

WORKING DRAFT: NOT FOR ATTRIBUTION WITHOUT PERMISSION OF THE AUTHOR

**CFBO ROLES IN SERVING THE HARD-TO-EMPLOY:
A GOVERNMENT-LED PARTNERSHIP TO REALIZE PUBLIC VALUE**

David Campbell
Department of Human and Community Development
University of California, Davis
Davis, CA 95616
530/754-4328
dave.c.campbell@ucdavis.edu

This research is supported in part by funds received from the California State Employment Development Department (EDD). The analysis, interpretations, and conclusions in this paper are the responsibility of the author and not EDD. This paper is a slightly revised version of a paper delivered at the November 18-20, 2004 meeting of ARNOVA in Los Angeles, California.

INTRODUCTION

...people seeking financial assistance and employment of job training are the least likely to have felt that the assistance they received was effective. These are among the needs that most often lead people to seek assistance from the welfare department and they are also among the needs that are most difficult to fulfill (Wuthnow 2004, p. 212).

In 1996 Congress passed welfare reform legislation that mandated work participation as a requirement for receiving cash aid, establishing a strong new incentive for poor Americans to enter the labor market. The same legislation established Charitable Choice guidelines as a principle of federal policy, setting off a highly polarized debate about the role of faith-related organizations in delivering government services. The two welfare reform provisions were not consciously linked, but it is not surprising that their trajectories soon began to intersect. In California, this intersection resulted in a somewhat unlikely twist, in which a Democratic governor embraced a faith-based initiative guided by policy goals and political motives that were quite different than those of “compassionate conservatives.” The upshot is the California Community and Faith-based Initiative (CFBI), in which a \$40 million state investment is helping hard-to-employ citizens receive workforce development assistance from community and faith-based organizations (CFBOs).¹

In this paper we analyze the partnership roles played by 14 CFBI-funded nonprofit organizations in 11 different California communities. Using a comparative case study approach, our purpose is

- 1) to describe the roles and contributions of the 14 CFBOs in their local workforce development networks;
- 2) to summarize various types of evidence that speak to whether government support for these CFBO roles creates demonstrable public value; and
- 3) to identify policy mechanisms and program dynamics that support or constrain the ability of CFBOs to function as government workforce development partners.

Consistent with previous community-level research, we find that CFBOs can play valuable but limited roles in local workforce development networks (Campbell 2002, Cnaan 1999, Monsma and Mounts 2002, Wineburg 2001, Wuthnow 2004). The policy implications stemming from this line of community research stand in marked contrast to the sharply polarized national debate. A key lesson of the CFBI demonstration program is that the assumptions that have fueled the national debate are inconsistent with local realities, and current federal approaches are not the only way to organize a community and faith-based initiative.

CFBI: A PARTNERSHIP TO BETTER SERVE THE HARD-TO-EMPLOY

Past evaluations of government job training programs consistently find that service providers avoid enrolling and serving hard-to-employ participants in order to meet performance standards more readily (Franklin and Ripley 1984, Magnum 2000). The Workforce Investment Act of 1998 (WIA) exacerbates the disincentive in two ways. First, WIA eliminates the practice of adjusting local performance measures to take into account client characteristics and local circumstances, as was routine during WIA’s predecessor program, the Job Training Partnership Act. Second, WIA stipulates that employers are primary customers of the One-Stop system. This creates a dilemma for One-Stop operators who are torn between the need to gain the confidence of employers while also reaching out to individuals with multiple barriers to employment. As one local Workforce Investment Board director states:

The only One-Stop I know of who are effective labor market intermediaries are entities that have acknowledged that business is the primary customer. And it’s very difficult in a government setting to get people on that page. The employer is the one who has the job, and we have to train people to compete. I think the days of an entitlement mindset, of government or quasi-governmental entities that

operate from that position of being reactive social service agencies, that's the absolute worst position to try to advocate for a client. It's a position of weakness, you know, so you're starting off 5 steps behind where you should be.

Financial pressures exacerbate the One-Stop dilemma. Four of every five local workforce areas in California have seen their WIA allocations decline since 2001, by an average of 26%.² A Workforce Investment Board director comments:

We face the same challenge that any large government program faces in figuring out 'How do we serve niche clientele?' You get into a cost-benefit analysis about what it would cost to hire specialized staff to deal with language and cultural issues, and other barrier issues. It's more cost effective for us to use third parties who are adept at working with this client group.

With this context in mind, but motivated by his own political goals, Governor Gray Davis launched the California Community and Faith-based Initiative after receiving the approval of the state legislature in the FY 2000-01 state budget. Under the auspices of the Secretary of the Health and Human Services Agency, the state Employment Development Department was directed to establish a competitive grant process to solicit proposals from established 501(c)3 nonprofit organizations. Using a combination of state general funds (Year 1) and federal workforce investment funds (Years 2 and 3), the state allocated approximately \$17 million to 40 community and faith-based organizations.³ The workforce investment funds used were from the 15% discretionary funds that WIA allocates to governors to use for statewide projects. Twenty organizations were first funded in the original cycle during FY 2001-02, and another 20 organizations in FY 2002-03.⁴ Most grants started in the range of \$100,000-200,000 per year and gradually declined over the course of the initiative. With a few exceptions, participating organizations received two or three years of funding, and the last grants are set to expire in March 2005. With the recall of Governor Davis in 2004, the initiative's administrative champions left power, and it appears that the new governor will not continue support for the initiative after the current grants expire.

During the four years of state funding, the Special Projects Division of California's Employment Development Department (EDD) has managed CFBI as a demonstration program. Two public goals animated the program: 1) to expand access to workforce development services among hard-to-employ populations, including the homeless, ex-offenders, recovering substance abusers, emancipated foster care youth, refugees and new immigrants, abused women, mental health clients, and autistic youth; and 2) to build the capacity of participating CFBOs so that they could function effectively as government partners. Because CFBI's strategy was to take advantage of pre-existing links between CFBOs and various hard-to-employ populations, the program design specified that funds would go to both large and small nonprofit organizations, almost half of which had never previously managed a government grant. Recognizing that less grant savvy grassroots organizations need extra assistance, EDD put together a team of specially recruited program managers to help CFBOs build capacity. At the program's apex in 2002-03, 15-20 program managers spent hours at each of their assigned sites on a bi-weekly basis and were available for frequent phone consultations. In addition, EDD organized quarterly technical assistance and capacity-building meetings where participating CFBOs shared experiences and learned from experts.

As the initiative progressed, EDD encouraged the participating organizations that had not done so already to make connections with a nearby One-Stop center, the primary workforce development institution in local communities. In many cases, EDD program managers assisted in making introductions. By the final year of the project, connecting with the One-Stop was included as one of the performance benchmarks each organization was expected to achieve. A particular interest in our research has been to track the progress and outcomes of these efforts to build bridges between participating CFBOs and the public agencies.

RESEARCH AND METHODS IN THE CONTEXT OF PREVIOUS LITERATURE

CFBI included resources for a detailed process and outcomes evaluation, making possible comparisons that take into account organizational type, community context, among other variables identified as important in previous studies. As one part of a larger CFBI research consortium,⁵ the authors chose a research strategy that mirrors recent studies that take the dynamics of community social service networks as the point of departure (Campbell, 2002, Wineburg 2001, Wuthnow 2004). A key premise of these studies is that we cannot assess the public value of community and faith-based organizations without a detailed understanding of their clients, service portfolios, organizational cultures, and community context. Using this approach in particular communities, recent empirical work has yielded conceptual distinctions that clarify or call into question many common assumptions made in the policy debate concerning faith-based initiatives. For example, Wineburg (2001, ch. 4) shows how the social services provided by the religious community are intricately braided with those provided by publicly funded social service agencies, whether or not special faith-based initiatives are promoted. Wuthnow (2004) finds important differences in service-delivery roles between congregations and nonprofit faith-based organizations, though the two are frequently conflated in political rhetoric. Smith and Sosin (2001) suggest that relatively few faith-based organizations actually integrate faith-infused practices into their service delivery as presumed by many proponents and detractors of faith-based initiatives.

Close observation of a variety of local cases is needed to adjust policy expectations regarding faith-based initiatives to a reasonable level, and to learn more about the types of public challenges for which the distinctive assets of various types of CFBOs are most suited. Three practical and conceptual considerations loom large as this research agenda proceeds: 1) the wide variety of faith-related organizations, which bring different assets and liabilities as government partners (Sider and Unruh 2004, Smith and Sosin 2001, Wuthnow 2004), 2) the complexity and historically-derived character of local social service delivery networks, which prohibit ready generalizations (Campbell 2002, Wineburg 2001), and 3) the failure of many community- and faith-based initiatives to delineate a specific public objective other than that of simply “leveling the playing field” (White House Office of Community and Faith-Based Initiatives 2001) by getting more public money to faith-related organizations. Given these difficulties, it is not surprising that we still lack reliable, agreed upon standards for assessing whether partnerships with CFBOs are creating public value (Moore 1995).

Given these challenges, we presume that public value cannot be measured using a single metric such as job placement rates. Instead, our research takes into account multiple perspectives (program participants, staff members, public managers), and examines outcomes at the individual, organizational and community levels of analysis. The initial phase of the evaluation sought to learn how CFBI programs identify, recruit, train, and support employment among unemployed or underemployed persons who are not typically served by existing government programs. Research activities by members of the consortium included 1) an initial survey of CFBO executive directors to gain comparative data on all 40 sites; and 2) in-depth study of 16-18 selected sites, including site visits and interviews with randomly-selected participants,⁶ organization staff, and other key informants.

