

**REFUGEE ECONOMIC SELF-SUFFICIENCY:  
AN EXPLORATORY STUDY OF APPROACHES USED  
IN OFFICE OF REFUGEE RESETTLEMENT PROGRAMS**

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## **EXECUTIVE SUMMARY**

A refugee is a person outside of his or her own country and unable or unwilling to return because of persecution or a well-founded fear of persecution on account of race, religion, nationality, political opinion, or membership in a particular social group (ORR, 2007b). Refugees are fleeing their homes as a result of violent conflict or other disruption. Some spend many long years in refugee camps, cut off from normal life, and they may experience physical hardship and psychological trauma (IRC).

It is the historic policy of the United States to admit to this country refugees of special humanitarian concern, reflecting our core values and our tradition of being a safe haven for the oppressed (ORR, 2007c). Thus, refugees who are resettled in the United States are given legal immigration status. Furthermore, because they often lack the basic foundation to rebuild their lives in the United States, they are assisted by the Office of Refugee Resettlement (ORR) located in the U.S. Department of Health and Human Services, Administration for Children and Families. ORR provides refugees with cash and medical assistance and social services including employment services for a time-limited period. This type of assistance, which is not provided to all immigrants, is designed to enable refugees to become employed and economically self-sufficient as soon as possible after their arrival and to support their social integration in this country (ORR, 2007d).

Since 1975, the U.S. has settled 2.6 million refugees (ORR, 2008b). Numbers declined immediately following the 9/11 attacks; anti-terrorism legislation contributed to these declines. In 2006, 41,150 persons were admitted as refugees and 26,113 were granted asylum, and in 2007, 48,217 refugees were admitted and 25,270 asylees were granted asylum (U.S.DHS, 2006, 2007, 2008).

ORR reports that the economic adjustment of refugees has been a relatively successful and generally rapid process. The purpose of this exploratory study was to learn what factors and approaches contribute to refugee economic self-sufficiency and to ORR's success in getting refugees employed. Qualitative methods were used to obtain information for this study that included a literature review, discussions with a small convenience sample of ORR federal staff and resettlement program providers, attendance at ORR workshops, and a site visit. Findings from the major sections of this report are summarized below.

### **Literature Review**

Despite ORR's success over time in assisting refugees become employed, findings from ORR's 2005 survey (ORR, 2008a) of a sample of refugees in the U.S. less than 5 years show decreasing employment and lower self-sufficiency rates compared to previous years. These findings indicate that this may be the result of welcoming a greater number of refugees with poorer employment and self-sufficiency prospects due to lower education and inability to speak English or illiteracy. However, ORR's report notes that, even with the barriers that they face, refugees are entering the workforce at a fairly high rate, and there is no evidence of long term cash assistance dependency developing among those who recently arrived.

Selected studies and reports were reviewed that included factors related to economic status among refugee populations. Findings indicated that demographic factors had a major influence on refugee economic status; for example, household composition, gender, age, education, and ethnicity. Other factors contributing to successful employment included level of English proficiency; social support from religious, political and social networks; use of employment and social services provided by resettlement and mainstream agencies; length of residence; and achievement of U.S. citizenship status.

In addition, the findings from several assessments and evaluations of ORR programs were summarized, including the Refugee Social Services and Targeted Assistance Formula Grants, Wilson-Fish, and Matching Grant programs. Several of the evaluations were initiated and funded by ORR. Some of these ORR programs have ended; for example, the Wage-Subsidy Strategy, the Key States Initiative, and the Planned Secondary Resettlement Program, because they were designed as time-limited demonstrations. Important lessons learned about refugee economic self-sufficiency as a result of these efforts are highlighted. Overall, the evaluations summarized in this report found positive rates of employment and also identified best practices and principles that contributed to the success of these programs; for example, the multiple-wage earner strategy, strong coordination among refugee service providers, cultural competency of staff, and use of financial incentives.

### **Key Factors Contributing to Successful Employment in ORR Programs**

ORR and refugee provider staff identified the administrative and programmatic factors that they perceived as most important to successful refugee employment. These factors pertain to the implementation of programs such as the State-administered, Wilson-Fish and Matching Grant programs that provide basic services to refugees upon their arrival; for example, cash assistance, medical assistance, case management, English language training, employability and social services. The most frequently mentioned of these factors included: 1) pre- and post-employment services; 2) individualized goal-oriented approach with clients; 3) culturally diverse staff (often former refugees) who are “mission-driven” and can develop rapport with, and meet the cultural and linguistic needs of, refugees; 4) highly motivated refugees who are survivors; 5) clear messages about ORR’s primary mission of early employment sent out by all program components; and 6) coordination among refugee providers and between refugee and mainstream services at the system level. Many other factors were also mentioned, and all are discussed in this section.

### **Strategies Used to Promote Employment**

Federal ORR and resettlement agency staff identified many innovative approaches or strategies that they thought contributed to successful employment. These strategies involved administrative approaches, such as One-Stop Centers for refugee services, the use of volunteers, case management, employment-related strategies, English language training, use of ethnic community self-help organizations, and financial literacy. The majority of these strategies are employment-related. For example, in the area of job development, many outreach strategies are used, such as employer advisory boards or pamphlets that provide information about refugees and resettlement services. In the area of job training, there were several examples of creative

collaborations between refugee employment specialists, employers and community colleges that involved the design of short term vocational training or employer-specific training. Many respondents emphasized the importance of early proactive post-placement intervention provided to refugees and their employers to resolve issues or cultural differences.

Additionally, respondents indicated that a very useful strategy in the Matching Grant, Wilson-Fish and Public Private Partnership programs is the use of “case management with teeth.” In these programs, the case manager and/or employment specialist determines the refugee’s eligibility for cash assistance, and in many cases, the refugee receives the cash assistance from the same agency that the case manager/employment specialist is affiliated with. As a result of this seamless delivery of services, these managers have oversight over the refugees’ participation in employment and other resettlement activities. Another approach that many respondents mentioned was the use of volunteers to support case management, employment and English language training components in refugee programs; for example, several programs routinely pair each refugee family with a volunteer/mentor who works with them on a one-to-one basis.

### **ORR’s Discretionary Programs**

In addition to programs providing basic services for an 8 month period from the time of a refugee’s eligibility determination and for up to 5 years for some services, ORR funds several discretionary grant programs that offer innovative opportunities to enhance self-sufficiency. The Individual Development Account program offers a refugee a matched savings account that promotes savings for asset purchases that foster long term self-sufficiency and integration. The Microenterprise Development Program assists refugees who may lack financial resources or credit history to start small businesses. The Refugee Agricultural Partnership Program provides new opportunities for improving the livelihoods of refugee families in agriculture and food sector businesses through partnerships with public and private organizations. This section describes the basic structure of these programs, their relationship to economic self-sufficiency, their unique approaches with refugees, and evaluation outcomes.

### **Challenges Related to Economic Self-Sufficiency**

Although refugees have been successful in obtaining employment, key challenges remain. Some of these challenges are similar to those faced by low-income individuals and families in mainstream programs. The most frequent challenges that were mentioned by study respondents included: resource issues, transportation, language barriers, and hard-to-serve clients. Resources are not always adequate to provide intensive services to the increasing numbers of refugees arriving with limited education and work skills. Transportation systems in communities may be lacking or inadequate necessitating that refugees and case managers develop their own solutions, such as car pooling or hiring a van. Finally, current refugee populations are challenging to serve because many of them have been in refugee camps for years, endured trauma, have health issues, and/or are illiterate.

## **Suggestions for Research**

A wide variety of research topics pertaining to economic self-sufficiency were suggested by study respondents including: longitudinal study of refugee economic and integration outcomes; career advancement over time; employer attitudes; geographic and regional issues; cost-effectiveness of ORR programs; refugees' perspectives on useful services; barriers between mainstream and refugee programs; refugee youth employment best practices; and evaluation of the outcomes of the Individual Development Account, Microenterprise Development, and Ethnic Community Self-Help Organization programs.

## **Applicability of Refugee Model to Mainstream Programs**

There are many commonalities between refugees and low-income individuals and families that participate in mainstream welfare-to-work programs such as the Temporary Assistance for Needy Families program (TANF). A substantial number of both groups have characteristics that make employment difficult such as limited education, lack of job skills, limited English proficiency, and poor mental or physical health. In addressing these challenges, both the ORR and TANF programs have as their primary goal, early employment.

However, some states lack capacity to serve TANF recipients with various challenges, and have not implemented specific strategies to assist those with multiple challenges. Immigrants and U.S. citizens with little or no prior work experience need help with learning how to fill out a job application, what to expect on an interview, and how to present themselves at an interview. One of the purposes of this report was to explore lessons learned as a result of the refugee model of service delivery and then to consider whether any of these lessons can be applied in mainstream programs for low-income individuals and families. Key principles and approaches from the refugee model that appear most applicable to mainstream programs are described and include: program flexibility, well trained and diverse staff, comprehensive services, case management, Work First philosophy, a broad-based employment component, coordination of services, and creative use of volunteers.

## **References**

See references listed at end of Introduction section.



## **INTRODUCTION**

### **Purpose of Study**

Several emerging trends influenced the conceptualization of this project. First, in their annual refugee surveys, the Office of Refugee Resettlement (ORR) reported that the economic adjustment of refugees to the U.S. has been a relatively successful and generally rapid process (ORR, 2007a, 2008). Depending on which type of resettlement program, the refugee is involved with, ORR employment outcomes data (FY 2006) indicate that from 54 – 83 percent of refugees enter employment (see Table 1). Second, welfare reform which fosters self-sufficiency through work has heightened the urgency for examining how to help all groups – immigrants and non-immigrants do better.

Building on these trends, this project was designed to: 1) review the literature about refugee economic self-sufficiency, 2) find out why refugees have been successful in getting employment through the refugee resettlement program by exploring key administrative and programmatic factors as well as specific program approaches and strategies; and 3) explore whether any of the approaches currently in use by ORR may be applicable for use in mainstream programs for low-income individuals and families.

### **Background**

#### *Definition of Refugee*

A refugee is a person who is outside his or her country of nationality or of last habitual residence and faces in his or her own country “persecution or a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion (ORR, 2007b).” An ORR sponsored report describes an annual process whereby the United States admits a certain number of refugees from among groups determined by the President, in consultation with members of Congress, public and private groups, and the United Nations High Commission on Refugees, to be of special humanitarian concern (The Lewin Group, 2008). In addition to refugees, over time some other groups became eligible for the same benefits and services for which refugees are eligible including asylees (individuals who enter the U.S. without refugee status, but are later determined to meet the definition of refugee), Cuban/Haitian Entrants, Amerasians, victims of a severe form of trafficking, and Iraqi and Afghan Special Immigrants. This study generally uses the term “refugees” to refer to all such groups that qualify for ORR services.

It is the historic policy of the United States to admit to this country refugees of special humanitarian concern, reflecting our core values and our tradition of being a safe haven for the oppressed (ORR, 2007c). Refugees who are resettled in the United States are granted lawful permanent resident status after 1 year. Furthermore, because refugees often lack the basic foundation to rebuild their lives in the United States, they are eligible for assistance from the Office of Refugee Resettlement (ORR) located in the U.S. Department of Health and Human Services, Administration for Children and Families. ORR provides refugees with benefits and services for a time-limited period. This domestic resettlement assistance, which is provided only

to those immigrants who are refugees as a result of their humanitarian status, is designed to assist them to become employed and to support their social integration in this country (ORR, 2007d).

The composition of refugees has shifted over the years, paralleling the evolving humanitarian crises around the world and also reflecting U.S. foreign policy priorities (Newland, 2007). Since ORR began keeping records of refugee arrivals in 1983, refugees from five countries have represented 75 percent of all arrivals: the former Soviet Union (25 percent), Vietnam (23 percent), Cuba (13 percent), the former Yugoslavia (8 percent) and Laos (6 percent) (ORR, 2008). Most recently, in 2006, the leading countries of origin for refugees admitted to the U.S. were Somalia, Russia and Cuba, and for individuals granted asylum, they were China, Haiti, and Columbia (U.S.DHS, 2007).

Since 1975, the U.S. has settled 2.6 million refugees (ORR, 2007c). In recent years, numbers declined immediately following the 9/11 attacks. Anti-terrorism legislation contributed to these declines. In 2006, 41,150 persons were admitted as refugees and 26,113 were granted asylum, and in 2007, 48,217 refugees were admitted and 25,270 asylees were granted asylum (DHS, 2006, 2007, 2008).

### ***ORR Programs***

ORR was founded on the belief that newly arriving populations have inherent capabilities when given opportunities, and its objective is to assist refugees to obtain economic and social self-sufficiency as quickly as possible after arrival in the United States.

In agreements with ORR and voluntary agencies, the states decide whether to participate as a State-administered refugee program or to participate in the alternative Wilson-Fish program. The Wilson-Fish alternative may be operated either by the state or a private non-profit organization. Additionally, the Matching Grant program is a discretionary program that exists in most states and complements State-administered and alternative programs. Families eligible for their state's Temporary Assistance to Needy Families program (TANF) (discussed below) are not eligible for participation in a State-administered program; but they can be enrolled in the Matching Grant or selected Wilson-Fish programs. However, a refugee can be enrolled in only one of ORR's cash assistance programs. The benefits and services that a refugee receives will depend on what state he or she resides in as well as what program he/she is enrolled in. A description of the purpose and characteristics of each of ORR's programs can be found in Table 1, p. 6-8.

*Cash and Medical Assistance.* Refugee families with children under 18 are enrolled in the Temporary Assistance for Needy Families program (TANF) if they meet this program's categorical eligibility requirements; for example, regarding income and assets. These refugees receive cash assistance under TANF and Medicaid health coverage and must meet work requirements. Other refugees, such as single individuals, childless couples, and some two-parent families in certain states with restrictive TANF programs, who meet the income and resource eligibility standards, may receive benefits in State-administered programs under the special Refugee Cash Assistance (RCA) and Refugee Medical Assistance (RMA) Programs.

In State-administered programs, eligibility for the special RCA and RMA programs is restricted to the first 8 months in the U.S. Those State-administered programs that use a publicly-administered model must follow the states' TANF regulations in regard to cash assistance payment amounts provided to those who do not meet the income, family and resource eligibility standards of the TANF program. Depending on their readiness for employment in 4-6 months, some TANF-eligible as well as other refugees are enrolled in the Matching Grant program; these individuals and families also receive cash and medical benefits for 4-6 months.

Refugee families who receive TANF assistance are not limited to 8 months of cash and medical assistance; rather, they are eligible for TANF for the duration established in each state's TANF Plan. The federal time limit for TANF is 5 years, but states may set shorter time limits. There is no time limit for Medicaid as long as a family meets the state's Medicaid eligibility requirements. In addition, a family whose earned income exceeds the Medicaid eligibility limit may receive "transitional Medicaid" for up to 1 year after employment. Refugees who do not become citizens within 7 years are no longer eligible for Medicaid.

*Social Services.* A broad range of social services including employment services, English language instruction, case management, and social adjustment services are available to refugees to help them achieve economic self-sufficiency and social adjustment as quickly as possible. These services are funded through social services formula grants to states and Wilson-Fish programs and are provided for up to 5 years. Those enrolled in the Matching Grant program, can also receive these services for up to 5 years. These provisions include those refugees no longer receiving cash assistance from these programs. Finally, four services – citizenship and naturalization preparation services and referral and interpreter services – may be provided until the refugee becomes a citizen.

ORR encourages states to voluntarily contract with refugee service providers to provide refugee-specific social services to refugee families enrolled in their states' TANF programs. Study respondents from the State-administered programs indicated that the TANF refugee families that they were serving did receive refugee-specific social services. However, a refugee family in a State-administered program may receive a mix of cash assistance and employment services from two agencies (i.e., the state TANF agency and the refugee provider), and thus must interact with case managers from both agencies. Furthermore, this dual track service delivery system may require coordination between the staff of both systems.

*Discretionary Grants.* Other types of programs are implemented through ORR's discretionary grants. Potential grantees must apply for these funds that are awarded on a competitive basis for innovative programs, service to targeted areas of need or services for refugees with special needs. Discretionary grants that address economic self-sufficiency include: Targeted Assistance Discretionary, Preferred Communities, Unanticipated Arrivals, Refugee Agricultural Partnership Program, Microenterprise Development Program, the Individual Development Account Program, and the Cuban/Haitian Program. These programs are also described in Table 1, p.6-7.

All refugees who are eligible can receive services from a discretionary grant program regardless of which service program they are participating in, if there is a discretionary grant program that has been awarded in their area. For example, a refugee may receive basic services from a

Matching Grant program and be involved in the Unanticipated Arrivals program if an organization in his area has received a grant award to implement the Unanticipated Arrivals program.

### ***ORR Program Goals and Work Groups***

*Economic Self-Sufficiency.* The Refugee Act of 1980 clearly identifies economic self-sufficiency as one of the most important outcomes expected in refugee resettlement efforts, and this concern has driven the refugee resettlement movement and primary funding initiatives (ORR, 2007e). Economic self-sufficiency in ORR's program is defined in federal regulations as "earning a total family income at a level that enables a family unit to support itself without receipt of a cash assistance grant. (CFR 45 400.2)." Furthermore, employability services are spelled out in these regulations (CFR 45 400.154) as follows:

- employment services including the development of an individual and family self-sufficiency plan, world-of-work and job orientation, job clubs, job workshops, job development, referral to job opportunities, job search, and job placement and follow-up;
- employability assessment services including aptitude and skills testing;
- on-the-job training;
- English language instruction, with an emphasis on English as it relates to obtaining and retaining a job;
- vocational training including driver education;
- skills recertification;
- day care for children when necessary for participation in an employability service;
- transportation;
- translation and interpreter services;
- case management services; and
- assistance in obtaining Employment Authorization Documents (EADs).

In 2006, to help support the goal of economic self-sufficiency, ORR established an Economic Self-Sufficiency Work Group (ORR, 2007f). Its purpose was to: 1) review goals and performance measures related to refugee economic self-sufficiency, 2) clarify performance measures and select new or revised measures; and 3) recommend policy and programmatic solutions to establish greater consistency in reporting across ORR programs.

The work of this Group resulted in revision of ORR's Performance Report that is required of programs receiving Refugee Social Service funds, the Targeted Assistance Formula Grant, or the Targeted Assistance Discretionary Grant. These revisions ensure more consistent reporting across programs and include collection of participation and performance statistics on a trimester schedule rather than a quarterly one, as well as clarification of certain definitions, such as employability services, employment services, and grant terminations. (ORR, 2007g). The performance measures that the Group decided on are listed in the Key Factors section of this report under Outcome Orientation.

*Integration.* ORR recognizes that self-sufficiency depends on a number of factors other than family income. These factors include the integration of the newcomer into the receiving

community along with the welcome that this community gives to newcomers. Therefore, in 2006, ORR formed an Integration Work Group to define integration, identify indicators of integration and make recommendations to support the integration process. The formation of this Group coincided with President Bush's Executive Order (# 13404) entitled, Task Force on New Americans, whose purpose was to strengthen the efforts of federal, state and local agencies to help legal immigrants embrace the common core of American civic culture, learn English and fully become Americans. A definition of integration was developed by this group as follows: "Integration is a dynamic, multidirectional process in which newcomers and the receiving communities intentionally work together, based on a shared commitment to acceptance and justice, to create a secure, welcoming, vibrant, and cohesive society." The Work Group found that eight areas were common to various lists of indicators of integration, and three of these areas are critical to economic self sufficiency -- economic opportunity, language, and education. The other five areas are health/well-being, civic values/participation/engagement, housing, social connections, and belonging/safety (ORR, 2007e).

Several of the Integration Work Group's recommendations involved economic self-sufficiency. They recommended focusing on integration in the core areas of employment as well as English language acquisition, health, housing, and civic engagement. In addition, they identified employment and economic self-sufficiency, English language acquisition, and education achievement as areas to be examined for promising practices. They also recommended development of an initiative to support professional recertification and credentialing for qualified individuals.

The Integration Work Group is ongoing. Current activities include a series of site visits (also one of the recommendations of the Group), with participation by members of the Group, in order to identify and describe promising practices in integration. The Work Group will review reports pertaining to these site visits in fall 2008. Subsequently, ORR will consider the best way to proceed with incorporating ongoing consideration of integration into ORR's programs, whether as a Work Group or in some other form is to be determined. A final result of the Work Group has been that ORR has included references to integration in two of its program announcements.

