Beyond the New Paternalism: A Third Sector Response to Underemployment among Social Housing Residents in Chicago

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The New Victorians

In September 2004, the Chicago Housing Authority (CHA) announced new guidelines for public housing residents who hope to move into the mixed-income housing developments being created under HOPE VI. Included in the Minimum Tenant Selection Plan (which sets forth the criteria for admission into these housing developments) are new work requirements that mandate that heads of household be employed for a minimum of 30 hours per week.1 Other residents ages 18 to 62 also must either be employed or attending self-sufficiency, education, or basic skills programs for 30 hours per week.

Justified in terms of tough-love approaches to “break[ing] the cycle of dependency” (Terry Peterson, CHA executive director quoted in the Chicago Tribune, September 22, 2004), the CHA has embraced the New Paternalist drift in social policy-making which calls for a greater role for “supervisory approaches” to poverty alleviation (Mead 1997). By mandating participation in employment and job readiness programs as a condition for eligibility for public housing, the CHA plan extends the logic of workfare programs into the social housing arena. It does so at a time when the U.S. economy is in the grips of a long jobless recovery, unemployment rates are on the rise, and employers are increasing their reliance on casualized employment.

The CHA’s plan can be criticized on a number of grounds. First, the housing authority lacks a comprehensive workforce development strategy that could assist residents in meeting work targets. In the absence of such a strategy of labor-market intervention and inclusion, the vast majority of residents will remain on the edges of the labor market, where they are prone to extended periods of underemployment. Second, the plan is insufficiently responsive to prevailing labor market conditions. The sluggishness of the U.S. economy, changing employer demand for low-wage workers, and the dismantling of career ladders that are connected to jobs paying family-supporting wages call into question such one-size-fits-all policies. Simply mandating steady employment among public housing residents does nothing to improve the labor-demand conditions encountered by jobseekers. In periods of rising unemployment, it stands to reason, such policies will merely lengthen the job queue. Third, it assumes that workfare-style programs actually lead to self-sufficiency. Instead, they are associated with crowding in low-wage labor markets and the channeling of jobseekers into dead-end, casualized employment (Solow 1998; Peck/Theodore 2000).
The CHA job requirements strongly resonate with the New Paternalism, an increasingly influential approach to social policymaking in the United States. According to Lawrence M. Mead (1997: 1), a leading advocate of the New Paternalism, the trend is for government “to supervise the lives of poor citizens who are dependent on it, often in return for supporting them.” This “close supervision of the dependent” (p. 1) is carried out using “new supervisory tactics” (p. 21) through which “behavioral rules are to be enforced through government” (p. 22). The CHA’s work requirements are one such tactic. They are, in Mead’s terms, an “enforcement device” that “use[s] the benefits on which people depend as a lever to ensure compliance.” In this way, “Misbehavior is not just punished; it is preempted by the oversight of authority figures” (p. 5).

Whether such tactics are effective depends on the criteria used for evaluation. If their purpose is to send a signal to middle-class households considering a move into the new mixed-income developments, perhaps the message has been received. The stigmatization of the poor that has characterized U.S. social policy discourse means that in some respects the nature of the CHA’s eligibility requirements is overdetermined. For the mixed-income developments to be successful, those with choices in the housing market—upper-income households—must be induced to move into the new CHA properties. On the other hand, if the purpose is to significantly improve labor market outcomes for public housing residents, then the policy is likely to fail. As Charles Levesque, deputy general counsel for the CHA, remarked, “For too long, expectations [for public housing residents] have been nonexistent. That creates a cycle of dependency, and we want to break that cycle” (quoted in Christian Science Monitor, October 5, 2004). The implication is that the underemployment problem faced by CHA residents arises from a lack of governmental expectations (á la Mead) rather than from demand deficiency, inadequate training, and poorly functioning job search networks. Even when taken at face value, however, the CHA’s policy must confront the reality that unemployment rates in some public housing developments are over 90 percent (Chicago Tribune, 2004) at a time when the stable, entry-level job openings are in very short supply. Supervisory tactics can be deployed under such circumstances, of course, but rather than facilitating moves into stable employment, it is far more likely that they will discourage public housing tenants from moving into the new developments.