A community network analysis is the centerpiece of a second, separately-funded phase of the evaluation. In this phase, the author selected a sample of 14 of the 40 CFBI-funded organizations in 11 different local workforce investment areas in California.⁷ Table 1 describes key characteristics of the sample. The selection criteria included a number of variables identified as important during the first phase of the research and in the research literature. For example, the 14 CFBOs include start-up and longstanding nonprofit organizations (Stevens 2001), grant-inspired and long-established workforce development programs (Harrison and Weiss 1998), urban and rural community settings, and local political cultures that do and do not pursue privatized service delivery as a preferred mode of running government programs (Campbell 2002).

The diverse faith-orientations of CFBI organizations provide another important basis for comparison. To classify the role of faith in organizational service delivery, we rely on the recently published Sider and Unruh (2004) typology as a starting point. We find that four of the six Sider and Unruh categories are sufficient to characterize the observed variety in the 40 CFBI-funded organizations. Not applicable is the “faith-permeated” category, since CFBI selection criteria excluded organizations in which religious activities are integral to the delivery of services. In addition, we found the Sider and Unruh distinction between faith-affiliated and faith-background categories to be too fine to discern, even with the benefit of extensive fieldwork. We have chosen to use their faith-background category, whose description best fits the observed characteristics of the relevant CFBI organizations. Below are the four Sider and Unruh categories, as they define them (2004, p. 114), and selected quotes exhibiting how faith-related organizations in our sample describe the role of faith in their programs:

- 1) faith-centered: “explicitly religious content that is separated from the provision of care; beneficiaries have the option not to participate;”

Most of our residents really didn’t know life before, and we want them to experience a way of life. When the girls come into our program, they’re beaten down. And *they* think nobody loves them. And giving them something to believe in that they can’t see—and once they build that, they have a hope that they *can* change, and life *can* be good, and that they’re loved. . . . In the Goals program [the CFBI funded program], I don’t focus it just on faith. I want the girls to have a little bit of everything, and then—whatever works for them, is how I think. Because what might work for Sandy won’t work for Debby.

- 2) faith-background: “no explicitly religious content in the program; the religious component is seen primarily in the motivation of individual staff members;”

Faith plays a direct role in our hearts! in being motivated to do what we do and in staying hopeful in the midst of all the typical nonprofit challenges.

Faith isn’t spoken as in the four walls of a church or through the pages of the Bible, it’s practical religion, it’s practical faith. It’s understanding that each person was created with a purpose and a destiny, and it was not to do drugs!

- 3) faith-secular partnership: “no explicitly religious content in program activities; faith partners sometimes supplement with optional religious resources and activities;”

Our organization [the FBO partner] would not exist without the faith connection, but because of the grant we were not allowed to proselytize. However, because our staff is all faith-based and enthused in those areas, you always have the influence of the faith-based people around them. That added a discipline dimension, a spiritual dimension, and emotional stability dimension, and it added an outlook—a purposeful dimension. All of those things are caught as well as taught.

- 4) secular, where there is no religious content associated with the program.

Using these four categories, 3 of our 14 organizations are faith-centered, 5 are faith-background, 1 is a faith-secular partnership, and 5 are secular.⁸

A variety of research activities support the community network analysis, including:

- a semi-structured phone survey of the 14 CFBO executive directors, using a protocol designed to learn about their organization's relationship to other workforce development organizations;
- a site visit to each organization;
- a detailed network map, prepared during the site visit, showing their organizational connections with employers, funders, government agencies, technical assistance providers, faith community ties, community coalitions and partnerships, social and political leaders, competitor organizations, as well as connections at the regional, state, national, and international level (see figure 1);
- 48 interviews with representatives of One-Stop centers, local Workforce Investment Boards, and other government agencies to learn about 1) how the hard-to-employ are served in the local workforce development network, 2) the impressions government stakeholders have of the public value of the CFBI-funded organizations, and 3) active partnerships that One-Stops may have developed with particular CFBOs (or vice versa);
- 25 interviews with employers, partner organizations, and (where applicable) congregations with whom the organization had connections;
- a focus group with 20 EDD program managers who monitor and assist the CFBOs;
- an information-sharing session focused on how CFBOs can develop more active partnerships with One-Stops among representatives, held among 20 CFBI grantees at one of EDD's statewide capacity-building conferences, notes from which were analyzed for key themes.

Most interviews are tape-recorded, then transcribed and coded using QSR N6 qualitative analysis software.⁹ This analysis also draws on interviews with staff and participants conducted in the first phase of the evaluation, on documents provided by the organizations, and on administrative data analysis provided to the researchers by EDD.

ROLES PLAYED BY CFBOS IN LOCAL WORKFORCE NETWORKS

A close examination of the 14 cases in our study reveals three distinct roles played by CFBI-funded CFBOs in local workforce networks:

- 1) a source of *remedial care and services* that offers an alternative portal into the workforce development system,
- 2) developer of an *alternative employment and training network* that connects hard to employ participants with services and jobs tailored to their unique situations, and
- 3) provider of a *specialized service* to which One-Stops (or other agencies) can refer participants when they are ready.

Figure 2 presents a simplified network diagram depicting the three CFBO roles in relation to important challenges facing hard to employ participants as they attempt to overcome poverty related barriers and move into the world of work. The challenges are depicted as if they are rungs on a ladder that the participants must climb to achieve secure employment at a family-supporting wage.¹⁰ Also depicted in the diagram is the relationship between CFBO roles and the current reach and scope of existing One-Stop services, with arrows depicting corresponding referral or partnership connections. Unlike One-Stops, many CFBOs regularly reach out into the communities and local institutions where the hard to employ reside, including prisons, drug recovery programs, and homeless shelters.

A key finding of our comparative analysis is that CFBOs have different strengths and limitations as service providers and as One-Stop partners depending on which of the three roles they primarily play. The following sections summarize this information for each role.

CFBO ROLE 1: REMEDIAL CARE AND SERVICES

In this role, the CFBO's purpose is to help participants achieve remedial or basic outcomes that constitute the lower rungs of the self-sufficiency ladder: gaining trust, sobriety, emotional support, social skills, self-confidence. The six remedial care organizations in our study exhibit value-driven missions committed to meeting individuals "where they are," treating each person as intrinsically valuable regardless of his or her immediate employability. They feature low staff-participant ratios (averaging 1 to 8), close relationships between staff and participants, and program designs that encourage peer support. Successful graduates of remedial care programs are prepared to make use of more advanced employment and training services at One-Stops or other facilities or, in two cases, are able to obtain jobs directly through the organization's community connections. Notably, all six organizations in this category are faith-related, including two of the three faith-centered organizations.

An example is CHAMPIONS Recovery Alternatives Program, founded in 2000 just months before receiving the CFBI grant. CHAMPIONS is a substance abuse treatment program for youth and young adults, especially for those who are court-ordered to attend a certified drug and alcohol treatment program. The organization administers an intensive outpatient program designed to last for twelve months or until treatment goals are achieved. Central to the program are the Alcoholics Anonymous/Narcotics Anonymous Twelve Steps traditions. The program is divided into two phases—Intensive and Aftercare. Before graduating into the second phase, participants must either have a job or be enrolled in school. Throughout the treatment program, clients are required to attend AA/NA meetings and to take part in group and one-on-one counseling with staff members, most of whom are addicts in recovery. Rather than offering specific employment services themselves, CHAMPIONS refers participants to the One-Stop located a few blocks down the street for job readiness training and placement services.

CHAMPIONS Executive Director is open about sharing her Christian faith, but the expression of this faith in services looks more like—"extending hospitality" than like "instilling religion":

Just to let you know why CHAMPIONS works, we had a client who had nine kids and did not look good, and refused to wear undergarments to work. So she didn't fit in here, even though her clerical skills were fine. With CHAMPIONS she just fit in perfectly. Sue loved her, and all those little things that matter here, didn't matter over there, because she was just like everyone else. Sue puts faith first. She's really, truly trying to work with the individual.

As CHAMPIONS demonstrates, the remedial care role is to guide participants up the initial steps on the ladder toward self-sufficiency, building confidence one step at a time. A notable characteristic of many participants we interviewed is a lack a fundamental trust in other individuals, coupled with a debilitating lack of self-confidence. Participants facing these long-standing disabilities typically require significant, identity-transforming experiences that are incubated in a caring, personal relationship. Without the CFBO's intervention, participants would enter the One-Stop—if they entered it at all—set up for failure because they are simply not yet One-Stop material. The ladder must be ascended rung by rung; jumping halfway up the rungs in a single leap does not work. A comment from a CFBO director speaks to this point:

Well, they (the One-Stop staff) have a lot to offer. But the expectation is that people arrive on time, that they can use the One-Stop as a consultant, and that they perceive the incentives as significant enough to encourage them to actually show up... The One-Stop expects that they be well-dressed...It's much more like a business, so there's an expectation of professional behavior. I think people don't understand the issues facing our participants.

Although the staff in welfare departments or One-Stop Career Centers may play important roles in the lives of the individuals they serve, they are never the center of participants' lives, nor are the participants always the center of their attention. By contrast, many of the CFBOs we observed become integral to the daily lives of their participants. The most obvious example are programs that have a residential component, such as programs connected to homeless shelters or drug recovery programs, but even the non-residential programs often feature strong, long-lasting relationships with participants. Our interviews were filled with references to a strong "sense of family" generated by the CFBOs, such that for many clients it became a "home away from home." As one participant said: "This is more like a home, and I think you can just feel the tension at the other places." A government official recognizes the same trait:

There's a real family environment that takes place, over and above what I see in many other agencies. After you work there, my sense is, you become more family, people feel connected, and there is a real sense of loyalty. The ED feels very connected to the staff, and cares a lot; the staff is her family.

