

## Employment for People Experiencing Homelessness

### Policy Brief

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## 1. Overview

Most people who are at risk of or experiencing homelessness want to work. In fact, many are employed but earn too little to meet their basic needs.<sup>1</sup> A 2021 study found that 53 percent of adults sleeping in homeless shelters and 40 percent of people sleeping on the street or other places not intended for sleeping were [employed during the same year they had experienced homelessness](#).<sup>2</sup>

Given the opportunity, training, and sustained support, even people who have been homeless for long periods or who have experienced frequent episodes of homelessness have succeeded at working. Evidence of people experiencing homelessness' desire for jobs and tenacity in working has emerged from case studies and surveys.<sup>3</sup>

Sustainable employment can make an enormous difference in people's ability to pay for housing. Nevertheless, even when people are employed, their incomes can still not be high enough to afford housing in short supply. In July 2024, the National Low Income Housing Coalition reported that there was [not a single state where a worker earning a full-time minimum wage salary could afford a modest two-bedroom apartment](#).<sup>4</sup>

The Chronic Homelessness Employment Technical Assistance Center (CHETA) emphasizes that while "you cannot end homelessness without homes", equally important is the way in which employment provides persons exiting homelessness with self-esteem, recognition, and an "identity" derived from the work they do.<sup>5</sup> Researchers with the Department of Labor's seven-year Job Training for the Homeless Demonstration Program "found that with the appropriate blend of assessment, case management, employment, training, housing and support services, a substantial proportion of homeless individuals can secure and retain jobs and that this contributes to housing stability."<sup>6</sup>

In 2016, across all Continuum of Care (CoC), only around 19% of people exited the homeless service system having increased their earned income. Most people—about eight out of 10—leave the system without earning more money than when they entered.<sup>7</sup>

There are significant barriers to employment for people experiencing homelessness, which are as diverse as the population. Reoccurring barriers found across targeted programs include<sup>8</sup>:

- Lack of transportation
- Trauma histories and mental health issues
- Active/recent addiction

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<sup>1</sup> [Employment and Homelessness - HUD Exchange](#)

<sup>2</sup> [Learning about Homelessness Using Linked Survey and Administrative Data | NBER](#), Working Paper, May 2021

<sup>3</sup> Employment and Income Supports for Homeless People [Abt Single-Sided Body Template](#)

<sup>4</sup> Meyer, Bruce; Wyse, Angela; Grunwaldt, Alexa; Medalia, Carla; Wu, Derek, [Learning about Homelessness Using Linked Survey and Administrative Data | NBER](#), Working Paper, May 2021

<sup>5</sup> [SUPPORTIVE HOUSING EMPLOYMENT MODEL](#), Ending Chronic Homelessness through Employment and Housing, a program & policy handbook. Sept 2008, Chronic Homelessness Employment Technical Assistance Center (CHETA), Study funded by US Dept of Labor.

<sup>6</sup> Shaheen, Gary and Rio, John. Recognizing Work as a Priority in Preventing or Ending Homelessness. 2007. The Journal of Primary Prevention.

<sup>7</sup> [An Introduction to Employment Strategies in Rapid Re-Housing Programs](#)

<sup>8</sup> [Employment Strategies in Rapid Re-Housing Programs: Vocation Case Management in RRH: An Emerging Best Practice](#), HUD

- Basic requirements such as having an ID, a birth certificate, and professional clothing
- Poor health caused by or associated with homelessness.
- Poor or limited work history
- Lack of affordable childcare
- Lack of in-demand job skills and credentials
- Low educational levels, including lack of high school diploma or GED
- Criminal background and/or prior evictions
- Lack of understanding, comfort, and competency with the Internet/information technology
- Little trust in institutions, particularly given experiences with racial discrimination

Many employers are reluctant to hire individuals who formerly or are currently experiencing homelessness. A study by CHETA found that providers are “frequently challenged by pervasive negative stereotypes when approaching employers about hiring qualified homeless job seekers.” The same study found that even participants had personal doubts and fear about overcoming barriers.<sup>9</sup>

To help individuals overcome traumatic experiences and succeed in the workplace, it is important that providers of employment, homelessness and housing services all follow a trauma-informed approach. This means that providers understand trauma and its psychological impacts, ensure cultural competence, support participant choice and autonomy, promote healing through relationships and emphasize the possibility of recovery.<sup>10</sup>

The National Transitional Jobs Network identified seven components that offer the greatest promise for employing individuals experiencing homelessness and that are flexible enough to be tailored to meet organizational and individual needs. Where all services are not available in-house, relationships can be built to meet participants’ needs through strategic referrals. The components include:

- ✓ Person-Centered Assessment
- ✓ Social Support
- ✓ Work Readiness
- ✓ Job Development
- ✓ Retention Support
- ✓ Reemployment Activities and
- ✓ Case Management and Supportive Services.<sup>11</sup>

## 2. Employment and Homelessness in Hennepin County

According to the 2023 Wilder Homelessness Survey<sup>12</sup>, 20% of people experiencing homelessness in Hennepin County are employed. Of those who are employed, 64% are part-time, 36% are full-time.

Of those not employed, 60% report that they are currently looking for work; 40% have been employed, at least in the last year.