An Alternative: Stepping Up Chicago

In contrast to the CHA’s workfare-styled response to high levels of unemployment amongst public housing residents, an alternative approach is being developed in Chicago’s community-based social housing sector. Rather than calling for compulsory participation in work programs, nonprofit housing organizations are exploring strategies to improve the employment prospects of residents and clients, including taking a direct role in assisting residents with job development and career advancement. However, in designing and implementing active labor market programs, social housing organizations find themselves in an awkward position (see Eick/Mayer/Sambale 2003; Mayer 2003a). On the one hand, nonprofit providers are responding to an expressed need by their clients for employment assistance. On the other hand, jobs programs implemented by social housing organizations may simply work with the grain of prevailing labor market
conditions, channeling jobseekers into the lowest reaches of the labor market while at the same time conflicting with the social service missions of these organizations and serving to legitimize regressive market fundamentalism in employment policymaking (see Cooney, 2003; Grell, 2003; Mayer 2003b).

In the postwelfare era, very low-wage workers must contend with heightened exposure to market forces without the benefit of a robust safety net. In the labor market, this means dependence on poorly paying, casualized jobs offering few prospects for upward mobility. In response to these conditions, a range of approaches has emerged, even among social housing organizations that see active labor-market policies as a “necessary evil” in the postwelfare era. The dismantling of labor market supports has encouraged social housing organizations to adopt strategies to improve the employment prospects of residents and clients, including taking a direct role in assisting residents with job development and career advancement. Greater involvement in employment issues is seen as a key component of a holistic approach to combating the root causes of homelessness, as well as an important means through which residents living in a variety of assisted housing settings can improve their quality of life. However, because the jobs open to the majority of residents are low-paying, dead-end occupations that are disconnected from meaningful on-the-job training opportunities and lack potential for career advancement, if they are to secure and retain career track jobs, many residents of supportive housing will need to acquire new vocational skills that provide the foundation for on-the-job training, additional education, and career advancement.

To this end, the Corporation for Supportive Housing (a coalition of supportive housing organizations dedicated to ending homelessness) has received funding for the research, design, and implementation of the Stepping Up program and its pilot initiative, Stepping Up Chicago. The objective of Stepping Up is to identify appropriate occupational pathways that begin with entry-level positions which prepare workers for living-wage jobs offering career advancement opportunities. The Corporation for Supportive Housing and its partner organizations have identified several prospective Target Occupational Pathways (TOPs) that meet the following criteria: (a) they are of interest to job seekers living in supportive housing; (b) they are open to job seekers who have some work experience but who may have experienced extended periods of unemployment; and (c) they provide advancement opportunities to entry-level workers who receive education and training through community colleges or other educational institutions.

This remainder of this chapter presents the findings from an examination of the Social Services TOP. It considers the suitability a cluster of entry-level, social services occupations in Chicago-area supportive housing and community-based organizations. In this analysis, the TOP is evaluated in light of its suitability for job seekers who have some previous work experience, have received a high school diploma or equivalent (or who plan to receive a GED), and have interest in pursuing a career the field of social and human services. This overview provides: (a) a typology and profile of hiring systems in place at supportive housing organizations; (b) a review of job requirements, tasks, pay, and working conditions for various occupations that are the entry points to the social
services TOP; and (c) an assessment of whether and where Stepping Up programming can be most effective in preparing jobseekers for employment.

The occupations in the TOP are grouped under the broad category of social services assistants. They include:

**Entry-level positions**

- Case Manager Aide
- Counselor Assistant
- Social Services Aide
- Activity Coordinator Assistant
- Program Monitor
- Front Desk Clerk

**Next step positions**

- Resident Services Coordinator
- Life Skills Counselor
- Peer Counselor
- House Manager

In evaluating the characteristics of the Social Services TOP and the likelihood that Stepping Up programming would benefit job seekers and employers, a series of interviews were conducted with human resources managers, executive directors, supervisors, social workers, and social services assistants working in supportive housing agencies and other community organizations. In these consultations, respondents were asked to reflect on entry level social services jobs and to comment on the following topics:

- Job requirements, employee qualifications, and barriers to employment
- Job functions and responsibilities
- Pay and working conditions
- Promotion and advancement opportunities
- Recruitment mechanisms
- Availability of training

The next section summarizes the types of employment systems that are in place at organizations providing supportive housing to understand the ways in which entry-level, social services workers are recruited, as well as the extent to which internal promotion opportunities exist for these workers.

