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Using Incentives to Promote Employment Retention for Formerly Incarcerated Individuals

By Jennifer L. Bryan, Alana Gunn, and Stephanie Henthorn

acknowledgements

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about the authors

Jennifer L. Bryan

Jennifer L. Bryan is the Manager of Research and Evaluation at the Center for Employment Opportunities (CEO)'s Learning Institute. In this capacity, Ms. Bryan develops and implements comprehensive, multi-method research projects to evaluate the successes and challenges of CEO's programs designed to help those transitioning from prison to their communities obtain and sustain employment. Ms. Bryan has over 10 years of experience in social science research, program evaluation, community building, mentoring, and counseling, with a demonstrated commitment to promoting social and economic justice in low-income communities. Before joining CEO, Ms. Bryan held positions with numerous urban justice and policy research institutes including the Vera Institute of Justice, the Center for Urban Research and Policy at Columbia University, and New Jersey Public Interest Research Group (NJPIRG).

Ms. Bryan is currently completing a Ph.D in Sociology at Yale University. Her dissertation is the culmination of four years of in-depth, participatory observation and extensive interviews, investigating the impact of 9/11 on Arab Muslims, inter-group relationships and community building in Jersey City. She received a M.A. and M.Phil in Sociology from Yale University, a B.S. in Administration of Justice, a B.A. in Psychology, and a Criminology Certificate from Rutgers University.

Alana Gunn

Alana Gunn received her Master of Public Policy and the Master of Arts degrees from the University of Chicago. Ms Gunn has worked as a Social Work intern at Jane Addams Hull House-Parkway Community Center where she constructed a training program curriculum for teenage volunteers that emphasized conflict resolution and

positive peer relationships. Most recently, she was a Research Analyst for the Center for Employment Opportunities' Learning Institute, where she developed research instruments that are administered to both the formerly incarcerated population and staff members to provide effective service delivery. In addition, she performed various quantitative data analysis to identify factors to improve programs.

Currently, Ms. Gunn is a Doctoral Pre-Candidate at the University of Chicago's School of Social Service Administration.

Stephanie Henthorn

Stephanie Henthorn received her Master's degree in Forensic Psychology from John Jay College of Criminal Justice. Ms. Henthorn has interned for the Brooklyn and Queens Court systems during psychological assessments of defendants, and has worked as a Research Assistant for the Center for Employment Opportunities' Learning Institute, where she helped to evaluate programs through research. Currently, she is employed as a senior counselor at a Residential Treatment and Assessment Center for incarcerated adult men in New Jersey.

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preface

The Center for Employment Opportunities (CEO), is pleased to share with you the first CEO Learning Institute Report.

CEO addresses the relationship between work and crime by providing comprehensive employment services to people coming home from prison and jail, including immediate, paid transitional work. The Learning Institute is the research arm of CEO, founded in 2005 to study CEO's program initiatives and to share what we learn with the field.

CEO began an employment incentive program called Rapid Rewards in 2004. As participants are placed in jobs, they can bring their paystubs to CEO each month for up to a year and receive incentives of public transportation fare cards, supermarket vouchers and, at the end of the year, a \$200 check. The total value of the rewards is \$615 per year.

In 2006-2007, the CEO Learning Institute evaluated the Rapid Rewards program using a combination of quantitative and qualitative methods. This paper presents its findings for a general audience. In sum, the Learning Institute found that participation in the Rapid Rewards program was an independent significant predictor of continued employment at 90, 180 and 365 days after job placement. Participants in the program report "It [Rapid Rewards] shows you that somebody out there cares about you. It's like a gift, a sign of appreciation."

We will continue to investigate whether the rewards themselves could be driving retention and continue to follow up with participants who chose not to receive Rapid Rewards.

Thank you for your interest in CEO's work.

