137)	Comparison group (n = 93)	Employment social enterprise group (n = 205)	Comparison group (n = 138)				
Depression	16%	35%	20%	17%				
Health limits work	24%	47%	17%	18%				
Earned credential	11%	16%	15%	8%				

Note: Findings are presented as propensity score-weighted, regression-adjusted percentages or means.

# APPENDIX F: METHODOLOGY FOR COST-BENEFIT STUDY

This appendix details the calculations of the costs and benefits of running an employment social enterprise (ESE). An ESE is a mission-driven business with two parallel goals: to have a financially profitable business (business mission) and to provide employment for those who might otherwise struggle to find jobs (social mission). ESEs support workers in overcoming barriers to employment in various ways, from providing employment experience for those excluded from the workforce to offering job training and mentorship.

The evaluation of the outcomes of working at an ESE conducted as part of this study included individuals hired into one of four ESEs between January 1, 2018, and June 21, 2019. These individuals were interviewed at intake to the study (prior to ESE employment) and again between October, 26, 2019, and February 2, 2021, approximately 18 months after intake. The evaluation focused on analyzing the differences between individuals in the ESE group and comparison group for each ESE, at the time of the follow-up interview. The four participating ESEs were ESE 1, ESE 2, ESE 3, and ESE 4. All four ESEs received funding from REDF to support their operation.

Details of the cost-benefit analysis (CBA) performed in conjunction with the evaluation of the ESEs is described below. Section A gives an overview of the CBA design as well as a description of the data used. Section B describes the cost estimates of ESE operation, and Section C describes the process of monetizing the benefits of ESE employment. Section D combines the costs and benefits to present the benefits per dollar spent on ESE employment, along with a return on investment (ROI). The appendix concludes with Section E, which describes some limitations of the CBA.

## A. Cost-Benefit Analysis Overview and Data Sources

The goal of the CBA was to measure the return to each dollar spent by an ESE. If one thinks of employment at an ESE as an intervention to improve the lives of ESE workers, the CBA compares the cost of that intervention (i.e., the cost of having one more individual employed by the ESE) with the benefits of the intervention (i.e., the improved outcomes for the worker and others in society). When measuring the benefits of ESE employment, it was important to consider multiple perspectives, since different stakeholders may receive different benefits. For this CBA, we considered the perspectives of four stakeholders: the ESE worker, the ESE, the taxpayer, and society as a whole. Society as a whole combines the benefits to the other stakeholders as well as benefits to all individuals in society.

The overall approach of the CBA was to calculate the costs of running the ESE, per employee, and to compare those costs with the benefits generated from ESE employment, per employee. We considered benefits in five different areas of life: income, housing, arrests, health, and ESE revenue. We will detail each of these domains in Section C. The benefits were aggregated over the entire period we believed the benefits were likely to occur, so they capture the total benefit experienced per employee due to their earlier employment at the ESE.

The CBA used data from two sources: (a) the Cost Capture Project undertaken by REDF, which surveyed each ESE to gather information on costs and revenues associated with running of the business and (b) the RTI Evaluation Impact Study, which measured the outcomes associated with ESE employment.

## **1. Cost Capture Project**

The CBA used cost and revenue information collected as part of REDF's Cost Capture Project. This effort was conducted between February and September 2019. During this time, REDF worked with representatives from the four ESEs included in the study to collect information about monthly or quarterly costs and revenues over the subsequent 12 months. The 12-month period spanned the second quarter of 2018 through the first quarter of 2019 for ESE 1 and ESE 3; this period spanned February 2018 through January 2019 for ESE 2 and ESE 4. These periods overlapped with when the majority of the ESE workers included in the evaluation were employed by the ESEs.

Line-item costs from financial statements were divided between business costs and social costs. Business costs included any costs an equivalent for-profit business would incur. These were costs such as rent and electricity, business materials, and employee wages. Social costs included any costs incurred that were associated with the ESE's social mission and would be above and beyond what a for-profit business would provide for employees. Examples of these costs include additional job training, mentoring, and employment support services. Revenue information was collected with a similar approach, dividing revenue into either business revenue or social revenue. Business revenue was revenue earned by the ESE by selling goods or services, whereas social revenue was grant and other donation revenue the ESE received due to its social mission.

Also included in the Cost Capture Project was a count of the number of employees employed by the ESE in each month or quarter that the cost and revenue information was collected. Information over the entire 12-month period was averaged, to create an average monthly per-employee cost of operating the ESE and an average monthly per-employee revenue. The monthly per-employee cost information was used in the cost portion of the

CBA and the monthly per-employee revenue information was used in the benefit portion of the CBA.

## ***2. RTI Evaluation Impact Study***

We conducted an impact study of ESE employment at the four ESEs by enrolling an ESE and comparison group into the study. ESE workers were employed at a given ESE, while comparison group participants were not. All study participants completed a survey at intake when they were first enrolled in the study, which was before ESE employment began for the ESE group, and again at follow-up, which was approximately 18 months later. Analyzing data from the evaluation enabled us to measure the causal impact of ESE employment on ESE workers. A variety of outcomes were measured, including those related to income, housing, arrests, health, and education. The outcomes of the RTI Evaluation Impact Study are described in more detail in Chapters 3 and 4. The benefit portion of the CBA seeks to monetize these benefits so that they can be compared with the costs of operating an ESE.

The RTI Evaluation Impact Study was also helpful in generating several pieces of data that were used throughout the CBA. First, data on average number of months of employment at each ESE was important in converting the monthly per-employee costs and revenues calculated in the Cost Capture Project into per-employee costs and revenues, as described in more detail below. Second, data on the types of unstable and stable housing of study participants was used to monetize the costs of switching from unstable to stable housing due to ESE employment. Third, the number of months individuals had been living in stable housing at the time of the follow-up interview was used to understand the time frame over which the benefits of stable housing were experienced.