**TABLE 1: ORR PROGRAMS**

	<b>State-Administered (SA)</b>	<b>State-Administered - Public Private Partnership Program (PPP)</b>	<b>Voluntary Matching Grant (MG)</b>	<b>Wilson-Fish (WF)</b>
<b>Purpose</b>	Effective resettlement & assistance in attaining economic self-sufficiency ASAP after arrival.	Facilitate the resettlement process by integrating RCA with resettlement services and ongoing case management. Promote economic self-sufficiency in shortest time possible.	Help to attain self-sufficiency within 4-6 months without accessing public assistance.	Achieve early employment & self-sufficiency, reduce welfare dependence, promote coordination among agencies, & ensure programs in every state where refugees resettle.
<b>Description</b>	Programs offer refugee cash assistance (RCA), refugee medical assistance (RMA) & social services.	Alternative approach to SA. Local agencies provide the RCA, case management, & employment services. RMA provided through the state. Can include employment incentives.	Alternative approach to SA Program offering case management, maintenance assistance, employment & other services.	Alternative discretionary program offers integrated assistance & services & innovative strategies through incentives bonuses & income disregards tied to refugee's employment goals.
<b>Employment</b>	Federal regulations define 11 employability services.	Federal regulations define 11 employability services.	Only those most likely to become employed in 4-6 months	Employment services/criteria specified in federal regulations. Program flexibility allows variety of incentives tied to employment goals.
<b>Time limits for RMA &amp; RCA</b>	8 months	8 months	4-6 months cash assistance	8 months
<b>Time limits for Social Services</b>	Up to 5 years. Up to citizenship for Info & Referral, Translation & Interpretation, & Citizenship and Naturalization services.	Up to 5 years. Up to citizenship for Info & Referral, Translation & Interpretation, & Citizenship and Naturalization services.	Up to 5 years. Up to citizenship for Info & Referral, Translation & Interpretation, & Citizenship and Naturalization services.	Up to 5 years. Up to citizenship for Info & Referral, Translation & Interpretation, & Citizenship and Naturalization services.
<b>Organization of Services</b>	Federally supported but state administered. RCA and social services provided by separate agencies. RCA based on amounts in states' TANF programs.	A type of state-administered program. States have the option to enter into a partnership with local resettlement agencies for operation of a public/private RCA program. Must be statewide unless otherwise determined. PPP and SA cannot exist in same geographic area.	Administered by voluntary agencies (VOLAGS). Only VOLAGS that provide Reception & Placement services may apply. Cash assistance and social services provided by one agency. Agency must match the federal grant with cash & in-kind at 50%.	Mixed models –9 administered by private agencies and 3 by state agencies. Cash assistance eligibility determination and employment services provided by one agency.
<b>Funding for FY 2006</b>	FY 2006: Refugee Cash & medical Assistance: \$180,830,358 Social Services: \$83,408,294	Included in SA totals.	FY 2006: \$50,000,000	FY 2006: \$27.3 million for cash assistance and administration.
<b># Awards, FY 2006</b>	Refugee Cash & Medical Assistance: 46; Social Services: 50	5 Participating States: MD, TX, OK, MN, OR.	9 VOLAGS ( 237 affiliates in 43 states)	12
<b># Refugees Served, FY 2006</b>	55,243 for SA, TAG formula, & TAG discretionary combined	Included in SA total.	24,753	11,883
<b>GPRA Measures</b>	Yes	Yes	Yes	Yes
<b>FY 2006 Employment Outcomes</b>	Caseload: 67,893 (includes TANF families) Entered Employment: 54% (36,670) Terminations: 62% (12,063) Reductions in income due to earnings: 11% (2,198) Average Wage: \$8.24 Retention/90 days: 72% (27,514) Health Benefits: 62% (18,999)	Included in SA outcomes.	Enrolled: 24,753 Self-Sufficient (120 days): 76% (Cases & Persons) Self-Sufficient (180 days): 83% (Cases & Persons) Entered Employment: 72% Average Hourly Wage: \$8.28 Health Benefits: 58%	Employable Caseload = 5,667 Entered Employment: 68% (3,876) Terminations: 77% (2,154) Reductions: 9% (250) Average Wage: \$9.01 Retention/90 days: 75% (3,030) Entered Employment with Benefits: 80% (2,766)

**TABLE 1: ORR PROGRAMS (continued)**

	<b>Targeted Assistance Grant (TAG) Formula</b>	<b>Targeted Assistance Grant (TAG) Discretionary</b>	<b>Preferred Communities (PC)</b>	<b>Unanticipated Arrivals (UA)</b>
<b>Purpose</b>	Utilizes local planning to provide direct services focused on economic self-sufficiency. Supplements other available resources.	Provide grants to states and state-alternative programs to address employment needs not met with Formula Social Services or TAG Formula Programs.	Increase placements in PCs with opportunities for early employment & self-sufficiency without public assistance & support those with special needs who require intensive case mgt.	Provide additional resources to communities where arrivals are unanticipated or services are insufficient.
<b>Description</b>	Formula funding for employment & other services in local areas of high need, e.g., large refugee populations, high concentration of refugees.	Activities complement existing employment services to help refugees achieve economic self-sufficiency.	Discretionary grant for 3 years. Places refugees in communities with low welfare utilization, strong labor markets, and moderate cost of living. Includes services to special population groups.	Discretionary grant for 17 months. Arrivals may be secondary migrants.
<b>Employment</b>	Focus is on long term welfare recipients, unemployed persons without RCA, and employed who need services to retain employment or attain economic independence.	Focus is on those who need services beyond the initial years of resettlement. Includes "hard-to-reach" such as illiterate refugee women & the elderly.	PC is selected because of its employment opportunities.	Grantee can focus on a particular service component – may or may not be employment.
<b>Time limits for MA &amp; CA</b>	Not provided in this grant.	Not provided in this grant.	Not provided in this grant.	Not provided in this grant.
<b>Time limits for Social Services</b>	Up to 5 years.	May include those in the U.S. more than 5 years.	Targets newly arrived refugees.	Targets newly arrived refugees or secondary migrants.
<b>Organization of Services</b>	States receive grant awards on behalf of qualified counties.	States receive and administer grant awards.	VOLAGS that are approved by the State Department receive grants and administer program. ORR approves PC sites proposed by VOLAGS. Refugees may receive basic core services from SA, MG or WF. Grant funds provide additional enhanced services. Refugees will transition to mainstream services.	Public agencies or private nonprofits administer grants. Refugees may receive basic core services from SA, MG or WF. Grant funds provide additional enhanced services. Refugees will transition to mainstream services.
<b>Funding for FY 2006, FY 2007</b>	FY 2006: \$43,731,190	FY 2006: \$4,825,624	FY 2006: \$6,602,653 FY 2007: \$5,213,215	FY 2006: \$8,627,169 FY 2007: \$5,838,519
<b># Awards (FY 2006)</b>	26 awards	17	17	31
<b># Refugees Served (FY 2006)</b>	55,243 for SA, TAG formula, & TAG discretionary combined	55,243 for SA, TAG formula, & TAG discretionary combined	3,893 (as of 3/07)	Data not available
<b>GPRA Measures</b>	Yes	Yes	No	No
<b>FY 2006 Employment Outcomes</b>	Included in Employment Outcomes for State-administered program	Included in Employment Outcomes for State-administered program	As of 3/07: 70% Employed at 180 days Av. Wage at 180 days=\$8.60	Data Not Available

**TABLE 1: ORR PROGRAMS (continued)**

	<b>Refugee Agricultural Partnership Program (RAPP)</b>	<b>Microenterprise Development Program (MED)</b>	<b>Individual Development Account Program (IDA)</b>
<b>Purpose</b>	Create opportunities for refugees to improve their self-sufficiency through agricultural and rural entrepreneurship using collaborative partnerships.	Assist refugees to become self-sufficient, help refugee communities to develop employment & capital resources, & enhance integration of refugees into the mainstream.	Promote participation in the financial institutions of the U.S & assist refugees in purchasing assets to promote their economic self-sufficiency
<b>Description</b>	Discretionary grant that focuses on farming, related businesses & urban gardens with refugees who have agrarian backgrounds & lower skill levels.	Discretionary grant. Grantees provide business TA, short term training, credit in the form of micro loans, a revolving micro loan fund, & post-loan TA to refugees interested small business development.	Discretionary program for low-income individuals & families. Provides financial literacy training & a matched savings account. ORR match fund limited to \$2,000/person & \$4,000/household. Must save toward home ownership, business capitalization, post secondary education, or vehicles for work/training.
<b>Employment</b>	Most refugees involved in this grant have off-farm income, so RAPP income is supplemental.	Wide range of businesses e.g., small farms, truckers, child care providers, retailers, taxi drivers, restaurateurs, etc.	Purchased assets can assist with attainment of economic self-sufficiency.
<b>Time Limits for RMA &amp; RCA</b>	N/A	N/A	N/A
<b>Time Limits for Social Services</b>	3-year grants. Refugees eligible until achievement of citizenship.	5 year project period. Refugees eligible until achievement of citizenship.	5 year project period. Refugees eligible until achievement of citizenship.
<b>Organization of Services</b>	Grants go to public or private organizations. ORR and USDA have a Memorandum of Understanding. ORR provides TA to grantees.	Grants go to public or private non-profit organizations that administer the program. ORR provides TA to grantees.	Grants go to public or private non-profit organizations to administer the program. ORR provides TA to grantees.
<b>Funding for FY 2006, FY 2007</b>	FY 2006: \$450,000 FY 2007: \$750,000	FY 2006: \$5,297,712 FY 2007: \$5,297,696	FY 2006: \$1,609,998 FY 2007: \$1,694,390
<b># Awards (FY 2006)</b>	10 (FY 2007)	FY 2006: 26; FY 2007: 17	8
<b># Refugees Served (FY 2006)</b>	200-300	FY 2006: 534	586
<b>GPRA Measures</b>	No	No	No
<b>FY 2006 Employment Outcomes</b>	Data Not Available	FY 2006: Loan defaults: 0.5% Businesses assisted: 211 Survival rate: N/A Jobs created: 56.5 Number of Loans: 87 Cost per business assisted: \$5687.20 Amt of funds leveraged from other sources: \$258,000	Through March 31, 2007: 76 accounts with matched withdrawal Amount saved by participants: \$751,997 Match funds contributed: \$1,604,500 Average savings per participant: \$2,738



## **Methodology**

After an initial meeting with federal ORR staff, this exploratory study began in May, 2007, and data collection and analysis continued through February, 2008. A literature review of published literature and evaluations of ORR programs pertaining to refugee economic self-sufficiency was conducted.

Discussions took place with a convenience sample of ORR staff and staff of State-administered, Matching Grant, and Wilson-Fish programs, and with technical assistance providers with cooperative agreements with ORR. No discussions were held with refugee clients. The questions that were asked were adapted depending on the type of program being discussed and the role of the respondent. These conversations occurred with various levels of refugee provider staff including administrators, program managers and line-staff. The discussion guide used for these staff can be found in the Appendix. Discussions were also held with federal ORR staff from three discretionary grant programs. Additionally, the researcher attended workshops in Washington D.C. pertaining to the three discretionary grant programs discussed in this report. Finally, a site visit to an ORR Wilson-Fish and Matching Grant program was also conducted.

The views in this report reflect those of ORR and resettlement provider staff, not those of refugees. To ensure confidentiality, neither the names of any staff or that of their agencies are mentioned in this report. Qualitative data were analyzed using content analysis methods. Because this study is exploratory and includes only a small convenience sample, causality cannot be inferred, and findings are not generalizable to a wider sample.

## **Content of Report**

This report contains the following sections:

- Literature Review
- Key Factors Contributing to Successful Refugee Employment in Core Programs
- Strategies Used to Promote Employment
- Selected ORR Discretionary Programs
- Challenges to Economic Self-Sufficiency
- Suggestions for Research
- Applicability of the Refugee Model to Mainstream Programs
- Appendix

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## LITERATURE REVIEW

In addition to information from ORR's FY 2005 Annual Report to Congress, two types of research are summarized for this literature review: 1) studies that include factors related to economic status among refugee populations and 2) evaluations or assessments of refugee programs including economic outcomes. The literature is scarce with regard to both types of studies. Furthermore, research pertaining to refugees is complex because in addition to the different time periods and methodologies used in the various studies, the studies target refugees from different countries who have settled in various regions of the U.S. Additionally, economic status is measured using a variety of indicators such as: employment status, public assistance utilization, household income, labor force participation rate, and employment and unemployment rates.

### **ORR's FY 2005 Annual Report to Congress**

Findings from ORR's FY 2005 Annual Survey of Refugees (N-1,227), including entrants and Amerasians are detailed in their FY 2005 Annual Report to Congress (2008). This survey continuously tracks the economic and social adjustment of a randomly selected arrival cohort of refugees over their initial 5 years in this country. Findings indicate the following:

- Approximately 58 percent of refugees in the sample age 16 and over were employed as of October 2005, compared with about 63 percent for the U.S. population;
- The labor force participation rate (i.e., includes those looking for work) declined from 69 percent in the 2004 survey to 65 percent in 2005. This is slightly lower than the 66 percent for the U.S. population in 2005. The refugee unemployment rate increased slightly from 6.7 percent in the 2004 refugee sample to 6.8 percent in 2005; this is higher than 5.1 percent for the U.S. population in 2005; and,
- Approximately 69 percent of all sampled refugee households were entirely self-sufficient. About 18 percent received both public assistance and earned income, and another 9 percent received only public assistance.

The FY 2005 Annual Survey of Refugees reports a downturn in refugee resettlement advancement as indicated by labor force participation and welfare utilization rates compared to previous years. Fewer recent refugees have finished high school, and fewer still have finished college, compared to earlier refugees. In addition, a smaller proportion of arriving refugees can speak English fluently and a higher proportion speaks no English at all, compared to earlier refugees. These are likely to be factors leading to lower labor force participation.

Additionally, the Report indicated that the jobs that refugees find are of poorer quality than seen in previous surveys. In 2005, the average wage declined about 5 percent from the year before after considering the effects of inflation. Similar to the general population, findings also indicate a decline in the percent of persons with employer-related health benefits: in 2000, 61 percent of respondents could claim such coverage; in 2005, only one-fifth could make that claim.

The Report concludes that the decreasing employment and lower self-sufficiency rates compared to previous years appear to be a result of the policy to welcome refugee groups that are less

advantaged in terms of employment and skills. But the report notes that, even with the challenges that refugees face, they are entering the work force at a fairly high rate, and their rates of welfare utilization have not moved up. Also, the report indicates that, although refugee food stamp utilization is at an all-time high, there is no evidence of sustained cash assistance dependency developing among arriving refugee groups.

### **Studies Addressing Factors Related to Refugee Economic Adaptation**

The variety of factors impinging on refugees' economic adaptation is illustrated in Kuhlman's (1991) comprehensive theoretical model cited by Potocky-Tripodi (2003). She postulated that refugee economic adaptation is a function of six factors:

- demographic characteristics such as gender, age, ethnicity, educational attainment, and household composition;
- flight-related characteristics, such as cause of flight, type of movement, and attitude toward displacement;
- host-related characteristics (of areas in the U.S), such as economic conditions, ethnic composition, and attitudes toward the refugees within the host society;
- policy characteristics, including international, national, regional, and local policies and their implementation;
- residency characteristics, including length of residence and secondary migration (movement within the host country), and
- noneconomic aspects of adaptation, such as adaptation stresses and acculturation characteristics.

Selected research pertaining to each of the above factors is summarized below.

#### ***Demographic Factors***

Some studies have found that demographic characteristics have the most influence on refugee economic status (Potocky-Tripodi, 2003). Key demographic factors include:

*Household composition.* Having a household headed by a married couple and having more persons in the household were associated with a greater likelihood of having a higher household income, whereas having children in the household was associated with lower household income. Refugees with dependents are less likely to take jobs on a long term basis or stay continuously in the same job. However, large extended family households may indicate a strategy of pooling resources to achieve economic integration (Potocky-Tripodi, 2001; Potocky & McDonald, 1995; Majka & Mullan, 1992).

*Gender.* More men are employed compared to women, and this is related to marital status. Because of family responsibilities women may not want or be able to work (Potocky-Tripodi, 2003; Race & Masini 1996).

*Age.* In their literature review, Majka & Mullan (1992) cite studies that indicate refugees between the ages of 16-24 (some may be in school) and those 45 years old and older have the lowest labor force participation ratios. These authors note that a younger refugee may lack the motivation, training, skills, or established networks necessary to acquire a job placement, and

older refugees may find it harder to learn a language and make a new start and/or experience discrimination and other social or structural barriers in the workplace. Similarly, Race & Masini (1996) found that in studying refugees from the former Soviet Union that there were fewer placements for both male and female refugees between 51-54 years and that more refugees in the 31-35 age group were employed. Vinokurov et al (2000) found in studying refugees also from the former Soviet Union that the employed were significantly younger at the time of their arrival than unemployed refugees. Majka & Mullan (1992) found, in studying a wide variety of refugee groups in the Chicago area, that age was more pertinent for female refugees than for males. They found that women who were the most able to get, keep or change jobs were those in their prime working years.

*Education.* Education emerged as an important predictor of economic status. Several studies found higher education to be associated with better economic status (Potocky-Tripodi, 2003; Potocky & McDonald, 1995; Potocky-Tripodi, 2001). However, Takeda (2000) found that among male refugees from Iraq, those with higher education had lower incomes. Although educated Iraqis tried to obtain jobs suited to their skills or education, this was rarely achieved due to a lack of English language proficiency and lack of proof of prior occupational skills, licenses or diplomas. Refugees who are less educated are willing to retain manual jobs for a long time, while educated refugees may fail to do so and have to depend on public assistance.

*Ethnicity.* In the FY 2005 Annual Survey of Refugees (ORR, 2008) of a sample of refugees who arrived in the U.S. between 2000-2005, there were significant differences between the employment rates of six refugee country of origin groupings; for example, the employment rate ranges from a high of 75 percent for refugees from Eastern Europe to a low of 36 percent for refugees from Southeast Asia. Similarly, in an earlier study Majka and Mullan (1992) found that refugees from Eastern Europe were more likely to retain jobs, but in contrast to ORR's FY 2005 Annual Survey of Refugees, they found that those from Southeast Asia were also more likely to retain employment than those from other areas; however, these refugees often were involved in both stable placements in a particular job as well as transitory placements in various jobs rather than retaining the same job over time.

### ***Flight and Host-Related Characteristics***

Little research was located on Kuhlman's second factor -- flight-related characteristics -- except that Takeda (2000) found in his study of Iraqi refugees that those who strongly wanted to leave their country and migrate to the U.S. had higher incomes and were better able to adapt psychologically than those who did not strongly want to migrate.

There was also little research on host-related characteristics. In an uncontrolled study that used Census data to examine economic indicators (e.g. employment, earnings, public assistance, education, poverty level), Potocky (1996) compared the economic outcomes of different groups of refugees who arrived in the U.S. as children but were adults at the time of the study. She found that Soviets/East Europeans and Cubans were faring well economically, Southeast Asians were faring moderately well, and Nicaraguans and Haitians were faring poorly. She proposed that contributing factors accounting for these differences included cultural and racial differences and how these differences interact with the attitudes of the host area population. This sample included East Europeans and Cubans who came from more westernized and developed countries and were predominantly White as well as Southeast Asians, Haitians, and Nicaraguans who

came from developing countries and were people of color. She found that the Soviets/East Europeans/Cubans were somewhat better prepared to adjust to the U.S. culture and did not face the extent of racism and discrimination experienced by other groups. Takeda (2000) also noted that Iraqi refugees have to cope with anti-Iraq and anti-Arab stereotypes in the U.S.

Also, related to characteristics of the host area, Vinokurov et al (2000) found differences between refugees from the former Soviet Union who settled in Washington D.C. and those who settled in Brighton Beach, New York. Those who resided in Washington D.C. were more likely to be working, had higher levels of education, income, life satisfaction, comfort speaking English, and behavioral acculturation to American culture. These authors state that these findings may reflect initial sample differences in who resides where as well as differences in welfare policies affecting employment incentives, informal social networks or degrees of ethnic density.

Potocky-Tripodi (2001) also examined host area characteristics. Using Census and community level variable data, she examined a nationally representative sample of Soviet/East European (N=4,242), Southeast Asian (N=4,748), and Cuban (N=4,707) refugees living in metropolitan areas. She hypothesized that: 1) those living in larger metropolitan areas would have higher economic status, 2) those living in metro areas with lower unemployment rates would have better economic status, 3) those living in metro areas with a higher per capita income would have higher economic status, and 4) those with a higher economic opportunity score (index based on annual unemployment rate over past 5 years, housing costs, minority-owned businesses per 100,000 and other variables) would have better economic status. She found that there was no significant relationship between these community characteristics and higher economic status as hypothesized. Rather, findings indicated that it was various demographic characteristics (as noted above) that had the largest effects on economic status.

Social support is also a host-related characteristic. Several researchers (Hume and Hardwick, 2005; Takeda, 2000) found that almost all new arrivals find the support of religious, political and social networks invaluable, especially during their first years of residence in the U.S.