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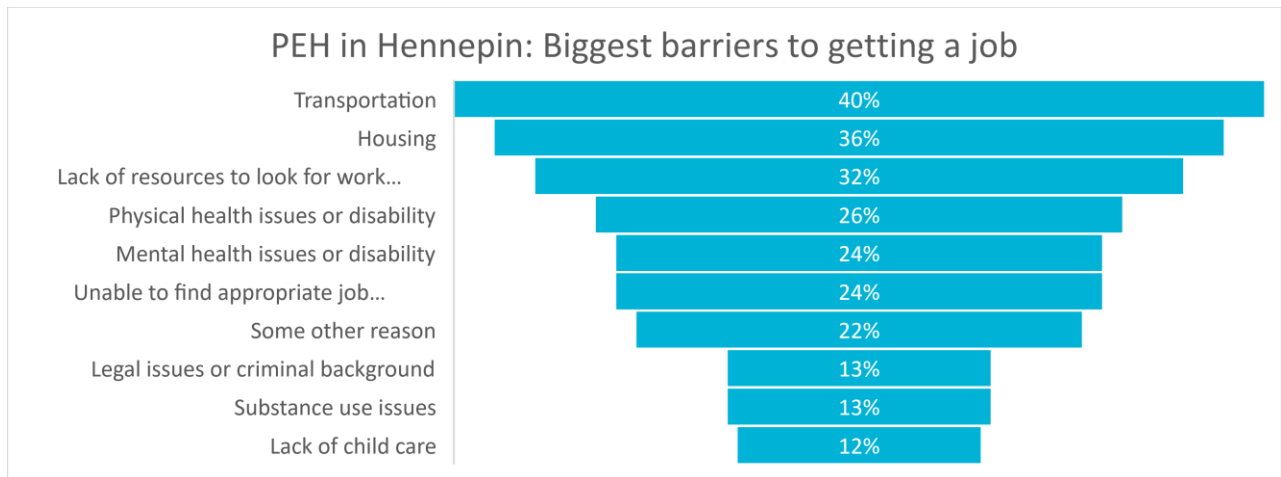
<sup>9</sup> Rio, John. Common Employment Strategies in the US DOL-HUD Initiative to End Chronic Homelessness Through Employment and Housing. 2008. Retrieved from <http://documents.csh.org/documents/pubs/CHETA/CommonEmploymentStrategiesECHEHSites.pdf>.

<sup>10</sup> [Overcoming-Employment-Barriers-for-Populations-Experiencing-Homelessness.pdf](#), National Alliance to End Homelessness.

<sup>11</sup> [Guide to Transitional Jobs Program Design](#) Heartland Alliance, National Transitional Jobs Network, April 2010

<sup>12</sup> [2023 Minnesota Homeless Study: Hennepin County Minnesota Interview Data](#)

Unemployed people experiencing homelessness in Hennepin County reported that the following were their biggest barriers to employment:



### **3. Models and Examples of Employment Programs for People Experiencing Homelessness**

People experiencing homelessness are a diverse group, a variety of evidence-based and promising approaches have emerged to assist transitions into employment for different subpopulations, including:

- A. Transitional Jobs (TJ),
- B. Individualized Placement Support (IPS),
- C. Alternative Staffing, and
- D. Customized Employment (CE).<sup>13</sup>

Most of these models rely, at least in part, on subsidized employment, which are jobs where at least some of a worker’s wages are paid by an organization other than the employer (typically, the government). There are different models of subsidized employment. Some place clients in temporary positions. Others subsidize an individual’s wages in hopes that the job will become permanent after the subsidy ends. More complex models might involve multiple placements—for example, a first placement in a temporary position followed by a subsidized placement expected to lead to a permanent hire.

This section offers an overview of each of the four different models of employment for people experiencing homelessness, together with national examples of each.

#### **A. Transitional Jobs**

The transitional jobs model is designed to overcome employment obstacles by using time-limited, wage-paying jobs that combine real work, skill development, and supportive services to transition participants into the labor market. With confidence gained from success in the workplace and appropriate case

<sup>13</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

management to assist with problems along the way, transitional jobs provide participants with learning opportunities, pay, and the support necessary to transition to full-time, employment and job advancement. These programs offer the opportunity to earn a wage while learning the norms and behaviors of work, gaining on-the-job success, increasing stability at a job, and increasing soft and hard skills.<sup>14</sup>

Transitional Jobs placements may be with for-profit, non-profit, or public employers. Real work experience is combined with orientation and assessment, job readiness and life skills classes, case management, job placement and retention services, wrap-around supports, and linkages to education and training.

Lessons from evaluations of transitional jobs programs suggest the importance of making a deliberate effort to ensure transitional jobs are a developmental learning experience. Jobs designed developmentally strive to ensure participants learn the daily patterns, tasks, and relationships of a real job, and have an opportunity to practice successful workplace behaviors. Participants earn income, acquire a work history and reference, and gain access to benefits such as Unemployment Insurance, Social Security, and the Earned Income Tax Credit.

Research indicates that transitional jobs programs are most successful when targeted at populations with multiple employment barriers and sporadic, problematic, and inconsistent work histories within the last 2 years.<sup>15</sup>

Specific services provided alongside transitional jobs can include case management, job development, job search assistance, soft-skills training and, in some cases, occupational training to help participants find an unsubsidized job after the subsidized or transitional job has ended.<sup>16</sup>

Evaluations suggest that developmentally designed transitional jobs should:

- ✓ Provide transitional employment that represents real work experience,
- ✓ Foster strong communication and feedback on progress and work-readiness,
- ✓ Allow for mistakes and be flexible enough to address conditions of probation, parole, child support, substance abuse or mental health counseling, and/or housing,
- ✓ Provide opportunities for peer and social support.<sup>17</sup>

Most transitional job providers cobble together local, state, and federal funds to support different parts of the program. They may utilize funding through the [Second Chance Act](#) to serve individuals exiting incarceration, the [Workforce Investment Act](#) for serving youth and adults, Temporary Assistance for Needy Families, the Community Development Block Grant, Supplemental Nutrition Assistance Program, Employment & Training funds, and other blends of public and private funding. Some of these sources of funding support the payment of wages while others do not. Programs that operate social enterprises typically leverage the earned income from the sale of products or services to pay for all or part of

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<sup>14</sup> [Guide to Transitional Jobs Program Design](#), Heartland Alliance, National Transitional Jobs Network, April 2010

<sup>15</sup> Ibid.