Lastly, several key assumptions that underly the CBA should be considered:

1. All costs of ESE employment are internalized by the ESEs themselves and reflected in the Cost Capture Project. This indicates that ESE workers face no opportunity cost to ESE employment (i.e., they are not giving up other employment to be employed by the ESE).
2. The measured outcomes in the RTI Evaluation Impact Study fully capture the benefits of ESE employment. This indicates that any benefits not included are negligible and that the time frame over which we assume benefits persist is accurate. When determining how long benefits persist, we consistently chose the most conservative time frame. This approach ensures that all positive benefits measured are accurate and not a product of the assumptions made and that the results represent a lower bound on the actual ROI.

3. The comparison group received no services in the current study and thus had no additional costs associated with the outcomes.<sup>18</sup> While the comparison group was not employed at an ESE included in this study, it is possible that they received employment or other support services elsewhere.
4. We use the rate of inflation to adjust all dollars to 2020 dollars, except in the case of housing prices, where we use the national change in housing prices over time.

## B. Cost Estimates

Table F-1 describes the costs of operating each ESE. In the Cost Capture Project, the average per-employee monthly cost was measured, separately for business and social costs (the 3rd and 4th columns of Table F-1). To calculate per-employee costs, the monthly costs were multiplied by the average number of months of employment at each ESE. These data were collected as part of the RTI Evaluation Impact Study and are shown in the 2nd column of Table F-1. Per-employee business and social costs (shown in the 5th and 6th columns of Table F-1) are summed to get the total per-employee cost. This is the cost of having an additional individual employed by the ESE. Similarly, if being employed by the ESE is thought of as an intervention to improve the employment outcomes of individuals, this is the cost of an additional individual receiving that intervention.

**Table F-1. Per-Employee Costs of Employment Social Enterprise Employment**

Employment social enterprise	Average number of months of employment	Average per-employee monthly costs \$		Per-employee costs (monthly costs * average number of months of employment) \$		Total (business + social costs) \$
		Business mission	Social mission	Business mission	Social mission	
Average	5	15,065	1,065	49,877	3,655	53,532
ESE 1	6	2,894	149	17,436	899	18,336
ESE 2	4	2,929	694	11,890	2,818	14,708
ESE 3	6	1,594	177	9,290	1,033	10,324
ESE 4	3	52,843	3,241	160,893	9,868	170,760

Source: Cost Capture Project and RTI Evaluation Impact Study data.

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<sup>18</sup> At some ESEs, the comparison group did receive some basic services, but the ESE group also received these services, and the cost for providing these services was not considered in the total cost of ESE employment. Thus the total cost of ESE employment includes the cost associated with providing services above and beyond what the comparison group received. This matches the evaluation study, which measured the outcomes of the ESE group, relative to the comparison group.

The average number of months of employment was consistent across the ESEs, ranging from 3 to 6 months. Costs for three of the four ESEs—ESE 1, ESE 2, and ESE 3—were also similar, with total employee costs ranging from \$10,324 to \$18,336. Differences in these costs are likely driven by differences in the type of business being operated and social support services being provided. Additionally, differences in average length of employment created differences in total costs per employee.

ESE 4, however, had costs—\$170,760—that were considerably higher than the other ESEs; this was driven by both higher business and social costs. These higher costs are likely due primarily to the type of business ESE 4 operates: a factory manufacturing aerospace goods. The costs associated with operating this type of business (e.g., the factory, equipment, and raw materials) are significantly higher than the costs of running other types of businesses (e.g., street cleaning, providing temporary staffing, retail, providing office administration staffing, staffing concessions at sports stadiums), as are the social mission costs of providing workers assistance, support, and training for this type of work.

## C. Monetizing Benefits

In this section, we describe how we assigned the outcomes measured in the RTI Evaluation Impact Study a monetary value, which allowed us to compare the costs and benefits of ESE employment. Five domains of outcomes were considered: income, housing, arrests, health, and ESE revenue. While changes in outcomes related to education, such as enrollment and degree and certificate attainment, were also measured as part of the RTI Evaluation Impact Study, these outcomes were not included in the CBA. The monetized benefit of increased education comes in the form of subsequent increased earnings. Since increased earnings were measured and included in the CBA directly, including increased earnings due to education specifically would have double-counted this effect. Each benefit was aggregated over the entire period it was likely to have been incurred, so the benefits captured the entire benefit produced, per individual employed by an ESE.

### 1. Income

Three types of income were measured in the RTI Evaluation Impact Study: wages (income from working), government benefits (transfers from the government such as Supplemental Nutrition Assistance Program; Temporary Assistance for Needy Families; Woman, Infants, and Children program; social security; disability benefits; and unemployment insurance), and other income (e.g., alimony, child support, and returns on investments).

- **Wages.** The difference in wages due to ESE employment was captured by the variation in monthly earnings between the ESE group and comparison group at the time of the follow-up survey, including those who were unemployed and thus had earnings of \$0. The overall change in wages was \$307 a month (income increased due to ESE

employment), and the effects across ESEs ranged from -\$145 to \$505 a month. We assumed a combined federal, state, and local tax rate of 15%, so 85% of this increase in wages went to the ESE worker. The other 15% was a benefit to the taxpayer.

- **Government benefits.** The difference in total government benefits received due to ESE employment was captured by the variation in monthly benefits received between the ESE group and comparison group at the time of the follow-up survey. The overall change in government benefits was -\$48 (government benefits decreased due to ESE employment), and the effects across ESEs ranged from -\$93 to \$30. A decrease in government benefits represents a loss of income to the ESE worker, but a gain in income to the taxpayer.
- **Other income.** The difference in other income received due to ESE employment was captured by the variation in monthly income that was not due to wages or government benefits, between the ESE group and comparison group at the time of the follow-up survey. The overall change in other income was -\$55 (other income decreased due to ESE employment), and the effects across ESEs ranged from -\$119 to -\$13. A decrease in other income represents a loss of income to the ESE worker but no change to society as a whole since the income was generally a transfer from one person to another.