Sincerely,

Marta Nelson

Director of Policy and Planning &
Director of the CEO Learning Institute

introduction

Every year, over 650,000 Americans return home to their communities from prison. Close to 10 million return from jail. They need to find jobs. But the formerly incarcerated face significant barriers to employment, including a lack of education and occupational skills, limited or no work history, and minimal support systems (Petersilia 2003). They also face the burden of a felony conviction as they attempt to re-enter community life.

Not surprisingly, most do not succeed. Failure occurs quickly, often within the first months after release. Fully two-thirds of all those released from prison on parole will be rearrested within three years. Over 50 percent will return to prison or jail (Langin and Levin 2002). There is little doubt that unemployment contributes to the cycle of incarceration. In New York State, 89 percent of those who violate the terms of their probation or parole are unemployed at the time of violation (Mukamal 2000). This strongly suggests that employment can play a crucial role in breaking the cycle of incarceration.

CEO began as a demonstration project of the Vera Institute of Justice to test the idea: what would happen if people coming home from prison or jail were offered paid transitional work? The project evolved into CEO's signature work experience program, the Neighborhood Work Project (NWP), which provides paid, time-limited employment and serves as an "employment lab," preparing participants with essential skills to rejoin the workforce and restart their lives. At the same time, CEO works to place participants in full-time, unsubsidized employment and follows up through the first year of such employment, providing retention and advancement counseling and referrals.

Within the field of reentry and workforce development, CEO is widely recognized as a leader for its proven ability to place the most "difficult to employ" individuals in full-time jobs. Since becoming an independent nonprofit in 1996, CEO has made over 10,000 full-time job placements for formerly incarcerated persons.

CEO provides: (1) pre-employment job readiness training through one week of intensive classroom instruction; (2) meetings with a job coach; (3) paid

transitional work at one of CEO's supervised work sites throughout New York City; (4) vocational assessment and job development with a job developer; (5) unsubsidized job placement; and (6) job retention support.

In the last few years, CEO has begun to focus more carefully on not only helping participants get placed in jobs, but ensuring that they remain employed for longer periods. Achieving lasting results requires following up with participants to track their employment retention, learn more about the issues they face, and encourage them to remain employed. CEO has a "follow up" unit that tracks and independently verifies participants' employment. Once a participant is placed in a job by CEO, a staff member from the follow up unit contacts the employer or parole officer to verify the job start date, wages, title, hours, and other employment information. CEO also has a post-placement unit that provides support to help people stay in the workforce. An important part of post-placement services is CEO's Rapid Rewards Program.

CEO Rapid Rewards Program

In 2004, CEO developed an employment incentive program, called the Rapid Rewards Program. The original goal of the Rapid Rewards Program was to improve the organization's ability to track and verify employment for participants placed in jobs – participants get the incentives when they bring CEO their paystubs. More than two years later, however, CEO's Rapid Rewards Program has evolved from an employment verification program to an employment retention program, offering critical support to help offset the high costs of transportation and food that make it difficult for many low-income individuals – perhaps especially those who are recently transitioning from prison – to remain employed at what are often low-wage jobs. With nearly 900 participants enrolled, Rapid Rewards has become an important component of CEO's retention services. Every day, participants who have been employed in full-time jobs make their way back to CEO to drop off their paystubs and pick up their rewards; other participants meet CEO staff members off site to make this exchange.

How Does CEO's Rapid Rewards Program Work?

Rapid Rewards is voluntary, open to any CEO participant who provides the organization with a copy of a paystub, verifying their employment status. Participants are eligible to enroll at any time during the twelve months following their job start date: if you don't join at the beginning, you can bring in a paystub eight months later, for example, and still get a reward. Once participants enroll, they are given a kit with information on the incentives offered each month. Participants do not need to remain employed at the first job at which they are placed in order to be eligible for the Rapid Rewards incentives, as long as they are employed somewhere at each thirty day milestone. For their first 30 days of employment, participants receive \$30 in grocery store vouchers and \$20 in public transportation fare cards. In the fourth, seventh and eleventh month of employment – at the beginning of each retention quarter – participants receive a combination of fare cards and grocery store vouchers of increasing values ranging from \$84, \$93, and \$116 respectively. During most of the remaining months, participants receive \$12 in fare cards. In their twelfth month of consecutive employment, participants receive a check in the amount of \$200. In total, the financial incentives for one year of consecutive employment equal a value of \$615.

