

## **CAP Services' Skills Enhancement Program**

### ***One solution to poverty wage jobs***

Over the past ten years, CAP's Skills Enhancement Program has helped hundreds of people move from poverty wage jobs to living wage employment. Some graduates have experienced increases of as much as \$17,000 in annual earned income. County averages range from \$5,000 to almost \$10,000. Most of the participants have been women, the vast majority of whom have children. More than 60% of the 2001 graduates were female heads of household.

In 2001, Outagamie County graduates averaged annual income increases of \$9,985, while Waupaca County graduates averaged \$9,200, and Portage County graduates averaged \$5,000. All 53 graduates now have either employer-supported health insurance or BadgerCare.

For the last three years, the focus of welfare reform in Wisconsin has been on changing welfare recipients' primary source of income from cash assistance to wages. Little attention has been paid to increasing household income above the poverty level. Policy makers are now beginning to focus on increasing household earned income to reduce the other forms of assistance (food stamps, Medicaid, fuel assistance, etc.) as well as reduce the number of former welfare households still living in poverty.

Unfortunately, many public policy makers have failed to realize the widespread epidemic of poverty level jobs in Wisconsin. According to the Center on Wisconsin Strategies, even along the booming Highway 41 corridor, almost one third of all jobs pay a poverty level wage. In more rural Wisconsin the story is even more stark. Over 75% of the jobs from Platteville to Superior and across to Florence County pay poverty level wages.

The most successful program currently operating in Wisconsin that addresses this problem is CAP's Skills Enhancement Program. The program offers an innovative, effective and efficient strategy for the problem of moving people from welfare and poverty to work and economic self-sufficiency. It was designed by local people in response to local conditions with input from employers, potential participants and trade allies and is constantly being refined by practical experience. The program has a record of success and provides a template of what could work across Wisconsin and the nation.

#### **About the program**

Eligibility for participation in the Skills Enhancement program requires individuals to be working at least 20 hours per week with income less than 150% of the federal poverty guidelines (\$13,290 in annual earned income for a single person, \$22,530 for a family of three). Participants must be residents of Outagamie County, Neenah, Menasha, Portage County,

Waupaca County or Waushara County. Participants must continue to work at least 20 hours a week during their enrollment.

Participants receive cash assistance for tuition, books, childcare and transportation directly related to their job training.

### **Goals**

The Skills Enhancement Program' goal is helping participants acquire the skills needed to obtain both a living wage job (annual earned income greater than 150% of the federal poverty guidelines) and affordable health insurance.

### **History**

The Skills Enhancement Project started in Outagamie County in 1991 as a response to the growing number of working poor in the workforce. From the beginning it has been a public-private partnership, and it continues that mix today. Success in Outagamie County led to expansion of the program to Portage County in 1997. During 2000 the program expanded to Waupaca and Waushara counties at the request of county TANF administrators.

### **Occupations**

Participants are able to choose from a wide variety of occupations with the only requirement that training target a wage that will move the household above 150% of the poverty guidelines. Not coincidentally, many participants select high demand positions in health care, insurance, banking and technology. Quite often Skills graduates seek additional training on their own after they graduate from the program in order to compete for even higher paying jobs.

Each year several participants obtain higher paying jobs simply by completing their GED or HSED – one HSED graduate in 2001 increased her income by \$4.60 an hour and secured a full-time position with benefits. Many participants also find quick and substantial success by taking a few computer courses. Last year, and in response to input from employers, the Skills programs has begun giving additional emphasis to non-traditional careers. A donation from the Women's Fund at the Community Foundation for the Fox Cities and an Ameritech Excellence Award are funding this newest program initiative.

### **Job counseling**

CAP complement its career counseling with both public (Wisconsin Job Center) and private (college) career counseling. A growing number of employers are also now participating in the job shadowing component, benefiting participants as well as the employers' own recruitment efforts.

### **Case Studies**

An Outagamie County single mother of one entered the program earning \$9.25 an hour working 20 hours a week at a local hospital as a technical assistant. She entered the program

when she was three-fourths completed with her RN degree studies needing childcare assistance. Her parents could no longer provide childcare because her father was in the final stages of cancer. Without CAP's assistance she would not have been able to continue in the program because she was not eligible for government-funded childcare to pursue training. After six months in the program she graduated from Fox Valley Technical College with a RN degree. She is now earning \$18.25 an hour with benefits working 30 hours a week at a local nursing home. **Annual income: \$28,470. Cost of direct assistance: \$493**

An Outagamie County single mother of one entered the program earning \$2.63 an hour plus tips with no benefits as a waitress. After two years in the program she graduated from Fox Valley Technical College with a Computer Programming Degree. She is now earning \$13.75 an hour with benefits working full-time for a medical insurance company in Chicago. **Annual income: \$28,600. Cost of direct assistance: \$1,094**

A Portage County single mother of two entered the program earning \$8.00 an hour with no benefits working 20 hours a week as a restaurant manager. She was receiving county assistance for rent and childcare. She took several computer classes. After 14 months in the program, she is now earning \$10.33 an hour with benefits working full-time at a local insurance company. She recently bought her own home. **Annual income: \$21,486. Cost of direct assistance: \$1,080**

A Waupaca County single mother of two entered the program earning \$8.00 an hour with no benefits at a temporary employment service. She completed a clerical/computer program offered by a for-profit computer training school. After nine months in the program, she is now earning \$13.28 an hour with benefits working full-time as a secretary. **Annual income: \$27,622. Cost of direct assistance: \$1,800.**

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