

# Is There a Gender Gap in Workforce Development Outcomes: Findings from The HOPE Program

*Prepared by the staff of The HOPE Program*

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Principal Supporter



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**The HOPE Program** ([www.thehopeprogram.org](http://www.thehopeprogram.org))

Founded in 1984, The HOPE Program helps New Yorkers transcend poverty and prepares them to find, keep and grow careers. Located in downtown Brooklyn, HOPE empowers individuals living in extreme poverty to achieve economic self-sufficiency through work readiness training and assistance with job placement and advancement.

HOPE's proven outcomes are the result of programming that includes intensive work readiness training, literacy instruction, an internship experience, job placement assistance, mental health support, and job retention and career advancement services. Anticipating the ongoing challenges faced by people living at the margins of society, HOPE seeks to avoid the common problem of workforce clients cycling in and out of programs without achieving independence. A lifelong commitment is made to students' self-sufficiency, including assistance with follow-up job placements for those who lose their initial jobs. All services are managed within an outcomes framework, meaning that we continuously evaluate and adjust our model to meet the changing needs of our program participants. (A more detailed description of HOPE's model is provided in the Appendix.)

The HOPE Program has achieved significant recognition, including the Robin Hood Foundation's Hero Award, a recent feature in the trade publication *Workforce Weekly*, and Charity Navigator's four-star rating for four years in a row. HOPE was recently selected as one of 25 workforce development leaders nationwide for the Aspen Institute's competitive Sector Skills Academy. In 2010/2011, The HOPE Program was funded by the New York City Council to pilot an initiative to employ New Yorkers in the city's food retail industry; this funding has been renewed for 2011/2012.

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## **EXECUTIVE SUMMARY**

Economists and others study and write about the “gender gap” in employment, which refers to the discrepancy in opportunities available to men and women entering the labor market and in their experience and level of success in that market. The gender gap indeed exists, particularly among Black people in the labor force, who are among the “working poor”<sup>1</sup>. In 2009, nationally, the working poor rate was higher for Black women (14%) than for Black men (10%). These statistics are even grimmer for those who did not have a high school diploma or GED – the working poor rate was 32% and 23% for Black women and Black men, respectively<sup>2</sup>.

The majority of New Yorkers who enter The HOPE Program’s work readiness program each year are Black and one half of all clients are women. Given differences in outcomes among men and women within our program as revealed in previous research, we wanted to further study the so-called gender gap and the associated factors and barriers.

This report – based primarily on the experience of 703 HOPE enrollees over the period from July 2007 through December 2010 – presents findings related to program completion, job placement and retention outcomes for men and women to inform workforce development programs.

### **Key Findings:**

- Women without an educational credential<sup>3</sup> were the most at risk: they were significantly less likely to complete The HOPE Program’s training, especially if they had young children living with them<sup>4</sup>.
- Women who completed the program were less likely to be placed in jobs than their male colleagues. Additionally, when placed in jobs, women without a credential earned lower hourly wages.
- Women with young children living with them were much more likely to accept part-time rather than full-time employment compared to women with older children or those with no childcare responsibilities. For the latter, the split between full-time and part-time jobs was almost comparable with that for male clients.

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<sup>1</sup> The working poor are defined by the Bureau of Labor Statistics as people who participate in the labor force - either working or looking for work - for at least 27 weeks during the year but whose incomes still place them below the official poverty level.

<sup>2</sup> The Bureau of Labor Statistics, “A Profile of the Working Poor, 2009.” Online at: <http://www.bls.gov/cps/cpswp2009.pdf>

<sup>3</sup> In this analysis, **educational credential** refers to a high school diploma or GED.

<sup>4</sup> For the purposes of this analysis, we define young children as children under the age of 7.

- Interestingly, women with an educational credential had outcomes more in line with their male colleagues: their completion rates were not impacted by the presence of young children living with them, and, among those placed in jobs, their average wages and their likelihood to take a full-time job were closer to those of the men.

### **Recommendations:**

Recommendations at the end of the report speak specifically of ways to focus on the needs of women, particularly those without an educational credential and those with childcare responsibilities, who need to enter or re-enter the workplace. These include:

- Up-front focus and clarity around childcare and back-up childcare arrangements, particularly for women without an educational credential for whom this has been a more significant barrier.
- Early conversation to put in place medium-term plans that lay out a path including program completion, placement in jobs geared realistically to current skill levels and, importantly, an advancement map aimed at more education and skills development which would lead to better and higher paying jobs.
- Continued engagement with women dealing with competing priorities around home and family, program requirements, needs for additional training and education and possible lack of motivation given the short term opportunities available at their current skill and educational levels.

## **I. INTRODUCTION**

### **Objective**

In our previous research, we have observed that there is a clear difference in outcomes between male and female clients. Since approximately 50% of HOPE's clients are female, a considerable portion of HOPE's population is affected by these differences. Understanding of how and why may better prepare us to address barriers and optimize client outcomes regardless of gender. Broadly across the labor market, there is a phenomenon referred to as the "gender gap", which is generally studied by economists and refers to differences in outcomes that men and women achieve in the labor market, such as differences in the percent of labor force participants from each gender, in the types of occupations they choose, and in their earnings levels. We undertook this study in pursuit of an answer to the question – is there a "gender gap" among HOPE clients?

### **Data Set**

We studied the following outcomes: program completion, job placement, one-year job retention, earnings at first job placement after completion and type of occupation.

- We studied completion rates for clients enrolled between mid-2007 through 2010.
- We looked at placement rates, earnings at first job and type of occupation for clients enrolled between mid-2007 and mid-2010. We excluded clients enrolled in the program in the second half of year 2010 because some clients were still working with us to secure their first job at the time of data collection.
- Last but not least, we studied one-year job retention rates for clients enrolled between mid-2007 and mid-2009. We excluded clients enrolled in the program after July 2009 to give clients who are currently employed sufficient time to achieve one-year job retention.

The analysis demonstrated the following:

- Gender alone was not a significant factor in predicting *completion*: male and female clients were equally likely to complete HOPE's work readiness program. However, some factors had the same association with completion outcomes for men and for women while others related to their outcomes differently.
  - Similarities:
    - In both gender groups, clients under the age of 30 were much less likely to complete the program compared to clients 30 or older.
    - Clients without an educational credential had significantly lower completion rates than those with a credential across gender. However, this barrier had a stronger association with lower completion rates for female clients, and particularly for female clients with childcare needs, than for male clients.

- Differences:
  - Men living in a drug treatment facility at the time of enrollment were significantly more likely to complete the program than men living elsewhere. This observation was driven by the type of housing arrangement and not by the association with substance use history. Female clients had similar completion rates regardless of their housing arrangements.
- Other findings:
  - For women with an educational credential, the presence of childcare needs did not affect completion rates. On the other hand, among female clients without an educational credential, the addition of childcare needs was associated with significantly lower completion rates. While childcare needs are often cited as limiting women's opportunities, among HOPE's clients the effect of this barrier on program completion was important only for women without an educational credential.
- Gender was one of the most significant factors in predicting *placement*: female clients who completed the program were significantly less likely to find employment compared to male completers. Additionally, different factors were associated with placement for women compared to men.
  - Lower *placement* rates among women were significantly related to poor job histories and felony conviction histories. The presence of both factors was associated with the lowest placement rate among females. These factors were not associated with placement rates among men.
  - Two main factors were associated with higher *placement* rates among men: living in a drug treatment facility and having an educational credential. Men living in a drug treatment facility who had an educational credential had significantly higher placement rates than those without a credential or those living elsewhere. (Among women, living in a drug treatment facility actually had a negative relationship with placement.)
- That said, there was no significant difference in *hourly wages* overall between men and women who were placed in jobs.
  - However, among those without an educational credential, the average hourly wage was significantly lower for women than it was for men. There was no gender difference in hourly wages among clients with a credential.
  - In addition, a lower percentage of female clients took full-time jobs compared to male clients, which contributed to an observable, although not statistically significant, lower average hourly wage for women. The percentage of women starting full-time jobs was even lower for those who had children under the age of 7 living with them.

## II. DEMOGRAPHICS AND BARRIERS TO EMPLOYMENT

HOPE enrolled 703 clients between July 2007 and December 2010 with an almost even split between men and women. In general, clients came to HOPE with an average of four barriers to employment; lack of an educational credential, conviction history, substance use history and psychiatric diagnosis were the most common. Male and female enrollees had similar profiles in some aspects, but were different in others. Chart 1 summarizes the demographics and barriers to employment for each gender group. Since there were an approximately even number of male and female enrollees, the percentages presented here are perfectly comparable.

How were their profiles similar?

- 35% of the men and 31% of the women were under the age of 30
- 46% of the men and 45% of the women lacked an educational credential
- 36% of the men and 35% of the women had reading skills below the 7<sup>th</sup> grade level
- 34% of the men and 34% of the women had poor job histories<sup>5</sup>

How were their profiles different?

- Men were twice as likely as women to live in drug treatment facilities at the time of enrollment – 42% vs. 21%
- Only 3% of the men and 23% of the women had childcare needs<sup>6</sup>
- 72% of the men and only 30% of the women had conviction histories
- 72% of the men and only 37% of the women had substance use histories
- 36% of the men and 59% of the women were on government assistance<sup>7</sup>
- 74% of the men had psychiatric diagnoses<sup>8</sup> compared to 82% of the women

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<sup>5</sup> Clients with **poor job history** have not worked in paid employment in the two years preceding enrollment in the program.

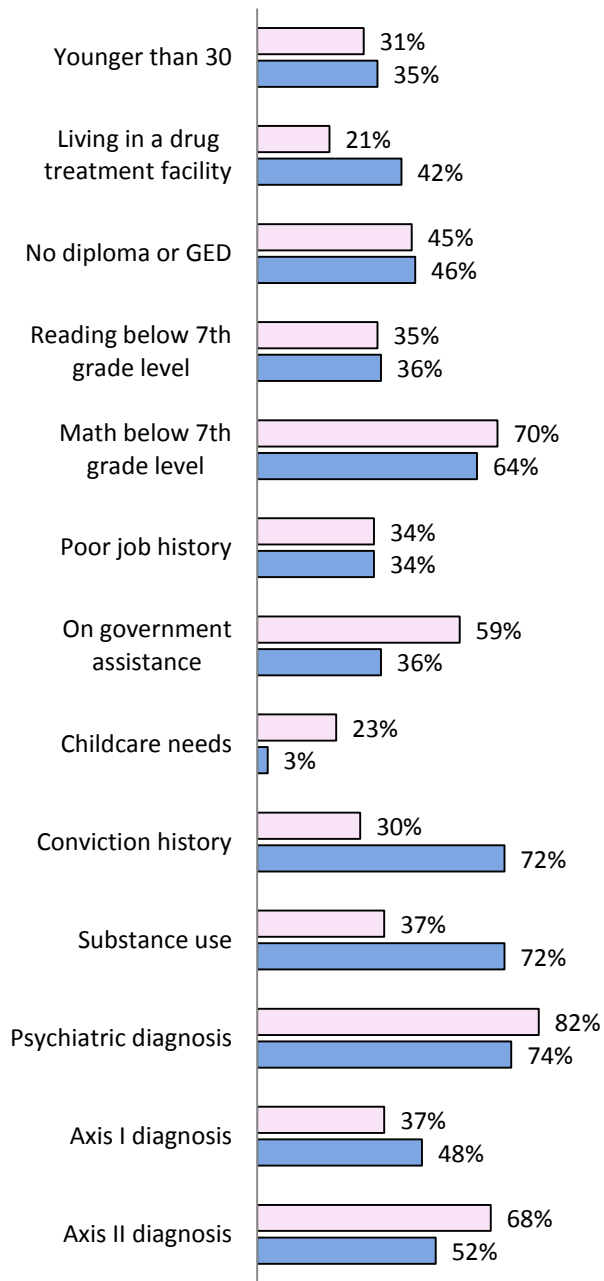
<sup>6</sup> The HOPE Program defines clients with **childcare needs** as clients who have children under the age of 7 living with them.