Differences in income are assumed to have begun in the first month of ESE employment and continued until the follow-up survey, 18 months later. We made the conservative assumption that changes in income end after the follow-up survey, implying they were only experienced for the 18 months prior to the follow-up survey. This would be the case if the earnings of the comparison group caught up to the earnings of the ESE group 18 months after initial ESE employment.

## **2. *Housing***

To monetize the benefit of ESE employment related to housing, we considered the difference in stable housing due to ESE employment. The effect was measured by the variation in stable housing (i.e., renting or owning one's own apartment or house or living with one's parents), at the time of the follow-up survey, between the ESE group and comparison group at each ESE. To monetize the effect of stable housing, we considered the cost to the taxpayer to house individuals in unstable housing, along with the cost to the individual of having stable housing.

To calculate the cost to the taxpayer of having an individual in unstable housing, we first determined what types of unstable housing there were at the time of the intake survey. Using data from the RTI Evaluation Impact Study, we found that 62% of unstably housed individuals were in transitional housing or a halfway house; 9% were in an emergency shelter, hospital, or treatment facility; 11% were in permanent supportive housing or a group

home; and 18% were in housing that had no direct cost to the taxpayer, such as doubling up in a friend's or family member's room or living on the street, in a car or park, or another place outside. We thus assumed that when one unstably housed person becomes stably housed, the taxpayer saves 62% of the cost of transitional housing, 9% of the cost of emergency housing, and 11% of the cost of permanent supportive housing. There is no associated cost savings related to the 18% of individuals who were living in housing that had no direct cost to the taxpayer.

Next, we considered the costs of these types of unstable housing from a 2010 U.S. Department of Housing and Urban Development report (Spellman et al., 2010). The housing costs described in the report were measured in Houston, Texas, in 2006, so they were adjusted for increased costs over time and for geographic differences in housing costs across the cities where the ESEs are located. To adjust the 2006 housing costs to 2020 dollars, we assumed a 2% yearly increase in housing costs over this time.<sup>19</sup> We then adjusted the costs according to the difference in housing costs between Houston and the cities in California, Oregon, and Washington where the four ESEs are located.<sup>20</sup> Lastly, housing costs varied depending on whether the ESE worker had a family. Thus, we weighted the individual and family costs by the percentage of workers at each ESE who were living with their family.

Table F-2 shows the transformed housing costs. The same calculation was done using costs of unstable housing for families, and the costs of having an individual and family in unstable housing for a month were multiplied by the percentage of ESE workers who were living on their own or with a family.

When an ESE worker goes from being unstably housed to stably housed, the taxpayer experiences savings in the form of the cost of housing individuals in unstable housing, but the ESE worker experiences a cost of having to pay for stable housing. To determine the cost of stable housing, we first determined the percentage of stably housed ESE workers from the RTI Evaluation Impact Study data who were paying a rent or mortgage (50%) or living with their parents (50%). This suggests that half of those who moved into stable housing had to start paying fair market rent, while the other half had no additional costs. Using the fair market rent costs in the 2010 U.S. Department of Housing and Urban Development report (Spellman et al., 2010), we adjusted the costs from 2006 to 2020 dollars

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<sup>19</sup> An approximate 2% annual increase in housing prices was calculated using the average sales prices of houses in the United States between 2006 and 2020 according to the St. Louis Federal Reserve: <https://fred.stlouisfed.org/series/ASPUS>.

<sup>20</sup> ESE 1 is in Oregon. ESE 2 is in California. ESE 3 is in Washington. ESE 4 is in Washington. The CNN Money Calculator (<https://money.cnn.com/calculator/pf/cost-of-living>) was used to adjust the cost of housing from Houston, Texas, to the cities where the ESEs are located. Two cities were not included in the calculator so another city in California, and another city in Washington, respectively, were substituted.

and then adjusted them for geographic cost of living differences across the country. We also weighted the costs by the percentage of ESE workers living with a partner or children, since rent costs are presumably higher for a family than an individual.

**Table F-2. Monthly Housing Costs**

Housing characteristic	2006 cost for Houston, Texas	2020 cost for Houston, Texas	2020 cost for Oregon (ESE 1)	2020 cost for California (ESE 2)	2020 cost for Washington (ESE 3)	2020 cost for Washington (ESE 4)
<b>Individual</b>						
Emergency shelter	\$1,335	\$1,762	\$3,734	\$7,328	\$4,738	\$4,738
Transitional housing	\$1,654	\$2,182	\$4,627	\$9,079	\$5,871	\$5,871
Permanent supportive housing	\$1,211	\$1,598	\$3,388	\$6,647	\$4,298	\$4,298
Fair market rent (one bedroom)	\$612	\$808	\$1,712	\$3,359	\$2,172	\$2,172
<b>Family</b>						
Emergency shelter	\$1,391	\$1,835	\$3,891	\$7,635	\$4,937	\$4,937
Transitional housing	\$3,211	\$4,237	\$8,982	\$17,625	\$11,397	\$11,397
Permanent supportive housing	\$799	\$1,054	\$2,235	\$4,386	\$2,836	\$2,836
Fair market rent (two bedrooms)	\$743	\$980	\$2,078	\$4,078	\$2,637	\$2,637
Percentage living with family			34%	37%	19%	25%
Cost to taxpayer of one person in unstable housing			\$4,459	\$8,902	\$5,168	\$5,364
Cost to ESE worker of being in stable housing			\$914	\$1,805	\$1,125	\$1,139

Source: RTI Evaluation Impact Study data and Spellman, B., Khadduri, J., Sokol, B., & Leopold, J. (2010). *Costs associated with first-time homelessness for families and individuals*. Abt Associates.