<sup>16</sup> [Evidence Snapshot: Subsidized Employment and Transitional Jobs](#), April 2022, Pathways to Work, Evidence Clearinghouse. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services

<sup>17</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

participant wages.<sup>18</sup>

*Evidence of impact:*

The transitional jobs model has demonstrated positive results in several random assignment studies, a longitudinal study, and multi-method evaluations.<sup>19</sup> Notably, research shows that during very weak labor markets transitional jobs keep individuals employed, and contribute to lowering recidivism, reducing public benefits receipt, and improving the lives of children.<sup>20</sup>

Some findings show that the employment effects of transitional jobs fade over time. In response, programs have evolved to include more robust job placement and retention activities. New innovations include linkages to job training; stepped jobs that include graduated responsibility, movement from in-house to scattered-site placements, and transitions from fully to partially-subsidized wages; monetary incentives like income supports and retention bonuses; enhanced peer support and mentoring.<sup>21</sup>

Transitional jobs programs can stabilize individuals through providing structured days and earnings, activities shown to decrease crime and improve public safety. A random assignment, control group evaluation of the Center for Employment Opportunities, found that participants in transitional jobs were significantly less likely than the control group to be arrested, convicted for a new crime, or incarcerated at the 3-year mark.<sup>22</sup>

[The Pathways Clearinghouse](#) identified high or moderate quality studies of 17 interventions for which subsidized employment or transitional jobs were the primary focus. Studies considered earnings, employment, and public benefit in the short term (18 or fewer months) and long term (between 18 months and 5 years).

Findings across the 17 interventions suggest that on average, subsidized employment and transitional jobs interventions improved several outcomes for intervention participants—as compared with groups

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<sup>18</sup> Warland, C. (2009). [Funding Transitional Jobs Programs: Identifying Sources and Developing Proposals](#) Chicago, IL: National Transitional Jobs Network.

<sup>19</sup> Baider, A., & Frank, A. (2006). *Transitional Jobs: Helping TANF recipients with barriers to employment succeed in the labor market*. Washington, DC: Center for Law and Social Policy. ; Bloom, D. (2010). *Transitional Jobs: Background, program models, and evaluation evidence*. New York, NY: MDRC. ; Bloom, D., Rich, S., Redcross, C., Jacobs, E., Yahner, J. & Pindus, N. (2009). *Alternative welfare-to-work strategies for the hard-to-employ: Testing Transitional Jobs and pre-employment services in Philadelphia*. New York, NY: MDRC.; Redcross, C., Bloom, D., Azurdia, G., Zweig, J., & Pindus, N. (2009). *Transitional Jobs for ex-prisoners: Implementation, two-year impacts, and costs of the Center for Employment Opportunities (CEO) Prisoner Reentry Program*. New York, NY: MDRC

<sup>20</sup> Bloom, D., Rich, S., Redcross, C., Jacobs, E., Yahner, J. & Pindus, N. (2009). *Alternative welfare-to-work strategies for the hard-to-employ: Testing Transitional Jobs and pre-employment services in Philadelphia*. New York, NY: MDRC. ; Redcross, C., Bloom, D., Azurdia, G., Zweig, J., & Pindus, N. (2009). *Transitional Jobs for ex-prisoners: Implementation, two-year impacts, and costs of the Center for Employment Opportunities (CEO) Prisoner Reentry Program*. New York, NY: MDRC. ; Redcross, C., Bloom, D., Jacobs, E., Manno, M., Muller-Ravett, S., Seefeldt, K., Yahner, J., Young, A., & Zweig, J. (2010). *Work after prison: One-year findings from the Transitional Jobs Reentry Demonstration*. New York, NY: MDRC

<sup>21</sup> *Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure*, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

<sup>22</sup> Cindy Redcross,. November 2009. *Transitional Jobs for Ex-Prisoners: Three Year Results from a Random Assignment Evaluation of the Center for Employment Opportunities*. MDRC. APPAM Annual Research Conference Presentation.

that did not receive intervention services. More specifically, on average participants in the subsidized employment and transitional jobs interventions saw the following impacts:

- Short-term annual earnings increased by \$1,123 and long-term annual earnings increased by \$600 on average.
- Short-term employment increased by 6 percentage points and long-term employment increased by 3 percentage points.
- The proportion of individuals receiving public benefits did not change in the short term and decreased by 2 percentage points in the long term. The amount of public benefits received decreased by \$299 in the short term and by \$237 in the long term, on average.
- Education and training attainment increased by 4 percentage points, on average, across 9 subsidized employment and transitional jobs intervention.
- 7 subsidized or transitional employment interventions had positive impacts on 3 or more outcomes.<sup>23</sup>

Of the 7 transitional employment interventions found to have positive impacts on 3 or more outcomes, one targeted people experiencing homelessness (who were also formerly incarcerated): [Ready, Willing and Able Pathways2Work](#). This is the first program considered below.

*Examples of transitional job programs:*

#### **NYC & Philadelphia - [The Doe Fund's Ready, Willing & Able Program](#)**

Ready, Willing & Able offers 6 to 12 months of paid transitional work experience in positions such as street cleaning, security, and culinary arts to transitional housing residents at their Brooklyn, Manhattan, and Philadelphia locations, as well as parolees on a non-residential basis. The program targets people who are formerly incarcerated and experiencing homelessness.

The pathways to work clearinghouse evaluation of the program in 2018 found a supported increase in participants' income in the short term of \$1,004 per year. Employment among participants rose in the short-term by 9%. Over the long term (btw 18 months & 5 years) an increase was also found in participants' incomes and employment levels, however the evidence was deemed insufficient. The results find an 9% increase in participant's education and training and suggests (with insufficient evidence) a decrease in participant's receipt of public benefits over the long-term.<sup>24</sup>

All participants begin the program by deploying as the "people in blue," cleaning streets and parks, and removing graffiti while undertaking job readiness and adult education courses. They gain regular feedback and support from case managers and supervisors (who are themselves graduates), learn soft skills from real work experience, and typically transition to sector-based training and skilled work in fields like energy efficient building maintenance, pest control, and commercial driving.