Can Incentive Programs Make a Difference in Retention Outcomes?

There is some evidence to suggest that earnings supplements or incentives increase employment retention among former welfare recipients (Berlin 2000). In particular, among these recipients, “there is growing evidence that such financial incentives really can deliver on their hoped-for goals of stimulating work effort, reducing poverty, and enhancing family well-being” (Berlin 2000). Organizations such as Project Match in Chicago have also been used with formerly incarcerated people. In a November 2004 report, researchers from Project Match provide preliminary evidence that incentives may be having an impact on retention outcomes among former welfare recipients, as well as formerly incarcerated individuals (Wagner, Brooks, and Herr 2004). Notably, their findings

suggest that the incentives appeared to have their largest impact on long-term employment retention of one year or more. While these findings are promising, the small sample size did not allow researchers at Project Match to conduct the multivariate analyses needed to isolate the effects of the incentive program from other factors that may have affected retention outcomes. And like CEO, Project Match offers post-placement services that go beyond just incentives. Therefore, the effectiveness of incentive programs is still in question; if they work, we want to know how and why.

findings

Evaluating CEO's Rapid Rewards Program's Role in Employment Retention

This paper reports early results from a follow-up analysis of all participants who enrolled in CEO and were placed in jobs between July 1 and December 31, 2005, and after placement, worked at least 30 days in those jobs. We chose to include only those participants who worked at least 30 days because during a portion of this time period, enrollment in Rapid Rewards was only open to participants who met this criterion. We chose this particular time period in order to ensure that participants had a minimum of twelve months from their initial job start date to the close of the follow-up period (December 31, 2006).

A total of 189 CEO enrollees met this criterion and comprised the study sample, including 98 (52 percent) participants who enrolled in the Rapid Rewards (RR) Program and 91 (48 percent) who chose not to enroll (NRR).

Since CEO's Rapid Rewards Program was open to all participants, we did not employ in a random assignment study experimental research design. We engaged in a combination of quantitative analyses, including bivariate group comparisons, and multivariate analyses, and qualitative interviews with 28 participants in our sample. The goals of these analyses were to gain insight into: 1) whether there were any differences in retention outcomes between those enrolled in Rapid Rewards (RR) and those who did not enroll (NRR); (2) what might cause those differences; 3) whether participants think fare cards and grocery vouchers are good incentives; 4) what participants consider to be the strengths and limitations of the Rapid Rewards Program, especially with regard to how it is administered; and 5) whether participants have any suggestions for improving the Rapid Rewards Program.

both groups were male, including 89.8 percent of the RR group and 92.3 percent of the NRR group. The RR group consisted of 60.8 percent Black/African-Americans, while 13.4 percent were Hispanic/Latinos. These differences were not statistically significant. Although the NRR group was composed of more African-Americans (67.0 percent) and fewer Hispanic/Latino participants (6.6 percent), these differences were not statistically significant. Moreover, participants in both groups were almost identical in terms of education; the RR group had a mean education of 10.36 years, while the NRR group had a mean education of 10.33 years.

When we examined the starting wages of participants in both groups, we did find a statistically significant difference: the RR group had lower starting wages than the NRR group. In fact, 28.6 percent of the participants in the Rapid Rewards Program had starting wages that were in the lowest wage category (\$6.75 or below), whereas only 12.1 percent of those who did not enroll in Rapid Rewards had starting wages in this low wage category. Conversely, 21.4 percent of the RR group had starting wages in the high wage earning group (\$9.00 and above), whereas about 27.5 percent of the NRR group had starting wages in this group. There were some observable age differences among the RR and NRR group. The RR group consisted of 40.8 percent that were 35 years of age and older compared to only 27.5 percent of NRR falling in that age category. Conversely, only 25.5 percent of those in the RR group were between the ages of 18 and 25, while 35.2 percent of those in NRR fell within this age range. However, these age differences were not significant (see Figure 1).