The monthly costs to the taxpayer of one person in unstable housing and to the ESE worker of being in stable housing were then multiplied by the number of months that stably housed ESE workers had been stably housed at the time of the follow-up survey. The RTI Evaluation Impact Study data indicate that ESE workers had been stably housed for 8 to 9 months, depending on the ESE. These total costs were then multiplied by the size of the difference in the percentage of individuals who were stably housed. Overall, the difference in the rate of stably housed individuals between the ESE group and comparison group was 6% (more individuals were stably housed due to ESE employment), and the effects across the ESEs ranged from -17% to 24%.

### **3. Arrests**

To monetize the benefit of ESE employment on arrests, we considered the difference in the arrest rate due to ESE employment. The effect is measured by the variation in the percentage of individuals who had been arrested in the 18 months between the intake and follow-up surveys and between the ESE group and comparison group at each ESE. To monetize the change in the arrest rate, we used data on annual state prison costs per inmate, which ranged from \$37,841 (Washington) to \$64,642 (California).<sup>21</sup> Costs were reported in 2015 dollars, so they were adjusted for inflation to 2020 dollars and then converted to monthly costs.

Next, we needed to determine how many months of incarceration were associated with each arrest of an ESE worker. While data on number of months of incarceration and number of arrests were collected for the RTI Evaluation Impact Study, the data quality proved to be poor, so we used the number of months of incarceration associated with each arrest from a previous REDF-sponsored CBA of ESEs (Rotz et al., 2015), which was 15.7 months. Multiplying the monthly cost of incarceration by the number of months of incarceration associated with each arrest of ESE workers gives a cost savings to the taxpayer of each arrest. The cost savings was multiplied by the difference in the arrest rate due to ESE employment. Overall, the difference was -3% (fewer individuals had been arrested due to ESE employment), and the effects across ESEs ranged from -7% to 2%. We did not calculate an effect for one ESE, ESE 3, because it did not have any ESE workers who had been arrested.

### **4. Health**

The RTI Evaluation Impact Study measured differences in physical and mental health due to ESE employment. Because the difference in physical health between the ESE group and comparison group at the time of the follow-up survey was virtually zero, the CBA focuses on the difference in the rate of showing signs of depression. To monetize the difference in the rate of depression, we used a measure of the costs of medical services and prescription drugs associated with depression. According to Greenberg and colleagues (2015), yearly incremental costs associated with an additional person suffering from depression in the United States in 2010 were \$5,988. We adjusted this cost for inflation to 2020 dollars and assumed the reduction in depression lasted 18 months, the time between initial ESE employment and the follow-up survey, when depression rates were measured. The per-

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<sup>21</sup> Annual state prison cost data come from the Vera institute:

<https://www.vera.org/publications/price-of-prisons-2015-state-spending-trends/price-of-prisons-2015-state-spending-trends/price-of-prisons-2015-state-spending-trends-prison-spending>. Costs for Oregon were used for ESE 1, costs for California were used for ESE 2, and costs for Washington were used for ESE 3 and ESE 4.

person cost of depression was multiplied by the difference in the rate of individuals experiencing depression due to ESE employment. Overall, the difference was -6% (fewer individuals experiencing depression due to ESE employment), and the effects across ESEs ranged from -10% to -1%.

## **5. Employment Social Enterprise Revenue**

Revenue for each ESE was measured in the Cost Capture Project similarly to how operational costs were captured. Revenue was reported each month or quarter over a 12-month period and averaged to calculate average monthly per-employee revenue. Revenue was calculated separately based on whether it was business revenue (from selling goods and services) or social revenue (from grants and other donations). Like the cost analysis, average monthly per-employee revenue was multiplied by the average number of months of employment to calculate per-employee revenue. Both business and social revenue are considered a benefit to the ESE. The financial data reported by ESEs in the Cost Capture Project indicate about half of social revenue comes from local, state, and federal government sources, while the other half comes from foundations and other nongovernment sources. Given this, half the social revenue is considered a negative benefit to the taxpayer since money from the government is provided by the taxpayer. The benefit to society as a whole includes the business revenue earned but not the social revenue, since this revenue is a negative benefit to whoever provided it (either the taxpayer or a nongovernment source) and thus is canceled out when considering society as a whole. Table F-3 summarizes the measures for the costs and benefits included in the CBA.

**Table F-3. Summary of Cost-Benefit Analysis Measures**

Measures	Definition	Final metric	Source	Note
<b>Costs</b>				
Cost of employment social enterprise employment	Total cost of one employee working at an employment social enterprise	Total business and social costs to employ one employee over the entire duration of employment	Cost Capture Project	Calculated as monthly per-employee costs * average number of months of employment
<b>Benefits</b>				
Income	Income earned through wages, government benefits, and other sources	Cumulative change in income over the 18 months between intake and follow-up	RTI Evaluation Impact Study survey: questions about wages, government benefits, and other income	Assumes the income benefit begins the month employment social enterprise employment begins and is consistent until follow-up; assumes the comparison group catches up (i.e., benefit disappears) after follow-up

Measures	Definition	Final metric	Source	Note
Housing	Living in stable housing (i.e., a place one rents or owns or living with one's parents)	Cumulative dollar benefit of housing over the number of months in stable housing between intake and follow-up (8–9 months)	RTI Evaluation Impact Study survey: questions about type of housing and number of months in stable housing	Adjusted for employment social enterprise location and an individual's family status; assumes the comparison group catches up (i.e., benefit disappears) after follow-up
Arrests	Having been arrested	The dollar value of incarcerations that was reduced due to arrests being reduced in the 18 months between intake and follow-up	RTI Evaluation Impact Study questions about arrests since intake	Uses data from a previous cost-benefit analysis on the number of months of incarceration associated with each arrest because the quality of those data in this study were poor; assumes comparison group catches up (i.e., benefit disappears) after follow-up
Health	Suffering from depression	Cumulative dollar value of cost savings from not suffering from depression in the 18 months between intake and follow-up	RTI Evaluation Impact Study questions measuring depression symptoms	Assumes that different rates of depression measured at follow-up started the month of intake and persisted each month until follow-up; assumes the comparison group catches up (i.e., benefit disappears) after follow-up
Revenue	Total revenue generated by one employee working at an employment social enterprise	Total business and social revenue generated by one employee over the entire duration of employment	Cost Capture Project	Calculated as monthly per-employee revenue * average number of months of employment

The benefits of ESE participation are based on the impact of ESE participation on income and other life stability outcomes reported in Chapters 3 and 4. All benefits are monetized, or converted into dollar figures, and all focus on the 18-month window from intake to follow-up survey as the period in which the benefits occurred.