Other interviews suggest that some caution is in order, lest the claims about CFBO distinctiveness be overstated. This interviewee is arguing that government programs are increasingly remaking themselves in ways that mimic attributes that some feel are more typical of CFBOs:

I've worked in this field for a few years now and I've seen steady progress by the Department of Labor, and government in general, towards not being so impersonal or regimented. There is a concerted effort to be more compassionate in how we provide services to the community as a whole. I'm an optimistic person by nature, and I'm very optimistic that that will continue and improve.

From the perspective of the larger workforce development system, CFBOs emphasizing remedial care function as an alternative portal into the workforce development system. Their value derives from an ability to gain the trust of segments of the community who are suspicious of government programs. A One-Stop staff member says:

They have classes and offer similar services that we do in a particular area of town. The thing is you have people of different cultures who for whatever reason are more comfortable dealing with their own...they don't want to travel. Their customers would not come over here unless there was something special or a job for which we are recruiting. These are people who really like having services in their neighborhood.

If clients come to trust CFBOs, and if CFBOs and staff in government programs come to trust one another, then it is possible to forge relationships in which there is a greater likelihood that participant trust may be transferred to government providers. For example, one CFBO has developed a relationship with the staff member who offers a basic orientation to One-Stop enrollees. Participants in the CFBO are taken on a joint field trip to the One-Stop and introduced to the staff member. (It helps that the CFBO staff member and the One-Stop staff member are the same race.) Small steps like these clearly help, but building trust is inherently uncertain. Another CFBO has finds it difficult to persuade even their better-prepared participants to use One-Stop services. This reluctance continues even though the CFBO made an arrangement to co-locate their staff at the One-Stop. In fact, those co-located staff have not liked being at the One-Stop, preferring the more comfortable work setting in their own organization. '

CFBO ROLE 2: DEVELOPING AN ALTERNATIVE EMPLOYMENT AND TRAINING NETWORK

To greater or lesser degrees, CFBOs in this role become a full-service alternative that provides services that run parallel to those of the existing One-Stop system. Unlike the One-Stop, many also excel at reaching into poor communities and supporting the initial steps of participants toward self-sufficiency. In playing this role, CFBOs

focus on building a community network of services that supports the unique circumstances of a particular participant population or a particular locale. What sets this role apart from the remedial care role is that these CFBOs act as community brokers and network developers. In particular, they ensure that participants have access to more advanced job training and job placement services, either by developing them as part of their own service portfolio or establishing collaborative connections to other providers. For example, many CFBOs in this category seek out employers who are willing to take a chance on individuals with criminal records, drug involvement, or checkered work histories. Not surprisingly, the five organizations in this category averaged more than four times as many organizational connections as those in the remedial services category (204 to 45). In three of the five cases in this category, the CFBO has created an active partnership with a nearby One-Stop that goes beyond simple referrals.

A good example is Welcome Home Ministries and its EARN Program, one of three faith-centered organizations in our sample. Beginning with individual visits to incarcerated women in 1996, Welcome Home has become a recognized antidote to recidivism in San Diego County jails. Since EDD funds became available, both male and female inmates receive visits and orientation before they are released and continue getting support and assistance in job training, job placement, and education as long as they need help. Part of Welcome Home's success is due to its wide-reaching community network, particularly a large list of employers who have been identified as willing to take a risk in hiring individuals with a prison record.

Welcome Home gladly accepts referrals from the One-Stop and also instructs One-Stop staff in the delicate art of working with ex-offenders so that they can provide training opportunities to Welcome Home clients. Co-enrollment is the rule rather than the exception in this partnership, and at the time the CFBI grant was about to expire, plans were underway to co-locate Welcome Home staff at the One-Stop. Commenting on Welcome Home, a One-Stop partner says:

They are a great part of our team. I wouldn't trade working with them for anything...I had somebody that I was working one-on-one with and I couldn't figure out how to get him to the next level. We kept getting a stall. He kept putting nothing on the application for his felony conviction. I called Welcome Home and asked them to help me. They gave me a list of employer contacts that I could call. I gave all this information to the customer. Within two weeks he did the application and had a job.

In describing the rationale for their partnerships, we find that CFBOs and One-Stops hypothesize a number of mutual benefits. CFBOs feel that having their own staff located at the One-Stop makes it easier to refer their own participants for One-Stop services, since a friendly and familiar face will greet them. The One-Stop hopes to take advantage of the CFBOs' special expertise and cultural skills, including familiarity with participants' languages, or knowledge of how to handle the unique employment barriers of particular individuals, such as an individual without a permanent address.

Another CFBO example in this category is the Fresno Interdenominational Refugee Ministry, known as FIRM. FIRM employment and training programs are geared to the unique situation of Southeast Asian and other refugees, many of whom fear and distrust the government, and either avoid One-Stops entirely or are poorly served when they do use them. A FIRM staff member states:

Mostly our folks don't even come in the door (of the One-Stop). The One-Stop deals with everybody, whether you are low-income, or you're an executive of a company looking for a job, so there's a whole bunch of people walking in that door. But, the way the performance standards are made, the One-Stop staff only want the people who are going to succeed. So a refugee walks in. Guess how many services they're going to get?

FIRM has stepped into this breach to provide a wide range of culturally-sensitive services, including client assessment, resume assistance, and active assistance with job placement and retention. FIRM job developers seek out opportunities with local employers and help with the often-difficult work of cultural translation required. We found that the majority of government program representatives we interviewed agreed readily that FIRM services are distinctive, as in this comment:

They have a very high community reputation. The basis for it—and this is going to sound really saccharine—is their sanctity. I mean these are really motivated people. Clearly the motivation of these faith-based people goes beyond our motivation.

Despite its value as an alternative to the One-Stop, FIRM leaders came to realize that many of their participants were ending up in a cycle of low paying jobs, and really needed more extensive occupational skills training to advance. Under a recent MOU with a local One-Stop, FIRM now screens its participants and encourages a small number who are deemed ready to make use of the vocational training opportunities the One-Stop provides (bus driver, mechanic, truck driver, etc.). To facilitate the process, the One-Stop provides a grant of about \$100,000 to FIRM, which covers the cost of locating four FIRM staff at the One-Stop on a part-time basis (ranging from .25 FTE to .75 FTE). The remainder of the salaries of those full-time staff is paid by the CFBI grant. A key challenge is persuading FIRM customers that it is worth the time and effort to enroll in the One-Stop training programs, since the short-term need for “any job” often precludes them from adopting a longer-term perspective focused on getting a “better job.”

Based on this admittedly small sample of three CFBOs—one faith-centered, one faith-background, and one secular—it does not appear that the degree of faith-centeredness has much to do with the likelihood of developing an active partnership with a One-Stop. A more likely causal variable is the attitude toward privatization in the prevailing political culture. In all 3 cases of active partnership—two in San Diego County and one in Fresno County—local workforce and welfare officials have longstanding commitments to contracting out services to private and nonprofit organizations (Campbell 2002). The other variable that appears important is the strength and community visibility of the CFBO’s executive director, and their ability to confidently forge network relationships. Based on our comparative analysis, this ability is more likely in more established nonprofits with solid administrative footing and enough staff members so that the executive director can spend most of his or her time on community networking rather than internal program operations (see table 1). Executive directors in the five CFBOs in the alternative network category average spending 74% of their time on external networking, compared to an average of 35% for the four executive directors in the remedial care category for which we have data.

CFBO ROLE 3: SPECIALIZED SERVICE

Three of our 14 case study organizations provide a specialized service to which existing participants in One-Stops or other public and nonprofit agencies can be referred. In all three of the specialized services cases, the majority of participants are individuals who have already succeeded in navigating the One-Stop system or that of other public agencies, and are operating at the higher rungs of the self-sufficiency ladder. These CFBOs tend to serve relatively higher numbers of participants, but in a more limited fashion than in the other cases. In many respects the specialized service role seems distinct from the type of value-added partnership envisioned in most community and faith-based initiatives. On the other hand, these CFBOs demonstrate that the transforming spark can reach participants even in interactions that are a far cry from the “intensive case management” or “holistic attention” often cited by proponents of a faith-based initiative. Notably, all 3 of the CFBOs providing specialized service are secular, although in each case they have direct or indirect ties to local faith-related organizations.

For example, Wardrobe for Opportunity provides attractive work clothes to women who are looking for employment. They receive referrals to from a number of San Francisco Bay Area One-Stops in addition to other public and nonprofit agencies, and draw on a wide network of community connections for donations and volunteers, including many religious organizations. In the space of a relatively brief encounter (typically one hour), Wardrobe services can make a remarkable difference, as a One-Stop representative comments:

It really is wonderful what they do. Our clients...I mean, you can see them standing taller. And I'm not one for flourishes, but it's the truth, they really feel so much better. Not only do they feel like they are starting to make progress in their lives, starting to get a sense of what's going on, of being a part of the community, but they also feel that somebody cares. Somebody put personal hands on me, and measured and fitted me...I think Wardrobe is universally respected, at a minimum, and loved probably.

A more traditional workforce partner is the Center for Career Studies at California State University, Long Beach. The Center provides vocational training (Certified Nursing Assistant, medical billing and coding, Microsoft Office) and job placement assistance to individuals referred from many One-Stops in the region. Like Wardrobe, the Center for Career Studies is a secular nonprofit with extensive network connections prior to the EDD grant.

A very different case in the specialized service category is the New Beginnings Partnership, the only example in our sample of a faith-centered organization joining with a secular nonprofit organization to secure a CFBI grant. Like the Center for Career Studies, New Beginnings primary service is job training, but unlike its urban counterpart, geography plays a key role in defining its community niche. As stressed by a county welfare official, New Beginnings is the only training facility in northern Tulare County available to these individuals:

The number one thing is that they are providing a service that the Dinuba area needs because there are not other agencies that are willing to provide that here in this area because of the remoteness. I can't stress that enough.