<sup>7</sup> Throughout the analysis, **government assistance** is calculated as conditional on housing arrangement. All clients who lived in treatment facilities at the time of enrollment were supported by public assistance. Therefore, for the purposes of this analysis, we do not consider them government assistance recipients.

<sup>8</sup> Psychiatric diagnoses consist of two major categories, referred to as Axes. **Axis I** encompasses clinical disorders, which are believed to be situational or temporary such as depressive disorder, anxiety disorder, bipolar disorder and post-traumatic stress among others. **Axis II** refers to personality disorders, which are generally more pervasive – narcissistic personality disorder, obsessive-compulsive disorder, borderline personality disorder, etc. In clinical psychology, rule-outs are defined as individuals for whom trends toward certain diagnoses are present, but not enough information is available to determine a full diagnosis. In this report, the term “diagnosis” does not include rule-outs.

**Chart 1. HOPE client demographics by gender**

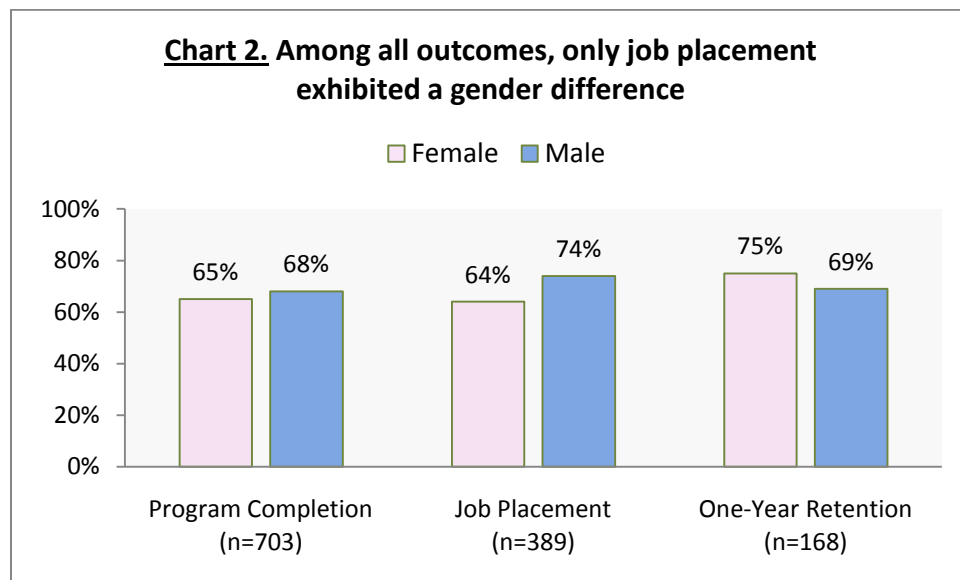
□ Female ■ Male



### III. PROGRAM OUTCOMES

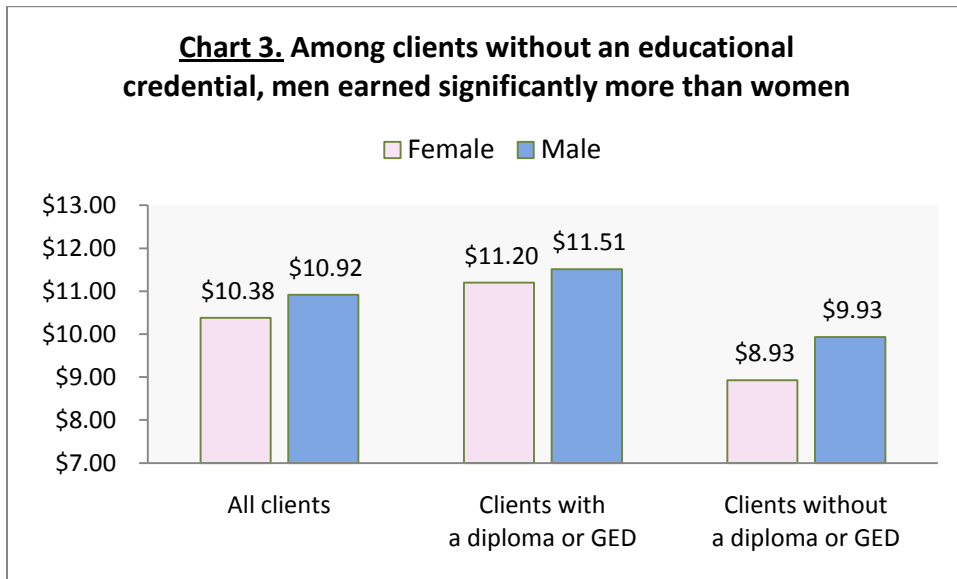
We studied outcomes such as program completion, job placement, salary at first job, hourly wages and one-year job retention. More specifically, we were interested in whether there were gender differences associated with these outcomes, as well as in the factors that might be driving those differences.

Sixty-five percent of women and 68% of men who enrolled between July 2007 and December 2010 completed HOPE’s work readiness program. Although completion rates were virtually the same across gender, female completers were placed in jobs at a significantly lower rate compared to male completers. Sixty-four percent of women who enrolled between July 2007 and July 2010 and completed the program found employment compared to 74% of men who enrolled during the same period and also completed (chart 2). There was an observable – however not statistically significant – difference in one-year job retention rates between male and female clients. Seventy-five percent of women who enrolled between July 2007 and July 2009, completed the program and were placed in jobs remained employed for at least one year compared to 69% of men enrolled during the same time period.

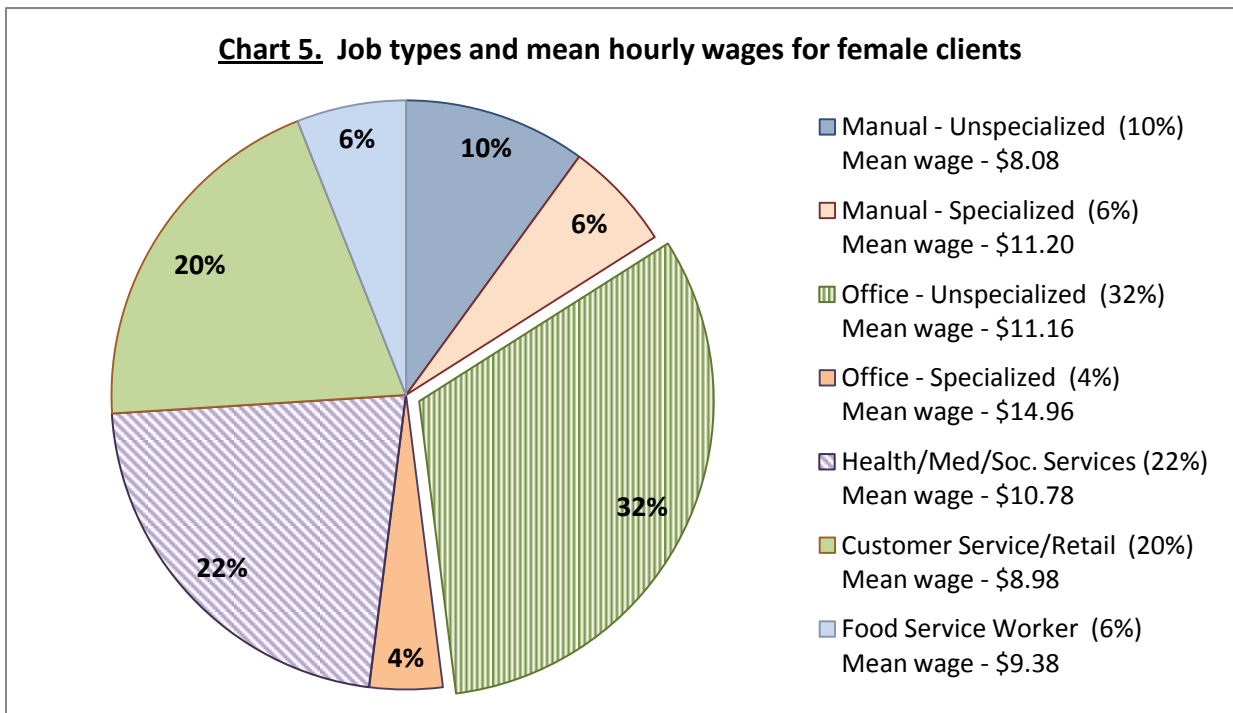
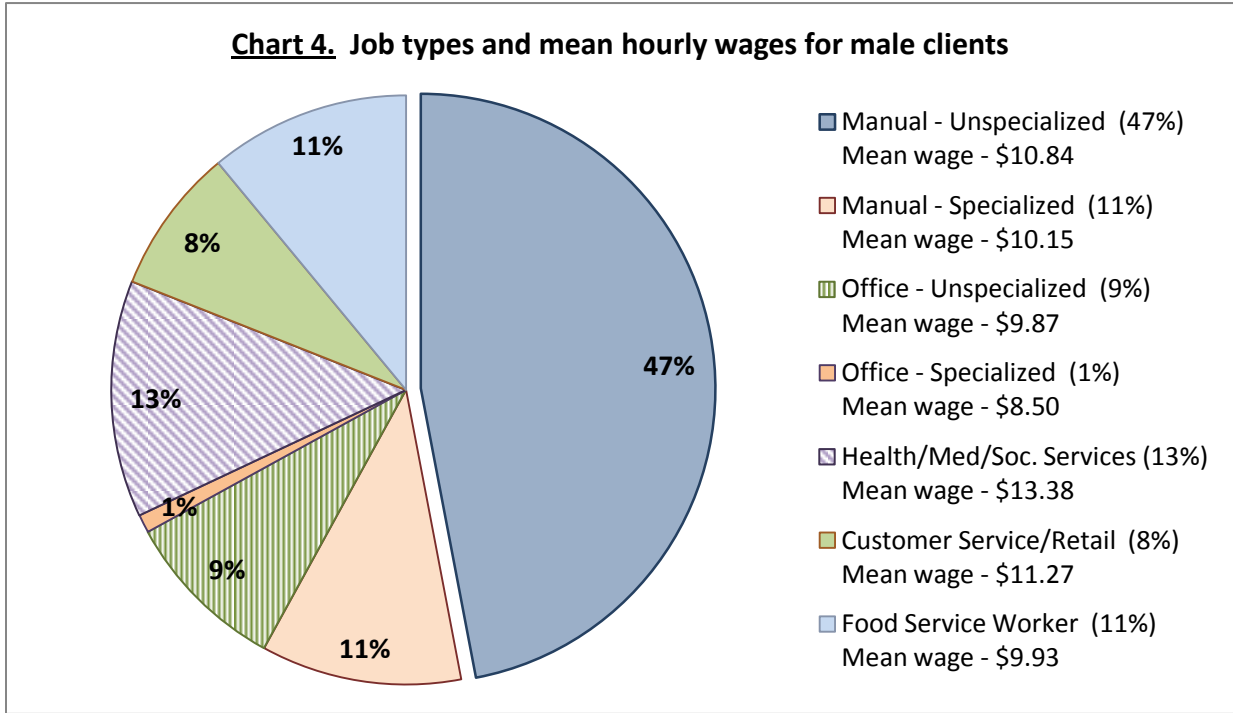


There was no significant difference in earnings between male and female clients overall. Men earned an average of \$10.92 per hour at their first job placement and women earned a comparable \$10.38 per hour at theirs, which represented a 5% difference in earnings – observable, yet not statistically significant. However, when we compared average hourly wages for clients with and without an educational credential, greater gender differences emerged (chart 3).

Among clients with an educational credential, men and women earned, on average, \$11.51 and \$11.20 per hour, respectively. However, among those without a credential, men earned an average of \$9.93 – \$1 per hour more compared to women who earned \$8.93. This constituted a significant 11-percent difference in earnings. Looking at the difference in earnings within gender, women with a credential earned an average of 25% more per hour than women without a credential (\$11.20 vs. \$8.93). Among men, this difference was smaller, but still statistically significant. Men with a credential earned an average of 16% more per hour compared to men without a credential (\$11.51 vs. \$9.93).



