

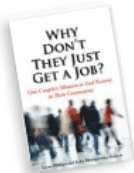
Crime Reduction and Job Readiness Programs

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2015 Policy Summit

University of Cincinnati

Overview



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Job Skills Training & Employment Assistance

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Building a Model for Success

Cincinnati Works' model is a four step process. Our services are provided free to qualified, willing and capable participants – Cincinnati Works Members.

Step 1: Job Readiness

Members are required to attend the six-day Job Readiness Workshop. Topics include:

- Completing Job Applications
- Attitude
- Work Ethic
- Business Etiquette
- Values
- Self-Confidence
- Problem Solving
- Employer Expectations
- Breaking Down Obstacles
- Budgeting
- Interviewing

Step 2: Job Search

Structured assistance with job search includes access to our core group of Employers, Internet, application assistance and interview feedback until employed.

Step 3: Job Retention

Regular contact for at least one year with Member and Employer to help ensure employment retention. Re-employment services are provided following job loss.

Step 4: Advancement

Once the Member retains the same job for one year, staff assists with a plan to improve a skill, behavior or educational component to increase marketability and earning power.



"Working with agencies such as CW, we get better-prepared, better-qualified candidates."

Research Question

“Do job training programs reduce the likelihood of participants being charged with a felony?”

Literature

- Increased earnings and job opportunities as the primary benefit of job training programs
 - Heinrich et al., 2009; Lechner and Wunsch, 2009; Hotz et al., 2006
- Card, Kluge, and Weber (2010) analyzed the short-term and long-term effects of ~200 labor market programs.
 - E.g. search assistance vs. skill development
- Ancillary benefits as a result of employment: improved health, higher levels of happiness, and reduction in crime
 - Clark and Oswald, 1994; Duleep, 1986; Ettner, 1996; Frijters et al., 2005; Schochet et al., 2008

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JOB CORPS
Success lasts a lifetime!



- An individual is eligible for the program if –
 - they are between the ages of 16 and 24
 - earn less than a particular income threshold
 - are in need of additional training or education
- Schochet et al. (2006) found that the program caused a 5.2 percentage point drop, or 16 percent, in criminal charges or criminal complaints over a 48 month period.
- The net loss of the program was calculated at \$10,300, the difference between \$3,544 in benefits and \$13,844 in costs.
 - Participants often relocate and live on-site to receive these services

Contributions

- Rely on administrative data provided by local government
- Utilize Amazon.com's Mechanical Turk service to create criminal records database
- Calculate Return on Investment
- Separately analyze non-felons and previous felons

Data

- 867 Cincinnati Works applicants over a year-long period beginning in 2008.
- Felony charges were derived from Hamilton County Clerk of Courts, using Amazon.com's Mechanical Turk.

Table 1: Summary Statistics

	(1) All	(2) Cincinnati Works Member	(3) Non-Cincinnati Works Member
Black	0.84	0.84	0.84
White	0.15	0.14	0.15
Other Race	0.01	0.02	0.01
Female	0.51	0.45	0.53**
Married	0.10	0.09	0.11
Age	32.40	34.43***	31.53
Family Size	1.19	1.27**	1.15
At Least a High School Degree	0.57	0.66***	0.53
Transportation with Car	0.30	0.30	0.29
Hamilton County Resident	0.96	0.95	0.96
Felony Before Cincinnati Works	0.13	0.23***	0.08
Misdemeanor Before Cincinnati Works	0.18	0.38***	0.09
Felony – Five Years After Application	0.16	0.13	0.18**
Number of Observations	867	260	607

** Mean is significantly higher at a 5% level of significance

*** Mean is significantly higher at a 1% level of significance

Model

$$FelonyCharge_i = \beta_0 + CincinnatiWorks_i \beta_1 + Demos_i \beta_2 + FelonyOpp_i \beta_3 + CriminalHistory_i \beta_4 + \varepsilon_i$$

Variable	Description
Felony Charge	Charged with a felony in a five year period
Cincinnati Works	Dummy if individual participated in program
Demos	Demographic characteristics
FelonyOpp	Days between program enrollment and data collection
CriminalHistory	Previously charged with misdemeanor or felony
ε	Error term

- *Is CincinnatiWorks exogenous?*

Table 2: OLS Estimate of Cincinnati Works on Felony Indictment

	(1) No Controls	(2) Demographic Controls	(3) Preferred Specification	(4) Hamilton County Only
Cincinnati Works	-0.046* (0.027)	-0.061** (0.027)	-0.091*** (0.029)	-0.095*** (0.030)
Female		-0.158***	-0.130***	-0.134***
Black		0.056	0.042	0.039
Other Race		0.021	0.018	0.054
College Degree		-0.055	-0.047	-0.038
GED		0.112***	0.100**	0.093**
High School Degree		0.011	0.023	0.019
Family Size		0.014	0.002	0.008
Days		0.000	0.000	0.000
Married		-0.061	-0.055	-0.056
Age		-0.002**	-0.003**	-0.003**
Prior Felonies			0.099**	0.093*
Prior Misdemeanors			0.063	0.041
Demographic Controls	No	Yes	Yes	Yes
Criminal Behavior Controls	No	No	Yes	Yes
Observations	867	864	864	804
R-Square	0.003	0.081	0.097	0.106

Standard errors in parentheses

* Mean is significantly higher at a 10% level of significance

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Table 3: Estimate of Cincinnati Works on Felony Indictment, Robustness Check

	(1) OLS	(2) <u>Logit</u>	(4) <u>Probit</u>	(5) PSM
Cincinnati Works	-0.091*** (0.029)	-0.075*** (0.029)	-0.076*** (0.028)	-0.077* (0.044)
Demographic Controls	Yes	Yes	Yes	Yes
Criminal Behavior Controls	Yes	Yes	Yes	Yes
Observations	864	864	864	864
R-Square	0.097	0.116	0.117	

Standard errors in parentheses

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*** Mean is significantly higher at a 1% level of significance

Table 4: Estimate of Cincinnati Works on Felony Indictment, By Felon

	(1) OLS	(2) Prior Felony Indictment	(3) No Prior Felony Indictment
Cincinnati Works	-0.091*** (0.029)	-0.053 (0.093)	-0.104*** (0.031)
Demographic Controls	Yes	Yes	Yes
Criminal Behavior Controls	Yes	Yes	Yes
Observations	864	109	755
R-Square	0.097	0.115	0.075

Standard errors in parentheses

*** Mean is significantly higher at a 1% level of significance

Table 5: Benefit-Cost Analysis

Total Cost (Cincinnati Works 2008 Annual Report - Expenses)	\$1,198,290
Total Cincinnati Works Members	260
<i>Non Members Charged with a Felony (17.6%)</i>	46
<i>Members Charged with a Felony (8.5%)</i>	22
Members Avoiding the Criminal Justice System	24
Members Who Would Have Been Convicted of a Felony (66%)	16
Members Who Would Have Been Incarcerated (75% of Convictions)	12
Median Length of Incarceration (Years)	4.3
Annual Cost of Prison (Vera Institute of Justice: State of Ohio)	\$25,814
Total Benefit (12 individuals * 4.33 years * \$25,814)	\$1,341,295
5 Year Net Benefit (12% ROI)	\$143,005

Conclusions

- Cincinnati Works members are nine percentage points less likely to be charged with a felony compared to non Cincinnati Works members.
- Cincinnati Works decreases the probability of criminal charges by 50 percent.
- The reduction in crime is driven by those individuals who were not previously felons.
- Based on reductions in criminal behavior, Cincinnati Works generates a positive return on investment.

Questions?