Newcomers are often helped with housing and employment by assistance and support from relatives, friends and ethnic organizations. Similarly, Birman & Trickett (2001) found in studying Russian refugees that their friends played an important role in helping them find work, with 27 percent (N=453) indicating that they found their first job through Russian friends and that the role of these friends continues in regard to finding subsequent jobs. He noted that as refugees move through jobs, the majority work in organizations where former Soviets are employed. Thus, at least to some extent these researchers found that occupational achievement for these Russians involves relying on ethnic networks rather than becoming involved with mainstream Americans. Similarly, ORR's recent study of Refugee Social Service and Targeted Assistance Formula Grant Programs (The Lewin Group, 2008a) found that most refugees in the three sites studied found their current or most recent jobs through a friend, relative or sponsor.

### ***Policy Characteristics***

Policy characteristics also impact economic adaptation through the implementation of various programs. Several researchers (Race & Masini, 1996; Birman et al, 2004) found that resettlement agencies and social services assistance play an important role in economic status. Majka & Mullan (1992) found the use of conventional or mainstream sources of support related to job retention. For example, in studying refugees from the former Soviet Union, Race and Masini found that a key indicator of early employment was the frequency with which refugees

met with a job developer or a primary counselor, or engaged in group activities. However, Birman et al and Birman and Trickett (2001) found in studying Vietnamese and former Soviet Union refugees respectively, that over time these individuals relied less on the resettlement agency and more and more on their own job searching skills or friends to find work.

In Birman and Trickett's study, the refugees reported that they were treated well by the resettlement agency staff (a rating of 3.9 on a 5-point scale), and they rated the services they received as somewhat helpful (rating of 3.2 on a 5-point scale). However, the only two services that they received from the agency that were rated as greater than 3.5 on the scale were assistance with obtaining Food Stamps and studying English. The other services included assistance obtaining medical and dental care or Supplemental Security Income; learning about laws/norms in society; finding a job; getting transportation, finding housing, assistance with family problems, getting a free loan, or providing moral support. ORR's recent study of Refugee Social Services and Targeted Assistance Formula Grant Programs (The Lewin Group, 2008a) found that the majority of refugees in the three sites surveyed rated ORR services as excellent or good; however, a substantial share of those in the Houston site (30 percent) rated services and assistance as "fair or poor," higher than reported in the Miami and Sacramento sites respectively (16 and 13 percent). It should be noted that refugees in the Houston site had the greatest barriers to employment involving limited education and work skills compared to the other sites, and they were critical of the limited cash assistance available to them (i.e., 6-8 months) and having to take the first job they could get. Many would have preferred an approach focused on receiving English language training and improving of skills prior to employment rather than a Work First approach.

### *Residency Characteristics*

Residency characteristics including length of residence, citizenship and secondary migration have also been found related to economic status. Several researchers (Potocky & McDonald, 1995; Potocky, 1996; Takeda, 2000; Vinokurov et al, 2000) have found that the longer the residence in the U.S., the higher the refugees' economic status. ORR's FY 2005 Annual Survey of Refugees (2008) who arrived between 2000 and 2005 found that the labor force participation rate, work experience in the past year, and earnings all rose with the length of residence in the U.S. This Survey also found that economic self-sufficiency (not receiving public assistance) increased with residence in the U.S., although this was largely within the first 2 years. For females, Majka & Mullan (1992) found that length of residence promotes job retention and job transition. Potocky & McDonald in their study of Southeast Asian refugees found that holding U.S. citizenship was an important predictor of various indicators of economic status. They noted that citizenship is associated with a number of characteristics including length of residence, English-speaking ability, and acculturation to American norms.

Secondary migration refers to a choice that a refugee may make to move from the community of initial resettlement in the U.S. to another community in the U.S. Reasons for the move may include better employment opportunities, the pull of an established ethnic community, reunification with relatives, or a more congenial climate. (ORR, 2007). Potocky & McDonald (1995) found that Southeast Asian refugees who made a secondary migration recently (i.e., within the previous 5 years) had a greater chance of not being employed or being on public assistance compared with those who came directly to their destination or who had a secondary migration taking place more than 5 years prior. Refugee providers contacted for this study

explained that refugees are taking a risk when they move to another area in the U.S. They have to start over in terms of getting oriented to the new community and finding employment, and they need assistance from the second resettlement agency receiving them with an orientation, health screening, and obtaining benefits.

Finally, several researchers (Becker & Isaacs, 1996; Potocky, 1996; and Birman & Trickett, 2001) noted that improvement in economic status is a lengthy process. Becker and Isaacs, in studying refugees from the former Soviet Union who arrived in the U.S. after 1989, found that they were at about the same income level as that of the average American family 40 years ago. Furthermore, Birman & Trickett found that a large number of refugees had not attained high satisfaction or comparable job status (i.e., income, prestige, level of education required for the job) to the job they had in the former Soviet Union even after 8 years in the U.S. They concluded that refugees continue to have needs with respect to job placement and retraining for a long time after resettlement.

### *Noneconomic Aspects of Adaption*

In terms of noneconomic aspects of adaptation including acculturation characteristics, several studies found that the level of English proficiency is positively related to employment and job retention (Race & Masini, 1996; Potocky & McDonald, 1995; Majka & Mullan, 1992; and Vinokurov et al, 2000). ORR's FY 2005 Annual Survey of Refugees (2008) also noted that the ability to speak English is one of the most important factors influencing the economic self-sufficiency of refugees; for example, there was a moderate difference in the employment rate due to speaking no English; those speaking English fluently had an employment rate of 63 percent, while those speaking no English had an employment rate of 45 percent.

Health is also an important factor in refugee adaptation. Hume and Hardwick (2005) noted that many refugees continue to suffer from chronic illnesses or trauma incurred prior to their arrival in the U.S., thus hindering their ability to perform assembly-line jobs or strenuous labor. Additionally, ORR's recent study of three Refugee Social Service and Targeted Assistance Formula Grant Programs (The Lewin Group, 2008b; 2008c; 2008d) (discussed below) also included findings about refugee health obtained from a survey in three sites (Miami, Houston, and Sacramento). Findings indicated that from 20-33 percent of the respondents in these sites reported fair or poor health, nearly double or triple times the national average for adults 18 years or older (12 percent) as reported in the 2005 National Health Interview survey. While it was not clear whether these respondents took into account mental health problems when answering questions about their health, service providers in Sacramento indicated that mental health issues were important among all populations of refugees; for example, some suffer from post traumatic stress syndrome. In the Miami site, chronic mental illnesses (generally diagnosed prior to arrival in the U.S) were reported as well as adjustment disorders and special counseling needs for victims of torture and domestic violence.

### **Evaluations or Assessments of ORR Programs**

There are few recent studies of ORR programs, but seven program evaluations or assessment reports of various ORR programs were located. The findings from each of these evaluations are generally positive; however, only one these studies – the San Diego Wilson-Fish Demonstration Program – randomly selected clients, and two included a comparison group – the San Diego



Wilson-Fish Demonstration and the Refugee Cash Assistance Evaluation of the PPP Model in Minnesota. Furthermore, each of the studies described below evaluates a different type of ORR program during different time periods using different methodologies. Although some of these programs are no longer in existence, they are summarized because their findings still may be relevant to current activities. The results from assessments of the Individual Development Account and the Microenterprise Development Programs are discussed in the Discretionary Programs section of this report.

### ***State-Administered or Wilson-Fish Programs***

*The Evaluation of the Refugee Social Service (RSS) and Targeted Assistance Formula Grant (TAG) Programs: Synthesis of Findings from Three Sites.* The purpose of this recent evaluation funded by ORR (The Lewin Group, 2008a) was to examine the effectiveness of ORR's RSS/TAG programs in improving refugees' employment and income over time. The evaluation focused on three sites – Houston, Texas; Miami, Florida; and Sacramento, California. The sample consisted of individual refugees as well as families who entered the country from 2000-2004, were between the ages of 18-55 at entry, and received RSS or TAG services at some point. California and Florida operate State-administered programs, and Texas operates a Public-Private Partnership (PPP), a type of State-administered program. The study data utilized administrative data as well as a client survey (N=955) conducted between September 2006 and March 2007.

Findings indicated that the vast majority of refugees who receive RSS and TAG are able to find employment and leave cash assistance. At the time of the survey, 70-86 percent of refugees reported being employed, depending on the site. However, the overall family income (without Food Stamps) was modest in all three sites – from \$21,000 to \$23,000 a year which is low relative to the average household income in the U.S. and slightly above the 2006 poverty level for a family size of four (\$20,614). Among those working, refugees experienced increases in their hourly wages (from an average of 9 to 14 percent a year) and overall quarterly earnings (from an average of 5 to 25 percent a year), depending on the site.

Additionally, the study highlighted the importance of the welfare context. States have considerable flexibility in how they design their TANF programs; for example, in terms of benefit levels, time limits, activities that meet work requirements, and support services provided to recipients. In Texas and Florida, the TANF benefits are lower than in some states, and there is a Work First philosophy. However, in California, there are higher TANF benefit levels and a greater emphasis on skill development that allow participation in education and training to meet TANF work requirements. This site also emphasized the importance of gaining English skills before moving into the job market, a philosophy less prevalent in the other two sites. These factors contribute to refugees' lower employment rates and higher benefit levels in California in the first year after entry. However, the current context has changed as a result of new TANF regulations implementing provisions in the Deficit Reduction Act of 2005 that have limited the amount of time that recipients spend in non-work activities that can be counted toward the TANF work requirement.

The client survey revealed higher rates of employment than reported for the sample by employers under the Unemployment Insurance (UI) wage database. The difference in employment rates from the two sources suggests that many were employed in non-UI covered jobs (e.g., domestic work, informal child care, and landscaping services).

Clients were also surveyed about their use of child care. Among those refugees with young children (under the age of 13), about half the refugees in Sacramento (N=306) had placed their children in child care, compared with 32 percent in Houston (N=316) and 37 percent in Miami (N=335). Among those who used child care, 83 percent of the refugees received government-subsidized child care in Sacramento, compared with just 14 percent in Houston and 28 percent in Miami. Among those who used child care in Houston and Miami, most paid for it themselves, and 18 percent in Houston and 23 percent in Miami relied on child care provided free by a friend or family member.

Promising strategies pertaining to employment that were identified included: 1) strong coordination between refugee service providers and a comprehensive system for serving refugees, 2) integration of English as a Second Language (ESL) in employment settings, 3) certification and career laddering programs, and 4) cultural competency provided by former refugees, either through staff or ethnic self-help organizations.

*Refugee Cash Assistance (RCA). Evaluation of the Public Private Partnership Model for the Minnesota Department of Human Services.* This evaluation compared two models: a county distribution of RCA in eight counties in Minnesota with the Public Private Partnership model of RCA distribution (PPP-RCA) (Anton et al, 2007). In Minnesota, these models served only non-disabled single adults or childless couples. Five groups of refugees represented the majority of participants in both models including Somalis, Ethiopians, Hmong, Liberians, and Russians.

Under the PPP-RCA, states could contract with Voluntary Resettlement Agencies (VOLAGs) providing the initial local Reception and Placement (R & P) services to refugees (basic services for 90 days after arrival), to administer both the provision of RCA and the services needed to help participants become employed within the RCA eligibility period. Some of the VOLAGs provided employment services, while others used an external contractor for these services. An earned income disregard of 50 percent of gross income was allowed when determining monthly net income, and the refugee was required to obtain the RCA assistance at the VOLAG location.

In comparison, in the county RCA model, the county worker assisted the refugee with the RCA application and processing, determined eligibility for the refugee employment services, and referred the refugee to an employment services provider. A sum of \$90 for work expenses was subtracted from earned income when determining net monthly income, and the refugee received the RCA through an electronic benefits transfer.

Data on the RCA participants who received RCA from the VOLAGs (Period 2: October 2003-September 2005) were compared to data on participants who received RCA from the eight counties during the 2 years prior to the change (Period 1: October 2001-September 2003) After controlling for key demographic variables, study findings indicated the following: 1) the PPP-RCA model led to significantly more RCA participants gaining early employment, 2) PPP-RCA refugees had more sustained employment lasting beyond the RCA eligibility period, and they earned 54.5 percent more in total wages for the 2 years following their entry compared to the RCA group, 3) the PPP-RCA model increased the average amount of time for RCA recipients to find their first employment, 4) the average number of days on RCA declined following the implementation of the PPP-RCA, 5) the PPP-RCA model significantly reduced the use of

General Assistance by those who reached the end of their RCA eligibility period, and 6) the PPP-RCA significantly improved the continuity of service to refugees.

The study found substantial variation in the outcomes noted above for refugees by different VOLAG agencies in the PPP-RCA model. Additionally, group outcomes were analyzed by nationality. Taking into account the different English fluency and educational levels of refugees, in Period 1 and Period 2, the researchers found that the Somali, Ethiopian, Liberian, and Russian refugees all had greater success in finding early employment under the PPP-RCA model compared to the RCA model. There were no Hmong recipients during Period 1, but findings indicated that this group had the greatest challenges during Period 2 and the poorest outcomes of any group.

*A Quantitative Comparison of the Effectiveness of Public and Private Refugee Resettlement Programs: An Evaluation of the San Diego Wilson-Fish Demonstration Project.* The purpose of this study (Hohm et al, 1999) was to compare the effectiveness of an alternative refugee resettlement program funded by ORR -- Wilson Fish (WF) Catholic Charities of San Diego County -- with a standard program administered by the San Diego County Department of Social Services (DSS) Refugee Employment Services System. A sample of 800 refugees from each of these programs was drawn at random for the period of January 1992-August 1994. Both samples consisted only of adults without children who were predominantly Vietnamese, male and less than 30 years of age.

The WF program was administered by a private-sector *single* agency (Catholic Charities) that provided concurrent and simultaneous services. It was described as personal/flexible, outcome-oriented, performance based, and budget neutral. The Department of Social Services was a public agency consisting of *multiple* agencies and providing consecutive but sequential services. It was described as bureaucratic, process-oriented and operating on cost-reimbursement principles. In addition, continuity of case management, the degree of emphasis on early employment and integration of function within one agency were greater in the WF than in the DSS Program.

Results indicated that the mean number of cash assistance dollars received, the mean number of days that the refugees received financial support, and the mean number of days it took the refugees to find employment were all significantly less in the WF program compared to the DSS program. Also, the proportion of refugees who were placed in jobs during the 8-month eligibility period was significantly greater in the WF program compared to the DSS program.

The researchers concluded that the following components of the WF private sector alternative program contributed to the differences in performance including: 1) the level of emphasis on early employment, 2) integrated comprehensiveness of services in a single agency; 3) personal and flexible system of service delivery; and 4) more intensive support services such as transportation and assistance with job searches.

*Evaluation of the Key States Initiative.* In 1987, ORR implemented the Key States Initiative (KSI) whose purpose was to reduce the welfare dependency of refugee families in the five following states: Minnesota, New York, Pennsylvania, Washington, and Wisconsin (U.S. DHHS, 1995). In recognition of the different characteristics among refugee welfare populations and the service delivery systems within each state, ORR entered into a cooperative agreement with each

of these states to implement individualized plans to overcome barriers to increasing refugee employment within selected communities. This program was a time-limited demonstration and thus is no longer being implemented; however, results are summarized here because findings may be applicable to current programs assisting refugees.

A comprehensive evaluation of the KSI from 1987-1992 was funded by ORR. State-specific evaluations included three components: an implementation assessment, an impact analysis, and a cost-benefit analysis comparing the incremental federal and state funds budgeted for the KSI strategies to welfare savings achieved through welfare grant reductions and terminations resulting from employment.

The report (U.S. DHHS, 1995) describes the program design, participant characteristics and program outcomes in each of the states. Due to implementation issues that were not resolved in the first year of operation, findings from Pennsylvania were not included in the report. The following are highlights from the remaining four states:

- *Minnesota.* The Minnesota project worked with predominantly Southeast Asian refugees. Of the 1,400 participants who enrolled in the first year of the project, 718 (51 percent) had earnings of \$100 or more during an 18 month period.
- *New York.* In New York, of 573 participants who were referred from the mainstream Aid to Families with Dependent Children (AFDC) program (the predecessor program to TANF), 186 were employed; most of these persons were refugees from the Soviet Union. Most (70 percent) of their job placements were for more than 20 hours per week, and on average AFDC grant terminations occurred 3.62 months after the month of entered employment.
- *Washington.* In Washington, economic incentives were provided to motivate refugees to find early employment. The project served 936 individuals or 793 families. The vast majority of participants entered full-time employment, and 83 percent of participants were employed after 1 year. Eighty-five percent of households experienced grant reductions and terminations due to employment.
- *Wisconsin.* In Wisconsin, a total of 1,261 participants (54 percent) entered employment over the study period. Of the first year participants, 74 percent were employed at 12 months, and 90 percent were employed at some time during the over the course of the study. Thirty-six percent of the families assisted were in a multiple wage earner situation.

In addition, the evaluators identified key program principles that applied across states to help guide future program initiatives. Selected principles listed in no particular order of importance include:

- *Emphasis on Self-Sufficiency.* Program managers found that emphasis on self-sufficiency goals (i.e., welfare termination) was more likely to produce better job placements for longer duration than if the program focused solely on job placement.

- *Multiple Wage-Earner Strategy.* Provision of employment-related services to all potential wage earners in the family increased the odds that the family would achieve earnings surpassing the welfare benefit levels. Most refugee families were intact families with two or more potential wage earners. Two job placements from one family typically doubled the weekly earned income for the family. In almost every instance, this income was sufficient to remove the family from AFDC.
- *Follow-up Employment Services.* Post-placement counseling and conflict resolution services were provided to the new employee and employer and assisted the former state program participant in remaining employed and finding higher paying employment.
- *Results-oriented Vocational Training.* Vocational training programs had better outcomes when they were results-oriented which involved obtaining employer commitment regarding training, program design, teaching resources, and post-graduation placements.
- *Lower Caseloads.* Case manager caseloads which exceeded 50-60 clients did not permit sufficient time for quality individual contacts or adequate delivery of service levels to sustain motivation for long-term, hard-to-place welfare populations.
- *Matching Staff with Client.* Matching staff ethnicity, gender and shared experiences to the client appeared to result in more cooperative clients.
- *Incentives.* Refugee program administrators experimented with a wide range of program incentives. Non-financial incentives included the opportunity to enlist in customized skills training, preference for housing, special support services, assistance in resolving welfare grant underpayments, and referrals to child care providers. Financial incentives also served as powerful motivations, i.e., incentives to find early employment, training stipends conditioned upon employment, more generous earned income disregards, extension of medical benefits, and cash subsidies to ease the transition off welfare.
- *Community Collaboration.* Some successful programs enlisted active support and cooperation from refugee and community leaders of ethnic associations, business groups, elected officials, and private and public social service providers, among others.
- *State and Federal Roles.* State and federal program officials can be used as catalysts for positive change. They were an excellent resource that assisted local program managers and staff in the preparation of performance reviews, the setting of program-wide goals and standards, and the development of common assessment and data management tools.

### ***Evaluation of the Planned Secondary Resettlement (PSR) Program***

The PSR Program was a partially experimental multi-year grant program funded by ORR; nonprofit agencies were first awarded grants in 1984, with additional grants awarded in subsequent years (U.S. DHHS, 1992). The program was a time-limited demonstration and no longer exists. The purpose of this program was to assist eligible refugees residing in high welfare dependency areas to relocate from areas of limited employment to communities with similar ethnicities offering more favorable employment and resettlement opportunities. The target population consisted of Hmong and Cambodian refugees who had been in the U.S. for at

least 18 months and who were at the time of recruitment, dependent on cash assistance or unemployed and having difficulty finding a job. The PSR Program was comprised of six host sites that received refugees as well as sending sites that provided eligible refugees for recruitment.

Eligible refugee families were provided financial assistance for their relocation expenses, rent, food subsidies, and job placement assistance for the first several months at their new locations. The evaluation of PSR was initiated and funded by ORR and completed in 1992. The evaluation team visited the host and sending sites, interviewed PSR staff and the refugee families (in their own language) and reviewed relevant files and financial records.

As of June 1988, the PSR program had moved 88 family units or 451 individuals. Ninety percent of persons relocated with PSR funding remained in the PSR receiving area at the time of the site visits. Before joining the program, only 21 persons in the PSR families held jobs (part and full time), and by the time of the site visits, 118 refugees had found full-time jobs; the number of jobs had increased almost six-fold. In a majority (58 percent) of these families, both husband and wife obtained jobs. The average monthly income for family units increased by \$500 to \$1000 following relocation. Before relocation, all except 1 of the 71 PSR families for whom there were housing data had been renters. At the time of the site visits, 13 families had purchased their own homes. Additionally, 58 of the 76 family units for whom there were data had coverage under private non-subsidized medical insurance at the time of the site visits; no one had such coverage prior to the PSR move.

Under the old AFDC system, the researchers found the average relocation cost (based on 1987 dollars) to the government was \$9089 per family. Surprisingly, the U.S. Treasury and state government profited more from this program than the families did (i.e., reduction in AFDC and Food Stamp payments, receipt of FICA taxes). On average, the government gained \$821 per month per family unit, while the average family gained \$624 per month.