Job types at first employment were naturally different by gender. Almost half of male clients who completed the program were placed in manual-unspecialized jobs, which included maintenance and custodian jobs. The two most predominant job types among female clients were office-unspecialized such as receptionist positions and health/medical/social services such as home health aide jobs (charts 4 and 5 below).



#### **IV. FACTORS ASSOCIATED WITH PROGRAM OUTCOMES**

In this analysis, we considered different demographic characteristics and barriers to employment and their interaction with gender in pursuit of a better understanding of the factors associated with program outcomes for each gender.

##### **1. PROGRAM COMPLETION**

Among clients enrolled between July 2007 and December 2010, 68% of the men and 65% of the women completed HOPE's work readiness program. Although observable, this difference was not statistically significant which suggested that men and women were equally likely to complete. We were still interested, however, in studying each gender separately in order to determine whether or not the same demographics and barriers posed a challenge to completion to men and women alike.

##### ***Statistically significant results***

Clients younger than 30 years of age, regardless of gender, completed at significantly lower rates compared to those 30 or older. Lack of an educational credential also had a negative association with completion for both gender groups, but the intensity of the relationship was different. Although both male and female clients without a credential had significantly lower completion rates than their counterparts who did not have that barrier, lack of a credential was a much stronger factor among female compared to male clients<sup>9</sup>.

Female clients with childcare needs were much less likely to complete compared to women with no children or those whose children were older than 7 years of age. As we will describe later, however, this outcome was conditional on the lack of an educational credential. In addition, female clients with conviction histories and, more specifically drug-related convictions, had significantly lower completion rates but there was no such association for men.

When we study receiving government assistance as a factor, we control for living in transitional housing, such as living in a drug treatment facility, because nearly all clients who live in drug treatment facilities have no income and are recipients of some type of government assistance. By taking housing into account, we are able to isolate and explore the effect of assistance on clients' outcomes. Among the clients studied in this data set, men who did not live in drug treatment facilities at the time of enrollment and who received government assistance, in particular TANF or Safety Net, were less likely to complete the program compared to men who did not have these characteristics. This factor did not affect the completion outcomes among women.

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<sup>9</sup> The result for female clients was significant at the .01 level, whereas the result for male clients was marginally significant at the .05 level.

Last but not least, among men, living in a drug treatment facility was associated with significantly higher completion rates. This was the only demographic characteristic which had any positive association with completion and, interestingly, it was not a factor in program completion for women.

**Table 1. Association between client characteristics and demographics and completion outcomes.**

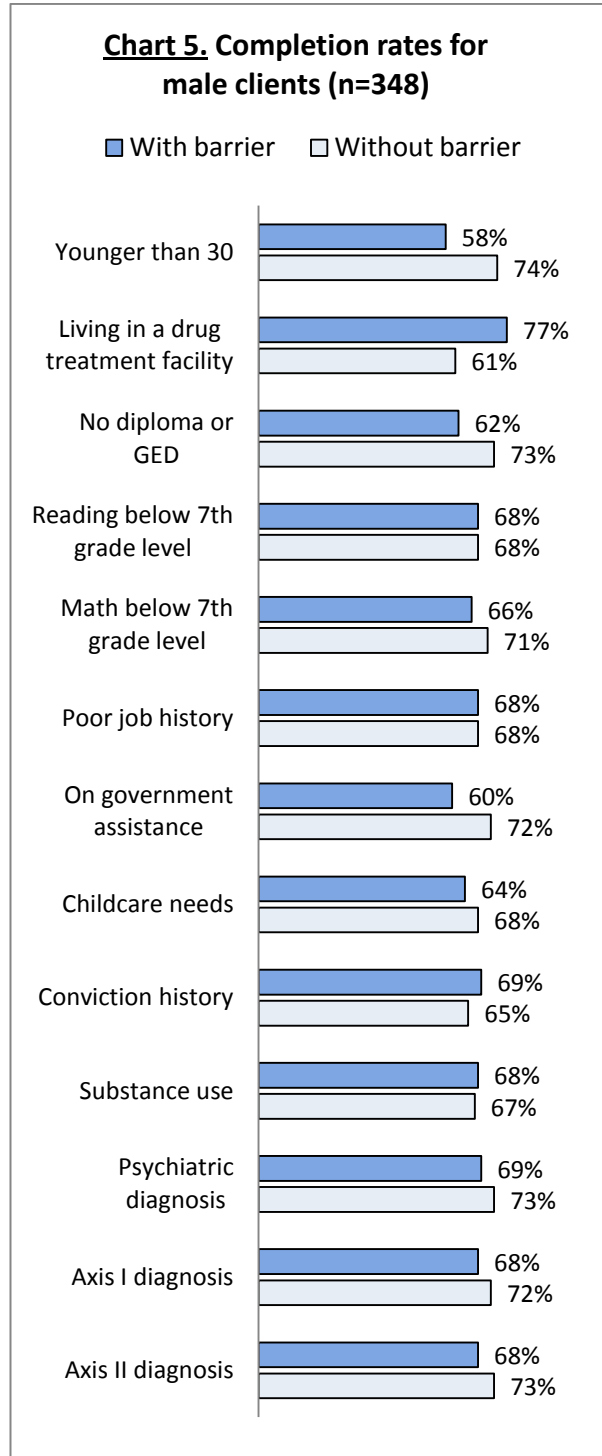
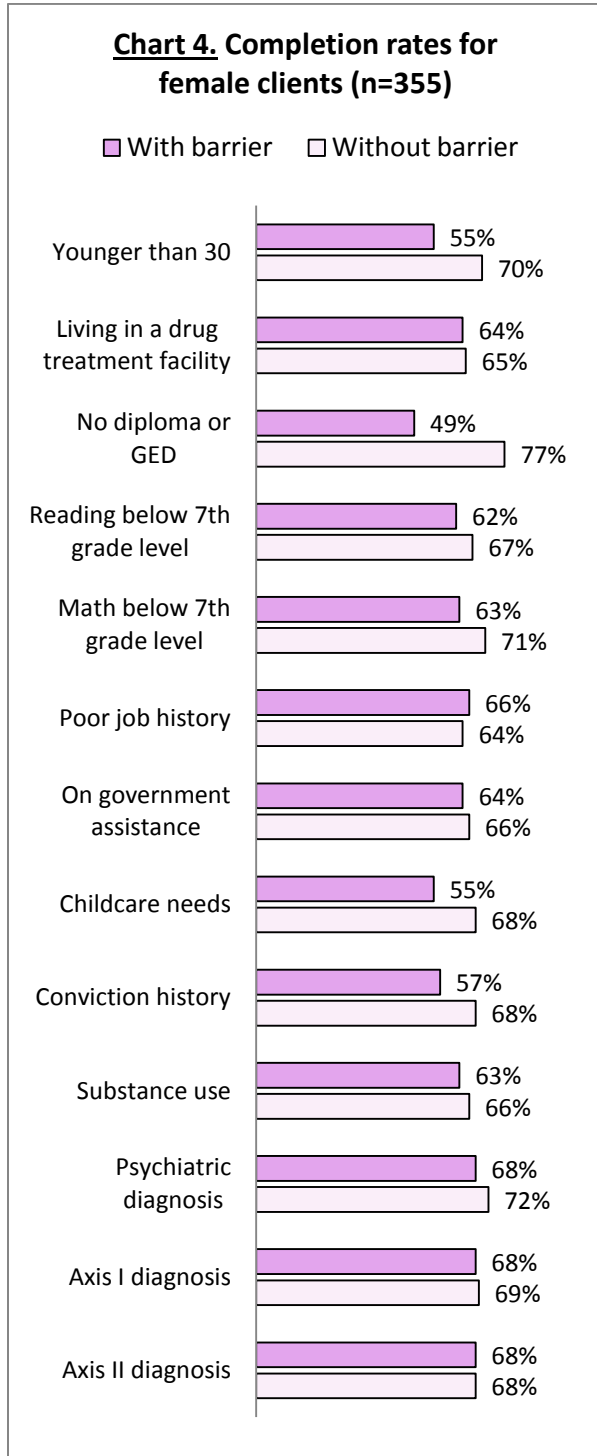
Factor	Female Enrollees		Male Enrollees	
	Association with Program Completion	Statistical Significance	Association with Program Completion	Statistical Significance
Younger than 30 years of age	Negative	***	Negative	***
Lack of educational credential	Negative	***	Negative	**
Childcare needs	Negative	**	None	
Conviction history	Negative	**	None	
Drug-related conviction	Negative	**	None	
Living in a drug treatment facility	None		Positive	***
Receiving government assistance	None		Negative	**
Receiving TANF or Safety Net	None		Negative	**

\*p<=.10 \*\*p<=.05 \*\*\*p<=.01

Notation: more stars indicate a stronger association

***What we have observed***

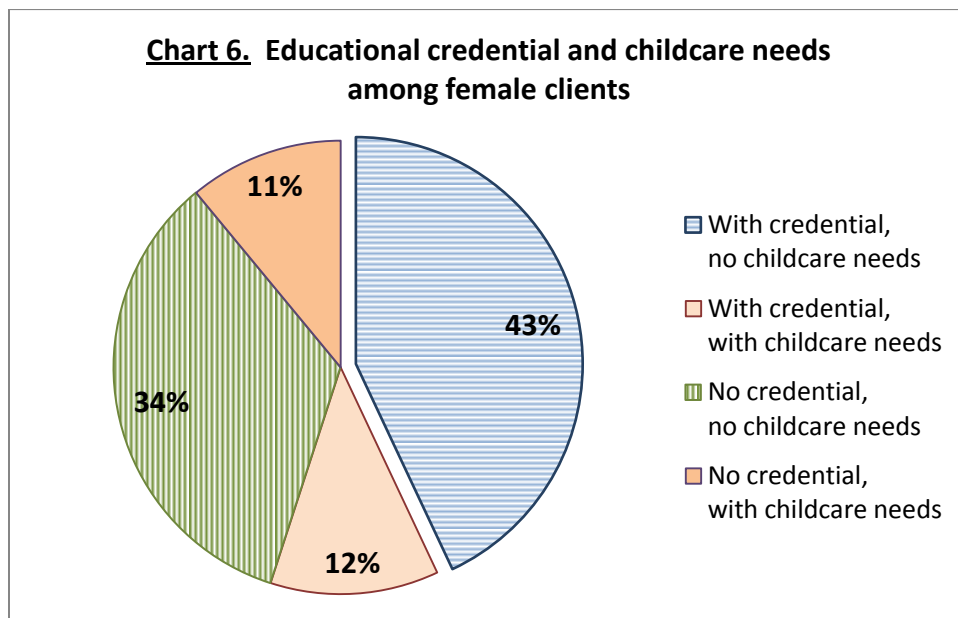
Charts 4 and 5 below summarize the completion rates for men and women given the presence or absence of certain demographic characteristics and employment barriers. It is interesting to note that except for the differences discussed on the previous page, the completion rates are consistent across gender given each of the characteristics and barriers to employment.



So far, we have analyzed the effect of each barrier independently. However, HOPE clients most often are affected by multiple barriers to employment, four being the average. Therefore, outcomes are mostly likely to be linked to a set of factors. We used logistic regression analysis to identify the factors that, in combination, have a statistically significant relationship to completion.

For female enrollees, lack of an educational credential and presence of childcare needs were the two main factors that together were strongly and negatively related to completion. Although when considered individually, being younger than 30 years of age was strongly associated with the outcome completion, it was also highly correlated with having childcare needs and, hence, was not included in the regression model to avoid undesired multicollinearity<sup>10</sup>.

Before we analyze the results, let's look at what proportion of the female population at HOPE had those barriers (chart 6 below). Forty-three percent of female clients had a credential and did not have children under the age of 7 living with them, followed by those who lacked an educational credential but also did not have childcare needs (34%). Those with childcare needs, regardless of the presence of a credential, represented approximately one fifth of the female group.



<sup>10</sup> Multicollinearity makes the model unstable by misleadingly reducing the statistical significance of some of the predictor variables.