Ready, Willing & Able participants work a minimum of 30 hours a week and earn \$7.40 to \$8.15 an hour

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<sup>23</sup> [Evidence Snapshot: Subsidized Employment and Transitional Jobs](#), April 2022, Pathways to Work, Evidence Clearinghouse. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services

<sup>24</sup> Ready, Willing and Able Pathways2Work (Pathways); Pathways to work, evidence clearing house [Interventions Details | Pathways to Work](#), US Dept of Health & Human Services.

with access to a range of employment and supportive service options. On average, graduates earn \$10.31 an hour and are 60 percent less likely to be convicted of a felony within three years than non-participants as of 2010. The Doe Fund is funded in part by the U.S. Department of Labor, the U.S. Department of Veterans Affairs, New York State's Department of Correctional Services, New York City's Departments of Probation, Homeless Services, and Housing Preservation, private donations, and social enterprise revenues.

### **Saint Paul and Ramsey County - Listening House [“Work Now” program](#)**

The city of St. Paul designated \$750,000 in federal pandemic relief money from the American Rescue Plan Act (ARPA) toward creating “no barrier job” opportunities for the homeless and others in precarious housing situations. Ramsey County, as a subrecipient of the City of Saint Paul, implements employment models to support those within the City of Saint Paul experiencing homelessness with low-to-no barrier meaningful work experiences, wages, and connections into the workforce ecosystem.

Of the \$750,000 in City ARPA funds, about \$285,000 was set aside for the “Work Now” pilot program. [Listening House](#) – a daytime drop-in center - responded to the County's request for proposals and worked with St. Paul Parks and Recreation and St. Paul Public Works to identify where they needed the most help with clean up. They settled on downtown clean-up in the areas not already serviced by the City's Downtown Improvement District.

Since early February 2024, Listening House has recruited rotating crews of workers from shelters, targeting the homeless or recently homeless to complete four- and five-hour clean-up shifts downtown, four days per week. The crews focus on tasks like snow removal, cleaning up parks, skyways, and other areas downtown. Workers are paid \$20/hour. Initially 100 to 150 people signed up to participate in Work Now on a rotating basis. The teams operate mostly on foot or by bus, picking up litter along bus stops and other public corners. The program currently has 115 active participants with 80 potential participants on a waiting list. 76% of participants identify as Black or African American.

Listening House works with trainees to secure Social Security cards, an ID, and a phone number. They also work to get them set up with a bank, paying off the often-small debts people have with banks. Job readiness is combined with work experiences.<sup>25</sup> Interested applicants go through an informal interview, then a more formal interview process and a background check. Participants are paid the same week that they work. Ramsey County provides for administrative oversight.

**Chicago – [Cleanslate program](#)** - The City of Chicago Department of Family & Support Services designates resources for workforce development initiatives to meet the needs of disadvantaged Chicago residents, including people experiencing homelessness. The City finances transitional jobs programs implemented through non-profit and social impact enterprises.<sup>26</sup> One example of such City-funded initiatives is the Cleanslate social enterprise administered through [the Cara Collective](#).

Cleanslate organizes and trains crews that provide litter abatement, snow removal, exterior and landscape maintenance services for a fee. The program draws on revenues and public funding to provide training and employment opportunities coupled with skills development for eligible job seekers who lack a competitive work history and/or knowledge of the workplace necessary to obtain employment. Participants are supported depending on their needs including with professional clothing, housing

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<sup>25</sup> [St. Paul, Listening House hire homeless for downtown clean-up](#), Pioneer Press, March 2024

<sup>26</sup> [City of Chicago :: Guide to Workforce Services Programs](#)



assistance, legal services, debt relief, finance, and budgeting training etc.

In 2023, Cleanslate employed 469 persons in transitional jobs. Annual earnings of crew members in 2023 amounted to \$1.3 million, while the annual revenue for Cleanslate in 2023 amounted to \$3.24 million. Customers include Downtown Hyde Park, Cubs baseball team and the City of Evanston.

## **B. Individualized Placement Support (IPS)**

For individuals experiencing chronic homelessness, lessons from the HUD Initiative to End Chronic Homelessness through Employment and Housing suggest that employment should become a top priority after the participant has satisfied basic needs such as housing and has expressed interest in employment.<sup>27</sup>

Individualized Placement Support (IPS) is the standard evidence-based model of supported employment for helping individuals with a mental illness find and keep a regular paid job in the competitive labor market with at least a minimum wage.<sup>28</sup>

There has been growing interest in IPS as a strategy to promote employment for a variety of job-seeking individuals diagnosed with mental health and substance use disorders. Key principles of the IPS model include a focus on rapid job search, competitive employment, and client job preferences, as well as small caseloads, benefits counseling, and coordination between employment services staff members and mental health care providers.<sup>29</sup>

The IPS model is based on the idea that the best way to support self-sufficiency for people with a mental illness is entry to the competitive labor market integrated with support services as soon as the participant feels ready. Under this model, once the participant is interested in employment, providers work one-on-one with the participant to:

- Assess the participant's interests, barriers, and strengths,
- Develop an individualized employment plan,
- Provide public benefits counseling as the potential loss of benefits can be a disincentive to seeking employment,
- Support job search and placement in paid community-based positions they desire,
- Offer ongoing vocational supports such as job coaching, on-the-job training, and credentialing,
- Provide on-going mental health treatment, substance abuse recovery treatment and/or other supportive services to help the participant overcome employment barriers, and
- Continually reassess and support the participant as new barriers emerge.<sup>30</sup>

Building Evidence on Employment Strategies project, funded by the US Administration for Children and Families, is measuring the success of IPS implemented in six programs nationwide that illustrate examples of key approaches in combining employment services with substance use disorder treatment

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<sup>27</sup> Chronic Homelessness Employment Technical Assistance Center. (2008). Ending chronic homelessness through employment and housing: A program and policy handbook for successfully linking supportive housing and employment services for chronically homeless adults

<sup>28</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

<sup>29</sup> [Individual Placement and Support Model for Employment Services | MDRC](#)

<sup>30</sup> Ibid.

and recovery services and with behavioral health teams at Federally Qualified Health Centers.