Sample Details:

Socio-Demographic Characteristics

Initial analyses showed that those who enrolled (RR group) and did not enroll (NRR group) in Rapid Rewards were quite similar in terms of their socio-demographic make up. Most participants in

Figure 1: Socio-Demographic Characteristics

Socio-Demographic Characteristics	RAPID REWARDS		NON RAPID REWARDS		P-value ¹
	Percent (N)	Percent (N)	Difference		
Age					
18-25 years	25.5% (25)	35.2% (32)	9.7		
26-34 years	33.7% (33)	37.4% (34)	3.7		
35 and older	40.8% (40)	27.5% (25)	13.3		
Gender					
Male	89.8% (88)	92.3% (84)	2.5		
Female	10.2% (10)	7.7% (7)	2.5		
Race					
Black/African Amer.	60.8% (59)	67.0% (61)	6.2		
Hispanic/Latino	13.4% (13)	6.6% (6)	6.8		
Hispanic/Latino & African Amer.	23.7% (23)	24.2% (22)	.5		
White	1.0% (1)	2.2% (2)	1.2		
Asian	0% (0)	1.0% (1)	1.0		
Wage Categories					
\$6.75 and under	28.6% (28)	12.1% (11)	16.5		.020*
\$6.76 - \$8.99	50.0% (49)	60.4% (55)	10.4		
\$9.00 and over	21.4% (21)	27.5% (25)	6.1		
Socio-Demographic Characteristics					
	Mean (SD)	Mean (SD)	Difference	P-value ¹	
Education (last grade completed)	10.36 (1.8)	10.33 (1.5)	.3		
Mean Wage	\$7.77 (1.81)	\$8.54 (3.46)	.77		
Median Wage	\$7.50	\$8.00	.50		

¹Please note that a p-value <0.05 is considered statistically significant.

Sample Details: CEO Program Details

In addition to examining the socio-demographic differences, we conducted independent sample T-tests and chi square analyses to assess whether there were any statistically significant differences between RR and NRR groups on participation in various CEO services. Overall, the results revealed that Rapid Rewards Program participants were significantly more involved with CEO regarding meetings with Job Coaches and Job Developers and working at the transitional employment sites.

Rapid Rewards Program participants worked an average of 28.71 days in a transitional employment job, while those who did not enroll in Rapid Rewards worked an average of 14.21 days in a transitional employment job. In addition, those who enrolled in the Rapid Rewards Program had a higher average number of Job Development (JD) appointments, where participants discuss their career goals with a Job Developer and he or she puts together interviews for the participant with employers. Specifically, those who enrolled in Rapid Rewards had an average of 3.82 JD appointments, while those who did not enroll in Rapid Rewards had an average 1.68 JD appointments. Also significant to note, the average number of pre-placement job-readiness, or Job Coach (JC), appointments for Rapid Reward Program Participants was 4.36 while the mean number of JC appointments for Non-Rapid Reward Participants was 2.09. Finally, participants who enrolled in the Rapid Rewards Program had more jobs than those who did not enroll. The average number of jobs held by those who enrolled in Rapid Rewards was 1.68, while the average number of jobs held by those who did not enroll was 1.12 jobs.

In addition, 71.4 percent of participants who enrolled in Rapid Rewards were placed in jobs directly by CEO's job developers, while 28.6 percent found their own jobs (with guidance from CEO). Conversely, 40.7 percent of those who did not enroll in Rapid Rewards were placed in jobs directly by CEO (direct placements), while 59.3 percent found their own jobs (self placements). Moreover, 48.5 percent of those who enrolled in the Rapid Rewards Program had a Retention Specialist, a CEO staff person who provides

intensive post-placement services; whereas only 14.3 percent of those who did not enroll in Rapid Rewards had one. In sum, those who enrolled in Rapid Rewards worked more days in a transitional job, received more of CEO's programmatic services and staff time, and were more likely to change (unsubsidized) jobs, compared to those who did not enroll in Rapid Rewards (see Figure 2 opposite).