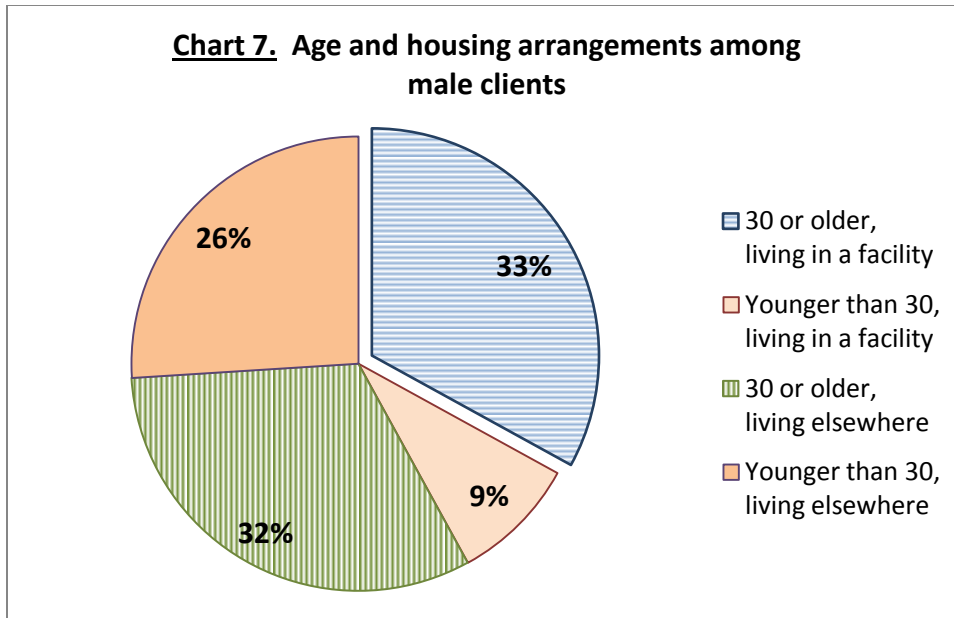
The impact of these barriers is startling. Women with a credential completed at the same rate regardless of the presence or absence of childcare needs – 77% of those with no childcare needs completed the program compared to 78% of those with such responsibilities (table 2 below). This relationship did not hold for females without a credential. Among them, those with no childcare needs completed at 55% compared to only 31% among those with childcare needs. In other words, for women with childcare needs, the completion rate among those with an educational credential was 78% compared to 31% for those without a credential.

**Table 2. Female clients with an educational credential were more likely to complete regardless of the presence or absence of childcare needs.**

	Presence or Absence of Barrier		Completion Rates
	Educational Credential	Childcare Needs	
Profile 1	With diploma or GED	No childcare needs	77%
Profile 2	With diploma or GED	With childcare needs	78%
Profile 3	No diploma or GED	No childcare needs	55%
Profile 4	No diploma or GED	With childcare needs	31%

For male enrollees, age and housing arrangements were the main factors that, together, had an impact on completion. Although when considered individually, being younger than 30 years of age was strongly associated with failing to complete the program, it was also highly correlated with lacking an educational credential and, hence, could not be included in the regression model to avoid multicollinearity.

Before we analyze the results, let’s look at what proportion of the male population at HOPE has those barriers (chart 7 below). The majority of male clients (55%) were 30 or older and half of them lived in drug treatment facilities at the time of enrollment. Approximately one fourth of male clients were younger than 30 and did not live in drug treatment facilities. Interestingly, a much higher percentage of men (33%) who lived in a facility were 30 or older compared to those younger than 30 (9%).



Among the male clients studied in this analysis, those younger than 30 years of age who did not live in a drug treatment facility were the least likely to complete (54% completion rate). On the other hand, those 30 or older who lived in a facility completed at the highest rate – 79% (table 3 below). Overall, among men with the same housing arrangement, clients 30 or older had much higher completion rates than their younger counterpart. Among those living in drug treatment facilities, clients 30 or older completed at 79% compared to 68% for those younger than 30 – an 11-point difference. Among those living elsewhere, clients 30 or older completed at 67% compared to younger clients who completed at 54% – a 13-point difference.

**Table 3. Male clients 30 years of age or older who were living in a drug treatment facility at the time of enrollment were most likely to complete the program.**

	Presence or Absence of Barrier		Completion Rates
	Age	Living in a Drug treatment Facility	
Profile 1	30 or older	Living in a drug treatment facility	79%
Profile 2	Younger than 30	Living in a drug treatment facility	68%
Profile 3	30 or older	Living elsewhere	67%
Profile 4	Younger than 30	Living elsewhere	54%

### **Interesting facts:**

- (1) We looked for a relationship between the number of children in the household and completion, testing the hypothesis that a greater number of children would be associated with lower completion rates. However, we did not find sufficient evidence in support of this hypothesis. Similarly, we did not find a relationship between having childcare in place and successful program completion. Women who reported that they had childcare in place at the time of enrollment to the program and those who had not made such arrangements completed at similar rates.
- (2) Among those with an educational credential, completion results sometimes varied between high school graduates and those who had a GED.
  - Among those with a GED who were also younger than 30, women were more likely to complete than men. There was no significant gender difference in completion among high school graduates who were younger than 30.
  - Among those with felony histories and high school diplomas, women were more likely to complete than men. There was no gender difference in completion rates among those with felony histories and GEDs.

## 2. JOB PLACEMENT

Among clients enrolled between July 2007 and July 2010 who completed the program, 64% of females and 74% of males were placed in jobs. Given that there was no significant difference in completion rates between male and female clients and approximately the same number of men and women completed the program, this 10-point difference was statistically significant and of particular interest to us. We studied the effect of each barrier to employment separately by gender.

### *Statistically significant results*

Unlike completion rates, placement rates were affected by very different factors depending on gender. Women who had poor job history and completed the program were significantly less likely to find employment compared to women who did not have that barrier. Similarly, women who had conviction histories and, specifically one or more felony records, or women who had been previously incarcerated were much less likely to be placed in jobs compared to women without those barriers. Last but not least, women who were living in drug treatment facilities at the time of enrollment and who successfully completed the program were still less likely to find work compared to women living elsewhere. We observed a similar difference in outcomes for those with a history of substance use, which is not surprising because many of our clients who have such histories typically live in drug treatment facilities during the time they attend our work readiness program.

Although the lack of an educational credential was very strongly associated with failing to complete the program, both for men and for women, it made no difference in the placement outcomes for women but was still significantly associated with failing to become employed among men. Interestingly, for the male cohort, living in a drug treatment facility was mildly associated with successful job placement. As we noted above, we observed the exact opposite relationship among female completers.

**Table 4. Association between completer characteristics and demographics and placement outcomes.**

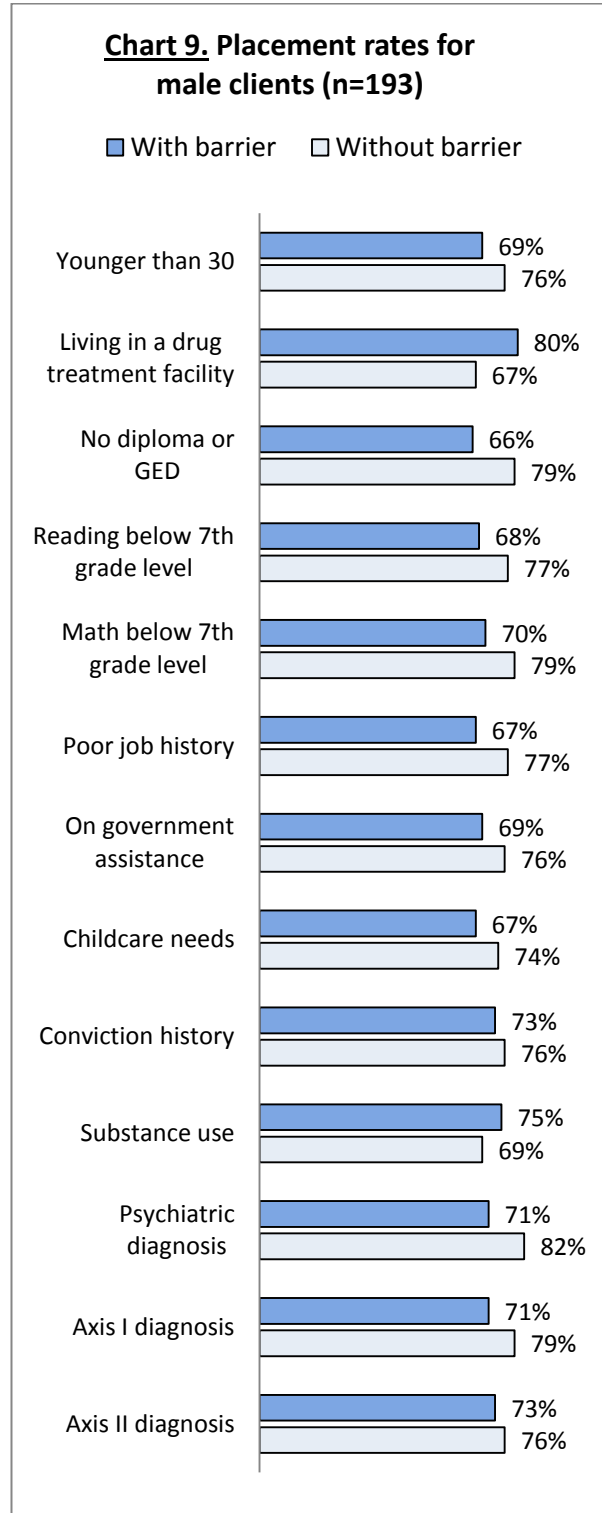
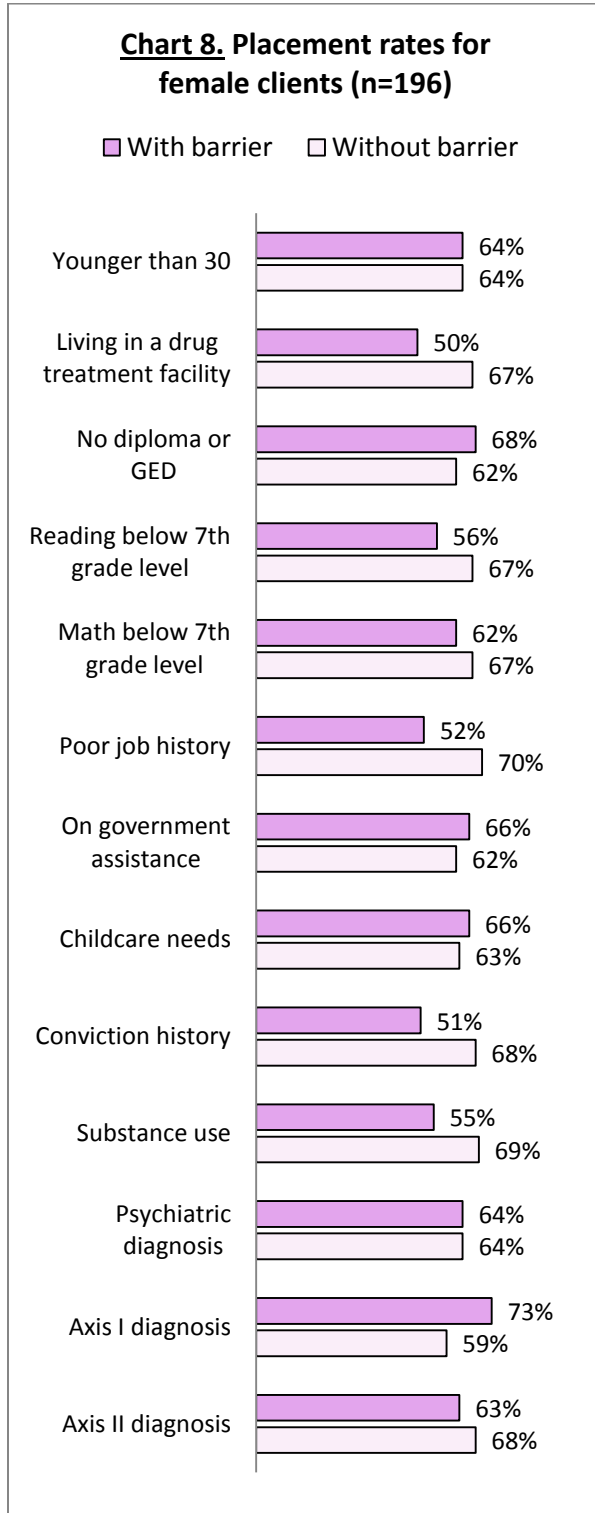
Factor	Female Enrollees		Male Enrollees	
	Association with Job Placement	Statistical Significance	Association with Job Placement	Statistical Significance
Poor job history	Negative	**	None	
Conviction history	Negative	**	None	
Felony history	Negative	***	None	
Formerly incarcerated	Negative	**	None	
Substance use history	Negative	**	None	
Living in a drug treatment facility	Negative	**	Positive	*
Lack of educational credential	None		Negative	**