Major obstacles included: 1) lack of enthusiasm for the program among many of the community elders and 2) the perception of security due to being a welfare recipient and the lack of security in relation to getting involved in the PSR. The free medical care as well as cash and Food Stamps obtained by those on welfare were very important to refugees who wavered on the idea of relocating. These factors made the program difficult to sell.

Most PSR families reported a high degree of satisfaction with the program. Benefits reported by the families included: increased income, freedom from welfare, an increased sense of self-confidence and self-worth, better and less expensive housing, and greater opportunities in school for their children. The social costs for those who relocated included the distance from friends and relatives and the problems of adjusting to a new community.

### ***Evaluation of Discretionary Grant Programs***

Two evaluations of ORR discretionary programs are discussed below. Findings from evaluations of two additional ORR discretionary programs -- the Individual Development Account and Microenterprise Development Programs -- are summarized under the discussion of these programs in the Discretionary Programs section of this report.

*The Refugee Matching Grant Program: Balancing Flexibility and Accountability.* The purpose of this Office of Inspector General's report (OIG, 1994) was to assess how VOLAGs and their affiliates deliver services and how ORR monitors services to refugees participating in the Voluntary Agency Matching Grant Program (MG). In 1993, OIG conducted on-site or telephone interviews with 12 VOLAGs, 159 of the 165 participating affiliates, and ORR officials. They also reviewed MG program guidelines, performance reports, and self-sufficiency data over a 3-year period.

Key findings included:

- Program flexibility allows affiliates to tailor services to a diverse refugee population;
- Refugees and affiliates must overcome multiple barriers to attain self-sufficiency;
- Approximately half of the affiliates thought that ORR overemphasized early employment and wanted to see an extended period for acculturation and training considered on a case-by-case basis;
- Program effectiveness measures are inadequate (i.e., only job placement at 4 months) and need to measure longer-term effectiveness; and
- Generating and documenting matching funds limits the numbers and types of refugees served; for example, some affiliates refuse to serve certain types of refugees.

In its response to the report, ORR pointed out that the Refugee Act requires that all employable refugees should be placed in jobs as soon as possible after their arrival in the U.S. Since this report, ORR has instituted additional performance measures measuring employment over longer periods of time; these measures are discussed in the Key Factors section of this report.

*Working in America: A Wage-Subsidy Strategy for Employing Refugees Without Prior Workforce Attachment.* The Community Service Employment (CSE) Program was funded by ORR from 1998-2003, in 11 sites as an employment strategy for difficult-to-employ refugees who had been in the U.S. for several years, but were still unemployed (Else et al, 2003). The CSE Program provided wage subsidies to help cover costs during the employee's training period in order to give employers an incentive to hire these refugees and to provide on-the-job training and the support services necessary to assure not only job retention, but job advancement. Employers could be reimbursed for up to 100 percent of wages and fringe benefits during the employee training period for up to 12 months. During the subsidized placement period, CSE programs provided job coaching and retention services. The program was time-limited because it was funded by a Congressional earmark to assist refugees with long term difficulties in assimilating.

Information for the evaluation was gathered from grant proposals, agencies' quarterly reports, site visit reports, interviews with project staff, and participant-level data collected on-site using a common management information system across programs. Evaluation findings indicated that of the 2,088 refugees who participated in the program, 56 percent had been in the U.S. for more than 10 years before enrolling in the program. Almost half (45 percent) had no work experience in the U.S., and 80 percent had no work experience prior to coming to the U.S. Most had low incomes, limited education and limited English competency.

Eight of eleven programs submitted client-level data. Of the 2,088 participants placed, most (79 percent) were placed in a subsidized position, and the others (21 percent) were placed directly without subsidy. Sixty-nine percent of those placed into subsidized positions later transitioned into unsubsidized status. Of those placed without subsidy (whether placed directly or transitioned from subsidized status), more than 90 percent were still employed 90 days later.

Most refugees had access to health care outside of Medicaid after the CSE program. Their median annual income rose by 50 percent, from \$12,000 to \$18,000. While 87 percent of families fell below the poverty level at the time of enrollment, 45 percent were below this level at a follow-up contact 90 days after case closure. Fewer CSE participants received various forms of public assistance after CSE participation.

A cost-analysis was done with data from eight of the programs. Evaluators concluded that while ORR's grants to these programs amounted to \$25 million, the financial benefits generated by these programs suggested that this amount of funding could be recovered by the taxpayers in 2.65 years.

Evaluators also identified the following lessons learned:

- The larger community benefited not only from the increased income of program participants, but from increased understanding of the employment structure of the community by refugee service agencies, employer awareness of and interest in refugees as employees, and refugee access to mainstream services;
- Clarity about program goals and eligibility requirements is critical to appropriate participant recruitment, assessment and job development. Recruitment needs to focus on the difficult-to-employ and assessment should indicate appropriate jobs. Job development activities need to focus on positions that fit the skills, aptitudes and interests of the participants;
- Developing quality jobs that provide good wages, benefits and advancement opportunities is difficult and requires creativity in identifying job opportunities and in overcoming barriers;
- The level of subsidy for each position should be related to the complexity of the position and the amount of training required;
- Prior to each job placement, an agreement between the agency and the employer should be prepared specifying the training, follow-up and potential job advancement; and
- Cultural issues influence program design and staffing.

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## KEY FACTORS CONTRIBUTING TO SUCCESSFUL REFUGEE EMPLOYMENT IN ORR PROGRAMS

In addition to information gleaned from a review of selected literature, much can be learned about ORR programs from those who implement them. Discussions took place with a convenience sample representing federal ORR and resettlement provider agency staff working in various ORR programs. These persons represented a variety of programs (e.g., State-administered, Wilson-Fish and Matching Grant) and levels of staff.

These staff were asked, “In your view, what are the most important programmatic, administrative or other factors that currently contribute to getting refugees employed in the programs funded by ORR?” The factors that were mentioned by these staff pertain to the basic services that ORR programs including some discretionary programs (e.g., Preferred Communities, Unanticipated Arrivals) provide to refugees during their first 6-8 months in the U.S. such as cash and medical assistance, case management, and social services including English language training and employability services. Social services may be also provided for up to 5 years after arrival. Table 2 lists the factors that were most frequently mentioned. If the factor was mentioned more than once during a discussion with a staff person, it was counted only once. Comments of the staff about each of these factors are summarized below. Specific strategies or approaches that exemplify many of these factors are described in the next section of this report on strategies.

**Table 2**  
**Key Factors Contributing to Successful Refugee Employment**

<b>Key Factors</b>	<b>No. of Times Factor was Mentioned</b>
Employability Services Pre- and Post-Employment	21
Individualized Goal-Oriented Approach	18
Staff Characteristics	17
Refugee Characteristics	10
ORR Program Mission	10
Coordination at the System Level	9
Time-Limited Services	8
English Language Training	8
Coordination at the Client Level	6
Program Flexibility	6
Linkage of Services and Cash Assistance	6
Use of Financial Incentives for Employment	6
Comprehensiveness of Services	5
Use of Data by Programs/Providers to Monitor/Analyze Activities	5
Signed Agreement with Client	5
ORR Oversight and Guidance	4
Caseload Size	4
Outcome Orientation	4
Use of Management Tools by Programs/Providers	2
Availability of Community Support for Refugee	2

## **Employability Services**

Three types of employment activities were frequently mentioned as important to successful refugee employment outcomes. The first was pre-employment training that provides the refugee with realistic expectations, job preparation skills, and a good orientation to the world of work. The next was job development activities including marketing refugees to potential employers by creating connections and building relationships with these employers in the community as well as matching client skills with employer need. The third activity involved post-employment follow-up support provided to the employer and refugee, including proactive intervention to maintain job placements; provision of translation and mediation services; and job upgrading activities for the refugee. Specific approaches and strategies regarding these activities are more fully described in the Strategy section of this report.

## **Individualized and Goal-Oriented Approach**

Under this approach, services are customized to fit the needs of individuals and families. Refugees typically meet individually with a case manager and/or with employment specialists. Staff conduct an individualized assessment that identifies the refugee's strengths and the barriers that must be addressed to help the refugee and his/her family achieve short and longer term self-sufficiency goals. Once an assessment is complete, the refugee and case manager and/or employment specialist develop and agree on an Individual and/or Family Self-Sufficiency Plan. The plan contains steps to be taken by the client, agency and his/her family to work toward goals, who is responsible for each activity, and time frames. An important element of this plan often mentioned by study respondents was a personal or family budget. The budget identifies current income and expenses, and the gap or surplus between current income and expenses is calculated. Also, anticipated expenses and income for the immediate future (i.e., 60 or 120 days) may be laid out.

Along with developing this plan, respondents pointed out that the new arrivals are expected to participate in a structured set of services that provide a clear direction for them, and most of them will follow this plan. For example, upon their arrival, refugees are expected to attend ESL classes and pre-employment training and meet with their case manager and/or employment specialist on a regular basis for a specified time period.

## **Staff Characteristics**

Respondents indicated that the staff who work with refugees are culturally diverse and speak a variety of languages, and their cultural background often corresponds to the major groups of refugees being served in their area. Many of these staff (but not all) are or have been refugees themselves and thus can serve as role models. Furthermore, they may have connections to their own ethnic communities which can be helpful to the refugee client. The case manager may speak the same language as the refugee, thereby facilitating the development of trust and rapport as well as the translation of documents. This type of staff capacity enables services to be provided in a manner that meets the cultural and linguistic needs of the refugees as specified in ORR regulations (45 CFR 400.61(b)(1)). Furthermore, refugee staff indicated that their cultural diversity enables them to learn from one another; for example, Worker #1 may refer a refugee to Worker #2 for help with resume writing, but Worker #2 may use Worker #1's familiarity with,

for instance, Ethiopian culture to help her understand the refugee she is working with. One respondent said, “Our staff is a community.”

In addition, study respondents described staff as “mission-driven” and feeling an obligation for the well-being of those they are working with. Respondents pointed out that the staff who work with refugees are dedicated and committed, have a passion for this work, believe in what they are doing, and are not doing this work for the money. Respondents viewed their voluntary agencies as having a social service versus than a traditional public assistance/welfare mission, and some viewed themselves as advocates for the poor. Additionally, a state coordinator indicated that having full time staff dedicated to employment contributes to success because then they have the time to develop jobs in their communities and create training opportunities with community colleges.

### **Refugee Characteristics**

One respondent indicated that, while some providers may define refugees negatively as victims who are not expected to hold down a job or excuse certain refugees from working; for example, women, those over 55 years or the disabled, his agency challenges systems not to exempt any refugees from responsibility to become self-sufficient. He indicated that refugees are here because they are highly motivated survivors who have overcome many barriers and thus have strengths that they can build on. In fact, many of the study respondents mentioned the attitude and motivation of refugees as key factors in their success. One respondent characterized the refugees as very appreciative of services and as having a positive attitude. Rather than staying on welfare, refugees desire to participate in the “American Dream.” Respondents indicated that it is because of their high motivation and willingness to work hard that employers find them attractive workers.

### **ORR Program Mission**

A clear legislative mandate for *early employment* is spelled out in the Refugee Act of 1980. The Act states that “employable refugees should be placed on jobs as soon as possible after their arrival in the United States.” Refugee providers indicated that the onus is on the individual and their focus is on empowering the individual to become employed. Regulations (45 CFR 400.75, 400.77) specify that certain conditions must be met in order to receive cash assistance; for example, the refugee must: register with an appropriate agency providing employment services or an appropriate state/local employment office, participate in an appropriate social services or targeted assistance program providing job or language training, accept appropriate offers of employment, and not quit a job without good cause. Additionally, sanctions are specified if a refugee refuses any of the following: an appropriate offer of employment, to go to a job interview arranged by the resettlement agency, or to participate in a social service or targeted assistance program (45 CFR 400.82). However, only a few study respondents indicated that any of the refugees in their programs had been sanctioned, and these refugees were few in number.

### **Coordination at the System Level**

ORR staff indicated that coordination among refugee providers and mainstream services is one of the strengths of ORR programs. The regulations (45 CFR 400.5) covering the State-administered and Wilson-Fish programs require meetings not less often than quarterly to plan

and coordinate services. Additionally, local affiliates implementing the Matching Grant program must participate in all state convened local task forces and consultations. These meetings enable the discussion of issues and their solutions and the sharing of best practices. They also facilitate a unified message to the refugees from the various providers. Regulations (CFR 45 400.5) also require that a State Refugee Coordinator be appointed; this person has the responsibility and authority to ensure coordination of public and private resources for refugee resettlement. State Coordinator respondents in this study indicated that their role involved the following system level activities: coordination and monitoring of ORR funding as well as non-ORR funded services, leveraging additional funds from the state and foundations, maintaining oversight of performance standards, providing systemwide training, educating other state agencies about refugee needs, and linking the refugee program with mainstream resources.

### **Time-Limited Assistance and Services**

There are clear time limits for the receipt of refugee cash and medical assistance; for example, the limit is 8 months in the State-administered and Wilson-Fish programs and 4-6 months in the Matching Grant Program. These limits bring a sense of urgency to the task of finding employment. Refugees in these programs may continue to receive social services including employment services and English language training for a period of up to 5 years. If a refugee is enrolled in the TANF program, there is a maximum federal time limit of 5 years for cash assistance, but states may determine shorter time limits. There is no time limit for Medicaid as long as a family meets the state's Medicaid eligibility requirements. In addition, a family whose earned income exceeds the Medicaid eligibility limit may receive "transitional Medicaid" for up to 1 year after employment.

### **English Language Training (ELT)**

ORR and provider staff view ELT as a critical basic service. Furthermore, ORR regulations (CFR 45 400.156) state that refugees are expected to participate in ELT concurrently with their job search, and they cannot refuse a job because they have not completed this training. Assessment of English language ability is important because it assists with job placement. Refugee provider staff frequently mentioned the importance of a "work-oriented" emphasis in ELT classes; for example, there may be a focus on resume writing or interviewing skills, and some classes are specifically geared toward different industries that the refugee may work in. Several specific approaches are described in the Strategy section of this report.

### **Coordination at the Client Level**

In describing how services were delivered to refugees, respondents often described weekly or bimonthly staff meetings whereby the various staff, such as the case manager, ELT teacher, job developer/employment specialist meet regularly to review and discuss cases, including difficult issues and solutions.

## **Program Flexibility**

Program flexibility was mentioned as a key factor related to ORR's success in getting refugees employed by respondents involved with the Matching Grant, Wilson- Fish, and State-administered programs. Respondents noted that federal guidance is not prescriptive in terms of how states or the VOLAGs implement their programs; rather these programs can be adapted to the realities that these entities face, thus allowing for a tailored approach. One respondent put it this way: "ORR's flexibility allows the state or VOLAG to play to their strengths and navigate their weaknesses; they are free to create their own paths." The Matching Grant program was described as "working within a culture of cooperation that allows the local and national VOLAGs to be creative rather than compliance-focused."

Examples provided by the respondents demonstrate flexibility on different levels. For example, provider staff in the Matching Grant and State-administered programs mentioned that they have the flexibility to decide how to spend funds for a particular client based on his/her needs. A State-administered program has the flexibility to examine and deal with problems both collectively in the state as well as in various regions of the state, thus tailoring support based on local conditions. For example, one county might be ready for employment upgrades, while another county needs to focus on initial resettlement and early self-sufficiency. Finally, the Wilson-Fish program was designed specifically to provide alternative programs for refugees outside of the State-administered system, and the flexibility inherent in this program allows for the provision of bonuses, incentives and income disregards. In addition, the PPP model also allows for provision of these same financial incentives in regard to employment.

## **Linkage of Services and Cash Assistance**

Matching Grant, Wilson-Fish and Public-Private Partnership programs are structured so that the refugee receives his or her cash assistance from staff (e.g. case manager) working in the same agency that provides employment and case management services; thus, according to provider staff, the agency has more oversight and control over the activities of the refugee. Furthermore, several of the Wilson-Fish respondents noted that their system was seamless in terms of the same program staff providing the initial Reception and Placement Services (i.e., food, clothing, shelter, and orientation services provided by the Department of State for the first 30 days in the U.S.) as well as ORR-funded cash assistance and ongoing services.

## **Use of Financial Incentives for Employment**

ORR regulations pertaining to the Public Private Partnership Program (CFR 45 400.60) specify that states and local resettlement agencies may design an assistance program that combines Refugee Cash Assistance (RCA) payments with income disregards or other incentives such as employment bonuses or graduated payments in order to encourage early employment and self-sufficiency as long as the total combined payments do not exceed ORR limits. For example, one Wilson-Fish program offers an early employment bonus of \$500 if a client becomes employed within 3 months of entry; within 4 months of entry, a \$400 bonus; and within 5 months of entry, a \$300 bonus. Another Wilson-Fish program offers a job retention bonus of \$450 if the client retains the initial job for 90 days and provides the case manager with all relevant pay stubs. Respondents from the Matching Grant Program noted that their clients were

allowed to receive both their cash assistance payments and wages from their employment for a limited period of time without having to return any of these funds.

### **Comprehensive Services**

ORR and provider staff discussed how service delivery is comprehensive in various ways. For example, an array of basic services is provided in the Matching Grant, Wilson-Fish, and State-administered programs including social services, case management, pre-employment services, employability services, English language training, and health services. In addition to these basic services, states with eligible counties that have large refugee populations can apply for Targeted Assistance Formula Grants that provide funding for similar services. States and/or other organizations can also apply for refugee-specific discretionary grants such as: Refugee School Impact Program, Microenterprise Development Program, Individual Development Account Program, Refugee Agricultural Partnership Program, Preferred Communities, Targeted Assistance Discretionary, the Unanticipated Arrivals program, Refugee Preventive Health, and Services to Older Refugees.

### **Use of Data for Management and Monitoring**

Several State-administered programs mentioned the importance of periodic review of program data to examine outcomes and trends. They utilized statewide management information systems that included ORR's Government Performance Results Act (GPRA) measures as well as additional state measures. These data systems are used to run employment and other reports on both a statewide and local basis. One local refugee provider reported implementing ongoing evaluation and follow-up through the use of a Quality Assurance Team whose job it is to monitor the data in each case file, feed data gaps back to the case managers, and submit the periodic summary reports to the agency's administrators.

### **Signed Agreement with the Client**

The State-administered, Wilson-Fish and the Matching Grant programs require signed agreements with the refugee. These agreements may be called a Letter of Understanding or Refugee/Asylee Rights and Responsibilities. In one Matching Grant program, the client rights and agency obligations outlined in a document to be signed by the refugee include: financial help during the first 120 days, assignment of a job developer, and ability to conduct an independent job search. Client obligations listed in the same document include: acceptance of any job offered, restriction against applying for welfare benefits, agreement to remain in the state for at least 4 months from date of entry, acceptance of a roommate to share expenses, agreement to inform case manager of changes or problems regarding employment or living situation, and agreement to sign monthly payment vouchers identifying funds spent.

### **ORR Oversight and Guidance**

Refugee providers indicated that the role of ORR is an important factor accounting for the success of refugee programs. ORR provides oversight, training and guidance to the refugee programs through a wide variety of activities; for example, overall policy guidance is provided through State Letters to State Refugee Coordinators, Wilson-Fish programs, and VOLAGs. ORR also shapes refugee programs through the development of discretionary grants that



complement ORR basic services and in its determination of how program outcomes are to be reported and measured; for example, through the use of the GPRA measures (see Outcome Orientation section below).

ORR is organized so that all of its major programs have lead staff or project officers. For example, in the State-administered program, there is an ORR staff person – the state analyst – assigned to each state that participates in this program. This person provides technical assistance, reviews quarterly reports, and conducts periodic site visits. The State-administered, Wilson-Fish and Matching Grant programs each have a manual or written guidance clearly describing how the program is to be implemented. ORR holds periodic national meetings for the new and continuing grantees of these programs to discuss current issues and best practices.

Through cooperative agreements and one contract, ORR also supports a Technical Assistance Program that provides assistance to refugee-serving organizations throughout its entire network. Technical assistance is provided through on-site visits, conference calls, publications, workshops, performance measure development, and trainings specific to the needs of the refugee serving organization. For example, ISED Solutions, Inc. provides technical assistance for the Wilson-Fish and Preferred Communities programs as well as the Microenterprise Development, Individual Development Account, and Refugee Agriculture Partnership Program grantees, and RefugeeWorks provides technical assistance to providers regarding refugee employment needs.

### **Caseload Size**

In some resettlement provider agencies, the case manager carries out both case management and job development functions. In one of these agencies, staff indicated that a small client-case manager ratio of 30-35:1 contributes to success in relation to case management and employment; however, low caseloads were not always possible. In other agencies, both case managers and job developers serve the refugee. Some of these job developers indicated that their large caseloads (e.g., 130:1) made intensive quality work with refugees difficult.