Table F-4 shows the per-employee business and social revenue for each ESE. As in the cost analysis, revenue was similar across three of the four ESEs—ESE 1, ESE 2, and ESE 3.

Revenue per employee for these ESEs varied from \$11,883 to \$18,620. ESE 4, however, has revenue of \$179,482 per employee. For the same reason that ESE 4 had much higher costs than the other ESEs, its higher revenue is related to the type of business it operates— aerospace manufacturing.

**Table F-4. Per-Employee Revenue, by Employment Social Enterprise**

Employment social enterprise	Average number of months of employment	Average per-employee monthly revenue \$		Per-employee revenue (monthly revenue * average number of months of employment) \$		Total (business + social) \$
		Business mission	Social mission	Business mission	Social mission	
Average	5	15,507	1,260	50,129	5,429	55,559
ESE 1	6	2,952	138	17,787	833	18,620
ESE 2	4	956	1,971	3,881	8,002	11,883
ESE 3	6	678	1,423	3,954	8,296	12,250
ESE 4	3	57,443	1,506	174,896	4,586	179,482

Source: Cost Capture Project and RTI Evaluation Impact Study data.

## 6. Benefit Summary

Table F-5 provides an overview of the per-employee benefits generated by working at an ESE. The benefits are shown overall (across all ESE workers) and for workers at each ESE individually. In addition, the benefits are shown separately depending on whether we are considering society as a whole, the ESE worker, the ESE, or the taxpayer. The total benefits sum the benefits from the five outcomes over which benefits are measured.

On average, ESE employment across the four ESEs generated \$60,338 of benefit to society as a whole per ESE worker. Each ESE worker experienced a benefit of \$2,865. The ESE experienced a benefit of \$55,559, and the taxpayer experienced a benefit of \$3,634 per ESE employee. It is important to note that no matter which point of view is considered—that of the ESE worker, the ESE, the taxpayer, or society as a whole—there was a positive benefit of ESE employment.

For all four ESEs, the benefit to society as a whole was positive, indicating that every ESE had a net positive benefit to society. Every ESE except for ESE 4 had a positive effect on the ESE worker, and there was a positive benefit for every ESE from hiring workers. The effect on the taxpayer was positive for ESE 1 but negative for the other three ESEs.

**Table F-5. Per-Employee Benefits of Employment Social Enterprise Employment**

Employment social enterprise	To society as a whole \$	To employment social enterprise worker \$	To employment social enterprise %	To taxpayer \$
<b>Total</b>				
Overall	60,338	2,865	55,559	3,634
ESE 1	36,336	2,111	18,620	15,569
ESE 2	11,313	9,113	11,883	-6,607
ESE 3	852	3,631	12,250	-11,106
ESE 4	167,977	-4,188	179,482	-7,163
<b>Income</b>				
Overall	5,520	2,840	0	1,686
ESE 1	7,013	3,834	0	2,726
ESE 2	9,096	7,351	0	820
ESE 3	1,937	1,752	0	-40
ESE 4	-2,610	-5,288	0	539
<b>Housing</b>				
Overall	2,134	-562	0	2,696
ESE 1	6,949	-1,792	0	8,741
ESE 2	-3,116	792	0	-3,908
ESE 3	-5,411	1,507	0	-6,918
ESE 4	-3,331	898	0	-4,229
<b>Arrests</b>				
Overall	1,967	0	0	1,967
ESE 1	4,518	0	0	4,518
ESE 2	482	0	0	482
ESE 3	NA	0	0	NA
ESE 4	-1,180	0	0	-1,180
<b>Health</b>				
Overall	588	588	0	0
ESE 1	69	69	0	0
ESE 2	969	969	0	0
ESE 3	372	372	0	0
ESE 4	202	202	0	0

Employment social enterprise	To society as a whole \$	To employment social enterprise worker \$	To employment social enterprise %	To taxpayer \$
<b>Revenue</b>				
Overall	50,129	0	55,559	-2,715
ESE 1	17,787	0	18,620	-417
ESE 2	3,881	0	11,883	-4,001
ESE 3	3,954	0	12,250	-4,148
ESE 4	174,896	0	179,482	-2,293

Note: A benefit of ESE 3 on arrests was not estimated since no arrests were reported.

Source: RTI Evaluation Impact Study data.

## D. Return on Investment and Combining Costs and Benefits

The benefits of working at an ESE are great but employment also produces substantial costs. The ESE worker, the ESE, the taxpayer, and society as a whole all experience a positive benefit when an additional ESE worker is hired. Importantly, there was wide variation in the costs and benefits of being employed at each of the four ESEs. To understand the benefits per dollar spent by the ESE, we compared the cost of operating the ESE (described in Section B) to the benefits produced by ESE employment (described in Section C), considering the different groups who experienced benefits:

$$\text{Benefits per dollar spent}_{\text{society}} = \frac{\text{Per-employee benefit to society as a whole}}{\text{Per-employee cost}}$$

$$\text{Benefits per dollar spent}_{\text{ESE worker}} = \frac{\text{Per-employee benefit to ESE worker}}{\text{Per-employee cost}}$$

$$\text{Benefits per dollar spent}_{\text{ESE}} = \frac{\text{Per-employee benefit to ESE}}{\text{Per-employee cost}}$$

$$\text{Benefits per dollar spent}_{\text{taxpayer}} = \frac{\text{Per-employee benefit to taxpayer}}{\text{Per-employee cost}}$$