#### Examples

**Portland, Oregon - [Central City Concern](#)** At Central City Concern’s Employment Access Center practitioners provide IPS employment services to people experiencing homelessness with addiction disorders and felony convictions to help them transition out of homelessness and enter employment in sectors such as construction, business and professional services, hospitality, tourism, and retail.

The program serves individuals in recovery from substance use disorder (most commonly alcohol, methamphetamines, opioids, or some combination). The core components of the program are temporary, substance-free housing; treatment and recovery services; and employment services.

Participants benefit from real work and personalized support through a service team of supportive housing case managers, addiction treatment counselors, and employment specialists with a 1:25 caseload ratio. In 2023 the Center helped 1,310 job seekers with employment assistance, job counseling, training, and computer access. 690 people found employment through the Center in 2023.

Central City Concern’s Employment Access Center is funded in part by the Community Development Block Grant, the City of Portland, and private donations.

Research on employment services, treatment and recovery, and housing suggest the promise of such an integrated approach. However, there is limited rigorous research on how the combination of such services affects individuals’ employment, housing, recovery, and criminal/legal outcomes. An evaluation is now being conducted of the Central the Concern programs, funded by the Office of Planning, Research, and Evaluation within the U.S Department of Health and Human Services, through the [Building Evidence on Employment Strategies \(BEES\) project](#).<sup>31</sup>

**[State of Minnesota](#)** – The Minnesota Department of Human Services runs an Individual Placement Support program targeted to people with mental illness. To be eligible an individual must be referred by a mental health provider and have a serious mental illness.

Participants work with a team to maximize the possibility of employment success. Employment services are coordinated with mental health treatment providers. Participants receive help with job searching, contacting potential employers, filling out applications, and preparing for interviews. Once a participant has a job, on-going support can include help with job accommodations, strategies for managing mental health symptoms, planning how new income might affect public benefits, providing on-site job training or coaching and offering direct support to employers.

### **C. Alternative Staffing**

Alternative Staffing Organizations (ASOs) broker temporary entry-level job placements for individuals with diverse barriers to employment including individuals at risk of or experiencing homelessness, individuals with criminal backgrounds, and individuals with a disabling condition.

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<sup>31</sup> [STUDY PROFILE: Providing Employment Services, Treatment, and Supportive Housing to Individuals with Substance Use Disorder](#)

ASOs place marginalized job seekers in competitive temporary and temp-to-hire jobs and support them to succeed and advance in the mainstream labor market.

As social enterprises, these businesses combine the market orientation of a staffing firm with the worker focus and supports of a job developer to satisfy employer demand for qualified, reliable workers and help individuals achieve their employment goals. Staffing service fees cover the administrative costs of the business, while charitable support is often used to finance worker supports.

In 2020 there were about 70 ASOs operating in the US and Canada. 78% of ASOs recruited people experiencing homelessness. In 2018, the sector generated \$311 million in fee revenues and employed an estimated 44,000 job seekers.

Nearly two-thirds of ASOs are organized as in-house workforce development programs or subsidiaries of not-for-profit, community-based organizations, including 22 run by Goodwill Industries affiliates; the rest are independent. A majority of ASOs achieve significant financial self-sustainability through strong parent-organization contacts and competitive fee revenue. A survey of the field found that ASOs tend to cover at least 75 percent of operating costs through fee revenues, with the remainder gained through public and private grants, often facilitated by the parent organization.<sup>32</sup>

Unlike conventional staffing firms, ASOs hold a dual client perspective – working to support both employers and marginalized individuals seeking employment. ASOs aim to develop a quality ready-to-work labor force for employers while helping jobseekers learn workplace skills, build experience and confidence, earn an employment record, and leverage temporary placements to permanent jobs. The percentage of short-term placements that turn into permanent hires varies between 10 percent and 80 percent, with a median around 20 percent.<sup>33</sup>

Postplacement job coaching is the most common form of support provided by ASOs. Most ASOs support participants through work-readiness training, case management, and the provision of supportive services including transportation, job coaching, and assistance transitioning from temporary to permanent positions. On the employer side, ASOs field the costs of screening, hiring, payroll processing, and layoffs on a competitive fee-for-service basis. Research shows that employers served by both conventional and alternative staffing organizations prefer the supervision and employee support that ASOs offer to regular approaches.<sup>34</sup>

Examples:

#### **Los Angeles and Southern California – [Chrysalis Social Enterprises](#)**

Chrysalis Staffing at Chrysalis Enterprises is an alternative staffing agency in Los Angeles, California. Chrysalis helps individuals experiencing or at risk of homelessness remove barriers to employment and gain the tools and support needed to find and retain employment through readiness training, job planning, and a temporary staffing position (or position in a social enterprise).

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<sup>32</sup> Alternative Staffing Alliance, [Microsoft Word - Introductory Guide to Alternative Staffing\\_final.docx](#), updated Jan 2020

<sup>33</sup> MDRC, July 2015, Temporary Staffing for the Hard-to-Employ: Findings from a brief study of alternative staffing organizations [5e7b9e49b906fb296c241d89\\_MDRC\\_Temporary-Staffing-for-the-Hard-to-Employ\\_July-2015.pdf](#)

<sup>34</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

Chrysalis enterprises employed 1,850 clients in 2023, 36% of whom were experiencing homelessness and 74% were unstably housed.<sup>35</sup> Participants are encouraged to engage in comprehensive supports including mentoring, job planning, job-readiness and life-skill classes, communication services, work tools, and retention support groups.