### **Outcome Orientation**

As a part of ORR's federal oversight, the major refugee programs (State-administered, Wilson-Fish, and Matching Grant) must establish annual outcome goals aimed at continuous improvement of their performance along various outcome measures. ORR programs report on specified Government Performance Reporting Act (GPRA) outcome measures on a trimester basis as well as annually by federal fiscal year. The following are the outcome measures currently required of the State-administered and Wilson-Fish programs; all numbers must be unduplicated.

- *Entered Employment* – number of refugees entering employment, including both full time and part time employment broken out by TANF, Refugee Cash Assistance (RCA) and no federal cash recipients;
- *Federal Cash Assistance Terminations* – number of refugees terminating federal cash assistance due to earnings by TANF and RCA recipients;
- *Federal Cash Assistance Reductions* – number of refugees reducing federal cash assistance due to earnings by TANF and RCA recipients;

- *Entered Full Time Employment Offering Health Benefits* – number of refugees entering full-time employment where health benefits are offered within the first 6 months of employment broken out by TANF, RCA and no federal cash recipients;
- *Average Hourly Wage for Full-time Entered Employment*– average wage at placement for all refugees entering full-time employment; and
- *90-Day Retention Rate* - number of refugees who are employed on the 90<sup>th</sup> day after their initial employment placement, whether in their initial job or in a different job.

The Matching Grant Program requires similar but slightly different outcome measures:

- *Entered Employment* – number who have entered full or part time employment at 120 days;
- *Average Hourly Wage of Refugees* -- average hourly wage at 120 days;
- *Entered Employment Offering Health Benefits* -- number of refugees offered health benefits at 120 days through their current job;
- *Self-sufficiency at 120 days* – number self-sufficient at 120 days after initial placement whether in initial or different job (i.e., able to support family without cash assistance);;
- *Self-sufficiency Retention at 180 days* – of those who were self-sufficient at 120 days, number that retained self-sufficiency at 180 days
- *Overall self-sufficiency at 180 days* – total number self-sufficient at 180 days;
- *Dropped Out of the Program* – number who have dropped out of the program; and
- *Out Migrated* – number who have moved to another area of the U.S. for refugee services (i.e., secondary migrants).

These performance outcome measures drive activities at the federal, state and local levels; however, ORR does not attach dollar amounts or sanctions to the performance on the measures in State-administered and Wilson-Fish programs. In the Matching Grant program, the VOLAGs are evaluated based on their ability to assist all Matching Grant clients to become self-sufficient by the sixth month. The funding level for each VOLAG is determined based on the relative 120 and 180 day self-sufficiency performance of individual VOLAGs to the performance of all VOLAGs for the previous year. Additionally, the Matching Grant program manager and staff gather periodic outcome data from each of the affiliate organizations working under each VOLAG. This information enables monitoring of strengths and weaknesses and identification of technical assistance needs at the provider level.

At the local level provider staff indicated that these measures motivate them and provide for accountability. One provider indicated that his agency's funding is contingent on how adequately job placement goals are met. Another provider indicated that the percentage of clients employed by each case manager is examined monthly and patterns are noted. Additionally, this same organization uses a performance-based social service funds allocation system in which providers receive payments based on their performance (see Strategy section for details).

## **Use of Management Tools by Programs/Providers**

Several State Coordinators in State- administered programs noted the importance of developing standardized and comprehensive implementation tools and training staff on the use of these tools; for example, a case management manual, including the Family Self-Sufficiency Plan; policy directives; regulations; forms and notices; and timeline flow charts. Use of these tools provides consistency to the program and equity in services. Over time as the program is reassessed and evaluated, these tools are refined, tightened and clarified.

## **Availability of Community Support**

Two provider staff mentioned importance of the availability of community support. They noted that refugees may join established communities that are committed to helping them and that the refugees and former refugees who are a part of these communities often feel responsible for helping new arrivals. This type of support may be provided through churches, mosques, or ethnic self-help organizations. However these providers also noted that newer groups of refugees entering the U.S. may find themselves isolated without community support if their community has not had time to form or build its capacity for reaching out to refugees. ORR recognizes the importance of building community support as evidenced by their Ethnic Community Self-Help Organization Program, a discretionary grant program that provides assistance to refugee community organizations to develop their capacity to serve as local providers and as a bridge to mainstream services and resources. In FY 2007, ORR funded 51 grantee organizations to implement this program.

## **STRATEGIES USED TO PROMOTE EMPLOYMENT**

Discussions with a convenience sample of ORR and refugee agency provider staff representing various types of ORR programs (i.e., State-administered, Wilson-Fish, Matching Grant) and levels of staff (i.e., administrators, program managers, line staff) took place between May, 2007 and February, 2008. These staff were asked to identify and describe particular strategies/approaches that are useful or innovative in terms of helping refugees become economically self-sufficient. The approaches/strategies that were identified were mentioned by more than one staff person in multiple meetings. Although identified as innovative or useful, these strategies/approaches have not been formally evaluated as best practices.

### **Administrative Approaches**

Various types of administrative mechanisms or strategies that were identified by refugee provider agency staff as useful are described below.

### ***Use of Volunteers***

The use of volunteers was mentioned as a critical factor in the success of refugee programs by staff of eight programs that were either Matching Grant, Wilson-Fish or State-administered programs. Several of these respondents indicated that the use of volunteers is a “survival issue” for them. The volunteers function as another pair of eyes and ears and report back to staff, and this reduces the pressure on the staff. The volunteers may be student interns who need a certain amount of credit for time-limited service, community volunteers who become more involved or

refugees who have gone through the resettlement process and can be useful in assisting with the cultural barriers that newly arrived refugees face. Several of the study respondents indicated that they employed a paid volunteer coordinator or used unpaid interns to coordinate volunteer services.

Several agency staff indicated that they routinely pair each refugee family with a volunteer/mentor who works with them on a one-to-one basis. The volunteer is asked for a 6 month commitment; their most intense activity with the family occurs in the first month. Volunteers are used to support the case management, employment and English Language Training (ELT) components of the resettlement program; for example, providing help with resumes, interviewing skills, transportation to job interviews, literacy tutoring, computer assistance with on-line job applications, or field trips in the community.

Staff from a Wilson-Fish program gave the following example. The case manager accompanied a newly arrived 18 year old pregnant Burmese woman to a doctor's visit. At the visit, the physician indicated that a C-section would be needed immediately due to the position of the baby. At this time it was 6:00 pm; the case manager called a community volunteer who spoke Burmese to come to the hospital. This volunteer explained to the client and her husband what was needed and why and served as an interpreter for the couple with the medical staff. The case manager stayed at the hospital until 10:00 pm, but then went home. The community volunteer remained at the hospital throughout the night with the client. The case manager very much appreciated the services of this community volunteer.

Additionally, one respondent described a Community Resource Development component of his resettlement program. A paid staff person funded by multiple sources is engaged in outreach to community organizations to request contributions and in-kind services and to recruit volunteers. The purpose of this activity is to engage the community in understanding and assisting refugees and to provide refugees in the Matching Grant and other programs with resources and community connections.

### ***One-Stop Centers for Refugee Services***

Co-location of services, whereby a variety of refugee services are provided at one location -- ELT, employment, case management, and program eligibility determination for the state Temporary Assistance for Needy Families (TANF) program -- facilitates the coordination of services, allows sharing of resources such as language capacity of staff among refugee providers and mainstream agencies, and lessens travel time for the refugees. Staff from a Public-Private Partnership program indicated that this arrangement exists in two of its sites, and a site visit to a Wilson-Fish program revealed co-location of most refugee services including health services.

### ***State Advisory Council Employment Subcommittee***

The Advisory Council in a State-administered program has an Employment Subcommittee that includes employment specialists and their supervisors from throughout the state who meet face-to-face in between the state's Advisory Council meetings. Their goal is to establish consistency around the state with regard to employment services, and they have developed guidelines, standards and best practices. They focus on particular employment issues and arrive at a plan; for example, they have discussed how to deal with noncompliant refugees. They also share

employment trends with the State Advisory Council. Both veteran staff and newcomer workers attend; newcomers bring good information from their non-refugee work experiences. This group is considering developing a web-based forum such as a list serve for its members.

### ***Performance-Based Social Service Funds Allocation***

A Wilson-Fish program uses a pay-for-performance system based on the number of arrivals expected and on performance. Each of their providers receives an allocation of social service dollars as follows: 1) 20 percent of the total dollar amount is a baseline provision to allow for sustaining program structure and staff; 2) 60 percent is allocated on a per capita basis over the course of a year; and 3) 20 percent is performance-based in relation to ten performance measures (some are similar to ORR's GPRA measures) and is calculated quarterly. Respondents indicated that this approach requires an adequate infrastructure in terms of support from the information technology, business, and human resources components of the organizations.

### **Case Management**

ORR regulations (CFR 45 400.2) define case management as activities directed toward a refugee's attainment of employment as soon as possible by determining services, making referrals, and tracking the client's participation. Programs have considerable flexibility in delivering case management services. The role of the case manager can encompass a wide range of activities; for example, assisting with medical treatment, transportation, crisis intervention, child care, and accessing public benefits. In some refugee programs, the case manager assumes the role of employment specialist/job developer, while in other programs, there are separate case management and employment specialist positions.

Study respondents described the case management process as an *individualized, intensive, and hands-on* process that focuses on *relationship building and trust*. It was also described it as an "ongoing process of cultural orientation and adjustment to life in the United States involving a long term nurturing process and investment in refugees' success."

Several respondents noted that in the Matching Grant, Wilson-Fish and Public Private Partnership programs, the *case management has "teeth."* This refers to a linkage between the cash assistance and refugee services -- the cash assistance is given to the refugee by the staff of the same agency that provides the employment and social services. As a result, the case managers have more oversight and control of the refugees' participation in the various activities than if the cash assistance were provided by staff of a separate agency. For example, in some State-administered programs, a TANF refugee family receives their case management services from the refugee provider agency but must get their cash assistance payments from the state agency.

Examples of case management approaches that respondents thought were key to successful employment outcomes are described below.

### ***Holistic Family-Focused Approach***

A case manager/employment specialist provided an example of a holistic family-focused approach. She was aware of a state program that serves refugee children; for example, by

providing tutoring. She also knew that refugee children may lag behind in school, and their parents are unable to help them. As a result, she refers some of the children in the families she works with to this state program. Consequently, the parents are more responsive to resettlement services because she has conveyed her concern for the well-being of their children through these referrals.

### ***Transportation Strategies***

New refugees often lack the financial ability to pay monthly bus fees, let alone purchase a car. Case managers indicated that they may facilitate transportation to the job by arranging for a van (paid for by the agency and refugee) to pick up the refugees up at their homes and bring them back at the end of the work day, arrange for car pools with those refugees who have a car and with other car pools, or fund driver's education for refugees.

Additional transportation strategies were described by ORR's employment technical assistance provider in their newsletter (Refugee Works, 2007); for example, one resettlement agency partnered with an employer (located 67 miles from where most of the refugees lived) who contracted coach buses from several cities. In each of these cities, there were pick-up locations where the company's employees could catch the bus to work at a cost to the employee of \$40/month. Another example involved a partnership between the refugee provider and a bike shop. Used bicycles were donated to the refugee agency and were used by the refugees to get back and forth to work, sometimes combining the use of a bus and the bicycle.

### ***Intensive case management***

A Wilson-Fish Program indicated that intensive case management is used for those who require more concentrated services to overcome serious barriers to employment and integration into their communities; for example, those who are illiterate, have medical issues, transportation needs (in more rural areas), or need interpreters. This program made use of funds awarded through an ORR discretionary grant program called Unanticipated Arrivals. For example, intensive case management and home-based life skills/literacy training were targeted to eventually employable West African and Somali Bantu women with preschool children who had multiple barriers to employment. Meetings were held with groups of these refugees in their homes,. Services including child care during the meetings were provided through a volunteer network and closely coordinated with the intensive case management services. The case managers for these refugees had a lower caseload ratio (1:10) compared to those in the core case management program (1:25); thus, these special need refugees received additional hours of service.

### ***Electronic Self-Sufficiency Plan***

In one program that includes both the Matching Grant and Public Private Partnership programs, the Family Self-Sufficiency Plan "travels" with the refugee from one agency to another because it is stored electronically on a shared drive used by several of the participating agencies that are co-located onsite. This mechanism assists the various onsite providers to be on the same page regarding the client. If the plan were also available as a web-based internet application, it would enable off-site agencies to make changes to the plan and have it immediately available to onsite agencies, without the Plan having to be emailed or hand delivered.

## **Pre-Employment Training**

Study respondents commented on the importance of the pre-employment orientation that is designed to introduce newly arrived refugees to the workforce. The content, structure and length of this training vary by the implementing program. English literacy skills are incorporated into all aspects of this training. Examples of some of the approaches used in this training are discussed below.

### ***Job Readiness Workshop***

At one program that serves both Wilson-Fish and Matching Grant clients, a workshop is required for newly arrived refugees after their second month in the U.S. Concepts and behaviors are presented visually and in English using a PowerPoint presentation. Major topics covered include: introduction to the host city, skills assessment, how to find a job on your own, how to fill out a job application, resumes and cover letters, interview skills, job retention, the career ladder to success, and resource information.

At a Matching Grant program, a study respondent described a comprehensive and detailed educational approach used during pre-employment training that focuses on *teaching* refugees to carry out a variety of tasks *independently*. The assumption that underlies this training is that some refugees do not understand the most basic elements of many tasks; for example, where to get a newspaper; how to search for jobs in a newspaper, ride the bus, fill out a job application, go on a job interview, or dress for an interview; and the importance of eye contact. However, each refugee's understanding of different aspects of American culture will vary depending on where the refugee comes from as well as his education, experience and country of origin.

### ***Employer Letter***

In a program that serves both Wilson-Fish and Matching Grant clients, as part of the Job Readiness Workshop, each refugee develops an employer letter that explains his/her refugee status and indicates the name of the sponsoring agency and that this agency provides case management and employment services. The letter indicates that the refugee is enrolled in ELT classes and gives the name of the case manager. Furthermore, the letter indicates that the refugee is authorized to work in the U.S. and has the necessary documentation. The letter is submitted to the employer along with the refugee's resume.

### ***Employment Guidebook***

One provider serving Matching Grant, Targeted Assistance Formula Grant, and Public Private Partnership clients developed an Employment Guidebook for refugees and was revising this document in the form of a *pocket-size employment guide* for refugees to take with them when they go for interviews.

### ***Budgeting Exercise***

Study respondents described an exercise whereby participants in pre-employment training receive an envelope containing fake money and a list of expenses they should expect to have in

America; for example, rent, utilities, groceries, and clothing. The goal of the exercise is to make decisions on how best to budget their money. They travel to various “pay stations” around the classroom to complete transactions for living expenses and, along the way, must deal with unexpected expenses such as a traffic ticket, and make decisions about purchasing items such as a computer. Participants are also encouraged to put their money in savings accounts. At the end of the event those who have completed all tasks with no mistakes earn a gold medal, and those with one or two mistakes earn a silver or bronze medal respectively.

### ***Involvement of Employers***

In some programs, employers are involved in the pre-employment training; for example, reviewing pre-employment curricula, helping with coaching/mock interviews, or answering questions and providing feedback to refugees. Another example involved provider agencies conducting specialized workshops for employers; for example, on immigration law.

### **Job Development**

Job development involves a two-way relationship between the job developer and the employer. The job developer creates connections with community-based employers and builds relationships with them over time, thereby creating job placements for refugees. The developer evaluates job sites, educates employers about the value of refugee workers, prescreens refugees, and matches their skills with employer needs. Some of the useful approaches described by study respondents are described below.

#### ***Pamphlets or E-Newsletters***

Pamphlets or electronic newsletters targeted to human resources personnel are used to provide information about who refugees are, the benefits of hiring them, types of services provided by resettlement agencies, refugee employer profiles, and refugee success stories.

#### ***Job Fairs***

The refugee provider invites selected employers to the agency for part of a day. Employers can use staff offices for interviews with refugees, and lunch is provided. Staff may assist the refugee if on-line job applications are required.

#### ***Employer Advisory Boards***

Several respondents indicated that employer peer information sharing is useful because it is more effective for a potential employer to hear from another employer how any concerns about refugee employees have been resolved than from anyone else. Examples of this strategy included a Wilson-Fish program’s use of an Employer Advisory Board whereby providers and employers meet monthly to discuss refugee employment issues and a local Employer Advisory Council organized by a provider in a State-administered system.

#### ***Chamber of Commerce***

A state coordinator said that refugee providers joined their local Chamber of Commerce and participated as full members. A fee may be required, but the refugee provider gets exposure to



the business community, and the Chamber members have the opportunity to get to know the refugee provider agency. The refugee provider benefits by having access to the Chamber's resources and may also participate as a member of the Chamber's workforce development subgroup.

### **Job Workshops/Training**

Many types of short term training or workshops can be offered to refugees; for example, vocational training, on-the-job training, or job clubs. This training may be the first step toward career advancement. The following examples are innovative training or educational strategies described by the study respondents.

#### ***Employer-Specific Training Provided by Community College***

An employment specialist working in a provider agency in a State-administered program described how she went to an employer who had hired refugees and asked what knowledge was needed by their refugee workers as well as other workers. She also asked the employees what they wanted to learn. She then worked with a community college to design a curriculum based on employer and worker needs. In addition, she asked the employer for work samples to use in the class (e.g., wood samples or a finished product in a woodworking company). With the employer's permission, she passed out brochures about the class at the work site. Employer-specific classes funded by the community college were held for 12 weeks, 2 days/week after work.

#### ***Short Term Vocational Training***

Wilson-Fish and State-administered respondents indicated they used Targeted Assistance Formula Grants for short-term vocational skill training (e.g., 3-4 months); for example, certified nursing assistant, commercial driver's training, welding, or cosmetology. In one example, a provider agency operated a food services program where refugees received training at the Marriott Hotel, and could then use this training in any food service position they obtained. In another example, an employment specialist and staff from the local community college conducted a marketing survey in their community to learn about job opportunities, and based on the survey results, they developed a clinical nursing assistant program for refugees, immigrants and nonrefugees that was implemented by the community college.

#### ***Job Clubs***

Respondents gave several examples of job or career clubs. In one example, the employment counselor worked with a specific employer to learn what skills were needed in his organization, and then he met with the refugees who had been hired by this employer in order to teach them these specific skills; for example, those taking jobs at a window factory needed to know how to use measurement tools. Another provider said his agency had a career club that was part of the job search process. This club meets three times a week for 3 hours, and participants discuss how to write applications, thank you letters, and resumes and submit references.

#### ***Subsidized Employment/Training Programs***

One provider mentioned the use of work-study programs in which refugees are placed in subsidized employment; for example, they work at a community college, while they are going to school or are involved in a continuing education program. Federal (Pell Grants) or state grant funds are used to finance this type of employment.

### **Job Placement and Follow-up**

Job placement and follow-up services begin with careful matching of refugee skills and interests with employer needs. Refugees are placed in employment settings after an assessment of their experience and skills as well as employer needs. Once the refugee is placed, the case manager and/or employment specialist follows up with both the employer and employee to resolve any difficulties. Job upgrading activities are included in these activities and involve the use of various strategies to launch working refugees beyond entry level positions; for example, training, recertification, coordination with mainstream programs, or promotion within the company. Key strategies are discussed below.

### ***Multiple-Wage Earners***

Respondents in all three ORR programs encourage multiple-wage earner strategies that take the whole family into account. Targeted Assistance Discretionary Grant funds were used in a Wilson-Fish program to assist additional wage-earners in a family become employable; for example, women, elderly persons, youth, or disabled persons. Refugees learn that in the U.S., the wife and/or other family members may have to work in order to achieve self-sufficiency for the family unit; however, this may differ from norms in their country of origin.

### ***Matching Employee and Employer***

Several respondents indicated they placed refugees who could speak English at the same job with those who had limited English skills so that those with greater English ability could serve as translators. One employment specialist also paid attention to animosities between refugees from different cultural groups when placing refugees in jobs with the same employer. She said, "If your father was beheaded by a person of a certain nationality, would you want to work with persons of this nationality?"

### ***Outreach to Refugee Families on TANF***

Through an Unanticipated Arrivals discretionary grant, an outreach worker was hired to provide services to 60 refugee clients who were in noncompliance or at risk of noncompliance with their state's TANF work requirements. This part time worker had a caseload of 15 revolving cases throughout the grant period. She contacted these clients by mail and phone and had face-to-face meetings with them to identify challenges which had prevented them from complying with the work requirements. She also educated them about their state's TANF policies and the consequences of failing to comply with them. Furthermore, she provided resources and referrals to help clients overcome their challenges; for example, obtaining child care. She was able to reconnect 95 percent of her clients to their job counselors to get them back on track toward compliance.