**Internal Labor Markets in Supportive Housing Organizations**

Supportive housing organizations have adopted a variety of approaches to staffing social service positions, relying to differing degrees on a combination of outside recruitment...
and internal promotion mechanisms. Interviews with organizations in the Chicago area sought to identify the most prevalent approaches to staffing social service functions. The task here is to identify the types of hiring systems that are in place (known as “internal labor markets”) in order to understand the means through which employees are recruited, the types of advancement opportunities that exist, and whether training provided through Stepping Up might improve organizational performance and worker career opportunities. Variations on three types of internal labor market were observed. In each case, the entry points for job seekers differ as does the degree to which there are opportunities for internal promotion.

The type of employment system in place in a given organization depends, in part, on the organization’s funding level, resident and client needs, and the range of services provided. Some organizations have professionalized social services functions, hiring college-educated social workers and case managers with significant work experience and choosing not to create entry-level social services positions. These employers look outside their own organizations when recruiting workers for social services jobs. Other organizations, typically those with the lowest levels of funding, rely on workers in lower-wage, entry-level social services positions as a key component of their service delivery model. These organizations tend to look to current or former residents and program participants to fill entry-level positions. Still other organizations have adopted a mixture of these two approaches. They employ workers in higher- and lower-level social services positions and they recruit employees from a variety of sources.

The typology below elaborates each of these three internal labor markets. In each case, a schematic diagram is presented showing the internal job ladder, as well as worker entry/exit points in/out of various occupations. The key characteristics of each internal labor market are briefly summarized and a description of how the hiring system operates is provided. Then, the three types of internal labor markets are compared in light of the Stepping Up objectives.
**Model 1**  
**External recruitment: Hiring outside professionals**

Key characteristics

- Entry point into the organization: professional positions (e.g., social worker)
- Requirements: high and restrictive
- Pay scale: high
- Advancement: no promotion opportunities; advancement occurs outside the organization
- Training offered: none
- Turnover: low

Summary

In organizations that have adopted a version of Model 1, social service functions are designed in such a way that typical entry-level positions do not exist. Social service professionals possessing at least a Bachelors degree and at least some work experience perform a range of assessment and counseling duties. To the extent that there are other jobs within the organization that include entry-level, social service-like responsibilities, these jobs are clearly detached from the internal labor market for social service workers. Depending on the organization, these tasks might be performed by facilities management, security, or maintenance staff. In making personnel decisions, managers do not regard
such positions as part of their organization’s social services delivery programming. For social services employees in these organizations to advance in their careers, they must take jobs with other organizations, state or local government agencies, or private sector employers.

In terms of TOP objectives, the internal labor market is closed in these organizations since entry-level positions do not exist and senior positions require extensive schooling and prior professional work experience.

Model 2
Internal recruitment: Hiring from within the client pool

- Social service assistant II
  - Advancement opportunities with other organizations
  - Social service assistant I
  - Churning or limited advancement opportunities with other organizations
  - Full-time, entry-level social services aide
  - Churning in low-wage occupations
  - Part-time, entry-level social services aide
  - Churning in low-wage occupations
  - Resident Labor Supply
Key characteristics

- Entry point into the organization: through participation in social services programs
- Requirements: low and restrictive
- Pay scale: low
- Advancement: promotion possibilities exist within the organization; with additional education and training, advancement opportunities exist with other employers
- Training offered: on-the-job training
- Turnover: very high

Summary

In organizations that have adopted a version of Model 2, social service functions are designed to make considerable use of employees in entry-level positions. Entry-level employees, most of whom do not have prior work experience in the field of social and human services, assist social workers, case managers, and senior managers in fulfilling various human services and client care responsibilities. Entry-level workers are recruited directly from organizations’ programs. This approach to hiring is guided by a philosophy that regards firsthand, lived experience as necessary preparation for the types of responsibilities and challenges employees will encounter on the job. Once employees demonstrate the ability to satisfactorily handle entry-level responsibilities and when a higher-level position becomes available, opportunities for promotion exist within the organization. Employees who have progressed beyond the most entry-level positions may be eligible for advancement opportunities with other community-based social service agencies. Job seekers who have not been program participants are, for all intents and purposes, excluded from entry-level social services employment in these organizations.