Additionally, we considered the ROI for each dollar that is spent employing ESE workers:

$$\text{ROI} = \text{Benefits per dollar spent}_{\text{society}} - 1$$

Table F-6 shows the ROI and benefits per dollar spent overall and for each ESE individually. The overall ROI is 13%, indicating that for each dollar spent on ESEs, \$1.13 of benefit is created for society as a whole. While the overall ROI is positive, it varies significantly across ESEs. For ESE 1, the ROI is 98% indicating that for each dollar spent on the ESE, nearly double that, \$1.98, of benefit is created for society as a whole. For ESE 4, the ROI is essentially zero, indicating that the benefit created is nearly identical to the

cost. ESE 2 and ESE 3 both have negative ROIs. For these ESEs, for each dollar that is spent on the ESE, only \$0.77 and \$0.08 of good is created in the world, respectively. While the benefit to society as a whole is positive for these two ESEs, the total benefit created is less than the cost to operate the ESE.

**Table F-6. Return on Investment and Benefits per Dollar Spent**

Employment social enterprise	Return on investment %	Benefits per dollar spent to society as a whole \$	Benefits per dollar spent to employment social enterprise worker \$	Benefits per dollar spent to employment social enterprise \$	Benefits per dollar spent to taxpayer \$
Overall	12.7	1.13	0.05	1.04	0.07
ESE 1	98.2	1.98	0.12	1.02	0.85
ESE 2	-23.1	0.77	0.62	0.81	-0.45
ESE 3	-91.8	0.08	0.35	1.19	-1.08
ESE 4	-1.6	0.98	-0.02	1.05	-0.04

Source: Cost Capture Project and RTI Evaluation Impact Study data. See Appendix Tables F-1 (costs) and F-5 (benefits).

## E. Limitations

While this CBA was conducted to the highest standards, like any CBA, it has limitations. An important consideration is that whenever possible, the most conservative assumptions were made during the analysis. Given this, the results presented are likely a lower bound for the true ROI and benefits per dollar spent associated with ESE employment. This decision ensures that to the extent that positive benefits are measured, we can be confident the benefits are not due to assumptions made in the CBA.

Some limitations to the current CBA that should be considered are as follows:

- The CBA included benefits measured in five outcome domains. There may be other benefits to ESE employment that were not possible to measure in the RTI Evaluation Impact Study (e.g., benefits to the victims of crimes not committed) and thus were not monetized in the CBA.
- Within each outcome domain, the full benefit may not have been completely measured. For example, we captured the monetary costs of individuals switching from unstable to stable housing but not the quality of life improvements associated with the improved housing conditions. Similarly, we captured the monetary costs that are reduced when an individual no longer suffers from depression but not the quality of life improvements associated with the lack of depression.

- The CBA was based on many assumptions. One of the most notable was the period over which the benefits were experienced. If benefits were experienced over a longer period, then the total value of the benefit is greater. For example, if the increased wages due to ESE employment were experienced over several years, not just 18 months, that would change the CBA results. Throughout the CBA, we chose conservative time frames over which the benefits were experienced, so we could be confident that any positive benefits measured were accurate and not a product of assumptions made.
- The cost data were reported by organizations and could be subject to reporting errors. The rigor of the accounting, along with how costs and revenues were categorized, could affect the overall cost estimates.

Even given the limitations of the study, there is strong evidence that working at an ESE has a positive effect on the ESE worker, the ESE, the taxpayer, and society as a whole. If ESE programs were expanded, even more workers could benefit from the work experience, mentoring, and support services these programs provide.

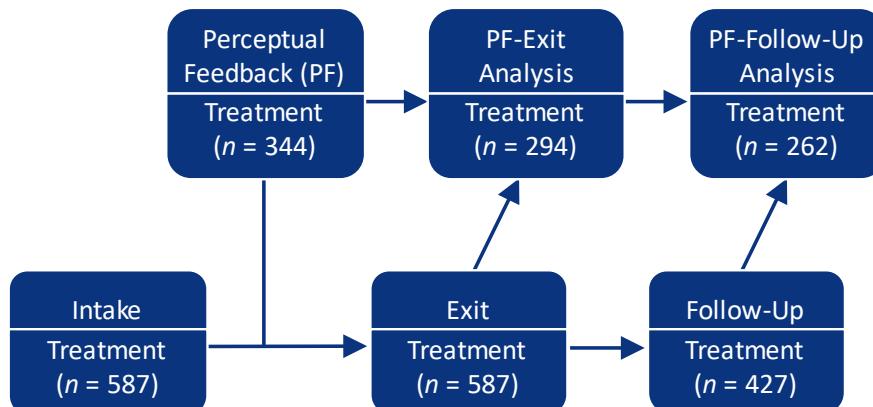
## APPENDIX G: APPENDIX FOR PERCEPTUAL FEEDBACK STUDY

This appendix describes the process for creating the sample for analyzing the perceptual feedback and shows how survey questions and dimensions are related to each other. It presents the survey dimensions and associated questions as well as the correlation matrix of dimensions.

Employment social enterprise (ESE) workers responded to the perceptual feedback survey describing their feelings about the ESE and their expectations for the future. They took this survey about one-third of the way through their ESE work. (Chapter 2 describes the purpose and origin of this survey.) Some ESE workers stopped working before the survey administration, so we do not have these data for them. To learn about the association of these perceptions with ESE workers' reasons for exiting the ESE and their outcomes 18 months after intake, we linked the perceptual feedback to the subsequent surveys.

Figure G-1 depicts the process for creating the sample for the perceptual feedback study.