\*p<=.10 \*\*p<=.05 \*\*\*p<=.01

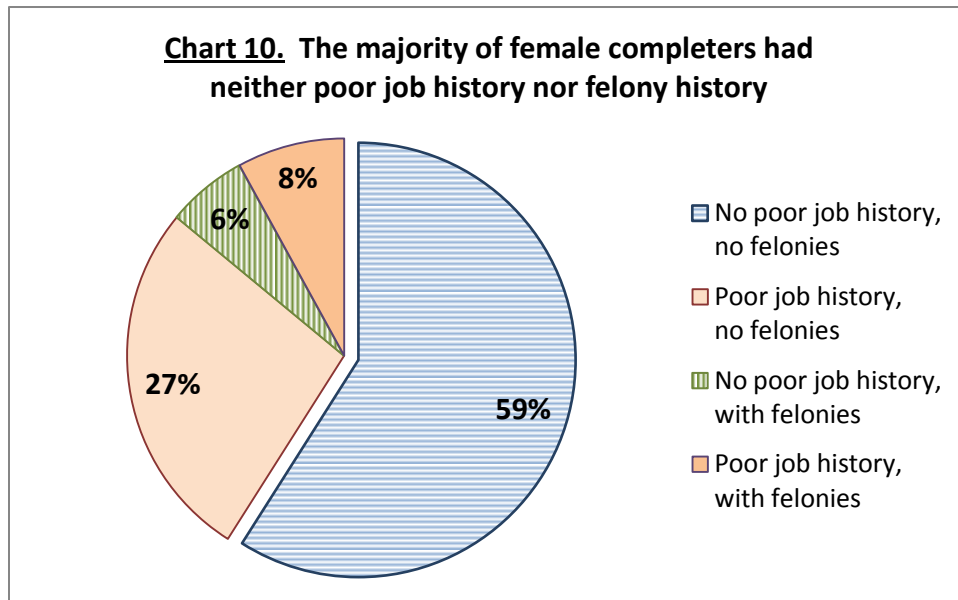
Notation: more stars indicate a stronger association

***What we have observed***

Charts 8 and 9 below summarize the placement rates for male and female completers given the presence or absence of employment barriers.



For female completers, poor job history and felony history were the two main factors identified by the logistic regression model that, in combination, were most strongly associated with placement rates. Chart 10 below presents a breakdown of the cohort of female completers by the presence or absence of these barriers. Approximately 60% of them did not have either barrier and only 8% had both. A little over a quarter had poor job histories but no felonies on record, and 6% of the cohort had felony histories but no poor job histories.



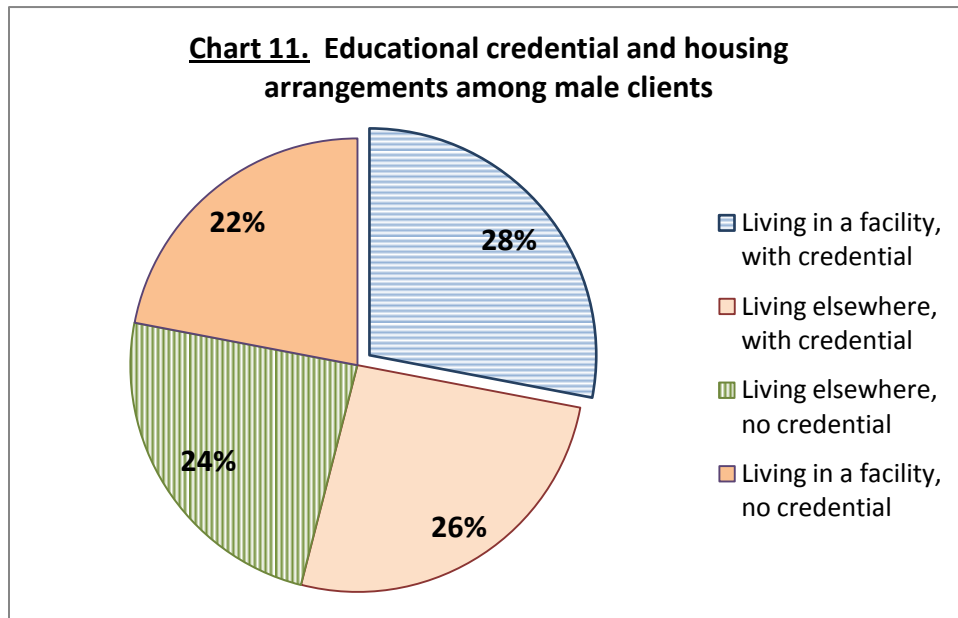
Interestingly, female completers who only had one of the two barriers – those with poor job histories but no felonies and those with no poor history but with at least one felony – were placed in jobs at approximately the same rate (59% and 55%, respectively, which was still much lower than the average for HOPE – 69%).

Additionally, among those with poor job histories, having a felony history was associated with even lower job placement rates (31% vs. 59%). As was the case with completion rates for women, those with both barriers – in this case poor job history and a felony history – had dramatically lower success rates. Thirty-one percent of women with both barriers were placed compared with 72% for those who were free of both barriers. In other words, having both barriers reduced the chances of finding employment by more than half compared to having neither.

**Table 5. Female completers who did not have either barrier were mostly likely to be placed in jobs.**

	Presence or Absence of Barrier		Placement Rates
	Poor Job History	Felony History	
<b>Profile 1</b>	No poor job history	No felony history	72%
<b>Profile 2</b>	Poor job history	No felony history	59%
<b>Profile 3</b>	No poor job history	Felony history	55%
<b>Profile 4</b>	Poor job history	Felony history	31%

We can model placement rates for male completers with two main factors – lack of an educational credential and living in a drug treatment facility. Chart 11 below shows that there was an almost even split among male completers into the four categories – having neither barrier, having both barriers or having one but not the other. Approximately half of male completers lived in drug treatment facilities and almost half of them did not have a credential.



It was interesting to observe that male completers not living in drug treatment facilities at the time of enrollment had the same placement rates regardless of their educational attainment (67-68%). However, among male completers living in drug treatment facilities, those with a credential were placed in jobs at 94%, a rate significantly higher than for those without a credential (64%).

We should reiterate that living in drug treatment facilities actually had a negative association with placement for female completers.

**Table 6.** Almost all of male completers in drug treatment facilities with a credential were placed in jobs.

	Presence or Absence of Barrier		Placement Rates
	Living in a drug treatment facility	Educational Credential	
<b>Profile 1</b>	Living in a drug treatment facility	With diploma	94%
<b>Profile 2</b>	Living elsewhere	With diploma	68%
<b>Profile 3</b>	Living elsewhere	No diploma	67%
<b>Profile 4</b>	Living in a drug treatment facility	No diploma	64%

### **Interesting facts:**

- (1) Female completers with an educational credential and low literacy skills<sup>11</sup> were placed in jobs at a much lower rate compared to male completers with an educational credential and low literacy skills (50% vs. 71%).
- (2) Female clients with an educational credential and low numeracy skills<sup>12</sup> were placed in jobs at a much lower rate compared to male completers with an educational credential and low numeracy skills (56% vs. 75%).
- (3) 80% of men who lived in drug treatment facilities at the time of enrollment and completed the program were placed in jobs compared to only 50% of women who had the same housing arrangement.
- (4) Men and women who did not live in drug treatment facilities at the time of enrollment were placed in jobs at the same rate of 67%.
- (5) Among those with an educational credential, placement results sometimes varied between high school graduates and those with GEDs.
  - Among those with GEDs who were 35 or older, men were more likely to be placed. There was no significant gender difference in placement rates among those 35 or older with high school diplomas.
  - Among those with GEDs and an Axis II diagnosis, men were much more likely to be placed. There was no significant gender difference in placement rates among those with an Axis II diagnosis who had graduated high school.
- (6) Among females with an Axis I diagnosis, those with high school diplomas had much higher placement rates compared to those with GEDs.

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<sup>11</sup> Low literacy skills are defined here as reading skills below the 7<sup>th</sup> grade level as determined by TABE.

<sup>12</sup> Low numeracy skills are defined here as math skills below the 7<sup>th</sup> grade level as determined by TABE.

### 3. JOB STATUS AND BENEFITS

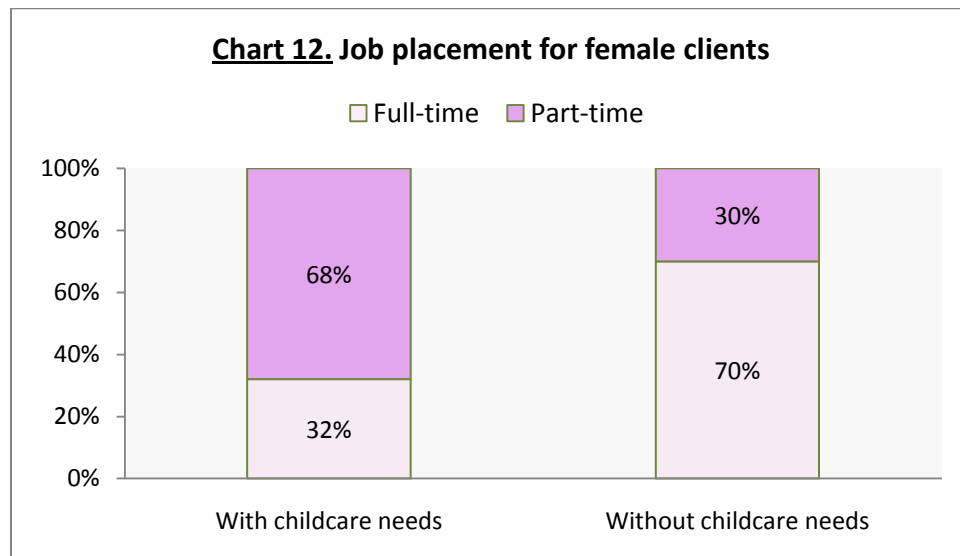
As we previously discussed, there was no statistically significant difference in hourly wages at first employment between male and female clients at HOPE. We considered a split between full-time and part-time jobs, as well as a split by educational credential, but we did not find any statistical differences in average wages. There was, however, a statistically significant gender difference in the number of hours clients chose to work – 76% of male completers compared to only 63% of women completers were placed in jobs with full-time hours (table 7 below). This observation motivated a further split of job placements for female clients by the presence or absence of childcare needs. As chart 12 shows below, among female completers without childcare needs, 70% became employed full-time at their first placement, whereas approximately the same percent (68%) of female completers with childcare needs started jobs that offered part-time hours. Last but not least, the same percentages of male and female clients placed were offered benefits on the job, 50% and 49%, respectively (table 8). The percentages were also consistent among clients placed in full-time jobs. Surprisingly, 36% of the women who were placed in part-time jobs received job benefits. This percentage was much lower for men (10%) and more in line with our expectations of part-time employment.