Participants then enter temporary staffing positions in property maintenance, light industrial, hospitality, warehousing, construction, janitorial and special event jobs. Through these placements, participants acquire real-world skills, increased self-confidence, a recent work history, references, and the soft skills needed to secure permanent employment. Chrysalis Enterprises is funded in part by social enterprise and fee-for-service revenues, private donations, and government grants.<sup>36</sup>

**Atlanta (multiple cities) - [First Step Staffing \(FSS\)](#)**, an Atlanta-based non-profit staffing agency founded in 2007, is now operating alternative staffing programs employing individuals experiencing homelessness in Atlanta, Philadelphia, Nashville, Orlando, Dallas, Augusta, and Los Angeles. In 2023, they reached over 10,000 individuals through daily employment orientations, including 5,833 persons experiencing homelessness. They employed 7,638 persons in 2023 and provided clients over 57,000 rides to and from work.

**[Minneapolis - EMERGE Minnesota](#)** EMERGE is a workforce and community development nonprofit with two social enterprise businesses. They support thousands of people in building careers, finding employment, gain skills through career training pathways, boost financial literacy and work with youth to begin their workforce journey. The City of Minneapolis, Workforce Development works with EMERGE.

EMERGE's social enterprises employ people facing significant employment barriers. [The two social enterprises](#), Second Chance Recycling and Furnish & Home, provide employment as well essential services to their employees, including mental health support, participation in Job Club, financial wellness classes, and trauma recovery assistance.

#### **D. Customized Employment (CE)**

Customized Employment (CE) is a person-centered process for opening employment opportunities by tailoring job positions to the participant's strengths and abilities that meet an employer's needs. Jobseekers with disabling conditions, older adults, and individuals leaving incarceration may benefit from customized options and entrepreneurial opportunities to meet their needs and preferences.

CE programs adhere to the following principles:

- help jobseekers and the employer negotiate employment
- customize the job placement to meet both participant and employer needs
- offer person-centered services
- help participants take the lead in placements and customization options
- foster exploration and discovery of employment options
- provide a range of supportive services such as benefits counseling
- seek customized opportunities with potential for advancement

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<sup>35</sup> [Chrysalis-2023-Impact-Report\\_Digital.pdf](#)

<sup>36</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

The resulting job is a match between employer needs and the jobseeker's assessed strengths, challenges, interests, and goals. CE can open employment opportunities through practices including job-carving, job-sharing, job negotiation, and Self Employment:

- Job-carving redefines a job position, limiting tasks to those which meet the assessed strengths and interests of the participant while meeting the needs of the employer.
- Job-sharing divides the tasks of a full job position among multiple participants according to their complementary strengths and interests, thus meeting the full demands of the employer.
- Job negotiation restructures a full position to meet the individual needs of the participant while still meeting employer demand.
- Self Employment is a CE strategy that empowers participants to develop a microenterprise within or outside of a larger business.

Customized Employment is typically funded through Medicaid, the [Social Security Administration's Ticket-to-Work program](#), the Workforce Investment Act, and grants through the [Substance Abuse and Mental Health Services Administration](#) (SAMHSA). Numerous case studies show the promise of customized employment in serving other disadvantaged jobseekers as well. Although research is still underway, experts from the U.S. DOL-HUD Initiative to End Chronic Homelessness through Employment and Housing suggest that practitioners use customized employment when other approaches fail.<sup>37</sup>

### Examples

**State of [Minnesota Vocational Rehabilitation Services](#)** - Offers customized employment services to people with disabilities, working through community providers such as [Lifeworks](#) See [Customized Employment / Minnesota Department of Employment and Economic Development](#)

Self Employment is a form of customized employment that allows recipients of Social Security Insurance or Social Security Disability Insurance (SSI/SSDI) to maintain benefits while earning additional income. Under the Plan for Achieving Self Support, participants may develop a microenterprise business in the marketplace or within a regular business. Participants work with a Benefits Planning Assistance Outreach officer at a One-Stop Career Center to undergo benefits counseling, determine strengths and interests, develop a business plan, make a rental arrangement with a business if desired, and attain the training and planning services needed from the One-Stop, state Vocational Rehabilitation agency, and a certified public accountant.

## 4. Integrating Employment Assistance in Supportive Housing Programs

Communities have integrated [employment assistance into their rapid re-housing programs](#) to help people secure permanent housing and develop or increase employment income.

Although Rapid Re-Housing (RRH) is intended to be a short- to medium-term, crisis-oriented housing program, it can help participants address their income needs and grow their income through employment and job training. Employment services are not routinely included in RRH program services.

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<sup>37</sup> Employment Program Models for People Experiencing Homelessness: Different Approaches to Program Structure, National Transitional Jobs Network, Jan 2012 [16921.pdf](#)

RRH programs that take up a vocational case management strategy are likely to improve their participants earned income, particularly those with challenges such as behavioral health issues, criminal justice involvement, or childcare issues.<sup>38</sup> Some RRH grantees have found ways to provide employment services for participants—either directly or through community/state partnerships.

HUD highlights selected cases and Continuums of Care operating Rapid Re-housing (RRH) for spotlight, chosen because their employment rates are higher than those in most evaluation reports.<sup>39</sup> One HUD highlighted RRH program is run by the Wilder Foundation in the context of the Ramsey County Continuum of Care (CoC).

#### **St Paul, MN – Wilder Foundation - “ROOF” Rapid Rehousing (RRH) program**

All referrals to the Wilder Foundation “ROOF” RRH program come through Ramsey County’s CoC’s Coordinated Entry process. Once a referral is sent ROOF, staff interview the client and begin work to identify housing, tapping identified landlords or conducting a search.

Within the first 30 days of a client being housed, ROOF case managers do an initial assessment. Staff assess the client’s readiness for work, including work history and employment goals; skills; personality and character strengths; access to childcare, transportation, and back-up plans; ability to use the Internet and social media; access to a Social Security card, birth certificate, and driver’s license; access to interview clothing; and the type of assistance or resources the person is looking to receive.