In terms of TOP objectives, the internal labor market is largely closed in these organizations since entry-level employees are recruited directly and exclusively from the resident/participant pool. However, opportunities might exist to provide training to entry-level workers who are already employed by these organizations, both to improve their performance in their current jobs and to enhance their prospects for promotion and advancement. In some cases, job tasks have been narrowed in ways that preclude the need for training. In other cases, there might be scope for broadening the job responsibilities of workers who have received social services training through Stepping Up.
Model 3  
Mixed approach: hiring from outside with limited internal promotion

Key characteristics
- Entry point into the organization: range of entry-level and professional jobs
- Requirements: low
- Pay scale: low
- Advancement: promotion possibilities exist within the organization; with additional education and training, advancement opportunities exist with other employers
- Training offered: on-the-job training
- Turnover: high

Summary
In organizations that have adopted a version of Model 3, social service functions are staffed by employees in a range of occupations, from entry-level to professional positions. Entry-level employees assist social workers, case managers, and clinical staff...
in carrying out a variety of human services activities. Entry-level workers are recruited from other organizations (typically persons holding paraprofessional positions), through community college programs, and from the organization’s pool of program participants. Limited opportunities for promotion exist within the organization, but advancement opportunities are available with other organizations. However, without additional education and training, workers often find themselves making lateral moves to other organizations. These moves may be prompted by funding cuts and the elimination of staff positions, or by feelings of burnout. Rarely do such moves result in substantial increases in pay or responsibilities.

In terms of TOP objectives, the internal labor market is open in these organizations. There are multiple entry points and hiring channels. Opportunities exist to provide training to entry-level workers that will improve their job performance and expand the range of jobs for which they could qualify.

**Internal Labor Markets Compared**

The design of the internal labor market of each of the assisted housing organizations consulted for this study generally conformed to one of the ideal types presented above. No internal labor market is perfect; each provides their respective organization with a framework for making personnel decisions and designing job functions, but some problems in recruitment, retention, and advancement will remain unresolved. It is conceivable that the types of training and advancement programming being considered by the Corporation for Supportive Housing might offer organizations a means through which persistent staffing problems could be addressed, even in cases of relatively closed hiring systems. This section considers opportunities for providing vocational training to residents of supportive housing to improve their prospects for entering and advancing in the field of social and human services.

Human resources directors and other senior managers report overall satisfaction with the hiring systems of their organizations. None of the interviewees indicated that they were considering a transformation of their social services functions, even in case where hiring and retention difficulties were clearly articulated. For this reason, Stepping Up programming should be tailored to organizations’ existing hiring systems, even as program managers explore new training and staffing models with local organizations. This requires acknowledgement that Stepping Up will not address the immediate needs of a segment of the local supportive housing and social services sector.

The type of internal labor market portrayed in Model 1 arguably would be the most difficult to revise and it is unlikely that Stepping Up programming could be adapted to meet these organizations’ needs. It is a closed model that relies on highly educated professionals and demands job candidates with college degrees and social services credentials. However, should organizations that have adopted this model decide to add entry-level job titles, it is possible that they would welcome a source of prepared workers for these positions.
The type of internal labor market described in Model 2 also is a closed model since it relies on program participants to fill entry-level vacancies. The reasons for adopting this type of internal labor market appear to stem from philosophical and practical considerations regarding responsibilities and qualifications, as well as from the realities of limited funding and the tight budgets it produces. Pay scales in these organizations are compressed, and recruiting employees from the pool of program participants is a way to fill low-paying positions in a cost- and time-efficient manner. These organizations must cope with problems of high turnover but, because client pools are frequently replenished, the problems of turnover are mitigated. Managers also report that, given the constraints under which they operate, they are satisfied with this framework for organizing social services staffing. For these reasons, Stepping Up programming might benefit workers who have advanced within these organizations but still require additional schooling and training if they are to progress to positions offering higher pay, additional responsibilities, and greater job satisfaction.