**Figure G-1. Derivation of Samples for Perceptual Feedback Study**



**Table G-1. Perceptual Feedback Dimensions Survey Items With Factor Scores**

Dimension	Survey question number	Survey question	Factor score
<b>Staff treats me with respect (1 item)</b>			
	47	How often do [name of program] staff treat you with respect?	--
<b>Program meeting needs (1 item)</b>			
	48	Overall, how well has [name of program] met your needs?	--

Dimension	Survey question number	Survey question	Factor score
<b>Connected to staff (1 item)</b>			
	50	How connected do you feel to staff at [name of program]?	--
<b>Frequency in interacting with program (1 item)</b>			
	51	How often do you interact with [name of program]?	--
<b>Likely to recommend (1 item)</b>			
	49	How likely is it that you would recommend [name of program] to a friend or family member who finds self in a similar situation?	
<b>General satisfaction (9 items)</b>			
	1	I think [name of program] will prepare me for a stable job before the end of my time here.	54
	3	My experience working at [name of program] increases my sense of ability and self-esteem.	72
	4	Because of my experiences at [name of program], I feel more in control of my life.	79
	5	Because of [name of program], I feel like I can handle life better.	82
	6	At [name of program], I am learning how to make my life more stable.	77
	7	[Name of program] has given the tools I need to tackle challenges on my own.	63
	9	At [name of program], we learn a lot every day through our job experience.	53
	26	I have a chance to prove myself.	52
	37	I plan to stay for the full length of the program.	58
<b>Sense of belonging (8 items)</b>			
	15	The staff at this organization understand me.	66
	16	There's at least one staff member at this organization who knows what it is like to stand in my shoes.	72
	17	[Name of program]'s staff really try to understand how we feel about things as organizational employees.	72
	18	I have coworkers I can relate to at [name of program].	62
	36	[Name of program]'s staff go above and beyond for me and my coworkers.	61
	40	I have a support system that I think will last after I leave [name of program].	63
	24	My field supervisor recognizes my potential.	55
	25	I have the chance to provide feedback to [name of program] about activities, decisions, and policies that affect me.	58
<b>Preparation for future career (4 items)</b>			
	11	I think the program has given me the skills to succeed in a job outside of this program.	50
	13	I feel like [name of program] is giving me the skills and tools I need to be successful in future jobs.	59

Dimension	Survey question number	Survey question	Factor score
	12	By the time I'm done, I feel that [name of program] will have given me the skills and tools I need to succeed at another job.	58
	14	I feel that [name of program] is preparing me for what I want to do next.	49
<b>Current level of preparation (3 items)</b>			
	20	I feel prepared and ready to provide good customer service.	68
	21	I feel prepared and ready to work with coworkers.	69
	22	I feel prepared and ready to work with supervisors.	66
<b>Resiliency and support (3 items)</b>			
	19	I feel like I have the resources (social supports, tools) to cope with unexpected or stressful life events that may interrupt my work life.	60
	35	There is at least one person that I can speak with outside of [name of program] if I have a problem.	64
	34	If I have a life setback, I feel that I have the tools to overcome it.	51
<b>Safety (2 items)</b>			
	27	I feel physically safe on the job.	73
	28	I feel emotionally safe at [name of program].	63
<b>Importance of following rules (2 items)</b>			
	32	If I don't follow procedures, I know that it will disappoint [name of program] staff and field staff.	84
	33	If I don't follow procedures, I will be disappointed in myself.	71
<b>Struggle (1 item)</b>			
	31	I have to work really hard to succeed in this organization.	--
<b>Fear for other job (1 item)</b>			
	43	I'm fearful that I won't be able to succeed in another job outside of [name of program].	--

**Table G-2. Correlations Among Perceptual Feedback Domains**

Domain	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Staff treats me with respect		1												
2. Program meeting needs	0.52		1											
3. Connected to staff	0.37	0.61		1										
4. Frequency in interacting with program	-0.03	-0.08	-0.20		1									
5. Likely to recommend	0.47	0.57	0.47	-0.08		1								
6. General satisfaction	0.43	0.62	0.62	-0.20	0.51		1							
7. Sense of belonging	0.48	0.64	0.62	-0.16	0.55	0.85		1						
8. Preparation for future career	0.42	0.63	0.63	-0.15	0.52	0.91	0.88		1					
9. Current level of preparation	0.35	0.51	0.51	-0.12	0.38	0.74	0.73	0.80		1				
10. Resiliency and support	0.35	0.48	0.53	-0.21	0.41	0.81	0.74	0.75	0.83		1			
11. Safety	0.39	0.41	0.41	-0.13	0.33	0.64	0.65	0.63	0.56	0.56		1		
12. Importance of following rules	0.17	0.25	0.29	-0.15	0.24	0.46	0.38	0.43	0.41	0.41	0.36		1	
13. Struggle	0.02	0.16	0.12	-0.10	0.11	0.33	0.29	0.31	0.28	0.24	0.24	0.28		1
14. Fear for other job	-0.12	-0.13	-0.11	0.11	-0.13	-0.15	-0.15	-0.17	-0.20	-0.23	-0.12	-0.02	0.13	1

# APPENDIX H: TREATMENT-ON-THE TREATED AND INCARCERATION SENSATIVITY ANALYSIS TABLES

## Treatment-on-the-Treated Results

With Intent-to-Treat (ITT) analysis, a person assigned to the treatment group retains that status even if he or she did not receive meaningful treatment. In this study, some study participants who were selected into the ESE 2 employment social enterprise (ESE) group opted out and did not work at the ESE or receive supportive services, we also performed Treatment-on-the-Treated (TOT) analysis. (Note that Chapters 3 and 4 and Appendices D and E used the more conservative the ITT approach). Results from the two sets of ITT and TOT analyses for ESE 2 were found to be very similar, suggesting the robustness of the findings from the ITT analysis (Table H-1). Both sets of analyses revealed the following impacts as measured at the 18-month follow-up survey:

- ESE group had fewer unemployed months
- ESE group worked more hours per week at most recent job
- ESE group earned higher wages, had higher overall income, and had a larger share of income from wages in the last month
- Comparison group rated physical health better
- ESE group was less likely to experience symptoms of depression and anxiety
- ESE group was more likely to have enrolled in an education program in the last 18 months
- ESE group were more likely to have earned a degree, credential, or certificate in the last 18 months

A few results for ESE 2 did vary depending on the analysis method (i.e., TOT versus ITT), with the TOT results revealing some additional favorable results for the ESE group:

- There was no meaningful difference between the ESE group and comparison group in “ever in stable housing” in the last 18 months per the TOT analyses. ITT analyses found the comparison group more likely to have experienced stable housing in the last 18 months.