OUTCOMES OF PUBLIC VALUE

In this section we ask, what outcomes of public value are being created as CFBOs engage in the roles just described, and are these outcomes commensurate with the level of public investment required? Our answers are suggestive rather than definitive, but draw on more than two years of case study research and a variety of outcome analysis methods.

Both administrative data and participant interviews suggest that CFBI did achieve its primary goal of reaching hard-to-employ populations. Of the more than 150 randomly selected participants we were able to interview, 42% indicated that they had never previously received workforce development services. The administrative data (table 2a) shows the percentages of various categories of hard-to-employ individuals served in CFBI organizations, compared to similar percentages for adults served in California's One-Stop system. In every category, CFBI organizations have served significantly higher percentages of the hard-to-employ. Even more impressively, the total number served strongly suggests that CFBOs have the capacity to significantly increase the state's overall ability to reach hard-to-employ groups. For example, CFBI funding more than doubled the number of homeless individuals in California who received workforce development services.

The findings of our qualitative fieldwork are consistent with these results. There are many reasons why participants are unable to use One-Stop services, or are resistant even to trying. Geography and lack of transportation are commonly mentioned barriers. For example, one CFBO estimates that 90% of their participants do not own or have access to a car. Another CFBO serves a tribal population that is widely dispersed, suspicious of government, and located a great distance from the nearest One-Stop center. In other

cases, participant mindsets keep them from using the One-Stop. One CFBO staff member asserts, “Our clients just won’t go to the One-Stop without the intervention of one of our staff advocating at their side. They have the perception that their needs are too complex for the One-Stop to effectively address.” A CFBO staff member who works with refugees states that, “Refugees have the feeling that it is not safe and really aren’t comfortable sharing their barriers to employment with One-Stop staff.” A One-Stop representative comments, “Language is really a barrier, absolutely. We get people who call, and we have to pass the phone around to find someone who can talk with them.”

A more difficult question to answer is how effectively the CFBO participants are served. Program effectiveness can be conceptualized along a variety of dimensions including success in getting people in the door and keeping them engaged in the program; delivering services efficiently; removal of key employment barriers (e.g., illiteracy, addiction); creating positive employment outcomes that move participants up the ladder of job readiness/placement; and providing follow-up that supports retention, advancement, and increased self-sufficiency. It appears to be rare for a CFBO organization to excel on all these dimensions, but many provide models in at least one of these areas.

We have gathered several types of evidence of effectiveness, beginning with a participant survey. Participants report high levels of satisfaction with CFBO services, and substantial gains in work readiness (table 3).¹¹ While it is true that a small number of testimonials is not a sound basis for making large-scale public policy decisions, it is important not to forget the life changes—or even life-saving changes—that mark the humanly meaningful outcomes for some participants:

Before I came here, I didn’t see that there was much of a future for me other than maybe jail, institution, and death. I didn’t expect to live past the age of maybe 28. But now I’m going to live my life like I’ll live till 90.

Job placement rates might be considered a more objective measure of effectiveness than testimonials. Using administrative data from EDD (table 2b) we compared the job placement rates at exit for all WIA adult participants in California One-Stop Programs, all CFBO participants, 13 CFBO remedial care organizations, and 7 CFBO alternative network organizations.¹² The data show that CFBO-funded organizations lag far behind One-Stops in their job placement rates. However, as expected, the gap is much wider for the remedial care organizations than it is for the alternative network organizations. The placement rates for exiters in the six remedial care organizations average 18% (N=79 of 440) compared to 64.3% (225 of 350) for the alternative network organizations, and 79.2% for adult WIA participants (8,603 of 10,861). Given the much harder to employ populations that they serve (table 2a), the alternative network placement numbers stand up quite well against the performance of local One-Stops. Compared to WIA adult programs, alternative network organizations serve about five times as many participants who are homeless or have reported substance abuse issues, three times as many individuals receiving public assistance, and more than twice as many ex-offenders.

Our field research uncovered numerous examples demonstrating other ways performance measures can mislead. For example, the Northern California Indian Development Council (NCIDC) trains tribal residents in construction. They have succeeded in creating a tribal construction workforce, such that contractors who come into the community now hire many more locals than in the past, when they typically filled jobs with non-tribal workers. Still, the availability of construction work is episodic. Training may not result in placement at 3, 6, or even 9 months, as tracked by the performance measures, but eventually it will. In between, the locals have adapted a fairly resilient subsistence economy. Arguably, the training has made a major improvement over past conditions, but that value is not fully reflected by the performance measures. Clearly, no single metric can adequately tell the story about public value.

Our interview and focus group data provides another metric for assessing CFBO performance. We asked EDD program managers to rate the CFBO organizations as potential partners with government. The program managers were given a series of statements designed to have them rate the overall promise of the 40 funded CFBOs using a Likert scale. Program managers agreed or strongly agreed that 31 of the 40 organizations were effective overall partners. Only 4 organizations were identified as deficient partners, and another 5 were given a “neutral” or “not sure” rating.

As Renz and Herman (2004) suggest, “nonprofit effectiveness is a social construction” in which the perceptions of significant stakeholders matter a great deal. In this regard, the most telling and complex assessment of the public value generated by CFBI comes from analysis of interviews with local One-Stop and Workforce Investment Board officials. The interview data reveal one clear pattern: local leaders are skeptical about faith-based initiatives in the abstract and critical of the governor’s decision to use WIA discretionary funds for CFBI, but speak in positive terms about the contributions of particular CFBI-funded organizations in their community.¹³ One WIB director’s comments capture the dichotomy:

Some of the CFBI money came here, and we partnered with those organizations that got funded in our area. We were lucky. It works with those that got funded in our area. But from the time I was a child we were taught about the separation of church and state. These organizations do some good work, but they can’t begin to comply, the small ones anyway, not the large ones. They don’t have the capability and they don’t have the accountability. If religion can help someone do better, that’s a good thing. But I am uncomfortable with funding it with federal funds.

One reason CFBI is viewed negatively primarily is because it allocated the governor’s 15% discretionary funds to nonprofit programs at a time when budget cuts were hampering the ability of the One-Stop system to maintain its basic infrastructure. Local officials also did not like the fact that they were not consulted on which organizations were selected, and believe it is unwise to provide government funds to groups with minimal or no track record. The following comments are typical of the skepticism:

All these faith-based initiatives that come from the state, many of those are worthless because the agencies are not equipped to provide the service. You just create multiple service levels instead of working through the existing One-Stop system. By not using the existing infrastructure you just make it harder, because the infrastructure needs the money to survive, and they can do it in a manner that is more productive in the long run than just funding programs for political gain.

I understand the faith-based initiative hasn’t been easy to implement. Some of the request for proposals I’ve read seem like they ask a lot from basically pretty small and grassroots organizations, that don’t really have a sophisticated enough organizational structure or accounting system.

I know that the faith-based organizations that were eligible for funding under this program didn’t necessarily have experience in the job placement area. They had experience in outreach, because a lot of the populations traditionally came to them for services. So it was a good way, a conduit, to get people into the system, but I don’t think it could really end there at the faith-level.

These same One-Stop and local Workforce Investment Board officials, however, when asked about the value of particular CFBO providers in their own communities, offered mostly positive assessments. Local officials tended to 1) recognize that these groups served clients that they had difficulty serving, or who would simply never come through their doors, and 2) welcome any new infusion of workforce funds into the community, even funds over which they had no direct control.

Many faith-based groups already do a lot of things around employment and training, a lot of support for people in that kind of thing, so why not bring them in and work together? It's another resource, another way to get things done. If they can help us meet our job of finding people jobs because they can reach a certain group, it's just a way of reaching out to those in need.

We need them as much as they need us. They serve on many boards with us. We definitely see them as a viable and contributing entity. They have the connections. Why not take advantage of them? They help make a difference.

They're great. My experience has been that they provide an opportunity for folks to get sober.

The most consistent criticisms we heard in discussing particular CFBOs did not focus on the issues of capacity or quality that were raised in the abstract discussions. Instead, the most common concern is the lack of stable, long-term funding associated with a state initiative, raising the prospect that partnerships will be too short lived to be worth the investment.

It was hard to count on CHAMPIONS because the staff came and went, and so you didn't always know that the program would be consistent. It wasn't because she is a faith-based program, it's because their funding is uncertain. Our key concern is that these special projects raise participant expectations, and then the funding ends and we are left holding the bag.

When CFBOs are only funded for 2-3 years, it's a race against time, particularly for less established organizations that spend much of their time getting their internal operations in order. Some opportunities never materialize. "To be honest, I don't think their leader at that time really wanted to work with us," says a One-Stop representative. "We met, but there was never any follow-up. After the new Executive Director came on board, that changed, and we are willing to work together. Unfortunately, now their funding is running out."

Our case studies underscore another important limit on the effectiveness of CFBOs, based on the simple reality that these organizations serve volatile populations. In ways that are beyond the organizations' control, participants themselves can undermine even the most exemplary programs and staff efforts. As one CFBO staff member describes, "It's exhausting meeting people where they are." Another states:

When all is said and done, it's really up to them. We can support them, but unless they make a decision to change, their lives are not going to improve. It's discouraging to work with someone and then see them throw it all away again by going back to drugs or ending up back in prison.

A repeated theme in staff interviews is the frustration of working with a particular participant who appears to be making progress only to slide back into destructive patterns that are inconsistent with maintaining employment. A remarkable characteristic of CFBOs we observed is their willingness to sustain the work they do in the face of inevitable failures and disappointments.