The internal labor market described in Model 3 also relies on entry-level workers for social services functions. The organizations that have adopted this type of hiring system do not rely on a single recruitment channel. Instead, the internal labor market is open to multiple sources of supply. Therefore, significant opportunities exist for the Stepping Up program to improve the employment outcomes for organizations and their workforces. As in other areas of social service delivery, entry-level positions in these organizations are characterized by low wages and high turnover. Workers often regard these positions as dead-end jobs since they too rarely experience meaningful wage progression and occupational advancement. Organizations find filling such positions troublesome because workers frequently quit after a short time on the job, requiring additional investments in worker orientation and training to be made when replacements are hired. A properly designed program that prepares workers for entry-level social services positions could accomplish the dual objective of enhancing organizational effectiveness and improving workers’ job prospects.

The next section examines in greater detail the functions, tasks, and responsibilities of social services assistants who are employed in assisted housing environments.

**Social Services Assistants: Functions, Tasks, and Responsibilities**

Social services assistants work under the supervision of social workers and program administrators or, in smaller organizations, under the direction of senior managers (such as the executive director). In most supportive housing organizations, social services assistants are granted significant autonomy in their day-to-day activities. Assistants meet regularly with supervisors to receive assignments, update client progress, discuss pressing issues, and review performance. Outside of these meetings, however, it is common for social services assistants working in supportive housing settings to have only intermittent interactions with supervisors. For this reason, employers place a premium on worker characteristics such as trust, ability to carry out self-directed activities, being detail oriented, reliability, and ability to complete tasks independently.
Social services assistants employed by supportive housing organizations are called upon to undertake a variety of activities involving both direct client contact and records processing. Depending on the type of organization and the size of its social service staff, social services assistants are expected to perform some or most of the following tasks and functions:

**Social service functions**

- Organize and lead group activities, such as recreational programs, group meetings, and group outings
- Conduct assessments of client eligibility for programs and services
- Review client records to ensure that medications are being taken, doctors’ visits are attended
- Assist clients accessing counseling or other services
- Record keeping, including medical records, financial documents, and case records
- Monitor and report progress of clients in following treatment plans and service plans
- Assist clients in completing medical forms and applications for services
- Arrange transportation services

**Housing functions**

- Monitor common areas and group living quarters
- Handle mail and personal communications
- Monitor security systems
- Report incidents when residential rules were violated
- Log residents and visitors entering and exiting the facility

In addition to these formal duties, social services assistants are also called upon to perform important roles that demand highly developed skills in interpersonal relations, such as conflict mediation. Key duties drawing on interpersonal relational skills include:

**Interpersonal skills**

- Dispute resolution
- Provide emotional support to clients
- Assess clients’ needs through observation

Although rarely part of their written job descriptions, the ability of social services assistants to demonstrate expertise in effectively handling complex client-relationships is a key criterion for their continued employment and advancement. As several managers and supervisors explained, when interviewing job candidates or considering employees for promotion, they evaluate workers’ problem-solving skills, ability to stay calm under pressure, communications skills, attention to detail, reliability, empathy, and so forth. During interviews with supportive housing organizations, managers and human resources staff repeatedly emphasized the importance of these attributes, seeing them as (if not
more) important as the functional tasks workers are called upon to perform. In many respects, social services assistants are on the “front lines” of service delivery. They maintain positions of close client contact and cannot shy away from occasional confrontations. It is not uncommon for social services assistants to be thrust into volatile situations that call for a combination of forcefulness and empathy. On many occasions, interviewees noted that persons employed as social services assistants are the ones who must confront persons who have violated house rules or requirements outlined in treatment plans. It is crucial that employees do not overstep their authority and that they diffuse, rather than exacerbate, the situation.

Social Services Assistants: Wages and Working Conditions

The wages and benefits offered to entry-level social services worker are constrained by inadequate funding and the limited organizational budgets of most social services agencies. Low pay is the norm in this occupation: typical starting wages in the smallest organizations are less than $7.00 per hour, though they are slightly higher in larger, better-resourced organizations. Furthermore, many entry-level positions are part-time jobs that are only available for off-hour shifts (e.g., the overnight shift). It can be difficult for workers who are new to the field to receive enough hours at these wage levels to earn a decent standard of living. For these reasons, many workers who hold entry-level jobs in social services quit these jobs and leave the field. High turnover is a common problem faced many social services organizations and many workers do not retain positions long enough to develop a solid work record that would allow them to advance into more stable employment.