## ***Job Upgrading***

A state coordinator in a State-administered program explained that while the refugee often must begin working at an entry-level job to learn about the American world of work, her staff help the refugee to have a career plan. The message to the refugee is: “We know you won’t want to stay in this entry-level job forever -- You can return for help with job upgrading whenever you are ready.” This potential for job advancement gives hope to the refugee. An employment specialist said that her approach is to initially place refugees in work situations where they have the potential to earn more over time. Then, if they are good workers, she becomes their advocate, visits the company and asks if salary increases are possible. Many can upgrade their job on their own, but just knowing that support is available makes a difference for the refugee and employer.

ORR’s employment technical assistance provider listed several examples of job upgrading strategies in their newsletter (RefugeeWorks, 2003) that include: offering job seminars for persons wanting to upgrade; conducting job development activities targeted to finding upgraded positions; offering customized on-the-job skills training; conducting comprehensive assessments and providing long-term career planning; developing individual upgrade plans; and leveraging and coordinating with other current programs such as the Department of Labor’s skills training vouchers, the Department of Education’s recertifying services or with ORR’s Targeted Assistance Programs (see Job Workshops/Training section above).

Refugee professionals may benefit from additional support as they try to advance in the profession that they practiced in their country of origin by taking lower level jobs in the U.S. and/or attempting to become recertified as described below. To address the difficult issues faced by these professionals, a refugee provider held a workshop that was specifically conducted for them. At this workshop, a human resources professional from a national refugee organization gave a presentation about interviewing and resumes. Those refugees who attended learned job search strategies related to their professional backgrounds and were helped by recognizing that other refugee professionals were in the same situation that they were in.

## ***Certification/Recertification***

Several of the employment specialist respondents indicated that they assist refugee professionals and paraprofessionals to become certified or recertified. Certification may involve training, exams and licensing in such professions as medical doctor, veterinarian, nurse, pilot, plumber, electrical maintenance technician, acupuncturist, or aviation maintenance technician. Recertification or certification requires an individualized approach that provides the refugee with resources and options. The process varies by state and occupation. Four key aspects of this work involve: 1) management of expectations – refugees need to understand that additional training may be required to become recertified; 2) job preparedness -- refugees may need to learn basics such as: how to write a resume, computer skills, the language of the chosen profession, as well as the English language; 3) translation and evaluation of credentials; and 4) completion of additional education, training and exams and/or experience.

## ***Linking with Mainstream Programs***

An employment specialist working in a State-administered program provided an example of a useful linkage strategy with a mainstream program. She connected a group of boys 15-18 years

of age (i.e., Lost Boys of Sudan) to a summer program for inner city youth through the DoL's Job Link Career Center. This program included field visits to libraries and colleges, visits to employers, as well as a classroom component. Wal-Mart and other employers were involved in the program. Eventually, many of these young men obtained jobs with the employers they were introduced to in this program.

### ***Refugees with Special Needs***

A respondent described a Targeted Assistance Discretionary Grant funded program that focused on refugees with special needs; for example, employable refugees with serious medical issues such as blind refugees. This program strengthens the refugee program's connections with other state agencies, thereby assisting the disabled refugee to use complementary mainstream services; for example, those offered by the Commission for the Blind. Other efforts with special needs populations supported by similar funding include: community services for the deaf, tutoring and ELT after school for at-risk youth, and employment and support services for homebound women. Additionally, a Preferred Communities grant has been used to resettle chronically ill refugees including those with HIV/AIDS, and has been successful in finding employment for most of these persons.

### ***Post-Placement Support***

Many respondents mentioned that the support provided after refugees are placed in a job is very important to employers who want refugee provider staff to be available to negotiate cultural and other differences. Early proactive intervention was emphasized as critical in maintaining job placements. Employment specialists working in a Matching Grant program gave the following example:

Refugee women wearing the traditional Muslim dress were working in a dry cleaning establishment. The employer feared that their dresses would get caught in the equipment that they were using and that they would be sucked into the machines and injured. An employment specialist talked to the employees and employer separately. He explained to the employees that the employer was not against their religious beliefs. The employer was willing to provide them with a long-sleeved uniform. In the end, only one of the eight women refused to wear the uniforms.

Another example of post-placement support involves the use of language interpretation services; for example, these services can be provided to an employer for the purpose of discussing workplace safety issues with the refugees hired by the employer.

### ***Financial Incentives for Employment***

See discussion of financial incentives in Key Factors section of this report.

### **English Language Training (ELT)**

While some employers offer ELT classes at the workplace, most refugees rely on classes offered at local community colleges, churches, or other community-based organizations. Some refugees

hold the belief that learning to speak English is the first step in integrating into American society. Others consider English as a necessity to communicate at work, while still others view learning English as a medium or long term goal rather than an immediate need. Parents are eager to learn English to engage in their children's school activities and to converse with teachers (Newland et al., 2007). However, a refugee's desire to learn English may depend on whether he lives in an ethnic community surrounded by other refugees who speak his native language, in which case there may be less opportunity and motivation to speak English and learn English. Two innovative examples of ELT are described below.

### ***Employment-Based ELT***

Upon arrival, refugees participating in any of the ORR's programs attend ELT classes as part of their pre-employment training. A work emphasis is woven into these classes; for example, classes may address life and job skills, the American world of work, resume writing, interviewing skills, or "work English" that focuses on words used in specific occupations such as housekeeping and auto repair. These classes are designed so that the refugee receives the same message about the importance of early employment that he receives from his case manager and/or employment specialist.

A Wilson-Fish respondent described use of an integrated and comprehensive model that combines ELT, literacy training, and pre- and post-employment services. ELT and employment specialists both participate in this training. The sessions are provided in one classroom with ELT training focused on the language skills needed in the workplace. Refugee clients participate 20-30 hours per week in these services. In the same program, similar services are available to refugees in counties eligible for Targeted Assistance Formula Grant funding.

### ***ELT for Mothers with Pre-School Children***

A refugee provider gave an example of a program in her state called "First Things First." This program involves newly arrived refugee mothers (and some fathers) who have been tested as having low literacy levels and their pre-school children. The program offers literacy classes along with child care for 5 mornings a week for 3 hours as well as home visits to those refugees without family in the U.S. (i.e., "free" cases). Life skills, employment, parenting, and health issues are emphasized in these classes. The program partners with a community college that funds the ELT teacher who utilizes a structured, hands-on and interactive curriculum, and an Americorp literacy teacher also participates. Free space is provided by a local elementary school and volunteers assist with the child care and classroom activities. The program operates year-around with only short breaks. Participants are primarily refugees, but some immigrants also attend. Initially, "First Things First" was funded with ORR funds, but the resettlement provider staff succeeded in obtaining private funding to support the program.

### **Use of Ethnic Community Self-Help Organizations**

Community and civic organizations, including faith-based organizations, have played a significant role in refugee resettlement for years. These national or local organizations assume a variety of roles; for example, community-building; facilitation of the integration of refugees into the society; information exchange; civic participation; establishing linkages with mainstream

institutions; orientation and support to newly arriving and other refugees; and public education to the larger community about the background, needs and potential of refugees. Along with paid staff, many of these organizations also have volunteer staff. They derive their ethnic identities from the composition of their board of directors, senior management, staff members, and the clients they serve. Currently, through its discretionary grant program, ORR funds 51 of these organizations, some of which deal with multiple ethnicities. ORR's current grantees represent a wide variety of ethnic groups including: Lao, Hmong, Somali Bantu, Burundian, Kurds, Iraqi, Ukrainian, Cambodian, Vietnamese, Somali, Ethiopian, Montagnard, and Karen among others.

One study respondent stated that the best way to help refugees is to help them organize themselves through ethnic organizations. A State Coordinator stated it was important for his program to provide financial support to ethnic self-help organizations in order to support their leadership training and diversity activities. Several respondents mentioned the importance of reaching out to these organizations; for example, for employment or volunteer assistance with refugee clients.

### **Financial Literacy**

While some information on financial literacy is provided in pre-employment training and to refugees who participate in ORR-funded or other Individual Development Account programs, some resettlement providers have additional components of their program specifically targeted on financial literacy. An example of this program strategy follows.

#### ***Basic and Intermediate Financial Literacy Training***

Several levels of financial literacy training are provided by a program serving Matching Grant and Wilson-Fish clients. A 4 hour session on financial literacy is offered to newly arrived refugees and is presented at the end of their basic pre-employment training. This session emphasizes budgets and bank accounts. All participants receive a \$25 check as a class-completion incentive and are offered assistance to deposit this check into a new free checking account. In addition, intermediate and advanced financial literacy classes are offered to any refugee living in the area. The intermediate class is 3 hours long and covers banking skills (i.e., checking and savings accounts), ATMs, and debit cards. Anyone who completes this training receives a \$25 completion incentive. The advanced class covers defining, building and maintaining credit in the context of the U.S. financial system. Clients who complete this class have the option of taking a \$100 credit-building loan from the resettlement agency (with no interest or fees) to help them establish a positive credit history. Resettlement provider staff conduct all of this training and can provide one-on-one assistance. Funding for all of this training is provided through banks and local foundations.

### **Healthy Marriage and Family Enrichment**

ORR's FY 2005 Annual Report to Congress (2008) notes that refugee couples face unique difficulties because of their flight from persecution and long periods of insecurity. Additionally, there are many cultural and practical issues that newly arriving couples face including finding employment and raising children in a new and different culture. ORR funds marriage education in order to help refugees cope with these difficulties and to promote healthy relationships.

One of the providers contacted for this study serving Wilson-Fish clients conducts four 2 hour sessions on “Healthy Marriage and Family Enrichment;” four couples of the same ethnicity participate in the group. These sessions focus on teaching communication, conflict resolution, financial, and parenting skills. Study respondents indicated that initially couples were hesitant to talk about issues that can be sensitive, but that communication became easier as the sessions proceeded.

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## **SELECTED ORR DISCRETIONARY PROGRAMS**

In addition to the core ORR programs discussed in the Key Factors and Strategies sections of this report, ORR has several discretionary programs that are directly related to refugee economic self-sufficiency. As supplements to core funding, these programs allow for flexibility and creativity. Three of these programs are discussed in this section: Individual Development Accounts (IDA), Microenterprise Development (MED), and the Refugee Agricultural Partnership Program (RAPP). Information for this section was gathered primarily from ORR federal staff, ORR grantee workshops held in December 2007, and discussions with staff of one MED program and one RAPP program.

### **Individual Development Account Program**

Individual Development Accounts (IDAs) are emerging as one of the most promising tools that enable low-income and low-wealth American families to save, build assets, and enter the financial mainstream (CSD). IDAs are goal-oriented savings accounts that match participants' savings toward a particular asset (ORR, 2008a). They encourage savings efforts among the poor by offering them a 1:1, 2:1 or other type of match for their own deposits. In addition to refugees, populations that have benefited from participation in IDA programs include former welfare recipients, youth in disadvantaged urban and rural schools, and the working poor. Communities also benefit from increases in homeownership, entrepreneurship, and educational attainment that result from the participation of community members in IDA programs (CSD). IDA programs exist in all 50 states as well as the District of Columbia and Puerto Rico.

#### ***Program Description***

ORR began funding IDA programs for low-income refugees in September 1999. The goals of ORR's program are to encourage the participation of refugees in the financial institutions of this country; promote refugee acquisition of assets to build individual, family and community resources; and increase refugee knowledge of financial and monetary topics (ORR, 2007a).

Eligibility for this program is limited to refugees: 1) who are not yet citizens regardless of their date of arrival in the U.S.; 2) who have earned income; 3) whose household earned income at the time of enrollment does not exceed 200 percent of the federal poverty level; and 4) whose assets do not exceed \$10,000, excluding the value of a primary residence and one vehicle.

Participants must save toward one of the following goals: homeownership, microenterprise capitalization, post-secondary education, vocational training or recertification, or automobile purchase. They must sign a Savings Plan Agreement detailing their goals and savings deposit schedule, and they are responsible for attending classes on financial literacy and purchasing and maintaining their asset. When participants are ready to make a qualifying asset purchase, they withdraw the money that they have saved. These personal savings are matched by the IDA program funds at a rate no greater than one-to-one for each dollar deposited in the IDA by the refugee participant.

ORR awards 5-year grants to diverse types of agencies to implement this program; for example, voluntary refugee resettlement agencies, ethnic community self-help organizations, economic development organizations, county refugee agencies, and community action agencies. Grantees



are expected to develop collaborative relationships with financial and other agencies (Else et al, 2007).

ORR is currently funding 22 IDA grants in 18 states for a total of \$4,628,191. As of September, 2007, there were 917 participants in these programs. They had saved \$747,716 and their matched funds amounted to \$747,416. One hundred sixty eight persons had made matched withdrawals of \$483,636, which when combined with a match of \$483,014, totaled \$966,650. Most of the refugees are saving for a home purchase (44 percent) followed by: a microenterprise (30 percent), post-secondary education (19 percent) or a vehicle (7 percent). The total value of the assets purchased was \$9,308,977, representing an impact in the community of 963 percent of saved dollars leveraged and 1,927 percent of match dollars leveraged. Forty-six percent of the participants are African, 18 percent are Asian, 15 percent are from Eastern Europe or the former USSR, 11 percent from Latin America, and 9 percent from the Middle East. Only 6 percent of the participants dropped out of the program.

### ***IDA Program and Economic Self-Sufficiency***

Participation in this program is related to ORR's goal of economic self-sufficiency in the following ways: 1) participation promotes savings for asset purchases that foster stability, long term self-sufficiency and community integration; for example, purchase of a home may increase a family's sense of belonging to a community and result in greater civic participation; 2) the financial education provided by the program contributes to knowledge about mainstream financial systems and how to effectively use them; and 3) asset-specific education increases knowledge of the most appropriate strategies and products related to asset purchases. These activities are important because "the upward mobility of newcomers is ultimately tied to their ability to make informed financial decisions" (LIRS, 2006)."

### ***Differences between ORR's IDA Program and Other IDA Programs***

In addition to the ORR program, the U.S. Department of Health and Human Services also funds the Assets for Independence (AFI) Act IDA program, which is administered by the Administration for Children and Families (ACF) Office of Community Services. These two programs differ in design, implementation, and scope. Although both programs target low income individuals and families, ORR's program is by statute limited to individuals with a specific immigration status (i.e., refugee, asylee, Cuban/Haitian entrants). In terms of implementation, the AFI program allows a match of up to 8:1 using both AFI funds and agency matching funds compared to ORR's maximum match of 1:1 that pertains only to ORR funds; however, grantees, may increase the match if they have access to non-refugee federal or non-federal funds. Unlike ORR, AFI grantees are required to raise nonfederal funds equal to the federal funds that they receive. Also, the AFI and ORR IDA programs have slight differences in their approved savings goals, most notably automobiles, which are allowed by the ORR program (no more than 10 percent of program funds) but not by the AFI program. Additionally, ORR's programs are allowed to spend 25 percent of their grant funds for administrative costs; however, the AFI program allows no more than 7.5 percent out of AFI funds for general administrative costs.

Finally, in terms of their scope, under AFI more than 53,000 accounts have been opened since its inception in 1998, while in ORR's program, approximately 20,866 persons have participated

over time. The Office of Community Services awarded \$120 million in grant funds to support AFI projects from FY 1999-FY 2006, while ORR awarded over \$78 million in grant funds from FY 1999-FY 2007.

ORR's IDA program also differs from other private, state, and local IDA programs, which allow for a wide diversity of program requirements, funding rates, and allowable savings goals. Additional types of assets not permitted in ORR's program may be allowed in other IDA programs; for example, adults may use their IDAs to save for retirement, and foster care youth may use their IDAs for medical expenses in the Lenders for Community Development program in San Jose, California, a private non-profit organization. Although ORR is committed to funding each grantee for 5 years, funding for this program as for all other ORR discretionary programs, is determined on a year-to-year basis, resulting in some uncertainty for the grantees.

In terms of program implementation, ORR's program is unique because unlike other IDA programs, it is tailored to meet the specific needs of refugees. A report entitled, *Financial Literacy for Newcomers* (LIRS, 2006) points out that newcomers have challenges in regard to financial education; for example, trusting government, strangers, banks, and mainstream services is an issue for some refugees, as well as the native born poor. ORR grantees overcome this barrier by establishing and maintaining strong trust relationships with refugee groups (Else et al, 2007), working with the community, and working one-to-one with refugees. In order to remove access barriers during recruitment and training, IDA staff hold meetings where refugees live, work or study. Outreach activities may include: building strong relationships with the leadership of refugee communities; giving presentations at refugee orientations, community meetings, and ethnic community self-help organizations; providing information at ELT classes, libraries, or community events; enlisting the help of successful IDA graduates to tell their stories; and publishing success stories in newsletters (Else et al, 2007).

Cultural differences of the refugees are another challenge. The LIRS report (2006) points out that "Culture informs financial behaviors and decisions such as who makes financial decisions, what kind of financial services are used, and how money is spent and saved." Furthermore, according to the LIRS report, gender roles and religious beliefs may influence financial decisions. Examples of how ORR grantees work to overcome cultural barriers, include training community leaders to conduct financial literacy sessions using a train-the-trainer approach and conducting gender-specific financial education training that allows women to freely participate without the male head of household, who in many cultures is expected to be the primary wage-earner.

ORR's IDA program requires that refugees attend financial literacy classes. Financial literacy involves understanding of financial terminology (e.g., interest, mortgage), U.S. financial institutions, and budgeting skills. Refugees vary in their abilities in regard to English language and basic math skills; however, while some of these skills are needed for this training, they are not the core of the training. Language is a challenge common to many of the refugees. Advanced literacy skills are needed for more complex communication and these skills may take time. Furthermore, many newly arriving refugees and immigrants are pre-literate: not only in English, but frequently in their own languages of origin. ORR programs address these issues by adapting their program strategies to meet the needs of refugees. Small classes may be held for those who speak the same language or larger mixed groups may make use of interpreters working with subgroups of the larger group (Else et al, 2007). Separate sessions can be held for

those who are literate versus illiterate, or sessions may be conducted on the basis of the English literacy level of the group. Trained interpreters, community interns, friends, or family members may be used as translators. Additionally, specialized curricula are available for those with limited literacy skills; for example, picture-based curricula that emphasize experiential learning through visual aids, pictorial stories, and hands-on activities, such as writing checks and balancing budgets.

### ***Evaluation of ORR's IDA Program***

An evaluation of ORR's IDA program between October 1999 and September 2004 was conducted (Hein, 2006). An analysis of client level data from nine agencies found that a total of 4,953 participants were involved. The evaluators found that an impressive 81 percent of participants succeeded in reaching their IDA goal. Approximately 5 percent of the participants left the program without purchasing an asset. The average monthly deposit was \$169 and the average total savings plus match was \$3,593. Using appropriate statistical tests, researchers found that men were significantly more likely to purchase an asset than women and significantly more successful at saving than women. And, although asset purchases were common among all of the ethnic groups, Eastern European and Asian participants were significantly more likely to make an asset purchase than those from the Middle East, Latin America, and Africa.

Additional analyses of aggregate-level data from 15 programs in this evaluation indicated that the programs had a substantial impact on their communities. The \$36.1 million in savings and match generated by these programs resulted in a total of \$150.7 million being invested in the local economy (i.e., the total value of the assets purchased). That is a 418 percent return on investment. In other words, every \$1 of savings and match invested in the ORR IDA program resulted in approximately \$4.18 being invested in the local economy.

The outcomes of ORR's IDA programs in this study were compared with the data on the outcomes of the IDA programs in the American Dream Demonstration (ADD), administered by the Corporation for Enterprise Development (CFED) in Washington D.C. The ADD was implemented from 1997-2001 and was the first IDA project. It consisted of a demonstration that included 14 different IDA programs across the nation and was funded by various foundations (Schreiner, Clancy, and Sherraden, 2002). Even after excluding the vehicle asset purchases in the ORR IDA program (not allowed in ADD), ORR IDA program participants were considerably more likely to make an asset purchase than participants in the ADD IDA program. Fifty-four percent of ORR IDA program participants purchased at least one asset (excluding those who made only a vehicle purchase) in comparison with 32 percent of ADD participants. The typical participant in the ORR IDA program saved over three times the amount saved by the typical ADD participant over the course of the program—ORR participants saved an average of almost \$1,600 in comparison with an average of \$528 for ADD participants.

Eligibility varied among the participant programs. These programs typically targeted working poor individuals either at or below 150 percent of the poverty line, or at or below 200 percent of the poverty line. In addition, there were some key differences between the two programs. For example, there were more income producing adults in ORR IDA program households than in ADD households. ADD households were more likely to be single parent households, and these households typically had more dependents to support. These differences in household composition may have had an impact on how much participants were able to save. Additionally,

many of the ORR IDA participants may come from cultures that are accustomed to saving and asset-building for future generations.