What are the Retention Outcomes?

In our sample, those who enrolled in Rapid Rewards had higher retention rates at each of the three milestones measured, compared to those who did not enroll. The greatest difference in retention outcomes occurred at the 180 day mark; 61 percent of those who enrolled in the Rapid Rewards Program were still working 180 days after their initial job start date, while only 46 percent of those who did not enroll in Rapid Rewards were still employed 180 days later. In other words, the 180 day job retention rate for the Rapid Rewards group was 15 percent higher than the group that did not enroll in Rapid Rewards. At the 90 day mark there was only a 1.2 percent difference, while at the 365 day mark there was a 13.4 percent difference between those who enrolled and did not enroll in Rapid Rewards (see Figure 3).

As Figure 3 makes clear, participants in the Rapid Rewards Program had higher retention rates at each of the three milestones measured. Differences in retention outcomes become even more compelling when we examine retention outcomes for participants in different wage groups (see Figure 4).

Within each starting wage group (low, medium and high), participants who enrolled in the Rapid Rewards Program had higher rates of retention than participants who did not enroll. The greatest differences in retention outcomes occurred within the lowest wage group. This suggests that those in the lowest wage group may experience the greatest benefits from the Rapid Rewards Program. We explored these group differences and the potential relationship between Rapid Rewards and retention outcomes using logistic regression analysis.

Figure 2: CEO Programmatic Services

CEO Programmatic Services	RAPID REWARDS	NON RAPID REWARDS	Difference	P-value ¹
	Percent (N)	Percent (N)		
Placement Type				
Direct Placement (CEO)	71.4% (70)	40.7% (37)	30.7	0.00*
Self Placement	28.6% (28)	59.3% (54)	30.7	
CEO Programmatic Services	Mean (SD)	Mean (SD)	Difference	P-value¹
JC appts. (Mean)	4.36 (4.1)	2.09 (2.8)	2.27*	.000*
JD appts. (Mean)	3.82 (3.5)	1.68 (2.2)	2.14*	.000*
NWP days worked (Mean)	28.71 (20.7)	14.21 (12.7)	14.5*	.010*
Mean Number of Jobs	1.68	1.12	.56*	.000*

¹Please note that a p-value <0.05 is considered statistically significant.