**Table 7. Job status by gender**

	Job Status for Female Clients	Job Status for Male Clients
<b>Full-time</b>	63%	76%
<b>Part-time</b>	37%	24%
<b>Total Jobs</b>	100%	100%

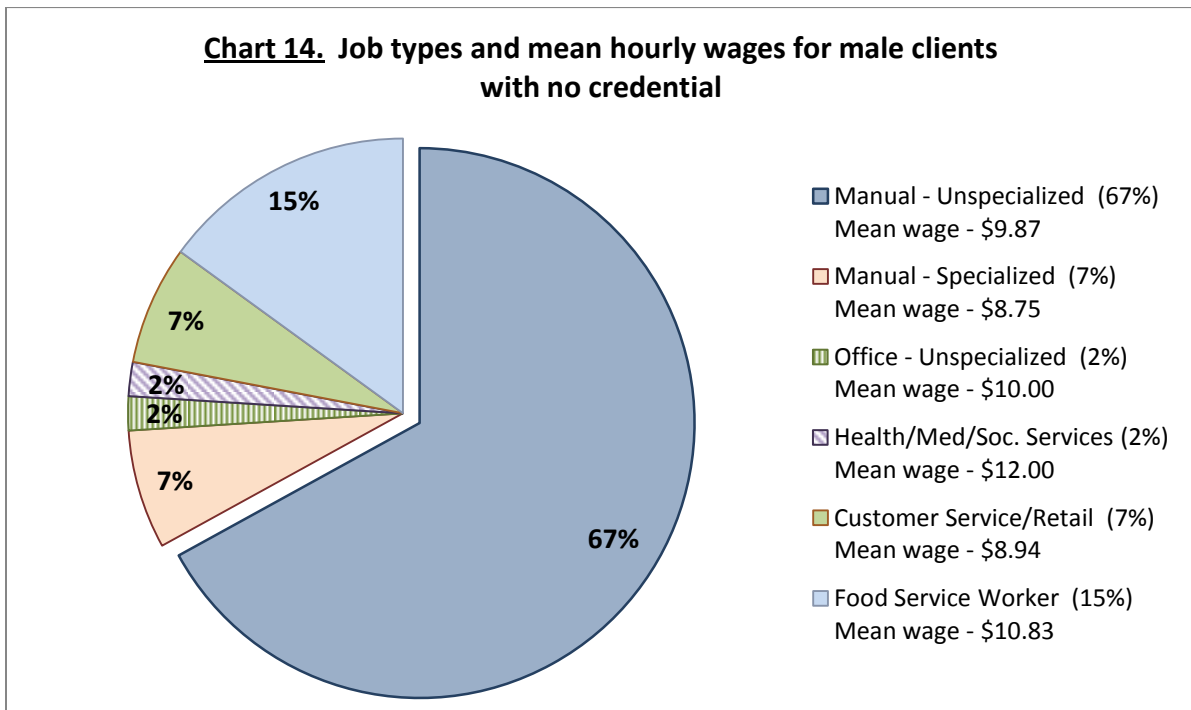
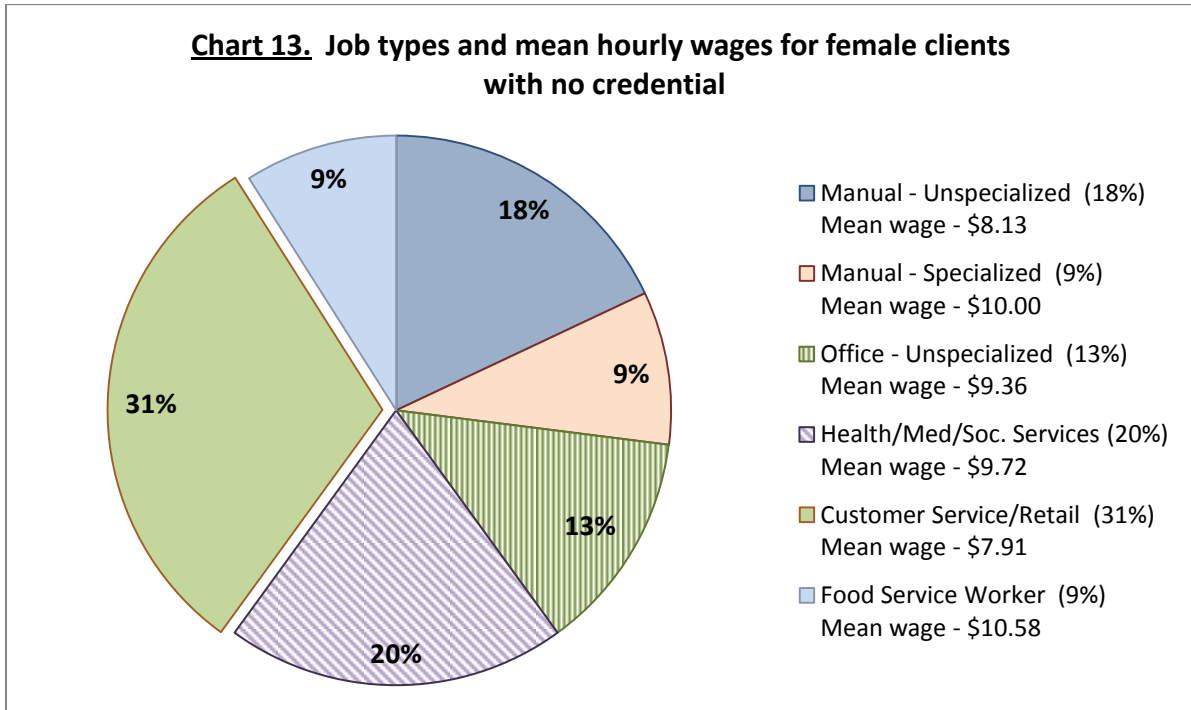
**Table 8. Percent of clients placed in jobs with benefits**

	Percent of Female Clients Receiving Benefits	Percent of Male Clients Receiving Benefits
<b>All jobs</b>	49%	50%
<b>Full-time jobs only</b>	63%	69%
<b>Part-time jobs only</b>	36%	10%



#### 4. JOB TYPES

We were interested in investigating further the relationship between job types at first placement, gender and educational credential (charts 13 and 14 below).

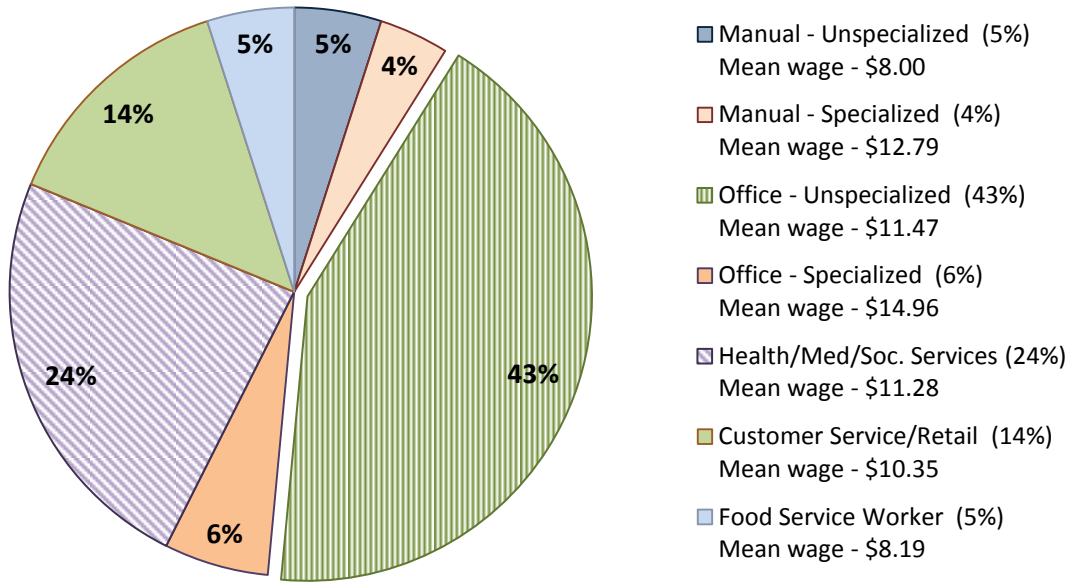


Men without an educational credential most predominantly were placed in manual-unspecialized jobs (maintenance/custodial positions) and earned an average of \$9.87 per hour, whereas women without a credential who got manual-unspecialized jobs (mainly housekeeping) earned \$8.13 per hour, on average. Women without a credential most predominantly got jobs in customer service/retail and earned an average of \$7.91, which was still significantly lower than the \$9.87 per hour earned by men in their most common job type placement.

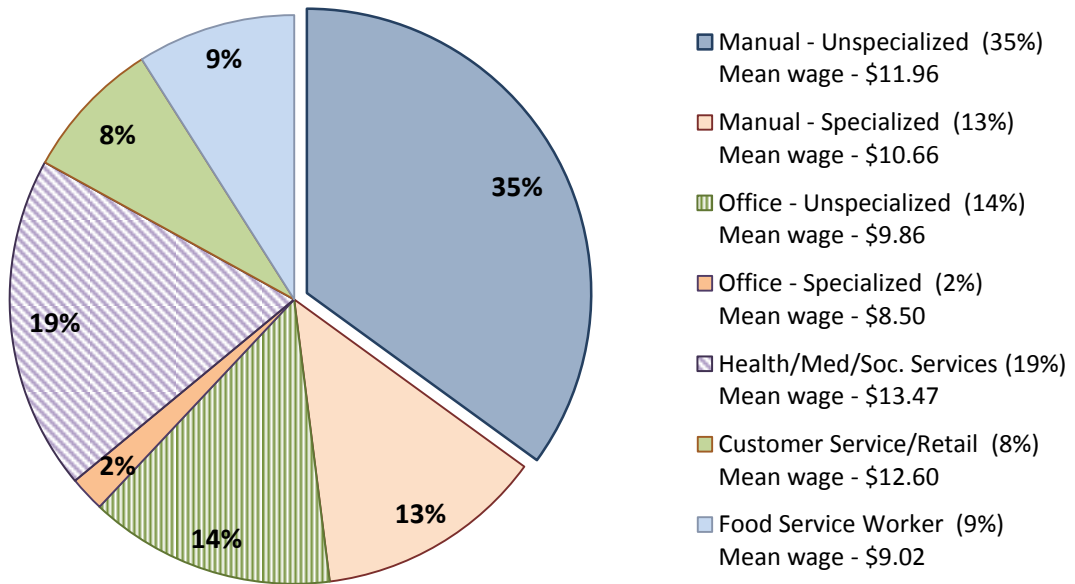
Among men with an educational credential, manual-unspecialized still remained a large segment of all placements and paid an average of \$11.96 per hour. For women with a credential, the largest segment was office-unspecialized (office assistant positions), which paid an average of \$11.47 per hour, consistent with what men with a credential earned in manual-unspecialized jobs, their largest segment (charts 15 and 16 below).

Last but not least, there was no gender difference in job types between high school graduates and those with GEDs.

**Chart 15. Job types and mean hourly wages for female clients with a credential**



**Chart 16. Job types and mean hourly wages for male clients with a credential**



## 5. ONE-YEAR JOB RETENTION

Among clients who enrolled between July 2007 and July 2009, completed the program and were placed in jobs, 75% of women and 69% of men retained employment for at least one year. Although observable, this difference was not statistically significant. However, we were still interested in studying each gender group separately to determine whether men and women were facing the same challenges in retaining a job for one year.

### *Statistically significant results*

Our analysis showed that there were no demographics or barriers to employment statistically associated, positively or negatively, with the job retention outcomes for women. Among men, a new factor emerged which had no association with their completion and placement outcomes, but was strongly related to job retention. Deficient literacy and numeracy skills (defined as lower than 7<sup>th</sup> grade level) were strongly associated with failure to retain a job for one year. Since the lack of an educational credential was not a factor for job retention, we hypothesized that having the credential was not always correlated with having strong reading and math skills and that securing employment in certain fields might not be a sufficient condition for staying employed if the skills were lacking. Observably, women with low reading and math skills had better one-year job retention rates than women with skills at or above the 7<sup>th</sup> grade level. We pursued this further by studying their retention rates by job type.

We observed that women with low reading and math skills had difficulty retaining office jobs, both specialized and unspecialized, but had strong job retention rates on jobs in any other category. Women with stronger reading and math skills lost mostly the manual- and office-specialized jobs and jobs in customer service/retail. On the other hand, men with low reading and math skills struggled to keep their jobs in the manual-unspecialized field.