Wilder runs an employment group three times a year for participants. Wilder has a computer room and holds an Open Lab twice a week where clients can create resumes and cover letters, apply for jobs, do employer research, prepare for interviews, and engage with support from staff.

Most client families are enrolled in the Minnesota Family Investment Program (MFIP), Diversionary Work Program (DWP), or Supplemental Nutrition Assistance Program (SNAP) and have a county-assigned job counselor who assesses their job skills, helps with resume writing, does an employment skills and interest inventory, and creates an employment plan. Clients must report to this job counselor each week about their job-search activities to continue receiving benefits. DWP participants and SNAP recipients are assigned to work with a job counselor from Ramsey County [Workforce Solutions](#), the designated vendor for employment and training services for those programs. MFIP recipients can work with Workforce Solutions or one of several other vendors. Each vendor designates one job counselor on its staff who will serve ROOF participants.

#### **Hennepin County Housing Stability/Supportive Housing Programs –**

Individuals permanently housed in supportive housing programs, including rapid re-housing (funded by HUD), provide rental assistance for up to 2 years. After 2 years tenants must be self-sufficient.

From 2018-2023 the Hennepin County Continuum of Care re-prioritized the coordinated entry system it uses to place people experiencing homelessness in permanent supportive housing (including through rapid re-housing). People experiencing *chronic* homelessness are now given priority for placement in supportive housing.

With this change in prioritization, it was explained that employment and training services have

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<sup>38</sup> [An Introduction to Employment Strategies in Rapid Re-Housing Programs](#), HUD

<sup>39</sup> [Employment and Homelessness - HUD Exchange](#)

decreased in relevance and demand. Although a supportive infrastructure is still in place to help newly placed tenants seek and retain employment, the services are much less often requested or deemed feasible, given the change in the target population. The emphasis now is on supporting newly placed tenants, to enroll and receive Supplemental Security Income (SSI). Having a disability is part of [the definition of being chronically homeless](#).

As explained by staff, the pandemic and opioid crisis further exacerbated the trend of lower demand for employment services. The challenge now is to both to motivate new tenants to want to work and find ways to integrate (i.e., deliver simultaneously) mental health and substance use disorder treatment with employment programs. It was explained that the demand for employment and training services is now too low to justify having dedicated staff on the County payroll.

Given the shift in prioritization for supportive housing placement to the chronic and long-term homeless population (who face steeper employment barriers), those with higher levels of “work readiness” may not be receiving supportive housing or employment support.

## **5. Relevant Initiatives in Minneapolis and Hennepin County<sup>40</sup>**

[The City of Minneapolis Workforce Development](#) – Since the Heading Home Hennepin initiative in 2006, the City’s Workforce Development Team has worked with Hennepin County and its many community providers to help address the needs of people experiencing or exiting from homelessness. Workforce Development works with community providers, including the Link to provide employment and training services to low-income youth and young people, including those experiencing or exiting homelessness. Training and employment services are coupled with substance use disorder treatment and other supports as needed.

Through the City’s Career Pathways program, technical training, work readiness training and other support services are provided to low-income adults seeking employment and higher incomes. Data is not collected on the number of participants experiencing or exiting from homelessness, but given referrals from community providers, including Avivo, Goodwill Easter Seals, EMERGE, and AIOIC Takoda – it is believed that the program is reaching some percentage of participants dealing with homelessness.

Through these and other programs, Minneapolis Workforce Development has experience working with and supporting transitional job programs and social enterprise entities.

### **Hennepin County Employment & Training Services for People Exiting Homelessness Program**

In 2021, the County’s Homeless to Housing case managers began reporting that available workforce development and employment assistance was not appropriately tailored to the unique and overlapping barriers of people experiencing or exiting homelessness.

Responding to this feedback, in March 2022 [Hennepin Workforce Development](#) launched an Employment & Training Services for People Exiting Homelessness Pilot Program – in collaboration with Hennepin Housing Stability. The Pilot is a low-barrier program serving people that are experiencing or have recently experienced homelessness with employment and training services and case management

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<sup>40</sup> This section draws on interviews with staff as well as Hennepin County program material included in an annex to this brief.

supports that meet their unique needs and goals. As part of the low-barrier and flexible service provision approach, the program offers support services and financial supports to meet the needs of program participants.

Participants (families or individuals) are eligible for the program if they:

1. Are experiencing homelessness or have experienced homelessness within the past 6 months
2. Identify as a Hennepin County resident
3. Are 18 years of age or older

Prospective participants are referred by participating homelessness service providers, including Agate, Simpson, Higher Ground, the Dignity Center, and the Link. The County works with homelessness service providers to ensure staff know how to engage and identify prospective participants and make referrals. Each prospective participant is given the choice to work with one of two program providers:

1. [Goodwill Easter Seals](#)
2. [AIOIC Takoda](#)

The two program providers were selected by the County through a competitive RFP process to provide employment and training services. The one-page intros for both program providers are included in the annexes to this brief for reference.

When a program provider receives a new referral, Career Navigators reach out -rapidly & repeatedly- to schedule an intake appointment with the prospective participant. Emphasis is placed on reducing the time it takes to engage a prospective participant, after they expresses an interest in employment.

Intake appointments assess the prospective participant's needs, desires, skills, employment history and barriers. Work then commences on creating an individualized employment plan. Minimum requirements for participation, include:

- 1) Maintain communication with Career Navigator at least one time per month
- 2) Complete an Individual Employment Plan (IEP)
- 3) Actively be working towards at least one IEP goal

The County provides up to \$5,000 flexible support dollars for each participant, where no other funds are available, to provide for necessary work readiness related needs, such as a clothing, transportation etc. Additionally, participants can access training stipends in the form of Visa Gift Cards at an hourly rate of \$18 for attending a training program. Program providers (i.e., Goodwill & Takoda) have the authority to establish incentive amounts for specific achievement, milestones, and progress. Some participants working with Goodwill Easter Seals are placed rapidly in transitional jobs, working in Goodwill Stores, earning retail experience.