Just as some participants fail, so can organizational partners. Despite EDD's significant investment in building the capacity of funded organizations, about five of the 40, or 12.5%, of the CFBI-funded organizations failed to meet even the minimal standards as partners, and EDD chose not to renew their contracts. The specific reasons varied, although one EDD program manager said most failures were attributable in some way to "bad management." We observed one organization whose failure stemmed from charges of financial mismanagement on another government grant (not the CFBI grant). In another case the organization folded after the unexpected death of the organization's founding leader.

Overall, the evidence suggests that CFBI created significant public value. For hard-to-employ participants, CFBOs have built trust and confidence and have prepared individuals to navigate other public services. For One-Stop administrators, CFBOs have shown their worth as niche programs that offer services to a culturally distinct group, or location-specific programs that fill geographic gaps in the existing service delivery infrastructure. Unlike One-Stop Centers, CFBOs can position themselves at the boundaries of society, where individuals are attempting to enter or re-enter the economic mainstream from one or more positions of marginalization. As refugee resettlement programs have long recognized, this difficult work requires cultural translation, support navigating the system, learning new basic skills, help finding entry level work, and formal and informal counseling.

MAKING IT WORK: POLICY MECHANISMS AND PROGRAM DYNAMICS

Our local case studies suggest a variety of policy mechanisms and program dynamics that played roles in supporting or constraining the CFBI partnership. This section discusses a few of the most important examples.

FUNDING PARAMETERS

It is clear that without the decision by Governor Davis to use discretionary WIA funds for CFBI, many smaller CFBOs emphasizing remedial care would not have expanded their service portfolios to include workforce development services. It is also apparent that, together with the encouragement of EDD program managers, the funding accentuated the process in which some of the alternative networks CFBOs pursued active partnerships with One-Stops, including co-location of staff. Many of these more established grantees have multiple funding sources longstanding partnerships ties with government. One question facing designers of this type of initiative is whether to tilt the funds more toward remedial care or alternative network providers, or, as in the case of CFBI, to split the funds more evenly across organizations of both types. EDD program managers we interviewed believe the CFBI dual track approach had two principal benefits: 1) it created opportunities for more experienced organizations to mentor those with less experience, and 2) the political connections and respectability of some of the more established organizations helped sell the initiative politically.

With respect to funding very young or start-up organizations, the CFBI experience raises other questions. A few EDD program managers argue that it is inappropriate to fund start-up organizations that require excessive amounts of technical assistance before they can begin to function effectively as partners. But other program managers appreciated the vitality provided by partnering with community leaders who are still on fire with a fresh vision. The consensus seemed to be to avoid funding brand new start-ups, but to be open to funding very new program where the organization is minimally established. As many of EDD's program managers pointed out during our focus group, smaller CFBOs were just putting it all together when their CFBI funds began to run out. They recommended funding viable start-up programs for at least five years.

COMMITMENT TO CAPACITY BUILDING

EDD's decision to invest significant time and resources in capacity building demonstrated its serious commitment to working with less experienced grantees. EDD used its presence and power not simply to bestow funds on CFBOs, but to develop the smaller organizations into potential players in the workforce development system. One striking policy lesson of CFBI is the power of a public agency like EDD to act as a community change agent, rather than simply as a disperser of funds or an insurer of compliance with federal regulations. Playing this change agent role requires a hands-on approach and flexibility that is not typical of a government program.

It is worth summarizing the manner in which EDD's Special Projects Division went about this task. First, EDD legitimized the smaller non-profits by bestowing funds upon them, thereby increasing their community visibility

and self-confidence. Next, EDD sent the organizations trained professionals to coach them through (1) working with government requirements and restrictions (2) developing the organizational infrastructure so that they could display their professional readiness to other potential funders, (3) delivering their program and tracking the results more effectively, and (4) forging relationships with other EDD-funded organizations and with the local workforce development community. Finally, EDD used its position, connections, and influence to encourage the WIB and One-Stop leaders to give partnership with these CFBOs a chance, despite the risks and the expressed reluctance of some leaders on both sides. Other grant-makers could presumably provide one or two of the kinds of support these CFBOs received, but nobody but EDD could put pressure upon the official side of the workforce development system to create the opportunity for collaboration or at least cooperation with these smaller players.

If our sample is an accurate indicator, the outcomes of this focused effort are mixed, but tend in a mostly positive direction. Of the five smaller, faith-related organizations with no previous government contracting experience, all five successfully managed their contracts and met basic performance benchmarks set by EDD. EDD program managers rated all five as good partners. One of the five (Welcome Home) has developed an active partnership with a One-Stop, has grown in sophistication and community visibility, and successfully competed for a federal Department of Labor grant in 2004. Another one of the five organizations (CHAMPIONS) developed loose connections with a One-Stop, experienced significant growth in administrative capacity and community visibility, and succeeded in receiving a large new contract from the Kings County Alcohol and Drug agency. Of the remaining three organizations, Helping Hands of Hope and Tabitha's House have modest connections to the One-Stop, while Zaferia Shalom Zone Agency found their overtures to the One-Stop were not reciprocated. Of these three organizations, Tabitha's House has secured new funding as part of a coalition of local housing agencies, while the other two organizations are somewhat less visible locally and have yet to secure funding to ensure the continuation of their programs after the EDD grant ends.

Despite EDD's laudable efforts, our case study evidence does, in general, confirm the received wisdom that public agencies find it easier to partner with larger, more established nonprofits with which they share a common degree of professionalism and other traits of organizational culture. The strongest One-Stop connections we observed were made by the alternative network organizations, not by those providing remedial services. This underscores an ongoing challenge to any attempt to reap public value by partnering with smaller nonprofits.

FLEXIBLE APPROACH TO ACCOUNTABILITY

Some base their support for funding CFBOs on a perceived opposition between the inefficient red tape associated with government programs and the lack of the same in most nonprofit organizations. As one employer we interviewed comments,

Frankly, I think if there were zero government funds working on this and it was all churches and private sector we would do twice as good a job for half of the money.

The CFBI experience highlights an issue that is less provocative but more germane. Who will bear the costs of the necessary accountability and performance demands that will accompany any effort to extend government funds to CFBOs? Both small and large CFBOs participating in CFBI experienced problems with accountability. This might be expected for the less experienced organizations, but even the more sophisticated and experienced CFBOs found it difficult to deal with EDD's antiquated and difficult to use data reporting system. One CFBO leader went as far as to criticize the underlying dynamics that accompanied working with EDD. "It's ironic that we were chosen to receive the grant because we are unlike a government agency, but the first thing EDD set out to do was to make us as much like government as possible."

Most grantees, however, expressed extreme gratitude for the manner in which EDD conducted the initiative. Without sacrificing basic standards, EDD managed CFBI in such a way that it deflected many costs that might otherwise have been born by the CFBOs. One example is a key EDD decision about how to conduct CFBI audits. In line with its general approach to capacity building, EDD treated the initial audit as an organizational learning experience, rather than an occasion to immediately weed out organizations that did not meet the usual standards. Participating groups had a chance to learn what was expected, so that subsequent audits could focus on identifying real breaches of responsibility, rather than simply picking up errors due to inexperience. This approach stretched EDD's normal operating procedures, but there is no indication that doing so increased the likelihood of mismanagement of funds. If anything, the opposite is likely, as auditors took the time to ensure that organizations were aware of how to meet the proper standards.

Perhaps the most important mechanism supporting the types of partnership evident during CFBI is a flexible approach to handling performance accountability. Normally, WIA funded agencies are required to meet stringent performance standards set by the federal government. During Year 1, CFBI organizations were exempt from these requirements because they were funded out of state general funds rather than federal WIA funds. When WIA funding kicked in during Year 2, CFBI organizations were required to incorporate WIA eligibility standards but, as a demonstration program, were considered exempt from WIA performance standards. Instead, EDD program managers developed a specially crafted set of performance benchmarks to which grantees were held accountable. While many of these benchmarks were designed around the capacity building goals rather than federal performance standards, the program managers repeatedly stressed to grantees the need to demonstrate performance as a way of attracting future grants.

The use of standardized performance measures, such as job placement rates, is often defended as a way to ensure that public customers can select service providers who are demonstrably more effective. This model, formally part of WIA's reliance on Individual Training Accounts, is at odds with the life circumstances of the participants we have interviewed. CFBI participants trusted CFBOs more than government because the former treat them like family and friends, not based on calculations of effectiveness. Many participants report checkered family relationships in their past, and seem drawn in part by the possibility of building relationships that mimic the care that their own families should have provided them but often did not. Our evidence echoes Wuthnow's (2004, p. 225) finding that "Faith, familiarity, and affinity of various kinds were all valued more commonly among those with lower incomes than among those with higher incomes. Why? A likely explanation is that people with fewer resources feel a stronger need for cues about whom they can trust and whom they cannot."

CFBI suggests that any attempt to compare organizational effectiveness is fraught with difficulties and is potentially misleading. One official notes, "We need to develop a system of metrics to define the meaningful accomplishments of CFBOs in the areas of pre-employment."¹⁴ Until this happens, CFBO contributions in the field of workforce development are likely to be subject to widely varying interpretations, many of which will overstate, underappreciate, or completely miss the point of their actual value. As Renz and Herman (2004) have suggested, it may be more appropriate to begin thinking in terms of the concept of "network effectiveness," since the outcomes of value to participants and the public are the products of collaborations that involve many organizations. Wuthnow (2004) also points in this direction, noting that from the participant standpoint what matters is not so much the quality of any particular service they receive, but how the overall service portfolio they encounter by contacting different community organizations aids or hinders their progress.