Last but not least, as we previously noted, men who lived in drug treatment facilities at the time of enrollment had significantly better completion outcomes and marginally better placement outcomes than men who lived elsewhere. However, we observed the opposite association between housing arrangement and job retention outcomes. Although marginally significant, men who lived in drug treatment facilities at the time of enrollment, who completed the program and were placed in jobs were less likely to retain their jobs for one year compared to their counterpart who had lived elsewhere.

**Table 9. Association between client characteristics and demographics and job retention outcomes.**

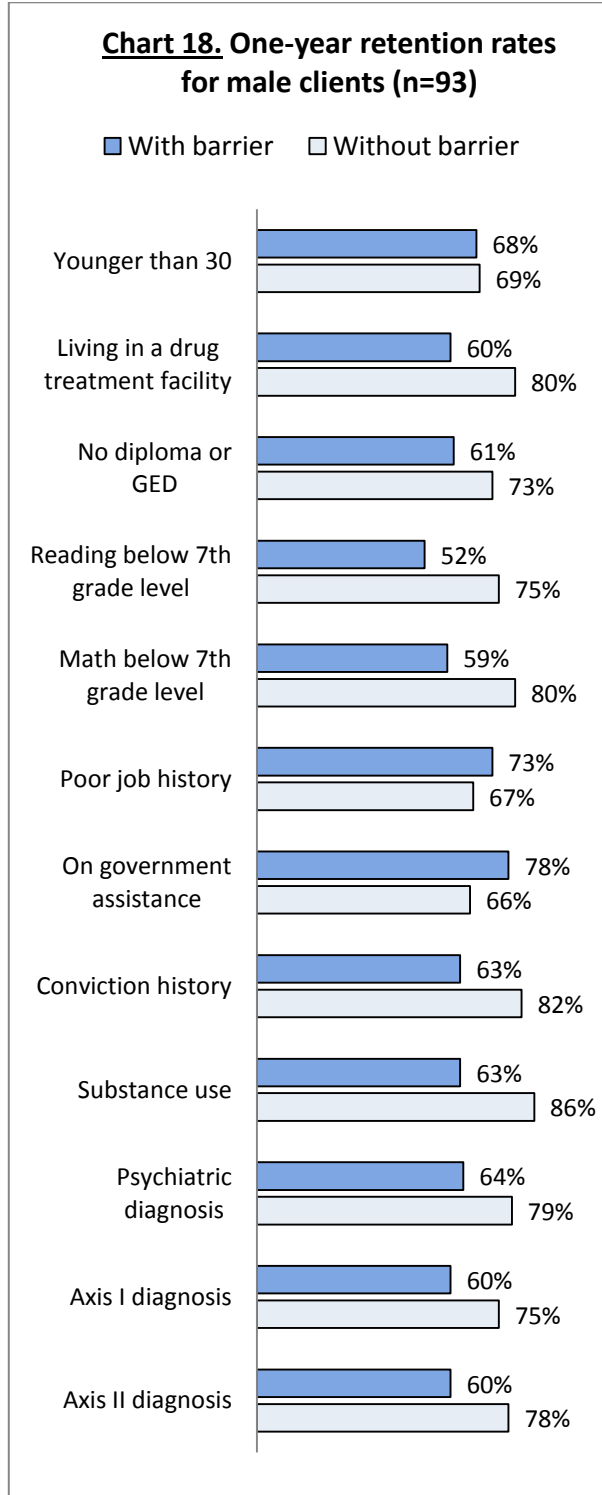
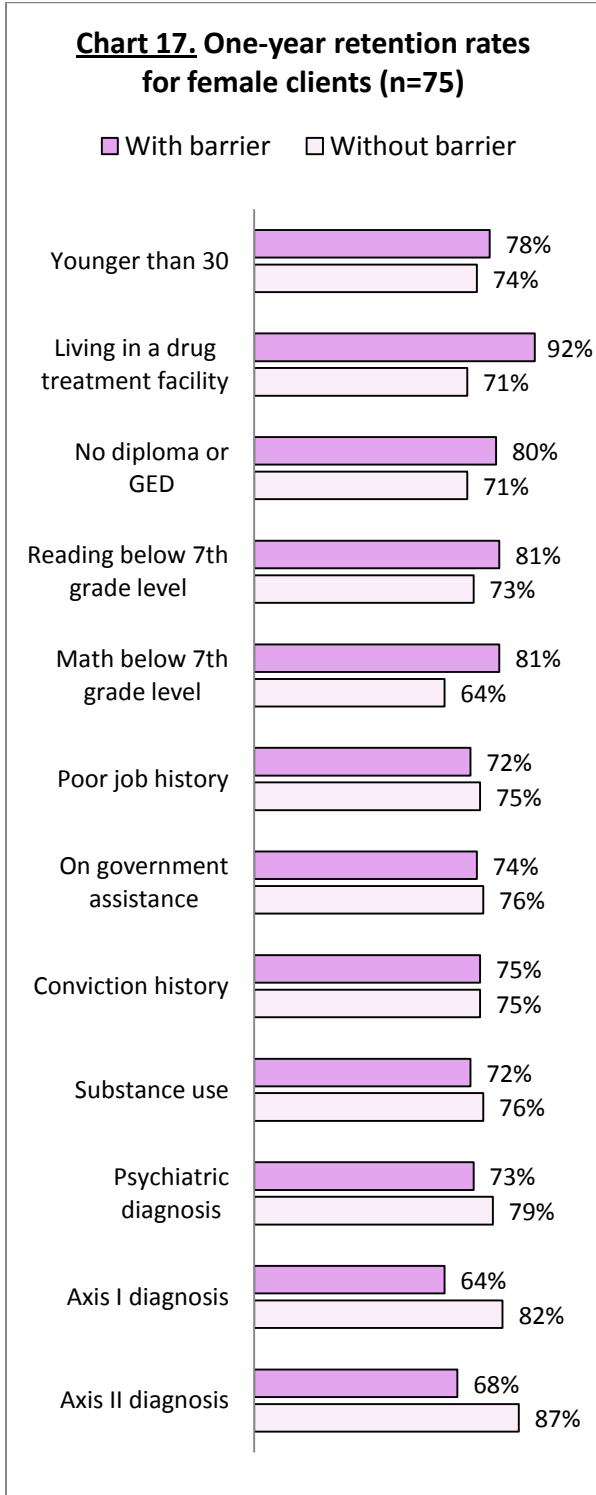
Factor	Female Enrollees		Male Enrollees	
	Association with Job Retention	Statistical Significance	Association with Job Retention	Statistical Significance
Reading below 7 <sup>th</sup> grade level	None		Negative	**
Math below 7 <sup>th</sup> grade level	None		Negative	**
Living in a drug treatment facility	None		Negative	*

\*p<=.10 \*\*p<=.05 \*\*\*p<=.01

Notation: more stars indicate a stronger association

***What we have observed***

Charts 17 and 18 summarize the job retention rates for each gender given the presence or absence of certain demographics and barriers to employment.



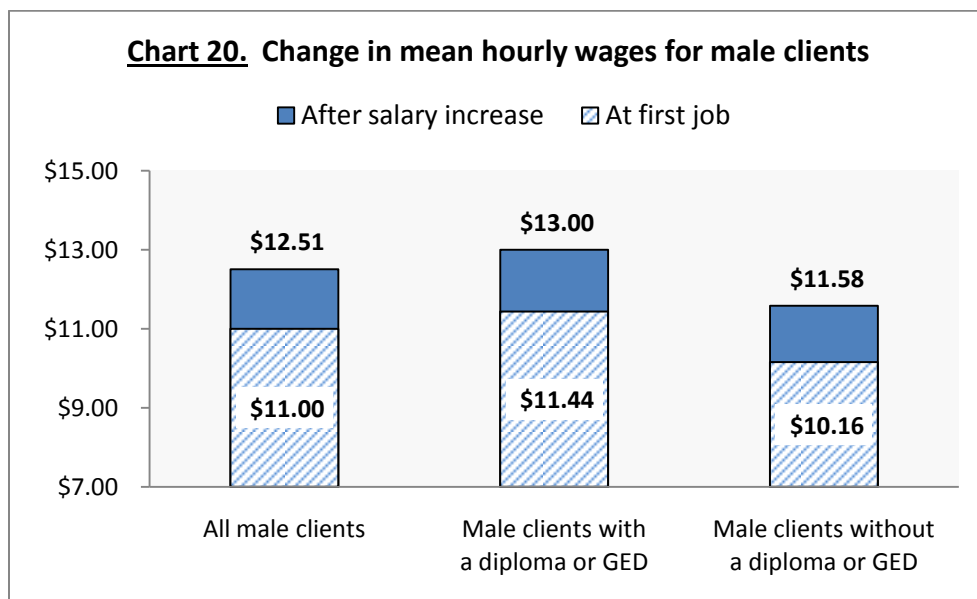
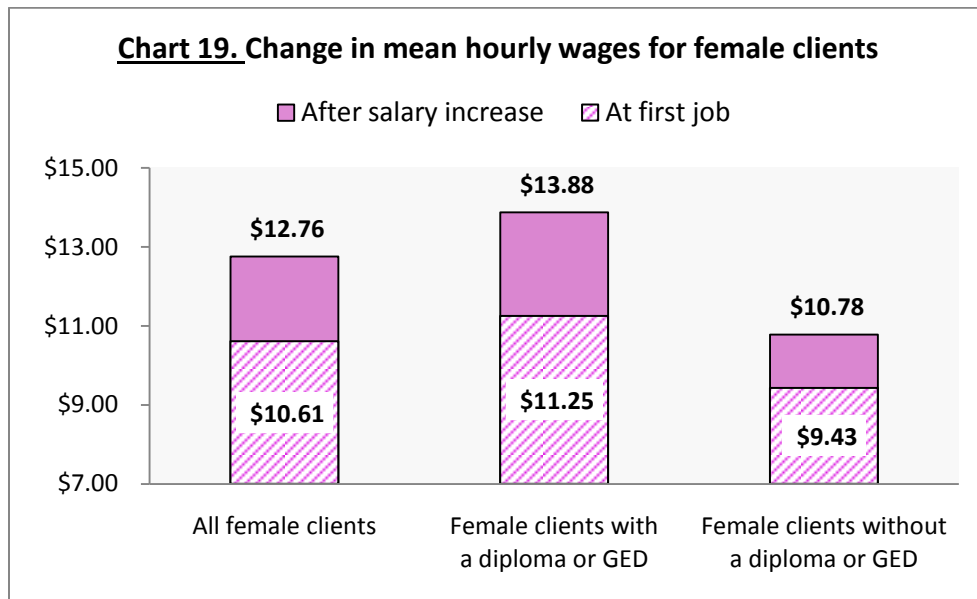
## 6. SALARY ADVANCEMENT

Approximately 43% of all clients who enrolled in the program between July 2007 and July 2009 and were placed in jobs received salary increases, with 48% of them receiving a salary increase during their first job. These results were also consistent across gender. Overall, clients who achieved salary increases had, on average, observably lower starting salaries than clients who remained at their initial pay level – \$10.41 vs. \$11.13, respectively (table 10). This was also true for both men and women with an educational credential but did not hold for clients without a diploma or GED.

**Table 10.** Salary increase statistics by gender and educational level.

			Number of Clients Placed in Jobs	% of Clients Placed in Jobs	Mean Hourly Wage at First Job	Mean Hourly Increase
All Clients	Did not receive salary increase		102	57%	\$11.13	---
	Received salary increase		77	43%	\$10.41	\$3.69
Female	No credential	Did not receive salary increase	19	63%	\$9.25	---
		Received salary increase	11	37%	\$9.72	\$3.71
	With credential	Did not receive salary increase	31	58%	\$12.09	---
		Received salary increase	22	42%	\$10.07	\$4.47
	Total	Did not receive salary increase	50	60%	\$11.05	---
		Received salary increase	33	40%	\$9.96	\$4.22
Male	No credential	Did not receive salary increase	18	55%	\$9.77	---
		Received salary increase	15	45%	\$10.63	\$3.12
	With credential	Did not receive salary increase	34	54%	\$11.97	---
		Received salary increase	29	46%	\$10.81	\$3.40
	Total	Did not receive salary increase	52	54%	\$11.21	---
		Received salary increase	44	46%	\$10.75	\$3.30

For clients who enrolled in the program between July 2007 and July 2009, charts 19 and 20 below summarize the changes in mean hourly wages at their first employment and after their salary increase. Interestingly, even after the salary increases women without an educational credential still had lower average hourly earnings compared to men without a credential (\$10.78 vs. \$11.58), while women with an educational credential earned observably more than their male counterpart (\$13.88 vs. \$13.00).