- According to the TOT analyses, the ESE group had more months in stable housing than the comparison group. No meaningful difference was found in the ITT analyses.
- The TOT analyses found the ESE group was more likely to have health insurance than the comparison group, but the comparison group was more likely to have employer-sponsored health insurance. The ITT analyses showed no effect on having health insurance or having employer-sponsored health insurance.
- The TOT analyses showed the ESE group was more likely to be currently enrolled in an education or training program. The ITT analyses showed no difference in currently enrollment in such a program between the ESE group and the comparison group.

**Table H-1. Intent-to-Treat and Treatment-on-the-Treated Impact results for ESE 2**

Outcomes at 18months	ESE 2 Intent-to-Treat					ESE 2 Treatment-on-the-Treated				
	Employment social enterprise group (n = 130)	Comparison group (n = 44)	Difference	Effect size	Significance	Employment social enterprise group (n = 97)	Comparison group (n = 42)	Difference	Effect size	Significance
Currently employed	44%	41%	3%	0.06		46%	48%	-.02	0.05	
Tenure at current job (months)	5.1	3.8	1	0.19		5.6	5.1	1	0.08	
Number of months unemployed	7.0	8.6	-2	0.23		5.4	8.0	-3	0.39 *	
Hours worked at most recent job	30	26	4	0.22		34	28	5	0.29	
Worked at least 30 hours per week at most recent job	63%	66%	-3%	0.08		67%	63%	4	.11	
Wage	\$1,197	\$691	\$505	0.41		\$677	\$1,236	\$559	0.45 *	
Total income (wage + benefits)	\$1,590	\$1,108	\$481	0.37		\$1,053	\$1,647	\$595	0.46 *	
Ratio of wage to total income	0.5	0.4	0.1	0.23		0.4	0.5	0.2	0.34 *	
Currently in stable housing	40%	46%	-6%	0.14		46%	45%	1%	0.03	
Ever in stable housing	68%	75%	-7%	0.22		70%	64%	5%	.14	
Ever in temporary housing	77%	71%	6%	0.18		78%	74%	4%	.15	
Number of months in stable housing	5.2	4.9	0.3	0.06		5.3	3.9	1.4	.27	
Arrested in last 18 months	30%	31%	-1%	0.01		37%	32%	5%	.12	
Currently has health insurance	94%	95%	-1%	0.08		93%	90%	3%	.25	
Has employer-sponsored insurance	12%	12%	0%	0.00		14%	23%	-9%	.38	
Number of months without insurance in last 18 months	0.6	0.3	0.3	0.11		0.5	0.2	0.3	0.08	
Physical health	3.2	3.5	-0.3	0.24		3.5	3.2	-0.4	0.32 *	
Depression	19%	29%	-10%	0.32		46%	21%	-25%	0.72 ***	
Anxiety	21%	33%	-12%	0.38		0.33	0.24	-10%	0.28 ***	
Health limits work	28%	29%	-1%	0.04		0.34	0.27	-7%	0.19	
Ever enrolled in education program	16%	8%	8%	0.46		21%	8%	14%	0.71 *	
Currently enrolled in education program	5%	5%	0%	0.02		9%	6%	3%	0.25	
Earned credential	4%	1%	2%	0.60		6%	1%	4%	0.89	

## Incarceration Sensitivity Analysis

As noted in Appendix C, 30 study participants were incarcerated at the time of the 18-month follow-up survey and therefore could not complete the survey. However, based on their incarceration, we know their current employment status (not employed), their wages (\$0), that they are not in stable housing, and that they had been arrested in the last 18 months. To test the robustness of the impact results based on the impact analysis sample (which did not include the 30 study participants who were incarcerated at the time of the 18-month follow-up survey), we conducted a parallel analysis of the sample that included the incarcerated cases (referred to as the “sensitivity analysis sample”). We created the sensitivity analysis sample to examine whether including incarcerated people would affect the results. We arrived at the sensitivity analysis sample using a propensity score matching approach for the quasi-experimental design sites by including the 30 incarcerated cases.

Table H-2 presents results examining key outcomes from the impact analysis sample and sensitivity analysis sample. The two sets of results were similar, particularly in terms of current employment status, wages, and currently in stable housing, suggesting the robustness of the findings from the impact analysis sample. However, the results for being arrested did shift slightly. In the impact analysis sample, the difference between ESE and comparison group was meaningful (3%), but when the incarcerated people were added, the difference in arrests between ESE and comparison group diminished. We used VINELink to locate all nonrespondents. When we worked with ESEs to locate survey nonrespondents, the ESE staff gave us information about some of their workers’ incarceration status, whom we did not find in VINELink. ESE staff did not have information about the comparison group members’ incarceration status. This difference in data collection may have affected this result.

**Table H-2. Key Outcomes, by Inclusion of Incarcerated Cases in Analyses**

Employment outcome	Overall, not including incarcerated cases (impact analysis sample)					Overall, including incarcerated cases (sensitivity analysis sample)				
	Employment social enterprise group (n = 342)	Comparison group (n = 231)	Difference	Effect size	Significance	Employment social enterprise group (n = 371)	Comparison group (n = 231)	Difference	Effect size	Significance
Currently employed	60%	49%	10%	0.26	*	56%	47%	9%	0.22	*
Wage	\$1,233	\$927	\$307	0.25	**	\$1,144	\$890	\$254	0.20	
Currently in stable housing	72%	67%	6%	0.16		63%	59%	3%	0.08	
Arrested in last 18 months	7%	9%	-3%	0.23		8%	10%	-1%	0.11	