CHARITABLE CHOICE GUIDELINES AND LOCAL RELATIONSHIP BUILDING

Charitable Choice guidelines played an important role in CFBI. However one feels about the overall policy direction and rhetoric that have accompanied Charitable Choice, the existence of codified guidelines as to what is and is not permissible helps both government and faith-related organizations to feel more comfortable with

the idea of partnership. As one CFBO director indicated, “if the rule was no prayer at all, anywhere in your organization, we couldn’t do it. I think we’ve shown that a faith-related organization can advance its mission with integrity, with access for all, while taking government funds.”

Still, it is difficult to overcome certain prejudices and they do not always follow predictable patterns. Some CFBO leaders who specialize in remedial services express strong resistance to the idea of sending their participants to a local One-Stop, where they fear their careful work of confidence-building will be undermined. As Wineburg and others have suggested, truly effective local partnerships with community and faith-related organizations require a great deal of conversation and interaction over extended periods of time. Trusting relationships are built through mundane interactions—personal introductions, showing up at meetings, sharing newsletters, calling to reintroduce yourself to new staff members (given high turnover), helping solve one another’s everyday problems, etc. Taking these small steps together can begin to overcome whatever prejudices exist on either side of a partnership between government and a faith-related organization.

We have a lot of meetings, and that helps clear up misconceptions. In the past, I have had a lot of issues with the idea of faith-based initiatives, but you just have to get past that. It works for the right person; it’s right on the money for the person that needs to be there. And those of us in the system have to be open to that; it goes both ways. They have to stretch to partner with us; we have to stretch to see the benefits they bring.

Where CFBO staff are appropriately skilled, the interaction can be accelerated. A One-Stop partner with FIRM says:

They are also very good about screening, and getting certain information so that I can determine whether or not an individual is eligible for the worker opportunity tax credits. When I talk with them we have all our ducks in a row, and I don’t have to send them back to get more information, so I’m really thankful they are there.

In other cases, the reality of divergent interests can impede partnership. Speaking of his relationship to the One-Stop, one CFBO staff member exclaims:

The reality is that One-Stops hold the funding strings and it’s hard for CFBOs to get access. They want us to do the work for them, but they don’t want to fund our services.

The flavor of what is required to build local partnerships between CFBOs and One-Stops is conveyed in the following list of suggestions generated by a group of more experienced CFBI grantees speaking to less experienced grantees:

- Send One-Stops regular newsletters;
- Attend One-Stop partner meetings regularly;
- Have your CEO meet directly with the One-Stop director;
- Co-enroll your participants with both your program and the One-Stop (One-Stops like that you have pre-determined client eligibility up front);
- Have regular weekly meetings with the One-Stop case managers to follow up on participants you have referred to them;
- If your calls are not returned, someone needs to follow-up and go visit the One-Stop.
- Affiliating with a well-known community proponent is a key door-opener for getting a CFBO access at the One-Stop.

When successful, determined and patient efforts at relationship building can pay handsome dividends. One CFBO saw its entire ministry launched when a local correctional official granted an exception to the normal

policy that prohibits individuals who contact incarcerated inmates from having contact with the same inmates after their release. Strict adherence to the policy would have made it impossible for the group to accomplish its current mission of establishing trusting relationships while the inmate is still in jail, and then being there to support their reentry to society immediately upon their release.

CFBI shows that it is possible to catalyze local relationship building and partnership even when a state agency funds the CFBOs, rather than providing money through the local One-Stop. Whether the latter approach might be even more effective is an open question. From the perspective of the CFBO executive directors we interviewed, state funding provided a number of advantages. It increased their visibility and legitimacy in the eyes of other stakeholders in the local workforce development network. It provided a set of colleagues around the state with whom they could share experiences and learn. And, in some cases, it provided connections to sources of funding and technical assistance outside the local community, helping them to steer clear of the infighting and competition that often plagues nonprofits in a single community.

DISCUSSION

The literature suggests that the Workforce Investment Act's provisions have made it more difficult for all but a few of the larger and more experienced CFBOs to participate in providing employment and training services (Giloth 2004, Public Policy Associates 2003). By setting up a partnership in which the Employment Development Department waived some WIA requirements, and helped defray the costs of others, small and inexperienced CFBOs in California have been able to play limited but meaningful employment and training roles. The beneficiaries include participants who otherwise are not served, One-Stop operators who gain partners to deal with their most difficult participants, and community-based organizations whose capacity to fulfill their local mission is expanded.

CFBI demonstrates the possibility of an anti-poverty, community-building agenda being advanced in a faith-based initiative, one that encompasses but goes beyond what is implied by the –“compassionate conservative” label. Realizing the potential value of these policy initiatives requires a dialogue that is less reliant on broad stereotypes and better grounded in the complex variety of assets, motivations, and histories brought by different local organizations—be they public, private, or nonprofit. Table 4 summarizes how current policy preoccupations could be refocused to move in this direction.

Supporters of faith-based initiatives often cite the need to level the playing field by ensuring that religious organizations are not discriminated against in government contracting (White House Office of Community and Faith-Based Initiatives 2001). Opponents worry that this activity will go too far, creating a form of reverse discrimination that compromises church-state separation (Ferris, Nathan and Wright 2004). The CFBI experience argues for recasting the debate to pay more attention to organizational size and experience. The playing field in need of leveling is between smaller, less experienced nonprofits and larger and more experienced nonprofits. As a One-Stop representative states:

I think it's good that smaller organizations are now allowed to play the game. There are a lot of organizations that do really good work, but are limited in going after certain pools of money because of their status. One group I work with has a tiny budget, but they fill an important void because they work with day laborers, a population that nobody wants to deal with.

CFBI also supports the need to recast, rather than reject outright, the claim that the effectiveness of faith-related organizations is due to the role faith itself plays in transforming lives. In CFBI, spiritually-based transformations of participants are actually a small subset of a larger and more important class of transformative personal relationships. Many nonprofit groups—secular and faith-related—promote these transformations by extending hospitality through acts of caring in ways that *can* be reconciled with church-state guidelines. The

key variable is not faith per se, but whether the organization builds its service delivery approach around episodic service encounters or concentrates instead on building more personally meaningful and often longer-term relationships with individual participants.¹⁵ As Wuthnow (2004, p. 159) has observed:

The research that has been conducted among faith-based organizations, although quite sparse, suggests that it is probably their ability to forge encompassing whole-person, personally transforming relationships with clients that accounts for any special success they may have.

Relationship-intensive services are staff intensive, take advantage of cultural and life experience affinity between staff and participants, and require much lower staff-participant ratios than are typical in a One-Stop office or welfare department. It costs taxpayers much less for this work to be contracted out to non-union, lower-wage nonprofit staff than it would be to provide the equivalent services using union-waged public employees. Analysts might differ as to whether this fact represents a compelling rationale for these initiatives or a “dirty little secret” that exposes their limits. One empirical issue in need of clarification is whether faith-based initiatives shift work from existing public sector employees, and to what degree, or if instead they are creating new jobs that would not otherwise have been available. This question inevitably turns more on the scope of overall public investment in serving these populations than on what type of organization is funded to do the work.

Having a clear public objective in mind was critical to the EDD effort. Faith-based and other community based organizations have many valuable assets to bring to the table on behalf of hard-to-employ populations, if they are invited to do so. But first, and foremost, there must be a commitment to these populations. The basic policy questions are old ones: Are we willing to pay the additional cost of caring for individuals who are particularly expensive to serve, given the need for low staff-participant ratios? Do we wish government funds to penetrate deeply into poverty-stricken communities? Expanding the reach of services is an outcome that is currently undervalued in public policy discourse. Being treated as a friend or like a family member is not only of enormous personal value to program participants, it also contributes to the public goal of fostering social and political inclusivity (Schomann and O’Connell 2002). This may be particularly advantageous in states like California with large immigrant populations and myriads of languages and cultures represented among citizens.

A potential weakness of the affinity-based approach is that it might tend to balkanize the public into small enclaves. It is unclear how public social service providers can resist this tendency while simultaneously coping with increased demographic and social diversity. It suggests, however, that treating CFBOs as partners with government rather than simply as alternatives to government is the way to proceed. Partnerships may be more difficult to develop but in the long run have a greater potential to build bridges linking different segments of the community rather than continuing to isolate certain groups.