Over the 1.8 years the program has been in operation, results are as follows:

- ✓ 378 referrals received from homelessness service providers, 78-80% of which result in an intake appointment.
- ✓ All participants received support for identifying, applying, and interviewing for jobs, as well as making connections with employers.
- ✓ 90 participants received desired training, including for jobs such as bar tending, hair braiding, property management etc.
- ✓ 28 participants are now working 30 full time and another 28 work part-time under the program.
- ✓ 37 participants exited the program with part-time work and 27 exited with full-time work.



- ✓ Improved collaboration and understanding between homelessness service providers and employment & training providers. Monthly case consultations are held, bringing together career navigators & case managers.

Hennepin County staff explained that a valuable accomplishment of the program is the establishment of a group of career navigators who are experienced and equipped to address the unique needs and employment barriers facing people experiencing homelessness.

The program is now being evaluated for impact; results are expected to be released in February 2025. It is anticipated that the program will be scaled up in 2025.

### **City of Minneapolis Public Safety Improvement Low-Barrier Employment Pilot Program ([budget amendment #33](#))**

The 2025 budget adopted by the Minneapolis City Council includes \$285,000 in funding for a Public Safety Improvement Low-Barrier Employment Pilot Program, modeled after the St Paul/Ramsey County Work Now program.

The pilot is envisioned as a mechanism to improve public safety by helping employ adults encountering homelessness or housing instability with low-barrier work and income and increase the cleanliness and livability of the Southside Green Zone. The proposal's intended outcome is to help reduce homelessness, improve conditions for residents impacted by homelessness, and improve public safety and livability in the Southside Green Zone. The pilot sets out as metrics of success:

1. Workers transitioning to stable and different employment opportunities; and
2. Public safety and livability improvements in the Southside Green Zone

The Public Works Department indicated in response that they do not have the capacity to administer such a program (i.e., identify and manage an appropriate non-profit). Minneapolis Workforce Development, in conversation for this Brief, indicated that they would potentially have the capacity and community connections to deliver this kind of program. However, in follow up they made a distinction between a 'jobs program' vs a 'workforce development program'. A jobs program, in this distinction, would be a one-off payment for services (on the city's payroll) with no additional supports. A workforce development program would take a 'developmental' approach, whereby supports are provided to maximize the employment experience as a step in a 'career pathway'. Clarification is needed to move forward.

### **Minneapolis - American Indian Community Development Corporation (AICDC)**

The AIDCD Homeward Bound shelter in Minneapolis initiated an employment project, inviting those staying at the shelter to earn \$30 in cash as part of a clean-up crew. This is a small-scale shelter initiative that employs around 5 persons in a two-hour morning shift and another 5 persons in a two-hour evening shift (two 2-hour shifts daily). In an interview for an earlier PAR report, the Director of AICDC indicated that the program gave people something to do, a source of pride and helped to build the trust of participants, by demonstrating that institutions are willing to help them.

[Butter Bakery Café](#) – In partnership with Beacon Interfaith Housing Collaborative, the Café connects with the young adults living above us in Nicollet Square, serving as a worksite and as mentors for these youth who have been homeless or are at risk of being homeless.

## 6. Annexes: Hennepin Program Provider Intro: Takoda



### GREETINGS FROM TAKODA



Dr. Joe Hobot  
President & CEO

Hau Mitakuye Oyasin (Greetings Relatives).

Moving on from housing instability can be hard, but you don't have to do it alone. Takoda's caring staff provides the personalized support needed to launch a career filled with promise. On our campus or online, you can access free education and support from Takoda.

Our certified career counselors have decades of experience helping people move forward. They will help you identify your unique strengths to land a good job that aligns with your interests and skills. Trusted, personalized support grounds all of our services, and you can count on us to be there when you need it most. We invite you to become part of the Takoda family for your career journey.

Sincerely,

### OUR SERVICES



### ABOUT TAKODA

Takoda is the career services division of **American Indian OIC** and in our 40-year history, we have helped more than 25,000 people enter, reenter and advance in the workforce. Our goal is to provide the personalized support and educational foundation needed to achieve lifelong career growth. Through Takoda, you can access support from certified career counselors, you can attain your GED and industry-recognized work credentials, and you can find caring support from people who are ready to help you achieve your goals.

Takoda is a Dakota word meaning 'friend to all.' Our name reflects our roots in Indian country and our commitment to serving anyone who needs help during challenging times. Take your first steps toward a better future with Takoda.

### JOB TRAINING PROGRAMS



### LEARN MORE

[takoda.org](http://takoda.org) | 612.341.3358 | 1845 E Franklin Ave, Minneapolis



## Hennepin Program Provider Intro: Goodwill Easter Seals



# Employment Services

Personalized, flexible support to help you achieve your employment goals.

### Get Ready for Work

Explore strengths and set a job goal

- Learn about your strengths, needs & interests
- Receive personalized job search support
- Build a resume, learn interview skills and good work habits

### Paid Work Experience

Option to start earning income quickly in Goodwill Stores

- Build experience and learn new skills in a supportive environment
- Earn competitive hourly wages while strengthening your skills and resume
- Transition to permanent employment

### Occupational Skills Training

Optional enrollment assistance with industry trainings

- Skills training based on your skills and interests that earn industry recognized credentials (Industry examples: manufacturing, warehouse/forklift, construction, health care, information technology, etc.)

### Employment and Job Support

Find a job with employers and get help learning your new role

- Find jobs that fit your priorities
- Get job coaching and support
- Receive long-term career support

GOODWILL

EASTER  
SEALS

Goodwill-Easter Seals Minnesota | [gsmn.org](http://gsmn.org)