Figure 3: Rapid Rewards and Retention Outcomes

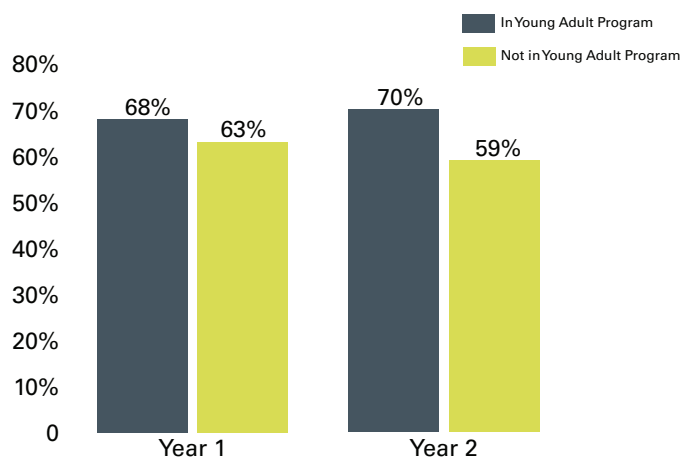


Figure 4: Retention Outcomes for Different Wage Groups

Low Wagers (\$6.75 and under)	Sub-group N	90-Day	180-Day	365-Day
Rapid Rewards	28	20 (71%)	19 (68%)	13 (46%)
Non-Rapid Rewards	11 (100%)	6 (54%)	3 (27%)	3 (27%)
Difference between groups		17%	41%	19%
Sub-group Total	39	26 (67%)	22 (56%)	16 (41%)
Medium Wagers (\$6.76-\$8.99)	Sub-group N	90-Day	180-Day	365-Day
Rapid Rewards	49	32 (65%)	25 (51%)	17 (35%)
Non-Rapid Rewards	55	38 (69%)	24 (44%)	11 (20%)
Difference between groups		4%	7%	15%
Sub-group Total	104	70 (67%)	49 (47%)	28 (27%)
High Wagers (\$9.00 and over)	Sub-group N	90-Day	180-Day	365-Day
Rapid Rewards	21	18 (86%)	16 (76%)	9 (43%)
Non-Rapid Rewards	25	19 (76%)	15 (60%)	10 (40%)
Difference between groups		10%	16%	3%
Sub-group Total	46	37 (80%)	31 (67%)	19 (41%)

Multiple Logistic Regression Analysis Results

Although the initial results appear to favor the Rapid Rewards group, it may be that the retention differences with the Non-Rapid Rewards group can be attributed to other factors, such as socio-demographic characteristics or their use of other CEO services. To begin to address this possibility, we employed multivariate analytic techniques which enabled us to isolate the differences we observed of Rapid Rewards participation while statistically controlling for these other factors. Multiple logistic regression analyses were conducted to test whether receiving at least one Rapid Reward was a statistically significant independent predictor of still being employed 90 days after placement, 180 days after placement and 365 days after placement. We found that it was. Of the 189 participants in our sample, those who received at least one Rapid Reward were more likely to still be employed 90 days, 180 days and 365 days after their initial job start ($p < .05$). The independent effect of the Rapid Rewards incentive held up as significant at all three milestones (90, 180, and 365) while simultaneously controlling factors such as age, gender, education, starting wages, type of job placement (direct or self placement), average number of days worked at NWP and, average number of appointments with Job Coaches and Job Developers.

Explanations for the Cause of this Effect

The quantitative results presented throughout this paper suggest that the Rapid Rewards Program may be playing a role in retention outcomes. But what could be driving this effect? There are at least two possible explanations. One is that the rewards themselves are enticing people to remain in the workforce. The qualitative interviews discussed below lend some support to that theory. The other is that encouraging participants to exchange their paystubs for rewards allows an organization to track better who is working, i.e. we know the RR group is working because we see their paystubs, we assume the NRR group is not working because we do not see their stubs. Of course our retention verification system is not a simple as that: as noted above, CEO has a follow-up unit that calls employers of people who get jobs while at CEO to check on whether they are

working. They make those follow-up calls regardless of whether someone is in the Rapid Rewards Program. If an employer reports that someone is not working, and that person does not later come in with a paystub to indicate that they are working somewhere else, CEO assumes, as it must, that the person is not working at various retention milestones down the road. The Rapid Rewards program, however, provides an extra incentive for participants to take the initiative and inform CEO when they get another job – they bring in a paystub, they get a reward. Consequently, CEO has a greater chance of underestimating the employment retention of those who are not in Rapid Rewards, as they may be less likely to inform CEO about a new job after leaving their initial employer.

Each explanation for the effect – that the rewards themselves entice people to stay employed, or that the rewards enable us to better track people so we can report more instances of employment retention at various milestones – argues for the benefit of a retention incentives system. Considering that most contractual structures for paying for workforce development services are performance based, and that verified retention in a job for lengthening periods of times results in higher payments on a contract, the investment of \$615 per person over a year may well pay off.

We will, however, continue to investigate whether the rewards themselves could be driving retention. One way to continue this examination is to refine follow-up systems so that we do our best to find out whether a person is working even after a report from an employer that he or she is not working – telephone calls to the former participant or family members at regular intervals could be helpful. Another is to refine our multivariate analysis to more fully control for any differences between the groups. As our sample of people eligible to receive Rapid Rewards and found to have been working at least one year from job placement grows, we can do more advanced statistical analyses, including propensity modeling, which we plan to undertake in the fall of 2007. In the meantime, the reflections of participants themselves give insight into why the rewards may be having an effect on retention.