Table 1. Characteristics of Organizations Included in the Community Network Analysis

Organization	Local Work-force Area	Primary Role vis-à-vis One-Stop	Faith category	Prior Gov't Grant	EDD grant creates program	Prior workforce Experience	Years Org Established prior to EDD grant	Approximate Staff-participant ratio	# of orgs in org. network	% time external networks
New Beginnings Partnership	Tulare	Specialized service	Faith-Secular partnership	Y	Y	N	0	1-5	N.A.	NA
Zaferia Shalom	Long Beach	Remedial	Faith-background	N	Y	N	10	1-12	33	25%
Helping Hands of Hope	Alameda	Remedial	Faith-background	N	Y	N	0	1-5	35	15%
CHAMPIONS Recovery	Kings	Remedial	Faith-centered	N	Y	N	2	1-15	67	50%
Tabitha's House	Kern/Inyo/Mono	Remedial	Faith-centered	N	Y	N	10	1-7	N.A.	NA
Episcopal Community Services	San Diego	Remedial	Faith-background	Y	Y	Y	75	1-3	45	50%
Catholic Charities	Sonoma	Remedial	Faith-background	Y	Y	Y	50	1-8	N.A.	NA
Welcome Home Ministries	San Diego	Alternative network	Faith-centered	N	N	Y	8	1-8	81	90%
Fresno Inter-denominational Refugee Ministry	Fresno	Alternative network	Faith-background	Y	N	Y	8	1-70	503	90%
STRIVE	San Diego	Alternative network	Secular	Y	N	Y	10	1-3	155	50%
Nor Cal Indian Development Council	Humboldt	Alternative network	Secular	Y	N	Y	25	1-5	211	100%
Redwood Comm. Action Agency	Humboldt	Alternative network	Secular	Y	N	Y	22	1-10	71	40%
Wardrobe for Opportunity	Alameda	Specialized service	Secular	N	N	Y	6	1-300	118	40%
Center for Career Studies	Long Beach	Specialized service	Secular	Y	N	Y	18	1-7	54	100%

Table 2. Comparison of Service Reach and Placement Outcomes for Adults in One-Stop and CFBI Programs (July 2002-December 2004)

	WIA Formula Adults (N=37,000)	All CFBI Adults (N=7,000)	% Increase in Number Served in California	Remedial Care CFBI adults	Alternative Network CFBI Adults
2a. Percentage of One-Stop and CFBI Participants in Seven Hard-To-Employ Categories % of all served (count)					
Homeless	4.3% (1,545)	24.6% (1,666)	+ 107%	26.0% (447)	20.1% (255)
Substance Abuse	5.0% (1,861)	21.1% (1,469)	+ 78%	30.6% (530)	26.5% (347)
Ex-Offenders	14.9% (5,261)	34.3% (2,278)	+ 43%	37.5% (645)	34.3% (409)
Disability	5.8% (730)	18.8% (299)	+ 40%	28.9% (162)	9.2% (36)
Less than high school degree	18.2% (6,706)	33.0% (2,301)	+ 34%	41.6% (721)	30.2% (395)
On public assistance	11.0% (1,381)	28.3% (451)	+ 32%	33.0% (185)	34.6% (135)
Low-income	68.3% (25,166)	86.8% (6,052)	+ 24%	90.4% (1,568)	87.2% (1,142)
2b. Job Placement and Retention Rates for One-Stop and CFBI Exiters					
Placement Rate (Employed at Exit)	79.2% (8,603)	40.9% (540)		18.0% (79)	64.3% (225)
Adult Retention Rate	85.2% (3,666)	77.3% (116)		61.9% (26)	86.0% (49)

Table 3. Self-Reported Participant Outcomes

Expanded access to WD services (self-reported) 42% of participants have never previously used employment services 90% say that the CFBI organization made a significant difference in their life 93% would refer a friend to the CFBI organization
Work readiness gains (self-reported) 88% of participants reported increased confidence 73% report improved communication skills 61% report improved family situation 59% report feeling better supported in seeking work 32% enrolled in school of some type 10% completed GED or work certificate since Spring 2003
Employment status (self-reported) 52% of participant sample employed (78 of 151 interviewed in Spring 2003) 84% of those unsubsidized 59% of participant sample employed (24 of 41 interviewed in March 2004) 66.6% of those full-time 33.3% of those part-time or seasonal 37% employed in both Spring 2003 and March 2004
Of 24 participants interviewed who were employed in March 2004: Mean pay rate: \$10 hour Mean hours worked: 32.3 Average length of time of the job: 14 months

Table 4. Refocusing Policy Attention

Topic	Current Preoccupation	Issues Needing More Attention
A Level Playing Field	Secular vs. faith-related Legal and regulatory distinctions between secular and faith-related organizations	Large vs. small nonprofits How to take advantage of the distinctive strengths of smaller and newer nonprofit organizations (whether faith-related or secular) by integrating them into local service delivery networks dominated by large, established organizations
Comparative Effectiveness	Faith factor The compassion exhibited by faith-based providers and the role of faith in transforming individual lives	Role of affinity and hospitality What is the proper balance between hospitality, staff-client affinity, and professional expertise in serving different populations and in different service delivery settings
Comparative Efficiency	Government red tape Because they are free from government red tape faith-related organizations can deliver services more efficiently.	Staff wages and staff-participant ratios How do and how should staff wage rates and staff-participant ratios vary across different types of service deliverers
Intervention Strategy	National and state initiatives Emphasis on short-term funding with strong political overtones	Local network development How to support patient, ongoing, iterative conversation that builds long-term partnerships by making use of community assets and confronting the prejudices and cultural distinctions that exist among government and CFBO leaders

Figure 1. Example of a Workforce Development Network Map for a CFBO

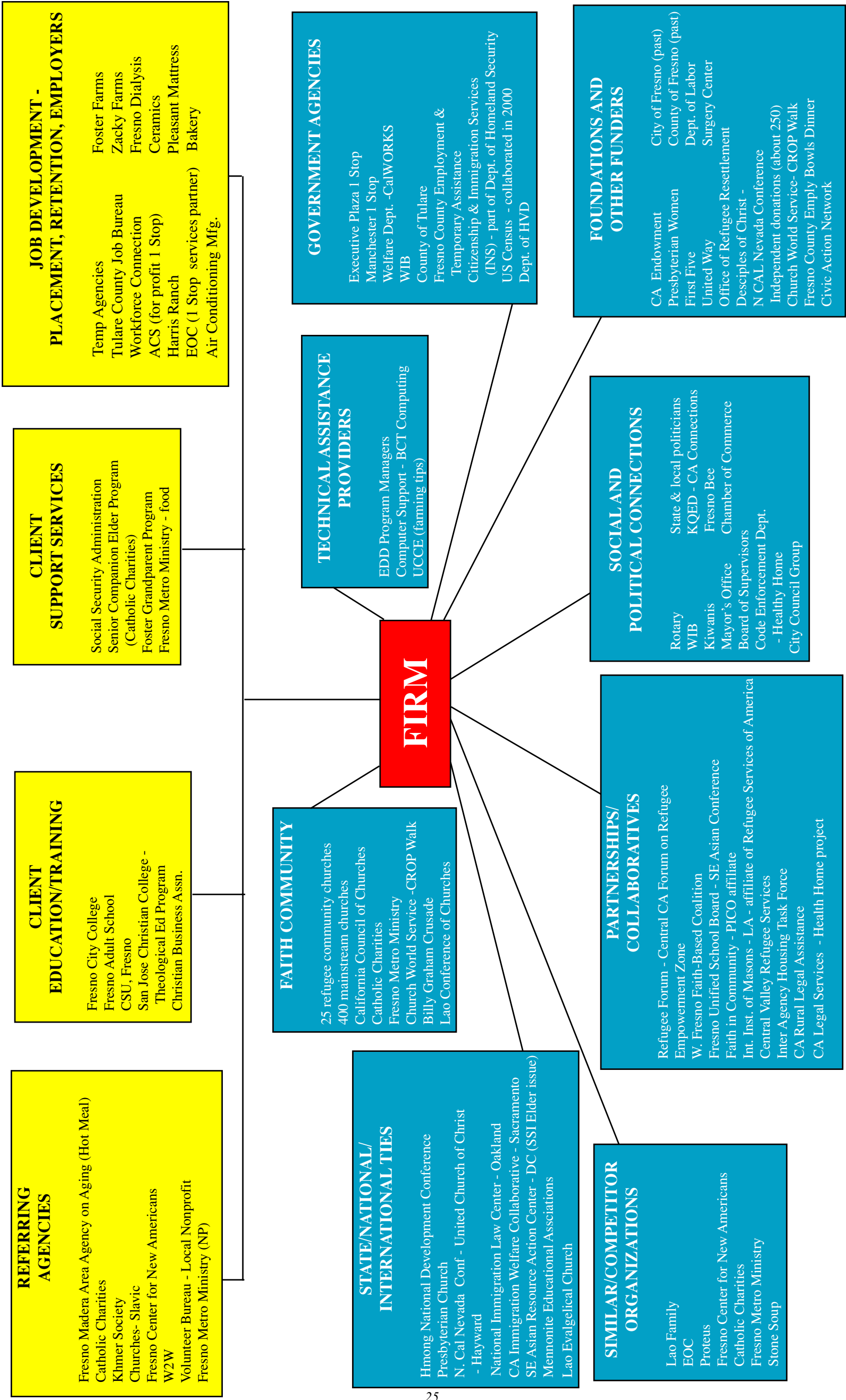
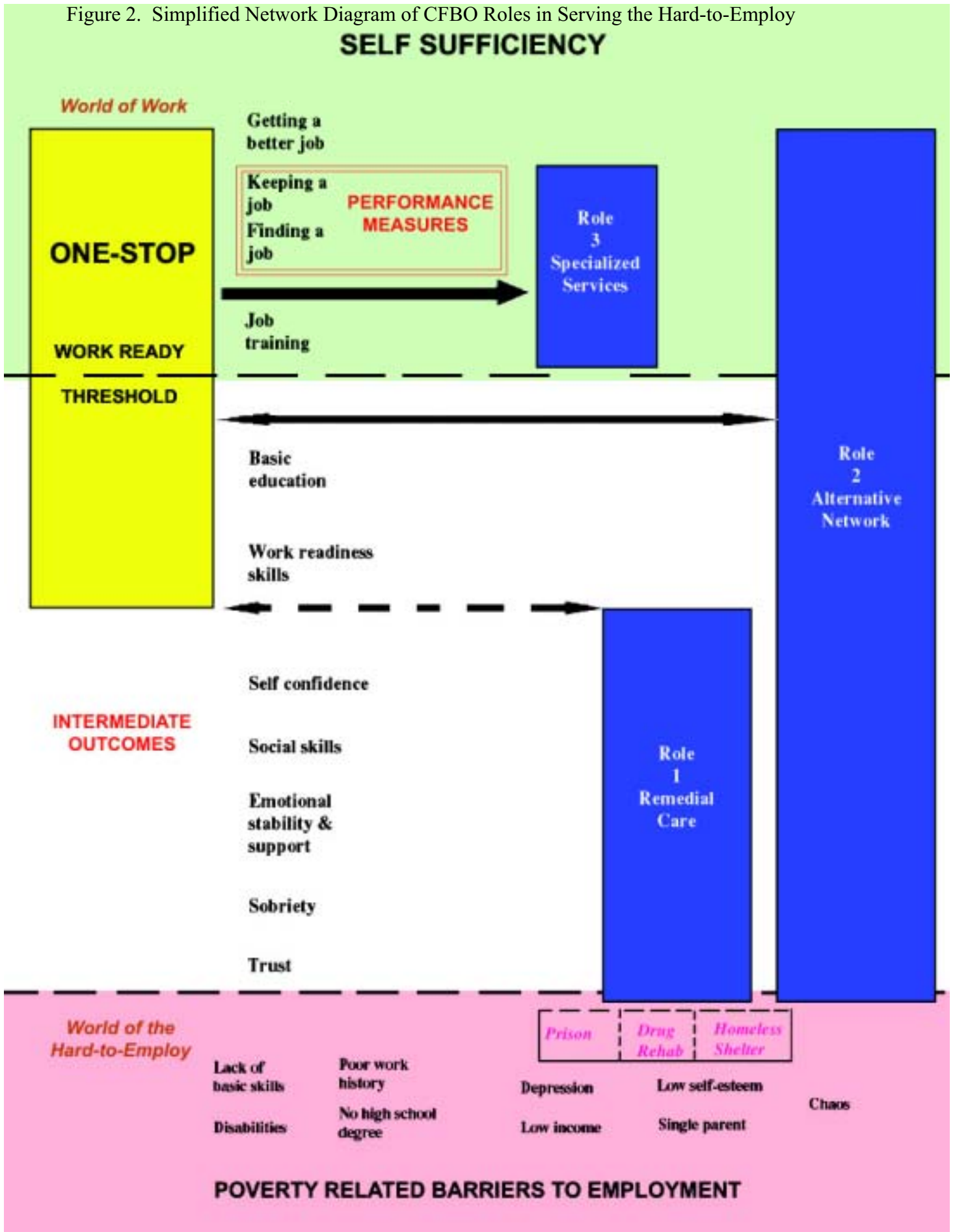