ORR is currently conducting a longitudinal evaluation of their IDA program which will examine client outcomes over a 2-4 year period after asset acquisition. The evaluation will assess the impact of the asset acquisition on the clients' self sufficiency and integration. Summary data from the first phase of this evaluation for 54 IDA grantees from 1999-2008 found that 1) the total value of assets purchased was over \$351 million, representing 748 percent leverage of match funds; 2) participants saved \$29.8 million, with the average participant saving \$1,566; and 3) 81 percent (16,558 accounts) had a matched withdrawal. A final report is expected in early 2009.

## **Microenterprise Development (MED) Program**

### ***Program Description***

ORR has provided discretionary grants to fund organizations assisting refugees to start very small businesses (microenterprises) since 1991. Microloans or small amounts of credit that do not exceed \$15,000 are provided to refugees, and these loans have a maximum maturity of 3 years. The purposes of this program are to: 1) assist refugees in becoming economically self-sufficient, 2) help refugee communities to develop employment and capital resources, and 3) enhance the integration of refugees into the mainstream.

Eligible clients are those who aspire to establish, expand or stabilize a microenterprise, but because of a lack of financial resources and/or language or cultural barriers are unlikely to gain access to commercial loans or business training. Refugees who are not yet citizens may participate regardless of their date of arrival in the U.S (ORR, 2007b).

Grants to organizations are awarded for a period of 5 years. Nearly every conceivable type of small business has been helped from small farming operations to child care providers, retailers, taxi drivers, restaurateurs, and cleaning services. Grantees may provide pre-loan technical assistance including one-on-one business consultation and training; training in classroom settings; business plan preparation; access to business credit including revolving loan funds; and post-loan technical assistance. Services are designed in a manner that is culturally and linguistically appropriate for the refugee population.

Public or private nonprofit agencies are eligible to receive the MED grants. Both refugee-serving and mainstream MED organizations have received these grants including community economic development agencies, community action and other human service agencies, local ethnic community self-help organizations, and voluntary refugee resettlement agencies. These agencies strive to provide both business and social service expertise, and to establish working partnerships with the refugee resettlement services network as well as MED organizations and financial institutions in their area.

In FY 2007, ORR awarded 17 grants for a total of \$3.7 million dollars. Since the beginning of the program in 1991, refugees have started, expanded or strengthened more than 6,200 micro-businesses, with a business survival rate of 88 percent. ORR grantees have provided approximately \$7.4 million in financing to these entrepreneurs and the agencies have used these loans to leverage another \$8.1 million in loans from other sources in the private and public

sectors. The loan repayment rate is nearly 98 percent compared to about 85 percent in the industry. Additionally, over 3,600 new jobs have been created (ORR, 2008b).

### ***MED Program and Economic Self-Sufficiency***

Refugee entrepreneurs may be in different phases of starting a business: some will be looking for a full time opportunity, some are still working part time and some will be interested in expanding an existing business. Or a refugee may have obtained a full time entry level job in order to provide a reliable source of income and health insurance for his family while his spouse participates in the MED program (e.g., child care or a restaurant business) with the employed spouse and older children in the family helping with the business.

One study respondent working as staff in an MED program indicated that, while only 30-35 percent of refugees in his program had full time businesses, the supplemental MED income they earned from part time work in these businesses was very useful for these families. Furthermore, he indicated that participation in the MED program increased self-esteem and gave refugees hope about their business careers. In addition to those who start businesses, other refugees become employed as a result of participation in these businesses. Also, after participating in the program, some participants decide that self-employment is not the best avenue for them; however, the business training that they received in the program assists them to obtain employment during or following the program.

### ***Difference between ORR's MED Program and Other MED Programs***

MED programs have learned that the biggest challenge to entrepreneurial success in refugee communities is lack of adequate knowledge and skills; for example, limited familiarity with the complex regulatory environment in the U.S. or limited understanding of the business culture or aptitude in advertising. To address these challenges, ORR's MED program provides refugees the opportunity to obtain funding and training through an organization that understands their cultures and provides bilingual staff.

According to ORR MED staff, typically, banks focus only on lending and access to capital, and their primary contact with their customers happens when they default on loans. ORR MED programs on the other hand, provide one-on-one pre- and post-loan technical assistance; for example, staff will assist with the steps needed for obtaining permits and licenses, industry research, financial analysis, business plan development, logo design and branding, web development, marketing, and advertising. MED programs have learned that short-term training and one-on-one technical assistance instead of classroom training works best with their refugee clients.

ORR does not encourage the use of below-market rates of interest for loan funds because they want the refugee entrepreneur to experience the typical market situation, but ORR grantees also may not charge refugees interest rates that exceed 4 percentage points above the prime lending rate.

As in all MED programs, participants tend to open businesses that are the most familiar to them. With refugees, their point of reference is often their country of origin and the type of work they

did before coming to the U.S. as well as the type of expertise available to them in their ethnic communities in the U.S.

An example of how these MED programs adapt to cultural needs can be found in grantee approaches to working with Muslim refugees. One tenet of Islamic religious law says that Muslims cannot accept or pay interest. Thus, many (but not all) Muslim refugees face the challenge of satisfying their religious obligations or accepting the conventional way of lending. Staff of an ORR MED grantee developed a loan product for use with the Muslim community called a “Reba-free” or profit-based loan. These loans are structured in a way that provides for the repayment of principal plus a share of the business profits in lieu of interest.

ORR grantees must engage in extensive outreach to “business-ready” clients who are more likely to be refugee males who have been in the U.S. 2 years or more, and have basic English language skills (ISED). Client outreach can occur in places such as existing ethnic businesses, ethnic community self-help organizations, churches/mosques, community colleges, or through ethnic media. One ORR MED grantee created a colorful *Business Directory* that describes their MED program and lists each refugee entrepreneur business that the grantee has assisted along with contact information.

Unlike non-ORR MED programs, grantees have the benefit of ORR’s support through a variety of mechanisms. ORR makes monitoring visits to the grantee sites for the purpose of assuring progress is being made toward achieving the grant’s goals, providing technical assistance, and sharing best practices. Furthermore, MED-specific technical assistance is available to grantees through an ORR’s technical assistance provider. Grantees also participate in an electronic list serv, and ORR conducts quarterly conference calls and biannual workshops for its grantees.

Similar to ORR’s other discretionary grant programs, the amount of funding available for MED grants may vary by year. An outcome of the program is that grantees may use the track record that they establish with ORR funds to seek additional microenterprise funding elsewhere, and thus promote their program’s sustainability.

### ***Assessment of ORR’s MED Program***

Between 1991 and 2002, Else et al (2003) reviewed achievements and lessons learned by 34 MED grantee organizations in 24 states from Hawaii to Maine located in both urban and rural areas, but predominantly in urban areas. They found that, of 8,799 participants, over 21 percent (1,863) started, expanded or strengthened businesses. Analysis of the status of these businesses at the end of each grant period (3 years) over an 11 year period (1991-2000) showed that 89 percent (1,658) of the 1,863 businesses (90 percent of business starts, 92 percent of business expansions, and 72 percent of strengthenings) were still operating. These microenterprises ranged from small farming operations in California’s Central Valley to a software development firm in Florida’s Little Haiti. Truckers, babysitters, retailers, taxi drivers, hot dog vendors, restaurateurs, piano teachers, and music producers represent examples of the types of businesses involved in this assessment.

Data collected at the end of each 3 year program period indicated that ORR funds provided \$3,126,211 (47 percent) of the loan capital for the grantee organizations studied, and they leveraged \$3,564,604 in other financing. Averaging data from the end of each program period

indicated an average default rate of 2.1 percent of the loans and an average of 2.0 percent of the total amount of money loaned. Excluding loan funds, the total amount of ORR operational funding expended for these 34 initiatives was \$19.6 million over the 11-year period. This represented an average cost per business start/expansion/strengthening of \$10,505, an amount comparable with other MED programs.<sup>1</sup> These businesses contributed to the creation of over 2,600 full time jobs, at a cost of \$7,510 per job.

Among the lessons learned from the past years of the MED are that refugees need substantial training and technical assistance to prepare them to operate businesses in the complex and very different U.S business environment. Additionally, active outreach by the grantee agency is needed to market projects and recruit refugee participants. This type of activity is critical to program success and reflects the fact that refugees are generally not ready to start a new business when they first arrive and have the strongest ties to the refugee agencies. Thus, after this initial period, outreach becomes necessary to involve them (Else et al, 2003).

The conclusion of the Else et al report (2003) notes that “few of the nearly 500 MED programs in the country focus exclusively or even primarily on low-income clientele, but that is what the ORR grantees agencies did. Furthermore they served persons who had been uprooted because of political turmoil in their native countries and whose lives were profoundly changed as a result. They were relocated to a country whose language and culture were unfamiliar. Yet, the achievement of these programs compare favorably with those of programs that serve mainstream Americans.” For example, the evaluation found that business survival rates in ORR’s program are significantly higher than national averages for small businesses generally, and substantially higher than other microenterprise programs in the U.S., most of which involve families with higher average household incomes.

## **Refugee Agricultural Partnership Program (RAPP)**

### ***Program Description***

The mission of the RAPP is to provide new opportunities for improving the livelihoods of refugee families in agriculture and food sector businesses through partnerships with federal, state, and local public and private organizations. Specific goals for refugees include increased income levels, a better understanding of American agriculture, and increased access to mainstream services and resources. RAPP began as the Refugee Rural Initiative (RRI) in FY 2004, and it continued for 3 years as a demonstration project. This program demonstrated sufficient organizational capacity and involvement of refugees to justify the implementation of RAPP, a discretionary grant program that began in FY 2007 (ORR, 2007c).

Refugees who are not yet citizens may participate regardless of their date of arrival in the U.S. Those who participate tend to be refugees who come from agrarian societies, have the skills and aptitudes for farming, but have limited education and language skills. While the main focus of the RAPP is to support sustainable income earning activities in rural areas, some projects involve urban-based projects such as urban gardens. Anecdotal evidence indicates that many refugee farmers begin their involvement by growing vegetables in small urban gardens and progress to

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<sup>1</sup> During the period of 1992-1993, the cost per business start/expansion for 31 MED agencies funded by the Mott Foundation ranged from \$500-\$39,000, with an average cost per business start/expansion of \$10,521 (Klein, 1994).

farming in more rural areas, but they continue to reside in an urban area. Refugee family members are often willing to work together in these rural businesses.

In FY 2007, ORR awarded a total of \$900,000 to 10 grantees including nine local non-profits and one state agency<sup>2</sup>. These grants have a 3-year project period. First year activities involve planning, identifying potential farmers, forming community partnerships, identifying local resources, developing training programs and providing services. In addition, ORR awarded \$100,000 for a contract to provide technical assistance to these grantees.

Typical RAPP grantee activities involve: 1) providing culturally and linguistically appropriate services to assist refugees in accessing mainstream services; 2) identification of refugee farmers and the types of assistance needed; 3) establishment of specific projects to assist refugees with marketing, land acquisition, financing, and technical assistance; and 4) linkage of refugees with technologies that offer the potential to contribute to sustainable income. Like all of ORR's discretionary programs, RAPP programs are designed to fit the needs of the communities served. Examples of current programs include:

- *Refugee Women's Community/Market Garden.* This project offers ten workshop sessions focused on organic farming, marketing, and business management to refugee women from Africa and Southeast Asia. The sessions are taught by partner organizations, and transportation, interpretation and child care are provided for each session. Clients may participate at market gardener level (a ¼ acre plot) or home gardener level (a 1/16 acre plot at an incubator farm site). They are assisted in selling produce at a local farmer's market. In addition, ELT classes that emphasize agriculture and marketing are conducted.
- *State-wide RAPP.* This project was developed to assist refugee farmers throughout a state in the Eastern U.S. to pursue career paths in the field of agriculture and to facilitate the implementation of collaborative initiatives of refugee service providers and relevant partners. Activities include: holding regional meetings with partners to explore opportunities, providing trainings to refugee farmers and refugee service providers, placing refugee farmers on farms where they can be mentored, identifying available land for refugee farms, and developing mechanisms to access this land. Refugee clients include those from Africa, Southeast Asia, and the former Soviet Union.

According to ORR staff, the ability to establish collaborative partnerships with other organizations is critical for RAPP grantees. Potential partners include ethnic community-based organizations, lending institutions, cooperative extension services, USDA offices, and various other groups such as market associations and local or regional groups that have an interest in sustainable agriculture. An outcome of the RRI has been that the U.S. Department of Health and Human Services and the United States Department of Agriculture have formulated a Memorandum of Understanding for the purpose of increasing cooperation between these departments to improve the quality of, and access to, services for refugees and other low-income farmers and rural entrepreneurs. ORR also has working partnerships with private foundations

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<sup>2</sup> Grantees were located in Arizona, California, Kansas, Kentucky, Idaho, Massachusetts, New Hampshire, North Carolina, Oregon, and Vermont.



and other organizations including the W.K. Kellogg Foundation, National Immigrant Farming Initiative and Winrock International.

### ***RAPP and Economic Self-Sufficiency***

The path toward economic self-sufficiency for the refugee farmer is a process. Like the majority of American-born farmers, usually one spouse retains off-the-farm income for reasons that include health insurance; thus, in the beginning, income from RAPP is supplemental for a family. Although there is no research documenting the path the refugee farmer takes, it is hypothesized that several steps occur. The refugee may start by working in an urban garden. Urban gardens are believed to be important because of their ability to improve food security which refers to an adequate supply of nutritious and healthy foods. Also, the ability of refugees to grow and consume their familiar foods is known to help families adjust physically and mentally and integrate into society. As a next step, he/she may progress to farming on 1-10 acres of land up to 25 miles from the city resulting in supplemental income and an increased standard of living. Next, the farmer may farm on 10-100 acres up to 75 miles from the city and as a result may earn a sustainable income and achieve independence and financial security. Finally, the farmer may reside in a rural area or small town with acreage to farm and achieve a sustainable income as well as full community integration.

### ***Difference between ORR's RAPP and Similar Programs for Non-Refugees***

RAPP is unique because it focuses on the specific challenges that refugees face in regard to urban or rural farming ventures. For example, refugee farmers are usually not aware of, and need assistance in, identifying options for creating a better demand or market for their products. Language and cultural barriers as well as lack of information and credit history result in refugees having difficulties acquiring land and understanding the proper use of insecticides and fertilizers, applicable laws and regulations, risk management options, and the elements of record keeping. (ORR, 2007b).

The purpose of the RAPP is to address these refugee-specific challenges; for example, several grantees have employed staff who are from the same ethnic group and speak the same language as their farmers to provide training and technical assistance. RAPP grantees also have the benefit of support through ORR's technical assistance contractor, annual ORR workshops, and an electronic list serve.

Through the partnerships they are involved in, RAPP grantees have been able to leverage other resources and engage in unique activities; for example:

- *Support for an Urban Community Food Security Program.* A RAPP grantee that is a part of a comprehensive project including the USDA Cooperative Extension Service (and nonrefugee funders), provides support for an urban community food security program that supports refugees and other low income persons. This program includes: 1) an urban garden involving at least 80 families, predominantly Somali Bantu, Cambodian, and Vietnamese; 2) a farmers' market; 3) a "Farm-to-School" Program in which the area schools purchase produce from local farmers and implement a farm-to-school curriculum; 4) a school garden project in a school with a high number of refugee families; 5) provision of bags of healthy food for newly arrived refugees;

6) cooking and nutrition classes; 7) a promotional effort to improve Electronic Benefit Transfer/Food Stamp and WIC utilization and 8) a public education and media campaign that draws attention to local food issues.

- *Technical Assistance and Training.* A RAPP grantee worked with the USDA's cooperative extension service to provide technical assistance and training to Hmong and Laotian refugee farmers in the use of chemicals, production method, marketing, and understanding government rules and regulations. Furthermore, a full time Hmong worker provided assistance to these farmers in the field. A contract was negotiated for a refugee farmer to provide cherry tomatoes to Kaiser Permanente and other institutions. This successful endeavor was the impetus for the following year's project that had the goal of 40 farmers selling \$1 million in produce to these institutions. The development of agreements with these institutions will be done through a contract with an organization that works with family farmers. The RAPP project will work with the cooperative extension service to identify participating farmers and link production of the appropriate crops with the demands of the institutional buyers. The W.K. Kellogg Foundation provided additional funding to support the marketing of refugee produced vegetables to institutional markets.

In addition to its primary goals, RAPP supports "community food security," which focuses on helping nonprofit groups, state and local government agencies, and individual citizens improve nutrition through an adequate supply of healthful foods. Additional goals involve fighting hunger, strengthening local food systems, and empowering low-income families to move toward self-sufficiency. Refugee farmers are involved in community food security efforts by producing products to keep up with the increasing demand for organic, specialty, niche, and fresh crops. Nutrition education has only recently become a component of the refugee resettlement process. Prior to their arrival in the U.S. refugees may not have had access to nutritious foods and/or once in the U.S, they may find themselves living on a food stamp-dependent budget in a culture that subsidizes and markets unhealthy food products resulting in high obesity rates; thus, there is much they can learn about good nutrition in this country.

Finally, federal RAPP and other ORR staff have been involved in a collaborative workgroup called "Connecting Agriculture, Food, Nutrition and Health" involving USDA, ISED, W.F. Kellogg Foundation and others. They are working on a project that would allow individuals e.g., Special Supplemental Program for Women, Infants and Children (WIC) clients and others to access Food Stamps through the establishment of Electronic Benefits Transfer (EBT) terminals at farmer's markets. This would be beneficial for food stamp recipients as well as refugee vendors working at these markets.

### ***Evaluation Activities***

A summary report about the RRI will be available on the ISED website. This report will describe the major approaches to working with refugee farmers, challenges, project achievements, lessons learned, characteristics of successful producers, cultural factors influencing the project, and research questions.

A related project is being carried out by ORR's RAPP contractor, ISED, and USDA. They have developed eight case studies focused on alternative distribution companies. Intermediary

organizations work with farmers (including refugee farmers) to bring product together, brand it, and resell it to retail organizations; for example, the intermediary might sell a group of farmers' products to Whole Foods. USDA and ISED are developing the information gleaned from these case studies into a field guide for use by nonprofit groups, foundations and government agencies.

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## CHALLENGES RELATED TO REFUGEE ECONOMIC SELF-SUFFICIENCY

During the course of discussions with a convenience sample of ORR and resettlement agency provider staff representing various types of ORR programs and levels of staff, respondents were asked, “What are the key challenges that ORR programs face in regard to refugee economic self-sufficiency?” Each respondent gave multiple responses to this question. Table 3 shows the most frequently mentioned of these responses as indicated by the number of times that each response was mentioned. (If a challenge was mentioned multiple times in a conversation with a staff person, it was counted only once).

ORR is actively involved in providing ongoing technical assistance in regard to many of these challenges. For example, ORR’s technical assistance providers address key areas such as child welfare, citizenship and civic participation, economic development, employment, English language training, ethnic community self-help organizations, housing, mental health, torture, the Wilson-Fish Program, and the Preferred Communities Program.

**Table 3**  
**Key Challenges Related to Refugee Economic Self-Sufficiency**

<b>Key Challenges</b>	<b>Number of Times Challenge was Mentioned</b>
Resources	13
Transportation	10
Language Barriers	10
Hard-to-Serve Clients	9
Refugee Attitudes/Expectations	5
Limited Length of Time to Work with Refugees	5
Diversity of Refugees	5
Local Employment Conditions	5
Cultural Factors	5
On-line Job Applications	3
Staff Turnover	3
Provision of Follow-up Services	3
Documentation Issues	3

A summary of the respondents’ comments about each of these challenges follows.

### **Resources**

Resettlement agency staff described working with an increased number of hard-to-serve and culturally diverse refugees coming from various countries and cultures. As a result of these factors, case management and employment specialist staff indicated a need for greater resources in order to provide more intensive as well as linguistically and culturally appropriate services to these clients. They indicated that additional resources would be useful to hire qualified staff, reduce caseloads, and provide additional services.

## **Transportation**

Refugee provider staff said that finding adequate transportation for refugees to get to and from their employment site was an issue. Respondents mentioned that transportation systems in their communities were lacking or inadequate; for example, poor bus service or lack of a regional transportation system. Problems occurred if the refugee worked weekend or evening shifts or if the place of employment was located outside of the city. Different approaches to finding transportation were mentioned, such as paying for the use of the city's van pool to transport refugees, a refugee with a car transporting others, or clients obtaining their driver's license within their first 6 months here.

## **Language Barriers**

Respondents indicated that refugees with low literacy levels are challenging to work with because they require extra effort in terms of additional English language training and more intensive work that must be hands-on; for example, agency staff accompanying refugees on public transportation to familiarize them with this mode of transportation. Furthermore, limited language capacity may make it harder for refugees to find employment. One respondent observed that refugees tend to drop out of English classes when they find a job; thus, he suggested that provider agencies offer accessible ELT training over a longer time period for employed refugees; however, respondents also noted that refugees may utilize community-based resources for additional training.