What do CEO's Participants think of the Rapid Rewards Program?

To address this central question, we conducted telephone and face-to-face interviews with 28 individuals in our sample. We tried to reach an even mix of participants in both RR and NRR groups, but we had trouble reaching many of the participants who did not enroll in Rapid Rewards, due to changes in contact information and time limitations. Consequently, most of the 28 participants we interviewed were enrolled in Rapid Rewards.

In general, the majority of participants we interviewed were very appreciative of CEO's Rapid Rewards Program. Not surprisingly, most participants reported using their fare cards for getting to work and their grocery store vouchers for food.

However, one of the interesting results was that participants in our sample used their Rapid Rewards to give back to their families who have been helping them out with monetary and moral support. As one participant mentioned: "I remember times we needed food in the house and I gave my mother the vouchers to go to Pathmark [grocery store], and that allowed her to get food. It serves as money for the times when I don't have much."

Participants reported that the incentives offered (fare cards and grocery store vouchers) were useful, and most said they liked having a combination of both. However, they mentioned that it would be helpful to have the option of receiving certificates such as the following: clothing certificates to use at Old Navy and Dress for Success; job training/educational scholarship program certificates in fields such as counseling, child care, computers and customer service; tickets to an amusement park or "someplace fun;" a chance to win a vacation or a cruise after 24 months of working; child care/camp vouchers for children; and housing-cost related certificates.

Most participants reported that it was not difficult for them to come to CEO to receive their incentives in person. In fact, some said they liked to visit CEO because it gave them a chance to talk with their Retention Specialist or Job Coach. As one participant noted, "I don't mind [coming in] at

all. It's cool. I come in on my day off ... I see [my Retention Specialist] and talk about what's up and new opportunities." A few participants did report that it was sometimes difficult to come in to CEO to pick up their rewards due to issues of child care and off-peak work hours; however, participants were appreciative that CEO staff were willing to deliver the incentives to them.

Does the Rapid Rewards Program Encourage Participants to Remain Employed?

When we asked participants to describe what the Rapid Rewards Program was in their own words, we received an interesting array of responses. One participant said, quite expressly, that the rewards served as a source of encouragement, driving her to remain employed, especially with regard to the cash incentive at the end. As she recalled: "When I was on my job and I reached 9 months, I was thinking: 'how I hated it.' But I kept thinking if I make it 3 more months, I can get the big reward. So it definitely can encourage people to stay on the job, keep working." Similarly, another participant said: "The incentives come in real handy. It serves as a motivational factor. It is nice that it is month to month; [it] gives people something to look forward to at the end of every month." Clearly, for these individuals, the incentives served at least two purposes: they "came in handy" in terms of helping them to make ends meet; but they also served as a source of motivation, encouraging them to work longer. Describing these dual benefits, one participant said the program is "like a bonus [that] helps you out in a crunch."

Most of the participants we talked with, however, did not come right out and describe Rapid Rewards as a program that "motivated" or "encouraged" them. Rather, they spoke of the sense of recognition, care and support they felt through this program, especially during difficult times. As one participant conveyed: "if you have a bad day and then someone from CEO calls and says: 'come on in and pick up your rewards,' it makes you feel a little better." Along these lines, another participant said: "It shows you that somebody out there cares about you. It's like a gift, a sign of appreciation." For these individuals, the value of Rapid Rewards appears to lie not just in the financial

incentives themselves, but perhaps more directly in the social interaction and network of support they receive from CEO staff.