Figure 2. Simplified Network Diagram of CFBO Roles in Serving the Hard-to-Employ



References

- Campbell, D. 2002. Beyond Charitable Choice: The Diverse Service Delivery Approaches of Local Faith-related Organizations. *Nonprofit and Voluntary Sector Quarterly*, 31(3), pp. 207-230.
- Cnaan, R.A., Wineburg, R.J., Boddie, Stephanie C. 1999. *The Newer Deal: Social Work and Religion in Partnership*. New York: Columbia University Press.
- Ferris, A., Nathan, R.P., Wright, D.J. 2004. *The Expanding Administrative Presidency: George W. Bush and the Faith-Based Initiative*. Roundtable on Religion and Social Policy, Rockefeller Institute of Government, Albany, New York.
- Franklin, G., Ripley, R.B. 1984. *CETA: Politics and Policy 1973-1982*. Knoxville: University of Tennessee Press.
- Free, L.A., Cantril, H. 1968. *The Political Beliefs of Americans: A Study of Public Opinion*. New York: Simon and Schuster.
- Giloth, Robert P. (editor). 2004. *Workforce Intermediaries for the Twenty-first Century*. Temple University Press. Philadelphia, PA.
- Guterk, B.A. 1995. *The Dynamics of Service: Reflections on the Changing Nature of Customer/Provider Interactions*. San Francisco: Jossey-Bass Publishers.
- Harrison, Bennett, and Marcus Weiss. 1998. *Workforce Development Networks. Community-Based Organizations and Regional Alliances*. Sage Publications. pp. 46-49.
- Magnum, G.L. 2000. Reflections on Training Policies and Programs, pp. 293-332 in *Improving the Odds: Increasing the Effectiveness of Publicly Funded Training*. Washington D.C.: The Urban Institute.
- Monsma, S.V., Mounts, C.M. 2002. *Working Faith: How Religious Organizations Provide Welfare-to-Work Services*. Center for Research on Religion and Urban Civil Society, University of Pennsylvania.
- Moore, M.H. 1995. *Creating Public Value: Strategic Management in Government*. Cambridge, MA: Harvard University Press.
- Public Policy Associates. Inc. 2003. *CBO Contribution to One-Stop Systems: CBOs as Role Players. Research Summary Findings*. Public Policy Associates. Inc. March.
- Renz, D.O., Herman, R.D. 2004. More Theses on Nonprofit Effectiveness. *ARNOVA News*, 33, 4, 10-11.
- Sider, R.J., Unruh, H.R. 2004. Typology of Religious Characteristics of Social Service and Educational Organizations and Programs. *Nonprofit and Voluntary Sector Quarterly*, 33 (1), 109-134.

Smith, S.R., Sosin, M.R. 2001. The Varieties of Faith-Related Agencies. *Public Administration Review*, 61, 6, 651-670.

Schomann, K., O'Connell, P., eds. 2002. *Education, Training, and Employment Dynamics*. Northampton, MA: Edward Elgar.

Stevens, S.K. 2001. *Nonprofit Lifecycles: Stage-Based Wisdom for Nonprofit Capacity*. Longlake, MN: Stagewise Enterprises.

White House Office of Faith-Based Initiatives. 2001. *Unlevel Playing Field: Barriers to Participation of Faith-Based and Community Organizations in Federal Social Service Programs*.

Wineburg, R.J. 2001. *A Limited Partnership: The Politics of Religion, Welfare, and Social Service*. New York: Columbia University Press.

Wuthnow, Robert. 2004. *Saving America? Faith-based Services and the Future of Civil Society*. Princeton, NJ: Princeton University Press.

(Endnotes)

¹ We use the term “community and faith-based initiatives” rather than simply “faith-based initiatives” following the practice of the White House office, and the California project on which this research is based.

² The exceptions tend to be in local areas that have received an infusion of dislocated worker funding in response to severe job loss. According to One-Stop directors we interviewed, even in these areas the extra allocations do not permit the One-Stop to keep up with the demand for services.

³ Outside of the competitive grant process that is the focus of our evaluation, an additional sum of more than \$20 million has been spent on other community and faith-based organizations in California. These groups are also funded through the Employment Development Department to provide workforce development services that target hard-to-employ populations.

⁴ Year 1 funding was available only to faith-based organizations or organizations that had a specific partnership with a faith-based organization. After the threat of a lawsuit challenging the constitutionality of restricting funding exclusively to faith-based organizations, the second round of funding was available to any community-based nonprofit organization. Year 2 funding was spread relatively evenly between secular and faith-based nonprofits.

⁵ In May 2002, EDD's Audit and Evaluation Division (A&ED) organized a research consortium that includes researchers at two California State University campuses (Humboldt and San Bernardino), the University of California, Davis, and three state entities (the Employment Development Department, the Health and Human Services Agency, and the Labor and Workforce Development Agency). A total of \$500,000 was allocated for the evaluation, half for each of the two phases. The views in this article reflect the work and conclusions of the UC Davis research team, not those of the other members of the research consortium. However, we would like to acknowledge the contributions of Eric Glunt, Shel Bockman, Judith Little, and Barbara W. Sirotnik.

⁶ Throughout this paper we will use the term participants to refer to clients of CFBO or One-Stop programs. This usage is deliberate, in that most CFBI funded organizations view those they serve as participating in their own advancement, rather than as passive dependents who are being subjected to pre-set programs. Some of those we interview use the term clients, and we have kept their terminology intact when quoting.

⁷ California has 50 local workforce investment areas. Geographically, some are county-wide, others a consortium of counties, and still others a consortium of cities or a single city. All these different types are represented in the 11 areas studied.

⁸ The available evidence suggests that of the 40 CFBI organizations, only 4 are faith-centered, 25 are faith-background, 1 is a faith-secular partnership, and 10 are secular.

⁹ Respondents were promised anonymity, so their names are not revealed in this article.

¹⁰ To construct this ladder, we combined common descriptions of the services provided by One-Stops with a content analysis of what participants said they gained from their participation in the CFBOs, and what staff said in answering the question “What counts as a successful outcome?”

¹¹ To gauge participant satisfaction and outcomes, the research team drew a random sample of 20-30 participants at each of 18 case study sites. In most cases, we succeeded in completing interviews with at least 10 at each site. This represented about half of those selected for the sample from EDD supplied participant lists for each program. In cases where CFBI caseloads approximated our target number of participants to contact for interviews, we used the full EDD list; in cases where caseloads were higher, we selected a random sample to interview. In two cases, we rounded out our set of interviews only after requesting additional names of more recent program participants from EDD. This was necessary to reach our target of at least 10 interviews per site and to make sure we had information pertinent to more recent program developments.

¹² Because of a small N and widely varying services, we have excluded specialized services organizations from this analysis. Some of the remedial care and alternative network organizations included in the administrative data analysis were identified based on the work of our partner research teams.

¹³ This finding echoes the conclusion of Free and Cantril’s (1968) analysis of American attitudes toward government. They concluded that Americans are “ideological conservatives” but “operational liberals”—opposing government programs in the abstract but valuing spending that provides direct benefits.

¹⁴ The principle that client characteristics should be taken into account is articulated in the federal guidelines on negotiating WIA performance measures. A number of human services departments are experimenting with constructing outcome measures appropriate for hard-to-serve participants.

¹⁵ For an excellent treatment of the distinction between service delivery “encounters” and “relationships” see Gutek (1995).