Nationwide, average salaries of social services assistants employed by residential care facilities are the lowest in the social and human services field. Interviews with Chicago-area employers found that it was common for full-time workers in entry-level positions to receive annual salaries in the range of $15,000 to $17,000. Workers who are able to advance up the ladder into higher-level positions could expect to earn between $18,000 and $23,000 per year. Moving beyond these salary grades typically requires additional education, training, and credentials.

Working conditions can be stressful and emotionally demanding. Understaffing is common in community-based organizations and the combination of low pay, stressful work, and inadequate staffing levels can take a toll on workers. High turnover is the norm in entry-level positions. Although the managers interviewed were only vaguely aware of the sectors in which former entry-level employees now work, it was assumed that most left the social services field.

Job prospects for social services assistants are projected to be excellent, especially for those who have obtained a postsecondary education. Overall, social services assistants is forecasted to be among the fastest growing occupations, and demand for workers to fill vacancies created by workers who advance or retire is projected to be very strong. Workers who have earned an associate degree or who have received training certificates are best positioned to advance in the field. Job seekers who have training in patient
interviewing, crisis intervention, record keeping, case management, and administration of
treatment plans will be in especially high demand.

In addition to supportive housing facilities, other employers of social services assistants include:

- Crisis intervention programs
- Job training agencies
- Welfare-to-work programs
- Clinics
- Community mental health centers
- Homeless shelters
- Day-treatment programs

**Conclusion: The Hard Work of Labor Market Inclusion (and its Alternative)**

This chapter considered two widely varying approaches to the labor market inclusion of residents of social/public housing in Chicago. The approach adopted by the Chicago Housing Authority is inscribed with a workfare ethos of minimalist servicing and mandatory participation. Such an approach is passive in that it accepts the low-wage labor market as it is (e.g., precarious, disconnected from job ladders, and offering few training opportunities) while requiring jobseekers to enter employment as quickly as possible. For the reasons given, it likely will be associated with increased churning in low-wage labor markets as residents cycle in and out of poorly paying, unstable jobs. The Corporation for Supportive Housing, on the other hand, has decided to explore a different approach. Through the Stepping Up program, social housing providers are designing voluntary, training-based, and client-centered programs that aim to intervene in low-wage labor markets. Rather than accepting the workfare slogan that “any job is a good job,” this alternative approach seeks to identify entry-level jobs that offer clear pathways to living-wage occupations. This approach is active in that it intervenes at a key point where the labor market consistently fails low-wage workers: career advancement. The Stepping Up program explicitly aims to assist residents in moving beyond the entry-level to more stable jobs that pay living wages.

Given the current social policy climate in the United States, the type of approach being taken by the Corporation for Supportive Housing is unconventional. It calls for industry research, tailored training programs, and client-centered services. Program cohorts likely will be small, and program costs could be significant. More typical is that of the CHA, which has favored the type of quick-fix policies that garner newspaper headlines but do little to tangibly improve the job prospects of low-wage workers. However, even in the postwelfare era where punitive, paternalistic policies are en vogue, the CHA’s new employment requirements stand out. First, they extend the orientation of workfare programming into the public housing arena, in the process rewriting eligibility criteria in ways that are based not on need but on labor market tests. Second, they threaten to undermine some of the CHA’s other policy priorities. If the least employable CHA
tenants are denied residency in the new replacement housing being built under HOPE VI, they will be re-segregated in traditional public housing developments. Such a policy would in effect create two classes of public housing residents, which in turn would carry with it a severe sigma for those relegated to the lower class. If employability problems were difficult in the first place, they would become completely intractable once such a policy runs its course. The CHA’s work requirements will be closely monitored by housing authorities across the country. Should they be deemed successful, the “Chicago Model” could prove to be a watershed in U.S. public housing policy.

References

Chicago Tribune 2004: New CHA Housing is tied to Jobs: Adults Must Work 30 Hours a Week (September 22).

Christian Science Monitor 2004: Chicago Raises the Bar for Living in Public Housing (October 5).


1 Additional rules at some housing developments may include mandatory drug testing and requirements for good housekeeping, among others.