## V. RECOMMENDATIONS

### Program Completion

As we discussed in this paper, clients younger than 30 years of age and clients without an educational credential, both male and female, were significantly less likely to complete HOPE's work readiness training program. Further, the lack of a credential was a greater barrier for females and even more so for females with childcare needs.

- **Recommendation:** Job training organizations should ensure that for women without an educational credential who also have young children at home, child care plans and back-up arrangements are confirmed before students begin the training program. Linkages should be made with existing public systems to make sure that affordable, accessible childcare solutions exist for out-of-work care-takers. Programs should also have connections with effective parenting programs which would give women the skills they need to balance childcare and program responsibilities.
- **Recommendation:** Job training programs should introduce the concepts of job advancement and short, medium, and long term career plans during training to help clients understand the difference between "initial job placements" and career goals and how the two fit together. Disappointment or frustration with limited short term opportunities may be a contributing factor to failure to complete training programs by clients with certain barriers.
- **Recommendation:** Younger men who do not live in a drug treatment facility and women with childcare responsibilities who do not have an educational credential should receive close and focused case management and coaching from staff to identify and overcome barriers to completion. Early in a program, staff should meet with students in a structured manner to ensure full understanding of each student's challenges and employment barriers and to develop plans to address them.
- **Recommendation:** Work readiness programs should work with clients without high school equivalency to develop personalized plans toward a GED including on site classes and tutoring, as well as online/self-study courses for those for whom treatment center, court, family and other obligations preclude them from doing extra hours on site.

## **Job Placement: Rate, Hourly Wage and Type of Work**

We have observed that female clients who completed HOPE's work readiness training program were significantly less likely to find employment compared to male program completers. Poor job histories and felony convictions were particularly related to low placement rates among females.

- **Recommendation:** Job training organizations should create focused initiatives for women with poor job histories to increase the likelihood of them finding employment. For women in particular, training, coaching and support are needed to broaden job and career expectations and encourage possibly branching out into less traditional occupations. This increases not only the range of employment options for women but opportunities for better pay. Additionally, women may need encouragement to make initial job choices appropriate to their current skill and educational level. A longer term career plan should include upgrading skills and attaining a credential with the ultimate goal of achieving long term advancement.
- **Recommendation:** It is also important that female clients with a felony history be coached extensively on how to present themselves in a job interview and how to tackle challenging questions related to their criminal background. For female clients with felony histories and poor job histories, individualized plans should define challenges and appropriate steps to address them, as well as identify realistic initial job opportunities.
- **Recommendation:** Female clients, and especially those with childcare needs, should be coached on the advantages of full-time employment and the opportunities for greater lifetime earnings, as well as on ways to balance full-time work hours with their family responsibilities. Programs should also establish linkages with effective parenting programs that provide coaching on how to balance childcare and job responsibilities.
- **Recommendation:** Early in a program, clients who lack a high school equivalency but possess the necessary reading and math levels and motivation should be identified and should be encouraged to achieve a GED relatively soon, given the relationship between job placement and educational credential. Staff should work with these clients to develop individualized plans for achieving their GED as soon as is practicable. Work readiness programs should work with all clients who complete without high school equivalency to develop a personalized plan to continue preparation toward earning a GED and to integrate that goal with advancement objectives.

## Salary Advancement

According to statistics prepared by the University of Washington's School of Social Work for The Women's Center for Education and Career Advancement, in 2010 the hourly self-sufficiency wage for an adult living in Brooklyn, NY was \$13.43 if he or she did not have childcare responsibilities, and it was \$24.38 for an adult living with a preschooler<sup>13</sup>. In this analysis, we studied the difference in average hourly wages among our clients by gender and educational credential. Even the highest earnings group, namely male clients with a high school equivalency, earned an average of \$11.51, which was still lower than the reported self-sufficiency wage minimum.

- **Recommendation:** Given the number and the severity of the employment barriers with which clients face the job market, their first employment may not necessarily provide a sustainable living and, hence, the concepts of job change, advancement strategies and career growth should be discussed early in a program. Job search should be preceded by setting realistic short-term goals given clients' educational background, skill level and work history. Based on those short-term goals, the possibility and importance of job advancement should be discussed when setting long-term goals.
- **Recommendation:** As we demonstrated in this analysis, for both men and women, having an educational credential is instrumental in accessing better pay and more diverse job opportunities. A continued engagement in GED test preparation even for working clients is key.

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<sup>13</sup> University of Washington, School of Social Work, "The Self-Sufficiency Standard for New York City 2010 – Prepared for The Women's Center for Education and Career Advancement." Online at: [http://www.wceca.org/publications/NYC\\_SSS\\_2010\\_WEB\\_062310\\_v2.pdf](http://www.wceca.org/publications/NYC_SSS_2010_WEB_062310_v2.pdf)

## **VI. CONCLUSION**

This study affirms that there are gender differences in economic outcomes, even among lower-wage workers, which are particularly exacerbated by severe employment barriers such as lack of an educational credential, poor work history, criminal history and childcare responsibilities. We also showed that clients with educational credentials, both men and women, were equally likely to complete training, and that they were more successful in placement and wage secured. Education appears to have served as a significant factor helping to counter-act the negative effects of other traditional employment barriers such as childcare responsibilities and gender differences in earnings. These findings affirm the value of workforce development programs emphasizing education as a core component of their work if clients are to secure optimal opportunities.

The recommendations offered speak to the importance of understanding well client needs and providing individualized solutions, ensuring ample educational opportunities, recognizing the particular challenges of certain populations (namely women caretakers without credentials and women with little work history).

## **VII. APPENDIX**

### **1. HOPE's MODEL**

Founded in 1984, The HOPE Program helps New Yorkers transcend poverty and prepares them to find, keep and grow careers. Located in downtown Brooklyn, HOPE empowers individuals living in extreme poverty to achieve economic self-sufficiency through work readiness training and assistance with job placement and advancement.

HOPE's programming includes intensive work readiness training, literacy instruction, an internship experience, job placement assistance, mental health support, and job retention and career advancement services. HOPE enrollees participate in one of two programs: *HOPEworks* or *GROCERYworks*. Both are offered to clients free of cost. (Note that *GROCERYworks* was launched after the period studied in this report and, therefore, all enrollees described herein participated in *HOPEworks* only.)

*HOPEworks* is a comprehensive, full-time, 12-week work readiness training program. Classroom lessons focus on communication, customer service, decision-making, work ethic, and other work readiness skills; computer training; and reading, math, and writing skills, including GED preparation for participants without high school equivalency. Participants also complete a 200-hour internship to gain work experience and hard skills, build references, and practice what they learn in the classroom.

*GROCERYworks*, launched in October 2010, is an intensive 8-week, full-time training program designed to train and place men and women in grocery store and other food retail jobs. Through role play, store visits, guest speakers, internships, and simulations, *GROCERYworks* participants develop customer service skills, and learn decision making, cashiering, stocking, merchandising, product recognition, and food safety rules. Participants also complete at least 100 hours of on-the-job training in a grocery or food retail environment.

HOPE enrolls approximately 230 new clients and serves approximately 400 graduates in job retention and advancement activities each year. These clients have, on average, four employment barriers including substance use backgrounds, criminal histories, poor or no job histories, and lack of a high school diploma or GED.

All participants receive comprehensive assessments, including math and reading skills testing, psychological state, vocational interests and aptitude, and case management needs.

Supportive services (including group and individual mental health counseling, breakfast and lunch, work appropriate clothing, transportation assistance for those who qualify, housing assistance, and assistance locating and cleaning up RAP sheets and consumer reports) help clients reduce barriers to employment. Those wishing to gain high school equivalency or improve their computer skills have access to optional evening computer classes, GED preparation classes and GED practice testing.

HOPE's employment specialists work with participants to provide job coaching and assessment and place them in appropriate internships. Upon program completion, they assist them as they undertake an intensive job search and employment placement process. Once employed, clients participate in HOPE's advancement and job retention program. For at least two years following placement, HOPE staff provides ongoing services including comprehensive job retention and advancement support, job retention workshops, evening computer and GED classes, and GED tutoring. HOPE offers lifetime assistance to program graduates.

## 2. METHODOLOGY

In this report, two main statistical techniques were used – Pearson’s chi-square test for independence and logistic regression analysis.

Pearson’s chi-square test is used to determine whether there is a significant relationship between two categorical variables – “gender” and “job placement”, for example. The variable “gender” can take one of two possible values – male or female. Similarly, the variable “job placement” is an important outcome in this study which can also take two possible values – client was placed in a job or client was not placed in a job. According to the data, 74% of male and only 64% of female clients who completed the program found employment. Can this difference be attributed to chance or is there a true relationship between “gender” and “job placement”? The chi-square test assesses whether finding employment is independent of gender. As a result of the test, a p-value is obtained, which is the probability that the difference in placement rates between men and women is due to chance alone rather than to a true relationship between gender and job placement. In this analysis, the actual p-value was .036, which means that there is a 36 in 1,000 chance that this result occurred by chance. The smaller the p-value, the more likely it is that the difference is due to an existing relationship. Typically, the p-value is compared to the .05 significance level. The variables are assumed to be associated with each other when the p-value is less than .05. Although the chi-square test can indicate the presence of a relationship, the relationship is left unspecified. Therefore, this test is used to establish initial associations between sets of categorical variables, which are then quantified using regression analysis.

Logistic regression is used to model the probability of occurrence of a binary outcome based on one or more predictors. The reported coefficients represent the exponents of the coefficients estimated by the logistic regression model<sup>14</sup>. The exponents compare the odds of an event occurring. For example, logistic regression can be used to predict “program completion” – a binary outcome – from “lack of educational credential” among women. The exponent of the estimated coefficient for “lack of educational credential” is 3.521, which means that the odds of completing the program for women with a diploma or GED are more than three times as high as the odds of completing the program for women without those credentials<sup>15</sup>. Statistical models often include more than one predictor. In that case, individual coefficients are still interpreted the same way but the interpretation becomes conditional on keeping all other predictors constant.

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<sup>14</sup> Note: all models include a constant term.

<sup>15</sup> In this example, ‘no diploma or GED’ is chosen as the base category.

### 3. SUMMARY OF LOGISTIC REGRESSION RESULTS

#### Logistic regression model for completion for female enrollees

	Intercept	Lack of Educational Credential	Childcare Needs
$\beta$	1.356	-1.254	-0.524
$\exp(\beta)$	3.879	0.285	0.592
SE( $\beta$ )	0.186	0.234	0.272
p-value	0.000	0.000	0.054

#### Logistic regression model for completion for male enrollees

	Intercept	Younger than 30 years of age	Living in a Drug Treatment Facility
$\beta$	0.730	-0.573	0.615
$\exp(\beta)$	2.074	0.564	1.850
SE( $\beta$ )	0.186	0.244	0.250
p-value	0.000	0.019	0.014

#### Logistic regression model for placement for female completers

	Intercept	Poor Job History	Felony History
$\beta$	0.948	-0.575	-0.989
$\exp(\beta)$	2.582	0.563	0.372
SE( $\beta$ )	0.201	0.319	0.435
p-value	0.000	0.071	0.023

#### Logistic regression model for placement for male completers

	Intercept	Lack of Educational Credential	Living in a Drug Treatment Facility
$\beta$	1.099	-0.827	0.740
$\exp(\beta)$	3.000	0.438	2.095
SE( $\beta$ )	0.269	0.341	0.345
p-value	0.000	0.015	0.032