## **Hard-to-Serve Refugees**

ORR and provider staff indicated that current refugee populations are more challenging to serve in several respects. Many have been in refugee camps for years, endured trauma such as torture or rape, have health issues, are disabled or are illiterate. As a result, they may lack day-to-day living skills; for example, how to pay rent or look for a job. In addition, some of these refugees are not familiar with the type of work done in the U.S., such as hotel or factory work or even with working regularly at any job. For example, a refugee who has been a subsistence farmer may need to develop transferable skills and be trained for another type of work. Because of these challenges, hard-to-serve refugees require longer term services, intensive case management and extensive ELT training; however, few incentives for provider agencies are provided for this working with this group.

## **Refugee Attitudes and Expectations**

Refugee providers stated that some refugees believe that the U.S. government has the responsibility to resettle them, that they shouldn't have to work and that they are entitled to various benefits and services. Others who are educated and/or have professional backgrounds may not want to take lower level jobs. Some may desire to take 6 months of ESL classes before finding a job, or the wife of a refugee may not want to work due to cultural or other factors. In response to these attitudes, provider staff noted that they must educate and motivate refugees regarding ORR program expectations and the world-of-work in the United States.

## **Limited Length of Time to Work with Refugees**

Some respondents expressed a desire for longer time periods in the State-administered program (8 months) and Matching Grant Program (4-6 months) in order to place newly arrived refugees in jobs, particularly for those who are harder-to-place. While ORR's emphasis on early employment may result in placing refugees in entry-level positions in the short term, additional research is needed to determine longer term employment outcomes.

## **Diversity of Refugees**

ORR staff indicated that refugees are now entering the U.S. from many different countries; thus a provider agency may receive persons who are from many countries, not just one country. This is different than in past years when refugees entering the U.S. came from only a few countries, and the provider agencies would receive a group of refugees all from one or two countries. Receiving a more varied group of refugees makes it harder to find appropriate staff who understand their cultures and who can communicate in their various languages with them.

## **Local Employment Conditions**

Refugee providers offered examples of how local employment conditions can pose challenges to early employment. For example, an area may have mostly service-oriented low wage jobs and few manufacturing positions. Or, in certain areas along the U.S border, there is extensive competition with other groups who are looking for work; for example, Hispanic workers. Also, some areas have a very high cost of living, including expensive housing costs.

## **Cultural Factors**

Cultural challenges were mentioned; for example, many Somali Bantu refugees prior to entering the U.S. had been living in large camps in mud huts without indoor plumbing, and only a small percentage had any formal education. Many had never flipped a light switch, operated a stove, or opened a bank account. Thus, they require an intensive orientation upon arrival as well as training on finances and budgeting. Additionally, refugees may need to unlearn behaviors that have different meanings in our culture; for example, in some East Asian cultures, direct eye contact is considered to be disrespectful, rude or aggressive, while adult Americans may regard someone who does not look them in their eye as untrustworthy. This behavior becomes important as refugees engage in job interviewing with employers. To address a variety of cultural issues, study respondents working in provider agencies reported that they are involved in providing cultural competency training for employers and/or for other social service agencies assisting refugees.

## **On-line Job Applications**

Several employment staff noted that lengthy and time consuming on-line job applications are often required for entry-level positions. In order to complete these applications, the refugee must have language proficiency and computer literacy skills. If the applicant does not yet have these skills, the case manager or employment counselor must spend time assisting with this process which is very time-consuming. Also, employment staff indicated that this form of job

application may mean there is no chance for the refugee to have a face-to-face meeting with the employer before he is screened in or out of the process.

### **Staff Turnover**

Several respondents noted high staff turnover of some State Refugee Coordinator positions particularly in small or medium State-administered programs whose staff may have multiple functions. A director of a Wilson-Fish program wondered how new staff would fit into his organization's long established collaborative approach, and an employment specialist in a State-administered program talked about how she has experienced burnout.

### **Provision of Follow-up Services**

ORR and provider staff mentioned that the implementation of more durable services such as assistance to refugee clients with job upgrades, including training, recertification and additional ELT training is a challenge. Refugees are eligible for employment and social services for 5 years; however, typically services are targeted to new arrivals during their first 8 months in the U.S., and contacts with refugees fall off after this period. Additional follow-up services are provided, but primarily to those who are motivated and initiate contact on their own.

### **Documentation Issues**

Because refugees are automatically work-authorized when they arrive in the U.S., they do not need an Employment Authorization Document (EAD), however some of them want to obtain this document to facilitate their job search. Cuban-Haitian Entrants, on the other hand, are required to obtain an EAD. Some respondents also noted difficulties in obtaining the replacement documentation card for the EAD as well as delays in obtaining the Social Security card, the I-94 form (immigration document with alien number), and state identification.

Some additional challenges were mentioned less than three times. Examples of some of these follow:

- *Communication with Local Receiving Communities.* Some communities have experienced a sudden influx of refugees (e.g., initial resettlement, secondary migration) that may tax city services, schools and welfare rolls. If resettlement agencies do not do an adequate job of consultation with these communities and their leaders, residents of the community may be unwelcoming towards the refugees, and conflictive relationships between members of the community and the refugees may arise.
- *Limited Emphasis on Refugee Youth Employment.* Under ORR's social services and Targeted Assistance Formula Grant programs, states may provide services to young refugees 16 years of age and older who are not full time students or who are full time students interested in part time, summer or permanent employment upon completion of school. There is no upper age limit for serving youth. As they age, the youth become part of the adult refugee population and can receive employability services in the State-administered or other ORR programs. However, with ORR's strong emphasis on early employment for adults, these refugee youth may be overlooked. ORR's excellent employment services and resources could be leveraged in working with refugee youth.



Funding and program sustainability have been challenges for refugee youth employment programs.

- *Public Mindset Regarding Immigration.* Recent public policy debates around various approaches to deal with illegal immigration including employer sanctions have resulted in negative community attitudes toward all immigrants and fear on the part of employers with regard to the hiring of these persons. Employers and others often do not understand the distinction between illegal immigrants and legal immigrants such as refugees. Although refugees are legally authorized to work, employers may be hesitant to employ them.

## **SUGGESTIONS FOR RESEARCH ON ECONOMIC SELF-SUFFICIENCY**

Staff working in provider organizations and ORR were asked the question, “What research questions would you like to see explored in relation to refugee economic self-sufficiency?” A wide variety of research studies were suggested; they are listed below by the topic they pertain to.

### **Refugee Economic Outcomes**

- *Longitudinal Study on Economic Outcomes.* What happens to refugees in individual programs and nationally over the long term after receiving 8 months of cash assistance and employment services in terms of their employment status, family income, and receipt of public assistance benefits?
- *Job Retention.* What kind of job retention rates do refugees have? If it were found that refugees have good retention rates, this would indicate the value of ORR’s employment services and could be a selling point to potential employers.
- *Career Advancement.* How do refugees advance in their employment? What type of work are they doing? Are they in school? Can a system be developed that tracks individual refugee career advancement?
- *Career Advancement.* What are best practices pertaining to job advancement, and how effective are these practices?
- *Outside Income.* In addition to traditional employment, what additional paid activities are refugees involved in that help them to generate income?
- *Job Trends.* What are the job trends for low-skilled jobs (i.e., distribution centers/warehouses, woodworking)? What career laddering opportunities exist in high growth industries; for example, what type of jobs and wages can be expected along the career path in these industries, and what are regional differences in this regard?

### **Refugee Integration Outcomes**

- *Longitudinal Study on Integration.* What happens to refugees over the long term regarding integration into their communities, e.g., family size, quality of life, housing, children’s achievement and adjustment, English language skills, citizenship, and their contributions to the economy? (ORR’s Integration Work Group is currently implementing a series of site visits to identify and describe promising practices in integration. The Group will review the site visit reports in fall, 2008 and will then consider the best way to incorporate consideration of integration into ORR’s programs).

### **Employer-Related Issues**

- *Employer Attitudes.* Are employers aware of refugee resettlement occurring in their communities? What factors draw an employer toward or against hiring a refugee? How can employers be encouraged to hire refugees?

- *Hiring Time.* Are there differences in the time it takes employers to hire refugees compared to mainstream clients?
- *Employer Supports.* What type of supports would be effective incentives for employers to hire refugees? Would paid on-the-job training increase employer willingness to hire refugees?

### **Geographic and Regional issues**

- *Urban Versus Rural Outcomes.* Do refugees who resettle in smaller towns and more rural areas have opportunities for career advancement compared to those who settle in larger cities?
- *Cost-of-Living by Region.* The Federal Poverty Level is a national standard that does not reflect regional differences. What are cost-of-living differences by region, and what are the implications for refugee employment and wages?

### **ORR Programs**

- *Cost Effectiveness of ORR Programs.* Compare the cost-effectiveness of ORR programs that have various administrative arrangements (e.g., State-administered including Public Private Partnership, Matching Grant, Wilson-Fish).
- *Matching Grant Program and Other ORR Programs.* Who enters and does not enter the Matching Grant Program? What is the relationship between the Matching Grant Program and the State-administered and Targeted Assistance Formula Grant programs? How many individuals and families who do not obtain employment in the time allotted in the Matching Grant Program enter the State-administered or other ORR programs?
- *High Priority Services.* From both refugees' and agencies' perspectives, what ORR services have the most value in regard to economic self-sufficiency? Which services related to self-sufficiency and integration would refugees and agencies like to have received or provided?
- *Wage-Subsidy Strategy.* Over time, what are the costs and benefits of serving the hard-to-employ refugee using a wage-subsidy strategy that includes intensive case management and job development compared to the costs/benefits of the "usual" approach for the hard-to-employ refugee?
- *English Language Training.* How do refugees rate the importance of learning English and what is their view of ORR's ELT program?
- *Large Families/Multiple Barriers.* What are best practices for large families or those with multiple barriers? What approaches work best with new groups of refugees from specific countries?

- *Strategies used in Targeted Assistance Formula Grant Programs.* These programs are implemented in high impact areas and are focused on long term cash assistance recipients, unemployed refugees not receiving cash assistance, and employed refugees in need of services to retain employment. Are these programs utilizing strategies that are different than the other ORR programs delivering core services?
- *Best Practices.* Examine those states and programs with good employment and other outcomes in terms of what practices contribute to these outcomes.
- *Refugee Expectations Prior to Arrival.* Refugees' expectations of services to be provided to them may conflict with the reality of what is offered by ORR. What type of orientation are refugees given overseas, and what kind of expectations do they come to the U.S. with?
- *Secondary Migration.* What are the causes for and adequacy of ORR's responses to secondary migration?
- *Refugee Drop-outs.* How many refugees drop-out of the initial core program? How do ORR programs deal with such drop-outs and/or attendance problems during the initial core program?
- *Follow-up Services.* What percentage of refugees return for employability services after the initial 6-8 month period?

## **TANF and Refugees**

- *Outcomes.* How do ORR's performance measure outcomes for refugees on TANF compare with other refugees not on TANF?
- *Diversion from TANF.* Have refugee programs diverted refugee families from TANF, and if so, to what extent?
- *TANF Participation.* How many refugee families that enter TANF programs return to this program at a later date? How many of these refugees go on to pursue higher education?
- *Barriers between Programs.* What are the barriers that prevent mainstream and refugee programs from being able to work together? What strategies will facilitate movement between these two types of programs? How can mainstream services benefit from the success of the refugee model? How can best practices be shared between these programs?
- *TANF and Refugee-Specific Services.* Is there a difference in employment and other outcomes between TANF families who receive refugee-specific services and those who do not?

## **Refugee Youth Employment**

- *ORR Funding on Youth Employment.* What percentage of the formula social services funding and Targeted Assistance Formula Grant dollars support youth employment/career development activities? What data are available or could be made available to answer this question?
- *Youth Career Development/Employment Best Practices.* Conduct case studies in selected states of refugee youth employment/career development programs to examine best practices pertaining to summer employment, after school programs, full time work, and career exploration. Include relevant programs sponsored by the Departments of Labor and Education.

## **IDA and Financial Literacy Programs**

- *IDA Outcomes.* What are the outcomes over time for refugees who have participated in ORR's IDA program in terms of their income, assets, use of banks, and quality of life? How do these outcomes compare with outcomes of participants in other IDA programs for low income clients or with refugees not participating in IDA programs? (ORR is currently conducting a longitudinal evaluation of client self-sufficiency and integration outcomes in their IDA program over a 2-4 year period after asset acquisition. A final report is expected in early 2009).
- *Outcomes of Financial Literacy Programs.* What is the impact of financial literacy programs (other than IDA programs) on refugees; for example, in terms of home ownership, car purchases, long term self-sufficiency?
- *Access to the Banking System.* If an IDA program is not accessible to refugees, how can they get easier access to banking systems in their communities so that they can obtain loans and purchase homes? How can these systems be more open and flexible in meeting their needs?

## **Microenterprise Development**

- *MED Outcomes.* Over time, what is the economic status of those refugees who have participated in the MED program? Of those who started businesses, how many of these businesses survived, expanded or strengthened? What lessons can be learned from their experiences?

## **Rural Agricultural Partnership Program**

- *RAPP Family and Community Outcomes.* What benefits has the RAPP had for participating families in terms of income, food supply, health and nutrition, community integration, and mental health? What benefits have participating communities received from refugees' participation in the RAPP program?

## **Ethnic Community Self-Help Organizations**

- *Ethnic Community Self-Help Organization Participation.* What are the impacts of participation in ethnic community self-help organizations on the refugee's resettlement and integration into the community, and how does this compare to refugees who do not participate in such organizations? Do those who participate in these organizations end up less integrated than those who are in more isolated situations and are forced to integrate with mainstream society?

## **APPLICABILITY OF THE REFUGEE MODEL TO MAINSTREAM PROGRAMS**

One of the purposes of this paper was to explore what lessons have been learned as a result of the refugee model of service delivery and then to consider whether any of these lessons can be applied in mainstream programs for low income individuals and families. Both refugee and mainstream assistance programs – such as Temporary Assistance for Needy Families (TANF), a program that provides cash assistance and work supports to needy families with dependent children – provide cash assistance and work supports for a time limited period with the goal of helping participants become self-sufficient. The primary goal of both programs is similar – employment, and like ORR, most states implementing the TANF program subscribe to a “Work First” philosophy – an approach that emphasizes job search to move recipients into jobs as quickly as possible.

There are many commonalities among adult participants in these two programs. Both refugees and low income individuals face challenges to self-sufficiency and have characteristics that make employment difficult. For example, GAO (2001) reported that 30-45 percent of TANF recipients lacked a high school diploma and 20-30 percent lacked job skills -- disadvantages similar to those of the refugee population. While 7-13 percent of TANF recipients (GAO, 2001) have limited English proficiency, refugees face similar challenges in the areas of language and culture.

Additionally, TANF recipients often have poor mental or physical health, learning disabilities, substance abuse problems, or exposure to domestic violence (GAO, 2001; OIG, 2002; Zedlewski et al, 2007). In addition to chronic diseases endemic to the U.S., refugees also experience challenges to their health and well-being of a different nature; for example, psychiatric disorders precipitated by trauma such as fleeing wars or experiencing torture and infectious and parasitic diseases endemic to their countries of origin (Palinkas et al, 2003). As a result of these various challenges, members of both groups typically start out as low wage workers and must work hard to advance.

A study conducted by the Wilder Research Center (2003) found similar challenges among the experiences of 191 American Indian, African American, Hmong, and Somali welfare recipients in Minnesota. Their findings indicated that not only immigrants, but also U.S. born participants with no prior work experience needed help in learning how to fill out a job application, what to expect at an interview, and how to present themselves in an interview. Many participants in the study reported that their job counselor had made no effort to find out whether they needed this kind of help, but just told them to get a job. The study recommended strengthening *individualized support* for recipients’ progress toward self-sufficiency. Specific recommendations included: hiring more diverse case workers; reducing caseloads for job counselors; providing job counselors with training on cross-cultural understanding, effective communication strategies for those with limited English, and skills for building rapport with those who are initially suspicious or hostile; and using positive encouragement and rewards for recipients instead of merely emphasizing punitive measures.

The relationship between the various challenges to work and employment is a complex one, determined by such factors as the severity, persistence and number of challenges, as well as an individual’s counterbalancing strengths, motivations and supports (Butler, 2002). While some who face various challenges are able to successfully enter the workforce, many need

considerable time and support in order to become work-ready, including services and work-preparation activities that address their specific needs (GAO, 2001).

While mainstream welfare-to-work programs are utilizing some of the approaches currently used in the refugee model, challenges remain; for example, in studying the TANF program, OIG (2002) found that at least 13 states reported that they do not have the capacity to serve all recipients with various challenges, and 41 states did not have specific strategies to assist those who face multiple challenges.

The OIG report (2002) recommended encouraging states to create and expand innovative programs to better serve recipients with challenges. In line with this recommendation, in FY 2007, the Administration for Children and Families initiated an evaluation entitled: *Innovative Strategies for Increasing Self-Sufficiency*. Its purpose is to identify and test using an experimental research design, a range of promising strategies to promote employment and self-sufficiency among low income families with children including those who are current or former recipients of TANF or at risk of receiving benefits (ACF, 2007).

A review of relevant literature and discussions with ORR staff and refugee providers yielded several key principles and practices that are characteristic of successful ORR programs. The principles and practices listed below appear to have applicability to the implementation of mainstream welfare-to-work programs:

- ***Program flexibility*** – There is sufficient flexibility to permit tailoring the program to fit individual, family and community needs. Financial and non-financial incentives are available to reinforce program goals. A program of basic services is supplemented with innovative opportunities such as individual development accounts or microenterprise development programs.
- ***Well-trained and diverse staff*** -- Staff from diverse backgrounds are hired who are committed to the success of clients and can serve as role models for them, and the program has an investment in staff training, supervision and support.
- ***Comprehensive services*** – In addition to cash assistance, programs offer and/or provide connections to a wide array of support, treatment, education, and labor market services, including those that are components of mainstream programs. Furthermore, the needs of the individual and his/her family are viewed holistically, and there is an interdisciplinary team approach to clients and their families.
- ***Case management*** – Case management services are individualized and goal-oriented. Case loads are manageable. Intensive case management is utilized for hard-to-employ individuals and groups.
- ***“Work First” philosophy*** – The primary mission and expectation of the program is early employment, although education and training may occur concurrently with employment. All components of the program (e.g., ESL, case management, employment services) send a clear message about the priority of this objective, and time limits for receipt of cash assistance reinforce the need for early employment. Clients are viewed as having the capacity to work rather than as victims, and there is an emphasis on work incentives



- ***Broad-based employment component*** – The employment component has multiple components including job development, matching of client and employer, post-placement support and conflict resolution, involvement of employers in training and advisory boards, recertification and career laddering approaches, and employment-specific training. Performance measures hold clients, agencies and staff accountable for employment outcomes.
- ***Coordination of services*** – Partnerships with various resettlement services exist at both at the client and system levels, including strong linkages with mainstream programs.
- ***Creative use of volunteers*** – Volunteers are utilized as an important adjunct to the program because they provide a variety of supports to clients and their families as well as to resettlement agency staff.

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## APPENDIX

Study respondents included ORR federal staff and technical assistance provider staff as well as refugee provider staff. These persons functioned in various roles as administrators, program managers, and line staff. Below is the Discussion Guide that was used for informal conversations with these individuals. The questions in this Guide were adapted during each conversation based on the organization, role or responsibilities of the respondent.

### **Discussion Guide for Administrators, Program Managers and Line Staff in ORR and Refugee Provider Organizations**

1. Briefly describe how refugee services are organized and administered in your program.
2. Describe your role in the program and what you think are your most important functions.
3. In your view, what are the most important programmatic, administrative or other factors that currently contribute to getting refugees employed in your program?
4. Are there particular program strategies or approaches that are useful or innovative in terms of helping refugees become economically self-sufficient?
5. What do you consider the most significant differences between your program and a traditional State-administered program (asked of Matching Grant and Wilson-Fish program staff).
6. Do you know approximately what percentage of your refugee clients are TANF families? Describe the process and services that are provided to these families. Do they receive refugee-specific services or are their services provided within the framework of the TANF program, similar to all services provided to low income TANF families? If they receive refugee-specific services, what relationship do these clients have with staff of the TANF agency?
7. Are there program practices or strategies used in the refugee model that would be applicable to providing services to low income individuals and families in mainstream programs (e.g., welfare-to-work, TANF)? If so, discuss these practices.
8. How are volunteers used in your program?
9. What is the average caseload for the refugee case manager and/or employment specialist in your program?
10. What are the greatest challenges that your program faces in helping refugees attain economic self-sufficiency?
11. What research questions pertaining to economic self-sufficiency would you like to see explored in the future?
12. Can you suggest a program-level person involved in the management and implementation of employment services for refugees in your state that I could contact in order to get a ground-level perspective on this topic (asked of State Coordinators in State-administered programs)?