In addition to the direct benefits it provides to participants, the Rapid Rewards program also helps CEO staff build relationships with participants and remain connected, which means they can do a better job of tracking job retention and identifying “red flags” or crises that may cause participants to lose their jobs. As one of CEO’s Retention Specialists, Mick Munoz, told us: “the Rapid Rewards program provides a good opportunity for Retention Specialists to meet with participants” and “gives participants a chance to talk with staff about any progress made, or issues upsetting them in their jobs or at home.” In this sense, the program can help staff to develop a pulse on participants, so that if they are at risk of losing their jobs, CEO staff can take proactive steps to address the problems on their current job, or help them find another job.

In light of the comments above, it seems clear that Rapid Rewards is not a one size fits all program in terms of what it means to participants. Some participants thought of Rapid Rewards in terms of financial work supports, helping them make ends meet; others valued the contact, care and support they received from staff; and still others seemed most impressed by the concept of being recognized and rewarded for “doing the right thing” and remaining employed. Still, the question remains: can the Rapid Rewards Program encourage or motivate participants to remain employed?

To begin to get to the bottom of this issue, we asked participants if they ever thought of quitting their jobs in the last few months. Most said that they did, but decided not to quit their jobs because they needed income and did not want to start all over again. A number of participants also said their families helped them get through difficult days at work. For the most part, participants did not point directly to the Rapid Rewards Program as a major factor in their decision to continue working. However, if the Rapid Rewards Program is helping to fill a void in recognition, compensation and respect, especially for low-wage workers, then it may be encouraging employment retention in an indirect way.

conclusion

The findings presented in this paper suggest that CEO's Rapid Rewards Program is playing an important role on employment retention. Participants who enrolled in Rapid Rewards were more likely to make all three – 90 day, 180 day, and 365 day – milestones, compared to those who did not enroll in Rapid Rewards. Moreover, the Rapid Rewards Program appears to make the greatest difference for participants whose starting wages were the lowest. Qualitative interviews with participants suggest that one of the major benefits of the Rapid Rewards Program may be that it helps CEO staff make participants feel recognized, rewarded and compensated for their work efforts. This source of recognition can be quite effective, perhaps especially for those participants placed in low-wage jobs where there is little room for growth or recognition. In addition, it appears that the Rapid Rewards Program – through its grocery store vouchers and fare cards – may be helping participants contribute to their families and literally make ends meet, which can also help keep them in the legitimate labor market. Finally, the Rapid Rewards Program plays a critical role in keeping participants engaged with CEO. In this sense, if participants face difficulties on their jobs, CEO staff may be able to intervene and help them more immediately.

These findings notwithstanding, additional research is needed to flesh out the role of Rapid Rewards in employment retention. First, we need to address the “knowledge gap” that Rapid Rewards may cause about who is and who is not working, and continue to follow up with people who choose not to receive Rapid Rewards, so that we do not mistakenly assume that if they lose their job with their initial employer, and do not later bring in a paystub, they are not working. Filling the knowledge gap will help us more definitively answer whether the incentives themselves cause the retention effect, or merely increase our knowledge about who is working and thus create a perceived retention effect.

Second, it would be interesting to further explore a potential interaction effect or relationship between the Rapid Rewards Program and CEO's post-placement team, wherein the program helps case managers keep in contact with participants, while simultaneously providing them with the encouragement, support and recognition for their work efforts. In the near future, these questions will be addressed as we begin to analyze findings from our broader evaluation of the impact of CEO's post-placement services on employment retention, which is ongoing and features a random assignment design.

For more information and further inquiries, please contact the Learning Institute Department at:

CEO Learning Institute

MAIL 32 Broadway, 16th Floor, New York, NY 10004

PHONE 212 422 4430 ext. 338

EMAIL jbryan@ceoworks.org

references

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notes

PHONE 212 422 4430 FAX 212 422 4855 WEB www.CEOworks.org MAIL 32 Broadway, 15th Floor, New York, NY 10004

Center for Employment Opportunities (CEO) is a 501 (c) 3 non-profit organization. For more than 30 years, CEO's goal has been to provide immediate, comprehensive and effective employment services for men and women returning from prison or jail and others under community supervision in New York City.

